中薇财富管理(加拿大)
VÊRED WEALTH MANAGEMENT (CANADA)

中薇投资组合
2023年第一季度回顾与展望

PART I: Market Review 市场回顾

- Market had a strong showing in Q4. Inflation finally decelerated and as a result, bond yields retreated as investors expected FED to slow down its tightening. Also, after over 25% drop in the first nine months, valuation became reasonable and technically the market was in the oversold territory. All these propelled the market rally in October and November. However, the anticipated Santa rally towards the year-end didn't materialize as investors' focus shifted towards a potential economic recession and still uncertainties around FED's policy (Powell maintained a hawkish tone during his December news conference).

  市场在 2022 年第四季度表现强劲。 通货膨胀最终减速，债券收益率相应回落，因为投资者预期美联储将放慢其紧缩步伐。 此外，在前九个月下跌超过 25% 后，市场估值变得合理，技术上市场处于超卖区域。 这些都推动了 10 月和 11 月的市场反弹。 然而，随着投资者的注意力转向潜在的经济衰退和美联储政策的不确定性（鲍威尔在 12 月的新闻发布会上保持鹰派基调），预期的年底圣诞老人反弹并未实现。

- Overall, S&P was up 7.1% in Q4, Dow Jones up 15.4% and Russell 2000 (small caps) up 5.8%. However, NASDAQ continued to struggle (down 1%). Sector-wise, 9 out of 11 S&P sectors had positive returns, with Energy and Industrials leading the pack. Only Consumer Discretionary and Communication Services had negative returns.

  总体而言，标准普尔在第 4 季度上涨 7.1%，道琼斯上涨 15.4%，罗素 2000（小型股）上涨 5.8%。 然而，纳斯达克在继续挣扎（下跌 1%）。 板块方面，标普 11 个板块中有 9 个板块实现正回报，其中能源和工业板块领涨。 只有非必需消费品和通信服务的回报为负。

- For 2022, S&P was down 19.4%, Dow Jones down 8.8%, Russell 2000 down 21.6%, and NASDAQ down 33.1%. Sector-wise, Energy was up 65.7% and Utilities up 1.6%. All the other sectors had negative returns.

  2022 年全年，标准普尔下跌 19.4%，道琼斯指数下跌 8.8%，罗素 2000 指数下跌 21.6%，纳斯达克指数下跌 33.1%。 板块方面，能源上涨 65.7%，公用事业上涨 1.6%。 所有其他板块均录得负回报。

- On the Canadian side, TSX was up 5.1% in Q4 (-8.7% for 2022 supported by the energy sector). For markets outside North America, EAFE (developed countries ex. US) was up 15.4% in Q4 (- 16.3% for 2022). Emerging Market was up 8.7% in Q4 (-21.8% for 2022).

  加拿大市场方面，TSX 在第四季度上涨了 5.1%（由于能源板块的强劲表现，2022 年全年涨幅为 -8.7%）。 对于北美以外的市场，EAFE（除美国外的其他发达国家）在第四季度增长了 15.4%（2022 年全年为-16.3%）。 新兴市场在第四季度增长了 8.7%（2022 年全年为 -21.8%）。

- On commodities, gold was up 9.5% in Q4 (-0.4% for 2022) buoyed by lower bond yields and weaker US dollar. Oil was up 1% in Q4 (+6.7% for 2022). Oil has been trading range-bound around $80 (below pre-Russia/Ukraine war price levels) for the last few months.

  大宗商品方面，由于债券收益率下降和美元走软，黄金在第四季度上涨了 9.5%（2022 年全年为 -0.4%）。 油价在第四季度上涨 1%（2022 年全年上涨 6.7%）。 过去几个月，油价一直在 80 美元左右波动（低于俄罗斯/乌克兰战争前的价格水平）。

- 10-year US treasury yield was relatively stable in Q4 (up 8 bps to 3.87%, still highest level since financial crisis in 2008) after rapid increases for the first nine months, as market expected FED to slow down its tightening. For the year, 10-year treasury yield was up 237bps, one of the fastest increases. Aggregated bond index also stabilized during the quarter (up 0.9%), but for the year, bond index was down 14.2%, its worst performance in many years.

  10 年期美国国债收益率在前九个月快速上升后，第四季度相对稳定（上升 8 个基点至3.87%，仍是 2008 年金融危机以来的最高水平），因为市场预期美联储将放慢紧缩步伐。2022 年全年，10 年期国债收益率上升了 237 个基点，是增长最快的年份之一。 综合债券指数在本季度也趋于稳定（上涨 0.9%），但 2022 年全年债券指数下跌 14.2%，为多年来的最差表现。

- US dollar finally retreated (-7.7% in Q4) with the expectation of a slowing economy and potential FED pivot. For 2022, US dollar still appreciated significantly (up 7.9%). Euro dropped 5.9% in 2022 to be barely above parity with the US dollar. British pound declined 10.6% in 2022, Japanese Yen down 13.9%, and the Canadian dollar down 6.7%. Stabilizing or weakening US dollar could provide some relief to US corporations with meaningful overseas revenue.

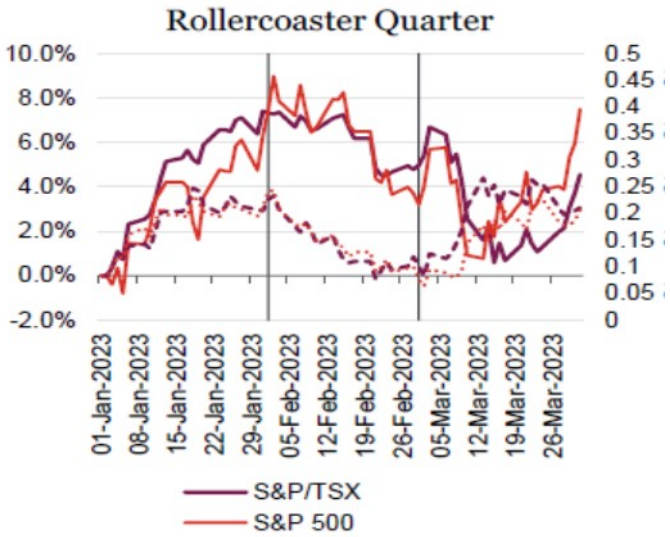
  由于预期经济放缓和美联储可能转向，美元最终回落（第 4 季度为-7.7%）。 但 2022 年全年美元大幅升值（上涨 7.9%）。 欧元在 2022 年下跌 5.9%，与美元汇率略高于平价。 英镑在 2022 年下跌 10.6%，日元下跌 13.9%，加元下跌 6.7%。 美元企稳或走弱可能会缓解一些海外收入可观的美国公司的压力。

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART I: Market Review 市场回顾

- Despite the Q4 rally, 2022 was a tough year: almost all asset classes had negative return (nowhere to hide). However, Q4 offered a gleam of hope that we may have seen the worst. Inflation seemed finally turn the corner and monetary tightening may be closer to an end (two biggest factors that drove the market in 2022). Economic conditions and earnings growth though may become the new focus for investors in 2023.

  尽管第四季度出现反弹，但 2022 年是艰难的一年：几乎所有资产类别的回报都是负数（无处可藏）。 然而，第四季度给我们带来了一线希望，我们可能已经看到了最坏的情况。 通胀似乎终于转危为安，货币紧缩可能接近尾声（这是2022 年推动市场的两个最重要因素）。 不过，经济状况和盈利增长可能会成为 2023 年投资者关注的新焦点。



Source: Richardson Wealth Research

S&P 500 Sectors	Q1	March	Feb	Jan	2022	vs. 52-week High	vs. 52-week Low
Technology	21.8%	10.9%	0.4%	9.3%	-28.2%	-7.2%	33.2%
Communications	20.5%	10.4%	-4.7%	14.5%	-39.9%	-21.1%	28.4%
Utilities	-3.2%	4.9%	-5.9%	-2%	1.6%	-12.9%	12.1%
Staples	0.8%	4.2%	-2.4%	-0.9%	-0.6%	-8.1%	13.2%
Cons. Discretionary	16.0%	3.1%	-2.2%	15.0%	-37.0%	-22.4%	18.6%
Healthcare	-4.3%	2.2%	-4.6%	-1.9%	-2.0%	-9.7%	9.5%
Industrials	3.5%	0.7%	-0.9%	3.7%	-5.5%	-2.6%	22.3%
Energy	-4.7%	-0.2%	-7.1%	2.8%	65.4%	-12.4%	27.2%
Materials	4.3%	-1%	-3.3%	9.0%	-12.3%	-11.6%	20.6%
REITs	1.9%	-1.4%	-6.0%	9.9%	-26.2%	-26.3%	12.9%
Financials	-5.6%	-9.6%	-2.3%	6.9%	-10.6%	-16.6%	8.8%

***Above percentages are in Total Return

Source: NASDAQ.COM

	Asset Return									
	2021	Q1 2022	Q2, 2022	Q3, 2022	Q4, 2022	2022	Jan.	Feb.	Mar.	Q1,2023
S&P 500	26.9%	-4.9%	-16.45%	-5.28%	7.08%	-19.44%	6.18%	-2.61%	3.51%	7.03%
Dow Jones	18.7%	-4.6%	-11.25%	-6.66%	15.39%	-8.78%	2.83%	-4.19%	1.89%	0.38%
NASDAQ	21.4%	-9.1%	-22.44%	-4.11%	-1.03%	-33.10%	10.68%	-1.11%	6.69%	16.77%
Russel 2000	13.7%	-7.8%	-17.49%	-2.53%	5.80%	-21.56%	9.69%	-1.81%	-4.98%	2.34%
TSX	21.7%	3.1%	-13.84%	-2.21%	5.10%	-8.66%	7.13%	-2.63%	-0.60%	3.69%
FTSE Developed Market Index (ex. US)	11.7%	-5.8%	-13.92%	-10.62%	15.43%	-16.33%	8.63%	-3.49%	2.66%	7.62%
MSCI Emerging Market Index	-3.6%	-7.6%	-10.43%	-13.02%	8.66%	-21.76%	9.13%	-7.57%	3.22%	4.12%
Gold	-3.5%	6.7%	-7.44%	-7.85%	9.46%	-0.43%	6.03%	-5.21%	7.66%	8.20%
Oil	55.0%	33.3%	5.46%	-24.84%	0.97%	6.71%	-1.73%	-2.31%	-1.67%	-5.61%
US Dollar Index	6.8%	2.5%	6.43%	7.11%	-7.67%	7.87%	-1.37%	2.71%	-2.17%	-0.90%
Aggregate Bond Index	-1.2%	-5.8%	-4.59%	-5.28%	0.89%	-14.15%	2.83%	-2.66%	2.64%	2.73%
Change in US 10-year Treasury Yield (bps)	60	82	65	83	8	237	35	(39)	42	(39)

Source: Quotestream; Vered Wealth Management

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

We continue to carefully monitor the key issues that may drive the market in 2023. These include: 1) inflation, 2) economic growth, 3) FED policy (maximum peak rates, possible rate cuts), 4) market fundamentals, including corporate earnings and valuations, and 5) various geo-political issues (Russia/Ukraine war, U.S.-China relations, etc.).
我们将继续仔细监测可能推动2023年市场的关键问题。这些问题包括： 1）通货膨胀，2）经济增长，3）FED政策（最大峰值利率，可能的降息），4）市场基本面，包括企业盈利和估值，以及5）各种地缘政治问题（俄罗斯/乌克兰战争，美中关系，等等）。

Inflation - declining, but path toward 2% still uncertain
通货膨胀 - 下降过程中，但通往2%的道路仍不平坦

- Inflation has been the most important driver of the market this cycle, as it is the focus of FED and determines monetary policy, which will affect the economy, corporate profits, and ultimately the market.

  通货膨胀一直是本周期市场最重要的驱动力，因为它是FED的重点，决定了货币政策，这将影响经济、企业利润，并最终影响市场。

- After peaking in June 2022 (CPI at 9.1%), headline inflation has slowed significantly (5% in March 2023, slowest increase since May 2021) driven by a combination of FED tightening, easing of supply constraints, and easier comparisons.

  在2022年6月达到顶峰后（CPI为9.1%），在FED紧缩、供应限制放宽和可比因素恢复（疫情等干扰因素消散）的共同作用下，总体通胀率已明显放缓（2023年3月为5%，是2021年5月以来最慢的增幅）。

- On a positive note, goods inflation has declined significantly. Given the recent PPI trend (from a peak of 11% last year to just under 3% in recent months), we expect goods inflation to continue to moderate. Shelter costs (which account for ~1/3 of CPI after recent adjustments), while still high, are also expected to moderate, as suggested by real-time housing, and rent data (housing costs are measured with a lag in CPI).

  从积极的方面看，商品通胀率已明显下降。鉴于最近的PPI趋势（从去年11%的峰值到最近几个月略低于3%），我们预计商品通胀将继续缓和。住房成本（最近调整后占CPI的~1/3），虽然仍然很高，但预计也会有所缓和，正如实时住房和租金数据所显示的那样（住房成本在CPI中的计量有滞后性）。

- On the negative side, however, core inflation remains sticky (after peaking at 6.6% in September 2022, it declined only slightly to hover in the 5.5% range in recent months), due to strong demand for service and high wage growth (in part due to the still-tight labor market: the unemployment rate is currently at 3.4%, a 50-year low).

  然而，在消极的一面，核心通胀率仍然表现出很大粘性（在2022年9月达到6.6%的峰值后，在最近几个月仅略微下降到5.5%的范围内徘徊），由于对服务的强劲需求和高工资增长（部分原因是仍然紧张的劳动力市场：目前失业率为3.4%，为50年来的最低水平）。

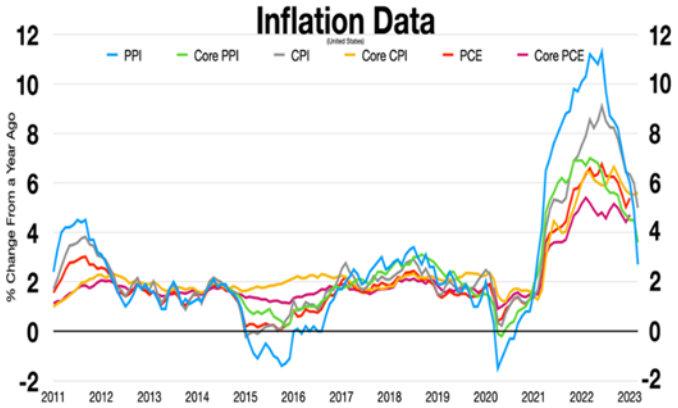
- We believe inflation has peaked, but the path toward the 2% FED target will not be smooth and easy. It will continue to fluctuate (for example, after a couple of month lower-than-expected headline and core inflations, PCE inflation was above expectations again in April; consumer inflation expectation also turned higher in March/April). As noted earlier, shelter costs and service inflation will be the key areas to watch.

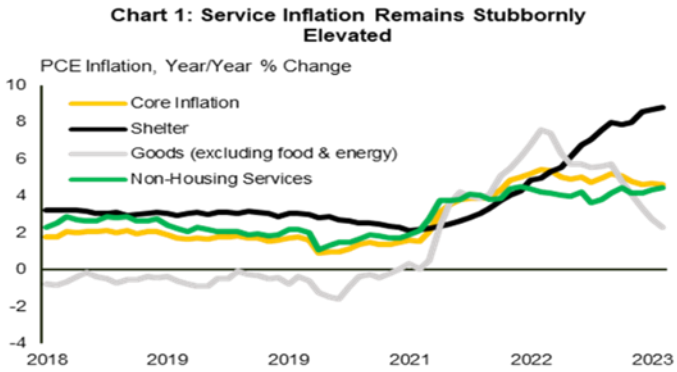
  我们认为通胀已经见顶，但通向联邦储备委员会2%目标的道路不会是平坦和容易的。它将继续波动（例如，在几个月的总体和核心通胀率低于预期之后，4月份PCE通胀率再次高于预期；消费者通胀预期也在3/4月份转为上升）。如前所述，住房成本和服务通胀将是需要关注的关键领域。

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

- While inflation will probably no longer be the dominant factor for the market as it was in 2022, its fluctuations will continue to affect the market, especially in the first half of the year.
  虽然通货膨胀可能不再像2022年那样成为市场的主导因素，但其波动将继续影响市场，特别是在今年上半年。
- In its most recent economic forecasts (March 2023), FED raised its inflation expectation (PCE) for 2023 from 3.1% to 3.3% (core PCE from 3.5% to 3.6%). FED also expects inflation to return to its ~2% target only by the end of 2024 (2.6% in 2024 overall).
  在最新的经济预测中（2023年3月），FED将2023年的通胀预期（PCE）从3.1%提高到3.3%（核心PCE从3.5%提高到3.6%）。FED还预计，到2024年底，通胀率才会恢复到~2%的目标（2024年总体为2.6%）。





Source: Bureau of Economic Analysis, TD Economics.

Source: Bureau of Labor Statistics, Atlanta Federal Reserve, TD Economics.

Source: New York Federal Reserve, University of Michigan TD Economics.

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

Economy – high probability of recession, but a mild one

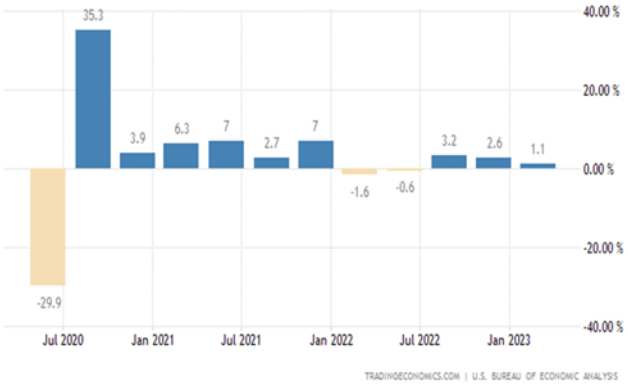
经济 - 衰退的可能性很高，但是是温和的衰退

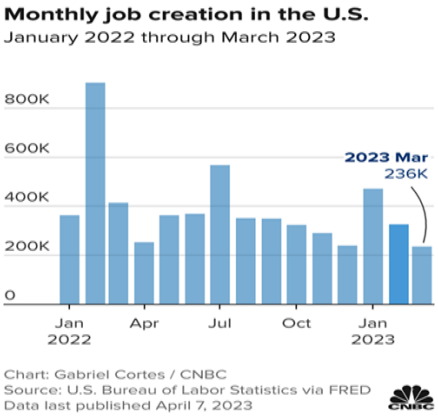
- GDP growth in the U.S. slowed significantly to +1.1% in Q1. While still positive, it was much lower than expected and compared to strong growth in Q3 and Q4 2022 (3.2% and 2.6%, respectively). Moreover, the slow growth was off an easy comparison over Q1 2022 (-1.6%).
  美国第一季度的GDP增长明显放缓至+1.1%。虽然仍然是正增长，但相比2022年第三季度和第四季度的强劲增长（分别为3.2%和2.6%）远远低于预期。而且与2022年第一季度（-1.6%）环比增长也比较缓慢。
- The Leading Economic Indicator (LEI; a combination of 10 economic indicators including credit growth, equity market, yield curve, consumer expectations, new orders, housing starts, unemployment, etc.) has historically been quite successful in predicting recessions, with recession usually following a sharp decline in LEI. The lead time can range from 3 to 15 months, with an average of 7-8 months. This time, the LEI has turned negative since August-September 2022. Based on the average lead time, the economy could enter a recession in Q2 or Q3.
  领先经济指标（LEI；10个经济指标的组合，包括信贷增长、股票市场、收益率曲线、消费者预期、新订单、房屋开工率、失业率等）在预测经济衰退方面历来相当成功，经济衰退通常发生在LEI大幅下降之后。领先时间可以从3到15个月不等，平均为7-8个月。这一次，自2022年8月至9月，LEI已经转为负值。根据均值，经济可能在第二或第三季度进入衰退。
- We think a recession in 2023 is more likely, as the economy has rarely managed to avoid a recession with such aggressive monetary tightening in the past. A recession could also be the necessary price to pay to bring inflation down.
  我们认为经济在2023年陷入衰退更有可能，因为过去经济很少能在如此强力的货币紧缩政策下不陷入衰退。衰退也可能是为降低通胀而付出的必要代价。
- The question, however, is how severe the recession will be. We believe it will be mild for the following reasons:
  然而，问题是，经济衰退会有多严重。我们认为它将是温和的，理由如下：
- The labour market is slowing but remains robust (~240,000 new jobs are being created each month, there are 1.6 job openings for every job seeker, and the unemployment rate is at a historic low of 3.4%). This supports consumer spending, which accounts for ~70% of U.S. GDP.
  劳动力市场正在放缓，但仍然强劲（每月创造约24万个新的就业机会，每个求职者有1.6个职位空缺，失业率为3.4%，处于历史最低水平）。这支持了占美国GDP约70%的消费支出。
- Personal income and savings also continue to grow. This too supports consumption.
  个人收入和储蓄也继续增长。这也支持了消费。
- Ultimately, this is a self-induced recession by the FED to control inflation. If they are convinced that inflation is under control (we believe it will be), there is plenty of room for the FED to loosen its monetary policy to revive the economy.
  归根结底，这是美联储为控制通货膨胀而主动出击造成的衰退。如果他们确信通货膨胀得到了控制（我们相信它将得到控制），FED就有足够的空间来放松其货币政策以恢复经济。
- In its latest economic forecasts (March 2023), the FED expects GDP growth of 0.4% in 2023 (down from 0.5% in its December forecast). The Conference Board projected GDP growth of 0.7% in 2023, with modest growth in the first half of the year offset by contractions in Q3 and Q4 (the technical definition of a recession is two or more consecutive quarters of negative GDP growth).
  在其最新的经济预测中（2023年3月），FED预计2023年的GDP增长为0.4%（低于12月预测的0.5%）。会议委员会预计2023年GDP增长0.7%，上半年的温和增长被第三和第四季度的收缩所抵消（经济衰退的技术定义是连续两个或两个以上季度的GDP负增长）。

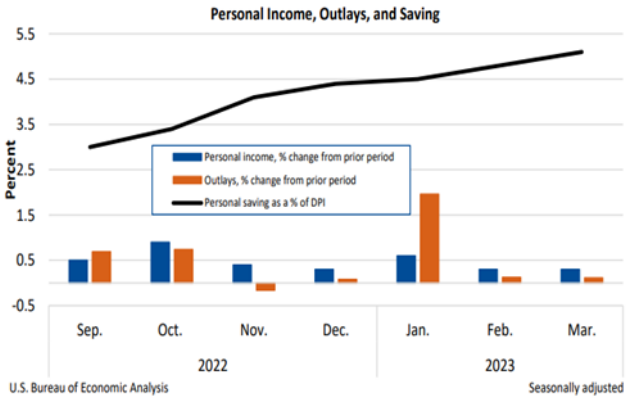
Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

- As for the market impact, we believe that the market has priced in a mild recession to some degree. However, similar to inflation, investors need more clarity (e.g., on timing, duration, and magnitude) before they can overlook weakness.
  至于对市场的影响，我们认为市场已经在一定程度上为温和衰退定价。然而，与通货膨胀类似，投资者在彻底吸收经济疲软带来的负面影响之前需要更多的确定性（例如，时间、持续时间和幅度）。







FED Policy – nearing end of tightening cycle, but timing of rate cuts uncertain FED
美联储政策--紧缩周期接近尾声，但降息的时间不确定

- At the May FOMC meeting, FED announced another 25bps rate hike, in line with market expectations. Since March 2022, FED has raised rates 500bps, one of the fastest rate hike cycles in history.
  在5月的FOMC会议上，FED宣布再次加息25bps，与市场预期一致。自2022年3月以来，FED已经加息500bps，是历史上最快的加息周期之一。

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

- In the FED press release, the words "some additional policy firming may be appropriate" were removed. This is a meaningful change and appears to open the door for a possible pause in rate hikes. However, in his Q&A session, Powell reiterated FED's determination to fight inflation and that future rate decisions will remain data dependent. The market interpreted this as an overall hawkish pause. In addition, Powell indicated that it is not reasonable for FED to cut rates this year because inflation has not slowed as quickly as FED would like.

  在FED的新闻稿中，"一些额外的政策紧缩可能是合适的 "的字眼被删除。这是一个有意义的变化，似乎为可能暂停加息打开了大门。然而，在问答环节，鲍威尔重申了FED对抗通胀的决心，并表示未来的利率决策仍将取决于数据。市场将此解读为整体上的鹰派暂停。此外，鲍威尔表示，FED今年降息是不合理的，因为通胀没有像FED希望的那样迅速放缓。

- However, this deviates significantly from market expectations (first rate cut as early as September and a total of ~3 rate cuts by the end of 2023).

  然而，这大大偏离了市场的预期（市场预计第一次降息最早在9月，到2023年底总共有~3次降息）。

- In its March projections, FED expected FED policy rate to peak around 5.1% by the end of 2023 (already at that level after the May hike) before levelling off to 4.3% by the end of 2024 (i.e., three rate cuts). Given the wide discrepancy between FED and market expectations, FED's June economic/interest rate forecasts will be closely watched.

  在其3月份的预测中，FED预计到2023年底FED政策利率将达到5.1%左右的峰值（5月加息后已经达到该水平），然后到2024年底趋于平稳，达到4.3%（即三次降息）。鉴于FED和市场预期之间的巨大差异，FED的6月经济/利率预测将受到密切关注。

- Given our expectation of moderating inflation and a weakening economy, we believe we are nearing the end of the current hiking cycle. We expect FED to either pause or hike once in June/July meeting and then hold them for the remainder of 2023. We do not expect a rate cut until early 2024, as inflation will remain above the FED target well into 2024. FED has misjudged inflation before (by calling it "transitory" and keeping rates low for too long), so it cannot afford to make another mistake and lose credibility. The unpredictability of inflation in the post-pandemic period suggests that it may be difficult for FED to claim victory until inflation actually begins to fall significantly toward the 2% target.

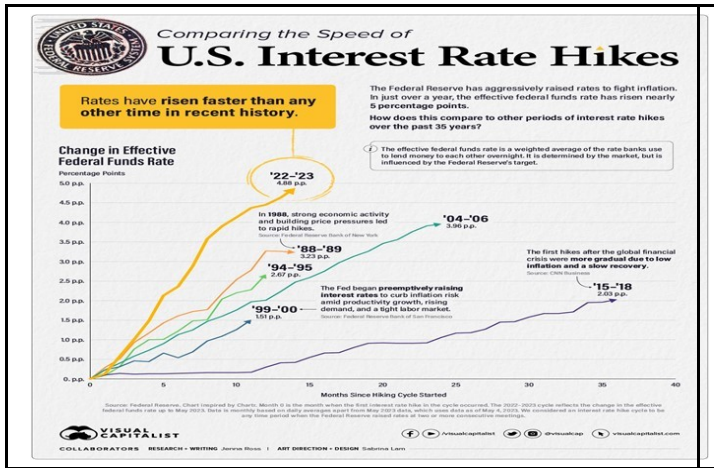
  鉴于我们对通胀缓和和经济疲软的预期，我们认为目前的加息周期已经接近尾声。我们预计FED将暂停或在6/7月的会议上加息一次，然后在2023年的剩余时间内保持不动。我们预计直到2024年初才会降息，因为通胀率在2024年仍将高于FED的目标。FED以前曾误判过通胀（称其为 "过渡性"，并将利率维持在低位过久），所以它不能再犯错，也不能失去信誉。后疫情时期通货膨胀的不可预测性表明，在通货膨胀真正开始向2%的目标大幅下降之前，FED可能很难宣称胜利。

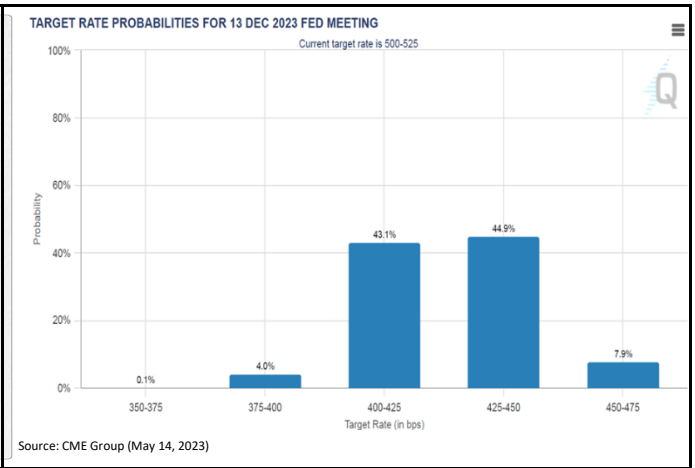
- While we expect monetary policy to remain restrictive, it will be less of a drag on the market as we approach the end of the tunnel. Again, the market needs more clarity (peak rate, timing of rate cuts, which still depend heavily on economic data) before it can start a sustained rally.

  虽然我们预计货币政策将继续保持紧缩，但随着我们接近隧道的尽头，它对市场的拖累将减少。同样，市场需要更多的清晰度（峰值利率，降息的时间，这仍然在很大程度上取决于经济数据），然后才能开始持续反弹。

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望





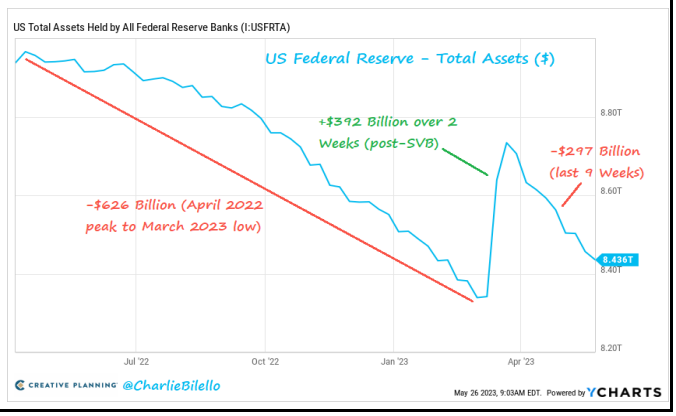
Source: CME Group (May 14, 2023)

FED March Economic Projections

Percent

Variable	Median[1] 2023	2024	2025	Longer run
Change in real GDP	0.4	1.2	1.9	1.8
December projection	0.5	1.6	1.8	1.8
Unemployment rate	4.5	4.6	4.6	4.0
December projection	4.6	4.6	4.5	4.0
PCE inflation	3.3	2.5	2.1	2.0
December projection	3.1	2.5	2.1	2.0
Core PCE inflation[4]	3.6	2.6	2.1	
December projection	3.5	2.5	2.1	
Memo: Projected appropriate policy path				
Federal funds rate	5.1	4.3	3.1	2.5
December projection	5.1	4.1	3.1	2.5

FED Balance Sheet



Earnings growth – some downward pressure but stabilizing
盈利增长--有一些下行压力，但趋于稳定

- The market decline in 2022 was almost entirely driven by valuation compression. Now that valuations have returned to relatively reasonable levels, investors will turn their attention to earnings growth. Market returns will depend on how resilient corporate earnings are.

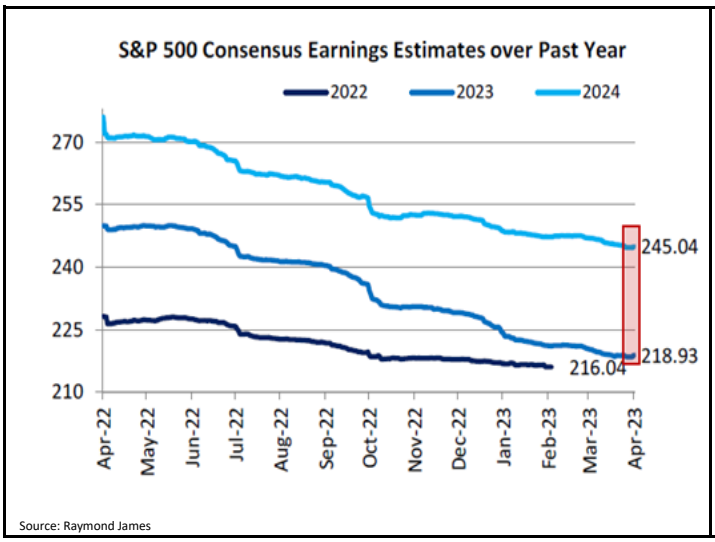
  2022年的市场下跌几乎完全由估值压缩驱动。现在，估值已经恢复到相对合理的水平，投资者将把注意力转向盈利增长。市场回报将取决于企业盈利的弹性如何。
- Consensus earnings estimates for 2023 have fallen significantly (from $250/share in mid-2022 to $219/share currently). However, estimates have stabilized somewhat in recent weeks as first quarter earnings were stronger than expected, which is a positive sign.

  市场共识对于2023年的盈利预期已大幅下降（从2022年中期的250美元/股降至目前的219美元/股）。然而，由于第一季度的盈利强于预期，最近几周的估计值在一定程度上稳定下来，这是一个积极的信号。

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

- At $219, the 2023 estimate implies earnings growth of 1.4% over 2022, and the 2024 estimate of $245 implies further growth of 11.9% over 2023. Historically, average earnings decline during recessions is about 8.4% (excluding Great Depression). Therefore, we believe there is some risk of further downward revision if the economy does fall into a recession. However, since we assume a mild and short recession, we don't expect overly aggressive downward revisions.
  2023年219美元的估计意味着盈利比2022年增长1.4%，而2024年245美元的估计则意味着比2023年进一步增长11.9%。从历史上看，经济衰退期间的平均收益下降约为8.4%（不包括大萧条）。因此，我们认为，如果经济确实陷入衰退，存在一些市场进一步下调的风险。然而，由于我们假设是温和而短暂的衰退，我们预计不会有过于激烈的下调。
- Overall, we expect a moderate profits decline (2-3%; ~$210 EPS) in 2023, with nominal sales growth (high inflation levels) offset by downward pressure on margins. As we could continue to see downward revisions to earnings estimates, it may be difficult to see a sustained market recovery at least in the first half of the year. As we go into H2 of 2023, however, investors will turn their focus on 2024 earnings (moderate growth), which could provide some support to the market.
  总体而言，我们预计2023年的企业利润将温和下降（2-3%；约210美元的每股收益），名义销售增长（高通胀水平）被利润率的下行压力抵消。由于我们可能继续看到盈利预测的下调，至少在今年上半年可能很难看到市场的持续复苏。然而，随着我们进入2023年下半年，投资者将把注意力转向2024年的盈利（适度增长），这可能为市场提供一些支持。



Source: Raymond James

Table 2: S&P bottoms before the trough in earnings during recessions

Schroders

NBER recession periods	Total change in EPS over the period, %	Did EPS bottom during the recession?	When did the S&P price trough?	When did EPS trough?	Number of months between the trough in the S&P and EPS
Aug 1929–Mar 1933	-72.6	Yes	July 1932	Dec 1932	5
May 1937–June 1938	-33.0	No	Apr 1938	Sep 1938	5
Feb 1945–Oct 1945	3.2	No	Nov 1946	Jun 1946	-
Nov 1948–Oct 1949	6.8	No	Jun 1949	Dec 1949	6
July 1953–May 1954	2.9	Yes	Sep 1953	Dec 1953	3
Aug 1957–April 1958	-11.1	No	Dec 1957	Dec 1958	12
Apr 1960–Feb 1961	-2.3	No	Oct 1960	Jun 1961	8
Dec 1969–Nov 1970	-9.9	No	Jun 1970	Dec 1970	6
Nov 1973–Mar 1975	5.6	No	Sep 1974	Sep 1975	12
Jan 1980–July 1980	-1.1	No	Mar 1980	Mar 1981	12
July 1981–Nov 1982	-14.2	No	July 1982	Mar 1983	8
July 1990–Mar 1991	-2.2	No	Oct 1990	Dec 1991	14
Mar 2001–Nov 2001	-43.0	No	Sep 2002	Dec 2001	-
Dec 2007–June 2009	-88.7	Yes	Feb 2009	Mar 2009	1
Feb 2020–April 2020	-10.8	No	Mar 2020	Dec 2020	9
Average	-18.0				8
Average excluding the Great Depression and GFC	-8.4				9

Note: Statistics based on S&P 500 monthly EPS. The highlighted grey rows are periods when earnings bottomed before the trough in the S&P 500.
Source: Refinitiv, Robert Shiller, Schroders Economics Group, 5 December 2022. 606693

Valuation – approaching reasonable levels but dependent on interest rates
估值 - 接近合理水平，但取决于利率

- With the market decline in 2022, valuation has dropped significantly. The 12-month forward P/E ratio of the S&P500 is now about 18x (down from ~24x at the 2021 peak), below the 5-year average (18.5x) but above the 10-year average (17.2x). So from a P/E perspective, the valuation is reasonable (though not super cheap).
  随着2022年的市场下跌，估值已大幅下降。标准普尔500指数的12个月远期市盈率目前约为18倍（低于2021年高峰时的约24倍），低于5年平均水平（18.5倍），但高于10年平均水平（17.2倍）。所以从市盈率的角度来看，估值是合理的（虽然不是超级便宜）。
- Over the past 10 years, severe market declines bottomed at a P/E ratio of 14-16x (corresponding to the recent market low in October 2022 at ~15x).
  在过去的10年里，严重的市场下跌以14-16倍的市盈率为底（对应最近2022年10月的市场低点，约15倍）。

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

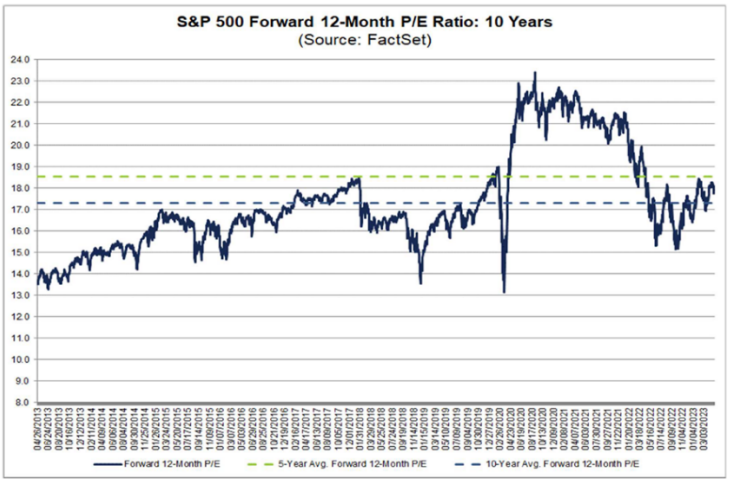
PART II: Market Outlook 市场展望

- The P/E multiple has widened since the October low, along with yield compression (10-year Treasury yields fell from a cycle high of 4.23% in October to 3.28% in early April). Since then, however, bond yields have risen again (from 3.28% to 3.8% currently), but the P/E multiple has not yet responded.

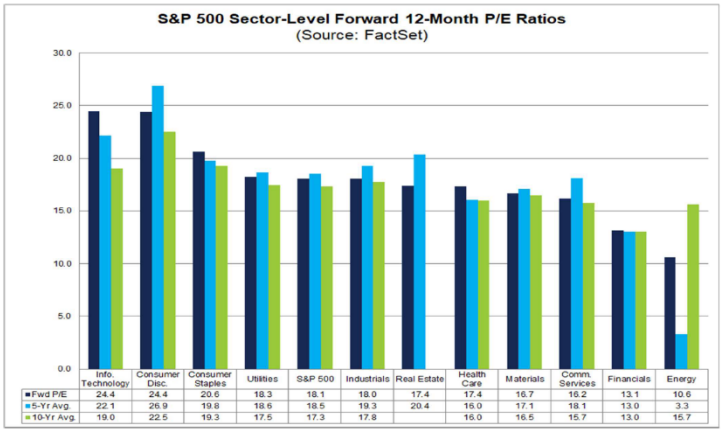
  自10月的低点以来，市盈率倍数已经扩大，同时收益率也被压缩（10年期国债收益率从10月的周期高点4.23%下降到4月初的3.28%）。然而，从那时起，债券收益率再次上升（从3.28%到目前的3.8%），但市盈率还没有反应。

- As a result, Equity Risk Premium (ERP; earnings yield minus real bond yield) has declined (equities become relatively more expensive compared to bonds). The current ERP of ~175 basis points is low compared to the historical range (2.5-3%). There is clearly some decoupling between the bond and equity markets. Therefore, unless bond yields decline rapidly, there is some risk that the P/E ratio will have to decline somewhat in the near term.

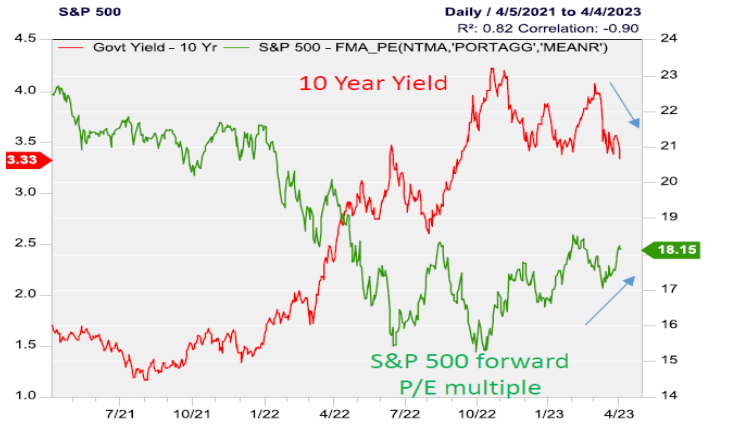
  因此，股票风险溢价（ERP；收益率减去实际债券收益率）已经下降（股票与债券相比变得相对更贵）。目前的ERP约为175个基点，与历史范围（2.5-3%）相比是低的。债券和股票市场之间显然存在一些脱钩现象。因此，除非债券收益率迅速下降，否则存在一些风险，即市盈率将不得不在短期内有所下降。



Forward 12M P/E Ratio: Sector Level



	Info. Technology	Consumer Disc.	Consumer Staples	Utilities	S&P 500	Industrials	Real Estate	Health Care	Materials	Comm. Services	Financials	Energy
Fwd P/E	24.4	24.4	20.6	18.3	18.1	18.0	17.4	17.4	16.7	16.2	13.1	10.6
5-Yr Avg.	22.1	26.9	19.8	18.6	18.5	19.3	20.4	16.0	17.1	18.1	13.0	3.3
10-Yr Avg.	19.0	22.5	19.3	17.5	17.3	17.8		16.0	16.5	15.7	13.0	15.7



Source: Raymond James

Source: SoFi, Refinitiv. The equity risk premium is proxied as the forward 12-month EPS yield minus the 10Y Treasury yield.

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

View on the Market 对市场的看法

- The market recovered quickly from the October low with falling interest rates. However, from November 2022 to the present, the market has been oscillating within a narrow range. For the S&P500, it has been between 3,800 and 4,200 and for the TSX, it has been between 19,500 and 21,000. The S&P500 has tried a few times to break through the 4,200 level (the midpoint between the early 2022 high of 4,800 and the October low of 3,600) but has not succeeded.

  随着利率的下降，市场从10月的低点迅速恢复。然而，从2022年11月到现在，市场一直在一个狭窄的范围内震荡。对于标准普尔500指数，它一直在3800至4200之间，对于多伦多证券交易所，它一直在19500至21000之间。标准普尔500指数曾几次试图突破4,200点（2022年初的高点4,800点和10月的低点3,600点之间的中点），但没有成功。
- Market leadership also appears to be quite narrow, as the rally has been driven primarily by large technology companies. The top 20 stocks (FAANG, Microsoft, NVIDIA, Tesla, etc.) accounted for more than 90% of the S&P 500's rise YTD, while other sectors/stocks have significantly underperformed. This is not a strong setup for a sustained market recovery.

  带领市场上涨的力量似乎也集中在相当狭窄的范围，因为反弹主要由大型科技公司推动。前20只股票（FAANG、微软、英伟达、特斯拉等）占标普500指数YTD上涨的90%以上，而其他行业/股票的表现则明显不佳。这并不是市场持续复苏的有力保障。
- These factors, along with the aforementioned uncertainties surrounding inflation, the economy, interest rates, and corporate earnings revisions, suggest that the market is likely to remain in a consolidation phase and continue to trade in a narrow range in the short term (3-6 months).

  这些因素，加上上述围绕通货膨胀、经济、利率和企业盈利修正的不确定性，表明市场可能仍然处于盘整阶段，并在短期内（3-6个月）继续在一个狭窄的范围内交易。
- However, in the medium to longer term (6-12 months), we are more constructive and believe we are nearing the end of this bear market:

  然而，从中长期（6-12个月）来看，我们更乐观，认为我们已经接近这个熊市的尾声：
  - As we go into late H2, 2023, we will likely have more clarity on many of the key issues discussed: interest rate hikes are behind us with possible rate cuts in early 2024, inflation will likely fall to low single digits instead of mid-single digits as it is currently, an economic recovery in mid-2024 is expected after a mild recession, and investors will look past the earnings decline in 2023 and price in 2024 earnings.

    随着我们进入2023年下半年，我们可能会对所讨论的许多关键问题有更清晰的认识：加息已经过去，2024年初可能会降息，通货膨胀率可能会下降到低个位数，而不是目前的中个位数，在温和的经济衰退之后，预计2024年中期会出现经济复苏，投资者会看淡2023年的盈利下降，而对2024年的盈利进行定价。
  - Historically, the average decline in recession-induced bear markets is 32% and the average duration is 13 months. In the current cycle, the market has fallen 27% from the peak in January to the low in October, and we have been in a bear market for 16 months, so we are already in line with the historical average.

    从历史上看，经济衰退引起的熊市的平均跌幅为32%，平均持续时间为13个月。在目前的周期中，市场从1月的峰值到10月的低点已经下跌了27%，我们已经进入熊市16个月了，所以我们已经符合历史平均水平了。
  - Historically, the market usually bottoms out of a bear market 4-6 months before the recession ends. As we have discussed, the U.S. economy may fall into a recession in Q3 and it is likely to be a mild and short one. Assuming it lasts 2-3 quarters, we may come out of the bear market in Q4 this year.

    从历史上看，市场通常在衰退结束前4-6个月从熊市中见底。正如我们所讨论的，美国经济可能会在第三季度陷入衰退，而且很可能是一个温和而短暂的衰退。假设它持续2-3个季度，我们可能在今年第四季度走出熊市。

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

- We can also look at market developments following the rate hike cycle from FED. In the short term, this is less certain (in the last 10 FED rate hike cycles, the market was down five times and up five times three months after the last FED rate hike). However, a closer look reveals that all 5 downward moves occurred in an inflationary environment. On a 12-month basis, however, the market was mostly up (7 out of 9 times). Considering that we are nearing the end of the FED rate hike (May could be the last hike or one more to follow), this is consistent with our view that the market is still somewhat uncertain in the short term (3-6 months) as inflation remains high, but in the longer term (6-12 months), market return is likely to be positive.

  我们也可以看看FED加息周期后的市场发展。从短期来看，这一点不太确定（在过去10个FED加息周期中，市场有5次下跌，在最后一次FED加息后3个月内有5次上涨）。然而，仔细观察就会发现，所有5次下行都发生在通胀环境下。然而，在12个月的基础上，市场大部分时间是上升的（9次中的7次）。考虑到我们已经接近FED加息的尾声（5月可能是最后一次加息，或者后面还有一次），这与我们的观点一致，即由于通胀仍然很高，市场在短期内（3-6个月）仍然有些不确定，但从长期来看（6-12个月），市场回报可能是积极的。

- It is also interesting to note that in the last 100 years, there have only been 4 occasions when the S&P500 has had a negative return for more than two consecutive years. These include: the Great Depression (1929-1933), World War II (1939-1941), stagflation in the 1970s (1973-1974), and the Internet bubble (2000-2022). We believe that, despite the risk of a recession, the current economic situation is better than it was on these four occasions. This gives us some confidence that market returns could be positive this year (based on the 2022 year-end level of 3,850 for the S&P500).

  同样有趣的是，在过去100年中，只有4次S&P500指数连续两年以上出现负收益。其中包括：大萧条（1929-1933），第二次世界大战（1939-1941），1970年代的滞胀（1973-1974），以及互联网泡沫（2000-2022）。我们认为，尽管存在经济衰退的风险，但目前的经济形势比这四次的情况要好。这给了我们一些信心，今年的市场回报可能是积极的（基于2022年标准普尔500指数的年终水平3850点）。

- Overall, we believe the market is still in a transitional phase in the short term, while it is on better footing in the longer term.

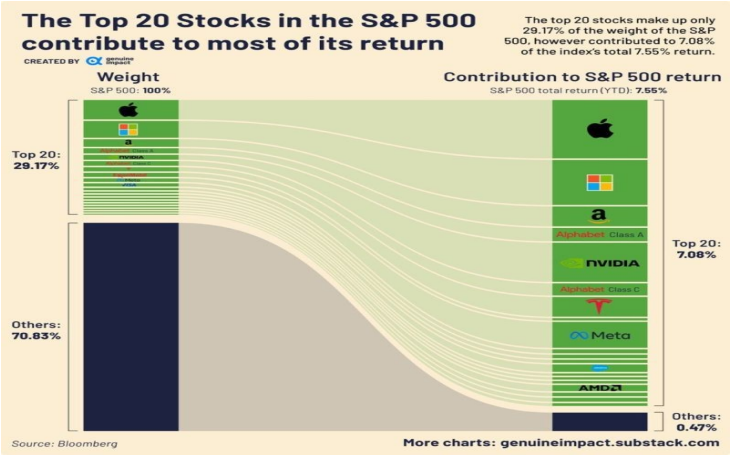
  总体而言，我们认为市场在短期内仍处于过渡阶段，而在长期内则有更好的基础。

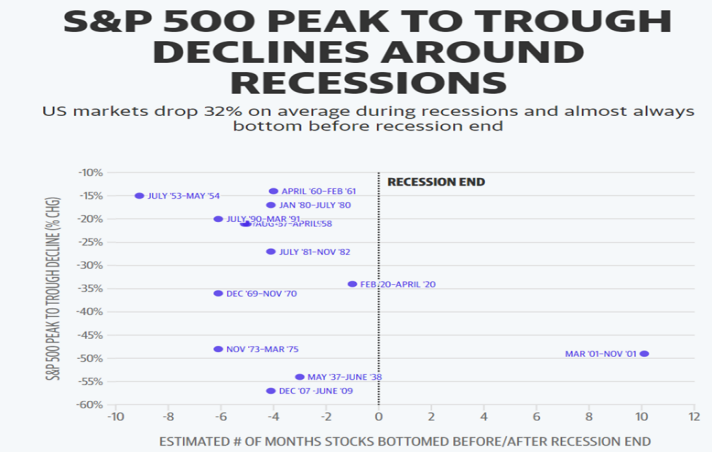
Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART II: Market Outlook 市场展望

Market appears to stuck in a range

Source: stockcharts.com





S&P 500 Annual Returns: 1928-2022

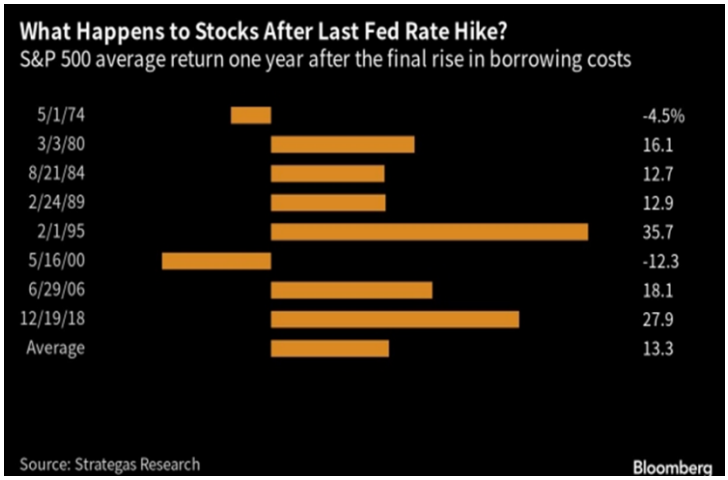
1928	43.81%	1952	18.15%	1976	23.83%	2000	-9.03%
1929	-8.30%	1953	-1.21%	1977	-6.98%	2001	-11.85%
1930	-25.12%	1954	52.56%	1978	6.51%	2002	-21.97%
1931	-43.84%	1955	32.60%	1979	18.52%	2003	28.36%
1932	-8.64%	1956	7.44%	1980	31.74%	2004	10.74%
1933	49.98%	1957	-10.46%	1981	-4.70%	2005	4.83%
1934	-1.19%	1958	43.72%	1982	20.42%	2006	15.61%
1935	46.74%	1959	12.06%	1983	22.34%	2007	5.48%
1936	31.94%	1960	0.34%	1984	6.15%	2008	-36.55%
1937	-35.34%	1961	26.64%	1985	31.24%	2009	25.94%
1938	29.28%	1962	-8.81%	1986	18.49%	2010	14.82%
1939	-1.10%	1963	22.61%	1987	5.81%	2011	2.10%
1940	-10.67%	1964	16.42%	1988	16.54%	2012	15.89%
1941	-12.77%	1965	12.40%	1989	31.48%	2013	32.15%
1942	19.17%	1966	-9.97%	1990	-3.06%	2014	13.52%
1943	25.06%	1967	23.80%	1991	30.23%	2015	1.38%
1944	19.03%	1968	10.81%	1992	7.49%	2016	11.77%
1945	35.82%	1969	-8.24%	1993	9.97%	2017	21.61%
1946	-8.43%	1970	3.56%	1994	1.33%	2018	-4.23%
1947	5.20%	1971	14.22%	1995	37.20%	2019	31.22%
1948	5.70%	1972	18.76%	1996	22.68%	2020	18.01%
1949	18.30%	1973	-14.31%	1997	33.10%	2021	28.47%
1950	30.81%	1974	-25.90%	1998	28.34%	2022	-13.80%
1951	23.68%	1975	37.00%	1999	20.89%		

Source: NYU
2022 Returns as of 12/13/2022

Table 1: We say 'sell the last rate hike'...just like in the '70s/'80s
DJIA returns after the last Fed rate hike

		Dow Jones return post-hike	
Date of last Fed hike	Fed Funds %	3-mo	6-mo
May 1, 1974	13.0%	(10.3%)	(22.8%)
March 3, 1980	20.0%	(0.4%)	9.2%
May 8, 1981	20.0%	(2.4%)	(12.0%)
January 4, 1982	15.0%	(5.0%)	(9.7%)
August 21, 1984	11.75%	(4.4%)	3.4%
Average return - inflationary period		**(4.5%)**	**(6.4%)**
February 24, 1989	9.75%	10.6%	21.8%
February 1, 1995	6.0%	12.5%	22.2%
May 16, 2000	6.5%	2.2%	(3.8%)
June 29, 2006	5.25%	4.5%	11.8%
December 19, 2018	2.375%	11.0%	13.5%
Average return - disinflationary period		**8.1%**	**13.1%**

Source: BofA Global Investment Strategy, Bloomberg



Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART III: 建议

As mentioned earlier, the market will continue to be volatile in the short term, but things look better in the longer term. We need to be patient during this transition phase and need a little more time and clarity to be more aggressive (we believe there will be opportunities to be so).
如前所述，市场在短期内将继续波动，但从长期来看，情况会更好。在这个过渡阶段，我们需要耐心等待，需要更多的时间和明确的目标而向更积极主动的方向转变（我们相信会有这样的机会）。

Based on the above assessment, we recommend a moderately defensive positioning at this time. We recommend slightly increasing the fixed income allocation (reducing the cash weighting) and maintaining a slight tilt toward defensive and value-oriented sectors/stocks in equities. As the year progresses, we will gradually increase our risk exposure (e.g., longer duration bonds, higher equity weighting, and more allocation to cyclical sectors, etc.).
基于上述评估，我们建议在这个时候采取适度的防御性定位。我们建议略微增加固定收益分配（减少现金权重），并保持对股票中防御性和价值导向的行业/股票的轻微倾斜。随着时间推移，我们将逐步增加风险敞口（例如，更长期限的债券，更高的股票权重，以及对周期性行业的更多配置，等等）。

Our detailed recommendations are as follows: 我们的详细建议如下：

Asset mix: 资产组合：

- We recommend a slight increase the fixed income allocation by reducing cash weighting. We move moderately toward longer duration bonds (as the rate hike cycle nears its end). We continue to focus on quality over yield. We are reducing our weighting in inflation-linked bonds (TIPS) but still maintain a healthy allocation to hedge a potential volatile/vulnerable inflation scenario. We maintain our weighting in alternative investments.
  我们建议通过降低现金权重来略微增加固定收入分配。我们适度向更长期限的债券倾斜（因为加息周期接近尾声）。我们继续专注于质量而非收益。我们正在减少通胀挂钩债券（TIPS）的权重，但仍然保持健康的配置，以对冲潜在的波动/脆弱的通胀情况。我们维持在另类投资中的权重。
- We continue to recommend an overweight to equities as we believe equities offer better long-term growth and returns.
  我们继续建议超额配置股票，因为我们相信股票能提供更好的长期增长和回报。

Sector: 行业：

- We recommend a more balanced approach to sector allocation. We continue to overweight healthcare (defensive and secular growth). We are slightly reducing our weighting in the technology sector as valuations are somewhat stretched. We maintain an equal weighting in the energy sector as we believe oil/gas prices are largely exhausted but still relatively constructive given ongoing geopolitical issues and China's reopening. We maintain a slight overweight in financials (valuation) but focus on large banks, that could benefit from the current liquidity crisis over the long run. We maintain a healthy allocation to materials (gold and agriculture).
  我们建议对行业配置采取更加平衡的方法。我们继续超额配置医疗保健板块（防御性和长期增长）。我们略微降低科技行业的权重，因为估值有些高。我们保持在能源行业的同等权重，因为我们认为石油/天然气价格已基本耗尽，但考虑到持续的地缘政治问题和中国的重新开放，仍具有相对的投资价值。我们保持对金融业的轻微超额投资（估值），但重点关注大型银行，因为从长远来看，它们可以从当前的流动性危机中受益。我们保持对材料（黄金和农业）的健康配置。
- Overall, we maintain a moderate tilt toward defensive (healthcare) and value-oriented (financials) sectors, which should perform in an environment of inflation and slowing growth. We will tilt toward cyclical sectors down the road as we get closer and deeper into the recession.
  总体而言，我们保持对防御性（医疗保健）和价值导向（金融）行业的适度倾斜，这些行业在通货膨胀和增长放缓的环境中应该有所表现。随着我们越来越接近和深入经济衰退，我们将向周期性行业倾斜。

Stock Selection 选股:

- We continue to focus on companies with strong pricing power, visible earnings growth, reasonable valuation, and robust balance sheets.
  我们将继续关注具有强大定价能力、明显的盈利增长、合理的估值和健全的资产负债表的公司。

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

PART III: 建议

Markets 市场:

- We are slightly reducing our weightings in Canada and increasing our weightings in international markets as we expect the U.S. dollar and the global economy to stabilize.

  我们正在略微减少我们在加拿大市场的权重，增加我们在国际市场的权重，因为我们预计美元和全球经济将趋于稳定。

- Diversification (across asset classes and sectors) is key to building strong and resilient portfolios, especially in times like these. We also need to be nimble to take advantage of potential opportunities when market volatility is high. Just like the FED, our strategy in this transition phase is "data dependent."

  分散投资（跨资产类别和部门）是建立强大和有弹性的投资组合的关键，特别是在这样的时期。我们还需要灵活地把握市场波动较大时的潜在机会。就像FED一样，我们在这个过渡阶段的策略是 "取决于数据"。

Sector	Early Rebounds	Mid Peaks	Late Moderates	Recession Contracts
Financials	+			– –
Real Estate	++	–	+	– –
Consumer Discretionary	++		– –	+
Technology	+	+	–	– –
Industrials	++			– –
Materials	+	– –		
Consumer Staples		–	+	++
Health Care	– –			++
Energy	– –		++	
Communication Services		+		–
Utilities	– –	–	+	++
	Economically sensitive sectors may tend to outperform, while more defensive sectors have tended to underperform.	Making marginal portfolio allocation changes to manage drawdown risk with sectors may enhance risk-adjusted returns during this cycle.	Defensive and inflation-resistant sectors tend to perform better, while more cyclical sectors underperform.	Since performance is generally negative in recessions, investors should focus on the most defensive, historically stable sectors.

In a Growing Economy

Consider **information technology**.

It has had the highest volatility relative to all sectors over the past 20 years, which could boost portfolio performance.

It has often outperformed during the early and mid phases of the business cycle when the economy is growing.[1]

As the Economy Slows Down

Consider **consumer staples, health care,** and **utilities** sectors.

They usually outperformed during the late and recession phases of the business cycle when the economy is slowing or shrinking.[1]

They have had the lowest volatility relative to all sectors over the past 20 years, which may lower portfolio risk.

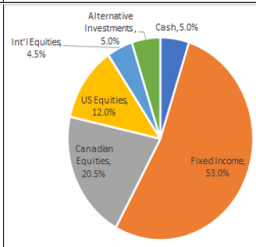
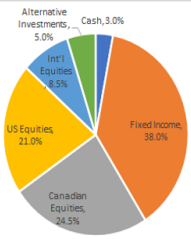
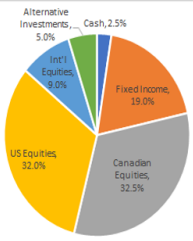
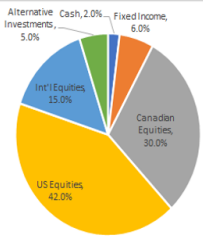
Source: Fidelity Investments

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

Managed Account Mandates - Asset Allocation 中薇投资组合 - 资产配置

Based on our assessment of the economy, interest rates, and the outlook for the equity market, we are reducing the weighting of cash and moderately increasing our allocation to fixed income to provide a measure of income and stability. We maintain an overweight to equities as we believe equities offer better long-term returns. Within equities, we reduce weighting to Canada slightly and increase the allocation to international equities.

基于我们对经济、利率和股票市场前景的评估，我们正在减少现金的比重，并适度增加对固定收入产品的配置，以提供一定的收入和稳定性。我们保持对股票的超额配置，因为我们相信股票提供更好的长期回报。在股票中，我们略微降低加拿大的权重，并增加对国际股票的配置。

Recommended Asset Allocation								
	Income Focus		Balanced		Growth		High Growth	
	Target Asset Allocation	*Tactical Asset Allocation*	*Target Asset Allocation*	*Tactical Asset Allocation*	*Target Asset Allocation*	*Tactical Asset Allocation*	*Target Asset Allocation*	*Tactical Asset Allocation*
Asset Allocation Mix (Bonds/Equities)	65%/35%	58%/42%	45%/55%	41%/59%	25%/75%	22%/78%	10%/90%	8%/92%
Risk Profile	Low to Medium		Medium		Medium to High		High	
Tactical Asset Allocation Pie Chart								
Description	For investors with intermediate-term time horizon who are sensitive to short-term losses yet want to participate in the long-term growth of the financial markets. The portfolio, in which fixed income securities typically comprise the largest portion, aims to keep investors well ahead of the effects of inflation while maintaining some principal stability. The portfolio has characteristics that may provide lower returns than the broader market with less risk and volatility.		For investors seeking a balance between capital preservation and capital growth. Composed of a mix of fixed income and equity securities, this portfolio is designed to keep investors well ahead of the effects of inflation while maintaining some principal stability. With just over half of the portfolio invested in a diversified mix of Canadian and international equities, investors should be comfortable with moderate portfolio volatility.		For investors with a long-term time horizon who are not sensitive to short-term losses and want to participate in the long-term growth of the financial markets. This portfolio, with a higher weighting of equities, aims to keep investors well ahead of the effects of inflation, with principal stability as a secondary consideration.		For investors with a long-term time horizon who are not sensitive to short-term losses and want to participate in the long-term growth of the financial markets. This portfolio, invested primarily in equities, aims to keep investors well ahead of the effects of inflation with little regard for maintaining principal stability. The portfolio can achieve returns comparable to those of the broader equity market, with similar levels of risk and volatility.	

	Income Focus						Balanced						Growth						High Growth					
	Target	Apr '22	July '22	Oct '22	Jan '23	Apr '23	Target	Apr '22	July '22	Oct '22	Jan '23	Apr '23	Target	Apr '22	July '22	Oct '22	Jan '23	Apr '23	Target	Apr '22	July '22	Oct '22	Jan '23	Apr '23
Cash	5.0%	5.0%	9.0%	6.0%	5.0%	5.0%	0.0%	2.0%	6.0%	5.0%	4.0%	3.0%	0.0%	2.0%	6.0%	5.0%	4.0%	2.5%	0.0%	2.0%	6.0%	5.0%	4.0%	2.0%
Fixed Income	60.0%	55.0%	50.0%	52.0%	53.0%	53.0%	45.0%	38.0%	34.0%	36.0%	37.0%	38.0%	25.0%	18.0%	16.0%	17.0%	18.0%	19.0%	10.0%	8.0%	4.0%	5.0%	5.0%	6.0%
Canadian Equities	20.0%	24.0%	20.0%	21.0%	21.0%	20.5%	25.0%	28.0%	25.0%	25.0%	25.0%	24.5%	35.0%	37.0%	31.0%	33.0%	33.0%	32.5%	30.0%	33.0%	29.0%	30.0%	30.0%	30.0%
US Equities	10.0%	12.0%	12.0%	12.0%	12.0%	12.0%	20.0%	25.0%	22.0%	21.0%	21.0%	21.0%	30.0%	32.0%	33.0%	32.0%	32.0%	32.0%	40.0%	42.0%	42.0%	41.0%	41.5%	42.0%
Int'l Equities	5.0%	4.0%	4.0%	4.0%	4.0%	4.5%	10.0%	7.0%	8.0%	8.0%	8.0%	8.5%	10.0%	11.0%	9.0%	8.0%	8.0%	9.0%	20.0%	15.0%	14.0%	14.0%	14.5%	15.0%
Alternative Investments	0.0%	0.0%	5.0%	5.0%	5.0%	5.0%	0.0%	0.0%	5.0%	5.0%	5.0%	5.0%	0.0%	0.0%	5.0%	5.0%	5.0%	5.0%	0.0%	0.0%	5.0%	5.0%	5.0%	5.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

Performance of Portfolio Mandates

- **Summary**

Portfolio Name (投资组合)	As of Date	1 Month (1个月)	3 Month (三个月; 一季度)	6 Month (六个月)	1 Year (1年)	Since Inception (Sept. 1, 2021) 自建立起
Income Focus (收入型)**	3/31/2023	1.12%	3.49%	5.97%	1.12%	1.17%
Benchmark (对标基准)*	3/31/2023	1.67%	3.95%	6.71%	-1.68%	-4.78%
Outperformance - 超额回报		**-0.55%**	**-0.46%**	**-0.74%**	**2.80%**	**5.95%**
* 5% cash, 20% S&P TSX Capped Composite TR, 10% S&P500 TR CAD, 5% MSCI EAFE GR CAD, 60% ICE BoA CA Broad Market TR LOC						
Balanced (均衡型)**	3/31/2023	1.46%	4.30%	8.44%	1.03%	2.09%
Benchmark (对标基准)*	3/31/2023	1.72%	4.83%	9.34%	-1.38%	-3.45%
Outperformance - 超额回报		**-0.26%**	**-0.53%**	**-0.90%**	**2.41%**	**5.54%**
* 0% cash, 25% S&P TSX Capped Composite TR, 20% S&P500 TR CAD, 10% MSCI EAFE GR CAD, 45% ICE BofA CA Broad Market TR LOC						
Growth (增长型)**	3/31/2023	1.82%	5.02%	10.45%	0.76%	3.28%
Benchmark (对标基准)*	3/31/2023	1.57%	5.41%	11.21%	-1.51%	-1.45%
Outperformance - 超额回报		**0.25%**	**-0.39%**	**-0.76%**	**2.27%**	**4.73%**
* 0% cash, 35% S&P TSX Capped Composite TR, 30% S&P500 TR CAD, 10% MSCI EAFE GR CAD, 25% ICE BofA CA Broad Market TR LOC						
High Growth (高增长型)**	3/31/2023	2.18%	5.59%	12.36%	1.46%	3.19%
Benchmark (对标基准)*	3/31/2023	1.77%	6.32%	14.16%	-0.24%	-0.25%
Outperformance - 超额回报		**0.41%**	**-0.73%**	**-1.80%**	**1.70%**	**3.44%**
* 0% cash, 30% S&P TSX Capped Composite TR, 40% S&P500 TR CAD, 20% MSCI EAFE GR CAD, 10% ICE BofA CA Broad Market TR LOC						
Source: Morningstar Direct; ** All returns stated in this document are gross returns reflective of an investment's return before expenses or any deductions						

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

Income Focus 收入型投资组合

Description: this mandate is for investors with intermediate-term time horizons who are sensitive to short-term losses yet want to participate in the long-term growth of financial markets. The portfolio, which fixed-income securities tend to make up the largest proportion of holdings, seeks to keep investors well ahead of the effects of inflation while maintaining some principal stability. The portfolio has characteristics that may deliver returns lower than that of the broader market with lower levels of risk and volatility.

产品描述：这个投资组合产品是为那些对短期损失敏感但希望参与金融市场长期增长的中期投资者而设。该投资组合中，固定收益证券往往占最大的配置比例，力求使投资者在保持一定的本金稳定性的同时能领先于通货膨胀率的负面影响。基于较低的风险和波动水平，该投资组合回报可能低于市场。

Performance 业绩回报:

Portfolio Name (投资组合)	As of Date	1 Month (1个月)	3 Month (三个月；一季度)	6 Month (六个月)	1 Year (1年)	Since Inception (Sept. 1, 2021) 自建立起
Income Focus (收入型)**	3/31/2023	1.12%	3.49%	5.97%	1.12%	1.17%
Benchmark (对标基准)*	3/31/2023	1.67%	3.95%	6.71%	-1.68%	-4.78%
Outperformance - 超额回报		-0.55%	-0.46%	-0.74%	2.80%	5.95%

* 5% cash, 20% S&P TSX Capped Composite TR, 10% S&P500 TR CAD, 5% MSCI EAFE GR CAD, 60% ICE BoA CA Broad Market TR LOC;
**All returns stated in this document are gross returns reflective of an investment's return before expenses or any deductions.

The Income Focus mandate delivered a positive return (+3.5%) in Q1 thanks to the market recovery and dividend and interest income from our equity, fixed income, and alternative investments. During Q1, our U.S. equity holdings performed in line with the benchmark (7.45% versus 7.50% for the S&P 500 Index), while our Canadian equity holdings slightly outperformed the benchmark (4.87% versus 4.55% for the TSX Index). However, total returns were impacted to some extent by Centurion REITs holdings (flat for the quarter versus 5-7% return for the equity indices). However, we believe that the addition of alternative investments provides diversification and reduces portfolio risk.

由于市场复苏以及来自我们的股票、固定收益和另类投资的股息和利息收入，收入型投资组合在第一季度实现了正回报（+3.5%）。在第一季度，我们持有的美国股票的表现与基准一致（7.45%，而标准普尔500指数为7.50%），而我们持有的加拿大股票的表现略高于基准（4.87%，而多伦多证券交易所指数为4.55%）。然而，总回报在一定程度上受到Centurion REITs持仓的影响（本季度持平，而股票指数的回报为5-7%）。然而，我们相信另类投资的加入提供了多样化的投资并降低了投资组合的风险。

Asset Mix and Top Holdings 资产组合配置和主要持仓:

Asset Allocation

Portfolio Date: 3/31/2023

	%
Canadian Equity	19.2
U.S. Equity	14.4
International Equity	4.1
Fixed Income	44.4
Cash	6.3
Other	11.7
Total	**100.0**

Top 10 Holdings

	Weight
iShares Core US Aggregate Bond ETF	11.96%
BMO Aggregate Bond ETF	10.95%
Vanguard Short-Term Corporate Bond ETF	8.85%
iShares Core Canadian Short Term Bd ETF	7.86%
BMO Laddered Preferred Share ETF	6.83%
iShares 0-5 Year TIPS Bond ETF	5.93%
Centurion Apartment Real Estate Inv F	4.90%
CASH	4.83%
iShares Core MSCI EAFE IMI ETF	4.18%
Royal Bank of Canada	1.66%

Sector Exposure

Portfolio Date: 3/31/2023

	Portfolio
Energy %	10.40
Materials %	9.53
Industrials %	11.55
Consumer Discretionary %	6.14
Consumer Staples %	6.37
Healthcare %	5.88
Financials %	21.68
Information Technology %	15.85
Communication Services %	6.87
Utilities %	3.38
Real Estate %	2.34

Risk/Return Analysis

Time Period: 9/2/2021 to 3/31/2023

	Portfolio	Benchmark	+/- Benchmark
Return	0.74	-3.06	3.80
Alpha	1.74	0.00	1.74
Beta	0.79	1.00	-0.21
Std Dev	7.70	8.10	-0.39
Information Ratio (arith)	1.16		
Best Month %	3.49	4.21	-0.73
Worst Month %	-3.13	-4.00	0.88
Best Quarter %	3.49	3.95	-0.46
Worst Quarter %	-5.39	-7.86	2.48

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

Balanced 均衡型投资组合

Description: this mandate is for investors seeking a balance between capital preservation and capital growth. This portfolio, which is a split between fixed-income securities and equities, seeks to keep investors well ahead of the effects of inflation while maintaining some principal stability. With slightly over half of the portfolio invested in a diversified mix of Canadian and international equities, investors should be comfortable with moderate fluctuations in the portfolios.

产品描述：此投资组合产品是为寻求资本保值和资本增长之间平衡的投资者而打造的。这个投资组合是固定收益证券和股票的组合，力求使投资者在保持本金稳定的同时领先于通货膨胀的影响。由于略高于一半的资金投资于加拿大和国际股票的多元化组合，此产品的投资者应能适应投资组合的适度波动。

Performance 业绩回报:

Portfolio Name	As of Date	1 Month (1个月)	3 Month (三个月；一季度)	6 Month (六个月)	1 Year (1年)	Since Inception (Sept. 1, 2021) 自建立起
Balanced (均衡型)**	3/31/2023	1.46%	4.30%	8.44%	1.03%	2.09%
Benchmark (对标基准)*	3/31/2023	1.72%	4.83%	9.34%	-1.38%	-3.45%
Outperformance - 超额回报		-0.26%	-0.53%	-0.90%	2.41%	5.54%

* 0% cash, 25% S&P TSX Capped Composite TR, 20% S&P500 TR CAD, 10% MSCI EAFE GR CAD, 45% ICE BofA CA Broad Market TR LOC;
** All returns stated in this document are gross returns reflective of an investment's return before expenses or any deductions.

The Balanced mandate generated a positive return (+4.3%) in Q1 thanks to the market recovery and dividend and interest income from our equity, fixed income and alternative investments. During Q1, our U.S. equity holdings performed in line with the benchmark (7.45% versus 7.50% for the S&P 500 Index), while our Canadian equity holdings slightly outperformed the benchmark (4.87% versus 4.55% for the TSX Index). However, total returns were impacted to some extent by Centurion REITs holdings (flat for the quarter versus 5-7% return for the equity indices). However, we believe that the addition of alternative investments provides diversification and reduces portfolio risk.

由于市场复苏以及来自我们的股票、固定收益和另类投资的股息和利息收入，均衡型投资组合在第一季度产生了正回报（+4.3%）。在第一季度，我们持有的美国股票表现与基准一致（7.45%，而标准普尔500指数为7.50%），而我们持有的加拿大股票表现略高于基准（4.87%，而TSX指数为4.55%）。然而，总回报在一定程度上受到Centurion REITs持股的影响（本季度持平，而股票指数的回报为5-7%）。然而，我们相信另类投资的加入提供了多样化的投资并降低了投资组合的风险。

Asset Mix and Top Holdings 资产组合配置和主要持仓:

Asset Allocation

Portfolio Date: 3/31/2023

	%
Canadian Equity	22.7
U.S. Equity	23.9
International Equity	8.1
Fixed Income	30.7
Cash	4.8
Other	9.7
Total	**100.0**

Sector Exposure

Portfolio Date: 3/31/2023

	Portfolio
Energy %	9.25
Materials %	8.57
Industrials %	11.44
Consumer Discretionary %	6.84
Consumer Staples %	6.75
Healthcare %	7.26
Financials %	20.01
Information Technology %	17.30
Communication Services %	7.24
Utilities %	3.22
Real Estate %	2.11

Risk/Return Analysis

Time Period: 9/2/2021 to 3/31/2023

	Portfolio	Benchmark	+/- Benchmark
Return	1.32	-2.20	3.52
Alpha	2.55	0.00	2.55
Beta	0.89	1.00	-0.11
Std Dev	10.65	10.32	0.33
Information Ratio (arith)	1.21		
Best Month %	4.32	4.95	-0.63
Worst Month %	-4.23	-5.15	0.92
Best Quarter %	4.68	4.83	-0.15
Worst Quarter %	-7.29	-9.61	2.32

Top 10 Holdings

	Weight
iShares Core MSCI EAFE IMI ETF	8.29%
iShares Core US Aggregate Bond ETF	7.91%
BMO Aggregate Bond ETF	7.90%
Vanguard Short-Term Corporate Bond ETF	5.85%
iShares Core Canadian Short Term Bd ETF	5.85%
Centurion Apartment Real Estate Inv F	4.87%
BMO Laddered Preferred Share ETF	4.84%
iShares 0-5 Year TIPS Bond ETF	3.92%
CASH	3.83%
Royal Bank of Canada	1.97%

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

Growth 增长型投资组合

Description: this mandate is for investors with long-term time horizons who are not sensitive to short-term losses and want to participate in the long-term growth of the financial markets. This portfolio, which has a higher weighting in equities, seeks to keep investors well ahead of the effects of inflation with principal stability as a secondary consideration.

产品描述：此投资组合是为具有长期投资理念、对短期损失不敏感并希望参与金融市场长期增长的投资者而打造的。这个投资组合的股票比重较高，力求使投资者领先于通货膨胀的影响，本金稳定是次要考虑。

Performance 业绩回报:

Portfolio Name	As of Date	1 Month (1个月)	3 Month (三个月; 一季度)	6 Month (六个月)	1 Year (1年)	Since Inception (Sept. 1, 2021) 自建立起
Growth (增长型)**	3/31/2023	1.82%	5.02%	10.45%	0.76%	3.28%
Benchmark (对标基准)*	3/31/2023	1.57%	5.41%	11.21%	-1.51%	-1.45%
Outperformance - 超额回报		**0.25%**	**-0.39%**	**-0.76%**	**2.27%**	**4.73%**

* 0% cash, 35% S&P TSX Capped Composite TR, 30% S&P500 TR CAD, 10% MSCI EAFE GR CAD, 25% ICE BofA CA Broad Market TR LOC;
** All returns stated in this document are gross returns reflective of an investment's return before expenses or any deductions.

The Growth mandate was up 5% in Q1, thanks to the market recovery and dividend and interest income from our equity, fixed income and alternative investments. During Q1, our U.S. equity holdings performed in line with the benchmark (7.45% versus 7.50% for the S&P 500 Index) while our Canadian equity holdings slightly outperformed the benchmark (4.87% versus 4.55% for the TSX Index). However, overall returns were impacted to some extent by the underperformance of emerging market equities, and Centurion REITs holdings (flat for the quarter versus 5-7% return for the equity indices). However, we believe that the addition of alternative investments provides diversification and reduces portfolio risk.

增长型投资组合在第一季度增长了5%，这要归功于市场的复苏以及我们的股票、固定收益和另类投资的股息和利息收入。在第一季度，我们持有的美国股票的表现与基准一致（7.45%对标普500指数的7.50%），而我们持有的加拿大股票的表现略高于基准（4.87%对TSX指数的4.55%）。然而，整体回报在一定程度上受到新兴市场股票和Centurion REITs持股表现不佳的影响（本季度持平，而股票指数的回报为5-7%）。然而，我们相信，增加另类投资可以提供多样化的投资，并降低投资组合的风险。

Asset Mix and Top Holdings 资产组合配置和主要持仓:

Asset Allocation

Portfolio Date: 3/31/2023

	%
Canadian Equity	29.8
U.S. Equity	35.7
International Equity	8.0
Fixed Income	14.8
Cash	4.4
Other	7.3
Total	**100.0**

Top 10 Holdings

	Weight
iShares Core MSCI EAFE IMI ETF	7.21%
Centurion Apartment Real Estate Inv F	4.83%
iShares Core US Aggregate Bond ETF	3.93%
BMO Aggregate Bond ETF	3.93%
CASH	3.80%
Microsoft Corp	2.93%
Vanguard Short-Term Corporate Bond ETF	2.91%
Royal Bank of Canada	2.58%
iShares Core Canadian Short Term Bd ETF	2.42%
BMO Laddered Preferred Share ETF	2.40%

Sector Exposure

Portfolio Date: 3/31/2023

	Portfolio
Energy %	9.14
Materials %	8.26
Industrials %	10.93
Consumer Discretionary %	6.78
Consumer Staples %	6.66
Healthcare %	7.37
Financials %	19.60
Information Technology %	18.56
Communication Services %	7.62
Utilities %	3.15
Real Estate %	1.93

Risk/Return Analysis

Time Period: 9/2/2021 to 3/31/2023

	Portfolio	Benchmark	+/- Benchmark
Return	2.06	-0.92	2.99
Alpha	2.53	0.00	2.53
Beta	0.94	1.00	-0.06
Std Dev	13.71	13.36	0.36
Information Ratio (arith)	1.21		
Best Month %	5.19	5.53	-0.34
Worst Month %	-5.33	-6.24	0.91
Best Quarter %	6.01	6.14	-0.13
Worst Quarter %	-9.04	-11.16	2.12

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

High Growth 高增长型投资组合

Description: This mandate is for investors with long-term time horizons who are not sensitive to short-term losses and want to participate in the long-term growth of the financial markets. This portfolio, which is primarily invested in equities, seeks to keep investors well ahead of the effects of inflation with little regard for maintaining principal stability. The portfolio may deliver returns comparable to those of the broader equity market with similar levels of risk and volatility.

产品描述：此组合是为具有长期投资视野的投资者准备的，他们对短期损失不敏 感，希望参与金融市场的长期增长。该投资组合主要投资于股票，力求使投资者远远领先于通货膨胀的影响，而很少考虑保持本金的稳定。该投资组合可提供与更广泛的股票市场相当的回报，同时具有类似的风险和波动水平。

Performance 业绩回报:

Portfolio Name	As of Date	1 Month (1个月)	3 Month (三个月; 一季度)	6 Month (六个月)	1 Year (1年)	Since Inception (Sept. 1, 2021) 自建立起
High Growth (高增长型)**	3/31/2023	2.18%	5.59%	12.36%	1.46%	3.19%
Benchmark (对标基准)*	3/31/2023	1.77%	6.32%	14.16%	-0.24%	-0.25%
Outperformance - 超额回报		**0.41%**	**-0.73%**	**-1.80%**	**1.70%**	**3.44%**

* 0% cash, 30% S&P TSX Capped Composite TR, 40% S&P500 TR CAD, 20% MSCI EAFE GR CAD, 10% ICE BofA CA Broad Mark.et TR LOC;
** All returns stated in this document are gross returns reflective of an investment's return before expenses or any deductions

The High Growth mandate was up 5.6% in Q1, below relevant benchmark by 0.73%, partly due to the underperformance of emerging market equities, and Centurion REITs holdings (flat for the quarter versus 5-7% return for the equity indices). However, we believe that the addition of alternative investments provides diversification and reduces portfolio risk. During Q1, our US equity holdings performed in line with the benchmark (7.45% versus 7.50% for the S&P 500 Index) while our Canadian equity holdings slightly outperformed the benchmark (4.87% versus 4.55% for the TSX Index).

高增长型投资组合在第一季度上涨了5.6%，低于相关基准0.73%，部分原因是新兴市场股票和Centurion REITs持股表现不佳（本季度持平，而股票指数的回报率为5-7%）。然而，我们相信另类投资的加入提供了多样化的投资并降低了投资组合的风险。在第一季度，我们持有的美国股票表现与基准一致（7.45%，而标准普尔500指数为7.50%），而我们持有的加拿大股票表现略高于基准（4.87%，而TSX指数为4.55%）。

Asset Mix and Top Holdings 资产组合配置和主要持仓:

Asset Allocation

Portfolio Date: 3/31/2023

	%
Canadian Equity	27.0
U.S. Equity	45.0
International Equity	14.2
Fixed Income	3.8
Cash	4.2
Other	5.8
Total	**100.0**

Top 10 Holdings

	Weight
iShares Core MSCI EAFE IMI ETF	9.22%
Vanguard FTSE Emerging Mkts All Cap ETF	5.39%
Centurion Apartment Real Estate Inv F	4.81%
Microsoft Corp	3.78%
CASH	3.78%
Apple Inc	2.74%
Salesforce Inc	2.66%
iShares Core US Aggregate Bond ETF	2.44%
Amazon.com Inc	2.41%
Royal Bank of Canada	2.33%

Sector Exposure

Portfolio Date: 3/31/2023

	Portfolio
Energy %	8.06
Materials %	7.49
Industrials %	10.53
Consumer Discretionary %	7.58
Consumer Staples %	6.93
Healthcare %	8.32
Financials %	18.27
Information Technology %	19.96
Communication Services %	8.09
Utilities %	3.02
Real Estate %	1.75

Risk/Return Analysis

Time Period: 9/2/2021 to 3/31/2023

	Portfolio	Benchmark	+/- Benchmark
Return	2.01	-0.16	2.17
Alpha	1.84	0.00	1.84
Beta	0.95	1.00	-0.05
Std Dev	15.81	15.46	0.35
Information Ratio (arith)	0.80		
Best Month %	5.72	6.02	-0.30
Worst Month %	-5.61	-6.89	1.28
Best Quarter %	6.49	7.37	-0.89
Worst Quarter %	-9.78	-12.15	2.37

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca

Disclaimer

1. The particulars contained herein were obtained from Raymond James we believe to be reliable but are not guaranteed by us and may be incomplete. The opinions expressed are based upon our analysis and interpretation of these particulars and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein.

2. The securities or sectors mentioned herein are not suitable for all investors and should not be considered advice. Please consult your investment advisor to verify whether this security or sector is suitable to you and to obtain the information, including the risk factor completely

3. Vered Wealth Management (Canada) Company Limited provides comprehensive investment services, including managed accounts and advisory services. We have access to a wide range of investment products, including mutual funds, stocks, fixed income products, various alternativeinvestment products and more. We offer registered and non-registered investment accounts, such as cash and margin accounts, corporate accounts, RRSPs & RRIFs, L/RAs & L/Fs, RESPs and TFSAs.

4. Vered Wealth Management (Canada) Company Limited is a member of the Investment Industry Regulatory Organization of Canada (IIROC) and is registered in BC and ON. Vered is a member of the Canadian Investor Protection Fund (CIPF).

5. The contents herein are not intended and shall not be construed as a solicitation of customers or business in any jurisdiction in which Vered is not registered as a dealer in securities.

Suite 2500 – 1075 West Georgia Street
Vancouver, BC V6E 3C9
www.canvered.ca | info@canvered.ca