

## Key Takeaways

- Incrementally less aggressive outlook/positioning towards risk assets
- Deploying cash to realign select asset class exposures back to targets

## Rationale:

Moving to a slightly less aggressive posture given some reopening has played out, supply chain difficulties remain and valuations remain elevated.

We are also seeing some indications of slowing economic growth and we still don't have a clear picture of just how transitory inflationary pressures will prove to be.

In light of all these factors we decided to make a modest change to a somewhat less aggressive positioning, while deploying cash in select portfolios to realign select asset class weights back to targets.

# Empire Life Emblem Portfolios: Asset Allocation Update

## Diversified Income Portfolio Change in Asset Mix\*

Cash					2.9%
Bonds					0.3%
Canadian Equity					-1.7%
U.S. Equity					-0.9%
International Equity					-0.6%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	4.8%	72.7%	11.7%	5.7%	5.1%
neutral asset mix	80%		10%	5%	5%

## Conservative Portfolio Change in Asset Mix\*

Cash					-2.6%
Bonds					5.4%
Canadian Equity					-1.8%
U.S. Equity					-0.7%
International Equity					-0.2%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	5.0%	58.6%	20.0%	9.2%	7.3%
neutral asset mix	65%		25%	5%	5%

## Balanced Portfolio Change in Asset Mix\*

Cash					-0.4%
Bonds					1.8%
Canadian Equity					-0.4%
U.S. Equity					-0.9%
International Equity					-0.1%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	5.4%	42.4%	28.8%	12.7%	10.7%
neutral asset mix	50%		35%	7.5%	7.5%

## Moderate Growth Portfolio Change in Asset Mix\*

Cash					-1.5%
Bonds					1.8%
Canadian Equity					0.8%
U.S. Equity					-0.8%
International Equity					-0.4%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	5.1%	27.5%	39.1%	16.2%	12.1%
neutral asset mix	35%		45%	10%	10%

## Growth Portfolio Change in Asset Mix\*

Cash					-2.8%
Bonds					1.1%
Canadian Equity					3.0%
U.S. Equity					-0.3%
International Equity					-1.0%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	5.0%	13.5%	49.9%	17.6%	14.0%
neutral asset mix	20%		60%	10%	10%

## Aggressive Growth Portfolio Change in Asset Mix\*

Cash					-2.7%
Bonds					0.0%
Canadian Equity					2.7%
U.S. Equity					-0.1%
International Equity					0.0%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	5.5%	0%	55.1%	22.8%	16.6%
neutral asset mix	0%		75%	12.5%	12.5%

\*change in asset mix from September 17, 2021 to September 22, 2021

# Empire Life Emblem Portfolios: Asset Allocation Update

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