

Diversiflex Portfolios

Balanced

Monthly Update
As at March 31, 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	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
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. 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.

Portfolio Performance

	Portfolio	Benchmark
1 Month	-1.5%	1.3%
3 Month	-0.2%	4.9%
6 Month	-2.0%	10.2%
9 Month	-1.5%	9.5%
YTD	-0.2%	4.9%
1 Year	-4.9%	-2.4%
2 Years	0.4%	2.3%
3 Years	6.9%	10.4%
4 Years	4.2%	6.0%
5 Years	4.5%	6.1%
Since Inception (Jan 2014)	7.2%	6.8%

Standard Deviation*

	Portfolio	Benchmark
3 Year	7.3%	11.0%
5 Year	8.4%	10.9%
Since Inception (Jan 2014)	8.5%	8.8%

Commentary

Portfolio Changes During March

- Bought: iShares S&P/TSX Capped Information Technology Index ETF (XIT), Global X MLP ETF (MLPA), BMO Equal Weight Industrials Index ETF (ZIN.TO), BMO International Dividend Hedged to CAD ETF (ZDH.TO), iShares US Aerospace & Defense ETF (ITA)
- Sold: iShares U.S. Insurance ETF (IAK), iShares U.S. Broker-Dealers & Securities Exchanges ETF (IAI), BMO Equal Weight Global Base Metals CAD Hedged ETF (ZMT.TO), BMO Low Volatility US Equity ETF (ZLU.TO), Healthcare Select Sector SPDR Fund (XLV)

Changes to Asset Allocation and Sector Weights

- The highest weighted asset class is US Equities at 46.2%
- Industrials is the highest weighted equity sector at 28.0%

Contributors from Performance for the Month

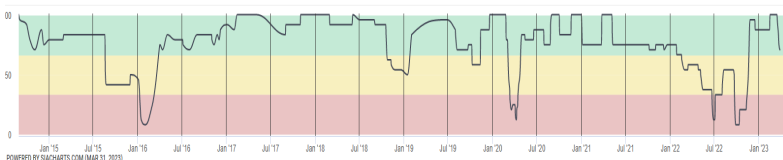
- The iShares S&P/TSX Capped Information Technology Index ETF (XIT) was the best performer of March, gaining 6.77%
- The Global X MLP ETF (MLPA) also had a positive month, gaining 1.48%

Detractors from Performance for the Month

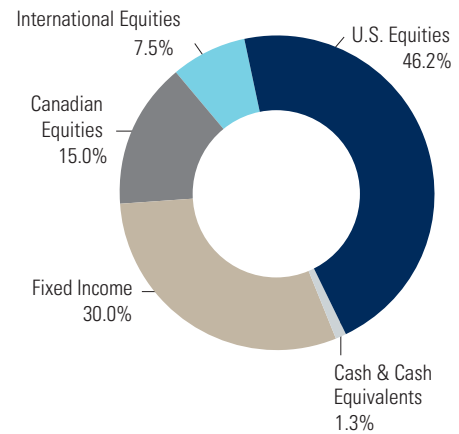
- The iShares U.S. Insurance ETF (IAK) was the weakest performer in March with a -12.35% return.
- The iShares U.S. Broker-Dealers & Securities Exchanges ETF (IAI) was the second weakest performer for the month, with a -10.10% return.

Stocks rose in March, wrapping up a volatile but profitable quarter that saw more rate hikes from central banks and a mini-banking crisis triggered by the failure of Silicon Valley Bank. The S&P/TSX Composite and the S&P 500 posted its second consecutive quarterly gain, while the tech-heavy Nasdaq had the best quarter since 2020. The market got a boost on the last day of March after the Fed’s preferred inflation gauge, Personal Consumption Expenditures, showed a cooler-than-expected increase in prices. Expectations that the Fed is nearing the end of its rate-hiking cycle contributed to a drop in US Treasury yields.

SIA Equity Action Call



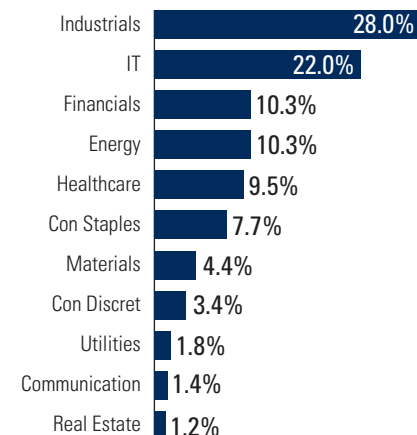
Asset Allocation



Holdings

BMO SIA Focused North American Equity Fund**	25.0%
IA Clarington Core + Bond Fund	15.00%
IA Clarington Bond Fund	15.00%
BMO International Dividend Hedged to CAD ETF	7.50%
BMO US Dividend ETF	7.50%
BMO S&P US Mid Cap Index ETF	7.50%
iShares US Aerospace & Defense ETF	4.30%
iShares S&P/TSX Capped Information Technology Index ETF	4.30%
BMO Equal Weight Industrials Index ETF	4.30%
Global X MLP ETF	4.30%
Global X US Infrastructure Development ETF	4.30%
Cash	1.00%

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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