

SMA COMMENTARY

Thoughts & Positioning

STRATEGY DETAILS

SMA	STRATEGY TYPE
CORE INCOME	NORTH AMERICAN EQUITY
U.S. DIVIDEND	U.S. EQUITY
DIVERSIFIED INCOME	NORTH AMERICAN EQUITY & FIXED INCOME
CANADIAN DIVIDEND	CANADIAN EQUITY
TACTICAL	ASSET ALLOCATION

Against this backdrop, dividend investing struggled. Interest rates continued to move higher in February, weighing on many rate-sensitive securities.

SMA MANAGER



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MARKET OVERVIEW

Market optimism appears alive and well so far in 2024, given a boost by the AI-driven earnings of Nvidia. Earnings season overall was pretty good in America, with sales and earnings growth picking up a bit. The economic data has been good as well, led by America still yet some improving global manufacturing signs as well. Not surprisingly, rate cut expectations continue to soften and for good reason, inflation ticked higher, and the Citigroup inflation surprise index has turned back up, hitting its highest level since early 2023. If the economy does pick up, inflation will not be far behind.

Outside the U.S., good and bad news. Canada has lagged and given we are in more of an earnings recession not too surprising.

And the economic data remains weaker in Canada. Internationally, wow. Europe is keeping up with U.S. equities while Japan has risen 19% so far this year.

This market does have some whispers of 2021. Crypto is flying, the Reddit crowd appears back to their more active speculating ways and the number of investors bullish vastly outnumber the bears.

Against this backdrop, dividend investing struggled. Interest rates continued to move higher in February, weighing on many rate-sensitive securities. Investors appear more eager to chase high-flying tech stocks than invest in quality dividend-paying companies.

## PORTFOLIO ACTIVITY

Trades executed during the period included the purchase of Cenovus, reflecting a tactical opportunity to increase our energy sector weight and add a new position at attractive valuation levels relative to peers. The company continues to pay down its debt and is nearing the inflection point where once it meets its debt targets will substantially increase shareholder payments via buybacks in dividends. Additionally, positions in Procter & Gamble, and TELUS were further increased. We also fully divested our position in Waste Management due to valuation concerns and a significant run-up in price. Those proceeds were used to initiate a new position in Starbucks. The renowned global coffee chain has struggled recently, and valuations are quite attractive relative to history as well as peers.

The current positioning in the Purpose Core Income SMA mandate reflects a cautious yet strategic approach to navigating what we view as frothy conditions permeating the market. With 8% of the portfolio allocated to cash, the portfolio maintains a prudent

stance which increases optionality should markets encounter a period of enhanced volatility.

Overweight in healthcare and telecom stocks underscore the mandates' emphasis on sectors perceived to offer stability and growth potential. While healthcare holdings have demonstrated resilience and performed very well, especially Merck. Telecom stocks have faced headwinds amidst rising interest rates. However, despite recent challenges, we remain optimistic about the long-term prospects of these sectors and are committed to maintaining our current allocations. The decision to increase exposure to Energy, particularly through the purchase of Cenovus, reflects a tactical opportunity identified within the sector. The elevated weight in energy holdings represents the highest allocation in some time, indicative of our confidence in the sector. Energy markets are inherently cyclical, they can quickly move from oversold to overbought.

Conversely, we remain underweight Canadian banks. While earnings for banks were

generally in line with expectations, concerns persist regarding loan loss provisions and the overall economic outlook. Despite a mixed earnings picture, we remain cautious about the Canadian banks.

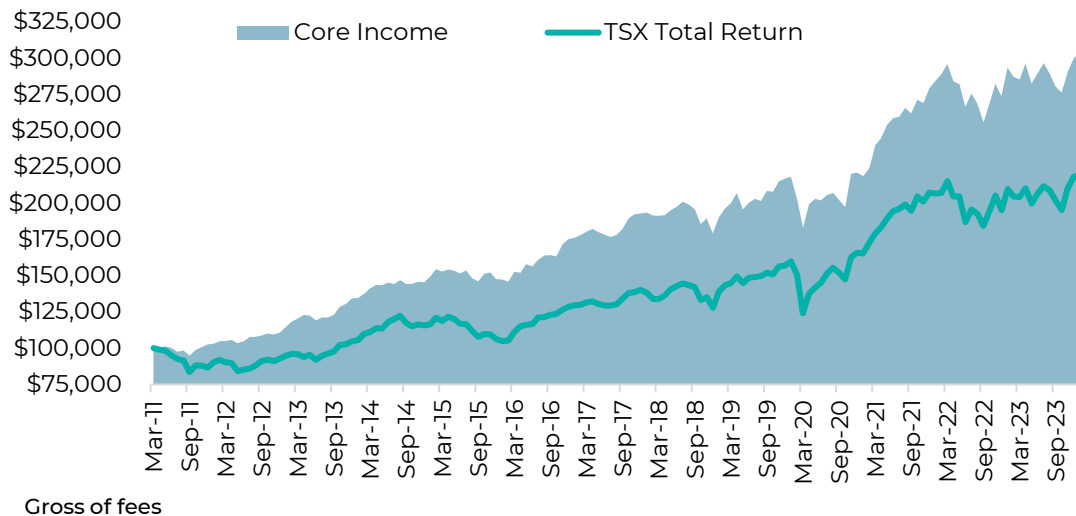
Looking ahead, our mandates remain poised to capitalize on emerging opportunities while navigating potential headwinds in the market. With a disciplined approach to dividend investing and a focus on fundamental value, our SMA mandates are well-positioned to deliver long-term value for investors in an evolving market landscape.

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**Looking ahead, our mandates remain poised to capitalize on emerging opportunities while navigating potential headwinds in the market.**

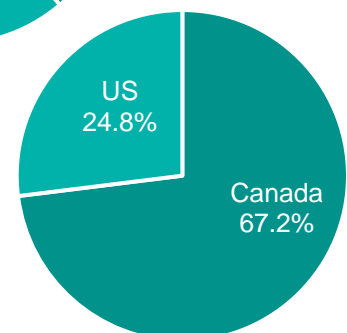
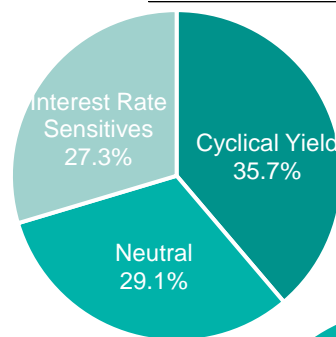


ALL PERFORMANCE DATA AS AT FEBRUARY 29, 2024

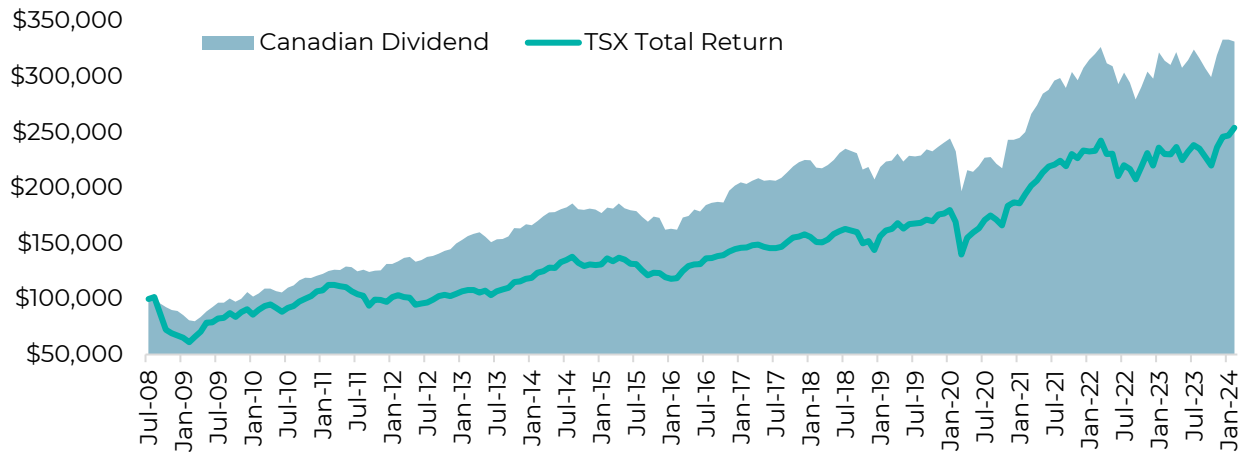


	1-month	3-months	6-months	1-year	YTD	3-year	5-year	7-year	10-year	Inception*
<b>Core Income</b>	0.9%	5.6%	6.1%	6.8%	2.3%	11.1%	9.3%	8.1%	8.4%	9.1%
<b>Benchmark</b>	1.8%	6.4%	7.0%	9.2%	2.4%	9.0%	9.3%	8.1%	7.4%	6.4%
<b>Relative</b>	-0.9%	-0.7%	-0.9%	-2.4%	-0.1%	2.1%	0.0%	0.0%	1.0%	2.6%

Name	Industry	Weight	Yield		Core Income	TSX	+/-
SUNCOR ENERGY	Energy	2.9%	4.6%	Health Care	13.7%	0.3%	13.4%
ARC RESOURCES LT	Energy	3.6%	2.9%	Cons Disc	8.6%	3.6%	5.0%
CENOVUS ENERGY	Energy	2.8%	2.3%	Comm Svs	6.8%	3.5%	3.3%
ENBRIDGE INC	Energy	1.3%	7.6%	Utilities	6.0%	3.8%	2.2%
TC ENERGY CORP	Energy	3.3%	7.1%	Cons Staples	5.4%	4.3%	1.1%
CAMECO CORP	Energy	2.3%		Real Estate	1.2%	2.3%	-1.1%
BARRICK GOLD CRP	Materials	3.2%	2.5%	Energy	16.1%	17.6%	-1.5%
LUNDIN MINING CO	Materials	2.0%	3.1%	Materials	7.9%	10.4%	-2.5%
NUTRIEN LTD	Materials	2.7%	4.1%	Info Tech	4.5%	8.8%	-4.3%
FINNING INTL INC	Industrials	2.9%	2.8%	Industrials	5.8%	14.4%	-8.6%
LOCKHEED MARTIN	Industrials	3.0%	2.9%	Financials	16.1%	30.9%	-14.8%
MICROSOFT CORP	Info Tech	4.5%	0.7%	Cash	7.9%		7.9%
BANK OF NOVA SCO	Financials	3.9%	6.3%				
ROYAL BANK OF CA	Financials	3.6%	4.1%				
BANK OF MONTREAL	Financials	4.2%	4.8%				
MANULIFE FIN	Financials	4.4%	5.0%				
MAGNA INTL	Cons Discretionary	3.0%	3.5%				
PET VALU HOLDING	Cons Discretionary	2.7%	1.4%				
STARBUCKS CORP	Cons Discretionary	2.8%	2.5%				
NORTHLAND POWER	Utilities	2.2%	5.1%				
EMERA INC	Utilities	3.9%	5.9%				
ALLIED PROP REIT	Real Estate	1.2%	10.3%				
CHARTWELL RETIRE	Health Care	2.6%	5.0%				
ROGERS COMMUNI-B	Telecom	3.3%	3.3%				
TELUS CORP	Telecom	3.5%	6.3%				
JAMIESON WELLNES	Cons Staples	2.0%	2.5%				
PROCTER & GAMBLE	Cons Staples	3.4%	2.3%				
ASTRAZENECA-ADR	Health Care	3.3%	3.0%				
MEDTRONIC PLC	Health Care	3.6%	3.2%				
MERCK & CO	Health Care	4.3%	2.5%				
PURPOSE HIGH INT		6.2%	4.7%				

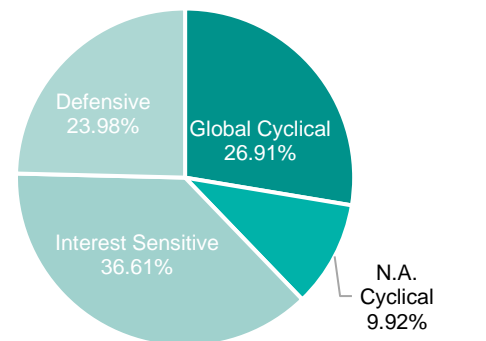


ALL PERFORMANCE DATA AS AT FEBRUARY 29, 2024

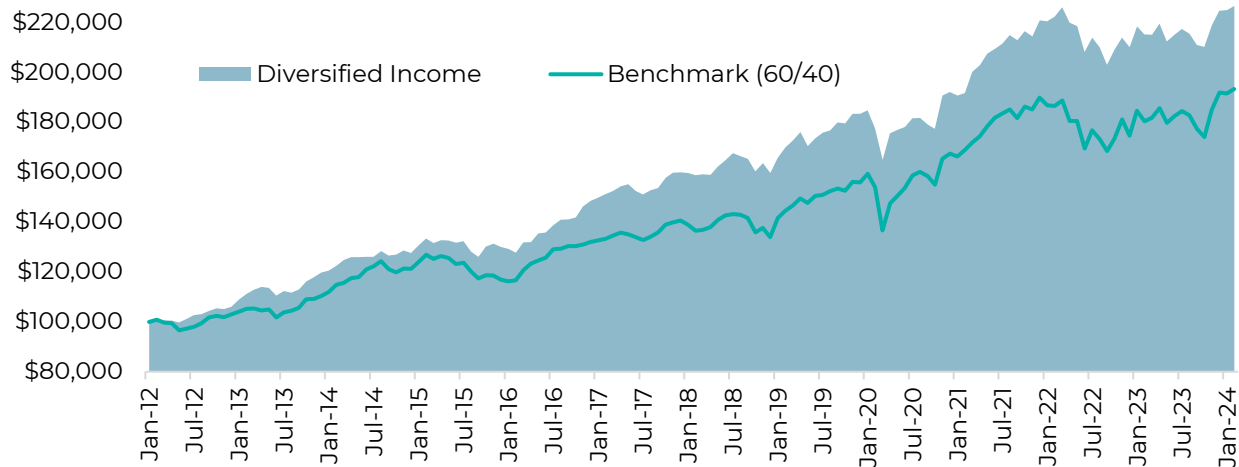


	1-month	3-months	6-months	1-year	YTD	3yr	5yr	10yr	Inception*
<b>CW Canadian Dividend</b>	-0.5%	3.9%	4.8%	5.5%	-0.5%	9.9%	8.2%	6.9%	8.0%
<b>S&amp;P/TSX Total Return</b>	1.8%	6.4%	7.0%	9.2%	2.4%	9.0%	9.3%	7.4%	6.1%
<b>+/-</b>	-2.4%	-2.5%	-2.2%	-3.7%	-2.9%	0.8%	-1.1%	-0.5%	1.9%

Name	Industry	Weight	Yield		Cdn Dividend	TSX	+/-
TC ENERGY CORP	Energy	3.4%	7.1%	Comm Svs	7.4%	3.5%	4.0%
ENBRIDGE INC	Energy	3.1%	7.6%	Health Care	3.1%	0.3%	2.8%
SUNCOR ENERGY INC	Energy	2.9%	4.6%	Utilities	6.4%	3.8%	2.6%
ARC RESOURCES LTD	Energy	4.6%	2.9%	Cons Disc	5.6%	3.6%	2.0%
CENOVUS ENERGY INC	Energy	2.9%	2.3%	Real Estate	4.0%	2.3%	1.7%
CAMECO CORP	Energy	2.2%	0.2%	Energy	19.1%	17.6%	1.5%
LUNDIN MINING CORP	Materials	1.9%	3.1%	Materials	10.4%	10.4%	-0.1%
WHEATON PRECIOUS METALS CORP	Materials	3.1%	1.4%	Cons Staples	2.4%	4.3%	-2.0%
BARRICK GOLD CORP	Materials	2.8%	2.5%	Info Tech	2.9%	8.8%	-5.9%
NUTRIEN LTD	Materials	2.6%	4.1%	Financials	23.8%	30.9%	-7.1%
FINNING INTERNATIONAL INC	Industrials	4.3%	2.8%	Industrials	7.0%	14.4%	-7.4%
CANADIAN NATL RAILWAY CO	Industrials	2.7%	1.9%	Cash	7.8%		7.8%
ENGHOUSE SYSTEMS LTD	Info Tech	2.9%	2.5%				
ROYAL BANK OF CANADA	Financials	5.0%	4.1%				
BANK OF NOVA SCOTIA	Financials	3.4%	6.3%				
BANK OF MONTREAL	Financials	5.2%	4.8%				
TORONTO-DOMINION BANK	Financials	3.5%	5.0%				
MANULIFE FINANCIAL CORP	Financials	4.1%	5.0%				
SUN LIFE FINANCIAL INC	Financials	2.6%	4.2%				
MAGNA INTERNATIONAL INC	Cons Disc	3.2%	3.5%				
PET VALU HOLDINGS LTD	Cons Disc	2.4%	1.4%				
CHARTWELL RETIREMENT RESIDEN	Health Care	3.1%	5.0%				
ALLIED PROPERTIES REAL ESTAT	Real Estate	1.2%	10.3%				
DREAM INDUSTRIAL REAL ESTATE	Real Estate	2.8%	5.5%				
ROGERS COMMUNICATIONS INC-B	Comm Svs	3.5%	3.3%				
TELUS CORP	Comm Svs	3.9%	6.3%				
NORTHLAND POWER INC	Utilities	2.3%	5.1%				
EMERA INC	Utilities	4.1%	5.9%				
JAMIESON WELLNESS INC	Cons Staples	2.4%	2.5%				
PURPOSE HIGH INTEREST SAVING	Cash	5.5%	4.7%				



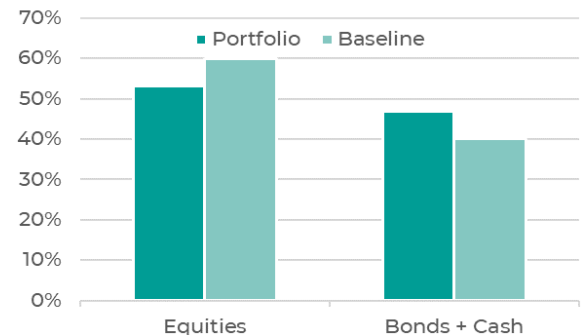
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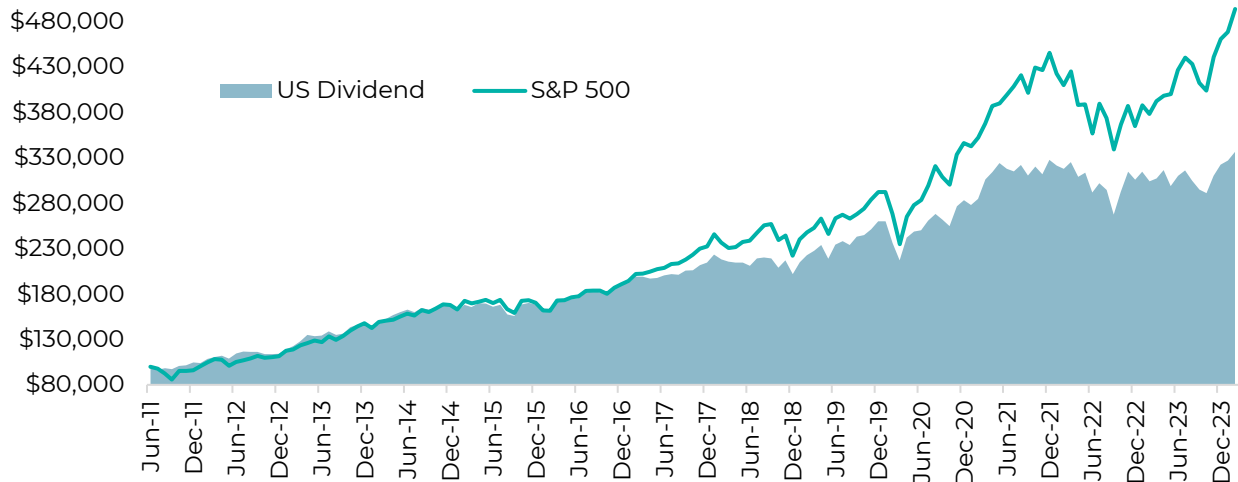
Source: Purpose Investments, gross of fees

	1-month	3-months	6-months	1-year	YTD	3-year	5-year	7-year	10-year	Inception
<b>Diversified Income</b>	0.8%	3.5%	5.2%	5.3%	0.9%	5.7%	5.9%	5.9%	6.3%	7.0%
<b>Benchmark (60/40)</b>	1.0%	4.5%	5.8%	7.2%	0.7%	4.6%	6.0%	5.4%	5.3%	5.6%
<b>+/-</b>	-0.2%	-1.0%	-0.6%	-1.9%	0.1%	1.1%	-0.1%	0.5%	1.0%	1.4%

Name	Industry	Weight	Yield		
TC ENERGY CORP	Energy	2.4%	7.1%	<b>Energy</b> <b>Materials</b> <b>Industrials</b> <b>Cons Disc</b> <b>Cons Staples</b> <b>Financials</b> <b>Health Care</b> <b>Info Tech</b> <b>Telecom</b> <b>Utilities</b> <b>Real Estate</b>	<b>Diversified Income</b> <hr/> 15.6% <hr/> 8.0% <hr/> 7.7% <hr/> 3.0% <hr/> 4.5% <hr/> 24.1% <hr/> 14.4% <hr/> 6.0% <hr/> 7.2% <hr/> 7.4% <hr/> 2.3%
SUNCOR ENERGY INC	Energy	3.0%	4.6%		
ARC RESOURCES LTD	Energy	2.9%	2.9%		
NUTRIEN LTD	Materials	2.0%	4.1%		
BARRICK GOLD CORP	Materials	2.2%	2.5%		
LOCKHEED MARTIN CORP	Industrials	2.3%	2.9%		
FINNING INTERNATIONAL INC	Industrials	1.8%	2.8%		
MICROSOFT CORP	Information Techno	3.2%	0.7%		
BANK OF NOVA SCOTIA	Financials	3.0%	6.3%		
ROYAL BANK OF CANADA	Financials	4.6%	4.1%		
TORONTO-DOMINION BANK	Financials	2.3%	5.0%		
MANULIFE FINANCIAL CORP	Financials	3.0%	5.0%		
MAGNA INTERNATIONAL INC	Cons Disc	1.6%	3.5%		
NORTHLAND POWER INC	Utilities	1.6%	5.1%		
EMERA INC	Utilities	2.4%	5.9%		
ROGERS COMMUNICATIONS INC-B	Communication Ser	1.8%	3.3%	<b>Equities</b> <b>Bonds + Cash</b>	<hr/>
TELUS CORP	Communication Ser	2.0%	6.3%		
PROCTER & GAMBLE CO/THE	Consumer Staples	2.4%	2.3%		
MEDTRONIC PLC	Health Care	2.0%	3.3%		
ASTRAZENECA PLC-SPONS ADR	Health Care	2.3%	3.0%		
ALLIED PROPERTIES REAL ESTAT	Real Estate	1.2%	10.3%		
CHARTWELL RETIREMENT RESIDEN	Health Care	3.4%	5.0%		
CANADA GOV	1% 1 Jun 2027	4.3%	3.55%		
ISHARES CORE CANADIAN SHORT	XSB	13.1%	2.90%		
BMO AGGREGATE BOND INDEX ETF	ZAG	11.9%	3.52%		
PURPOSE HIGH INTEREST SAVING	PSA	6.5%	4.67%		
BMO LADDERED PREFERRED SHARE	ZPR	3.1%	5.57%		
BC PROV 2.3%	18-Jun-26	4.8%	4.11%		



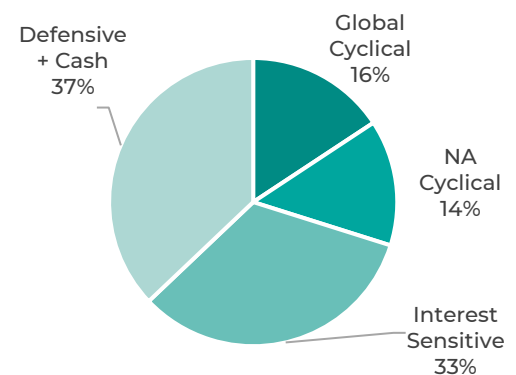
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	1-month	3-months	6-months	1-year	YTD	3-year	5-year	7-year	Incep
<b>US Dividend</b>	2.9%	8.5%	10.4%	10.7%	4.3%	5.7%	8.6%	7.8%	10.0%
<b>S&amp;P 500</b>	5.3%	12.0%	13.9%	30.5%	7.1%	11.9%	14.8%	13.6%	13.4%
<b>+/-</b>	-2.4%	-3.4%	-3.6%	-19.8%	-2.8%	-6.2%	-6.2%	-5.8%	-3.4%

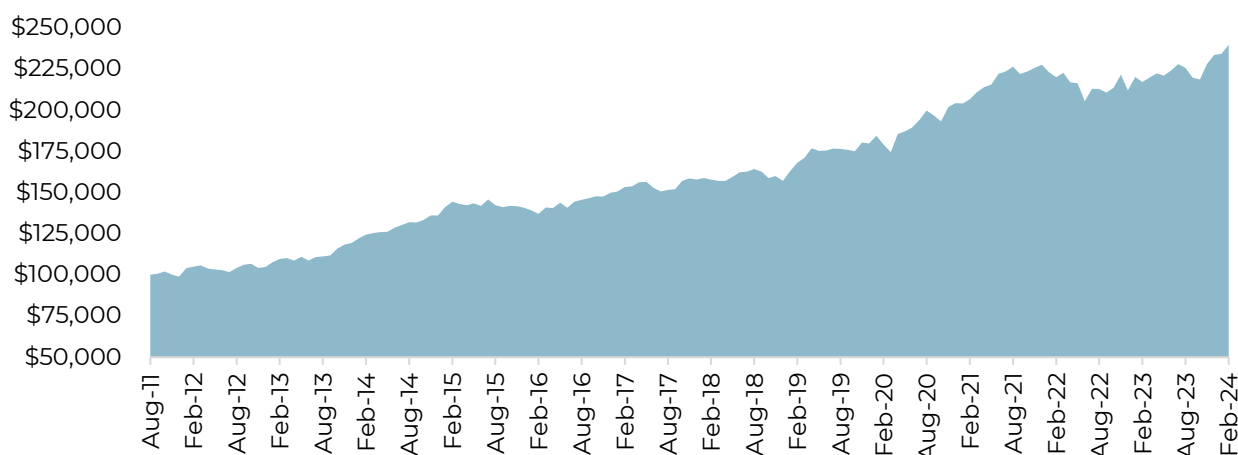
<b>Name</b>	<b>Sector</b>	<b>Weight</b>	<b>Yield</b>
CHEVRON CORP	Energy	4.0%	4.4%
DEVON ENERGY CORP	Energy	2.8%	3.8%
AVIENT CORP	Materials	3.4%	2.5%
NEWMONT CORP	Materials	2.4%	3.0%
CF INDUSTRIES HOLDINGS INC	Materials	3.2%	2.4%
JOHNSON CONTROLS INTERNATIONAL	Industrials	3.2%	2.4%
LOCKHEED MARTIN CORP	Industrials	2.6%	2.9%
INTL BUSINESS MACHINES CORP	Info Tech	2.7%	3.4%
ERICSSON (LM) TEL-SP ADR	Info Tech	1.3%	4.6%
MICROSOFT CORP	Info Tech	4.4%	0.7%
BLACKROCK INC	Financials	4.4%	2.5%
METLIFE INC	Financials	3.0%	2.9%
JPMORGAN CHASE & CO	Financials	2.7%	2.2%
GOLDMAN SACHS GROUP INC	Financials	5.7%	2.8%
CITIGROUP INC	Financials	2.9%	3.7%
AMERICAN TOWER CORP	Real Estate	3.2%	3.3%
MCDONALD'S CORP	Cons Disc	3.5%	2.3%
STARBUCKS CORP	Cons Disc	4.6%	2.5%
KIMBERLY-CLARK CORP	Cons Staples	3.0%	3.9%
PROCTER & GAMBLE CO/THE	Cons Staples	4.6%	2.3%
CONAGRA BRANDS INC	Cons Staples	2.7%	5.1%
ANHEUSER-BUSCH INBEV-SPN ADR	Cons Staples	3.4%	1.3%
ASTRAZENECA PLC-SPONS ADR	Health Care	3.4%	3.0%
MERCK & CO. INC.	Health Care	3.3%	2.5%
JOHNSON & JOHNSON	Health Care	2.8%	3.0%
MEDTRONIC PLC	Health Care	3.9%	3.3%
XCEL ENERGY INC	Utilities	3.0%	4.4%
VERIZON COMMUNICATIONS INC	Comm Services	3.4%	6.7%
HORIZONS USD CASH MAXIMIZER	Cash	4.1%	5.4%

	<b>US</b>		
	<b>Dividend</b>	<b>S&amp;P 500</b>	<b>+/-</b>
<b>Energy</b>	7%	4%	3.0%
<b>Materials</b>	9%	2%	6.6%
<b>Industrials</b>	6%	9%	-3.0%
<b>Info Tech</b>	8%	30%	-21.8%
<b>Financials</b>	19%	13%	5.9%
<b>Cons Disc</b>	8%	10%	-2.2%
<b>Cons Staples</b>	14%	6%	7.7%
<b>Comm Services</b>	3%	9%	-5.4%
<b>Utilities</b>	3%	2%	0.8%
<b>Health Care</b>	13%	13%	0.8%
<b>Real Estate</b>	3%	2%	0.9%
<b>Cash</b>	7%		6.6%



ALL PERFORMANCE DATA AS AT FEBRUARY 29, 2024

## Tactical - Since Launch on SMA



	1-month	3-months	6-months	1-year	YTD	3-year	5-year	Inception
<b>Tactical ETF</b>	2.4%	5.2%	6.3%	10.6%	2.7%	5.3%	7.6%	7.5%
<b>Benchmark</b>	1.9%	5.6%	7.2%	11.1%	2.2%	5.1%	6.9%	7.2%
<b>+/-</b>	0.5%	-0.4%	-0.9%	-0.5%	0.5%	0.2%	0.7%	0.3%

**Model Driven Positions**

HORIZONS S&P/TSX 60 INDEX ET  
 VANGUARD TOTAL STOCK MKT ETF  
 INVESCO QQQ TRUST SERIES 1  
 VANGUARD SHORT-TERM BOND ETF  
 VANGUARD CANADIAN ST BD ETF

**Focus**

Cdn Equity  
 US Equity  
 US Tech  
 US Short Bond  
 Cdn Short Bonc

**Weight**

55.1%  
 23.2%  
 10.3%  
 6.6%  
 2.8%



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All data sourced from Bloomberg unless otherwise noted.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments and the use of an asset allocation service. Please read the prospectus(es) of the mutual funds in which investments may be made under the asset allocation service before investing. The indicated rates of return are the historical annual compounded total returns assuming the investment strategy recommended by the asset allocation service is used and after deduction of the fees and charges in respect of the service. The returns are based on the historical annual compounded total returns of the participating funds including changes in share/unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder in respect of a participating fund that would have reduced returns. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated. Note that the Manager of these asset allocation services changed from Richardson Wealth LTD. to Purpose Investments Inc. in September 2021.

