

Portfolio Manager Commentary

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It has been a tough start to the first half of 2022 with many Global stock indices falling into bear market territory by posting losses of more than 20%. Although we have witnessed similar declines on several occasions in the past, it is always unsettling to investors when markets fall sharply. It's natural to wonder how these large swings will impact our wealth objectives. Often, media outlets will embellish the news at the expense of our emotions because they know bad news sells. We urge you not to focus on headlines at the expense of your longer-term personal goals. These past few years have been an amazing time for investors so periods of volatility like these are normal after such a good run. It remains important to stay patient and understand that time is the best indicator of your potential success in the stock

market. **Our Basket Portfolio has again held up quite well in these turbulent markets.** While it's never pleasant to post negative returns, we are happy to report that our Basket is **down only 5.68% compared to our benchmark which is down 11.04%** for the first 6 months of this year. Patience and discipline are two of the most powerful investment concepts. We will remain vigilant and continue to monitor market developments. We take a disciplined, long-term view on asset allocation. In some short-term environments (such as now) it does appear that many asset classes are declining in unison. As this happens, we are continuing to monitor client accounts to see if any "tweaking" is warranted. Please keep in mind that we are not trying to "time" the market as that can be a near impossible task. However, we believe in being prudent with where and how we manage risk. As always, please contact us if you have any questions or concerns. We design portfolios in anticipation of volatility — not in reaction to it. Your portfolio is carefully constructed with knowledge of your goals, your risk tolerance and your time frame. If you anticipate any changes in your goals or needs over the next year that we are unaware of, please call to let us know. Hang in there, we'll get through this together and we will be a stronger on the other end. Enjoy the summer.

I have prepared this commentary to give you my thoughts on various investment alternatives and considerations which may be relevant to your portfolio. This commentary reflects my opinions alone, and may not reflect the views of National Bank Financial Group. In expressing these opinions, I bring my best judgment and professional experience from the perspective of someone who surveys a broad range of investments. Therefore, this report should be viewed as a reflection of my informed opinions rather than analyses produced by the Research Department of National Bank Financial.

Investment Objectives

To provide a diversified portfolio, predominantly of Canadian securities, that produces capital appreciation and moderate income. The portfolio performance will be proportionately measured against the TSX and US indices.

Fund Details

Inception Date:	Sept. 25, 2002
Inception Value:	\$12,980 Cdn
30 June 22 Value:	\$54,621 Cdn
Total Distributions:	\$14,811 Cdn
(Since Inception)	

Total Returns (gross of fees) 30 June 22

	<u>Basket</u>	<u>Benchmark</u>
3 mths:	-9.94%	-11.79%
1 year:	-1.35%	-2.72%
3 years:	9.49%	7.78%
5 years:	9.17%	8.13%
Since Inception:	9.71%	8.30%

Present Holdings - As at June 30, 2022

<u>Company</u>	<u>Sector</u>	<u>Weighting</u>	<u>ESG Score*</u>
iShares Healthcare (US)	Healthcare	8.90%	N/A
Tourmaline	Energy	8.36%	C+
Canadian Pacific Railway	Industrials	8.25%	A
Invesco QQQ (US)	Technology	7.95%	N/A
National Bank of Canada	Financials	7.75%	B+
Canadian Natural Resources	Energy	7.37%	B
Cenovus Energy	Energy	6.38%	B-
Teck Resources	Materials	6.21%	A-
Bank of Nova Scotia	Financials	5.59%	A-
Visa (US)	Technology	5.58%	B-
Trisura Group Ltd.	Financials	5.39%	C-
Canadian Tire Corp.	Consumer Discretionary	4.77%	B-
BCE Inc.	Telecom	4.18%	B+
Boeing (US)	Industrials	3.88%	A-
Kinaxis	Technology	3.57%	B+
Walt Disney Company (US)	Telecom	3.12%	B+
Innergex Renewable Energy	Utilities	2.73%	B
Total		100.00%	

Portfolio Allocation

by Sector As at June 30, 2022

Energy	22.2%
Financials	18.7%
Technology	17.1%
Industrials	12.1%
Healthcare	8.9%
Telecom	7.3%
Materials	6.2%
Consumer Discretionary	4.8%
Utilities	2.7%
Total	100.00%

Year Over Year Returns

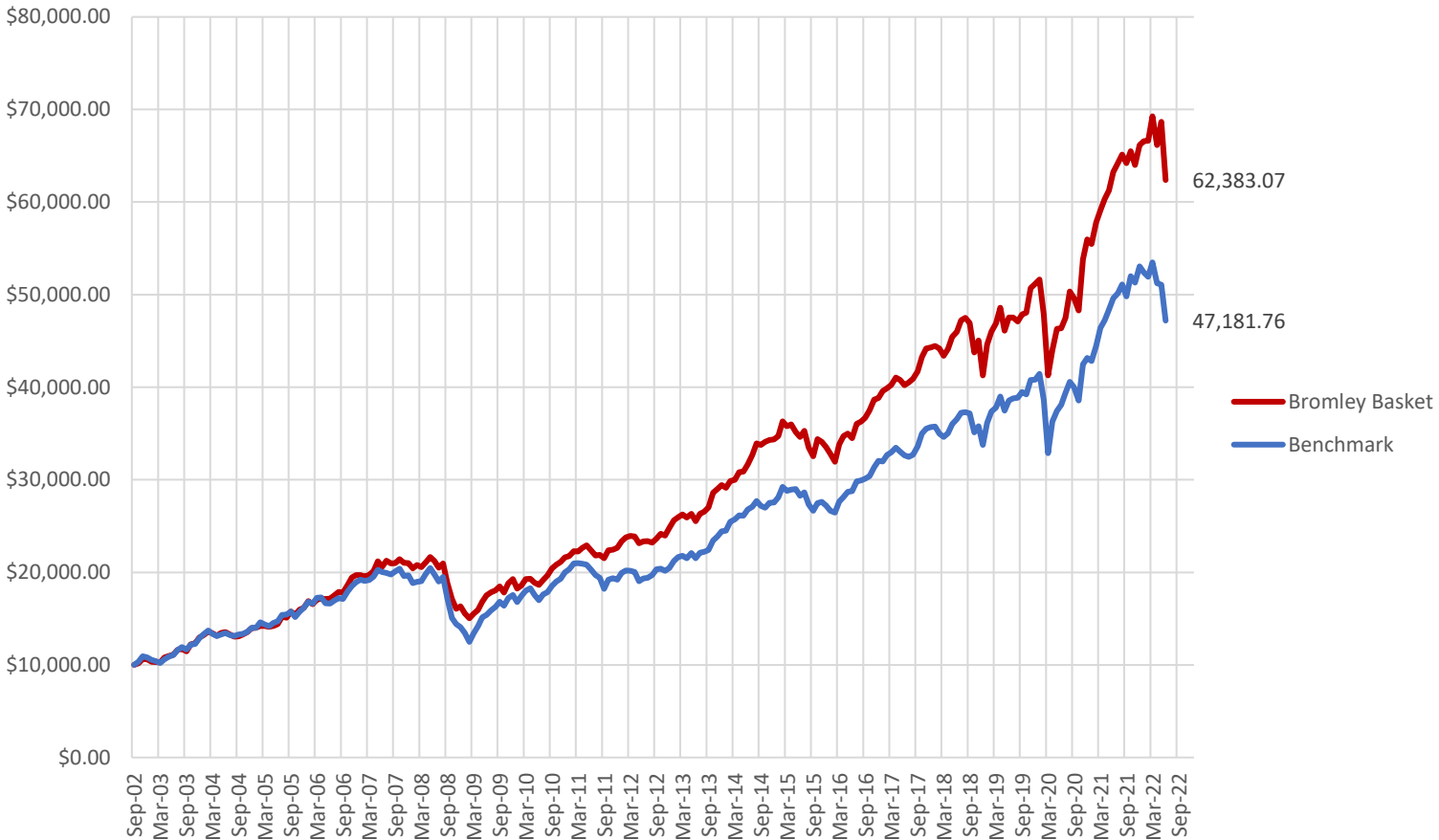
<u>Period</u>	<u>Return on Investment</u>
2002*	6.04%
2003	22.18%
2004	7.91%
2005	15.53%
2006	21.97%
2007	6.57%
2008	-22.26%
2009	18.04%
2010	12.31%
2011	4.69%
2012	9.52%
2013	18.59%
2014	16.82%
2015	-2.41%
2016	15.76%
2017	14.02%
2018	-6.74%
2019	23.95%
2020	9.36%
2021	18.21%
2022	

*ESG Scores are collected from Refinitiv via Thomson One

*From 25 Sep 02 to 31 Dec 02

Transaction Summary for the Quarter:

Bromley Basket Growth from \$10,000 Performance Comparison
Growth of \$10,000 in Bromley Basket vs Benchmark



Benchmark calculated as: {0.7 x (S&P/TSX Total Returns)} + {0.3 x (DJII Total Returns x US\$)}

Note: Effective September 30, 2006, we changed one of the components of the Benchmark to more closely represent the holdings in our Basket.

i.e. In the past, we were using the TSX300 Index to tabulate the Benchmark, but are now using the S&P/TSX Total Returns Index to calculate the Benchmark returns. For comparison purposes to our Benchmark, the returns are calculated gross of fees

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