

## Diversiflex Portfolios Plus

**Monthly Update**  
As at February 28, 2023

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	October 1, 2012
Minimum investment	\$50,000
Benchmark	50% S&P/TSX Composite 50% FTSE Glb All Cap ex Cd (CAD)
Investment objective	Income/Growth
Risk rating	Medium
Investment time frame	Medium 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.

### Portfolio Performance

	Portfolio	Benchmark
1 Month	0.4%	-1.6%
3 Month	-2.3%	0.2%
6 Month	-1.6%	6.9%
9 Month	-4.9%	2.5%
YTD	1.8%	4.7%
1 Year	-2.5%	-1.3%
2 Years	2.6%	5.8%
3 Years	6.8%	10.1%
4 Years	7.5%	8.8%
5 Years	5.7%	7.9%
Since Inception (Oct 2012)	9.4%	10.0%

### Standard Deviation\*

	Portfolio	Benchmark
3 Year	10.4%	15.7%
5 Year	11.0%	13.9%
Since Inception (Jan 2014)	10.5%	10.8%

## Commentary

### Portfolio Changes During February

- Bought: BMO Equal Weight Global Base Metals CAD Hedged ETF (ZMT)
- Sold: iShares Global Agriculture Index ETF (COW)

### Changes to Asset Allocation and Sector Weights

- The highest weighted asset class is US Equities at 80.4%
- Financials is the highest weighted equity sector at 24.8%

### Contributors from Performance for the Month

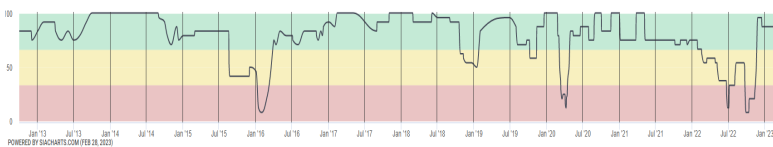
- The Global X U.S. Infrastructure Development ETF (PAVE) was the best performer of February, gaining 3.49%
- The BMO S&P US Mid Cap Index ETF (ZMID.TO) also had a positive month, gaining 1.83%

### Detractors from Performance for the Month

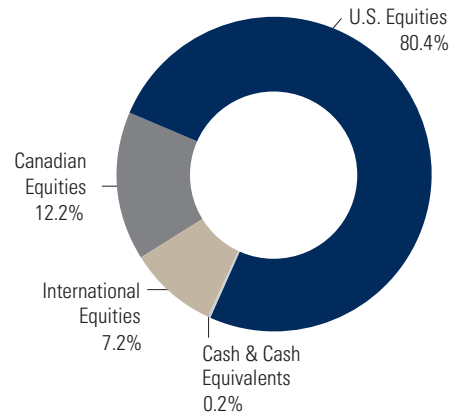
- The BMO Equal Weight Global Base Metals CAD Hedged ETF (ZMT) was the weakest performer in February with a -3.70% return.
- The Healthcare Select Sector SPDR Fund (XLV) was the second weakest performer for the month, with a -2.17% return.

Following strong gains in January, stocks closed lower in February. The market had priced in rate cuts in the second half of the year, but those expectations have largely vanished, with the market now assuming that the Federal Reserve will keep rates higher for longer. A hot jobs print and a slower decline in inflation contributed to the rise in rate expectations.

### SIA Equity Action Call



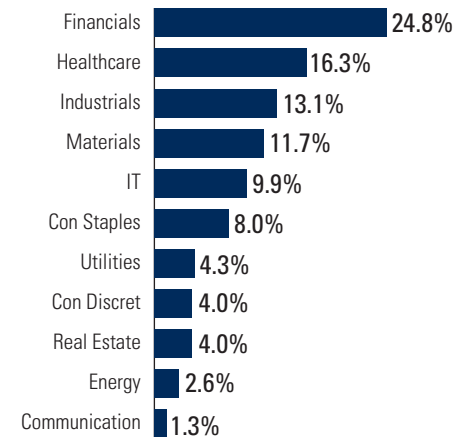
## Asset Allocation



## Holdings

BMO SIA Focused North American Equity Fund**	25.0%
BMO Low Volatility US Equity ETF	13.0%
BMO US Dividend ETF	13.0%
BMO S&P US Mid Cap Index ETF	13.0%
Healthcare Select Sector SPDR Fund	7.2%
Global X U.S. Infrastructure Development ETF	7.2%
iShares U.S. Broker-Dealers & Securities Exchanges ETF	7.2%
iShares U.S. Insurance ETF	7.2%
BMO Equal Weight Global Base Metals CAD Hedged ETF	7.2%

## Equity Sector Allocation



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

\*\*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.

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.

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