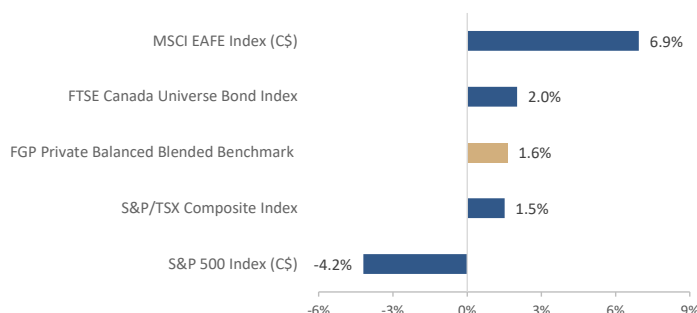


The FGP Private Balanced Fund returned 1.65% in the quarter, compared with the FGP Private Balanced Blended Benchmark return of 1.63%.

Performance of FGP Private Balanced Blended Benchmark Constituents
(Three months ending March 31, 2025)



Source: FTSE Canada, MSCI, and Bloomberg

The portfolio continues to be positioned very close to its long-term strategic target weights. Total equity exposure is 65.1%, effectively at the benchmark neutral weight of 65.0%. In Canada, equity exposure is currently neutral to its policy benchmark target and a small tactical allocation to Canadian small-cap equities remains due to the attractive relative valuation of that strategy. Global equities are also very close to neutral to their policy benchmark targets – both U.S. and international – making up 34.9% of the portfolio. Total fixed income exposure (including cash) of 35.1% sits essentially right at its policy benchmark target.

We believe the performance outlook for equities relative to bonds is more balanced given the market environment we are currently in. Even though the overall asset mix sits in a more neutral position than it has in some time, the portfolio is designed to generate value-added performance thanks to the active management found in the underlying investment strategies used to create the overall portfolio.

After a very strong 2024, we saw volatility in risk assets return in the quarter and ultimately the absolute returns in many global equity markets were more subdued to start 2025. A notable outlier during the first quarter was the U.S. equity market where we witnessed negative absolute returns but also lower-than-average relative performance. As an example, the S&P 500 Index finished the quarter down roughly 4%, underperforming nearly all its developed market peers. Despite the Canadian economy likely facing a large economic challenge with the potential trade war, Canada's S&P/TSX Composite Index demonstrated impressive resilience to finish the quarter up 1.5%. Outside North America, we witnessed a very strong start to 2025. The MSCI EAFE Index – capturing 21 developed markets in Europe, Australasia, and the Far East – was up nearly 7%.

Canadian fixed income markets generated positive absolute returns again in the quarter. Interest rates declined across the Canadian yield curve and duration-adjusted credit spreads were roughly 10 basis points wider at the end of the quarter compared with three months earlier.

Looking forward, the uncertainty surrounding potential trade actions from the Trump administration adds a layer of complexity and, unfortunately, much remains unclear at this stage. Given our more balanced outlook for the performance of the various global asset classes and our growing uncertainty in the overall economic and political landscapes we remain cautious with our outlook as we continue to navigate this unique and volatile market environment.

Note: net changes in actual market value weightings at quarter end reflect market price movements and cash flows.

FGP Private Balanced Fund Asset Mix*			
	Dec. 31, 2024	March 31, 2025	FGP Private Balanced Blended Benchmark
Cash & Equivalents FGP Money Market Fund	1.2%	1.2%	0.0%
Fixed Income FGP Universe Bond Fund FGP Core Plus Bond Fund FGP Mortgage Fund FGP Preferred Share Fund	33.9%	33.7%	FTSE Canada Universe Bond Index (35.0%)
Canadian Equities FGP Private Canadian Equity Fund FGP Small Cap Canadian Equity Fund	30.1%	30.6%	S&P/TSX Composite Index (30.0%)
U.S. Equities FGP Private U.S. Equity Fund	18.0%	17.7%	S&P 500 Index (CAD) (17.5%)
International Equities FGP International Equity Fund	16.8%	16.8%	MSCI EAFE Index (CAD) (17.5%)
Total	100.0%	100.0%	100.0%

* The Fund also includes an allocation to the FGP Global Smaller Companies Fund which owns equities in the U.S. and internationally.

The Foyston, Gordon & Payne Inc. (FGP) performance figures and portfolio statistics shown in this report are for the FGP Pooled Funds. Client returns may vary due to cash flow timing and client-specific constraints.

Investment returns and assets under management are expressed in Canadian dollars unless otherwise noted. Investment returns are gross of investment management fees, net of fund expenses for FGP Pooled Funds, and include reinvestment of dividends and income. Returns are time weighted and annualized for periods greater than one year. Values change frequently and past investment performance may not be repeated.

These views are subject to change at any time based upon market or other conditions and are current as of March 31, 2025.

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