

Monthly Update – As at February 28, 2022

# Diversiflex Plus

This portfolio takes a relative strength investment approach that seeks to provide above-average returns with significant downside protection.

Inception date:	October 1, 2012
Minimum investment:	\$50,000
Benchmark:	50% S&P/TSX Composite 50% MSCI World (CAD)
Investment time frame:	Medium term or longer

## INVESTMENT STRATEGY

- Employs a relative strength approach to capture growth opportunities in up markets while offering protection in down markets.
- Exposure to a wide range of asset classes that include Canadian, U.S. and international equities, individual equity sectors, fixed income, cash, commodities and currencies.
- Sophisticated daily analysis is used to drive the decision to rotate into or out of asset classes and their individual holdings, when warranted, in an effort to achieve stronger returns and capital protection.

## TRAILING PERIOD PERFORMANCE

(As at February 28, 2022)

	Diversiflex Plus Portfolio	Benchmark
1 month	0.4%	-1.2%
3 month	-2.7%	-0.8%
6 month	-1.1%	0.2%
9 month	4.9%	8.0%
YTD	-2.7%	-3.7%
1 year	8.0%	15.7%
2 year	11.7%	16.5%
3 year	11.0%	12.9%
4 year	7.8%	10.7%
5 year	9.0%	10.2%
Since inception (Oct. 2012)	10.8%	9.2%

## STANDARD DEVIATION\*\* (As at February 28, 2022)

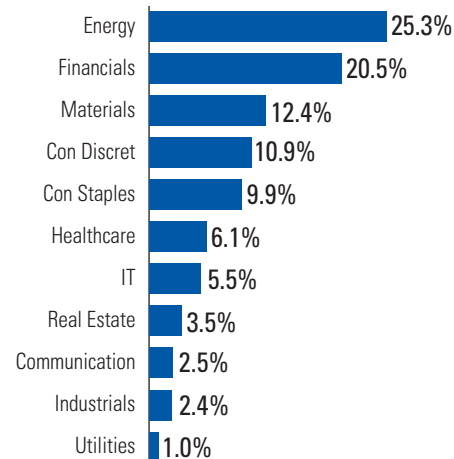
3 year	11.7%	14.1%
5 year	11.5%	12.3%
Since inception (Oct. 2012)	10.8%	10.2%

## CURRENT PORTFOLIO HOLDINGS HIGHLIGHT (As at February 28, 2022)

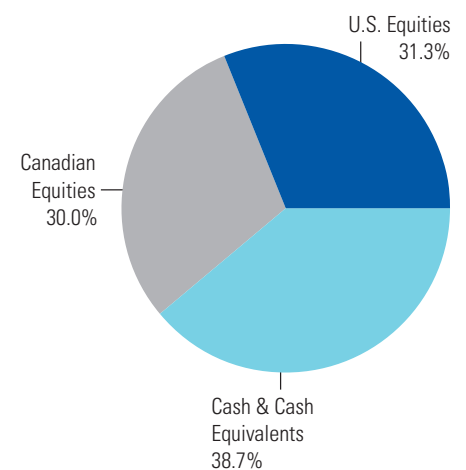
### Holdings highlight (Top positions)

BMO SIA Focused North American Equity Fund*
BMO Ultra Short-Term Bond ETF
BMO Ultra Short-Term US Bond ETF
BMO Equal Weight Oil & Gas ETF
iShares US Fundamental ETF
BMO S&P 500 Index ETF CAD Hedge ETF
BMO Equal Weight Bank ETF
iShares S&P/TSX Global Base Metals ETF
iShares U.S. Consumers Staples ETF

### Equity sector allocation (%)



### Asset allocation (%)



## COMMENTARY

### Portfolio Changes During February

- Bought: iShares US Fundamental ETF (CLU)
- Sold: BMO MSCI USA High Quality ETF (ZUQ)

### Changes to Asset Allocation and Sector Weights

- The highest weighted asset class is Cash & Cash Equivalents at 38.7%
- Energy is the highest weighted equity sector at 25.3%

### Contributors for Performance for the Month

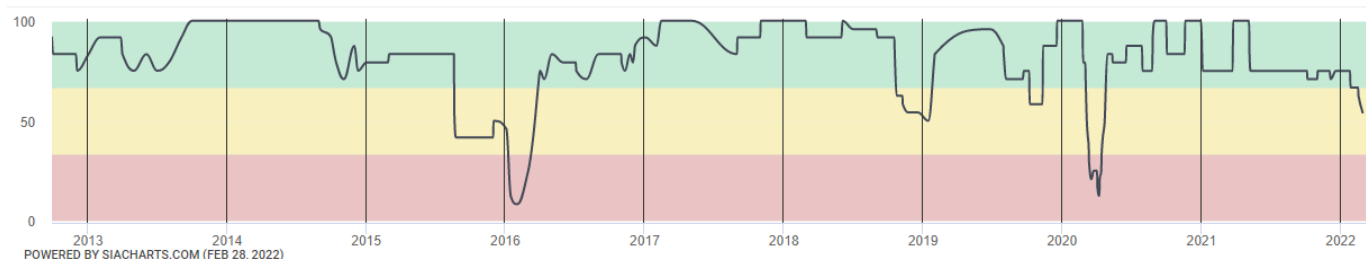
- The iShares S&P/TSX Global Base Metal ETF (XBM) was the best performer of February, gaining 15.84%
- The BMO Equal Weight Oil & Gas ETF (ZEO) also had a positive month, gaining 6.80%

### Detractors from Performance for the Month

- The BMO MSCI USA High Quality ETF (ZUQ) was the weakest performer in February with a -4.83% return.
- The BMO S&P 500 Index ETF CAD Hedged (ZUE) was the second weakest performer for the month, with a -2.82% return.

Geopolitical tensions between Russia and Ukraine roiled financial markets around the globe in February, pushing the S&P 500 and Dow Jones Industrial Average to their lowest levels so far this year. Mixed fourth quarter earnings from U.S. tech giants also weighed on markets, as investors attempted to discount how future rate moves on the part of the Federal Reserve could impact stock prices, although increasing geopolitical concerns only muddied the waters on that front. U.S. equities ended the month mixed and energy prices continued to soar after an escalation of sanctions against Russia. Gold prices jumped while Treasury yields slid as investors piled into safe-haven assets..

### SIA Equity Action Call



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\*The BMO SIA Focused North American Equity Fund utilizes SIA Wealth Management's relative-strength methodology and will target fifteen individual North American securities while equities are in favor; however, the fund could hold as little as zero equity positions when equities are unfavored. SIA Wealth Management, who acts as sub advisor for the Diversiflex portfolios also acts as sub advisor for the BMO SIA Focused North American Equity Fund.

\*\*Calculated using change in month end values for the trailing 3 and 5 year periods (annualized for 12 months per year).

Performance is calculated using month-end market values of the model portfolio. Since we use a model portfolio to calculate performance, there are no client-initiated cash flows (deposits/withdrawals) to account for. Performance is calculated by dividing the change in the model portfolio's market value by the model portfolio's market value at the beginning of the performance period. Also, any and all income generated by the portfolio's holdings are held within the model portfolio in cash and is accounted for in the portfolio's month-end market value – this results in a total return measure of the model's performance. Returns for periods less than 1 year are shown as periodic returns while returns for periods greater than 1 year are annualized. The Diversiflex Portfolios are managed and operated through iA Private Wealth Inc., a member of the Canadian Investor Protection Fund and the Investment Industry Regulatory Organization of Canada. iA Private Wealth is a trademark and business name under which iA Private Wealth Inc. operates.