

Empire Life Emblem Global Portfolios: Asset Allocation Update

Tactical Update

September 27, 2021

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.

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Global Conservative Portfolio

Change in Asset Mix*

Cash					-1.8%
Bonds					0.9%
Canadian Equity					0.1%
U.S. Equity					0.5%
International Equity					0.3%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	5.3%	64.7%	4.0%	13.8%	12.2%
neutral asset mix	70%		30%		

Global Balanced Portfolio

Change in Asset Mix*

Cash					-2.2%
Bonds					0.8%
Canadian Equity					0.4%
U.S. Equity					0.9%
International Equity					0.0%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	4.7%	44.6%	6.5%	23.6%	20.7%
neutral asset mix	50%		50%		

Global Moderate Growth Portfolio

Change in Asset Mix*

Cash					-5.2%
Bonds					0.1%
Canadian Equity					0.8%
U.S. Equity					3.7%
International Equity					0.7%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	5.4%	25.3%	7.8%	33.3%	28.2%
neutral asset mix	30%		70%		

Global Aggressive Growth Portfolio

Change in Asset Mix*

Cash					-3.5%
Bonds					0.0%
Canadian Equity					0.6%
U.S. Equity					3.0%
International Equity					-0.1%

	Cash	Bonds	Canadian Equity	U.S. Equity	International Equity
resulting asset mix	5.8%	0%	7.9%	46.5%	39.8%
neutral asset mix	0%		100%		

*change in asset mix from September 23, 2021 to September 27, 2021

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