

ZAVA Canadian Equity Income Private Portfolio

March 31st, 2023 (1st Quarter)



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Portfolio Performance

	3 months	6 months	1 year	3 years	Since Inception
PORTFOLIO Performance	2.23%	4.93%	-4.89%	21.18%	10.61%
BENCHMARK Comparison	4.38%	10.36%	-4.77%	17.17%	7.72%

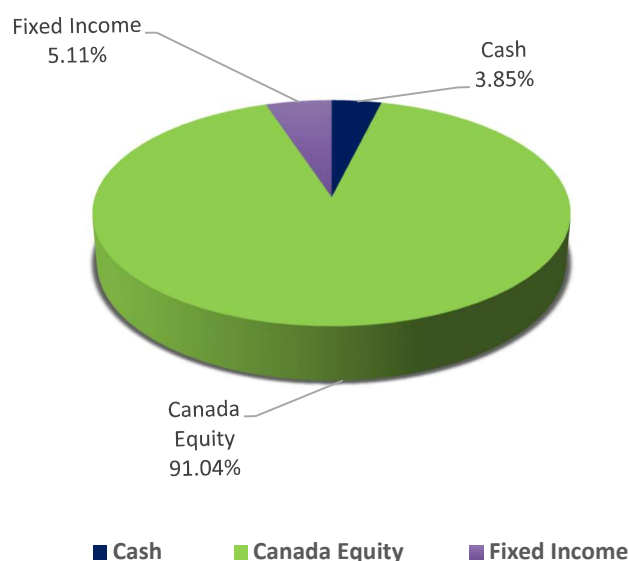
Value of Private Portfolio	
Feb 1, 2020 (Inception Date)	\$28,000
March 31, 2023	\$38,399

Returns: Returns for periods greater than 1 year are *Annualized*.
Fees: Returns presented are *gross of fees*.
Benchmark: 5% 91 day T-Bill, 95% S&P/TSX Total Return (Benchmark modified Oct. 2021)
 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 Q1

Issuer	Region	Weight
Brookfield Corp.	Canadian	4.14%
Brookfield Infrastructure LPU	Canadian	5.25%
Bank of Nova Scotia	Canadian	4.62%
BCE Inc.	Canadian	4.43%
Birchcliff Energy Ltd.	Canadian	4.40%
Capital Power Corp.	Canadian	4.79%
Fortis Inc.	Canadian	4.50%
Great West Lifeco Inc.	Canadian	5.43%
Nutrien Ltd.	Canadian	5.74%
Royal Bank of Canada	Canadian	6.75%
Telus Corp.	Canadian	3.65%
TC Energy Corp.	Canadian	3.57%
Thomson Reuters Corp.	Canadian	6.43%
Whitecap Resources Inc.	Canadian	5.73%
NEXUS Industrial REIT	Canadian	5.15%
BMO Canadian Dividend ETF	Canadian	16.44%
BMO Short Provincial Bond Index ETF	Fixed Income	5.11%
Cash	Cash	3.85%

Transactions Executed In The Quarter

Issuer	Action
BMO Short Provincial Bond Index ETF	ADDED
NEXUS Industrial REIT	BOUGHT
Summit Industrial REIT	SOLD
BCE Inc.	ADDED

Portfolio Manager's Comments

Global markets experienced solid gains in Q1 after ending 2022 decidedly negative. The US tech market, as represented by the [Nasdaq](#) recorded a strong **+16.7%** comeback in Q1 on the back of such names as **Amazon, Apple, Microsoft, Nvidia & Facebook**.

There were a number of events in Q1 that directly impacted markets and your Portfolio, including two US Fed rate hikes. The rate hikes were smaller than prior increases and provided the prospect of a FED pause sometime soon providing a push for growth stocks. Further, markets were spooked by the Silicon Valley Bank collapse and Credit Suisse 'failure', as well as a surprise OPEC+ production cut leading to a spike in the price of crude oil.

The [S&P/TSX](#) gained **+4.6%** in Q1 while U.S. markets ([S&P 500 & the Dow](#)) were up **+7.5%** and **+0.9%** respectively. Global markets such as Europe ([MSCI Europe](#)) rose **+8.0%** and Emerging Markets ([MSCI EM](#)) added **+3.4%**.

The most notable Q1 transaction in your Portfolio was the buyout of our entire position in **Summit Industrial REIT (SMU.UN)** by the **Singapore Sovereign Fund & Dream Industrial REIT**. The takeover provided an approximate 160% gain from the time that SMU.UN was first added to your Portfolio (plus dividends). The industrial REIT space is still attractive and we decided to replace **SMU.UN** with a new position in **NEXUS Industrial REIT**, another Canadian (Ontario) focused warehouse REIT. Additionally, we also added slightly to existing positions in each of **BMO Short Provincial Bond Index ETF (ZSP)**, **BCE Inc. (BCE)**, **Bank of Nova Scotia (BNS)**, **TC Energy Corp. (TRP)** & **Telus Corp (T)**.

Your **Canadian Equity Income Private Portfolio** continues to outperform for the 3 year period as well as "Since Inception". An investment "Since Inception" (February 1, 2020) would now have provided you with an **annualized return of +10.61%** per year, outperforming the Benchmark for the same time period.

Issuer	Action
Bank of Nova Scotia	ADDED
TC Energy Corp.	ADDED
Telus Corp.	ADDED

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