

# ZAVA Global Growth & Income Private Portfolio

## September 30<sup>th</sup>, 2022 (3<sup>rd</sup> Quarter)



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### Portfolio Performance

	6 months	1 Year	3 Years	5 Years	Since Inception
<b>PORTFOLIO Performance</b>	-10.27%	-1.87%	5.37%	6.02%	7.23%
<b>BENCHMARK Comparison</b>	-12.79%	-9.21%	4.95%	5.74%	6.57%

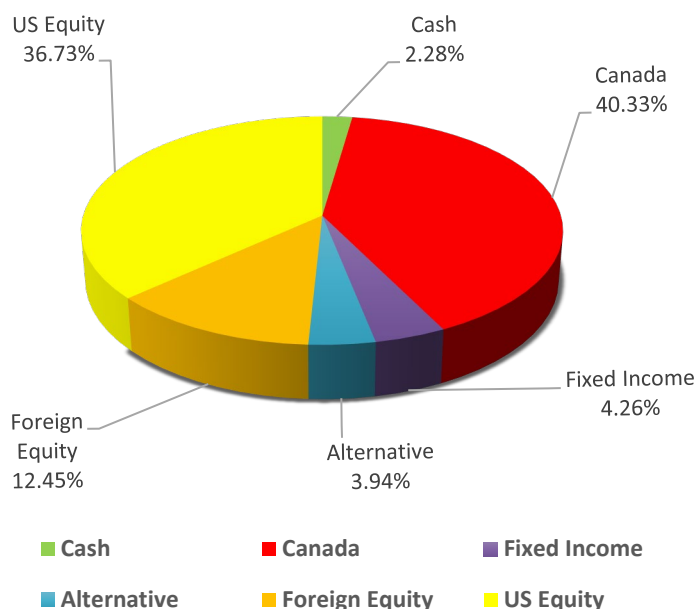
Value of Private Portfolio	
March 4, 2014 (Inception Date)	\$30,133
September 30, 2022	\$54,843

**Returns:** Returns for periods greater than 1 year are *Annualized*.  
**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.

## Your Private Portfolio at End of Q3

Issuer	Region	Weight
BMO Ultra Short Term Bond ETF	Canadian	4.26%
Waste Connections Inc.	Canadian	6.82%
Brookfield Infrastructure Units	Canadian	6.79%
BCE Inc.	Canadian	3.60%
Bank of Nova Scotia	Canadian	4.56%
Nutrien Ltd.	Canadian	9.68%
iShares S&P TSX Energy ETF	Canadian	8.89%
NVIDIA Corp CDR.	U.S.	2.60%
Stryker Corp	U.S.	4.06%
Apple Inc.	U.S.	7.61%
Ford Motor Co.	U.S.	2.92%
Goldman Sachs Group Inc.	U.S.	2.93%
Johnson & Johnson	U.S.	4.09%
JP Morgan Chase & Co.	U.S.	3.14%
Microsoft Corp.	U.S.	5.83%
Visa Inc.	U.S.	3.56%
BMO India Equity Index ETF	International	4.07%
Vanguard FTSE Developed Europe ETF	International	4.50%
Vanguard FTSE E/M All Cap	International	3.87%
iShares Global Water Index ETF	Alternative	3.94%
Cash	Cash	2.28%

## Transactions Executed In The Quarter

Issuer	Action
Stryker Corp.	BUY

## Portfolio Manager's Comments

The weakness in markets from Q2, continued to follow through well into Q3. The fight against inflation came into hyper-focus in Q3 as the Federal Reserve continued to raise its key lending rate 2 more times in Q3- each by 75 basis points. The FED hasn't raised rates this much in a single year since 1980. In addition to the inflation fight by global central banks, there remains the overhang of the Russia/ Ukraine war and China's COVID lockdowns.

All that remains now is to see if the FED will be successful in lowering the rate of inflation and whether the US economy tips into a resulting recession.

Again, Canadian markets fared better than U.S. markets in Q3. Specifically, the S&P/TSX fell **-1.4%** in Q3 making the Year-To-Date "YTD" return **-11.1%** at September 30. US markets (S&P 500) (in local currency) declined **-4.9%** for the quarter and were down **-23.9%** YTD. Europe (MSCI Europe) gave up **-4.6%** in Q3 and is **-19.1%** YTD while Emerging Markets (MSCI EM) declined **-8.0%** in Q3 and are **-14.1%** YTD. All in all, some very unpleasant YTD investment returns, with Canadian markets providing a small bright spot because of the strength of the energy sector.

There was only one switch transaction in the portfolio in Q3. We sold our entire and long-held position in **Becton Dickinson & Co. (BDX)** for a small gain. We remained in USD and the medical products space by initiating a position in **Stryker Corp. (SYK)**. **Stryker Corp.** is a global manufacturer and provider of medical devices and equipment with an almost \$100 Billion market capitalization.

Your **Global Growth & Income Private Portfolio** continues to outperform it's Benchmark for every reported period. An investment "Since Inception" (March 4, 2014) would now have provided you with an **annualized return of +7.23% per year**, outperforming the Benchmark for the same 8 year time period.

Issuer	Action
Becton Dickinson & Co.	SOLD

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