



## Balanced Mandate

CFG Model Portfolio

Reporting as of March 29, 2019

### 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](http://www.croftgroup.com).

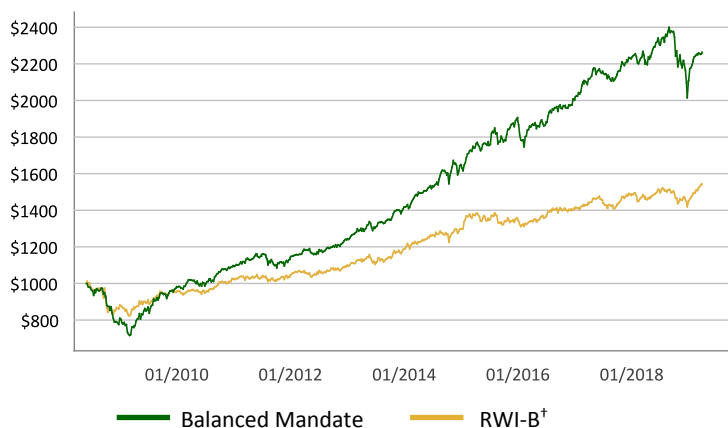
### Portfolio

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
REIUCN 3.85 06/28/19	5.29%
HYDONE 1.62 04/30/20	3.02%
SJRCN 5.65 10/01/19	2.74%
ATDBCN 3.319 11/01/19	2.71%
WFC 2.944 07/25/19	2.71%
RY 2.98 05/07/19	2.70%
TD 2.447 04/02/19	2.70%
CANADA GOOSE HOLDINGS INC	2.30%
PPLCN 3.06 06/13/19	2.21%
ISHARES S&P/TSX CDN PFD	2.12%

### Growth of \$1000



### Key Statistics

	1 M	3 M	6 M	1 Y	3 Y*	5 Y*	SI*
Returns	0.64%	7.61%	-4.36%	2.03%	6.66%	8.78%	7.84%
	2.13%	6.41%	2.65%	4.53%	4.76%	4.68%	4.07%
Sharpe Ratio	2.43	4.57	-0.66	-0.02	0.60	0.87	0.76
	7.28	6.73	0.37	0.35	0.60	0.60	0.46
Maximum Drawdown	-0.31%	-0.31%	-14.88%	-16.02%	-16.02%	-16.02%	-28.39%
	-0.24%	-0.30%	-5.44%	-6.78%	-6.78%	-6.78%	-18.67%

■ Balanced Mandate ■ RWI-B<sup>†</sup>

### Annual Returns

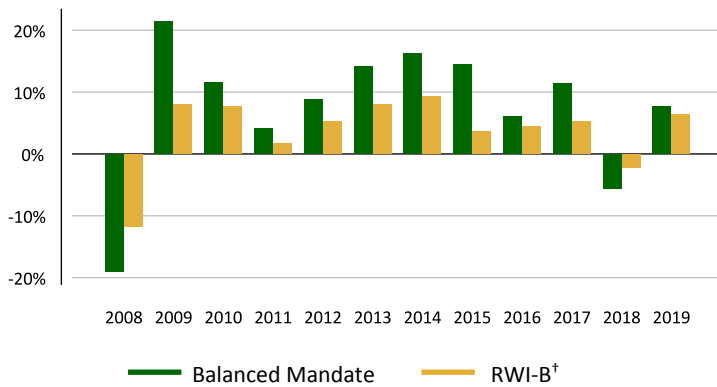
Period	Balanced Mandate	RWI-B <sup>†</sup>
2019	7.61%	6.41%
2018	-5.60%	-2.24%
2017	11.34%	5.28%
2016	6.04%	4.49%
2015	14.46%	3.68%
2014	16.29%	9.26%
2013	14.20%	8.08%
2012	8.84%	5.34%
2011	4.14%	1.66%
2010	11.50%	7.66%

### Standard Deviation

Period	Balanced Mandate	RWI-B <sup>†</sup>
Since Inception	8.38%	6.65%
3 years	7.19%	4.62%
5 years	7.73%	5.43%

\*Annualized returns  
Inception date May 31, 2008

## Annual Returns



## Disclaimer and Notes

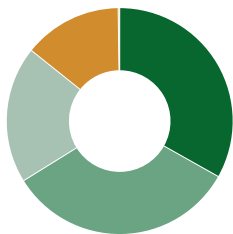
<sup>1</sup> Asset Allocation – CAD actual, marked to market as of close on the date quoted

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

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

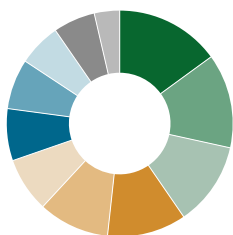
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## Asset Allocation<sup>1</sup>



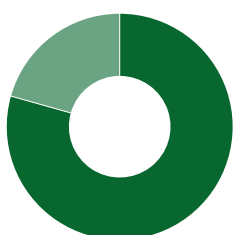
Bonds & Debentures	33.3%
Equity	33.2%
Cash	19.7%
Preferred	14.1%
Private Equity	0.2%
Option	-0.5%

## Sector Allocation<sup>2</sup>



Health Care	15.0%
Financials	13.5%
Communication Services	12.0%
Industrials	11.3%
Consumer Discretionary	10.2%
Utilities	7.8%
Consumer Staples	7.4%
Materials	7.2%
Real Estate	6.1%
Information Technology	6.0%
Energy	3.6%

## Geographic Allocation<sup>3</sup>



Canada	79.4%
United States	20.6%