

WHY DIVERSIFY? BECAUSE WINNERS ROTATE.

ANNUAL RETURNS OF KEY ASSET CLASSES RANKED IN ORDER OF PERFORMANCE FROM BEST TO WORST (CDN\$)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
U.S. Large Caps	39.24%	38.36%	72.10%	15.52%	15.25%	15.32%	56.81%	16.78%	40.84%	56.01%	34.90%	31.64%	75.10%	38.53%	10.51%	17.27%	48.14%	23.93%	21.59%	35.39%
BRIC Equities	37.08%	38.01%	57.23%	10.24%	12.83%	9.12%	42.74%	15.17%	31.17%	33.84%	18.55%	31.07%	64.34%	20.24%	9.67%	16.00%	41.27%	15.52%	20.59%	21.36%
European Equities	29.67%	33.94%	34.21%	7.99%	8.92%	8.73%	27.83%	14.12%	26.29%	32.08%	11.14%	6.42%	52.03%	20.10%	8.26%	16.00%	37.84%	15.01%	19.55%	17.11%
U.S. Small Caps	27.75%	29.16%	22.64%	7.31%	8.08%	2.04%	25.51%	13.84%	19.68%	26.37%	3.68%	-7.65%	31.94%	13.84%	8.08%	15.29%	35.91%	14.35%	19.46%	14.17%
Global Equities	21.35%	22.04%	20.29%	6.78%	7.95%	-0.93%	23.75%	12.55%	13.01%	20.92%	2.01%	-17.18%	30.97%	12.98%	4.64%	13.96%	34.41%	12.27%	19.18%	8.49%
Canadian Large Caps	19.95%	16.66%	20.28%	0.37%	3.75%	-6.97%	20.45%	11.91%	11.16%	20.19%	-2.98%	-21.20%	28.49%	9.06%	-1.80%	13.77%	31.57%	11.41%	17.12%	8.22%
Global High Yield Bonds	17.16%	9.82%	18.44%	-2.36%	3.44%	-12.37%	13.84%	9.71%	7.27%	19.16%	-5.32%	-25.37%	16.18%	8.45%	-2.67%	13.43%	14.75%	11.04%	16.15%	8.09%
U.S. Bonds	14.48%	9.18%	14.58%	-4.93%	-0.49%	-13.52%	13.82%	8.59%	7.18%	17.92%	-7.08%	-28.78%	12.49%	6.74%	-8.29%	12.34%	13.26%	9.65%	14.64%	7.74%
Canadian Bonds	9.63%	7.92%	14.37%	-5.93%	-6.35%	-14.00%	9.41%	7.15%	6.46%	16.64%	-7.15%	-29.23%	11.07%	6.48%	-8.75%	12.17%	7.76%	8.79%	14.02%	4.41%
Global Bonds	8.35%	4.60%	9.82%	-7.01%	-8.62%	-16.53%	6.69%	6.85%	2.29%	15.35%	-9.09%	-31.17%	8.00%	4.05%	-9.08%	8.07%	4.55%	7.03%	4.04%	1.66%
Canadian Small Caps	6.97%	1.37%	-1.14%	-9.88%	-11.28%	-18.94%	5.26%	3.80%	1.94%	11.49%	-9.28%	-32.55%	7.39%	2.56%	-9.55%	3.60%	4.29%	6.22%	3.52%	-0.90%
Foreign Equities	6.56%	-17.90%	-2.12%	-10.95%	-14.59%	-20.37%	4.65%	2.81%	-0.14%	6.23%	-10.53%	-41.44%	5.41%	0.98%	-14.17%	2.46%	3.94%	4.12%	2.42%	-1.45%
Global Small Caps	2.98%	-19.86%	-6.28%	-18.48%	-14.82%	-21.31%	-7.97%	1.31%	-0.30%	4.06%	-12.94%	-46.61%	-9.19%	0.04%	-16.15%	2.01%	3.24%	2.82%	-7.76%	-2.00%
Emerging Market Equities	-7.69%	-40.34%	-10.40%	-28.19%	-16.26%	-22.91%	-14.84%	-3.26%	-6.88%	3.94%	-16.52%	-49.14%	-10.04%	-0.96%	-20.76%	1.91%	-1.19%	-0.09%	-13.75%	-3.24%

- Canadian Large Caps
S&P/TSX 60 TRI
- Canadian Small Caps
BMO Nesbitt Burns
Small Cap TRI
- U.S. Large Caps
S&P 500 TRI
- U.S. Small Caps
Russell 2000 TRI
- Global Equities
MSCI World GRI
- Global Small Caps
MSCI ACWI Small GRI
- Foreign Equities
MSCI EAFE GRI
- European Equities
MSCI Europe GRI
- Emerging Markets Equities
MSCI EM GRI
- BRIC Equities
MSCI BRIC GRI
- Canadian Bonds
FTSE TMX Canada Universe
Bond Index†
- U.S. Bonds
Barclays U.S. Aggregate
Bond TRI
- Global Bonds
Barclays Global Aggregate
Bond TRI
- Global High Yield Bonds
Credit Suisse First Boston
High Yield Return Index

REMINDER: RISK IS MORE PREDICTABLE THAN RETURNS.

INVESTMENT RETURNS FLUCTUATE BUT RELATIVE RISK IS MORE CONSISTENT (as measured by standard deviation in CDN\$)

	1995-1997	1996-1998	1997-1999	1998-2000	1999-2001	2000-2002	2001-2003	2002-2004	2003-2005	2004-2006	2005-2007	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015	2014-2016
BRIC Equities	25.19%	33.52%	39.19%	36.74%	31.24%	24.80%	24.67%	20.03%	17.66%	19.68%	19.69%	28.41%	27.51%	26.66%	19.07%	17.45%	17.59%	14.95%	14.53%	16.09%
Emerging Market Equities	17.21%	25.66%	28.56%	27.21%	23.52%	22.19%	21.70%	17.67%	16.12%	16.80%	16.10%	23.46%	26.37%	26.45%	18.86%	16.40%	14.43%	13.79%	13.42%	15.09%
Canadian Small Caps	13.85%	19.63%	20.35%	22.93%	21.34%	20.96%	19.75%	17.10%	14.63%	13.99%	14.93%	22.53%	23.06%	23.27%	18.58%	15.58%	14.24%	11.54%	12.71%	14.98%
U.S. Small Caps	12.85%	19.33%	20.25%	21.54%	20.94%	20.27%	18.15%	16.57%	13.92%	13.74%	13.03%	17.01%	19.84%	21.37%	17.69%	14.96%	13.31%	11.13%	12.01%	12.80%
Canadian Large Caps	12.51%	17.19%	17.66%	21.43%	19.21%	19.34%	17.08%	14.48%	13.26%	11.42%	10.63%	16.78%	19.68%	20.35%	17.23%	13.85%	12.39%	11.00%	11.42%	12.80%
Foreign Equities	12.22%	14.27%	15.21%	15.67%	15.27%	16.61%	16.48%	14.47%	11.76%	10.35%	10.37%	16.17%	18.57%	20.23%	15.75%	12.66%	11.10%	9.13%	10.82%	12.08%
U.S. Equities	11.01%	14.16%	14.92%	15.37%	14.72%	16.05%	16.01%	14.28%	11.46%	10.13%	9.33%	15.86%	17.86%	19.85%	15.26%	12.04%	10.76%	8.46%	9.98%	10.79%
Global Equities	10.31%	13.50%	14.75%	14.94%	13.43%	15.80%	15.86%	14.02%	10.55%	9.69%	9.28%	14.71%	16.42%	18.16%	14.90%	11.50%	10.18%	8.23%	9.22%	10.68%
European Equities	10.30%	12.91%	13.62%	14.68%	13.11%	14.37%	15.37%	13.94%	10.37%	9.43%	9.09%	12.59%	14.56%	15.87%	12.90%	9.78%	8.74%	6.91%	9.19%	10.23%
Global Small Caps	9.69%	12.89%	13.34%	14.27%	12.93%	13.36%	15.13%	11.61%	9.72%	9.00%	8.87%	12.06%	14.41%	15.32%	12.75%	9.70%	8.46%	6.74%	9.00%	10.19%
Global Bonds	5.61%	5.97%	7.31%	7.19%	7.43%	8.40%	8.48%	7.54%	7.42%	8.00%	8.63%	11.82%	13.76%	13.48%	11.74%	8.70%	8.05%	6.74%	8.51%	8.93%
Canadian Bonds	5.30%	5.96%	6.33%	6.23%	6.69%	6.96%	7.63%	7.41%	7.38%	7.94%	8.22%	11.79%	13.51%	12.87%	9.81%	7.25%	5.61%	5.23%	8.28%	8.50%
U.S. Bonds	5.13%	5.76%	6.28%	6.00%	6.07%	6.51%	7.62%	7.08%	6.85%	7.01%	8.07%	10.50%	12.50%	11.67%	8.72%	5.39%	5.30%	5.20%	8.07%	8.11%
Global High Yield Bonds	4.28%	4.75%	4.23%	3.95%	4.01%	3.76%	4.17%	3.75%	3.62%	3.13%	3.04%	3.62%	3.60%	3.77%	3.25%	3.00%	3.19%	3.10%	4.14%	4.04%

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