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Undertaking #11

For MPI to provide an update of the shadow portfolio 2 from August 2019 to August 2020.

RESPONSE:

Please see Figures 1 and 2 below:

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Figure 1 Shadow Portfolio 2 - Basic

Line No.	Asset Class	Asset Allocation Weights (%)	Returns (%)													Aug 31, 2019
			Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Aug 31, 2020	
1	Fixed Income	Short-Term Provincials	22.0%	-0.40%	0.22%	0.08%	-0.24%	0.98%	0.73%	0.81%	1.27%	0.21%	0.37%	0.29%	-0.01%	4.38%
2		Mid-Term Provincials	10.0%	-1.04%	-0.14%	0.22%	-1.11%	2.64%	0.75%	0.19%	3.48%	0.22%	0.77%	0.86%	-0.43%	6.50%
3		MUSH Bonds	10.0%	-1.02%	-0.37%	0.86%	-1.80%	3.60%	0.61%	-2.83%	5.22%	0.22%	2.11%	1.48%	-1.75%	6.20%
4		Private Debt-Universe	15.0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-2.00%	3.79%	0.31%	1.69%	1.27%	-1.13%	3.88%
5		3X Real Return Bonds	16.0%	-2.94%	-4.04%	2.05%	-5.13%	12.38%	2.92%	-15.85%	11.00%	1.04%	7.37%	10.11%	2.38%	19.14%
6	Public Equities	Canadian Equity	13.0%	1.27%	-1.10%	3.16%	1.64%	1.16%	-6.70%	-19.10%	13.24%	3.71%	3.05%	5.18%	2.93%	5.06%
7		Private Equity	5.0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-17.38%	10.79%	3.04%	2.46%	4.48%	2.35%	3.35%
8	Alternatives	Real Estate	7.0%	-0.11%	0.62%	0.18%	0.33%	0.62%	0.77%	-0.25%	-0.33%	0.62%	1.14%	0.33%	0.18%	4.15%
9		Infrastructure	2.0%	-0.03%	0.70%	0.26%	0.41%	0.70%	0.85%	-0.17%	-0.25%	0.70%	1.22%	0.41%	0.26%	5.15%
10		Total	100.0%	-0.61%	-0.73%	0.88%	-0.92%	3.03%	-0.04%	-6.29%	5.71%	1.00%	2.43%	3.03%	0.51%	7.10%

Notes:

12 The 3X Real Return Bonds returns were based on the monthly returns of the RRB Canada Index and borrowing costs at the 91 day Tbill rate.

13 The allocation to the Diversified Growth Fund (1%) was added to the Real Estate allocation (6%).

14 For Private Equity, the returns of the S&P/TSX Total Return Index were assumed.

15 For other asset classes, the returns were based on the benchmarks as defined in the Investment Policy Statement for each investment portfolio (effective July 31, 2018).

Figure 2 Shadow Portfolio 2 - Basic

Line No.	Asset Class	Asset Allocation Weights (%)	Returns (%)													Mar. 31, 2019 - Mar. 31, 2020
			Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Returns (%)	
1	Fixed Income	Short-Term Provincials	22.0%	0.22%	0.51%	0.10%	-0.05%	0.78%	-0.40%	0.22%	0.08%	-0.24%	0.98%	0.73%	0.81%	4.69%
2		Mid-Term Provincials	10.0%	0.13%	1.36%	0.59%	0.08%	1.89%	-1.04%	-0.14%	0.22%	-1.11%	2.64%	0.75%	0.19%	7.82%
3		MUSH Bonds	10.0%	-0.32%	2.29%	1.35%	0.22%	2.45%	-1.02%	-0.37%	0.86%	-1.80%	3.60%	0.61%	-2.83%	8.24%
4		Private Debt-Universe	15.0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-2.00%	-2.00%
5		3X Real Return Bonds	16.0%	0.20%	5.81%	3.82%	1.05%	5.30%	-2.94%	-4.04%	2.05%	-5.13%	12.38%	2.92%	-15.85%	15.26%
6	Public Equities	Canadian Equity	13.0%	2.70%	-3.20%	2.53%	0.43%	-0.03%	1.27%	-1.10%	3.16%	1.64%	1.16%	-6.70%	-19.10%	-17.36%
7		Private Equity	5.0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-17.38%	-17.38%
8	Alternatives	Real Estate	7.0%	0.77%	0.77%	0.11%	0.84%	0.18%	-0.11%	0.62%	0.18%	0.33%	0.62%	0.77%	-0.25%	5.96%
9		Infrastructure	2.0%	0.85%	0.85%	0.19%	0.92%	0.26%	-0.03%	0.70%	0.26%	0.41%	0.70%	0.85%	-0.17%	7.07%
10		Total	100.0%	0.48%	1.06%	1.17%	0.32%	1.47%	-0.61%	-0.73%	0.88%	-0.92%	3.03%	-0.04%	-6.29%	2.21%