

Market Volatility and Performance Insights

| Historical and Potential Returns | Income | Conserv | Balanced | Growth | Max G |
|---|--------|---------|----------|--------|--------|
| Potential Short-Term "Extreme Downside" Return | -14.1% | -15.6% | -16.5% | -17.7% | -18.6% |
| Historical Long-term Compound Average Annual Total Return | 4.7% | 5.2% | 5.5% | 5.9% | 6.2% |
| Potential Short-Term "Extreme Upside" Return | 18.0% | 20.8% | 22.0% | 23.6% | 31.0% |

The **average** gross annual long-term (multiple years) compound return for a typical well-diversified global Balanced portfolio was about +5.5%/yr. Yet, short-term (1-3 yrs) returns from such a portfolio **ranged** from about -16.5% to +22.0%. Short-term volatility presents important opportunities to improve our portfolio performance - but this takes conviction, tenacity, patience and discipline, and a strong willingness to buck short-term trends and go against crowd behavior when appropriate. Thankfully, we possess these qualities in abundance!

Profitability of recommendations since 2008

| | |
|-----------------------------------|-------|
| Total Number of Trades | 144 |
| Average # Trades / Year | 28 |
| Average Holding Period (Days) | 1846 |
| Average Holding Period (Years) | 5.1 |
| % Profitable Trades | 86.8% |
| Avg Gross Total Return Per Trade | 57.5% |
| Avg Annualized Gross TR Per Trade | 11.4% |



What, me worry?

These figures are unaudited and represent the performance of individual trades only. Past performance may not be repeated.

Esch C/D Net of Fees Performance to Feb 28, 2022

| Period | Performance per Period (%) |
|---------------------------------|----------------------------|
| | MWR - Net |
| 3 Months | 14.27 |
| 6 Months | 14.61 |
| 1 Year | 21.93 |
| 3 Years | 10.05 |
| 5 Years | 7.93 |
| 10 Years | 8.53 |
| Since Inception (1997/02/01) | 7.87 |

25 years

Esch C/D Net of Fees Calendar Year Performance

| Period | Performance per Period (%) |
|--------|----------------------------|
| | MWR - Net |
| 2022 | 13.52 |
| 2021 | 8.19 |
| 2020 | 1.70 |
| 2019 | 11.25 |
| 2018 | (4.32) |
| 2017 | 9.58 |
| 2016 | 18.70 |
| 2015 | 9.09 |
| 2014 | 13.04 |
| 2013 | (1.47) |

Our interests are aligned - we're in this together. I personally use the same investments that I recommend for you and your family.

And, I'm not afraid to show you the performance of my own family's financial portfolio over the years (left). I don't know of any other financial advisor who is willing to share their own information this freely.

(data: Croesus+ for Portfolio Managers).

Past performance may not be repeated.



Wealth Professional Awards 2016, 2017, 2018, 2019, 2020 Nominee/Finalist
David Esch, "Outstanding Global Financial Advisor of the Year"

| Asset Class | Minimum/Maximum | Benchmark | Recommended Weighting |
|-------------|-----------------|-----------|-----------------------|
|-------------|-----------------|-----------|-----------------------|

Income Portfolio

Investor Profile: You want to preserve your capital or establish a source of periodic income to finance ongoing expenses. You do not find the stock market very attractive because of its volatility, but you are not against the idea of investing a small part of your portfolio in stocks, mainly to counteract the effects of inflation. Your tolerance for risk is low.

| Asset Class | Minimum/Maximum | Benchmark | Recommended Weighting | Current Model |
|--|-----------------|-----------|-----------------------|---------------|
| Cash equivalents | 0% to 20% | 5.0% | 5.0% | 4.0% |
| Fixed income (duration: 6.75 years) ¹ | 60% to 100% | 70.0% | 67.5% | 68.5% |
| Canadian equities | | 8.0% | 9.0% | 9.0% |
| U.S. equities | 0% to 30% | 8.0% | 10.0% | 10.0% |
| Foreign equities | | 4.0% | 3.5% | 4.0% |
| Alternative investments ² | 0% to 20% | 5.0% | 5.0% | 4.5% |



Conservative Portfolio

Investor Profile: On the whole, you want your portfolio invested in fixed-income securities. Although you can tolerate limited volatility to ensure that your assets will grow, you prefer having a portfolio consisting mainly of fixed-income investments for reasons of stability. Your tolerance for risk is low.

| Asset Class | Minimum/Maximum | Benchmark | Recommended Weighting | Current Model |
|--|-----------------|-----------|-----------------------|---------------|
| Cash equivalents | 0% to 20% | 5.0% | 5.0% | 3.0% |
| Fixed income (duration: 6.75 years) ¹ | 45% to 80% | 55.0% | 53.0% | 55.0% |
| Canadian equities | | 14.0% | 15.0% | 15.0% |
| U.S. equities | 20% to 45% | 14.0% | 16.0% | 16.0% |
| Foreign equities | | 7.0% | 6.0% | 6.0% |
| Alternative investments ² | 0% to 20% | 5.0% | 5.0% | 5.0% |



Balanced Portfolio

Investor Profile: You give equal importance to achieving growth in your investments and receiving income. You can tolerate moderate changes in market value to ensure growth, but you prefer having a mix of fixed-income investments and equities for reasons of stability.

| Asset Class | Minimum/Maximum | Benchmark | Recommended Weighting | Current Model |
|--|-----------------|-----------|-----------------------|---------------|
| Cash equivalents | 0% to 20% | 5.0% | 5.0% | 3.0% |
| Fixed income (duration: 6.75 years) ¹ | 30% to 65% | 40.0% | 37.5% | 39.0% |
| Canadian equities | | 18.0% | 19.0% | 19.0% |
| U.S. equities | 30% to 65% | 18.0% | 20.5% | 21.0% |
| Foreign equities | | 9.0% | 8.0% | 8.0% |
| Alternative investments ² | 0% to 25% | 10.0% | 10.0% | 10.0% |



Growth Portfolio

Investor Profile: Your main goal is capital growth. Although you can tolerate greater volatility in order to increase the value of your assets, you are not prepared to invest your entire portfolio in stocks. Your tolerance for risk is high.

| Asset Class | Minimum/Maximum | Benchmark | Recommended Weighting | Current Model |
|--|-----------------|-----------|-----------------------|---------------|
| Cash equivalents | 0% to 25% | 5.0% | 5.0% | 3.0% |
| Fixed income (duration: 6.75 years) ¹ | 20% to 45% | 30.0% | 28.0% | 28.5% |
| Canadian equities | | 22.0% | 23.0% | 22.0% |
| U.S. equities | 40% to 75% | 22.0% | 24.0% | 24.0% |
| Foreign equities | | 11.0% | 10.0% | 10.5% |
| Alternative investments ² | 0% to 25% | 10.0% | 10.0% | 12.0% |



Maximum Growth Portfolio

Investor Profile: You want to maximize the eventual return on your capital by investing all or most of your portfolio in the stock market. In doing so, you accept higher volatility of your investment returns in the hope that these returns will ultimately be higher. Your tolerance for risk is high.

| Asset Class | Minimum/Maximum | Benchmark | Recommended Weighting | Current Model |
|--|-----------------|-----------|-----------------------|---------------|
| Cash equivalents | 0% to 30% | 5.0% | 5.0% | 4.0% |
| Fixed income (duration: 6.75 years) ¹ | 0% to 30% | 15.0% | 13.5% | 16.0% |
| Canadian equities | | 26.0% | 27.0% | 27.0% |
| U.S. equities | 55% to 100% | 26.0% | 28.0% | 28.5% |
| Foreign equities | | 13.0% | 11.5% | 11.5% |
| Alternative investments ² | 0% to 30% | 15.0% | 15.0% | 13.0% |



| INVESTMENT | RISK | YIELD | Income | Conservative | Balanced | Growth | Max Growth |
|--|------------|-------|---------------|---------------|---------------|---------------|---------------|
| Canadian Cash and Money Market | | | 4.0% | 3.0% | 3.0% | 3.0% | 4.0% |
| NBI Altamira Cash Perf F or CASH balance | ultra low | 0.40% | 4.0% | 3.0% | 3.0% | 3.0% | 4.0% |
| Total Canadian Cash and Money Market | | | 4.0% | 3.0% | 3.0% | 3.0% | 4.0% |
| Total Cash / Money Market | | | 4.0% | 3.0% | 3.0% | 3.0% | 4.0% |
| Canadian Fixed Income | | | | | | | |
| ISHARES 1-5 YR LADDERED GOV BD IDX ETF | very low | 1.94% | 19.0% | 19.0% | 14.0% | 10.0% | 6.0% |
| Total Canadian Fixed Income | | | 19.0% | 19.0% | 14.0% | 10.0% | 6.0% |
| International Fixed Income | | | | | | | |
| HORIZONS ACTIVE FLT RATE SENIOR LOAN ETF | low | 1.36% | 11.0% | 6.0% | 5.0% | 3.5% | 2.0% |
| INVESCO EMERGING MARKETS SOVEREIGN DEB | medium | 5.39% | 11.0% | 9.5% | 6.5% | 4.0% | 2.5% |
| ISHARES S&P/TSX NORTH AMERN PFD STK ETF | low | 4.62% | 7.5% | 5.5% | 4.5% | 4.0% | 2.5% |
| NBI Non-traditional Fixed Income Private Pool | low | 4.00% | 20.0% | 15.0% | 9.0% | 7.0% | 3.0% |
| Total International Fixed Income | | | 49.5% | 36.0% | 25.0% | 18.5% | 10.0% |
| Total Fixed Income | | | 68.5% | 55.0% | 39.0% | 28.5% | 16.0% |
| Canadian Equities | | | | | | | |
| HORIZONS INOVESTOR CANADIAN EQUITY INDEX | low / med | 1.56% | 9.0% | 15.0% | 19.0% | 22.0% | 27.0% |
| Total Canadian Equities | | | 9.0% | 15.0% | 19.0% | 22.0% | 27.0% |
| US Equities | | | | | | | |
| NBI US Hg Cv Eq Priv Pf F | medium | 1.86% | 5.0% | 9.0% | 11.0% | 13.0% | 13.0% |
| ISHARES MSCI USA MIN VOLATILITY FACTOR | medium | 1.40% | 3.0% | 4.0% | 6.0% | 7.0% | 9.0% |
| INVESCO QQQ TRUST, SERIES 1 | med / high | 0.52% | 2.0% | 3.0% | 4.0% | 4.0% | 6.5% |
| Total US Equities | | | 10.0% | 16.0% | 21.0% | 24.0% | 28.5% |
| International Equities | | | | | | | |
| NBI Int'l Hg Cv Eq Pv Pf F | medium | 1.83% | 4.0% | 6.0% | 8.0% | 10.5% | 11.5% |
| Total International Equities | | | 4.0% | 6.0% | 8.0% | 10.5% | 11.5% |
| Total Equities | | | 23.0% | 37.0% | 48.0% | 56.5% | 67.0% |
| Alternative Investments | | | | | | | |
| ISHARES GOLD BULLION ETF | high | 0.00% | 2.0% | 2.0% | 5.0% | 6.0% | 6.0% |
| Mac Dvsf Alt F | low / med | 4.54% | 2.5% | 3.0% | 5.0% | 6.0% | 7.0% |
| Total Alternative Investments | | | 4.5% | 5.0% | 10.0% | 12.0% | 13.0% |
| Total Alternative Investments | | | 4.5% | 5.0% | 10.0% | 12.0% | 13.0% |
| Total Portfolio | | | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Total Annual Interest and Dividend Yield | | | 2.7% | 2.4% | 2.2% | 1.8% | 1.6% |
| Compare => Average Cdn Investor Annual Interest and Dividend Yield | | | 1.9% | 1.7% | 1.6% | 1.3% | 1.1% |
| Portfolio Sensitivity to Equity Volatility (market beta = 100%) | | | 26% | 27% | 29% | 29% | 33% |
| Overall Portfolio Risk Score (1-10) | | | 1.4 | 1.9 | 2.8 | 3.5 | 3.7 |
| Compare => Average Canadian Investor Risk Score (1-10) | | | 2.2 | 2.7 | 3.9 | 4.9 | 5.2 |



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