

# Overview of ScotiaMcLeod Guided Portfolios

Based on a detailed understanding of your goals, return requirements and risk tolerance, a recommended asset allocation is made that may include one or more Guided Portfolios. The Ritcey Team works directly with the professionals at the ScotiaMcLeod Portfolio Advisory Group. They rely on their extensive practical experience and knowledge of the capital markets to construct the Guided Portfolios – actively managed model portfolios comprised of some of the leading companies in major North American industries.

## **Building your portfolio on a solid foundation**

Each Guided Portfolio is scrutinized regularly by the Portfolio Advisory Group to ensure it offers the best combination of growth and value. Relying on leading research, they monitor each position in the portfolios against fundamental, quantitative, and technical criteria. To provide optimal diversification, they invest across a wide range of sectors and industry classes. And if underlying fundamentals shift, the portfolios are adjusted accordingly in a strategic and disciplined fashion.

Given the flexibility and discipline inherent in the Guided Portfolios, you have the confidence of knowing your portfolio is built on a solid foundation. Regular evaluation and our team of experts approach helps increase the likelihood of you achieving your financial goals.

## Solutions consistent with your established goals



As a key component of your overall financial solution, our Guided Portfolios can provide an effective diversification strategy to help reduce risk and maximize returns. Our disciplined philosophy adds structure to the investment process, helping to ensure your portfolio remains on track, consistent with your established goals. In this way, you remain focused on your objectives even as your circumstances or the markets change.

### *Portfolio Advisory Group: Selection and Review Process*

#### **1** Reviewing Securities

*A wide selection of companies in Canada and the U.S. are assessed using broadly defined investment criteria to develop a list of potential opportunities.*

#### **2** Choosing the Securities

*Sectors and companies are selected based on a range of fundamental, quantitative and technical considerations.*

#### **3** Ongoing Review

*Thorough and regular monitoring of the portfolios is undertaken. Changes are made when valuation parameters or changing investment conditions warrant.*

#### **4** Ongoing Communications

*Our process is entirely transparent with any changes and reasoning fully disclosed. Regular updates are provided on the portfolios, components and performance.*

Our Guided Portfolios include some of North America’s leading companies in the major industries in Canada and the U.S. Depending on your established goals, we have the flexibility to make a recommendation from three portfolios.

Name:	Canadian Core Guided Portfolio	Canadian Income Plus Guided Portfolio	U.S. Core Guided Portfolio
Ideal for:	Longer term growth oriented investors.	Income investors with a lower risk tolerance.	Longer term growth oriented investors interested in broader diversification.
Objective:	To provide long-term capital appreciation through a diversified portfolio of industry-leading, high quality Canadian companies.	To provide investors with a regular stream of dividend income combined with modest capital appreciation.	To provide long-term capital appreciation through a diversified portfolio of industry-leading, high quality U.S. companies.
Diversification:	Invests in a maximum of 20 companies distributed across the four broad economic sectors.	Invests in a maximum of 15 companies and is focused on higher-yielding equities across a number of sectors. Often used in combination with our other two portfolios.	Invests in a maximum of 20 companies distributed across the four broad economic sectors.
Strategy:	Uses both bottom-up and top-down strategies to ensure appropriate diversification and alignment with our sector view. Also focuses on what we believe are the best companies with the best value within the respective sectors.	Invests in shares of well-established, financially strong, conservative Canadian companies with an excellent track record of earnings and dividend growth.	Managed similarly to the Canadian Core focusing on market leading companies with unique franchises, a strong management team, and an attractive trend in profitability. Constructed for domestic investors so emphasis is on sectors less readily available in Canada.
Performance:	Strong absolute and relative performance since inception in 1999.	Less volatile but strong absolute and relative performance based on a combination of income and modest capital appreciation.	Strong relative performance versus the major U.S. indices since inception in 1999.

# Building Relationships for Life



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at ScotiaMcLeod

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