

April 2022

Navigating Market Volatility

April brought more volatility to equity markets as investors remain unsure of the central banks' plan for future rate hikes. The Bank of Canada and Federal Reserve have not ruled out a 0.75% rate increase in May. If central banks continue to threaten aggressive tightening, sentiment may remain negative until there is further policy clarity and economic stability. Although inflation is at a multi-decade high, consumption remains strong thanks to the significant savings rate over the last two years.

Energy prices have continued their record-setting rally. In April, coal, natural gas, and heating oil spot prices were up 25%, 31%, and 46%, respectively. While geopolitical tensions have an immediate impact on energy prices, the disruption of fertilizer production is expected to have a lagging and longer-lasting effect on food prices as crop yields are expected to fall.

Alphabet shares fell after the company missed earnings estimates. The earnings miss was partially attributed to lower ad revenue as YouTube encounters increased competition from other social media platforms. Netflix faced difficult questions about future profitability as Crave, Prime, Disney+, and Apple TV (to name a few) siphoned off subscribers.

Microsoft reported stronger than expected results as robust demand continued for their Office Suite software and cloud division, Azure. Since taking the helm in 2014, CEO Satya Nadella has presided over one of the longest and most substantial periods of growth for the company.

While there are several significant headwinds for the global economy, the outlook for consumption and investment remains robust. Although consumer confidence may have been shaken by high inflation, consumption remains resilient. Meanwhile, businesses continue to signal their intention to increase capital expenditures.

As we navigate economic uncertainty and volatile markets, we continue to focus on mitigating downside risk in the portfolio. Each of our portfolio companies must pass resiliency tests that prioritize profitability, balance sheet strength, cash flow sustainability, and below-average volatility. We're confident in the companies we own and that we're positioned appropriately for whatever may lie ahead.

Portfolio Contributors

- Shares of **Procter & Gamble (PG-US)** we're a significant contributor, gaining 5.07% with the shift to Consumer Staples
- **Centurion Apartment REIT (CEN107)** added 6.09% after closing on a portfolio of new properties in Quebec

Portfolio Detractors

- **Apple (AAPL-US)** shares fell 9.87% partially due to warnings that supply chain disruptions could have a US\$8B impact on future revenues
- Shares of **iShares Global Clean Energy ETF (ICLN-US)** lost 12.45% with the risk of higher interest rates

*All returns are for the reported month and in local currency.
All data sourced from SIACHarts and FACTSET.*

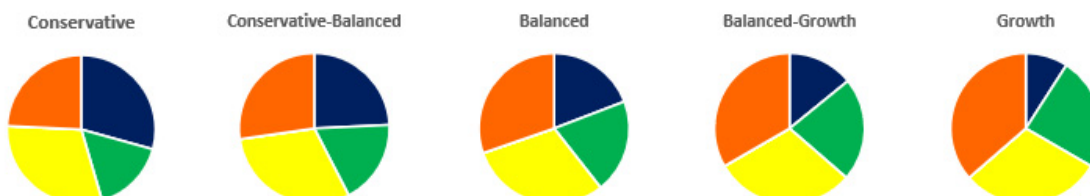
Invest with
PURPOSE

Investment and Benchmark Performance

as of April 30th

Name	1-Mo	3-Mo	6-Mo	1-Yr	3-Yr Annualized	5-Yr	YTD 2022	2021	2020	2019	2018
CPF Fixed Income Model	-2.3%	-5.0%	-3.9%	-3.6%	0.4%	1.3%	-6.8%	-0.2%	4.5%	8.3%	-0.4%
Canadian Universe Bond Index	-3.9%	-7.8%	-8.8%	-8.8%	-1.1%	0.3%	-11.0%	-0.2%	4.5%	7.3%	1.0%
CPF Equity Model	-7.8%	-10.4%	-19.2%	-12.9%	2.0%	4.2%	-17.7%	6.9%	15.0%	19.2%	-3.6%
MSCI World Index (CAD)	-5.8%	-7.1%	-7.3%	0.7%	8.1%	8.3%	-11.4%	21.1%	11.4%	21.4%	-1.5%
CPF Alternative Model	0.6%	2.0%	5.3%	9.2%	8.1%	5.2%	1.3%	9.1%	7.3%	7.8%	1.1%
Absolute Return of 5% Per Year	0.4%	1.3%	2.5%	5.0%	5.0%	5.0%	1.7%	5.0%	5.0%	5.0%	5.0%
CPF North American Stock Model	-3.2%	-1.9%	4.4%	11.9%	15.1%	14.5%	-2.7%	33.8%	12.2%	25.1%	-4.2%
50% S&P/TSX60 + 50% S&P500	-6.9%	-5.3%	-5.9%	3.7%	10.6%	10.1%	-6.9%	24.7%	10.0%	25.5%	-6.9%

All performance data tracked in SICharts. All returns are gross of advisor fees.



Name	1-Mo	3-Mo	6-Mo	1-Yr	3-Yr Annualized	5-Yr	YTD 2022	2021	2020	2019	2018
CPF Portfolios											
Conservative Portfolio	-2.4%	-2.8%	-1.6%	2.0%	4.4%	3.8%	-4.9%	6.6%	7.3%	10.8%	-1.5%
Conservative-Balanced Portfolio	-2.5%	-2.8%	-1.6%	2.3%	4.9%	4.2%	-5.0%	7.2%	8.2%	11.6%	-1.7%
Balanced Portfolio	-2.6%	-2.8%	-1.7%	2.8%	5.6%	4.7%	-5.1%	8.2%	9.2%	12.8%	-2.2%
Balanced-Growth Portfolio	-2.7%	-2.8%	-1.8%	3.2%	6.2%	5.2%	-5.2%	9.3%	10.1%	13.0%	-2.0%
Growth Portfolio	-2.9%	-2.8%	-1.8%	3.5%	6.5%	5.4%	-5.2%	9.9%	10.4%	13.5%	-2.1%
SRI-ESG Enhanced Portfolio	-6.5%	-4.3%	-5.1%	8.0%	12.9%	10.4%	-8.3%	18.8%	21.7%	18.6%	-1.3%

All performance data tracked in SICharts. All returns are gross of advisor fees.

Proxy funds used for benchmark indexes:

- Canadian Universe Bond Index: iShares Canadian Universe Bond Index EFT (XBB.TO)
- MSCI World Index (CAD): iShares MSCI World Index EFT (XWD.TO)

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