

# Dynamic Global All-Terrain Fund

## G.A.T. Chat

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### Q2 2021 Dashboard



### Allocation

Sector	Allocation
U.S. Equities	57.3%
Alternatives	13.4%
DM Ex. US Bonds	5.9%
EAFE Equities	4.5%
U.S. Treasuries	4.7%
U.S. Corporates	4.3%
U.S. High Yield	3.9%
EM Equities	3.3%

\*As of June 30, 2021

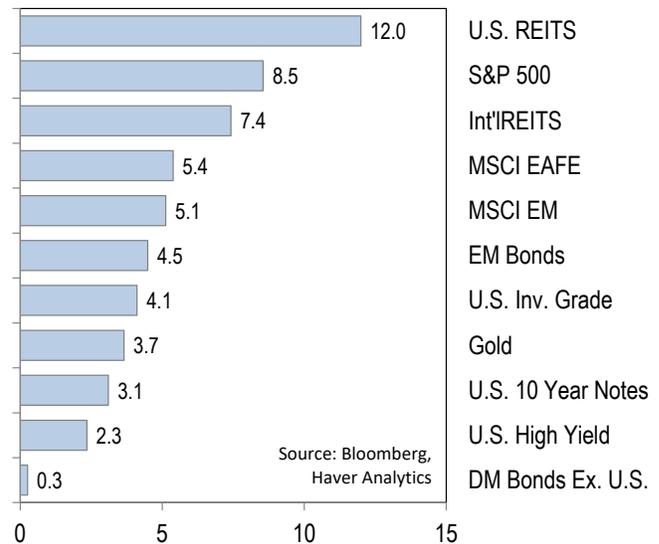
### Quarterly Market Review

The second quarter of 2021 saw strong performance in equities, particularly in the U.S., with the S&P 500 finishing at a new all-time high. Inflation data in May rattled growth-style equities briefly but after a short correction these stocks helped drive the market higher. Overall, risk assets advanced while safe-haven securities lagged. The MSCI ACWI Global Equity Index rose 7.5% in Q2 to bring the year-to-date return to 12.6%.

U.S. real estate led all major asset classes for a second consecutive quarter with an advance of 12%. The S&P 500 and International Real Estate rounded out the top of the leaderboard. Within equities, technology, growth-style and large-cap stocks were among the big winners. Meanwhile, falling yields helped fixed income assets rise despite the preference for stocks during the quarter.

The global economic recovery continued in the quarter though the most recent PMI data suggests that the pace has decelerated. Readings for the U.S., Europe and Emerging Markets ticked lower but remain well above the 50 boom-bust level. For the consumer, year-over-year retail activity reached multi-year highs while employment also improved. The accelerating roll-out of vaccines globally helped governments lift more restrictions and boost economic activity.

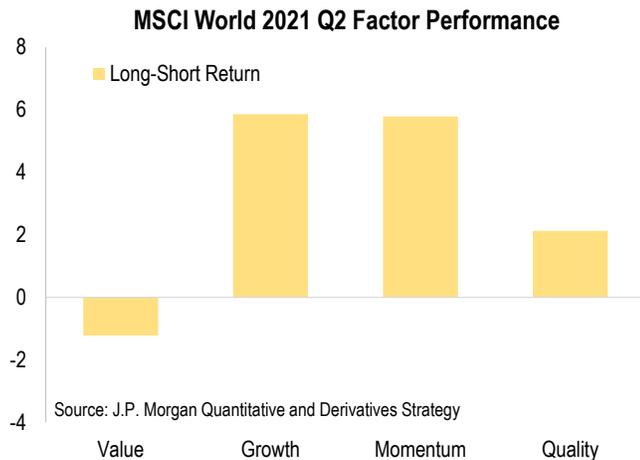
### Q2 2021 - Total Return Performance (\$USD)



Looking at currency, Canadian investors holding USD assets were negatively affected by the weakness in the greenback relative to the loonie though the impact was less than previous quarters. The S&P 500 advanced 6.9% in CAD terms which is 1.6% lower than its USD return.

## Fund Overview

Accelerating global vaccination efforts supported the economic recovery and drove global markets higher. In contrast to Q1, bond yields fell which hampered the efficacy of value-style investments as suggested by the chart below. Growth and momentum, however, posted highly positive returns and were the best factors in the second quarter.



The global equity momentum factor suffered a setback in Q1 but recovered this quarter as technology and growth style securities convincingly regained leadership. Volatility fell which helped out systematic investing and overall investor confidence. The Fund maintained a sizeable allocation to U.S. equities and captured the leading real estate performance through its alternative position. Within fixed income, developed market bonds had the highest weight in the Fund while U.S. High Yield the lowest.

The Fund's equity allocation was the primary driver of the gains in the second quarter. Large-cap U.S. stocks and global real estate and infrastructure alternative securities accounted for more than half of the return. Fixed income positions held steady and had a net flat contribution to the overall fund return of +4.6% in Q2.

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compound total returns including changes in unit values and reinvestment of all distributions does not take into account sales, redemption or option changes or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Views expressed regarding a particular company, security, industry or market sector are the views of the writer and should not be considered an indication of trading intent of any investment funds managed by 1832 Asset Management L.P. These views should not be considered investment advice nor should they be considered a recommendation to buy or sell. These views are subject to change at any time based upon markets and other conditions, and we disclaim any responsibility to update such views. © Copyright 2021 1832 Asset Management L.P. All rights reserved. Dynamic Funds® is a registered trademark of its owner, used under license, and a division of 1832 Asset Management L.P.

The movement of the CAD versus USD cross translated into a 160 bps loss for Canadian investors. However, the Fund's active currency program maintained a hedge throughout the quarter and mitigated more than half of this loss. Looking at category rankings, the Fund sits in the top two quartiles for all horizons.

### Total Return Performance and Ranking

	3 Month	6 Month	1 Year	3 Year	5 Year	Inception
Dynamic Global All-Terrain Fund	4.6	7.4	18.7	5.9	5.6	5.7
60/40 MSCI ACWI & Global Agg (\$CAD)	3.4	2.9	12.4	8.5	8.8	6.8
Canada Tactical Balanced Category	3.7	4.6	12.2	5.2	5.2	4.7
Canada Tactical Balanced Category Quartile Ranking	2nd	2nd	1st	2nd	2nd	
Number of Funds In Category	395	363	356	323	281	

*Performance for Series F. Fund inception date is September 14, 2015. The Morningstar quartile ranking reflects performance as of June 30, 2021 and is subject to change monthly. Morningstar is an independent organization that groups mutual funds with generally similar investment objectives for comparison purposes and ranks them on a historical basis. These rankings are broken into quarters or quartiles. Within a group, the top 25% (or quarter) of the funds are in the first quartile, the next 25% are in the second quartile, the next group in the third quartile, and the bottom 25% of funds with the poorest relative performance are in the fourth quartile. For more details on the calculation of Morningstar, see [www.morningstar.ca](http://www.morningstar.ca)*

## Outlook

The Fund finished the quarter with a 68% allocation to equities, 19% to fixed income, and 13% to alternatives. This composition differs from the benchmark which is defined as 60% MSCI ACWI and 40% Barclay's Global Aggregate Index. We note that as a rules-based fund we do not impose our own subjective forecasts. As such, the views presented here are implied by fund holdings.