



Monthly Update – As at September 30, 2022

Diversiflex Balanced

The exposure of this unconstrained tactical portfolio aims to provide capital appreciation opportunities via exposure to equities, currencies and commodities, or relative safety and stability via fixed income investments, depending on what the relative strength model of SIA Wealth Management, the manager, indicates.

Inception date:	January 1, 2014
Minimum investment:	\$50,000
Benchmark:	35% S&P/TSX Composite 35% FTSE Glb All Cap ex Cd (CAD) 30% FTSE TMX Canada Bond Universe
Risk Rating:	Medium
Investment time frame:	Medium term or longer

INVESTMENT STRATEGY

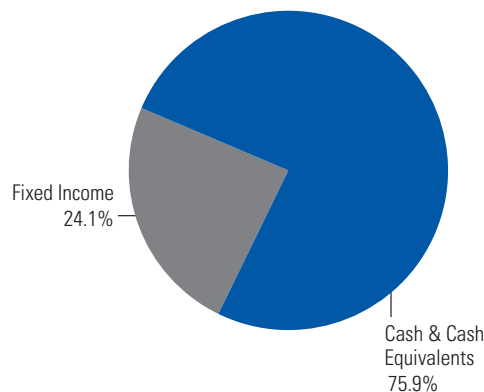
- Employs a relative strength approach to capture growth opportunities in up markets while offering protection in down markets. The portfolio maintains a fixed-income target of 30%.
- Exposure to a wide range of asset classes that include Canadian, U.S. and international equities, individual equity sectors, 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.

CURRENT PORTFOLIO HOLDINGS HIGHLIGHT (As at September 30, 2022)

Holdings highlight

BMO SIA Focused North American Equity Fund
BMO Ultra Short Term Bond ETF
BMO Ultra Short Term US Bond ETF
IA Clarington Core + Bond Fund
IA Clarington Bond Fund

Asset allocation (%)



TRAILING PERIOD PERFORMANCE

(As at September 30, 2022)

	Diversiflex Balanced Portfolio	Benchmark
1 month	-0.5%	-3.5%
3 month	0.6%	-0.6%
6 month	-2.9%	-11.5%
9 month	-5.4%	-14.2%
YTD	-5.4%	-14.2%
1 year	-1.9%	-10.2%
2 year	4.7%	2.0%
3 year	5.9%	3.3%
4 year	4.6%	4.1%
5 year	7.6%	4.7%
Since inception (Jan. 2014)	7.8%	6.0%

STANDARD DEVIATION** (As at September 30, 2022)

3 year	8.7%	12.1%
5 year	8.9%	10.3%
Since inception (Jan. 2014)	8.6%	8.6%

COMMENTARY

Portfolio Changes During September

- Sold: SPDR S&P Oil & Gas Exploration ETF (XOP), BMO Clean Energy Index ETF (ZCLN), BMO Equal Weight Utility ETF (ZUT), iShares U.S. Fundamental ETF (CLU.C), BMO Low Volatility U.S. Equity ETF (ZLU), iShares U.S. Consumer Staples ETF (IYK), BMO U.S. Dividend ETF CAD (ZDY), iShares Mortgage Real Estate Cap ETF (REM)

Changes to Asset Allocation and Sector Weights

- The highest weighted asset class is Cash & Cash Equivalents at 75.9%
- All equity positions are removed and replaced with ultra-short-term fixed income

Contributors for Performance for the Month

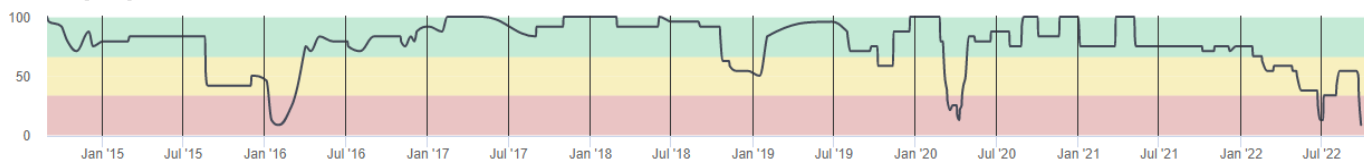
- The BMO Ultra Short Term US Bond ETF (ZUS.U) was the best performer of September, gaining 5.3%

Detractors from Performance for the Month

- The iShares Mortgage Real Estate Cap ETF (REM) was the weakest performer in September with a -10.5% return
- The BMO Clean Energy Index ETF (ZCLN) was the second weakest performer for the month, with a -4.5% return

September was another volatile month for equity markets as the S&P 500 and Nasdaq Composite benchmarks ended Q3 lower (in local currency terms), making the first time they posted losses for three consecutive quarters since the period around the 2008 Global Financial Crisis. The sell-off was spurred by growing concerns that central bank policymakers may trigger a recession as they raise interest rates to fight decades-high inflation. Investors are focusing on earnings for relief, but the coming earnings season very well could be fraught with slashed forecasts and worsening fundamentals tied to persistent inflation, rising interest rates, and slowing economic growth.

SIA Equity Action Call



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*The BMO SIA Focused North American Equity Fund utilizes SIA Wealth Managements 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.