



# CAP 2 – Defensive Portfolio

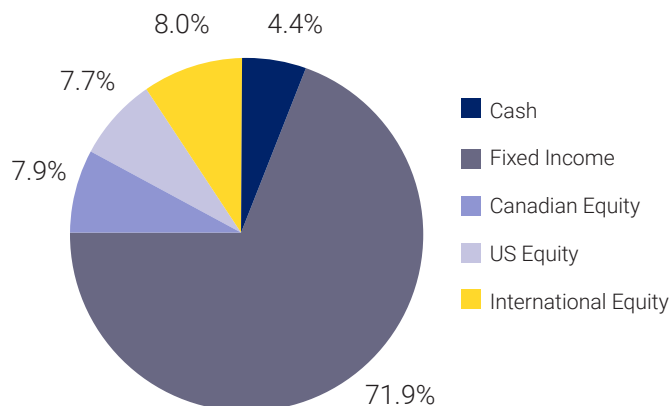
Quarterly Update | As of June 30, 2020

The CAP 2 Defensive Portfolio is designed for capital preservation. Performance is expected to keep pace with inflation and maintain purchasing power over the long-run. This Portfolio will range between 70% and 80% in Cash and Bonds, with a small segment apportioned to Stocks for diversification.

## The Growth of \$10,000 – Last 15 Years



## Allocation Breakdown



## Historical Performance

Annualized Returns (%) as of June 2020				
1 Year	3 Years	5 Years	7 Years	10 Years
3.79%	3.81%	3.64%	4.65%	4.83%
4 Year Risk Metrics as of June 2020				
Sharpe Ratio	*Beta	Best Month	Worst Month	Largest Decline
0.82	0.94	3.09%	-3.06%	-4.27%

## Top 5 Holdings (% of Portfolio)

CIBC Short Term Bond Index	50.7%
CIBC Canadian Bond Index	21.3%
CIBC US Equity Index	5.6%
Mawer International Equity	4.4%
CIBC Canadian Equity Index	4.1%



\* Relative to Benchmark Consisting of 10% FTSE TMX 91-Day T-Bill, 40% FTSE TMX Short Term Bond, 25% FTSE TMX Universe Bond, 9% S&P/TSX Composite TR, 8% S&P500 TR CAD, 8% MSCI EAFE Net CAD



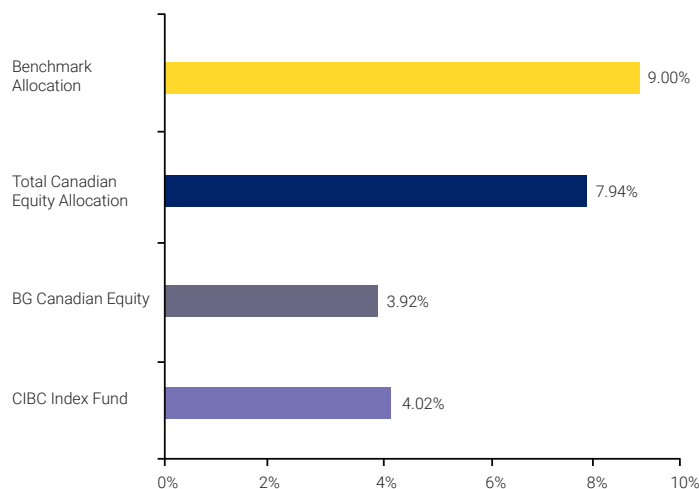
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## Portfolio Commentary

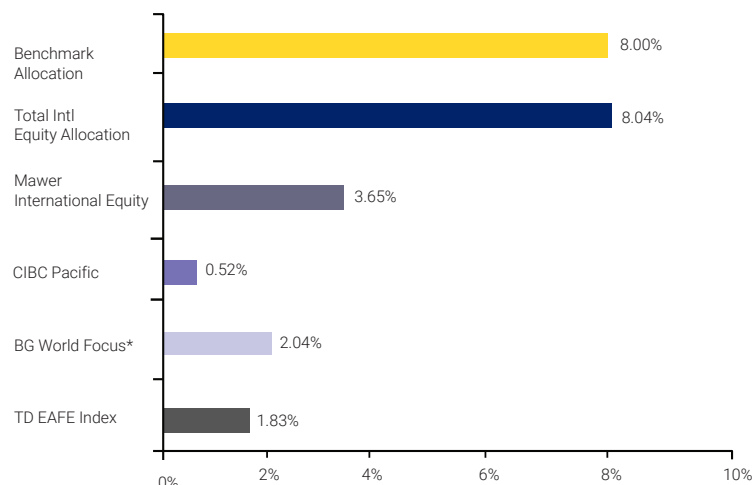
- What a difference a few months can make. Following a rocky start to the year, bonds and global stock markets rallied sharply from April through June. Markets are taking their cues from the global economy, which is showing tentative signs of recovery.
- The CAP 2 Defensive Portfolio has held up well in 2020. True to its name, this Portfolio has provided modest growth with a high degree of principal protection over the medium and long-term.
- The OAL Investment team is continuing to adhere to a defensive strategy in this Portfolio. This is highlighted by the higher allocation to Cash and Bonds, and lower positions in Global Equities, relative to the benchmark.

## Current Portfolio Allocations

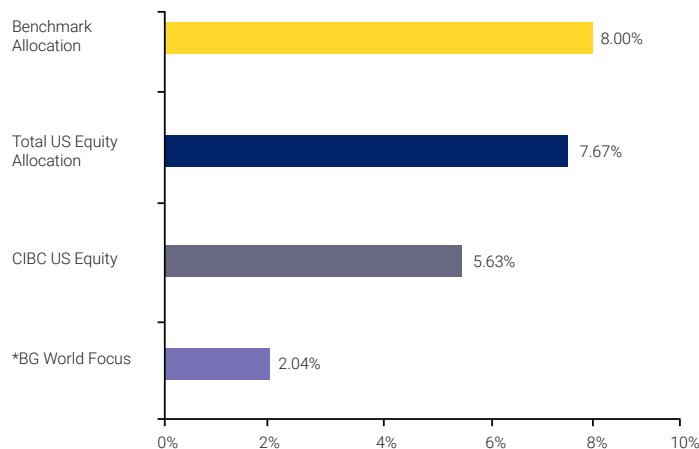
### Canadian Equity



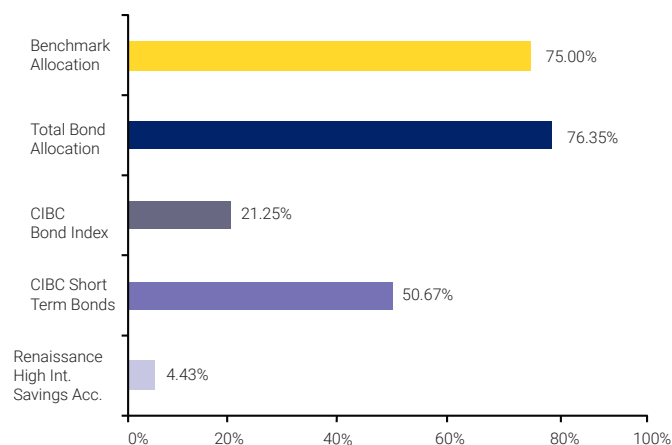
### International Equity



### US Equity



### Bonds



\* BG World Focus Fund (Beutel Goodman World Focus Fund) assumes a 50/50 split between US and International Equity markets

Unless otherwise specified, all information is current as of March 31, 2020 and is subject to change.

Investment returns are expressed in Canadian dollars unless otherwise noted. Returns are gross of investment management fees and include reinvestment of dividends and income, where applicable. They do not take into account other charges or income taxes payable by any OAL members. Returns are time-weighted and figures may be subject to rounding.

Portfolio returns are not guaranteed. Values change frequently, such that past investment performance is no guarantee of future returns and may not be repeated.

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