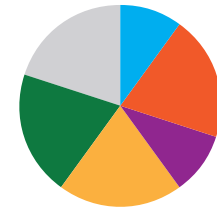


## The Balanced-Growth Focus Portfolio

### Portfolio Objective: Portfolio Strategy: Target Portfolio Allocation:

The primary objective of the Balanced – Growth Focus portfolio is to invest in a portfolio of both bonds and equities with an emphasis on returns earned primarily through capital appreciation as well as via interest and dividend income. There will be some risk to capital.

The strategy provides a diversified exposure to USD-denominated bonds and equities using Exchange Traded Funds (ETFs). The selection of ETFs will be weighted more towards equities than bonds with a focus on capital appreciation, balanced by some more stable income generation. The equity ETFs held will include small and mid-sized companies that are expected to grow faster than average over time, albeit with a higher level of volatility than large companies. Small and medium-sized companies generally do not pay much by way of dividends and as such most of the return achieved will be via price appreciation. The bond ETFs will be concentrated in Investment Grade credit although there will be some exposure to High Yield and Emerging Markets.



- High Yield Bonds 10%
- Investment Grade Bonds 20%
- Emerging Market Bonds 10%
- Large Cap Growth Equities 20%
- Mid-Cap Growth Equities 20%
- Small-Cap Growth Equities 20%

### Investment Advisor:

The Investment Advisor is RBC Investment Management (Caribbean) Limited. The Investment Advisor provides advice on portfolio allocation, ETF selection and portfolio rebalancing.

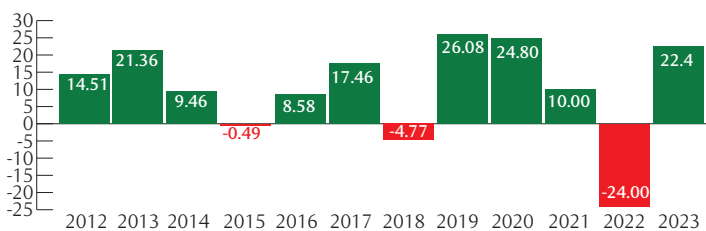
### Target Portfolio Holdings: Average Annualised Return:

iShares iBoxx \$ High Yield Corporate Bond ETF	10%
iShares iBoxx \$ Investment Grade Corporate Bond ETF	20%
iShares JP Morgan USD Emerging Market Bond ETF	10%
Schwab US Large Cap Growth ETF	20%
Vanguard Mid-Cap Growth Index Fund ETF	20%
iShares Russel 2000 Growth ETF	20%

Returns to Dec. 31, 2023	1 Year	3 Year	5 Year	10 Year
Balanced - Growth Focus Portfolio	22.4%	0.4%	9.7%	7.6%
Benchmark	17.2%	0.2%	8.8%	7.2%

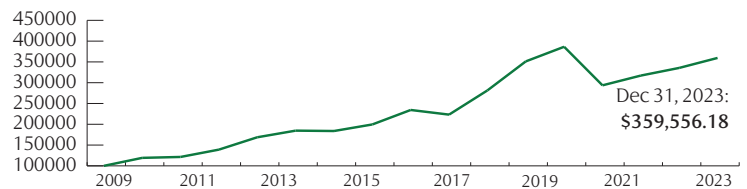
These returns do not include fees

### Historical Return to Dec. 31, 2023:



These returns do not include fees

### The Value of a US\$100,000 Investment:



These returns do not include fees

\*Based on investment returns from Dec 31, 2009 to Dec 31, 2023

### Who should invest? Market Outlook:

Investors seeking higher returns and those who can withstand a moderate level of risk. There is risk to capital, however, over the long-term this portfolio should outperform deposits and other short-term instruments. It is recommended investors have an investment time horizon of at least 5 years.

The U.S. Federal Reserve has been in a holding pattern since the July 2023 rate increase and has penciled in a projected 3 rate decreases in 2024. This caused some jubilation in markets in the last quarter with the 10-year UST yield falling to 3.88% over the quarter, from 4.59% as at the end of Q3. Headline inflation remains steady but above target at 3.4% in December 2023. The labour market was strong with unemployment at 3.7% and 216,000 jobs added. Despite anticipated rate decreases in 2024, we expect the initial enthusiasm

to wear as the year goes by as economic data remains too strong for rate cuts but not strong enough for rate hikes. This “higher for longer” period will require some patience, especially as many geopolitical risks remain and elections in several major economies taking place this year, including the U.S. The S&P 500 had a negative Q3, down 3.65%, but recovered strongly in Q4 to end the year up 24.23%. Investors cheered the anticipated rate declines by the Federal Reserve in 2024.



# Customised Investment Portfolios

Quarterly Report as at Dec. 31, 2023

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## Disclaimer:

The preceding information displays historical market performance of certain securities which would fall within the investment strategy of the portfolio and is for illustrative and education purposes only. Please remember that past performance of the securities identified is not indicative of future performance and there can be no assurance that the future performance of the securities referred to will meet the historical performance levels, or that the identified securities are the specific securities that will comprise the portfolio. Due to various factors, including changing market conditions, the content of the portfolio may be different.

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WISE forms part of the same financial group as Royal Bank of Canada and is a subsidiary of the Royal Bank of Canada. The Royal Bank of Canada, is the parent company of RBC Financial (Caribbean) Limited which is the parent company and 100% shareholder of WISE. The Royal Bank of Canada, therefore is the ultimate parent company of WISE, and is a related party to WISE as defined under the Securities Act, 2012 and By-Laws.

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