

ZAVA Global Growth & Income Private Portfolio

September 30th, 2019 (3rd Quarter)



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Portfolio Performance

	6 months	1 Year	3 Years	5 Years	Since Inception
PORTFOLIO Performance	5.33%	8.37%	7.61%	7.85%	8.24%
BENCHMARK Comparison	3.57%	5.66%	7.98%	7.12%	7.47%

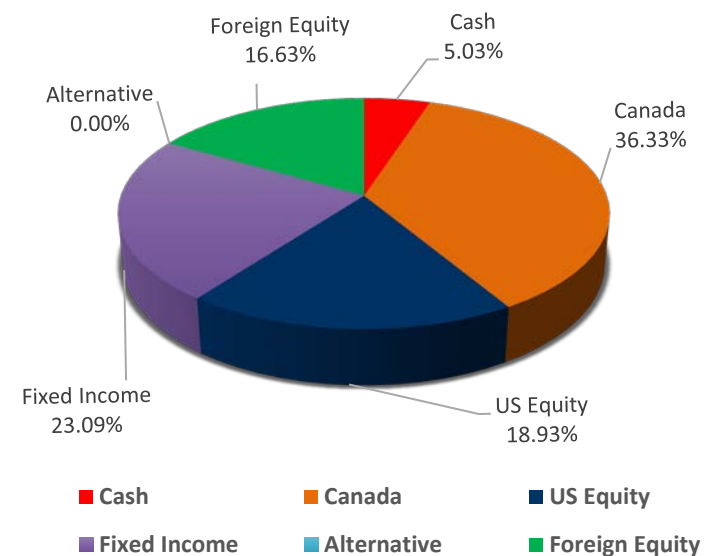
Value of Private Portfolio	
March 4, 2014 (Inception Date)	\$30,133
September 30, 2019	\$46,879

Fees: Returns presented are gross of fees.
 Benchmark: 5% 91 day T-Bill, 5% FTSE TMX Universal Bond, 50% S&P/TSX Total Return, 20% S&P 500 Total Return, 10% MSCI EAFE Total Return & 10% MSCI Emerging Market.
 Source: National Bank Financial Portfolio Management Database

Investment Philosophy

The ZAVA Global Growth & Income Private Portfolio employs a mostly passive investment style using Exchange Traded Funds (ETFs). ETFs are an excellent vehicle used to obtain broad diversified exposure to various geographies, sectors and styles. Additionally, some individual stock selections will be made in order to enhance opportunities for income, growth &/or value. The Portfolio will always have a minimum amount of exposure to Canada and the US and will typically also have exposure to International and Emerging markets for much of the time. The Portfolio can also hold a smaller allocation in alternative investments such as Real Estate Investment Trusts (REITS). Finally, in order to add a defensive element to the Portfolio when appropriate, up to 25% of the Portfolio can be moved to cash or less volatile fixed income investments at any time.

Private Portfolio Asset Allocation



Who is This Investment For?

- This Portfolio is suitable for investors who:
- are seeking diversified equity exposure to Canadian, US & International markets combined with a reasonable income stream
 - are willing to tolerate a moderate level of risk with a minimum time horizon of 2 - 5 years
 - prefer minimal involvement with the investment decision making process.

Portfolio at End of Q3

Issuer	Region	Weight
Brookfield Property Partners	Canadian	5.41%
BMO Ultra Short Term Bond ETF	Canadian	23.09%
Manulife Financial Corp.	Canadian	6.44%
Waste Connections Inc.	Canadian	4.69%
Brookfield Infrastructure Units	Canadian	7.01%
Colliers International Group	Canadian	4.68%
Bank of Nova Scotia	Canadian	3.86%
Nutrien Ltd	Canadian	4.23%
BMO Nasdaq 100 ETF	U.S.	3.45%
Pattern Energy Group	U.S.	5.65%
Becton Dickinson & Co.	U.S.	4.30%
Vanguard S&P Mid-Cap 400 ETF	U.S.	5.53%
Vanguard FTSE Developed Europe ETF	International	5.69%
iShares S&P Global Energy ETF	International	4.85%
iShares S&P Global Cons. Disc. ETF	International	6.10%
Cash	Cash	5.03%

Transactions Executed In The Quarter

Issuer	Action
BMO Ultra Short Term Bond ETF (ZST)	ADDED
Bank of Nova Scotia (BNS)	BOUGHT

Portfolio Manager's Comments

For the most part, global markets added to 2019 gains in Q3.

Canada (S&P/TSX) is now up +16.3% year to date (YTD), underperforming US markets (S&P 500) which have now added 18.7% YTD. Global markets (MSCI ACWI) gained 15.2% while Europe (MSCI Europe) and Emerging markets (MSCI EM) are now up 15.3% and 5.5% respectively YTD. The CDN dollar has gained 2.9% against the USD so far in 2019.

Q3 saw continued volatility as a result of uncertainty surrounding the U.S. - China trade situation as well as speculation on where the Federal Reserve was headed with interest rates.

Transactions in Q3 were minor in nature. We added to the BMO Nasdaq 100 ETF (ZQQ) position after a pullback in order to benefit from continued upward momentum in US tech stocks. Further, we sold our entire position in the Vanguard FTSE Canada All Cap ETF (VCN), a broad Canadian market proxy, and reinvested part of those proceeds to initiate a small position in the Bank of Nova Scotia (BNS) at a 5.1% annual yield.

Your Private Portfolio continues to carry over 20% in very short term fixed income using the BMO Ultra Short Term Bond ETF (ZST) as a cushion against potential downside from the current market highs.

The Private Portfolio significantly outperformed for the 1 year period with a return of +8.37% and continues to outperform our 6 month, 1 year, 5 year & "Since Inception" benchmark. An investment since inception (March 4, 2014) would now have provided you with an annualized return of 8.24% per year.

Please [click here](#) for our most recent edition of NBF's "Monthly Equity Monitor".

Issuer	Action
Vanguard FTSE Canada All Cap ETF (VCN)	SOLD
BMO Nasdaq 100 ETF (ZQQ)	ADDED

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