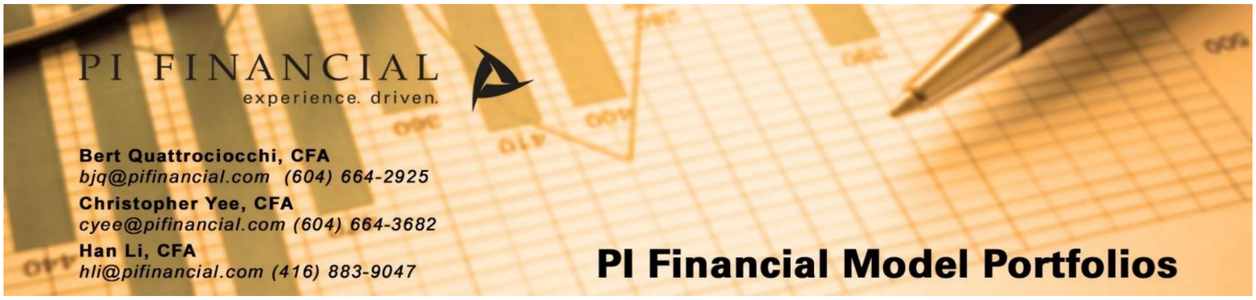


November 2023

Markets surge on optimism of soft landing

After large losses in September and October, equity and bond markets rallied sharply in November reflecting economic data that showed more signs of easing global inflation and a softening US labour market. Lower interest rates, a resilient US consumer and positive Q3 corporate profits, (vs negative Q2) added to the much-improved outlook and investor sentiment.

Markets are seeing growing optimism that the US Federal Reserve is getting inflation under control without causing a steep recession; a true goldilocks scenario for investors.

Except for China and Hong Kong markets, virtually all other major global equity indices posted robust gains in November led by double-digit gains in Brazil, Spain, Nasdaq and Mexico. The S&P 500, Nasdaq and Dow Jones are now at YTD highs. Gains were much more broad-based with many underperforming sectors such as small caps, real estate and financials posting strong gains. In the US, while technology and the ‘ Magnificent 7’ companies continued to dominate November and 2023 gains, market breadth was substantially better with now 80% of S&P 500 companies trading above their 50-day moving average.

In Canada, GDP growth has turned flat for the past 2 months, and household consumption has been stagnant for 2 quarters as consumer struggle with much higher personal debt than US consumers. Canadian markets also saw solid inflows of capital with the S&P TSX Composite posting a solid +7.2% gain and the TSX Venture +3.9%. While the Infotech sector leads all other sectors by a wide margin, thanks to Shopify, the interest-sensitive Financials, Real Estate, Utilities and Communications sectors also rallied on falling interest rates and growing investor expectations the Bank of Canada would be cutting rates in early 2024.

Since their peak in early October, benchmark bond yields have plunged about 1% across the yield curve in both the US and Canada. Trader views have abruptly shifted from higher interest rates for longer to now futures pricing in 5 US Fed rate cuts in 2024 (-1.25%).

However, while the US Fed has indicated monetary policy is restrictive and may likely be done raising interest rates, they are not talking about cutting rates just yet. At this week’s FOMC meeting, all eyes will be on Fed Chairman Powell and what he says about the direction of rates and monetary policy.

All PI Financial portfolios post robust gains

All of the PI Financial model portfolios posted solid gains in November, led by the PI US Growth portfolio +8.1% and the PI Focus 15 portfolio + 6.9% (**total return before fees**).

Year to date our US Growth portfolio produced a double-digit total return of +12.3% just behind the +12.8% return from our PI Canadian Equity model. Our US Growth portfolio is performing well in 2023, although it has underperformed its benchmark, the capitalization-weighted S&P 500 index, substantially due to our lesser weighting (18%) in the ‘ Magnificent 7’ stocks (Apple, Amazon, Alphabet, Microsoft, Meta, Nvidia, Tesla) compared to 30% for the S&P 500.

The Magnificent 7 stocks have helped drive most of the +19% YTD price return on the S&P 500; without them, the index would have been up +8%. The S&P 500 Equal Weight index is up a modest +4.6%. While these 7 companies deserve the higher valuation, we advise that with a historically very high 30% weighting and an average PE of 32x FY2024 there is little room for disappointment.

The High Yield Dividend Growth portfolio had much better performance in November with a total return of +5.97%. Lower interest rates are very beneficial for companies within the key dividend-paying sectors of real estate, utility, financial, pipeline and telecom. With rates forecasted to continue to decline in 2024, we expect this portfolio’s returns to improve.

There are many positive factors driving this month's rally. Easing inflation, lower interest rates, cooling but still strong jobs market, resilient US consumer spending and improving corporate profits have all helped reduce the odds of a steep economic downturn in 2024. We remain positive on equity and bonds through early 2024. We added to our equity allocations and lowered slightly our elevated cash weighting for some of our growth portfolios. We continue to favour Canadian bonds and have added to our short-term (3-4 year) holdings in the Balanced portfolio on expectations both the Bank of Canada and the US Fed will lower rates by mid 2024.

However, we see a 50/50 chance of a recession in 2024, especially in Canada where economic growth is already stalling. The key broad-based economic indicators, such as the Leading Economic Indices, and Purchasing Managers Indices continue to point to a slowdown by mid-to-late 2024. The question is whether it will be mild or steep. Given the aforementioned positives, we expect the slowdown to be mild. Our investment strategy is to hold both large, high-quality growth companies and high-quality value companies that should both benefit most from falling interest rates, lower inflation and moderate economic growth.

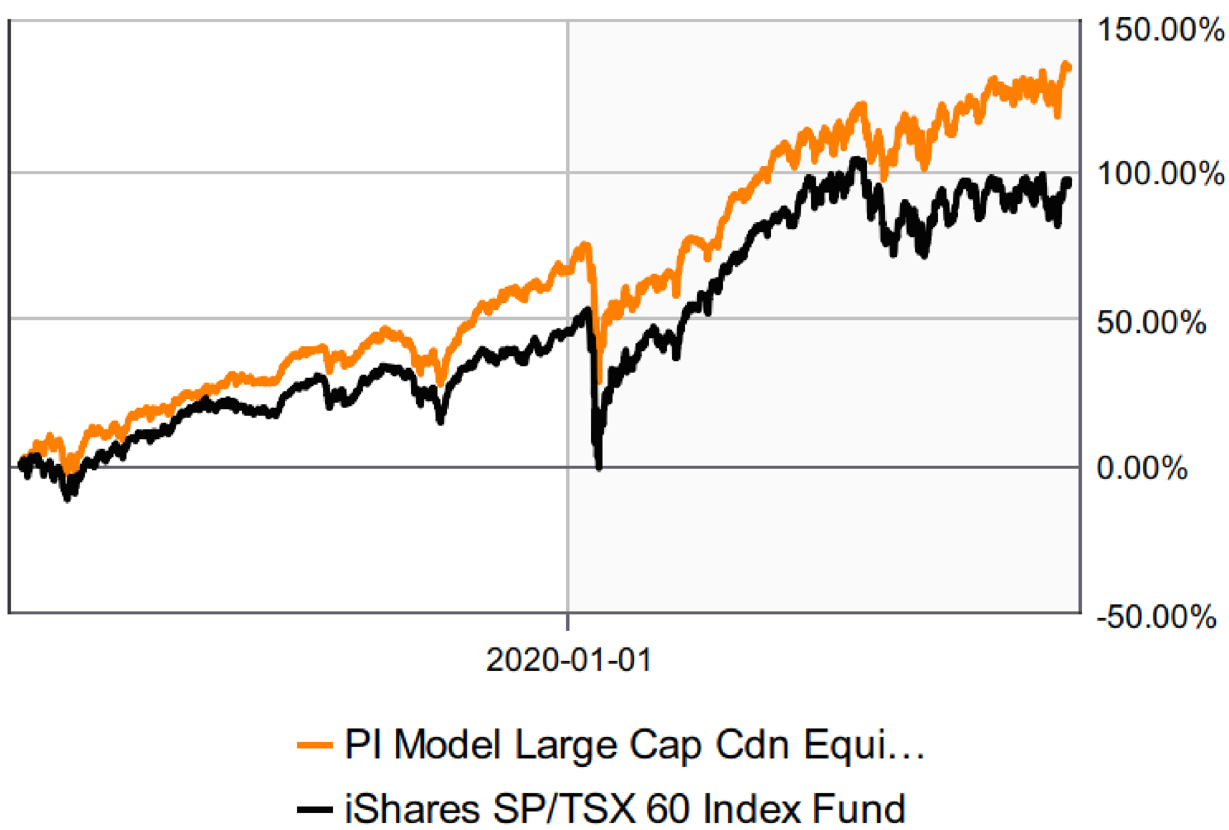
PERFORMANCE REPORT

As at November 31, 2023

MODEL PORTFOLIO	OVERVIEW	RISK RATING	1M	YTD	1 Year	% Total return before fees - *ANNUALIZED* 3 Year	5 Year	Since Inception	INCEPTION DATE
PI Canadian Equity	Core Canadian equity large-cap growth	Moderate Risk	6.2%	10.8%	6.1%	10.8%	11.3%	10.9%	September 8, 2015
Benchmark	S&P | TSX 60 Total Return Index		7.9%	7.6%	1.9%	9.5%	9.4%	8.6%	
PI Canadian Dividend Growth	Core Canadian equity large-cap dividend growers	Moderate Risk	5.5%	6.1%	1.1%	6.1%	8.0%	9.1%	September 8, 2015
Benchmark	S&P | TSX Div Aristocrat Total Return		7.2%	3.2%	0.5%	8.5%	7.9%	7.1%	
PI Focus 15	Canadian concentrated equity growth	Moderate / High Risk	6.9%	8.3%	3.5%	10.6%	10.1%	8.4%	October 31, 2016
Benchmark	S&P TSX Composite Total Return Index		7.5%	7.5%	2.3%	8.9%	9.3%	7.8%	
PI Canadian Equity *PLUS*	Equity growth with U.S. and international diversification	Moderate Risk	5.7%	12.8%	8.4%	9.7%	10.1%	8.1%	June 4, 2018
Benchmark	65% S&P/TSX 60 Index / 35% MSCI All World ex. Canada		7.4%	10.4%	5.1%	8.9%	9.5%	8.2%	
PI High Yield Dividend Growth	Canadian equity focused high dividend yield growers	Moderate Risk	6.0%	-0.1%	-4.4%	5.0%	n/a	6.3%	December 7, 2018
Benchmark	S&P/TSX High Dividend Index		6.4%	2.7%	-1.5%	12.1%	n/a	9.6%	
PI Balanced	Multi-asset class (equity, fixed income, money market)	Low / Moderate Risk	4.5%	7.7%	3.3%	5.2%	n/a	5.3%	August 21, 2019
Benchmark	40% Cdn Agg Bond Index, 30% S&P/TSX 60 Index, 30% S&P 500 Index		6.1%	9.8%	5.6%	4.6%	n/a	6.1%	
PI US Growth	US equity large-cap growth	Moderate Risk	8.1%	12.3%	4.0%	n/a	n/a	0.6%	June 29, 2021
Benchmark	S&P 500 Index		9.1%	20.8%	13.8%	n/a	n/a	4.2%	
PI Sector ETF	Sector ETFs Cdn and US	Low / Moderate Risk	4.2%	6.9%	2.2%	n/a	n/a	6.7%	July 21, 2022
Benchmark	50% S&P TSX Composite Total Return Index / 50% S&P 500 Index		7.0%	14.2%	8.1%	n/a	n/a	12.2%	

Benchmark performance source: Refinitiv | Eikon

PI Canadian Equity Portfolio +6.19% in November

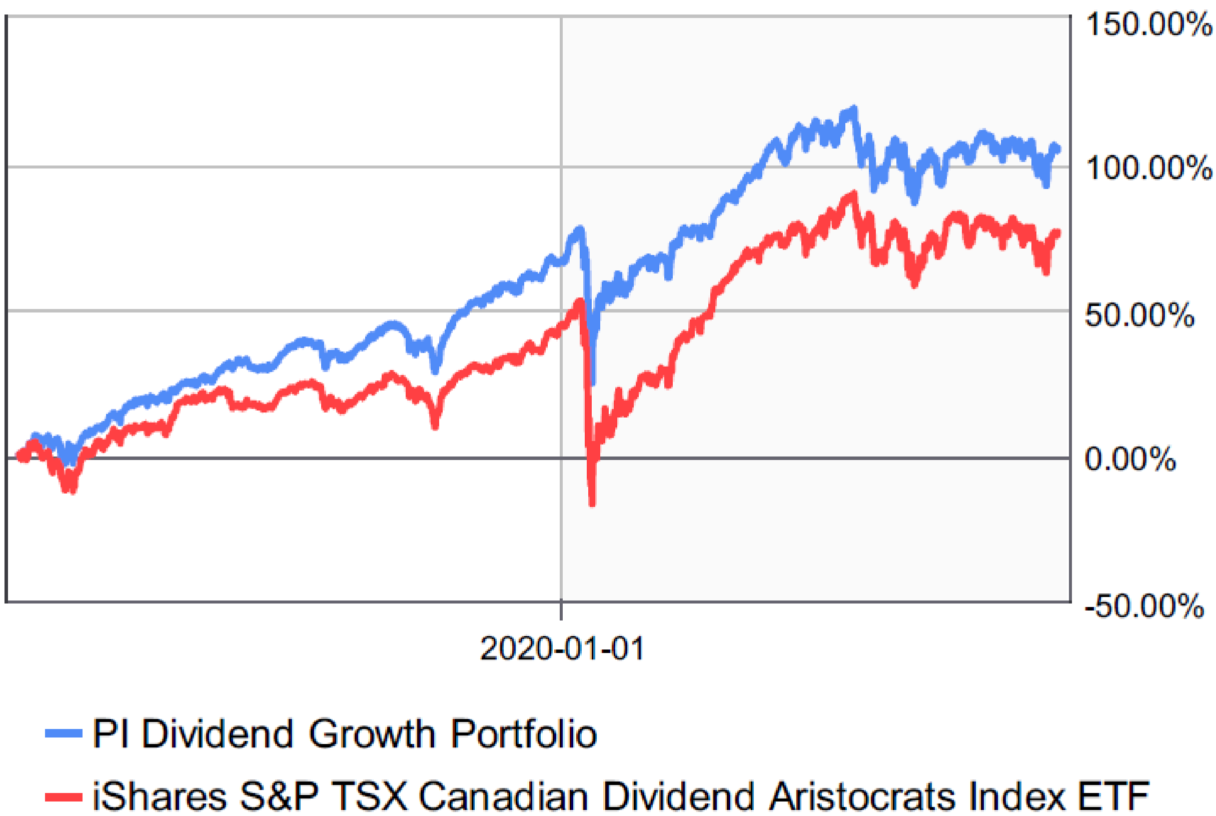


The PI Canadian Equity Model ('PICEM') Portfolio increased by +6.19% for the month while its benchmark, the S&P | TSX 60 Total Return Index increased +7.91%. The S&P | TSX Composite Total Return index increased by +7.48%.

Year to date, the portfolio increased +10.79% vs +7.60% for the benchmark and +7.54% for the S&P TSX Composite (total return).

Since inception, September 8, 2015, the PI Canadian Equity Model portfolio has produced a total return of +135.07% vs +97.79% for the benchmark. Thus, a $100,000 investment would now be worth $236,510. All returns are exclusive of any fees.

PI Dividend Growth Portfolio +5.51% in November

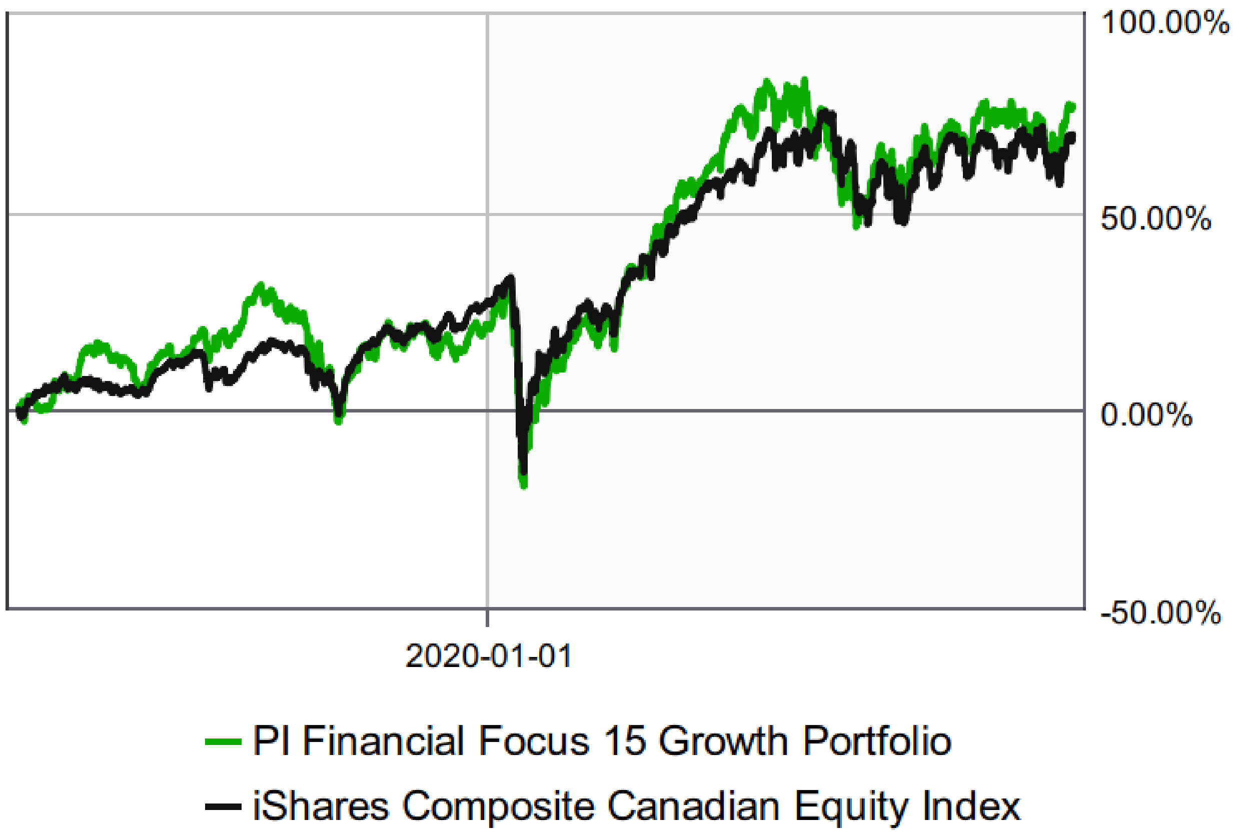


The PI Canadian Dividend Growth Model ('PICDGM') Portfolio increased +5.51% for the month compared to the portfolio's benchmark, the S&P | TSX Dividend Aristocrats Index which increased +7.17% in the month, while the S&P | TSX Composite index increased +7.48%.

Year to date, the portfolio increased +7.18% on a total return basis compared to an increase of +4.76% by the benchmark and +7.54% for the S&P | TSX Composite Total Return Index.

Since inception, September 8, 2015, the PI Canadian Dividend Growth Model portfolio has produced a total return of +105.26% vs +76.44% for the benchmark. Thus, a $100,000 investment would now be worth $205,260. All returns are exclusive of any fees.

PI Focus 15 Portfolio +6.92% in November

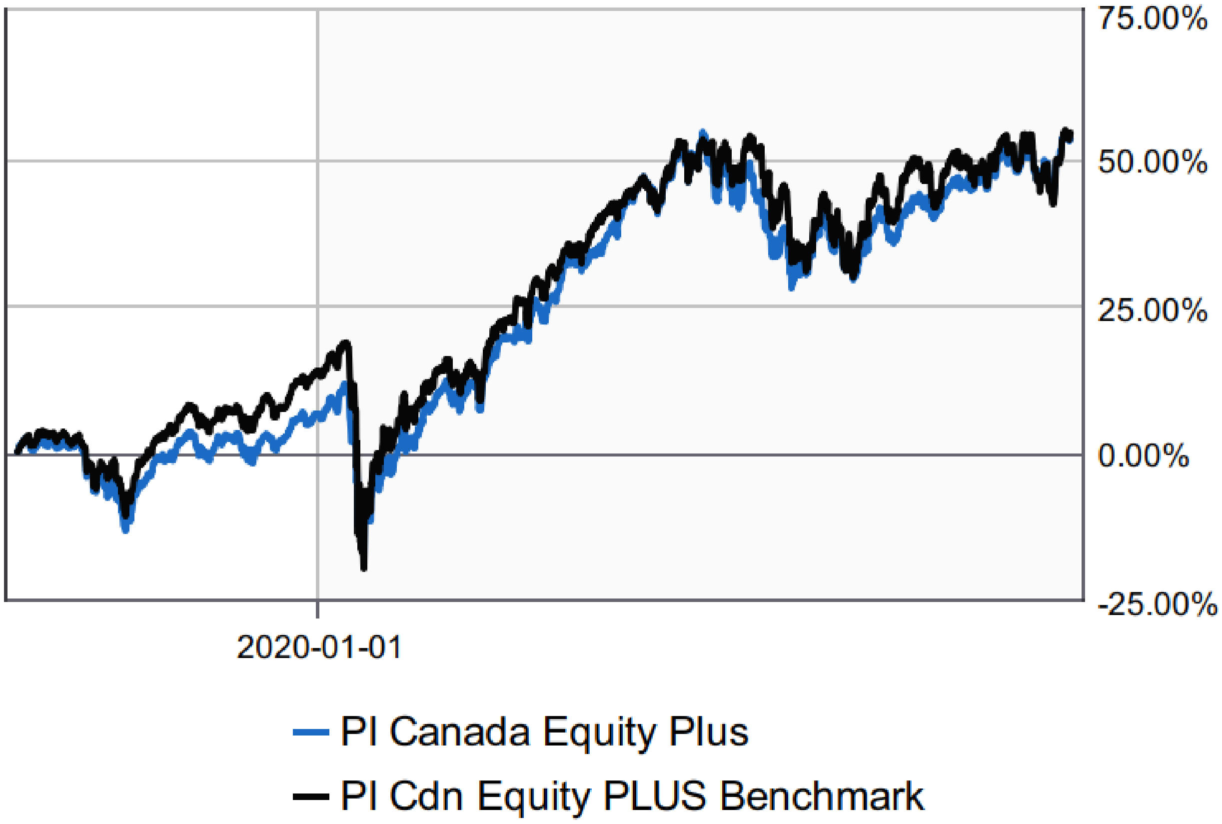


Our most growth oriented portfolio, the PI Focus 15 ('PIFF') Growth Model Portfolio, increased +6.92% for the month compared to its benchmark, the S&P | TSX Composite Total Return Index which increased +7.48%.

Year to date, the portfolio increased +8.35%, while its benchmark increased +7.52% (total return).

Since inception, October 31, 2016, the PI Focus 15 Growth Model Portfolio has produced a total return of +77.16% vs +69.89% for the benchmark. Thus, a $100,000 investment would now be worth $177,160. All returns are exclusive of any fees.

PI Canadian Equity Plus +5.68% in November

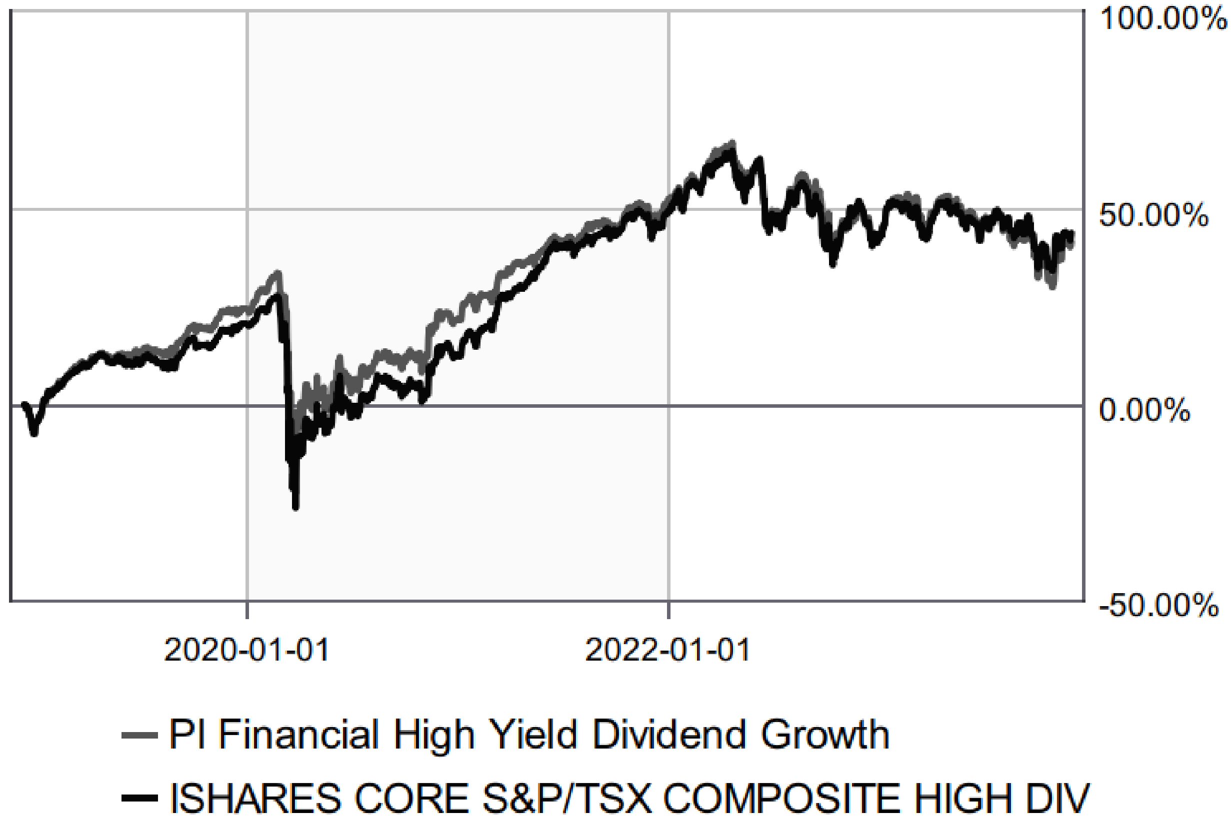


The PI Canadian Equity Plus Model ('PICEP') portfolio posted a total return of +5.68% in the month, while its benchmark, a blend of 65%weighting in S&P TSX 60 Index and 35% MSCI All Country World ex Canada Index increased by +7.35%.

Year to date, the portfolio has produced a total return of +12.78% vs +10.44% for the blended benchmark.

Since inception, June 4th, 2018 the PI Canadian Equity Plus Model portfolio has produced a total return of +53.29% vs +54.36% for the blended benchmark. Thus, a $100,000 investment would now be worth $153,290. All returns are exclusive of any fees.

PI High Yield Dividend Growth +5.97% in November

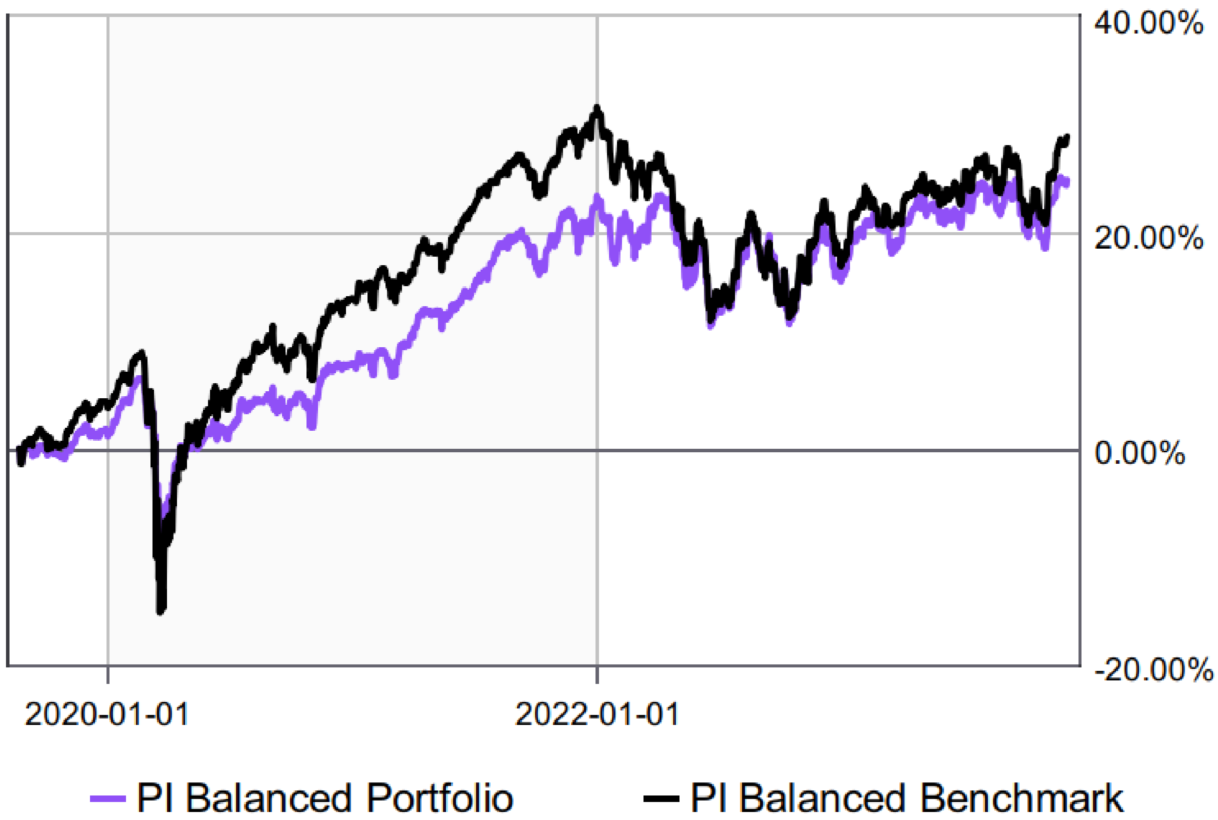


The PI High Yield Dividend Growth model (PIHYDG) portfolio Increased +5.97% in the month while its benchmark, the S&P TSX Composite High Dividend Index increased +6.4% and the S&P TSX Composite increased +7.48%.

Year to date, the portfolio decreased -0.08% vs +2.68% for the S&P TSX High Dividend Index and a increase of +7.54% for the S&P TSX Composite (total return).

Since inception, December 7, 2018, the PI High Yield Dividend Growth Model portfolio has produced a total return of +35.45% vs +57.81% for the benchmark. Thus, a $100,000 investment would now be worth $135,450. All returns are exclusive of any fees.

PI Balanced +4.47% in November

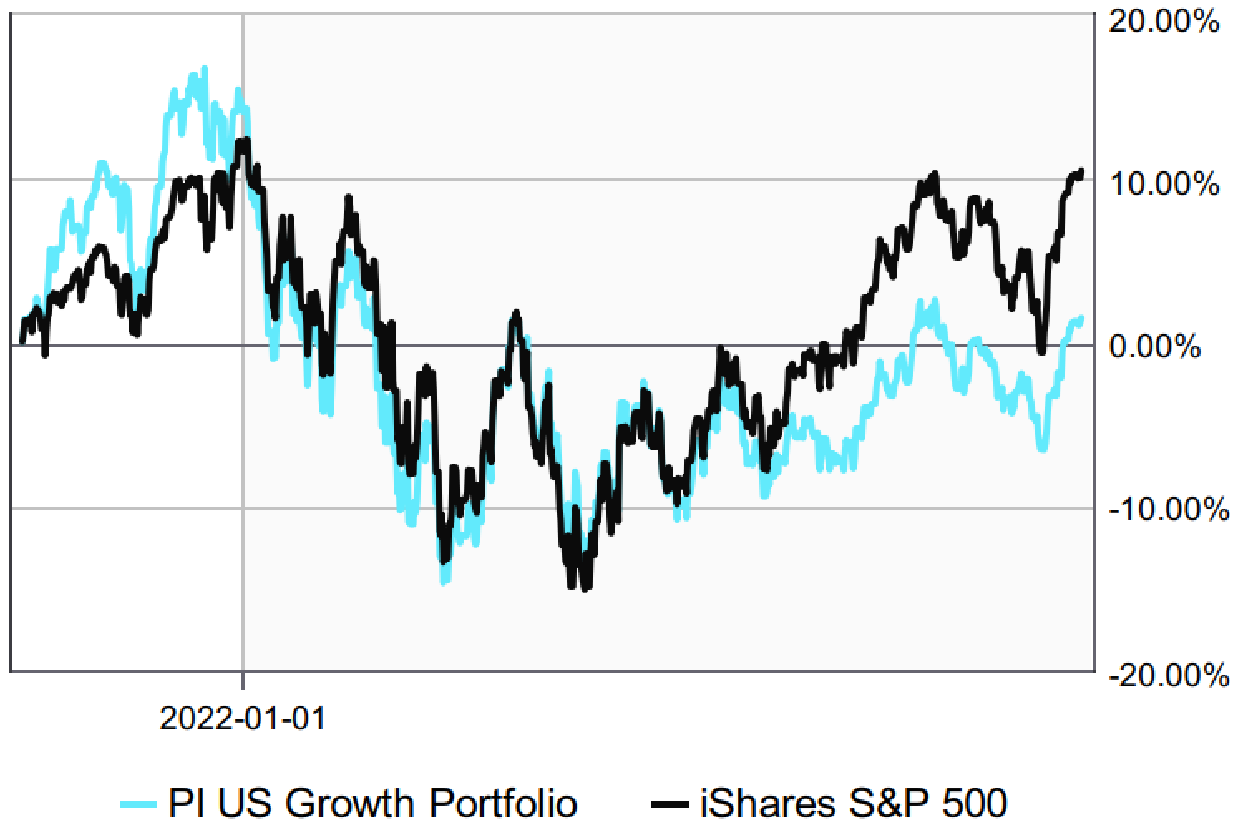


The PI Balanced Model ('PIBMP') Portfolio posted a total return of +4.47% in the month while its benchmark, a blend of 40% Canadian Aggregate Bond Index, 30% S&P/TSX 60 Index and 30% S&P 500 Index increase by +6.11%.

Year to date, the portfolio has increased +7.65% vs +9.75% for the blended benchmark (total return).

Since inception, August 21st 2019, the PI Balanced Model portfolio has produced a total return of +24.91% vs +28.93% for the blended benchmark. Thus, a $100,000 investment would now be worth $124,910. All returns are exclusive of any fees.

PI US Growth +8.13% in November

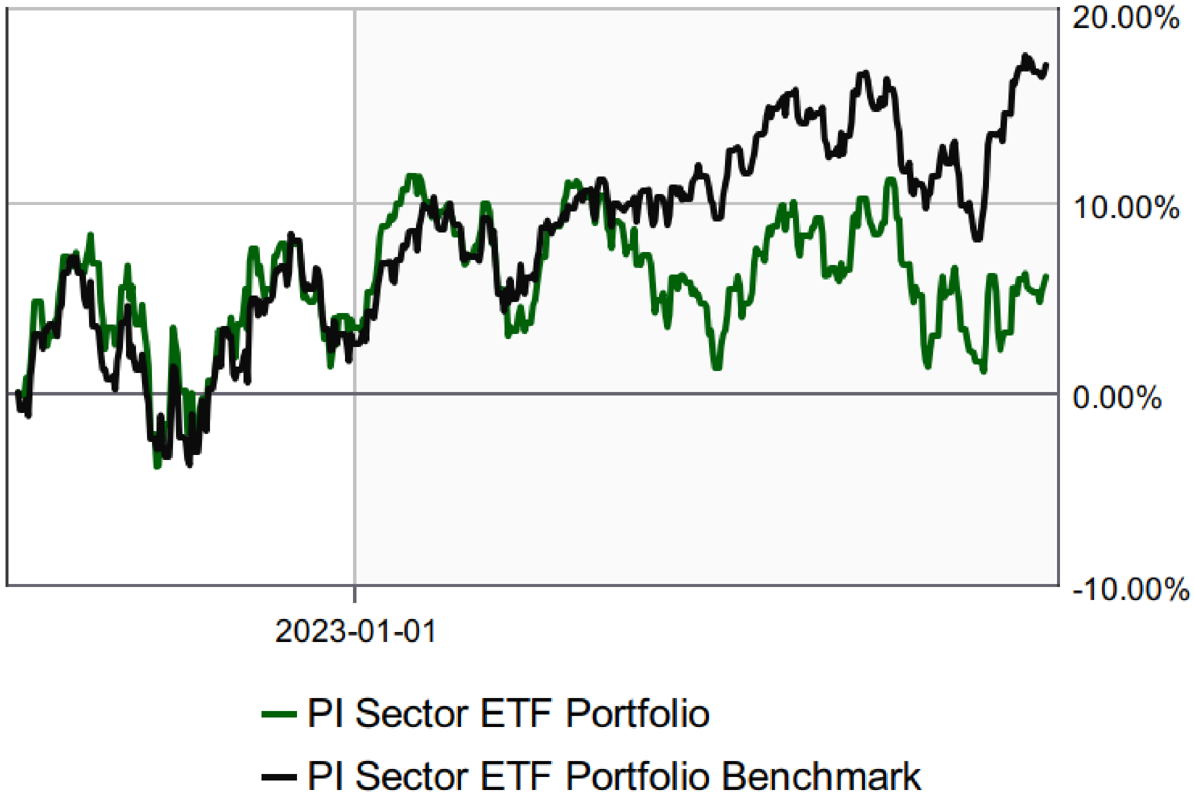


The PI US Growth Model ('PIUSG') Portfolio posted a total return of +8.13% for the month while its benchmark, the S&P 500 Total Return Index increased by +9.13%.

Year to date, the portfolio increased +12.30% vs +20.81% for the benchmark.

Since inception, June 29, 2021, the PI US Growth Model portfolio has produced a total return of +1.45% vs +10.46% for the benchmark. Thus, a $100,000 investment would now be worth $101,450 . [All returns are exclusive of any fees.]

PI Sector ETF +4.24% in November



The PI ETF Model ('PIETF') portfolio increased by +4.24% in the month, while its benchmark, a blend of 50% weighting in S&P TSX Index and 50% S&P 500 Index increased +7.00%.

Year to date, the portfolio has returned +7.96% vs +14.35% for the blended benchmark.

Since inception, July 21st, 2022 the PI ETF Model portfolio has produced a total return of +6.07% vs +17.17% for the blended benchmark. Thus, a $100,000 investment would now be worth $106,070.

For more information about all of the PI Financial model portfolios please contact your PI Financial Portfolio Manager or Investment Advisor.

If you do not currently have a PI Financial professional assisting you and would like to learn more about our discretionary model portfolios please click here pifps@pifinancialcorp.com.

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For further disclosure information, reader is referred to the disclosure section of our website.