Partners | QUARTERLY PROFILE

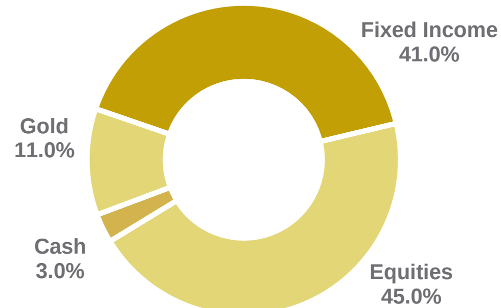
3rd Quarter 2023

GLOBAL TACTICAL BALANCED

PORTFOLIO OBJECTIVE

Cougar Global is a macro-driven downside risk manager building globally diversified ETF portfolios of stocks, bonds, gold and cash using a proprietary modeling strategy that seeks to participate in up markets and to avoid bear markets. Cougar Global defines risk as the probability of losing money, not as standard deviation. The portfolio is constructed using state-of-the-art financial modeling combined with fundamental macroeconomic analysis, and it is based on the expected return behaviour of more than 30 modeled asset classes and markets over a 12-month

ASSET ALLOCATION



MAJOR HOLDINGS

COMPANY	% OF PORTFOLIO
ISHR 1-5YR GOVERNMENT BOND ETF	19.49%
ISHARES GOLD TRUST	11.06%
ISHARES CORE S&P 500 ETF	10.20%
BMO MID FED BD IDX ETF	9.07%
ISHARES FLT RT INDEX ETF	8.10%
ISHARES CORE S&P SMALL-CAP ETF	7.03%
ISHR COR S&P500 HEG CAD IX ETF	6.94%
SECTOR SPDR HLTH CARE	6.15%
SPDR S&P AEROSPACE & DEF ETF	5.73%
BMO SHORT TERM US TIPS HED ETF	5.11%

3rd Quarter 2023	QTD	1YR	3YR	5YR	10YR
Cougar Global Tactical Balanced*	**-1.5%**	**9.4%**	**4.0%**	**4.2%**	**8.2%**
Customized Benchmark	-2.1%	12.2%	4.6%	5.7%	7.9%

*Return Data Source: Inception to December 2015 returns are manager provided, gross returns in C$ which are linked thereafter to RJ Partners Program composite, gross returns in C$. All performance data represents past performance and is not necessarily indicative of future performance. Benchmark: 25% FTSE Can Universe Bond, 60% MSCI ACWI, 15% TSX Composite Index.

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forward-looking time horizon. The portfolios are reviewed and are typically adjusted on a monthly basis, depending on the evolution of the outlook for the macroeconomic environment, which is guided by our selected independent research providers. Each portfolio typically holds 6 to 12 ETFs.

The Global Tactical Balanced Strategy is optimized to seek a high expected return consistent with a downside risk constraint based on our optimizer of 15%. This strategy is designed for clients with a longer-term investment horizon; its mandate is intended to tolerate a moderate level of downside volatility.

PORTFOLIO REVIEW

The past couple of months provided a change in direction for many asset classes. Regarding equities, the U.S. S&P 500 Index fared better than Canada's S&P/TSX Composite Index through July 31, but both were up and solidly positive for the first seven months of the year. However, both indices have largely moved in concert since, finishing in the red in the third quarter. The S&P 500 Index fell -3.6% in the third quarter, while the S&P/TSX Composite Index fell -3.1% (in Canadian dollars). Bonds didn't fare any better as the Bloomberg U.S. Aggregate Bond Index dropped -3.2% from July to September, and the FTSE Canada Universe Bond Index lost -3.9% (in Canadian dollars). In a flashback to last year, there were few places to hide in the third quarter other than cash and cash-like investments: Gold also was down around -2% (in U.S. dollars).

In terms of portfolio positioning, our stance remains cautious. We left our total equity allocation at 45% in the third quarter, slightly changing the equity mix by adding to aerospace and defense positions and trimming U.S. mid-cap equities. Much of our equity exposure continues to focus on the United States, where gross domestic product (GDP) growth appears stronger than in most other developed markets. Within fixed income, we extended duration slightly last quarter, and we maintain a heavy bias to short-duration bonds while interest rates find a settling point. Our scenario analysis continues to provide a higher than normal probability of a Recession scenario, and elevated odds of a Chaos scenario, which is why we have owned gold.

As of the end of October, our portfolio remains primarily positioned for decelerating economic conditions amid mixed and rather confusing economic indicators. U.S. and Canadian markets have largely fallen in tandem since the end of July, and both teeter on the verge of a correction (defined as a 10% pullback) as of the end of October. As equity markets recalibrate to a higher interest rate regime, we have an opportunity to revisit our positioning. We've been biased toward the U.S. for some time, and we continue to look for opportunities to invest elsewhere.

OUTLOOK

Our September Macroeconomic Scenario (MES) Analysis is weighted toward Recession (32%) and Inflation (35%) scenarios. Many economists have either reduced their odds of recession or pushed its expected arrival from 2023 into 2024, but inflation forecasts seem sticky. In fact, many surveys estimate headline inflation north of +2.5% heading into 2025. A recession could temporarily “cure” inflation, but it appears improbable that inflation will be pushed lower, toward a stable +2%, without recessionary activity. We believe a period of accelerating Growth is unlikely, especially if any economic pullback is both short and shallow. However, the odds of a so-called “soft landing” (Stagnation) have increased somewhat recently: We’re largely through this particular interest rate cycle and the U.S. Federal Reserve has yet to break the economy. The list of black swan risks in our Chaos scenario is elevated compared to pre-COVID times, headlined by potential U.S. government policy missteps. Our list previously included both monetary and fiscal concerns, and we’ve added foreign policy unknowns on the back of yet another war, this time in the Middle East.

In total, a healthy labor market, generous government spending, and excess consumer savings created better than expected economic outcomes for much of 2023. As a result, most economists have pushed their slower or negative growth forecasts into 2024. Still, GDP forecasts are less dire than a year ago, which is one bright note worth keeping in mind. A second bright note is that we’re likely to see some positive equity market performance soon. The S&P 500 and S&P/TSX Composite indices both closed lower in October, which was the third consecutive month of negative performance for both measures. It’s rare to see a streak extend to four months for either index. In fact, the last time the S&P 500 Index finished lower for four consecutive months was 12 years ago, in 2011 (2018 for the S&P/TSX Composite Index).