

Managed Portfolios

Fiera Balanced

Quick facts

Inception date:
November 30, 2018

Asset class:
Balanced

Minimum investment:
\$100,000

Avg. number of holdings:
20–35

Investment manager:
Fiera Capital

Investment manager assets under management:
\$167B

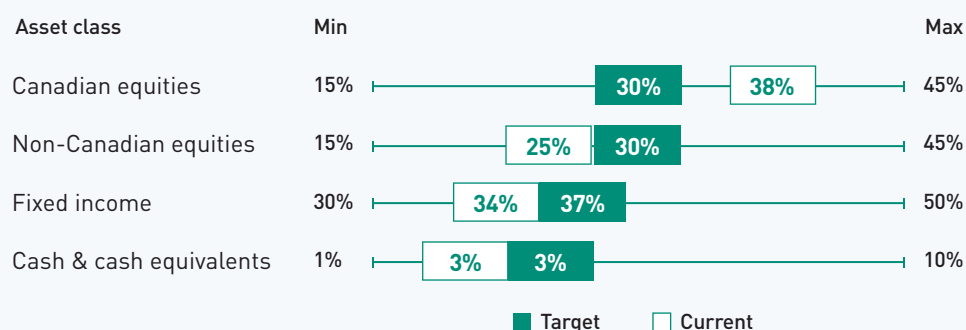
Portfolio risk:

Medium

What does the Portfolio invest in?

The portfolio invests in a diversified portfolio of Canadian and foreign equity securities, fixed-income securities, exchange traded funds (ETFs), and money market instruments and/or cash equivalents.

Asset allocations



- Equities: the minimum market capitalization will be \$1 billion dollars (CAD and/or USD equivalent) at the time of purchase and invested in at least six out of 11 GICS (Global Industry Classification Standard Sectors)
 - Canadian equities: Target 5–15 securities
 - Non-Canadian equities: Target 15–20 securities
- Fixed income: Fiera Core Plus Canadian Bond Universe Fund will be used

Suitable for investors whose objective is to achieve long-term capital growth, and is not intended for investors with a short-term investment horizon.

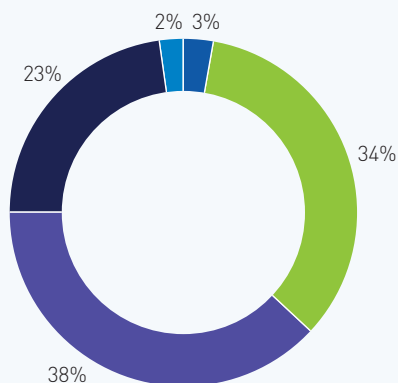
Top ten holdings¹ (excluding cash and cash equivalents) %

1. Fiera Core Plus Canadian Bonds Universe Fund	34.9	6. Thomson Reuters Corp	3.1
2. Visa Inc	3.5	7. S&P Global Inc	2.9
3. TMX Group Limited	3.4	8. Intact Financial	2.9
4. Metro Inc	3.3	9. TJX Companies Inc	2.8
5. Dollarama	3.2	10. Waste Connections	2.7

Performance

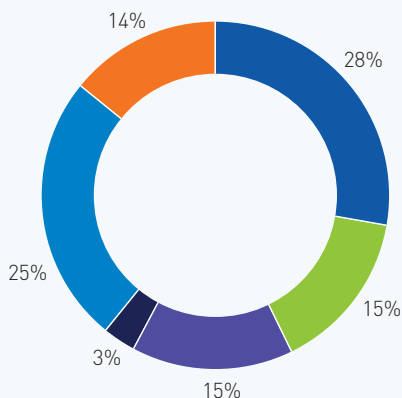
	QTD	YTD	1 yr	3 yr	5 yr	Since inception (Annualized)
Portfolio	3.4%	3.4%	12.6%	6.6%	8.0%	7.4%
Benchmark	0.8%	0.8%	12.1%	7.3%	10.3%	8.5%

Asset allocation¹



- Cash
- Fixed income
- Canadian equities
- US equities
- International equities

Equities sector allocation^{1,2}

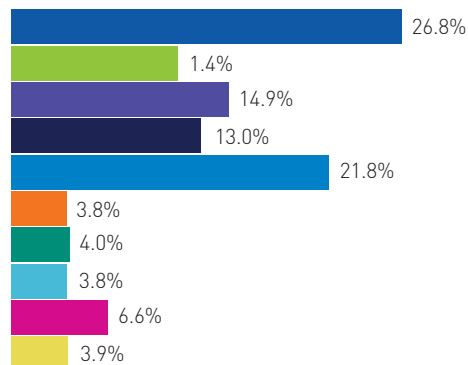


- Industrials
- Consumer Discretionary
- Consumer Staples
- Health Care
- Financials
- Information Technology

Average market cap. \$210B

Fixed income allocation

Core Bond Pool Sector Allocation



- Federal Bonds
- Foreign Pay Bonds
- Provincial Bonds
- Municipal Bonds
- Investment Grade Corporate Bonds
- High Yield Corporate Bonds
- Commercial Mortgages
- Private Debt
- Real Estate Financing
- Infrastructure Debt

Current Yield: 3.48%

Credit quality	Portfolio [%]
AAA	27.3
AA	25.8
A	11.1
BBB	16.4
Below BBB	3.8
Non Rated Securities	15.6
	100.0

Repositioning for Q2 2025

No change for Q2 2025.

Quarterly commentary

Market Review

Following the completion of a strong 2024 and heading into the new year, the Canadian market had a strong January as Donald Trump was inaugurated for the second time with the same promise of prosperity and growth. Things quickly took a turn, however, as the Trump administration began to expand on their proposed trade protectionism strategy, which was aggressive, constantly changing and of uncertain timing. Combined with a pullback in technology stocks from abated enthusiasm in artificial intelligence supply/demand dynamics, this uncertainty permeated and weakened global markets in the latter half of the quarter. In this context, commodity-linked sectors outperformed while technology and financial services companies struggled. The strongest performing sectors during the quarter were Materials and Utilities, with Information Technology and Consumer Discretionary the biggest laggards.

Bond yields dropped along the entire yield curve during the first quarter of 2025. Shorter term yields fell more sharply as the Bank of Canada implemented two cuts to its key interest rate, totaling 0.50%. These cuts were driven by the potential impact of trade tensions and the imposition of tariffs by President Trump. In the United States, however, the Federal Reserve chose to keep its key interest rate unchanged throughout the quarter.

Uncertainty related to trade tensions also led to an increase in the credit spreads for corporate and provincial bonds.

The yield on a 10-year Government of Canada bond started the first quarter at 3.22%. It dropped by 0.31%, ending the quarter at 2.91%. The slope of the yield curve steepened between the 2- and 10-year maturities as short-term rates declined more significantly. The curve also steepened in the 10- to 30-year segment. The yield on 5-year bonds fell from 2.96% to 2.57%.

Attribution Analysis

Equities

In the first quarter of 2025, the strategy had a positive absolute return and outperformed its benchmark.

Among the leading contributors to performance over the quarter were Metro and RB Global. Metro distributes food and pharmaceutical products through an expansive network of grocery and drug stores in Quebec and Ontario. The company benefits from the natural attractive industry structure of the Canadian grocery

sector, strong pricing power and a top-tier management team with a track record of efficiency and operational excellence. Despite the uncertain environment, the company has seen strong earnings growth and limited disruption from tariffs/counter-tariffs so far. With a significant amount of their grocery products sourced domestically, the disruptions are likely to be more significant in pharmacy going forward. That being said, the company has completed significant supply chain operations improvements and is now seeing efficiency gains which should help them manage through this uncertain environment. RB Global (previously known as Ritchie Bros. Auctioneers Incorporated) auctions industrial equipment, operating through various locations around the world. The Company sells, through unreserved public auctions, used and unused industrial equipment, including equipment used in the construction, transportation, mining, forestry, petroleum, and agricultural industries. The company benefits from their strong reputation as a trusted auction house in serving their global network of users. Although the company saw a decline in gross transactional value due to a weaker macro environment, it has seen continued positive progress from their integration of IAA and its various associated KPIs related to the acquisition. Furthermore, the business could see tailwinds from industrial companies looking to the secondary market for used equipment should tariff disruptions persist.

Significant detractors over the quarter were Danaher and CGI Inc. Danaher is a globally diversified producer of medical and industrial products and services. The company produces a wide variety of products primarily used in the medical and technological fields. Following increased demand for their testing and diagnostic products during the pandemic, the stock has struggled as the company faces difficulty issuing guidance following a normalization of supply/demand dynamics for their products. CGI Inc. provides information technology services including business consulting, system integration, IT outsourcing, application, business process, and infrastructure services. The company serves the health care, life science, insurance, manufacturing, oil and gas, and communication sectors worldwide. CGI differentiates itself from its peers with a strong focus on a decentralized model and strong local presence in the markets in which they operate. Furthermore, the critical services they provide to clients have allowed them to generate strong and consistent free cash flow in different economic environments. During the quarter, the stock was affected by uncertainty around whether their consulting relationship with the US Government may be affected by the ongoing cost-cutting taking place.

Quarterly commentary continued

Fixed Income

The Fiera Core Plus Canadian Bond Universe Fund marginally underperformed its benchmark. During the first quarter, we maintained a portfolio duration shorter than that of the benchmark and positioned the Fund in the middle of the yield curve. The duration strategy detracted from performance, while the positioning benefited the quarterly performance.

During the quarter, investment grade corporate bond spreads widened by 0.16% and high yield spreads widened by 0.60%. Provincial bond spreads also widened by 0.13%, which was slightly less than the widening seen in corporate bonds. The latter were more affected by the sustained risk aversion among investors. An underweight position in corporate bonds was maintained in favour of an overweight position in alternative credit bonds within the Fund, with the alternative credit bonds' overweight position having a positive outcome on performance and helped improve the diversification and return profile.

Outlook

We continue to believe that the likelihood of a recession is greater than that of a soft landing for the economy. Current economic growth appears weak and fragile to us. We are closely monitoring the situation and limiting the portfolio's credit risk. The portfolio is positioned in the middle of the yield curve because we believe that the slope of the curve will steepen. We are keeping the portfolio's duration slightly shorter than that of our benchmark.

The portfolio continues to be composed of high-quality businesses that can withstand tough times. The portfolio is currently trading at an attractive discount to its intrinsic value. Both elements should position the portfolio well for long-term compounding of returns.

Investment manager overview

With more than \$180 billion in assets under management, independent firm Fiera Capital is one of Canada's leading investment managers recognized for its excellence in portfolio management, innovative and personalized investment solutions, and its ability to surpass client expectations. Fiera offers a unique expertise in both traditional and absolute return investment strategies.

Management style

Canadian equities (GARP³) Global equities (GARP³) Fixed income (Core Plus)

Investment philosophy

Fiera targets to deliver a superior portfolio by investing in a focused number of companies run by great management teams diversified across global regions and industries. In addition, the manager also believes in active bond management that adapts to changes in the economic, financial and political environments to deliver value.

Investment process and risk controls

Fiera conducts a thorough fundamental research to implement their equity strategy. They believe that focusing on a concentrated model of 25 equity companies enables them to become familiar with all critical aspects of a business. The manager follows 10 internally developed company criteria which consist of both qualitative and quantitative metrics.

The fixed income component employs four types of analysis (fundamental, technical, sentiment and seasonality) around a well disciplined and structured process that invests in high quality securities. Specific risk metrics are calculated periodically to minimize the default risk, and to maintain the calibration of each strategy within the overall risk budget of the portfolio.

Key strengths

- Disciplined investment approach based on in-depth fundamental analysis
- Rigorous research and risk management process
- Superior and consistent performance
- Committed to integrating environmental, social and governance (ESG) criteria into the firm's investment processes, and how they do business
- Fiera is a United Nations Principles for Responsible Investment (PRI) signatory⁴

About Aviso Wealth

Aviso Wealth is part of Aviso, one of Canada's largest independent wealth management firms. Owned by the credit unions, we serve hundreds of thousands of investors at credit unions across Canada.

With approximately \$130 billion of assets under administration and management, Aviso has the resources to bring the best products and services to credit unions and their members. Invest with confidence, with your credit union and Aviso.

- Nearly 30 years as the wealth management provider to credit unions across Canada.
- One of Canada's largest independent wealth management firms.
- Parent company of Aviso Wealth, NEI Investments, and Qtrade.
- Owned by Canada's credit unions and Desjardins.



¹ As of March 31, 2025 after quarterly rebalancing unless otherwise stated.

² Dividend Yield (Equities) 1.31%

³ GARP (Growth at a reasonable price)

Indicated rates of return are calculated using the time-weighted rate of return methodology for the period ended, March 31, 2025, and do not take into account management expenses, custodial fees, account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns.

Benchmark Index: 40% FTSE TMX Canada Universe Bond/30% S&P/TSX 60/30% MSCI World Net (CAD).

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