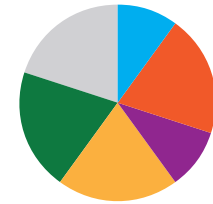


## The Balanced-Growth Focus Portfolio

### 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.

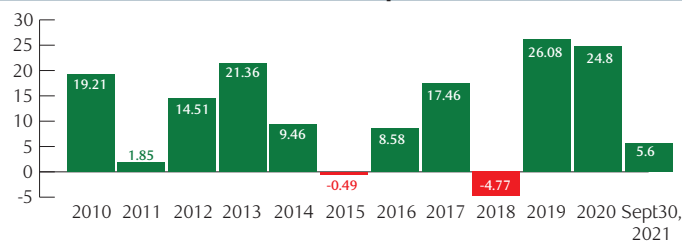
### Target Portfolio Holdings: Average Annualised Return:

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%

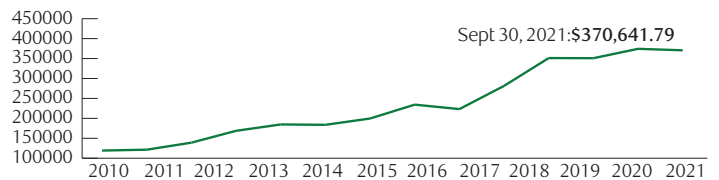
Returns to Sept 30, 2021	1 Year	3 Year	5 Year	10 Year
Balanced - Growth Focus Portfolio	20.3%	13.4%	13.1%	12.7%
Benchmark	20.5%	12.2%	12.2%	12.3%

These returns do not include fees

### Historical Return to September 30, 2021: The Value of a US\$100,000 Investment:



These returns do not include fees



These returns do not include fees

### 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. economy grew at an annualised pace of 6.7% in Q2 2021, continuing the strong rebound seen since the development and distribution of vaccines. The US Federal Reserve maintained its target rate at 0%-0.25%, signaling a 2023 date for the resumption of interest rate hikes. The S&P 500 returned 0.23% in Q3 down from 8.17% in Q2. Optimism in developed economies took a breather in Q3 as concerns around elevated inflation as well as the potential for a default of a large Chinese real estate company spooked investors. The stalled Infrastructure Bill as well as continued spread of the delta variant has also dampened the positive mood. Job creation

has also slowed over August and September 2021 with only 235,000 and 192,000 jobs created respectively. Emerging economies continue to lag in vaccination, contributing to delays in resolving supply chain bottlenecks. Labour shortages in the U.S. have also become more of an issue as workers have been slow to return. Overall we see growth normalizing over the upcoming quarters to a 3%-4% pace while inflation remains elevated. We do not see a stagflation scenario but rather a delay in the normalisation of inflation relative to the normalisation of growth. We expect equity markets to remain resilient however returns will be more discerning going forward as the bulk of the “recovery trade” is behind us.



# Customised Investment Portfolios

Quarterly Report as at September 30, 2021

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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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