

# Monthly WRAP Fund Report

Prepared November 12, 2014

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# Paterson & Associates - Monthly WRAP Fund Report

October 2014

## [Back to Contents](#)

Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	Correlations				Returns					
							TSX	S&P 500	MSCI EAFE	DEX Universe Bond	3 Month	1 Year	3 Year	5 Year	MER	
<b>Conservative Portfolios</b> Typical Asset Mix: 70% - 90% Fixed Income / 10% - 30% Equity																
1	Renaissance Optimal Income Portfolio	A	0.60%	1.03%	0.52	0.13%	0.95	0.6599	0.4900	0.6488	0.2562	-0.2%	8.7%	7.6%	7.4%	1.97
2	Marquis Balanced Income Portfolio	A	0.64%	1.14%	0.51	0.22%	0.84	0.7318	0.6617	0.6460	-0.0101	0.8%	8.9%	7.7%	7.9%	2.39
3	CIBC Managed Income Plus Portfolio	A	0.45%	0.80%	0.48	0.12%	0.65	0.6045	0.7063	0.7672	0.2013	1.2%	6.6%	6.5%	5.5%	2.19
4	SEI Conservative Monthly Income Class S	A	0.45%	0.82%	0.48	0.07%	0.77	0.6681	0.6198	0.6741	0.2719	0.4%	6.8%	5.9%	5.5%	1.70
5	TD Mgd Income Portfolio	A	0.44%	0.80%	0.47	0.09%	0.70	0.6646	0.6668	0.7494	0.2005	1.0%	6.9%	6.3%	5.4%	2.08
6	Meritas Income & Growth Portfolio	A	0.34%	0.68%	0.40	0.03%	0.63	0.7284	0.6463	0.6775	0.2329	0.8%	6.4%	5.3%		2.27
7	Quadrus Moderate Folio	A	0.40%	0.98%	0.34	-0.03%	0.86	0.8039	0.6979	0.7678	0.0558	-0.3%	6.1%	5.5%	4.9%	2.73
8	CI Portfolio Series Income Fund Class A	B	0.58%	0.87%	0.59	0.09%	0.87	0.5406	0.6138	0.7621	0.1960	1.3%	7.7%	7.5%	7.1%	2.03
9	TD Advantage Balanced Income Portfolio	B	0.51%	0.87%	0.51	0.09%	0.83	0.6521	0.5614	0.6840	0.2969	0.8%	7.2%	6.7%	6.3%	1.97
10	Fidelity Income Portfolio	B	0.54%	1.01%	0.47	0.10%	0.89	0.7296	0.6246	0.6994	0.1366	1.0%	9.2%	7.1%	6.6%	2.37
11	Meritage Moderate Portfolio	B	0.47%	0.97%	0.42	0.07%	0.80	0.7789	0.6687	0.7773	0.0298	0.6%	6.6%	6.6%	5.8%	2.19
12	Meritage Moderate Income Portfolio	C	0.50%	0.82%	0.53	0.11%	0.77	0.6720	0.5216	0.6331	0.2560	0.5%	6.5%	5.7%	6.1%	2.17
13	Fidelity Global Income Portfolio	C	0.57%	1.16%	0.44	0.01%	0.99	0.7071	0.6504	0.7444	0.0543	1.5%	9.8%	7.9%	7.0%	2.35
14	BMO Matchmaker Strategic Security Portfolio	D	0.44%	0.69%	0.55	0.00%	0.79	0.4650	0.5328	0.5248	0.4744	0.7%	7.7%	6.1%	5.4%	2.25
15	SEI Income 20/80 Class S	D	0.43%	0.69%	0.53	0.08%	0.70	0.4601	0.3731	0.4774	0.5707	0.3%	6.0%	5.1%	5.3%	1.31
16	BMO SelectClass Security Portfolio	D	0.41%	0.69%	0.51	-0.02%	0.77	0.5192	0.4730	0.5357	0.4821	0.9%	7.1%	5.5%	5.0%	2.33
17	TD Mgd Index Income Portfolio	D	0.47%	0.81%	0.50	-0.07%	0.96	0.5151	0.5198	0.6302	0.4697	0.6%	7.7%	6.5%	5.8%	1.48
18	Meritage Conservative Income Portfolio	D	0.39%	0.69%	0.47	0.04%	0.69	0.3896	0.2054	0.3481	0.6203	0.4%	4.6%	3.7%	4.7%	2.09
19	Meritage Conservative Portfolio	D	0.37%	0.72%	0.43	0.03%	0.67	0.5535	0.4429	0.6102	0.3805	0.7%	5.2%	4.8%	4.5%	2.18
20	AGF Elements Yield Portfolio	D	0.43%	0.87%	0.42	-0.08%	0.89	0.5313	0.3875	0.5023	0.4426	0.2%	7.7%	5.6%	5.2%	2.02
21	Franklin Quotential Diversified Income Portfolio T	D	0.46%	0.97%	0.40	-0.01%	0.81	0.4762	0.3084	0.4798	0.3423	0.8%	2.2%	4.7%	5.6%	1.92
22	Quadrus Conservative Folio	D	0.35%	0.73%	0.39	-0.03%	0.76	0.5265	0.4263	0.5535	0.5173	-0.1%	5.1%	4.2%	4.3%	2.56
23	Invesco Intactive Diversified Income Portfolio	D	0.41%	0.99%	0.35	-0.11%	0.93	0.6806	0.4585	0.5865	0.2895	-0.5%	5.5%	4.3%	5.0%	1.98
24	SEI Income 30/70 Class P	D	0.38%	0.91%	0.35	0.01%	0.75	0.6545	0.5541	0.6335	0.1594	0.2%	6.4%	4.5%	4.6%	2.00
25	SEI Income 100 Class P	D	0.30%	0.75%	0.31	-0.01%	0.75	-0.2583	-0.2651	-0.1343	0.9649	0.3%	3.7%	2.6%	3.6%	1.72
26	BMO FundSelect Security Portfolio	F	0.35%	0.68%	0.41	-0.09%	0.77	0.5405	0.5786	0.6220	0.4022	0.6%	6.3%	4.9%	4.2%	2.41
27	SEI Income 20/80 Class P	F	0.36%	0.74%	0.39	0.01%	0.68	0.4771	0.3537	0.4736	0.4451	0.2%	5.6%	3.8%	4.3%	1.72
28	Renaissance Optimal Conservative Income Portfolio	TBD	0.57%	0.75%	0.68	0.14%	0.88	0.5660	0.1261	0.2941	0.8843	0.2%	6.2%			0.00
29	SEI Income 100 Class S	TBD	0.20%	0.74%	0.19	-0.18%	0.81	0.0084	-0.0931	-0.0904	0.9877	0.4%	4.2%			1.26
<b>Category Average</b>			<b>0.44%</b>	<b>0.84%</b>	<b>0.45</b>	<b>0.03%</b>	<b>0.80</b>	<b>0.5533</b>	<b>0.4659</b>	<b>0.5613</b>	<b>0.3659</b>	<b>0.5%</b>	<b>6.5%</b>	<b>5.6%</b>	<b>5.5%</b>	<b>1.99</b>

## Balanced Portfolios

Typical Asset Mix: 40% - 60% Fixed Income / 40% - 60% Equity

1	Mawer Balanced Fund Class A	A	0.89%	1.43%	0.58	0.19%	0.90	0.7372	0.8481	0.8510	-0.2209	2.2%	13.2%	14.0%	11.1%	0.93
2	Meritage Balanced Income Portfolio	B	0.57%	1.05%	0.49	0.27%	0.50	0.7828	0.6388	0.7118	0.0317	0.4%	7.1%	6.7%	7.1%	2.37
3	Meritage Growth Income Portfolio	B	0.69%	1.34%	0.46	0.28%	0.65	0.8439	0.7247	0.7620	-0.1706	0.4%	8.7%	8.7%	8.4%	2.40
4	SEI Income 40/60 Class S	B	0.53%	1.03%	0.45	0.09%	0.88	0.7812	0.7186	0.7572	0.0513	0.3%	7.9%	7.2%	6.4%	1.51
5	SEI Income 40/60 Class P	B	0.47%	1.03%	0.39	0.03%	0.88	0.7807	0.7177	0.7567	0.0528	0.1%	7.0%	6.5%	5.7%	2.27

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October 2014

## [Back to Contents](#)

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4 BMO SelectClass Growth Portfolio	D	0.73%	1.76%	0.38	0.01%	0.82	0.8560	0.8082	0.7769	-0.2562	2.5%	13.4%	11.5%	9.0%	2.60
5 CI Portfolio Series Balanced Growth Fund Class A	D	0.71%	1.93%	0.33	-0.12%	0.94	0.8423	0.8362	0.8299	-0.3256	0.8%	9.7%	11.1%	8.6%	2.45
6 BMO FundSelect Growth Portfolio	D	0.70%	1.94%	0.33	-0.13%	0.94	0.8438	0.8235	0.8341	-0.2818	1.3%	12.3%	11.4%	8.4%	2.67
7 TD Advantage Growth Portfolio	D	0.71%	2.01%	0.32	-0.11%	0.94	0.8787	0.7848	0.8072	-0.2975	0.7%	11.2%	11.2%	8.6%	2.29
8 CI Portfolio Series Growth Fund Class A	D	0.75%	2.19%	0.31	-0.18%	1.06	0.8429	0.8371	0.8261	-0.3634	0.5%	10.2%	12.2%	9.1%	2.42
9 TD Mgd Aggressive Growth Portfolio	D	0.70%	2.14%	0.30	-0.22%	1.04	0.8538	0.8271	0.8387	-0.3412	0.8%	11.2%	11.7%	8.4%	2.51
10 Marquis Growth Portfolio	D	0.74%	2.32%	0.29	-0.20%	1.07	0.8286	0.7941	0.7954	-0.3620	1.9%	10.3%	11.2%	8.9%	2.49
11 BMO Matchmaker Strategic Growth Portfolio	F	0.75%	1.83%	0.37	0.03%	0.81	0.8937	0.7957	0.7365	-0.3054	0.3%	13.3%	11.7%	9.1%	0.00
12 Fidelity Global Balanced Portfolio	F	0.67%	1.66%	0.37	-0.02%	0.79	0.7907	0.7669	0.8160	-0.1686	1.8%	11.5%	10.3%	8.2%	2.46
13 CI Portfolio Series Balanced Fund Class A	F	0.66%	1.67%	0.36	-0.06%	0.82	0.8255	0.8413	0.8393	-0.2869	1.3%	9.6%	10.3%	8.1%	2.42
14 CC&L Balanced Growth Portfolio	F	0.58%	1.70%	0.30	-0.18%	0.96	0.9097	0.7513	0.7747	-0.2418	-1.4%	9.3%	9.1%	7.0%	2.14
15 TD Mgd Index Aggressive Growth Portfolio	F	0.68%	2.03%	0.30	-0.20%	0.99	0.8615	0.8243	0.8413	-0.3078	0.5%	11.7%	11.8%	7.8%	1.63
16 SEI Growth 80/20 Class S	F	0.69%	2.09%	0.30	-0.18%	0.99	0.8825	0.8192	0.8027	-0.3390	0.3%	10.9%	11.2%	8.3%	1.73
17 SEI Growth 70/30 Class P	F	0.56%	1.81%	0.28	-0.19%	0.85	0.8856	0.8094	0.7915	-0.2838	0.0%	9.3%	8.8%	6.8%	2.46
18 SEI Growth 80/20 Fund Class - P	F	0.63%	2.09%	0.27	-0.24%	0.99	0.8828	0.8189	0.8024	-0.3382	0.1%	10.1%	10.4%	7.6%	2.51
19 Franklin Quotential Growth Portfolio A	F	0.64%	2.14%	0.27	-0.25%	1.01	0.8450	0.7698	0.8435	-0.3677	1.3%	10.6%	10.3%	7.7%	2.39
20 Quadrus Advanced Folio	F	0.59%	2.03%	0.26	-0.24%	0.94	0.9076	0.7887	0.7961	-0.3300	-1.3%	9.2%	9.1%	7.1%	2.91
21 Invesco Intactive Growth Portfolio Series A	F	0.57%	2.03%	0.25	-0.20%	0.87	0.8740	0.6787	0.7642	-0.2417	-1.3%	7.2%	7.4%	6.8%	2.35
22 AGF Elements Growth Portfolio	F	0.55%	1.99%	0.25	-0.30%	0.97	0.8499	0.8167	0.8254	-0.2718	1.3%	11.1%	9.7%	6.6%	2.37
23 Dynamic Diversified Real Asset Fund	F	0.34%	3.49%	0.08	-0.50%	1.25	0.7734	0.1776	0.2500	0.0423	-9.3%	4.1%	-3.5%	3.5%	2.44
24 Renaissance Optimal Inflation Opportunities Portfoli	TBD	0.60%	1.54%	0.35	0.12%	0.61	0.6651	0.3978	0.7511	0.1270	-0.4%	4.6%			2.43
<b>Category Average</b>		<b>0.67%</b>	<b>2.00%</b>	<b>0.31</b>	<b>-0.13%</b>	<b>0.93</b>	<b>0.8452</b>	<b>0.7551</b>	<b>0.7808</b>	<b>-0.2675</b>	<b>0.2%</b>	<b>10.3%</b>	<b>10.1%</b>	<b>8.0%</b>	<b>2.31</b>

## Aggressive Growth Portfolios

Typical Asset Mix: 0% - 20% Fixed Income / 80% - 100% Equity

1 TD U.S. Equity Portfolio	A	1.30%	2.73%	0.45	-0.14%	1.06	0.6121	0.9516	0.6548	-0.3968	8.5%	21.9%	22.7%	16.3%	2.57
2 Quadrus Aggressive Folio	B	0.70%	2.61%	0.25	0.11%	0.78	0.9149	0.7880	0.7772	-0.4116	-1.7%	10.8%	10.9%	8.3%	2.99
3 BMO SelectClass Aggressive Growth Portfolio	D	0.86%	2.44%	0.33	-0.01%	0.84	0.8462	0.8189	0.7897	-0.3588	3.0%	15.5%	14.0%	10.4%	2.71
4 Marquis Equity Portfolio	D	0.84%	2.93%	0.26	-0.20%	1.00	0.8267	0.7895	0.7923	-0.4105	2.3%	11.5%	12.9%	10.0%	2.71
5 BMO Matchmaker Aggressive Growth Portfolio	F	0.86%	2.50%	0.32	-0.02%	0.84	0.8854	0.8082	0.7636	-0.3822	0.3%	15.4%	14.0%	10.4%	0.00
6 BMO FundSelect Aggressive Growth Portfolio	F	0.79%	2.33%	0.31	-0.07%	0.83	0.8388	0.8354	0.8363	-0.3386	1.5%	14.7%	13.7%	9.6%	2.83
7 TD Mgd Index Max Eqty Growth Portfolio	F	0.78%	2.47%	0.29	-0.16%	0.90	0.8368	0.8444	0.8710	-0.3468	0.3%	13.5%	14.1%	9.4%	1.68
8 TD Advantage Aggressive Growth Portfolio	F	0.79%	2.53%	0.29	-0.11%	0.87	0.8829	0.7956	0.8019	-0.3674	0.7%	12.6%	12.9%	9.5%	2.28
9 CI Portfolio Series Maximum Growth Fund Class A	F	0.81%	2.69%	0.28	-0.17%	0.94	0.8492	0.8371	0.8094	-0.4126	0.6%	11.6%	13.8%	9.8%	2.43
10 SEI Global Growth 100 Fund Class - P	F	0.75%	2.61%	0.26	-0.24%	0.96	0.8005	0.8694	0.8515	-0.4027	1.2%	12.0%	13.9%	9.0%	2.53
11 SEI Growth 100 Class S	F	0.77%	2.66%	0.26	-0.19%	0.93	0.8838	0.8218	0.7979	-0.4155	0.2%	12.3%	13.1%	9.1%	1.73
12 Franklin Quotential Global Growth Portfolio A	F	0.72%	2.54%	0.26	-0.25%	0.94	0.7064	0.8315	0.9011	-0.3681	2.1%	11.3%	13.6%	8.6%	2.54
13 TD Mgd Max Equity Growth Portfolio	F	0.75%	2.64%	0.26	-0.23%	0.94	0.8535	0.8345	0.8338	-0.3998	0.8%	12.5%	13.2%	8.9%	2.66
14 Invesco Intactive Maximum Growth Portfolio Ser A	F	0.69%	2.56%	0.25	-0.19%	0.85	0.8633	0.7446	0.8030	-0.3772	-1.1%	8.8%	10.7%	8.2%	2.37
15 AGF Elements Global Portfolio	F	0.57%	2.62%	0.19	-0.42%	0.96	0.8146	0.8382	0.8676	-0.3549	1.8%	11.6%	10.9%	6.7%	2.55

# Paterson & Associates—Monthly WRAP Fund Report

## Methodology & Ratings Definitions

October 2014

### Methodology:

Fund Ratings which are highlighted in Green indicate an upgraded rating from the previous month. Fund Ratings highlighted in Red indicate a downgraded rating from the previous month.

The period under review is the most recent 60 month period, or the inception date of the fund, whichever is shorter.

To determine our rankings, fund returns are analyzed both on an absolute and a relative basis. We study such factors as the average return, the average relative return, the average monthly volatility, the average relative volatility, the risk adjusted return, expected future returns, and the greatest upside and downside movements in the past 60 months. We then put these quantitative factors into our proprietary model which ranks the funds based on our criteria. We combine this quantitative ranking with qualitative factors to determine a fund's final monthly ranking.

Only funds with greater than 36 months of data are eligible to receive a rating.

### Ranking Definitions:

Effective January 1, 2011, we switched to a letter grade rating system. A brief explanation of our ratings follows:

**F** - Over the most recent 60 month period, the fund did not generate a rate of return in excess of its benchmark on either a net of fees or gross of fees basis. The Fund will also have an expected return which is lower than its benchmark. A fund rated F may still have a place within a portfolio for risk reduction purposes, depending on individual circumstances.

**D** - Over the most recent 60 month period, the fund did not generate a rate of return in excess of its benchmark on a net of fees basis. It did generate excess return on a gross of fees basis.

**C** - A fund which is rated a **C** added some level of value to the benchmark. However, the consistency in returns and the consistency with which the fund beat the benchmark is lacking.

**B** - A fund that is rated a **B** has a strong track record of steady returns and has consistently added value to the benchmark.

**A** - A fund rated **A** has delivered stellar risk adjusted returns for the period under review.

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## Disclaimer

October 2014

Information is from sources believed to be reliable. Every effort is made to ensure its accuracy, however, we cannot be responsible for inaccuracies or omissions in any of the data.

Information used in this analysis is historic in nature. Past performance is no guarantee of future performance.

Monthly Standard Deviation is the most recent 60 month historical standard deviation of returns.

Sharpe Ratio is a measure of risk adjusted returns. The higher the ratio, the better the manager has been at delivering more return for less risk.

Alpha represents the excess return which the manager has been able to deliver over and above the applicable benchmark.

Beta represents the volatility of the fund relative to its applicable benchmark. A beta of one means that there is a level of volatility equal that of the benchmark. A beta in excess of one indicates that the volatility is greater than the benchmark, while a beta of less than one indicates that volatility is less than the benchmark.

Correlation measures the similarity in return patterns between the fund and a benchmark. The correlation will range between  $-1$  and  $+1$ . A correlation close to  $+1$  indicates that the fund and the index have very similar return patterns. A correlation close to  $-1$  indicates that the returns are almost opposite, while a correlation close to zero indicates no relationship.

Historic returns are calculated using the monthly return data in our database. Slight variations in return results will be attributable to decimal rounding and number truncation. Past performance does not guarantee future performance.

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Paterson & Associates is an independent consulting firm specializing in providing research and due diligence on a number of different investment products including mutual funds, hedge funds and other exempt market products. In addition Paterson & Associates offers fully customized portfolio optimization solutions to independent financial planners.

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