Partners | QUARTERLY PROFILE

2nd Quarter 2021

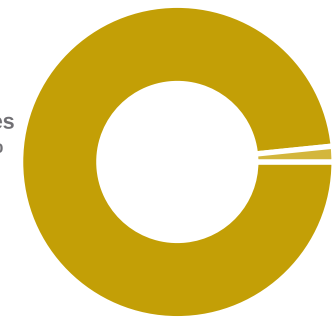
RAYMOND JAMES®

DIVIDEND PLUS+

PORTFOLIO OBJECTIVE

The objective of the portfolio is to provide equity investors with reliable and consistently growing dividend income with a secondary objective of capital appreciation. This is achieved by investing in a diversified portfolio of Canadian dividend paying stocks, REITs and income trusts.

ASSET ALLOCATION



MAJOR HOLDINGS

COMPANY	% OF PORTFOLIO
BROOKFIELD ASSET MGMT INC CL A	6.19%
ROYAL BANK OF CDA	5.99%
ENBRIDGE INC	5.66%
TORONTO DOMINION BK	5.29%
TFI INTERNATIONAL INC	4.38%
OPEN TEXT CORP	4.17%
SUN LIFE FNCL INC	4.00%
NUTRIEN LTD	3.92%
WSP GLOBAL INC	3.88%
CDN NTRL RES LTD	3.84%

2nd Quarter 2021	QTD	1YR	3YR	5YR	10YR
Raymond James Dividend Plus+*	**8.1%**	**26.6%**	**7.8%**	**8.5%**	**N/A**
S&P/TSX Dividend Aristocrats Index	7.9%	44.4%	11.3%	9.6%	8.4%

*Return Data Source: Inception to present are RJ Partners Program composite, gross returns in C$. All performance data represents past performance and is not necessarily indicative of future performance. Benchmark: 100% S&P/TSX Dividend Aristocrats Index.

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PORTFOLIO REVIEW

The RJ Canadian Dividend Plus+ portfolio increased by 8.0% during Q2/21, in line with the S&P/TSX Canadian Dividend Aristocrats Index over the three-month period. Stock selection within the industrials, materials, communication services, information technology, and consumer discretionary sectors had a positive impact on our performance during the quarter.

Top three performers:

• Engineering & construction (E&C) company WSP Global (WSP-T) increased 21.0% in Q2/21. During the quarter, the E&C firm completed its acquisition of Golder Associates, announced its acquisition of b+p baurealisation in Switzerland, and reported Q1/21 bottom line results that came in well ahead of Street estimates.

• Shares of freight transportation and logistics services provider TFI International (TFII-T) were up 20.1% during the second quarter. TFII reported solid Q1/21 financial results with top and bottom line numbers coming in ahead of consensus estimates. Management is maintaining a positive outlook for the year as vaccines roll out with the company focused on integrating the UPS Freight transaction, which was completed on April 30.

• Oil & gas producer Canadian Natural Resources (CNQ-T) rose 15.8% in Q2/21. The energy company reported solid Q1/21 cash flow per share results that came in ahead of Street estimates and raised its free cash flow guidance for the year on the back of higher oil prices. West Texas Intermediate crude oil prices increased 24.2% in USD terms during the quarter.

OUTLOOK

We have all experienced a lot of ‘new’ during the pandemic, including 2020 events being moved to 2021. But, the year long wait for the once delayed global event - the Olympic games in Tokyo is almost complete. The delay has increased the hosting price tag by about US$5.8 billion. Similarly, investors have seen quite a bit of “new” in markets, however, with vaccination efforts picking up momentum, there is light at the end of the tunnel.

• Not all countries are at the same starting line, but more and more countries are entering the race – We believe the upward revision to global real GDP growth by the OECD to ~6% year-over-year (YoY) in 2021 is being largely powered by strength across advanced economies (e.g., US, UK, Canada, etc.), which we believe are tracking ahead of their emerging market peers on vaccination/reopening efforts, and also as it relates to fiscal/monetary policy measures.

• In terms of vaccinations, Canada started slow but through the middle and towards the end has not only caught the pack but begun to pace the race - With strong vaccination momentum building across Canada, we expect a broad based reopening to act as a positive tailwind for Canadian equities and the broader economy with real GDP set to peak in Q3/2021 up ~6% YoY. As for the US, we continue to maintain a positive outlook for the US economy which has recovered above Q4/2019 GDP levels and is expected to post GDP growth of 7.1% YoY in 2021 according to consensus.

• If you are going to be one of the top country's at the Olympics, a deep and talented team is a necessity – remain overweight equities - Recent headlines related to a peak growth, peak inflation and peak stimulus has caused a rotation out of cyclical/early-cycle plays (e.g., value, mid-small cap, emerging/international equities) into late and mid-late cycle plays (e.g., large-cap, growth, etc.), which we believe is exaggerated. We expect this to be a short-term phenomenon and expect that the cyclical trade will resume into the back half of the year. We remain overweight equities versus bonds and cash. Within equities, we are overweight Canadian equities, developed markets and emerging market equities, with a neutral weight towards US equities. Our preference remains tilted towards early cycle plays, despite the strong performance from the group since the lows of the pandemic.

• In any race, be on water, the track or a bike, sometimes it comes down to positioning – the right lane, making the pass at the right time or getting a tailwind when needed most – remain underweight fixed income - We expect interest rates to remain volatile and suggest investors maintain an underweight allocation to fixed income relative to equities given the lower risk/return characteristics offered by the asset class.

• Canada is on pace to top the podium in terms of the USD/CAD rate. The gold medal is nice, but not without its own set of concerns - We believe there is a possibility that we see a move for the USDCAD to the 1.26-1.27 range to the upside, even though the median Street consensus is still calling for 1.22 by year-end. As a result, we believe a 1.22-1.26 range by year-end may be appropriate and suggest investors remain long USDCAD.