

# All-Star Managers Global Select – Balanced Income

CFG Model Portfolio

October 30, 2020

## Portfolio Description

The All-Star Managers Global Select Portfolios are a series of diversified fund portfolios tied to the individual risk tolerances and return needs of investors. The portfolios employ a multi-manager approach, providing access to a wide variety of investment styles and methodologies, and thereby reducing the risk of investing with one manager who may underperform in any given year. R N Croft Financial Group (CFG) is the investment manager responsible for the selection of the underlying funds and managers, and the optimization of the individual fund weightings within each portfolio.

The objective of the All-Star Managers Global Select Balanced Income Portfolio is to provide Canadian investors with a globally diversified Canadian dollar portfolio that balances the stability of a higher allocation to fixed income funds with the consistent capital gains biased investment appreciation of its equity fund selection. As such, this Balanced Income Portfolio is designed to be a low- to moderate-risk investment and is best suited to moderately risk-tolerant investors who remain focused on building their investment assets but have a shorter time horizon before they may need to withdraw from their portfolio.

To achieve this objective, the All-Star Managers Global Select Balanced Income Portfolio includes funds selected based on a number of key factors including, but not limited to, a consistent, long-term record of outperformance. In addition, CFG regularly evaluates each fund for structure, quality and performance to detect any material changes that could affect the funds themselves and the overall portfolio mandate, and may change individual fund selection or allocation within the portfolio based on market fluctuations and market outlook.

Portfolio performance is tracked against the Financial Post FPX Balanced benchmark\*, which is a broad, globally diversified Canadian dollar model portfolio that has shown enhanced capital protection and reliable returns since its 1997 inception.

### Portfolio Statistics

Period	Portfolio %	*FPX-B %
1 Month	-1.28	-2.15
3 Month	-0.39	-1.88
6 Month	8.30	3.08
1 Year	14.65	3.28
3 Years	9.13	4.50
5 Years	8.61	5.06
10 Years	9.22	5.98
10 Year Std Deviation	5.64	6.76
10 Year Sharpe Ratio	1.48	0.73
10 Year Sortino Ratio	2.97	0.67
Portfolio Yield	1.57	2.03

### Portfolio Management Team

#### Investment Review Committee

Richard Croft CIO, Portfolio Manager

Ken Mulders CFA, Portfolio Manager

Alex Brandolini CFA, Portfolio Manager

Mark McAdam CFA, Portfolio Manager

Jason Ayres DMS, Derivative Strategist

Jason Keogh CFA, Analyst

#### Asset Allocation

Asset	Portfolio %	*FPX-B %
Cash	5.58	9.10
Equity	41.49	54.39
Fixed Income	52.93	36.51

### Calendar Year Returns

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD
<b>Balanced Income Portfolio %</b>	6.05	4.75	9.56	13.99	11.07	12.38	2.30	10.81	1.11	13.98	12.35
<b>*FPX-B %</b>	8.43	2.89	6.53	9.45	10.02	4.88	5.42	6.63	-1.28	12.33	2.30
<b>+/- Benchmark %</b>	-2.38	1.86	3.03	4.54	1.05	7.5	-3.12	4.18	2.39	1.65	10.05

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## Geographic Allocation (Equities)

World Regions	Portfolio %	*FPX-B %
United Kingdom	6.09	2.50
Europe – Developed	19.74	5.25
Europe - Emerging	0.23	0
Africa / Middle East	1.40	0.01
Japan	3.13	6.32
Australasia	1.25	0.07
Asia - Developed	5.38	0
Asia - Emerging	5.35	0
Canada	3.02	72.12
United States	53.16	12.08
Latin America	1.25	1.65

## Sector Allocation (Equities)

Sectors	Portfolio %	*FPX-B %
Basic Materials	2.48	7.91
Consumer Cyc	14.61	7.61
Financial Svs	10.95	31.11
Real Estate	2.37	1.55
Communication Svs	15.04	6.64
Energy	0.40	6.38
Industrials	12.24	11.48
Technology	25.64	12.24
Consumer Defensive	4.84	6.72
Healthcare	11.17	5.43
Utilities	0.26	2.92

## Portfolio Credit Quality (Fixed Income)

Credit Quality Breakdown	% of Bonds
AAA	7.03
AA	47.39
A	19.69
BBB	20.34
BB	3.25
B	1.31
Below B	0.10
NR	0.88

## Portfolio Interest Rate Risk (Fixed Income)

Interest Rate Risk	
Avg Effective Maturity	12.34 years
Avg Effective Duration	9.20 years
Avg Credit Quality	BBB

### Portfolio holdings: Private

Please e-mail [info@croftgroup.com](mailto:info@croftgroup.com) for more information

## Disclaimer

Portfolio management services provided by R N Croft Financial Group Inc. Performance is not guaranteed. Portfolio values change frequently, and past performance may not be repeated. Performance is based on actual returns of the constituent Funds net of their embedded management expense ratios but are not adjusted for any transaction costs, early redemption charges or account and relationship manager fees. The inception date is chosen to reflect the inception of the most recently introduced constituent Funds. The results presented are not those of an actual performance record, as no client accounts held the underlying securities in the specific proportions of this model Portfolio. The results are based on simulated or hypothetical performance results that have certain inherent limitations, including the fact that they are designed with the benefit of hindsight. Performance data have not been audited and are for illustrative purposes only. R N Croft Financial Group Inc. is a licensed Portfolio Manager and Investment Fund Manager serving individual and institutional clients throughout Canada. Valuations and performance results are reported in Canadian dollars. Additional information regarding calculating and reporting performance is available upon request. Please contact R N Croft Financial Group Inc., 801-251 Consumers Road, Toronto, ON M2J 4R3, Telephone: 905-695-7777 or Toll-free: 1-877-249-2884.

\*For more information on the Portfolio's FPX Balanced benchmark, please go to <https://croftgroup.com/financial-post-indexes/>