

Welcome

Module 3, Lesson 3



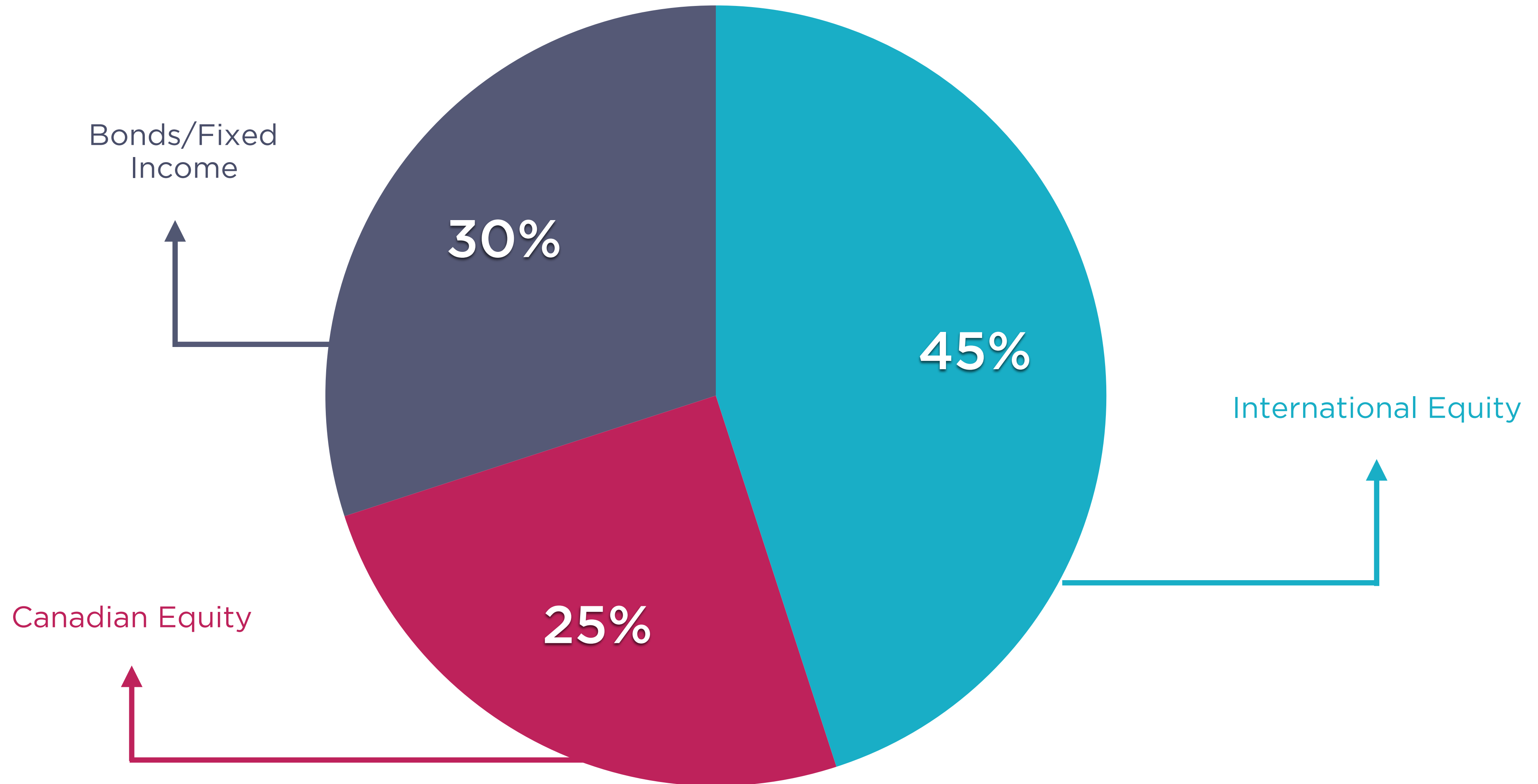
EXPECTED RISK OF LOSS FOR VARIOUS PORTFOLIOS

ASSET MIX (EQUITY/BOND)	MAXIMUM ANNUAL LOSS	LARGEST DRAWDOWN
0%/100%	-4.3%	-11%
10%/90%	-3.1%	-10%
20%/80%	-1.9%	-10%
30%/70%	-4.2%	-10%
40%/60%	-7.7%	-14%
50%/50%	-11.3%	-18%
60%/40%	-14.8%	-23%
70%/30%	-18.4%	-28%
80%/20%	-21.9%	-33%
90%/10%	-25.5%	-39%
100%/0%	-29.0%	-44%

ESTIMATES OF FUTURE LONG TERM RETURNS

Canadian Bonds	2.6%
Canadian Equities	7.4%
U.S. Equities	6.6%
International Equities	7.5%
Emerging Markets Equities	8.5%

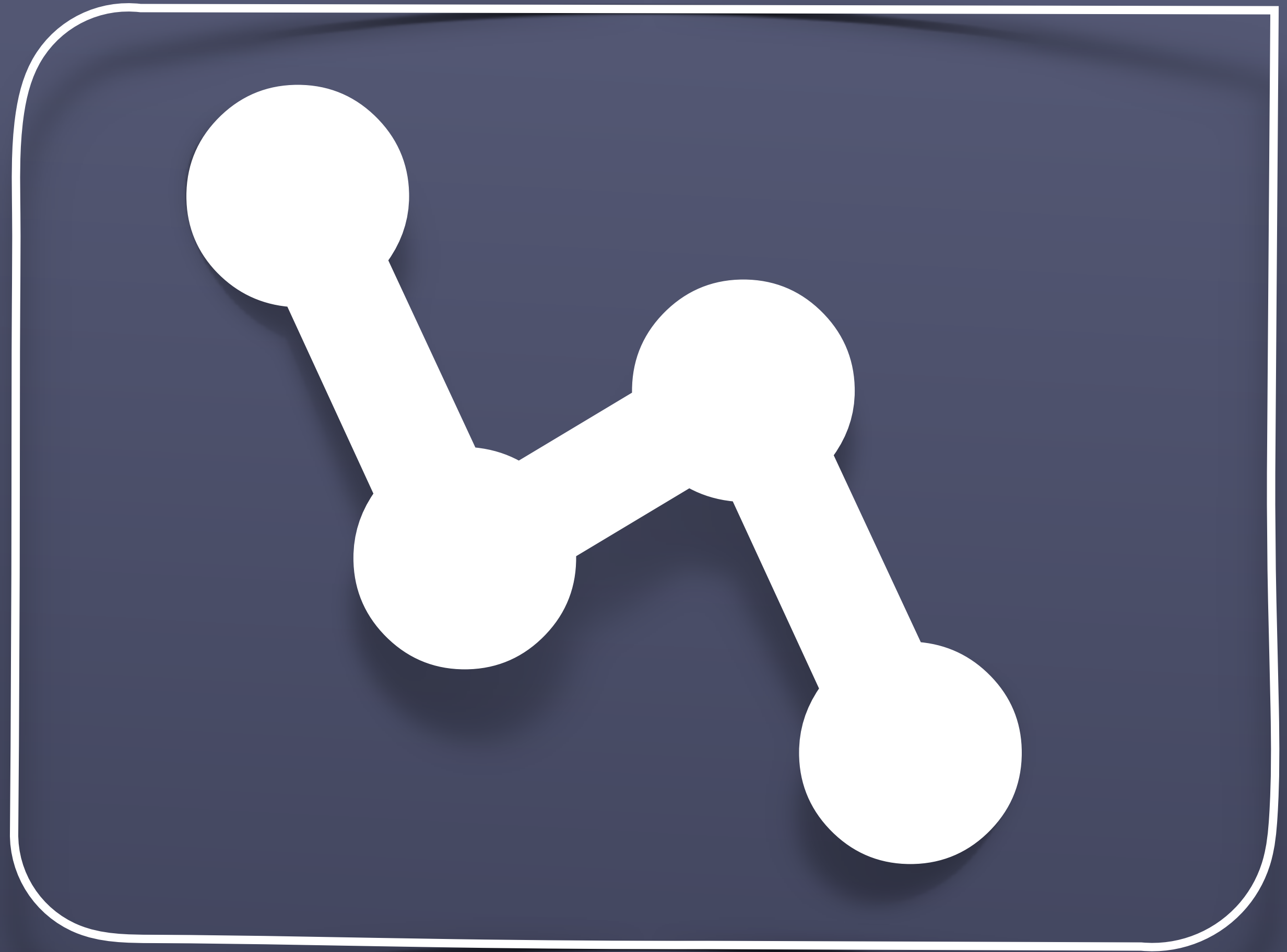
Sally's "Start Simple" Portfolio



WHAT TO LOOK FOR IN AN ETF

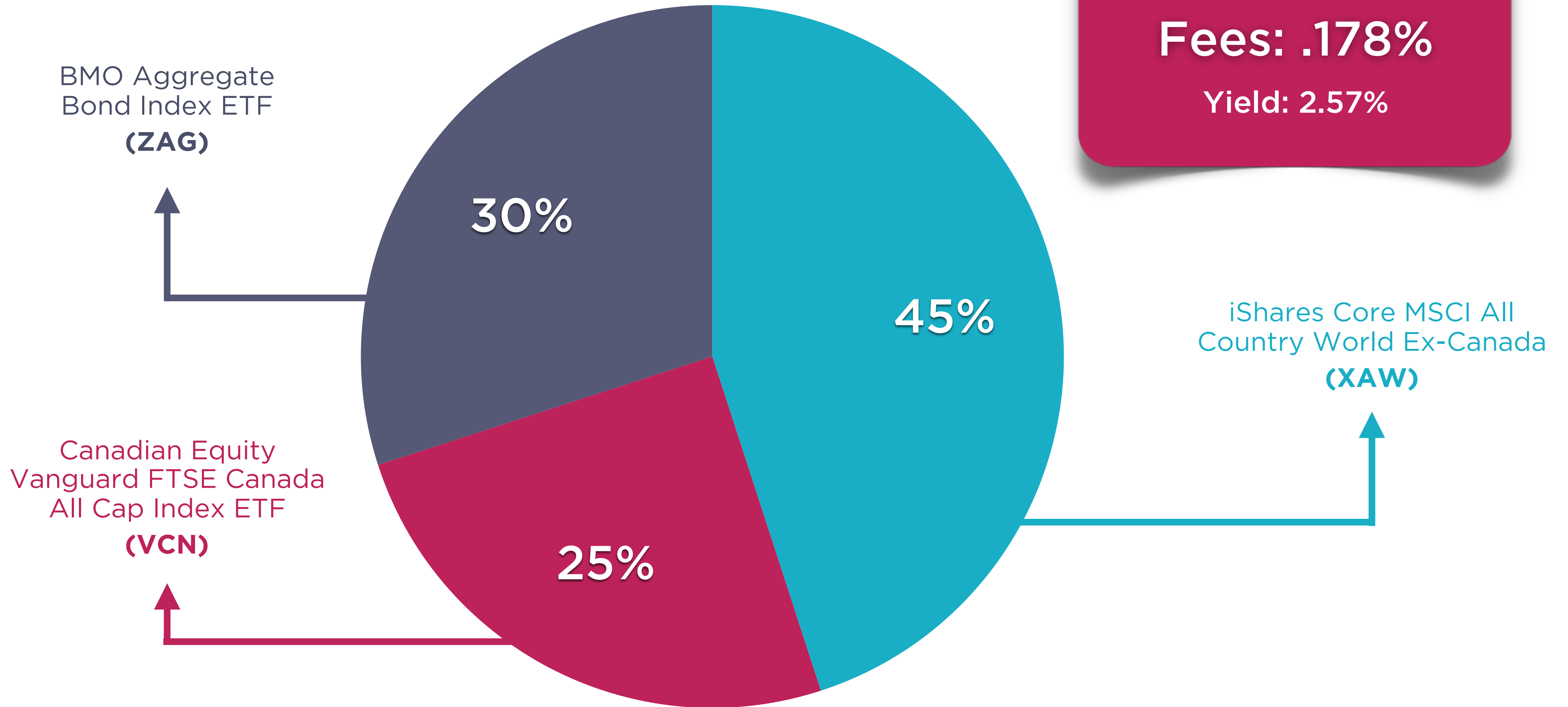
...lean and mean

- 👛 Low MER
- 👛 Dividend
- 👛 Diversification
- 👛 Liquidity
- 👛 Longevity



The “Start Simple” Portfolio

Allocation: 30/70
Fees: .178%
Yield: 2.57%



*as at February 12, 2016 source: Globe Investor

Market capitalization is the total dollar market value of all of a company's outstanding shares. Market capitalization is calculated by multiplying a company's shares outstanding by the current market price of one share. The investment community uses this figure to determine a company's size, as opposed to sales or total asset figures.

Frequently referred to as **"market cap."**

Zero Portfolio

with Nanci K. Murdock, CFA

