**Portfolio Review Prep Summary**

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Client: John Smith

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This report provides a structural risk and allocation diagnostic designed to support client review preparation and portfolio discussions.

## Executive Summary:

- Portfolio structured as John Smith with 100.0% equity exposure
- Elevated concentration at the fund level; diversified underlying holdings
- Canada 100.0%, U.S. 0.0%, International 0.0%, EM 0.0% increases volatility sensitivity
- 0.0% defensive cushion supports drawdown management
- Structure aligned with Growth, pending confirmation of current risk tolerance

## Portfolio Snapshot:

**Asset Allocation:**

- Equities: 100.0%
- Fixed Income: 0.0%
- Cash: 0.0%
- Alternatives: 0.0%
- Net Equity Risk Exposure: 100.0%
- Defensive Cushion (Bonds + Cash): 0.0%

**Top Holdings:**

- FID5982 – 100.0%
- – %
- – %
- Top 3 holdings represent 100.0% of portfolio capital

**Benchmark Used:**

- 60/40 Global
- Benchmark equity: 60.0%
- Benchmark fixed income: 40.0%

## Structural Risk Score:

**Risk score:** 9/10
Scale reference:
1 = very conservative / capital preservation
10 = aggressive growth / high volatility

**Why this score:**

- Portfolio in the ~100.0% equity range may experience drawdowns during severe corrections
- Defensive cushion of 0.0% provides stability
- Structurally positioned within expected risk band

## Allocation & Concentration Observations:

- Equity exposure vs benchmark: 100.0% vs 60.0%
- Top holdings concentration at 100.0%
- Geographic exposure: Canada 100.0%, U.S. 0.0%, International 0.0%, EM 0.0%
- Cash allocation of 0.0% provides liquidity

## Volatility Context:

- 100.0% equity exposure drives portfolio movement
- Bonds + cash act as stabilizers
- Defensive cushion: 0.0%
- Portfolio designed for full market cycles

## Advisor Talking Points (Most Important Section):

- Portfolio aligned with Growth
- Defensive allocation supports drawdown control
- Diversification:
- Rebalance tolerance bands applied

## Advisor Notes:

1. Taxes
2. Retirement
3. Risk update
4. Insurance
5. Rebalance

## Anticipated Client Questions:

1. **“Why are we overweight tech?”**
    - Exposure explained by

2. **“Should we reduce equity exposure?”**
    - Current allocation: 100.0%
    - Objective: Growth

3. **“What happens if markets decline further?”**
    - Defensive cushion: 0.0%

4. **“Is now a time to rebalance?”**
    - Rebalancing when drift exceeds tolerance

## Client-Friendly Summary:

Your portfolio combines growth assets with stabilizers.

Currently:

- 100.0% equities
- 0.0% bonds
- 0.0% cash

This structure is designed to pursue long-term growth while managing volatility.

This portfolio is positioned for long-term participation in equity market growth while still retaining a meaningful defensive allocation to fixed income and cash. At a high level, the mix currently sits at approximately 100% equity, 0% fixed income, and 0% cash. That blend generally fits investors who can tolerate periodic fluctuations in account value in exchange for stronger long-run return potential than a more conservative allocation would typically deliver.
From a construction perspective, concentration is an important discussion point. The top three holdings account for about 100% of the portfolio, which means short- to medium-term outcomes can be more influenced by a smaller set of positions than in a more evenly distributed structure. Concentration is not automatically negative, but it raises the

importance of position intent, expected holding period, and each investor's comfort with periods when performance may diverge from broad market averages.

Geographic exposure is another area worth evaluating carefully. Canadian equity exposure is dominant at roughly 100%, U.S. equity exposure is none at roughly 0%, and international plus emerging exposure is none at roughly 0% + 0%. That can be entirely appropriate depending on the investment thesis and investor preferences, but it does mean results will be tied to whichever region has the largest share unless global depth is expanded over time.

On the risk side, the defensive allocation remains meaningful at roughly 0%, which can help dampen swings during difficult equity environments. This does not eliminate downside risk, but it can reduce the amplitude of drawdowns compared with an all-equity allocation. Presenting this as a practical shock absorber can help investors understand why diversification is valuable even when it does not remove uncertainty.

Relative to the selected benchmark, sleeve differences are present and can support a benchmark-alignment discussion. The most productive discussion usually focuses less on exact sleeve matching and more on whether the current mix still aligns with goals, time horizon, and decision-making comfort under stress.

Overall, this portfolio is appropriate for a long-horizon conversation centered on disciplined expectations, periodic rebalancing decisions, and staying aligned with a written plan. The key is to reinforce that volatility is normal, concentration should be intentional, and the defensive allocation exists to support decision quality when markets become uncomfortable.

**Disclaimer:**