



Balanced Mandate

CFG Model Portfolio

Reporting as of May 31, 2018

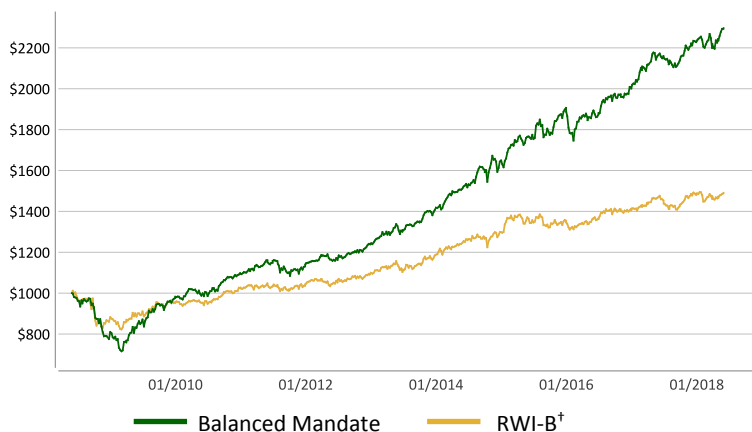
Portfolio Description

The **Balanced Mandate** is a two-pool portfolio seeking capital appreciation and cash flow striking a 50/50 balance between more stable, yield-bearing assets (such as Fixed Income, Preferred Shares, REITs, and Covered Call Strategies), via the Income Share Class, and higher-risk, growth-oriented asset classes (primarily Common Shares of publicly listed companies), via the Equity Share Class.

Investment Objective

The objective of the **Balanced Mandate** is to achieve better risk-adjusted returns than a passive, low-cost, diversified portfolio benchmark (The Real World Balanced Index). The **Balanced Mandate** aims to achieve this objective by holding in client accounts two Share Classes in target proportions of 50% Income Share Class and 50% Equity Share Class. Croft Financial Group will rebalance back to this target at least annually. In addition, rebalancing takes place within each Share Class on a more frequent basis to manage market risk, take advantage of market opportunity, and manage cash positions. For further information, including a more detailed description of the investment objectives and strategy for each of the component Share Classes, please review our Relationship Disclosure Document and/or Share Class Fact Sheets, both available at www.croftgroup.com.

Growth of \$1000



Key Statistics

	1 M	3 M	6 M	1 Y	3 Y*	5 Y*	SI*
Returns	2.39%	2.93%	3.37%	6.05%	9.13%	11.55%	8.67%
	1.30%	1.51%	0.38%	1.41%	2.82%	5.49%	4.07%
Sharpe Ratio	6.05	1.39	0.99	1.02	1.23	1.56	0.96
	4.40	0.81	-0.17	-0.01	0.36	0.79	0.47
Maximum Drawdown	-0.31%	-3.18%	-3.18%	-3.18%	-8.36%	-8.36%	-28.39%
	-0.31%	-1.80%	-3.10%	-4.56%	-5.38%	-5.38%	-18.67%

■ Balanced Mandate ■ RWI-B[†]

*Annualized returns
Inception date May 31, 2008

Portfolio

Symbol	Security	Weight
TCG534	Income Share Class	50%
TCG531	Equity Share Class	50%
Distribution		Monthly
Benchmark [†]		Real World Index – Balanced

Top 10 Holdings (effective)

Security	Weight
BMO LADDERED PREFERRED SHARE	3.56%
F 3.7 08/02/18 CORP	3.28%
ISHARES S&P/TSX CDN PFD	2.46%
BROADCOM LTD	2.44%
FACEBOOK INC	2.38%
VISA INC. CLASS A	2.37%
OPEN TEXT CORP	2.33%
CCL INDUSTRIES INC - CLASS B	2.31%
PREMIUM INCOME CORP -PFD-	2.17%
ALPHABET INC.-CL A	2.13%

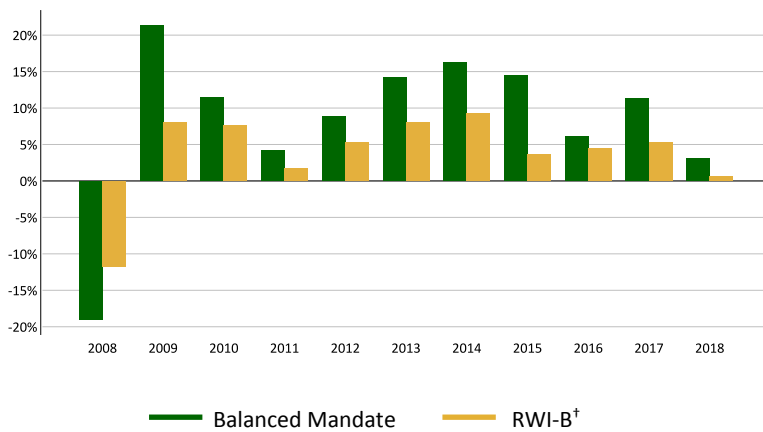
Annual Returns

Period	Balanced Mandate	RWI-B [†]
2018	3.03%	0.68%
2017	11.34%	5.28%
2016	6.04%	4.49%
2015	14.46%	3.68%
2014	16.29%	9.26%
2013	14.20%	8.08%
2012	8.84%	5.34%
2011	4.14%	1.66%
2010	11.50%	7.66%
2009	21.35%	8.07%

Standard Deviation

Period	Balanced Mandate	RWI-B [†]
Since Inception	8.10%	6.74%
3 years	6.40%	4.75%
5 years	6.58%	5.56%

Annual Returns



Disclaimer and Notes

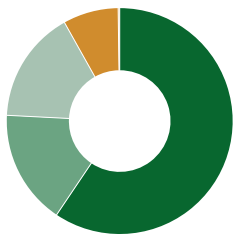
¹ Asset Allocation – CAD actual, marked to market as of close on the date quoted

² Sector Allocation – CAD notional, including option exposures with cash adjusted to total 100%

³Geographic Allocation – CAD notional, including option exposures with cash adjusted to total 100%

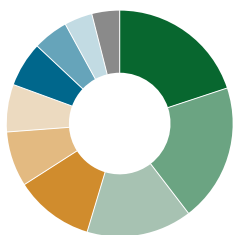
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Asset Allocation¹



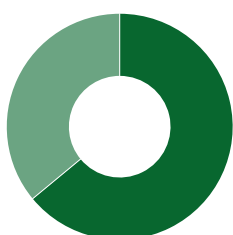
Equity	60.0%
Preferred	16.5%
Bonds & Debentures	16.2%
Cash	8.0%
Private Equity	0.2%
Option	-1.0%

Sector Allocation²



Financials	19.9%
Information Technology	19.7%
Industrials	15.1%
Consumer Discretionary	11.3%
Health Care	7.9%
Real Estate	6.8%
Consumer Staples	6.4%
Utilities	5.0%
Energy	4.0%
Materials	4.0%

Geographic Allocation³



Canada	64.0%
United States	36.0%