

## Investment Strategy and Objectives

Outcome Wealth Management manages portfolios comprised of large, liquid ETFs. Our strategies are designed to provide efficient global diversification, offer better protection in bear markets, and deliver higher long-term returns.

## Global Tactical Asset Allocation (GTAA) Strategies<sup>1</sup>

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
GTAA Growth 100	2017	-	-	-	-	1.63%	-0.09%	1.98%	+0.05%	-	-	-	-	3.60%
GTAA Income 100	2017	-	-	-	-	0.75%	-0.17%	1.25%	-0.18%	-	-	-	-	1.66%
GTAA Moderate 50	2017	-	-	-	-	0.63%	-0.12%	0.95%	-0.10%	-	-	-	-	1.36%

### GTAA Growth 100

The GTAA Growth 100 strategy was 90% invested in growth assets in August. Leading the way were emerging market stocks (EEM), which rose 2.4%, and are now up 28% on the year. The second largest contribution came from emerging market sovereign bonds (EMB), which were up 2% for the month and are now positive 9% ytd.

For September, the strategy remains 90% invested in growth assets, with the remaining 10% of the portfolio evenly split between U.S. Treasuries and U.S. short-term investment grade corporate bonds. Canadian stocks continue to be sidelined due to their continued, uninspiring price action.

### GTAA Income 100

The GTAA Income 100 strategy was 89% invested in growth assets during August. Emerging market sovereign bonds (EMB) led the way (+2%), followed by U.S. investment grade bonds (LQD), which rose 0.7% for the month. Interestingly, the biggest drag on performance came from the U.S. dividend stocks (SDY), which declined 0.9%.

For September, the strategy is maintaining its 89% allocation to growth assets, with the remaining 11% of the portfolio evenly split between U.S. Treasuries and U.S. short-term investment grade corporate bonds.

### GTAA Moderate 50

The GTAA Moderate 50 strategy was 50% invested in growth assets during the month, with performance drivers that were similar to the GTAA Income 100 strategy, albeit on a muted scale due to the former strategy's lower aggregate weighting in growth assets.

For September, the strategy is maintaining its 50% allocation to growth assets, with the remaining 50% of the portfolio split 35%/15% between U.S. short-term investment grade corporate bonds and U.S. Treasuries, respectively.

1. Returns are gross of OWM management fees and recoverable withholding taxes on foreign dividends.

## ETF Dashboard

Symbol	Geography	Asset Class	Aug	YTD	1 Year	3 Year	5 Year
XIU	Canada	Stocks	0.2	0.8	7.7	2.4	8.1
SPY	U.S.	Stocks	0.3	11.7	16.0	9.1	13.6
VNQ	U.S.	REITs	-0.3	3.5	-1.4	6.9	8.3
PFF	U.S.	Preferred Shares	-0.1	8.4	2.9	4.7	5.0
HYG	U.S.	High Yield Corporate Bonds	0.1	5.4	7.3	2.9	4.3
SJNK	U.S.	Short Term High Yield Corporate Bonds	0.1	4.2	7.4	2.1	3.5
LQD	U.S.	Inv. Grade Corporate Bonds	0.7	5.7	1.2	3.4	3.3
SDY	U.S.	High Dividend Stocks	-0.9	5.2	7.3	9.2	13.0
TLT	U.S.	Long Term Treasuries	3.4	8.9	-6.3	4.9	2.4
VCSH	U.S.	Short Term Inv. Grade Corporate Bonds	0.4	2.5	1.7	2.1	2.0
IEV	Europe	Stocks	-0.1	19.3	19.0	1.5	7.8
RWX	International	REITs	-0.3	10.3	1.0	0.0	5.0
EWJ	Japan	Stocks	-0.1	12.7	13.3	6.4	9.9
EEM	Emerging Markets	Stocks	2.4	28.6	24.3	1.4	4.3
EMB	Emerging Markets	Sovereign Bonds	2.0	9.0	4.4	4.7	3.6

## ETF Spotlight | EWJ

Launched in 1996 by Blackrock, EWJ tracks the investment results of the MSCI Japanese Index, offering investors exposure to roughly 85% of the investable universe of securities traded in Japan.

Net Assets	\$15.9 billion
Average Daily \$ Volume	\$256.79 million
Year-to-Date Return	11.97%
Expense Ratio	0.48%
Price/Earnings Ratio	15.29
Distribution Yield	1.71%

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