

2023 INVESTMENT MANAGEMENT PRESENTATION

Presented by Geoff Waters
Chair of the City's Investment Board

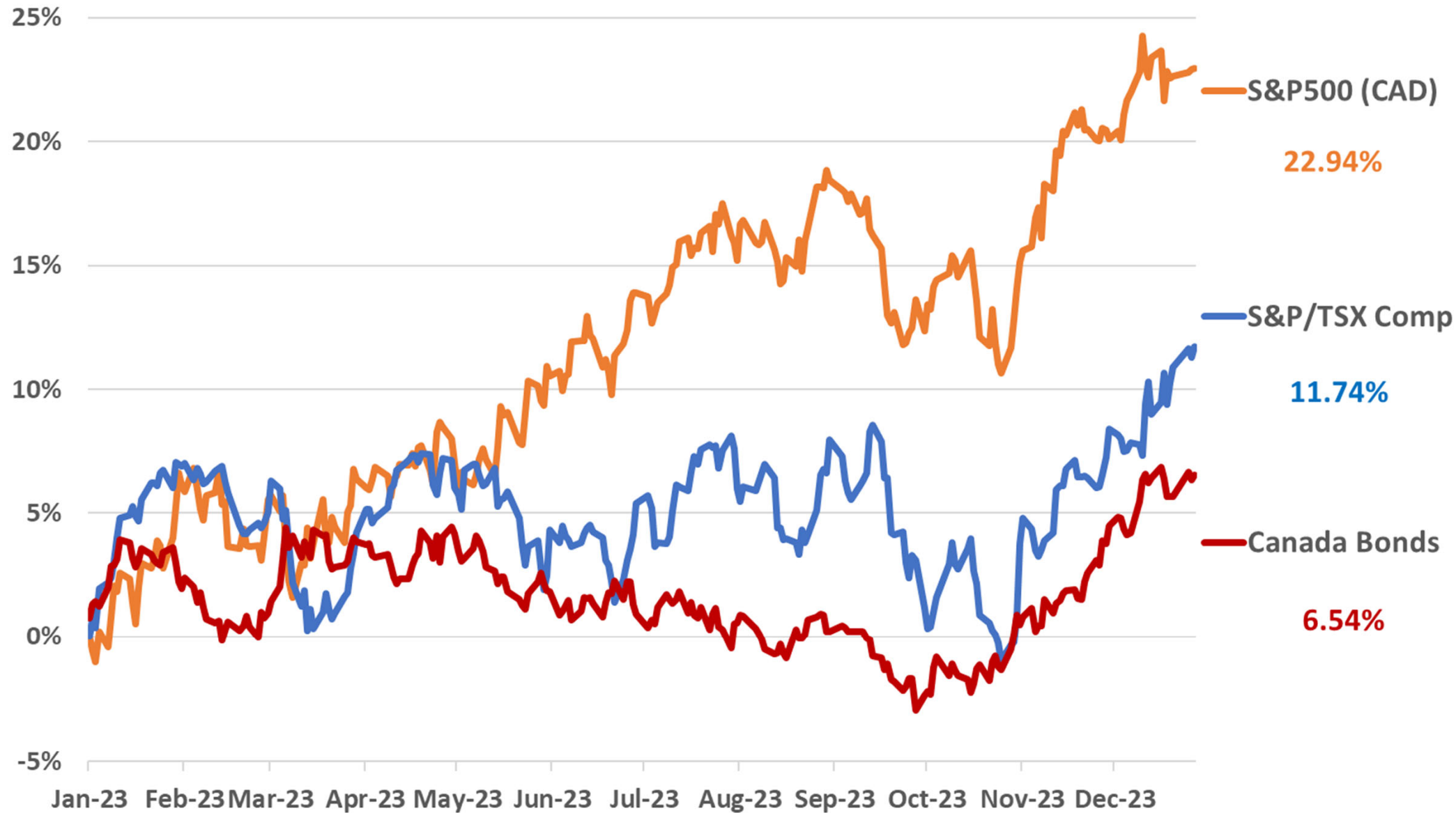
March 20, 2024



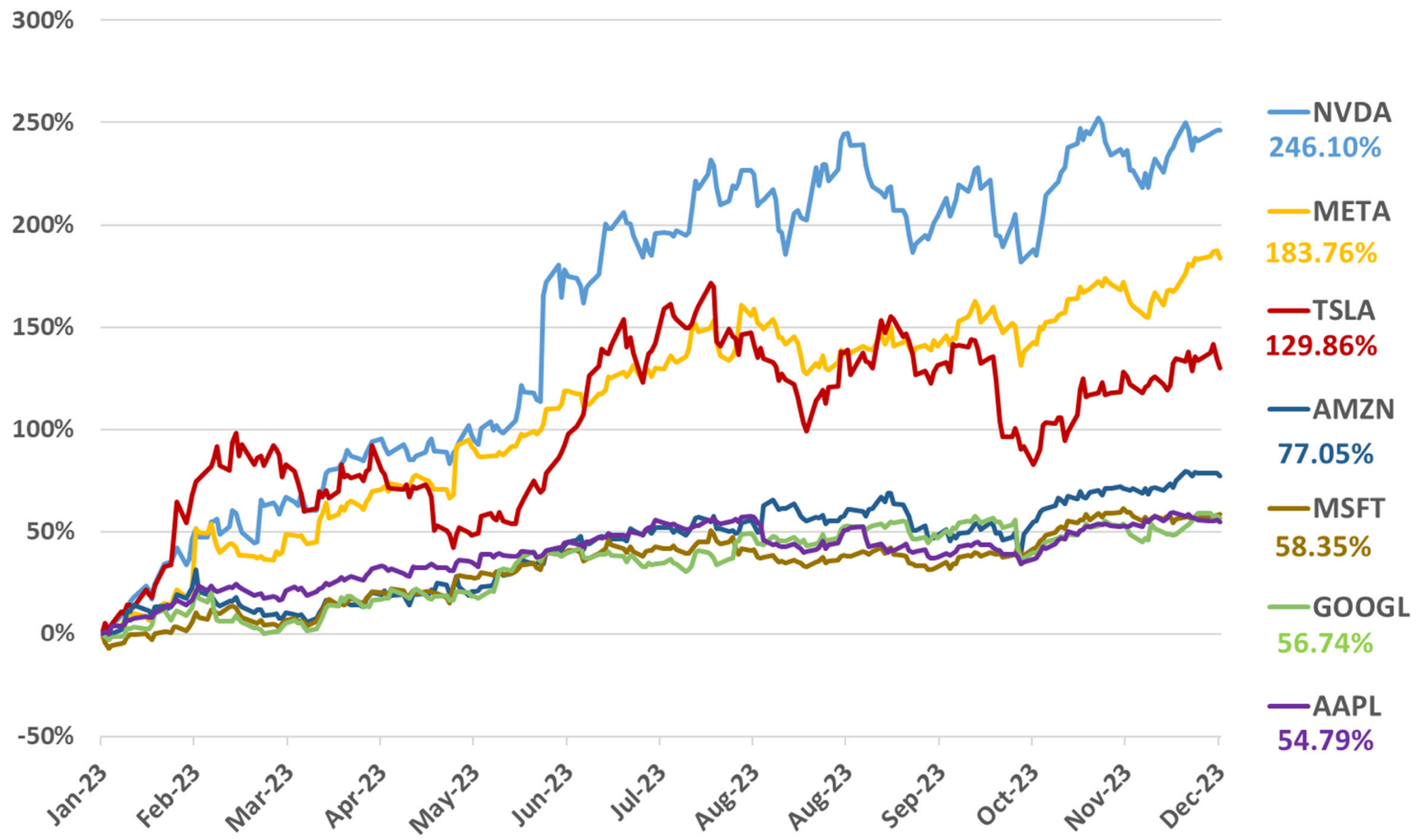
AGENDA

1. MARKET PERFORMANCE
2. PORTFOLIO PERFORMANCE
3. MARKET OUTLOOK

Market Performance....



Magnificent Seven Led...



Performance Highlights

Operating Fund

R: 5.46% | B: 4.89%

Capital Fund

R: 7.02% | B: 5.35%

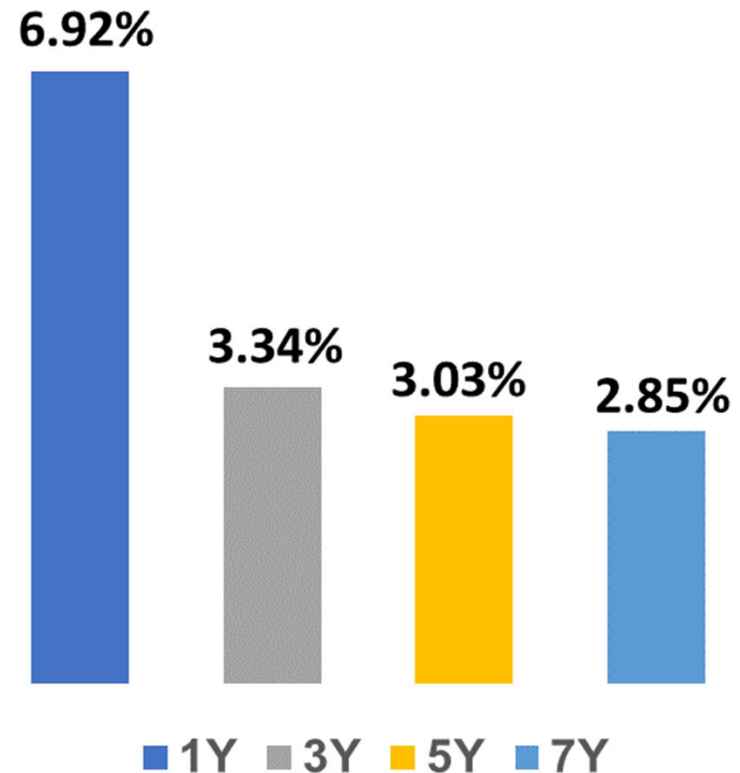
Growth Fund

R: 15.26% | B: 17.32%

Consolidated Portfolio

R: 6.92% | B: 6.59%

Annualized Performance



Performance Highlights Cont'd

Money Market

\$14.04M

Fixed Income

\$8.14M

Equity

\$5.23M

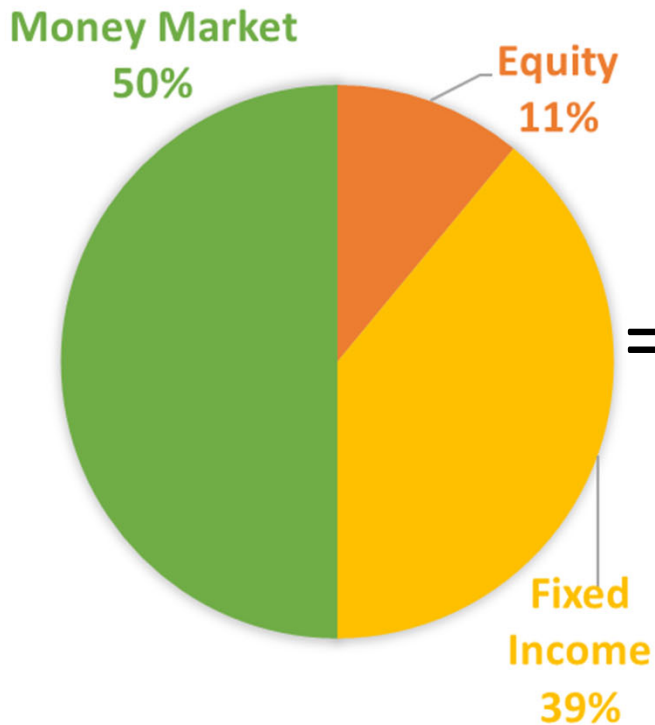
Consolidated Portfolio

\$27.41M

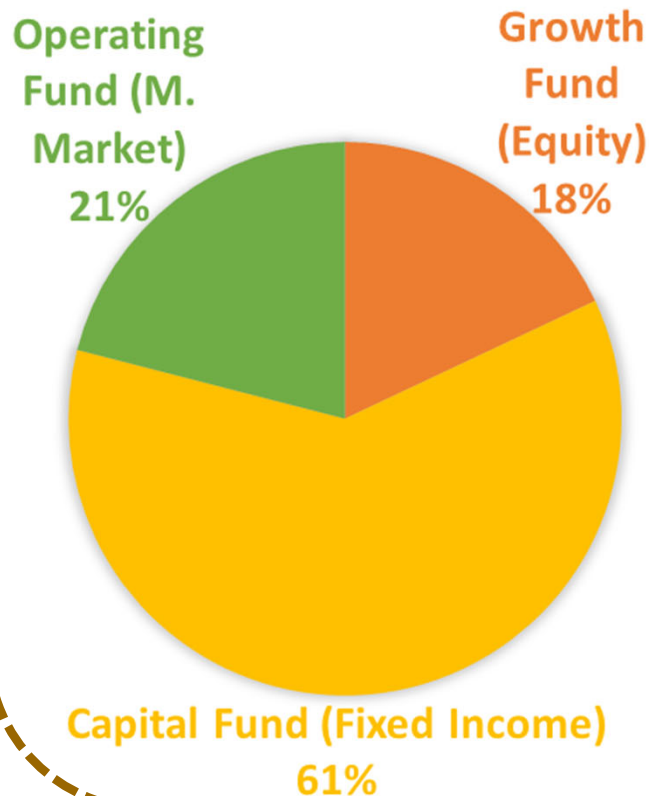
(Realized:\$20.13M | Unrealized:\$7.28M)

Asset Allocation

CONSOLIDATED PORTFOLIO
(\$396 M)



PRUDENT INVESTOR
PORTFOLIO (\$250)



OPERATING ASSETS

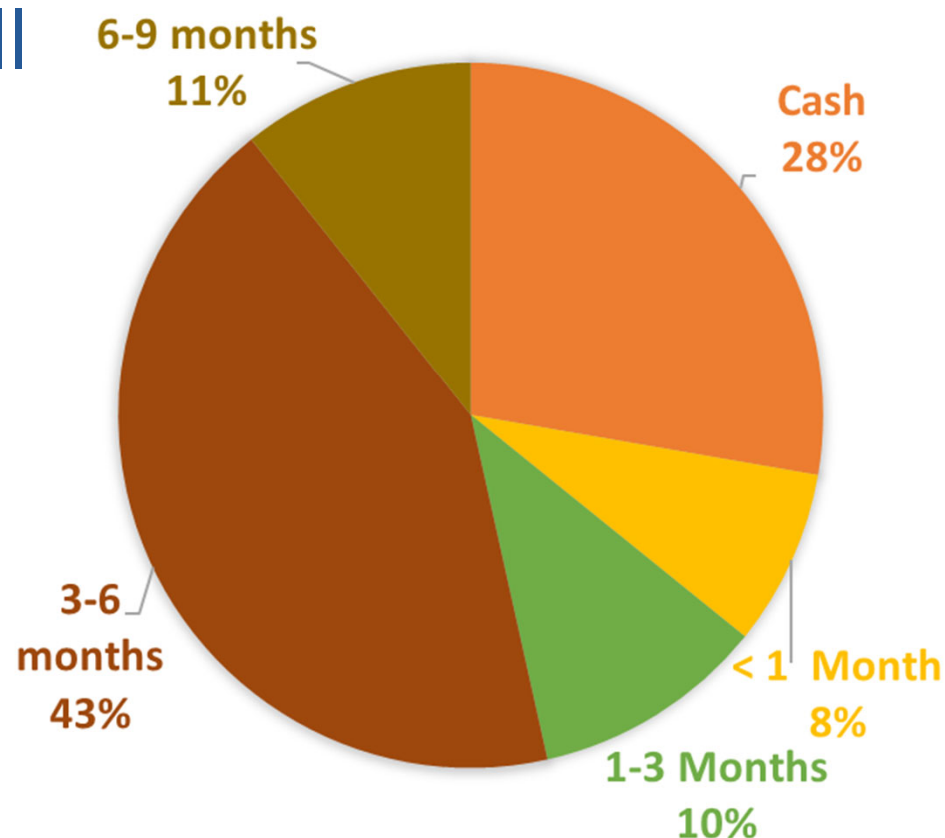


Operating Fund

R: 5.46% | B: 4.89%

- **Benchmark:** Canada 3M T-Bill
- Outperformance of 0.57%
- Drivers of Performance:
 1. Active Cash flow management
 2. Tactical asset allocation

LIQUIDITY PROFILE

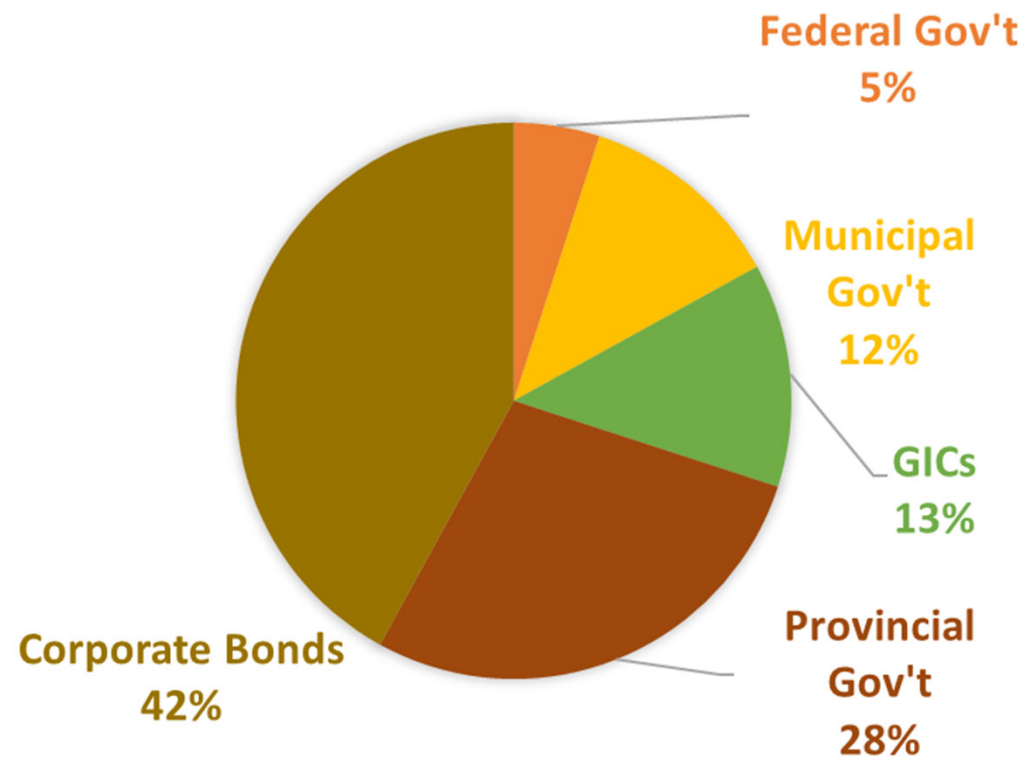


Capital Fund

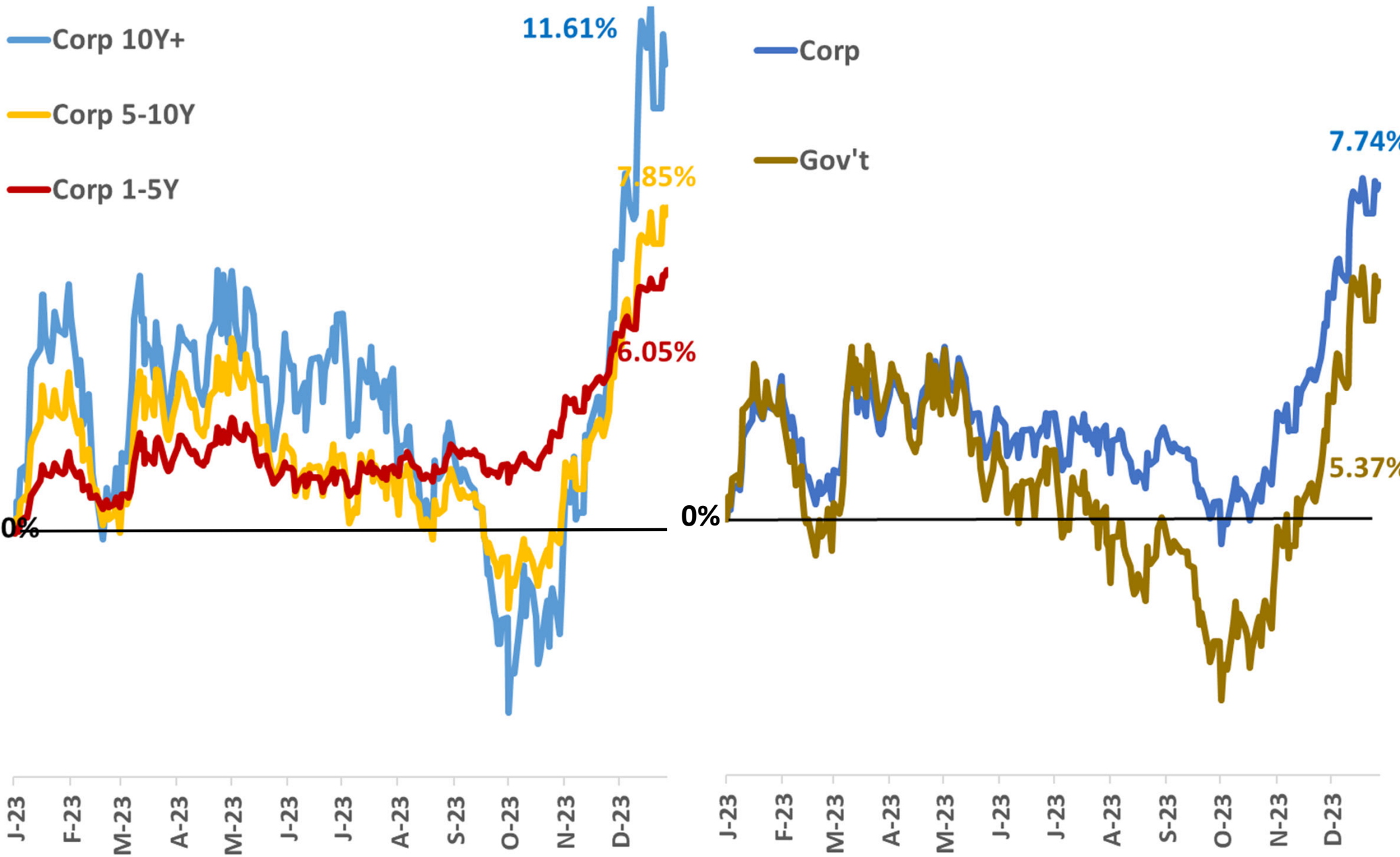
R: 7.02% | B: 5.35%

- **Benchmark:** Canada Aggregate 1-10 Year Bond Index
- Outperformed by 1.67%
- Drivers of performance:
 1. Duration tilts
 2. Sector tilts

SECTOR ALLOCATION



Longer Maturity and Corporate Bonds Outperformed...

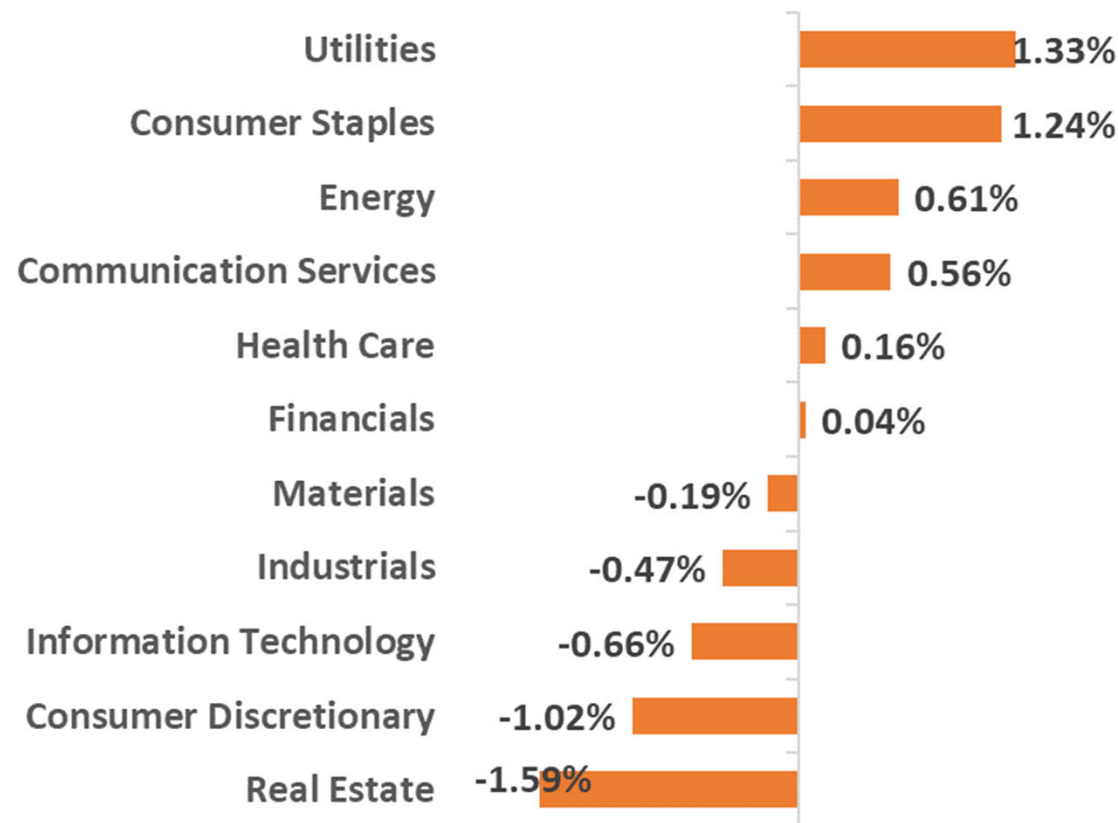


Growth Fund

R: 15.26% | B: 17.32%

- **Benchmark:** Composite of S&P/TSX and S&P500
 - Underperformed by 2.06%
1. Defensive sector tilts (negative impact)
 2. US equities bias (Positive effect)

Portfolio Average Exposure Relative to Benchmark



Market Outlook

- Geo-political and political (US Presidential Election) risks
- Risk of recession (hard-landing vs. soft-landing debate)
- Inflation to dictate Central Banks actions, rate cuts expected
- Opportunities for bonds; equities likely to remain volatile

