



WELLINGTON-ALTUS
PRIVATE WEALTH



THE
WONG GROUP
WEALTH MANAGEMENT

Maili's Minute Market Insights:
Investing amidst Market Volatility and New Highs

With Maili Wong, CFA

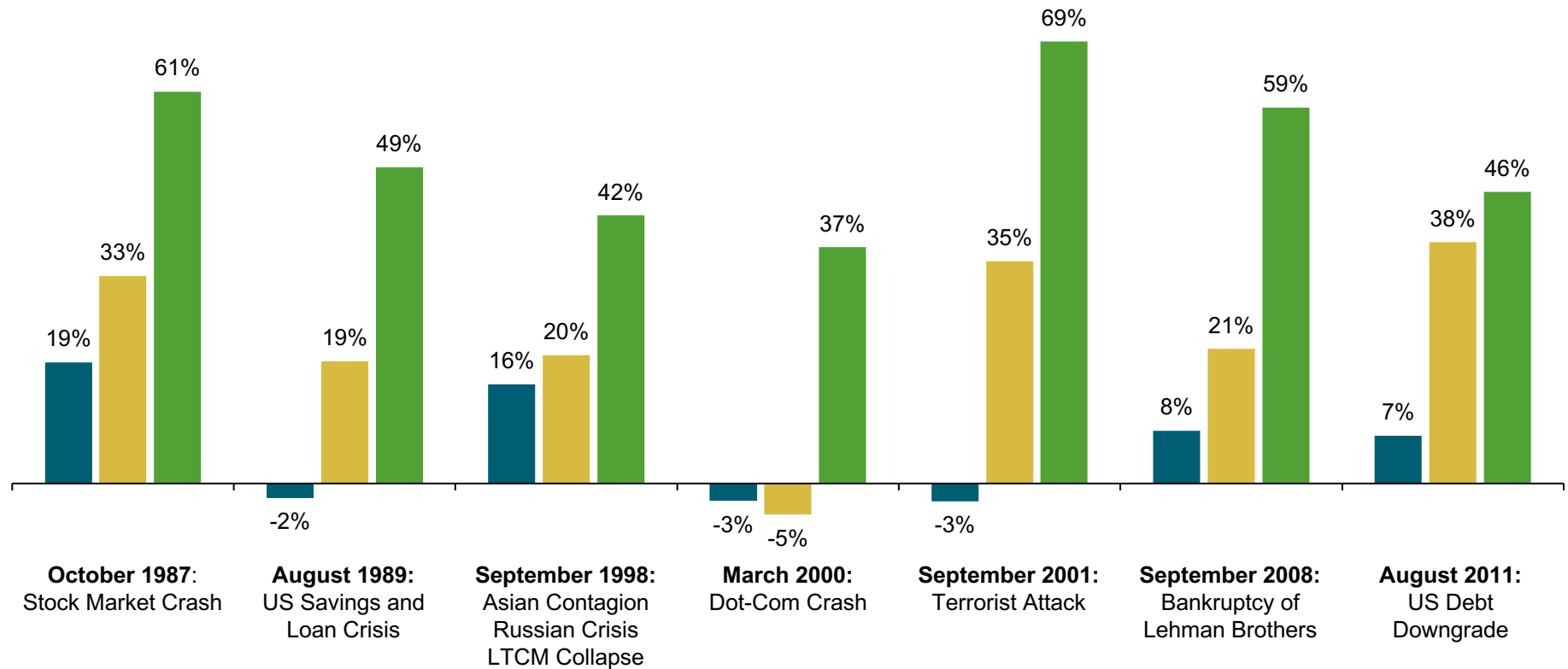
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The Market's Response to Crisis

Performance of a balanced strategy: 60% stocks, 40% bonds
Cumulative Total Return

■ After 1 year ■ After 3 years ■ After 5 years



In US dollars.

Represents cumulative total returns of an Wealth Index Model invested on the first day of the following calendar month of the event noted. Assumes all strategies have been rebalanced monthly.

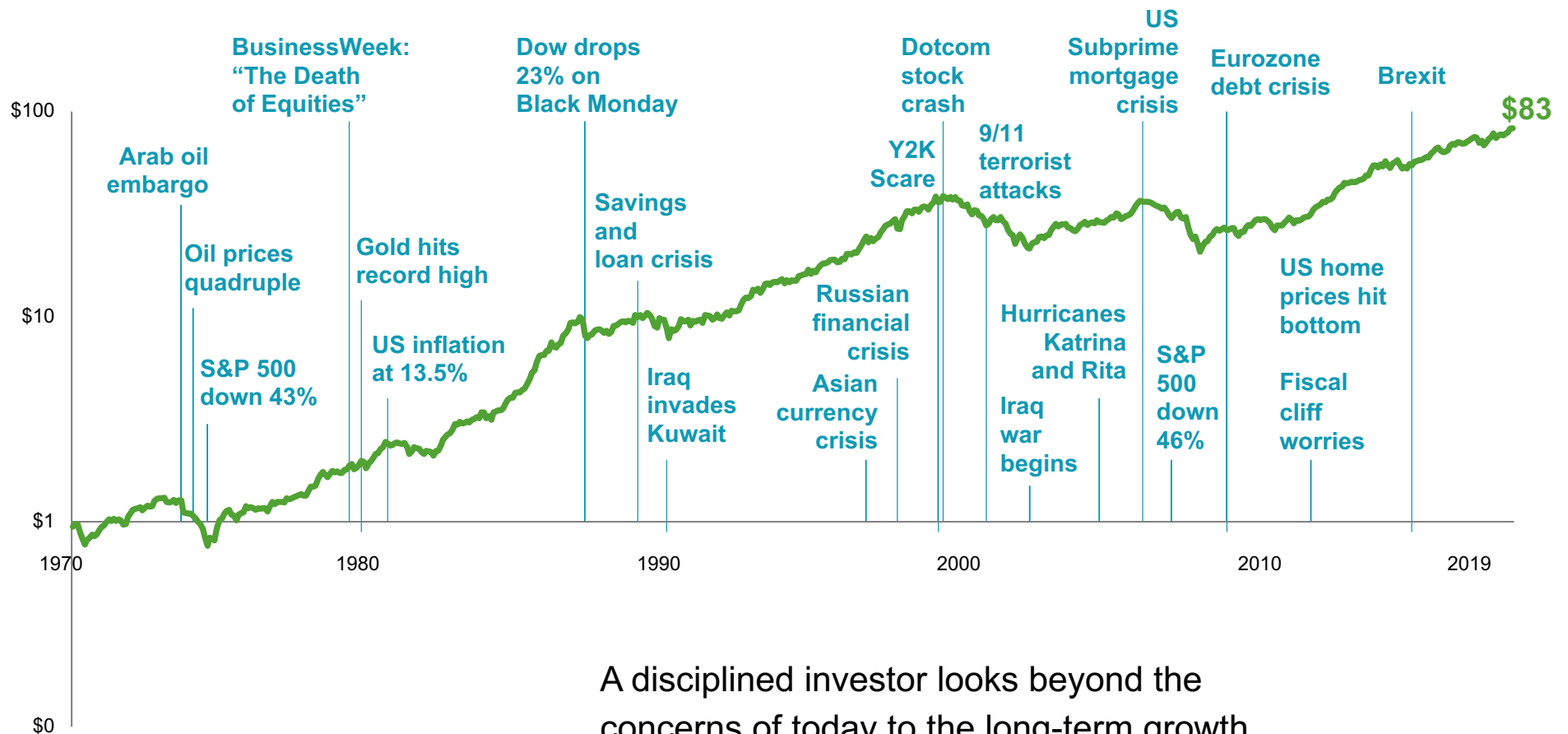
All performance results of the Wealth Index Models are based on performance of indices with model/backtested asset allocations; the performance was achieved with the benefit of hindsight; it does not represent actual investment strategies. The model's performance does not reflect advisory fees or other expenses associated with the management of an actual portfolio. There are limitations inherent in model allocations. In particular, model performance may not reflect the impact that economic and market factors may have had on the advisor's decision making if the advisor were actually managing client money. Past performance is no guarantee of future results.

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See Core 60/40 Wealth Index Model and Index Descriptions pages in the Appendix for additional information.

Markets Have Rewarded Discipline

Growth of a dollar—MSCI World Index (net dividends), 1970–2019



A disciplined investor looks beyond the concerns of today to the long-term growth potential of markets.

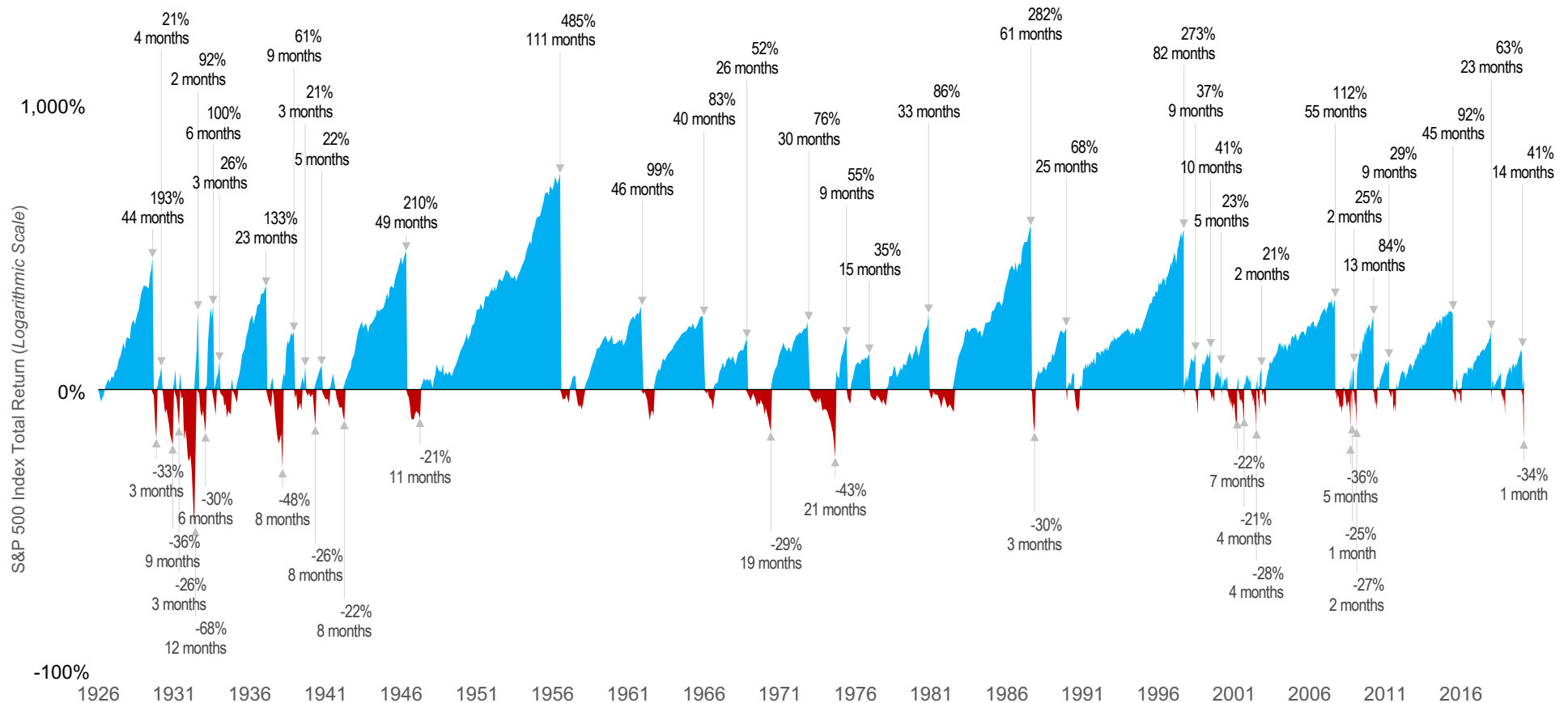
In CAD.
Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is no guarantee of future results.
MSCI data © MSCI 2020, all rights reserved.

A History of Market Ups and Downs

S&P 500 Index total returns in USD, January 1926–March 2020

Using a 10% threshold for downturns

Bull Market



Bear Market

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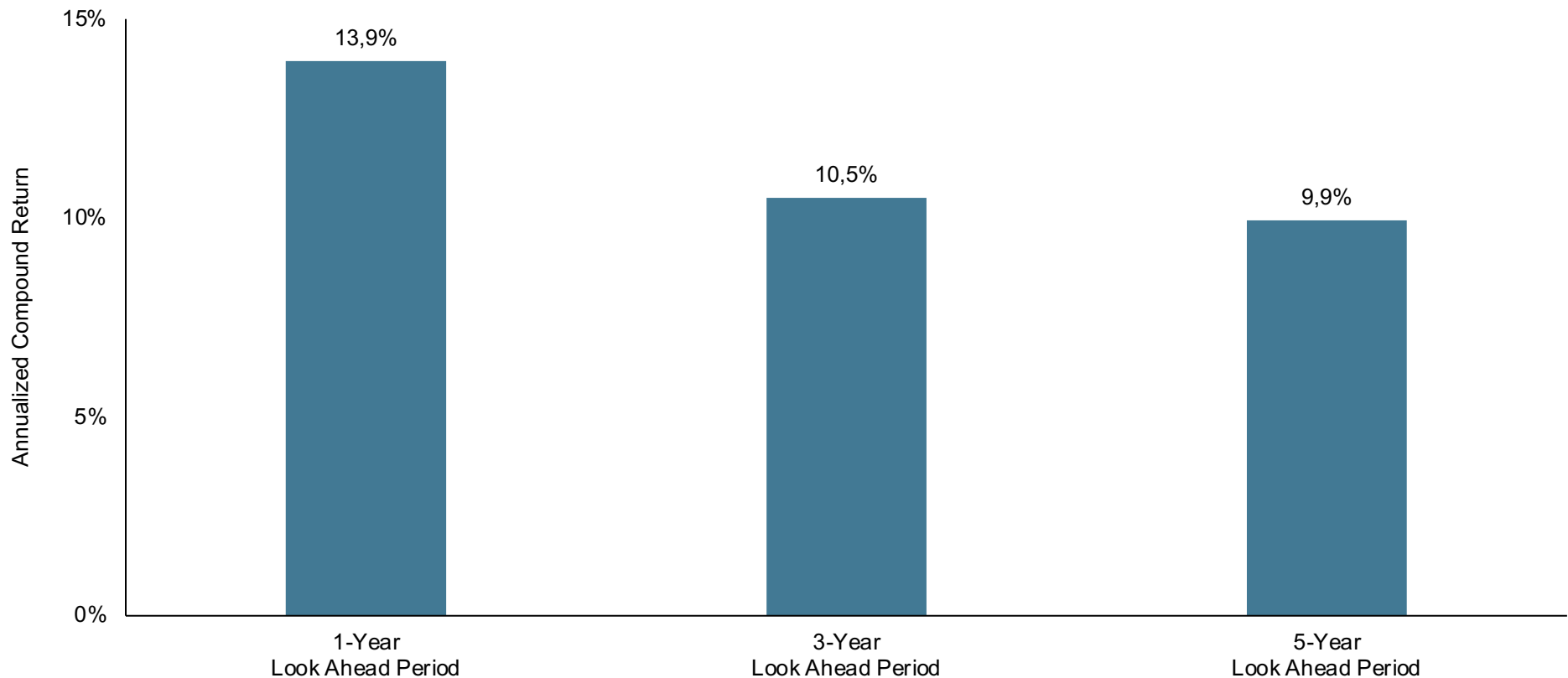
Chart end date is 3/31/2020, the last trough to peak return of 16% represents the return through March 2020. Due to availability of data, monthly returns are used January 1926 through December 1989; daily returns are used January 1990 through present.

Periods in which cumulative return from peak is -10% or lower and a recovery of 10% from trough has not yet occurred are considered Bear markets. Bull markets are subsequent rises following the bear market trough through the next recovery of at least 10%. The chart shows bear markets and bull markets, the number of months they lasted and the associated cumulative performance for each market period. Results for different time periods could differ from the results shown. Bull and bear markets less than 20% in magnitude are not labeled.

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Average Annualized Returns after New Market Highs

S&P 500, 1/1926–12/2019

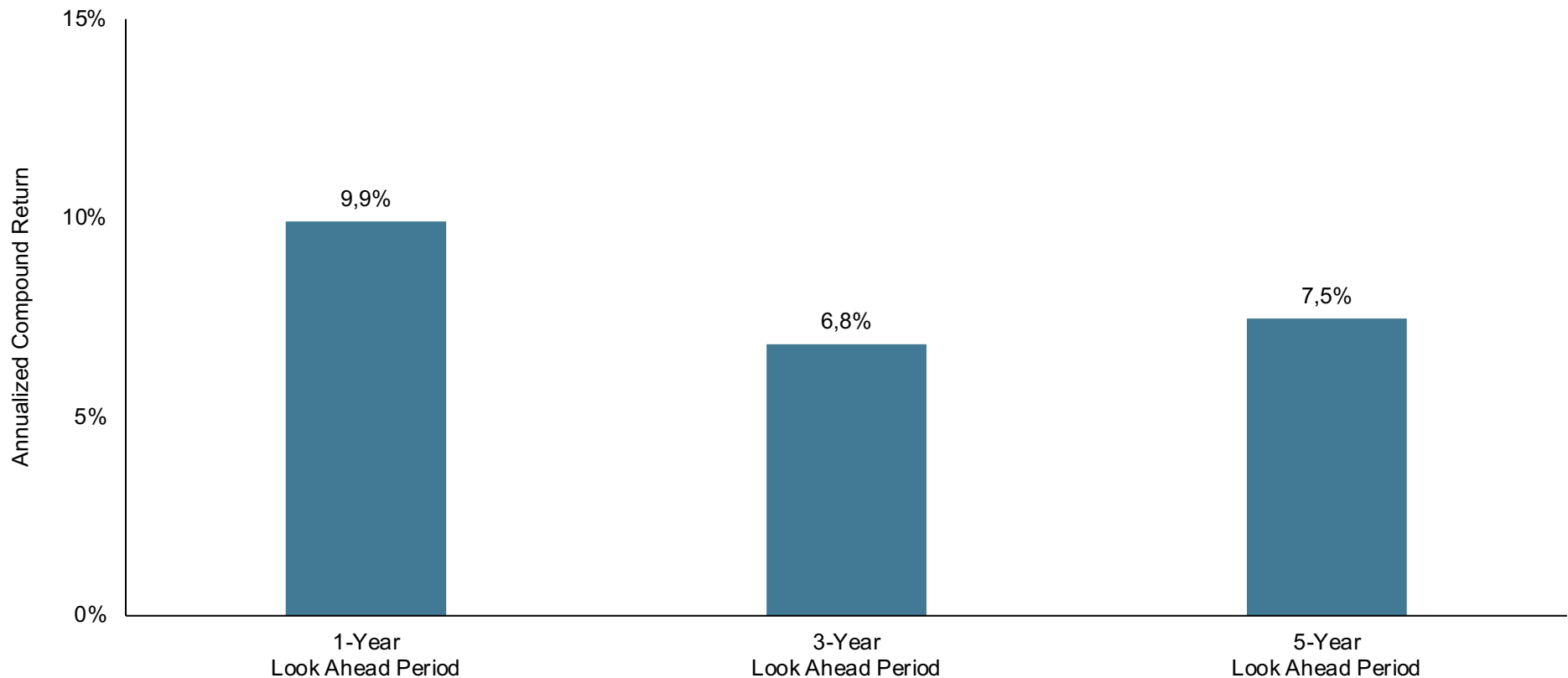


In US dollars.

Past performance is no guarantee of future results. New market highs are defined as months ending with the market above all previous levels for the sample period. Annualized compound returns are computed for the relevant time periods subsequent to new market highs and averaged across all new market high observations. There were 1,127 observation months in the sample. January 1990–present: S&P 500 Total Returns Index. S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. January 1926–December 1989; S&P 500 Total Return Index, Stocks, Bonds, Bills and Inflation Yearbook™, Ibbotson Associates, Chicago. For illustrative purposes only. Index is not available for direct investment; therefore, its performance does not reflect the expenses associated with the management of an actual portfolio. There is always a risk that an investor may lose money.

Average Annualized Returns after New Market Highs

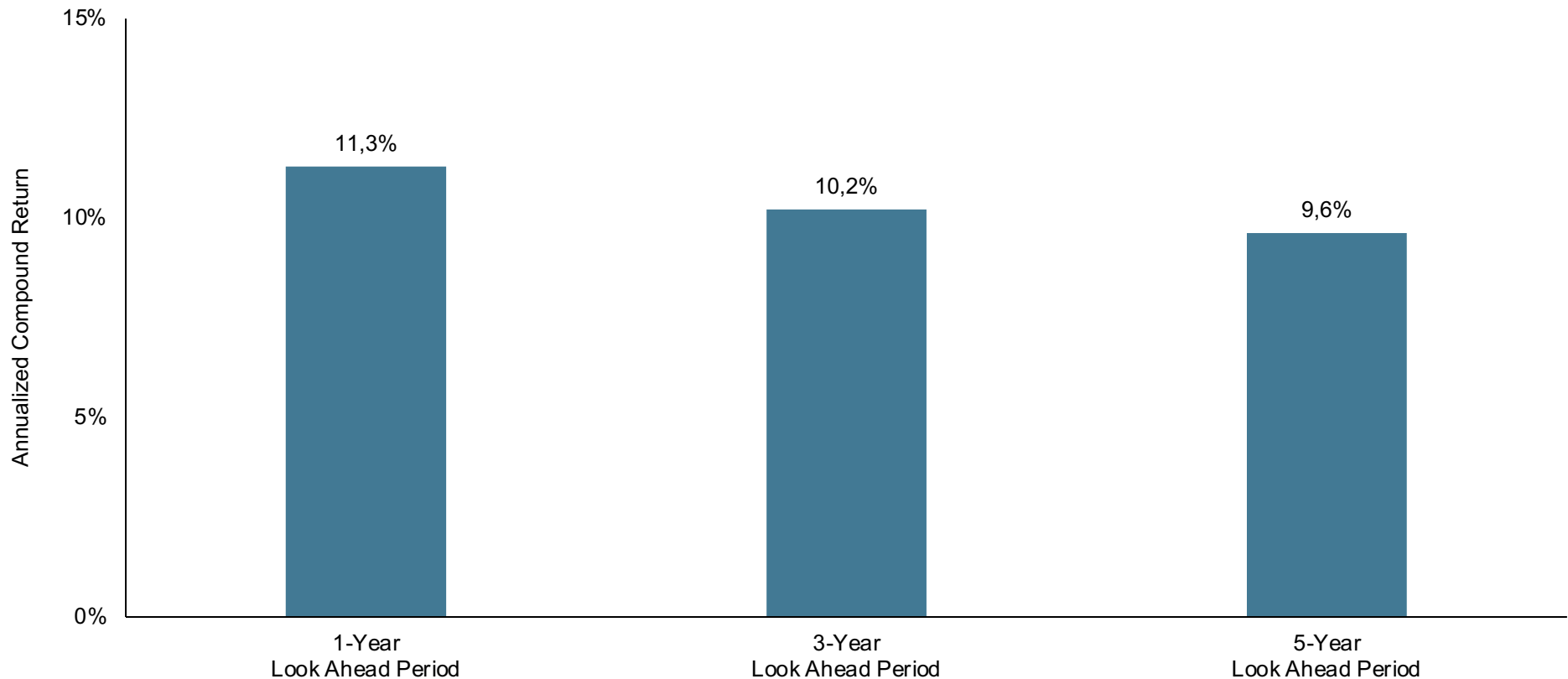
MSCI Canada Index (gross div.), 1/1970–12/2019



Past performance is no guarantee of future results. In CA Dollars. New market highs are defined as months ending with the market above all previous levels for the sample period. Annualized compound returns are computed for the relevant time periods subsequent to new market highs and averaged across all new market high observations. There were 599 observation months in the sample. January 1970–present: MSCI Canada Index (gross div., CAD). MSCI data © MSCI 2020, all rights reserved. Index is not available for direct investment; therefore, its performance does not reflect the expenses associated with the management of an actual portfolio. There is always a risk that an investor may lose money.

Average Annualized Returns after Market Decline of More than 10%

S&P 500, 1/1926–12/2019

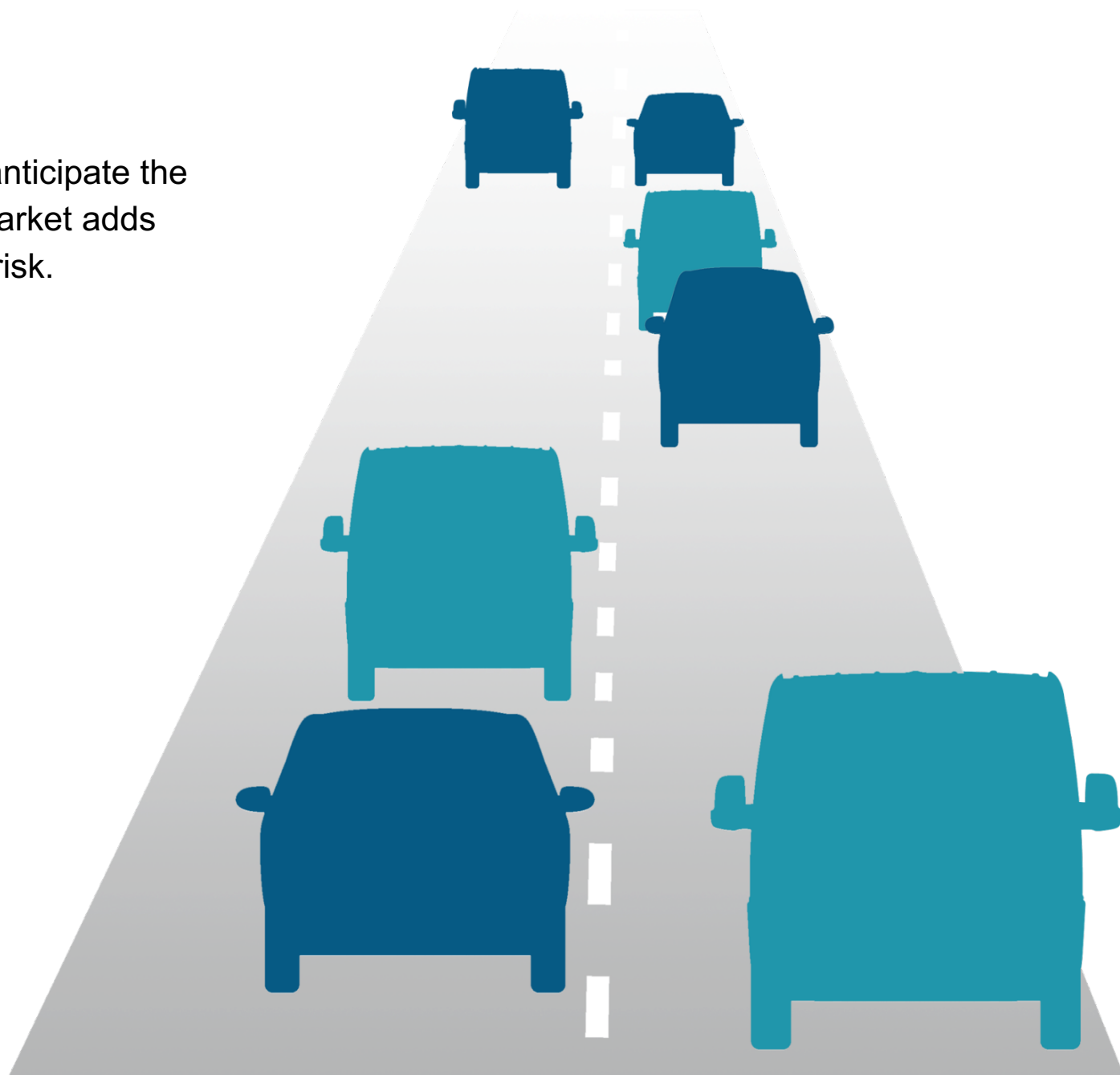


In US dollars.

Past performance is no guarantee of future results. Declines are defined as months ending with the market below the previous market high by at least 10%. Annualized compound returns are computed for the relevant time periods after each decline observed and averaged across all declines for the cutoff. There were 1,127 observation months in the sample. January 1990–present: S&P 500 Total Returns Index. S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. January 1926–December 1989; S&P 500 Total Return Index, Stocks, Bonds, Bills and Inflation Yearbook™, Ibbotson Associates, Chicago. For illustrative purposes only. Index is not available for direct investment; therefore, its performance does not reflect the expenses associated with the management of an actual portfolio. There is always a risk that an investor may lose money.

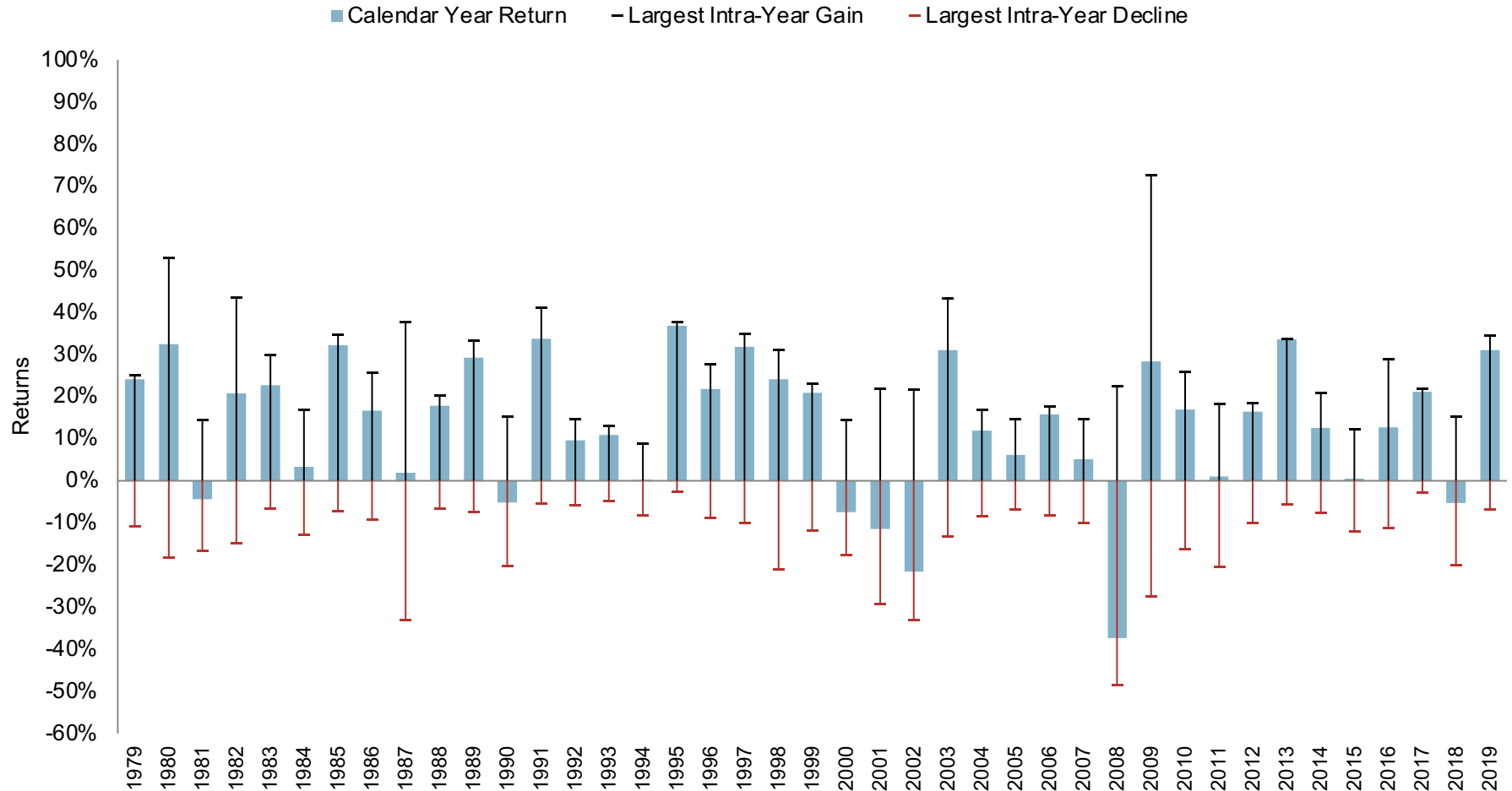
Picking the Fastest Lane Is a Stressful Guessing Game

Likewise, trying to anticipate the movement of the market adds anxiety and undue risk.



US Market Intra-year Gains and Declines vs. Calendar Year Returns

1979–2019

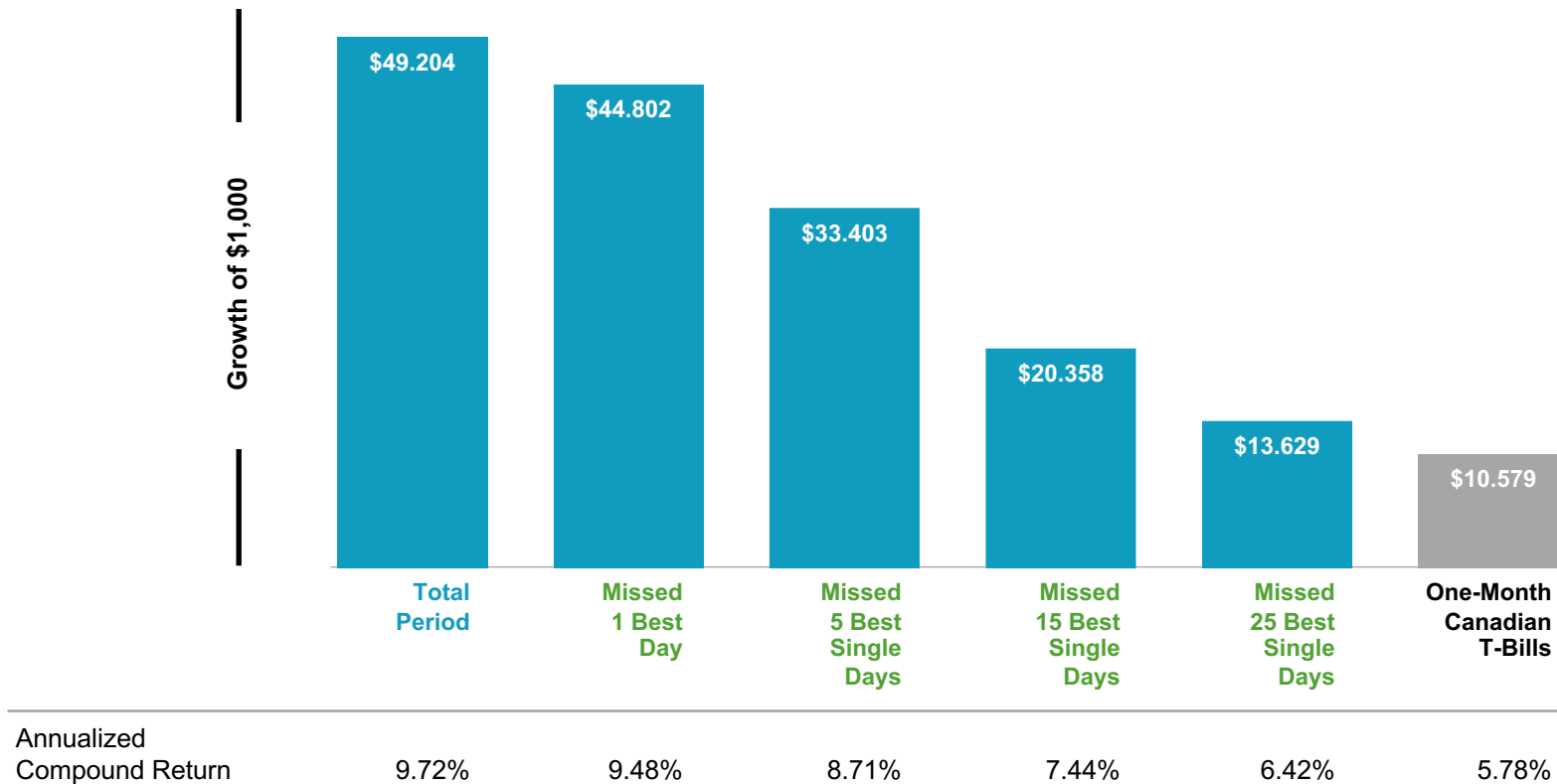


In US dollars. Data is calculated off rounded daily returns. US Market is the Russell 3000 Index. Largest Intra-Year Gain refers to the largest market increase from trough to peak during the year. Largest Intra-Year Decline refers to the largest market decrease from peak to trough during the year. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes.

Past performance is not a guarantee of future results. Values change frequently and past performance may not be repeated. There is always the risk that an investor may lose money. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Values change frequently and past performance may not be repeated. There is always the risk that an investor may lose money. Even a long-term investment approach cannot guarantee a profit.

Performance of the S&P/TSX Composite Index

Daily: January 1977–December 2018



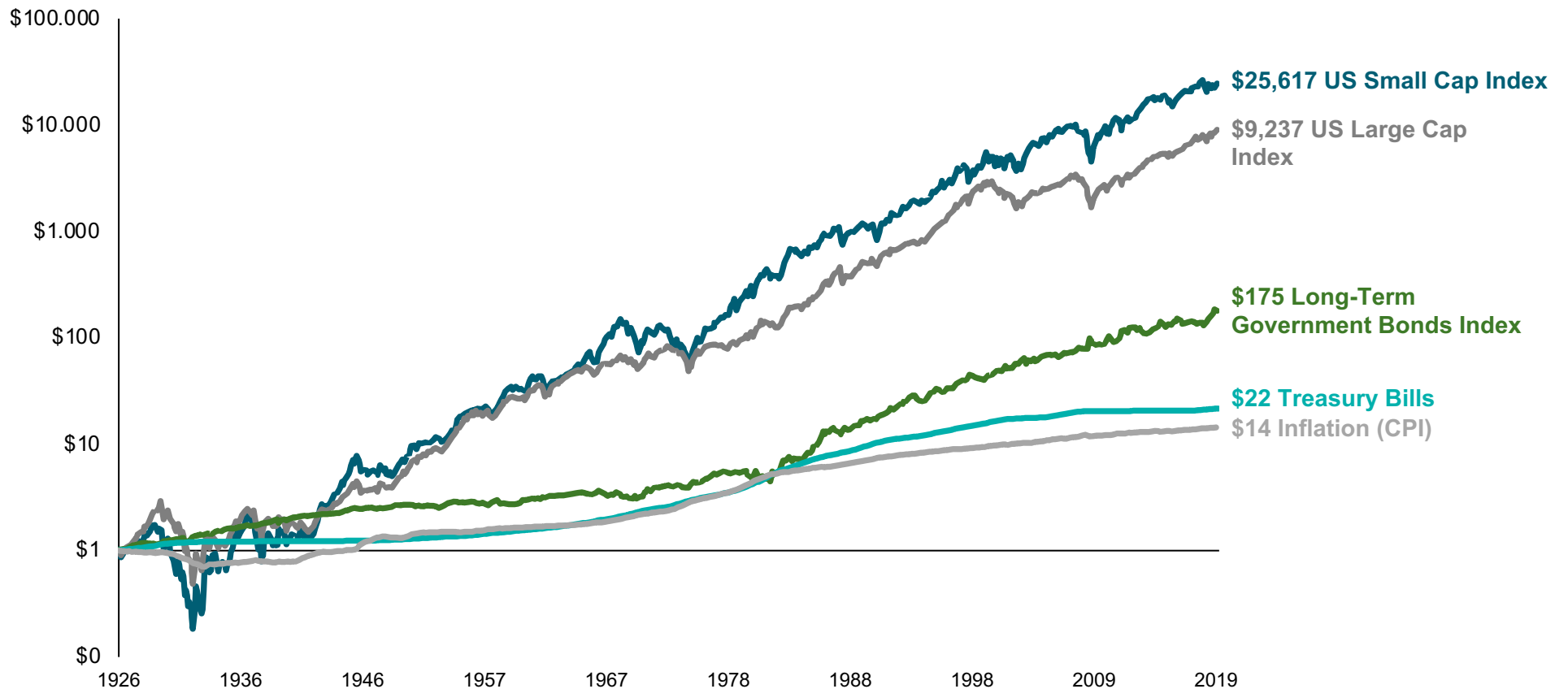
In Canadian dollars.

S&P/TSX data © 2019 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. T-bills provided by Scotia Capital Inc.

Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. **Past performance is not a guarantee of future results.** Values change frequently and past performance may not be repeated. There is always the risk that an investor may lose money. Data is calculated off rounded daily index values.

The Capital Markets Have Rewarded Long-Term Investors

Monthly growth of wealth (\$1), 1926–2019



In US dollars.

US Small Cap Index is the CRSP 6–10 Index; US Large Cap Index is the S&P 500 Index; Long-Term Government Bonds Index is 20-year US government bonds; Treasury Bills are One-Month US Treasury bills; Inflation is the Consumer Price Index. 1-Month Treasury Bills Index is the IA SBBI US 30 Day TBil TR USD. Treasury Index data sourced from Ibbotson Associates, via Morningstar Direct. CRSP data provided by the Center for Research in Security Prices, S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Bonds, T-bills, and inflation data provided by Morningstar. **Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is no guarantee of future results**

Focus on What You Can Control

- Create an investment plan to fit your needs and risk tolerance.
- Structure a portfolio along the dimensions of expected returns.
- Diversify globally.
- Manage expenses, turnover, and taxes.
- Stay disciplined through market dips and swings.

A financial advisor like those of us at The Wong Group at Wellington-Altus Private Wealth can offer expertise and guidance to help you focus on actions that add value. This can lead to a better investment experience.



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