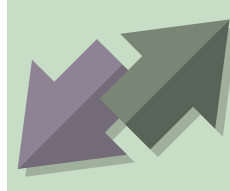


Understanding Your Investment Performance

There are different ways to measure returns for assets. Understand which method is being used when reviewing your investment performance.

YOUR RATE OF RETURN



GAIN OR
LOSS ON AN
INVESTMENT



OVER A
SPECIFIED
TIME PERIOD



EXPRESSED AS
A PERCENTAGE

REVIEWING YOUR RETURNS

There are a number of ways to calculate an investment rate of return. Time-Weighted and Money-Weighted are two calculation methods that investors see when looking at their asset performance.

Time-Weighted Return (TWR)

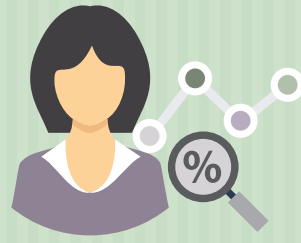
Money-Weighted Return (MWR)



Measures the compound rate of growth in an investment as seen in the newspaper and online.



Eliminates the effects created by deposits and withdrawals of cash.



Used to evaluate the returns of the investment manager.



Measures the investor's specific returns as seen on their statement. It's a Personal Rate of Return.



Incorporates the size of the investor's deposits and withdrawals.

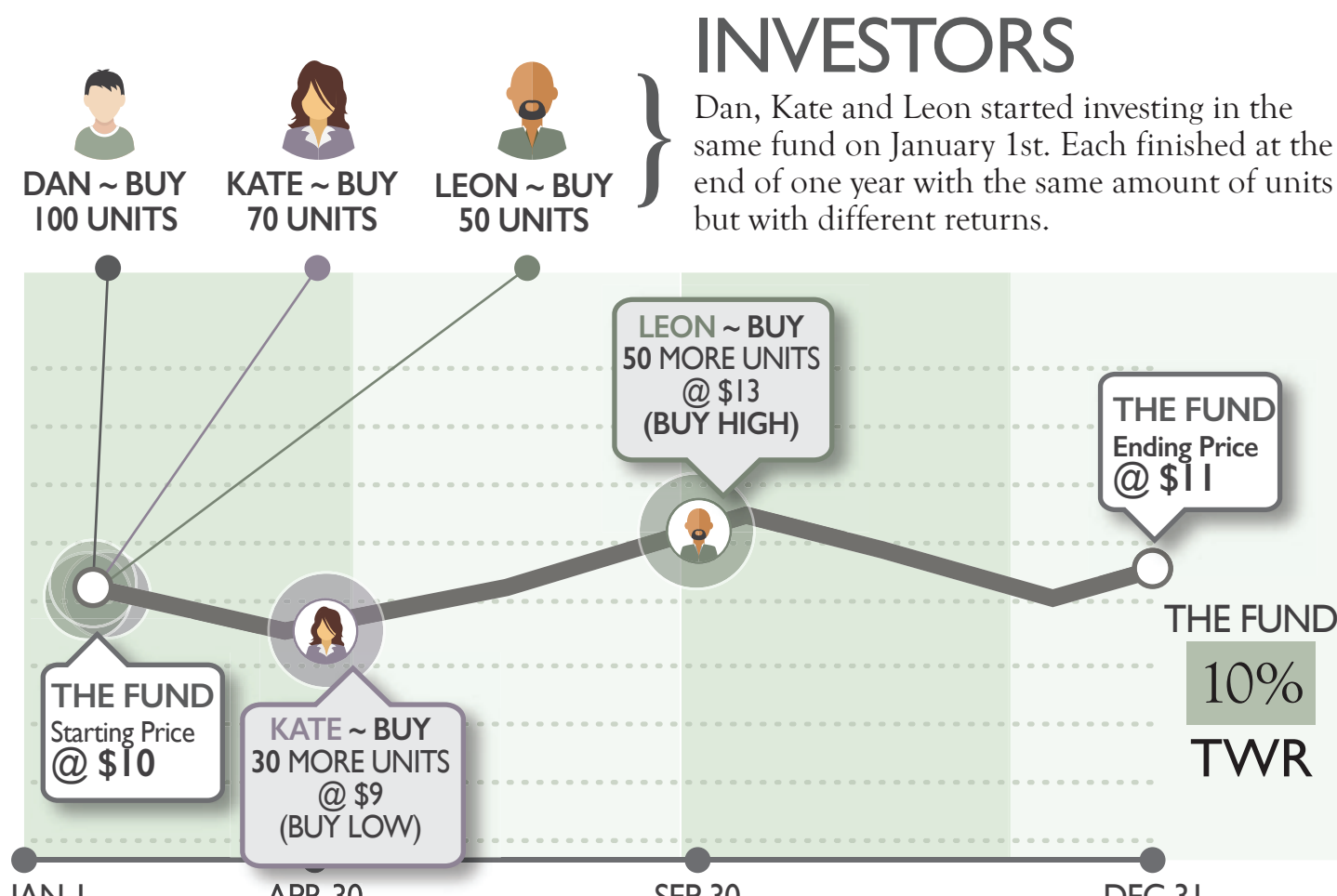


Incorporates the timing of deposits and withdrawals of cash.

The Annual Performance Report that you will receive for the period ending December 31, 2016 will reflect returns calculated using the money-weighted calculation method.

The Impact of Investor Behaviour

Investor behaviour can have a significant impact on Money-Weighted Returns



DAN
BUY & HOLD
100 UNITS

10% 10%
TWR MWR

Dan's buy and hold strategy yielded him the same results as the fund. Cash flows are not a consideration so the MWR and the TWR are the same.



KATE
BUY LOW
100 UNITS

10% 15%
TWR MWR

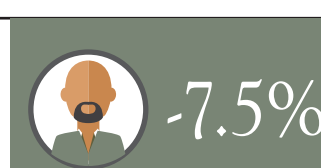
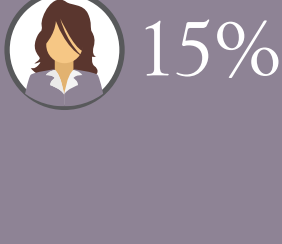
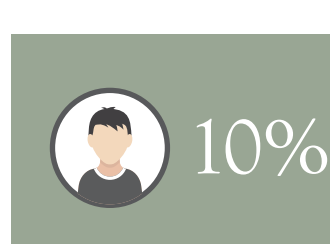
Kate bought additional units of the fund while it was underperforming, resulting in her MWR being higher.



LEON
BUY HIGH
100 UNITS

10% -7.5%
TWR MWR

Leon bought additional units of the fund at a higher price, which caused his MWR to be lower.



THE TIMING AND SIZE OF INVESTMENTS MAKES A DIFFERENCE

Each investor finished with the same amount of units of The Fund. Although their Time Weighted Returns are the same, their Money Weighted Returns (or Personal Rate of Returns) are very different.

Contact us today.

Learn more about your personal rate of return and how the timing and size of your investments contribute to your portfolio's overall performance.



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