

ZAVA Canadian Equity Income Private Portfolio

September 30th, 2021 (3rd Quarter)



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Portfolio Performance

	3 months	6 months	9 months	1 year	Since Inception
PORTFOLIO Performance	6.04%	15.67%	23.40%	40.68%	15.17%
BENCHMARK Comparison	0.17%	8.73%	17.48%	28.02%	12.64%

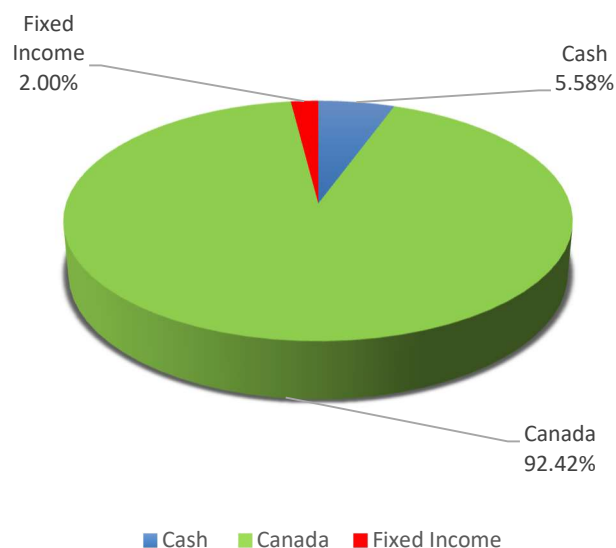
Value of Private Portfolio	
Feb 1, 2020 (Inception Date)	\$28,000
September 30, 2021	\$35,450

Fees: Returns presented are gross of fees.
 Benchmark: 5% 91 day T-Bill, 95% S&P/TSX Total Return
 Source: National Bank Financial Portfolio Management Database

Investment Philosophy

The ZAVA Canadian Equity Income Private Portfolio employs a combination of both a passive investment style using Exchange Traded Funds (ETFs), together with active stock selection. ETFs are an excellent vehicle used to obtain broad diversified exposure to various geographies, sectors and styles. Additionally, individual stock selections will be made to enhance opportunities for income, growth &/or value. The Portfolio will maintain 100% exposure to Canada with a strong focus on dividend income. 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 markets, with a focus on earning dividend income
- 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.

Your Private Portfolio at End of Q3

Issuer	Region	Weight
Brookfield Asset Management	Canadian	4.61%
Brookfield Infrastructure LPU	Canadian	4.03%
Bank of Nova Scotia	Canadian	5.30%
BCE Inc.	Canadian	3.59%
Birchcliff Energy	Canadian	4.56%
Capital Power Corp.	Canadian	4.84%
Fortis Inc.	Canadian	3.18%
Great West Lifeco Inc.	Canadian	5.89%
Innergex Renewable Energy	Canadian	3.68%
Nutrien Ltd.	Canadian	5.12%
Royal Bank of Canada	Canadian	7.14%
Telus Corp.	Canadian	3.78%
TC Energy Corp.	Canadian	3.45%
Thomson Reuters Corp.	Canadian	4.76%
Whitecap Resources Inc.	Canadian	4.13%
Summit Industrial Income REIT	Canadian	6.96%
BMO Canadian Dividend ETF	Canadian	17.39%
BMO Short Provincial Bond IndexETF	Canadian	2.00%
Cash	Cash	5.58%

Transactions Executed In The Quarter

Issuer	Action
Whitecap Resources Inc.	TRIMMED
Birchcliff Energy Ltd.	BUY

Portfolio Manager's Comments

Equity markets continued to power forward in Q3 hitting new highs once again. The rise in oil and gas prices continued in Q3 propelling the energy complex significantly higher.

Financials were the next best performing sector of the market and together they helped Canadian markets (S&P/TSX) tack on +4.8% in Q3 and +20.7% YTD. US markets (S&P 500) added +6.9% in Q3 and are up +22.6% YTD. Globally, China's "common prosperity" initiative led to a clamp down on a broad number of sectors. As a result, Emerging Markets (MSCI EM) lost considerable ground and are -0.2% YTD. World Markets (MSCI ACWI) have so far gained +17.0% YTD while Europe (MSCI Europe) is also up +17.0%YTD.

There are currently a number of issues that are likely to play out within the next 6 months, and each of them could directly impact equity markets. Specifically, Q3 saw World Central Banks, including the Federal Reserve and the ECB, signal that interest rates are likely to go higher starting in early 2022. Additionally, current "supply chain" disruptions have added a whole new level of uncertainty for manufacturers, retailers and consumers. And finally, there's still a sufficient amount of U.S. legislative dysfunction and COVID uncertainty for the foreseeable future to raise the possibility of material market volatility.

There were only a few small "fine tuning" transactions in the **Zava Canadian Equity Income Private Portfolio** in Q3. We trimmed 35% of our existing position in **Whitecap Resources Inc.** with a 144% gain and redeployed those proceeds to a gas focused stock, **Birchcliff Energy Ltd.** As well, we trimmed 20% of our **Summit Industrial Income REIT** position at a 167% gain and parked the proceeds in the **BMO Short Provincial Bond Index ETF (ZPS)**.

Your **Canadian Equity Income Private Portfolio** has outperformed its Benchmark for the 1 year period with a return of +40.68%. An investment since inception (February 1, 2020) would now have provided you with an **annualized return of 15.17% per year.**

Issuer	Action
Summit Industrial Income REIT	TRIMMED
BMO Short Provincial Bond ETF	BUY

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