



## CIBC PRIVATE WEALTH

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January 29, 2024

City of Pitt Meadows  
Attn: Laura Barroetavena, Director of Finance  
12007 Harris Road  
Pitt Meadows, B.C.  
V3Y 2B5

Dear Laura,

Please find attached the year-end performance reports and other supporting data for the past year. For the year ended December 31, 2023 the annual return on the portfolio was **4.713%**

We underperformed relative to the benchmark for the first time in 23 years. The weighted comparison with the MFA data was a blended return of **4.87%**.

	<u>Blended rate:</u>
CIBC Wood Gundy	4.71%
<u>MFA</u>	<u>4.87%</u>
Incremental value:	-0.16%

The underperformance is attributed to the component of the portfolio that has helped provide the outperformance the previous 22 years and that is using GIC's for a locked in return. In a rate rising environment the yield is delayed until the actual GIC maturity versus the bonds that move immediately with the price of the bond. The past year was the tail end of the aggressive rate hiking by the Bank of Canada in decades. Then in the 2<sup>nd</sup> half of the year the focus was on the peaking of rates and when would they start to come down. In that regard we saw stabilization and yields last year that we haven't seen in over a decade.

The expectation now is that yields will drop in the second half of 2024 and early 2025. We are essentially in a holding period waiting on CPI (inflation data) to dictate when the Bank of Canada acts. We continue to have an inverted yield curve. There is almost a 20% premium for money market over the 5 year bond or GIC yields.

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I look forward to reviewing the projected disbursement schedule in June and structuring a laddered maturity of investments to match your cash flow for the coming year.

Yours very truly,



Randy E. Clowes, B.Comm, CIM, FCSI, RIAC  
**Senior Portfolio Manager & Senior Wealth Advisor**  
CIBC Private Wealth  
Vancouver, B.C.

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## PORTFOLIO EVALUATION (CAD)

As of December 31, 2023

### CITY OF PITT MEADOWS (810147271C)

Cash

Senior Portfolio Manager: Randy Clowes

Last Purchase	Quantity	Description	Unit Cost	Book Value	Market Price	Market Value	% of Total	G/L (%)	Unrealized G/L **
<b>CASH &amp; CASH EQUIVALENTS</b>									
<b>Securities Expiring Within a Year</b>									
04/28/2022	2,000,000	CIBC FULL SVC NON-TFR A NON-RDMBLE 3.35% 29AP24	100.000	2,000,000.00	100.000	2,000,000.00	4.71		0.00
11/06/2020	9,192,115	CPN PROV OF QC BOOK ENTRY 1JN24	99.750	9,169,096.21	97.949	9,003,584.72	21.22	(1.81)	-165,511.48
04/29/2022	2,008,000	BMO SR UNSEC DPST NT 2.7% 11SP24	99.209	1,992,116.72	98.326	1,974,394.11	4.65	(0.89)	-17,722.61
07/11/2022	2,127,000	RBC SR UNSEC BAIL-IN NTS 2.609% 1NV24	96.640	2,055,532.80	97.916	2,082,671.19	4.91	1.32	27,138.39
08/02/2023	1,921,461	CPN PROV OF ON BOOK ENTRY ONLY 2DC24	95.565	1,836,247.71	95.828	1,841,297.65	4.34	0.28	5,049.94
08/02/2023	2,070,000	TD SR UNSEC BAIL-IN NTS 2.496% 2DC24	96.198	1,991,300.67	97.616	2,020,655.34	4.76	1.47	29,354.67
<b>Total Cash &amp; Cash Equivalents</b>				<b>\$ 19,044,294.10</b>		<b>\$ 18,922,603.01</b>	<b>44.61 %</b>	<b>(0.64) %</b>	<b>\$ -121,691.09</b>
<b>SHORT-TERM FIXED INCOME</b>									
<b>Strip Bonds</b>									
08/02/2023	1,980,886	CPN HYDRO QC 15AG25	92.618	1,834,657.28	93.358	1,849,315.55	4.36	0.80	14,658.27
08/02/2023	1,732,259	CPN PROV OF ON 2DC26	88.128	1,526,605.94	89.652	1,552,997.91	3.66	1.73	26,391.97
<b>Total Strip Bonds</b>				<b>\$ 3,361,263.23</b>		<b>\$ 3,402,313.46</b>	<b>8.02 %</b>	<b>1.22 %</b>	<b>\$ 41,050.23</b>
<b>Canadian Bank Paper</b>									
07/11/2022	3,683,000	TD SR UNSEC BAIL IN 1.943% 13MR25	94.370	3,475,647.10	96.632	3,558,956.56	8.39	2.40	83,309.46
08/02/2023	2,106,000	CIBC SEN BAIL IN NTS 2% 17AP25	94.364	1,987,314.26	96.335	2,028,821.42	4.78	2.09	41,507.15
08/02/2023	1,981,000	RBC SR UNSEC 5.341% 23JN26	100.350	1,987,925.58	101.801	2,016,667.91	4.75	1.45	28,742.33
07/11/2022	3,512,000	CIBC SNR UNSECD 1.7% 15JL26	90.280	3,170,633.60	93.706	3,290,937.16	7.76	3.79	120,303.56
07/11/2022	1,000,000	BNS SEN FIXED RATE NTS 1NV27 1.4%	85.550	855,500.00	90.158	901,581.00	2.13	5.39	46,081.00
<b>Total Canadian Bank Paper</b>				<b>\$ 11,477,020.54</b>		<b>\$ 11,796,964.04</b>	<b>27.81 %</b>	<b>2.79 %</b>	<b>\$ 319,943.50</b>
<b>Guaranteed Investment Certificate</b>									
07/08/2022	800,000	CDN WESTERN BNK A 4.46% 8JL25	100.000	800,000.00	100.000	800,000.00	1.89		0.00
08/01/2023	2,000,000	HSBC BNK CDA A 5.35% 1AG25	100.000	2,000,000.00	100.000	2,000,000.00	4.71		0.00
08/01/2023	2,000,000	LAURENTIAN BNK OF CDA A 5.39% 1AG25	100.000	2,000,000.00	100.000	2,000,000.00	4.71		0.00
08/01/2023	1,500,000	LAURENTIAN BNK OF CDA A 5.25% 4AG26	100.000	1,500,000.00	100.000	1,500,000.00	3.54		0.00
<b>Total Guaranteed Investment Certificate</b>				<b>\$ 6,300,000.00</b>		<b>\$ 6,300,000.00</b>	<b>14.85 %</b>		<b>\$ 0.00</b>
<b>Principal Protected Note (Fundserv)</b>									
01/03/2023	20,000,000	CIBC CDA BNK MKT RTN GICS DSC (6218) 01/09/2025	100.000	2,000,000.00	100.000	2,000,000.00	4.71		0.00



## PORTFOLIO EVALUATION (CAD)

As of December 31, 2023

### CITY OF PITT MEADOWS (810147271C)

Cash

Senior Portfolio Manager: Randy Clowes

<b>Total Short-Term Fixed Income</b>	<b>\$ 23,138,283.77</b>	<b>\$ 23,499,277.50</b>	<b>55.39 %</b>	<b>1.56 %</b>	<b>\$ 360,993.74</b>
<b>Total</b>	<b>\$ 42,182,577.87</b>	<b>\$ 42,421,880.52</b>		<b>0.57 %</b>	<b>\$ 239,302.65</b>

Accrued Interest:	\$ 271,321
Declared and Unpaid Dividends:	
<b>Total Portfolio Value:</b>	<b>\$ 42,693,202</b>

**\*\* Where applicable, Unrealized G/L includes accumulated interest. Accumulated interest is included in the "Unit Cost" / "Invested Cost" and in the "Book Value" / "Invested Capital" columns.**

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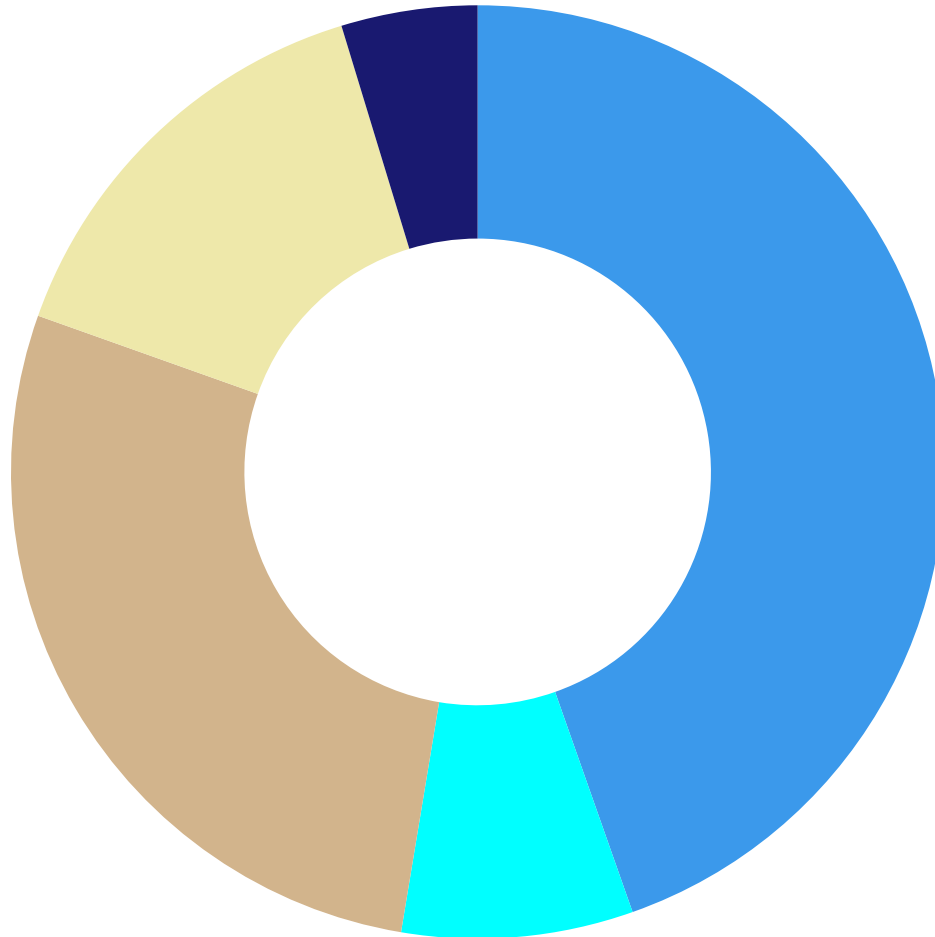
# ASSET ALLOCATION (SUBCATEGORY)

As of December 31, 2023

CITY OF PITT MEADOWS (81014727)

Cash

Senior Portfolio Manager: Randy Clowes



	(%)	(\$)
Securities Expiring Within a Year	44.6	18,922,603
Strip Bonds	8.0	3,402,313
Canadian Bank Paper	27.8	11,796,964
Guaranteed Investment Certificate	14.9	6,300,000
Principal Protected Note (Fundserv)	4.7	2,000,000