

Dynamic Conservative Yield Private Pool



Quarterly Commentary (as at September 30, 2019)

Performance (%)

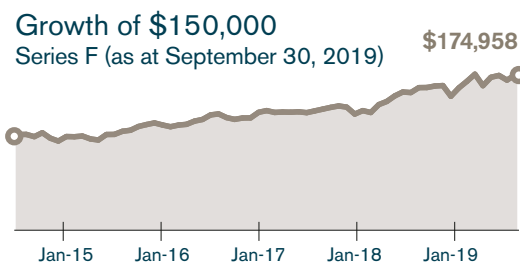
	YTD	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	Since Inception	Inception Date
Series A	Regulations restrict the presentation of performance figures until a Pool reaches its one-year anniversary							October 2018
Series F	8.7	0.6	3.2	6.8	4.0	–	3.5	June 2014
Quartile Ranking	2	4	2	1	1	–	–	–

Commentary

During the quarter, global economic growth continued to slow, largely as a result of weakness in manufacturing. Economic momentum was notably stronger in North America than in the rest of the world. The U.S. Federal Reserve Board reduced its policy rate by 25 basis points in July and again in September, which led higher-risk assets to price in an extended business cycle.

Canadian and U.S. government bond yields rebounded somewhat but still ended the quarter near their 2019 lows. Corporate bonds continued to generate excess returns over government bonds. The Active Core, Active Credit and Tactical Bond strategies posted positive returns. The Active Core Strategy has been the fixed income leader for the third consecutive quarter.

North American equity markets advanced, with both Canadian and U.S. equity indexes reaching all-time highs. Performance, however, was skewed toward the more defensive areas of the market. In international equity markets, Emerging Markets underperformed amid escalating China-U.S. trade tensions. Consistent with this market divergence, the North American Dividend Strategy contributed positively, while the International Dividend Strategy detracted from performance.



Asset Allocation (%)

Corporate Bonds – CDN	21.7
Federal Govt Bonds – CDN	15.5
Cash, Short-Term Investments & Other Net Assets	14.9
Common Stocks – Foreign	12.6
Provincial Govt Bonds – CDN	9.7
Foreign Bonds & Debentures	7.8
Common Stocks – CDN	7.2
Common Stocks – US	7.2
Mutual Funds – Foreign Income	1.7
Canadian – Foreign Pay Bonds	1.4
Preferred Stocks – CDN	0.2
Mutual Funds – Canadian Income	0.1

Sector Allocation (%)

Financials	4.9
Consumer Discretionary	3.3
Information Technology	3.1
Industrials	2.6
Health Care	2.5
Energy	2.3
Index Based ETFs	1.8
Communication Services	1.6
Consumer Staples	1.6
Materials	1.5
Real Estate	1.2
Utilities	0.8

Geographic Allocation (%)

Canada	57.3
United States	14.3
Continental Europe	5.2
United Kingdom	2.7
Pacific	2.5
Emerging Markets	1.6
Japan	1.5

Active Share¹

Pool Equity Allocation	81.2
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Analytics (4 yrs)

Upside Capture	80.0
Downside Capture	67.5
Best 3 Months	5.4
Worst 3 Months	-2.1
Standard Deviation	3.1

¹ Holdings based analysis of each strategy representing the various investment styles, as of September 30, 2019 compared to the equity allocation benchmark of 1/4 S&P/TSX Composite Index, 1/4 S&P 500 Index (C\$), 1/2 MSCI EAFE Index (C\$).

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dynamic.ca/PrivatePools

Series F units of the Pools are only available to investors who meet certain eligibility criteria and who participate in an eligible fee-based program with their registered dealer. Performance as at September 30, 2019. Inception date for Dynamic Conservative Yield Private Pool is March 9, 2015. Commissions and trailing commissions are not payable on Series F units of the Pool but management fees and expenses may be associated with these investments. Investors may also pay a Fee-Based Account Fee, which is negotiated with their financial advisor and paid to the registered dealer. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemptions, distributions or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Dynamic Funds® is a registered trademark of its owner, used under license, and a division of 1832 Asset Management L.P. The Morningstar quartile ranking reflects performance as of September 30, 2019 and is subject to change monthly. Morningstar is an independent organization that groups mutual funds with generally similar investment objectives for comparison purposes and ranks them on a historical basis. These rankings are broken into quarters or quartiles. Within a group, the top 25% (or quarter) of the funds are in the first quartile, the next 25% are in the second quartile, the next group in the third quartile, and the bottom 25% of funds with the poorest relative performance are in the fourth quartile. For more details on the calculation of Morningstar, see www.morningstar.ca.

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