



Balanced Mandate

CFG Model Portfolio

Reporting as of June 29, 2018

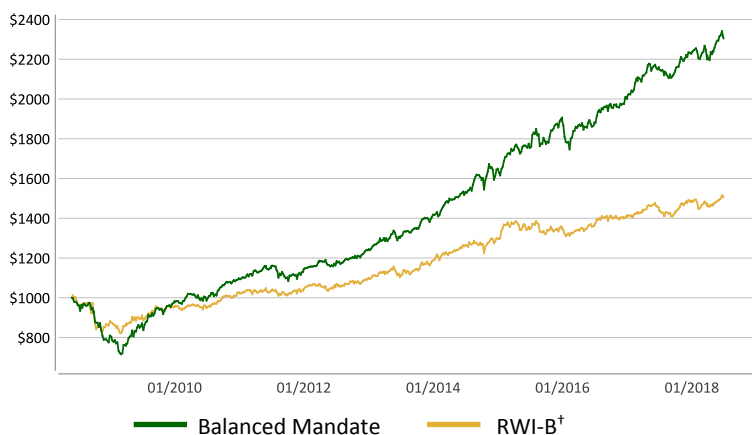
Portfolio Description

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	0.37%	3.87%	3.41%	7.11%	9.53%	11.99%	8.64%
	1.05%	2.23%	1.74%	4.74%	3.83%	6.19%	4.15%
Sharpe Ratio	0.61	2.30	0.96	1.16	1.28	1.63	0.95
	2.46	1.61	0.29	0.60	0.54	0.91	0.48
Maximum Drawdown	-1.56%	-1.56%	-3.18%	-3.18%	-8.36%	-8.36%	-28.39%
	-0.55%	-1.07%	-3.10%	-3.10%	-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
F 3.7 08/02/18 CORP	4.56%
BMO LADDERED PREFERRED SHARE	3.54%
ISHARES S&P/TSX CDN PFD	2.77%
DOLCN 3.095 11/05/18	2.35%
RY 2.77 12/11/18	2.35%
XCN 3.253 10/03/18	2.35%
CCL INDUSTRIES INC - CLASS B	2.32%
NFI GROUP INC.	2.29%
CVS HEALTH CORP	2.26%
VISA INC. CLASS A	2.25%

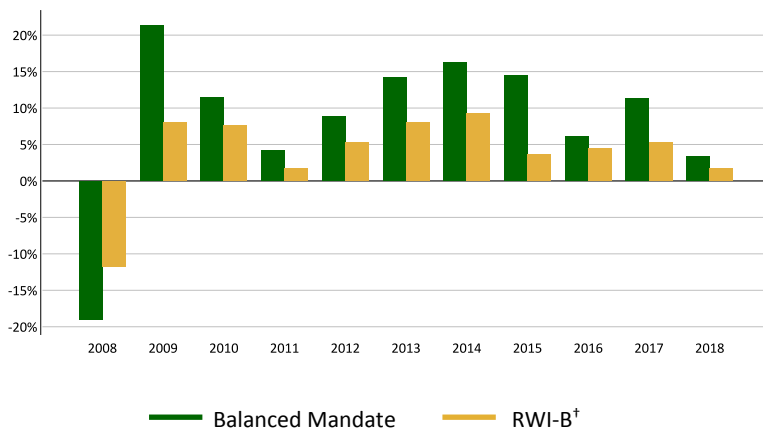
Annual Returns

Period	Balanced Mandate	RWI-B [†]
2018	3.41%	1.74%
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	8.09%	6.72%
3 years	6.41%	4.65%
5 years	6.53%	5.47%

Annual Returns



Disclaimer and Notes

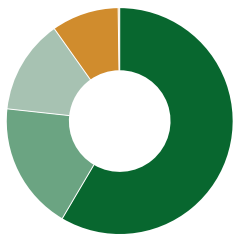
¹ Asset Allocation – CAD actual, marked to market as of close on the date quoted

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%

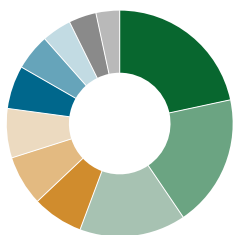
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Asset Allocation¹



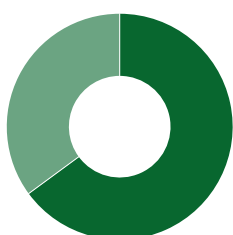
Equity	59.4%
Bonds & Debentures	18.5%
Preferred	13.7%
Cash	9.7%
Private Equity	0.2%
Option	-1.5%

Sector Allocation²



Information Technology	21.6%
Financials	18.9%
Industrials	15.2%
Health Care	7.3%
Real Estate	7.1%
Consumer Staples	7.0%
Consumer Discretionary	6.2%
Utilities	5.2%
Energy	4.2%
Materials	3.9%
Consumer Discretionary	3.4%

Geographic Allocation³



Canada	64.9%
United States	35.1%