April 30, 2025

Purpose INVESTMENTS

Trade Rationale

Purpose Active Portfolios

Solutions

Trade Activity

PURPOSE ACTIVE BALANCED

ETF TICKER	PABF
MGMT FEES	0.20%
SERIES F	PFC22101
MGMT FEES	0.20%
SERIES A	PFC22100
MGMT FEES	1.20%

Purpose Active Balanced Fund

Trimmed -1.7% Purpose Gold Bullion Fund ETF (KILO CN) to 3% weight

*Proceeds to Cash

PURPOSE ACTIVE GROWTH

ETF TICKER	PAGF
MGMT FEES	0.20%
SERIES F	PFC22201
MGMT FEES	0.20%
SERIES A	PFC22200
MGMT FEES	1.20%

Purpose Active Growth Fund

Trimmed -1.3% Purpose Gold Bullion Fund ETF (KILO CN) to 3% weight

*Proceeds to Cash

PURPOSE ACTIVE CONSERVATIVE

ETF TICKER	PACF
MGMT FEES	0.20%
SERIES F	PFC22001
MGMT FEES	0.20%
SERIES A	PFC22000
MGMT FEES	1.20%

Purpose Active Conservative Fund

Trimmed -2.1% Purpose Gold Bullion Fund ETF (KILO CN) to 3% weight

*Proceeds to Cash

SOURCE: PURPOSE INVESTMENTS & BLOOMBERG

Inception date: October 24, 2023

Gold has done its job, and then some, currently up 23% this year after being up 26% last year. With that move, it's grown to an outsized position in the portfolios, creeping close to 5% in the balanced model.

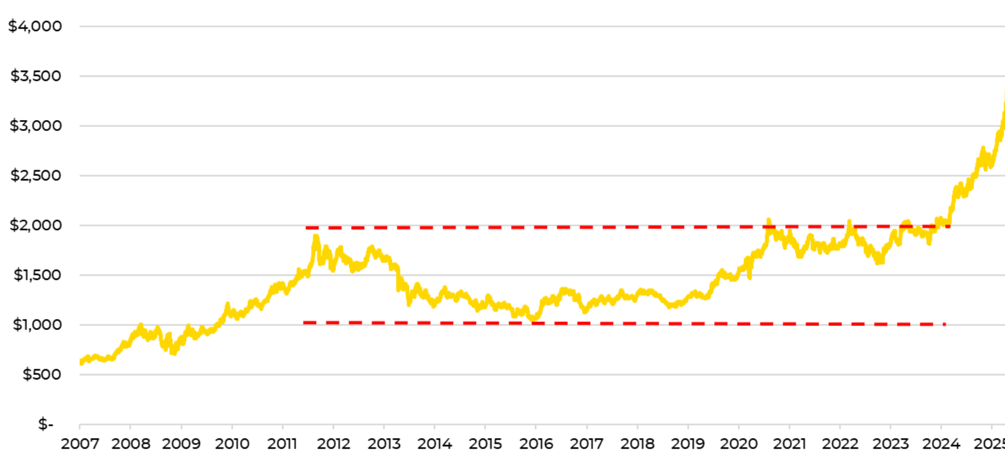
We're taking the opportunity to trim it back to our neutral target of 3%. While gold remains a valuable hedge, the advance in April feels increasingly like a popcorn trade – somewhat violent, reactionary and vulnerable to a sharp reversal. The portfolio has enjoyed the positive benefits that gold tends to deliver when uncertainty spikes. But we are well aware those gains can disappear just as quickly if you overstay.

The last four months have been a near-perfect setup for gold, a rare mix of government instability concerns, a weaker USD against global currencies, and renewed market jitters all hitting at once. While we still expect a lower low in markets later this year, we think the environment will look different, more driven by corporate earnings/economy slowing down, not necessarily another round of panic around the U.S. government policy. If this kind of correction develops, bonds should act better, the USD could strengthen, and while gold should still hold up, it's hard to imagine it outperforming the way it already has.

The risk of another crisis of confidence in the government is not zero. There is of course a case to be made for the other side of this trade. If the USD resumes its downtrend, inflation pressures reaccelerate, or geopolitical risk flares up again, gold could continue to grind higher. That's exactly why we're not exiting the position, just right-sizing it. Our new weight will still allow the portfolio to participate in further upside without being overexposed if the narrative shifts.

Gold has once again shown its strength as a dependable source of crisis alpha, and we expect it will continue to play that role in the future. That said, after a strong rally, we think it makes sense to raise a bit of cash here. However, this move isn't just about position sizing. We may be past peak conditions for gold in the near term, and with the potential for broader market weakness later this year, having cash on hand gives us the flexibility to move quickly. The portfolio will still maintain a slight overweight on diversifiers, but realizing some gains now helps keep the portfolio positioned for whatever lies ahead.

Gold is up over 23% YTD reaching a new all-time high in April



Source: Bloomberg, Purpose Investments

Portfolio Management Team

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Associate Portfolio Manager

All data sourced from Bloomberg unless otherwise noted.
Commissions, trailing commissions, management fees and expenses all may be associated with investment fund investments. The prospectus contains important detailed information about the investment fund. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in share/unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. As with any investment, there are risks to investing in investment funds. There is no assurance that any fund will achieve its investment objective, and its net asset value, yield, and investment return will fluctuate from time to time with market conditions. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The opinions expressed are provided by the portfolio manager responsible for the management of the Fund's investment portfolio, as specified in the Fund's prospectus. Unless otherwise stated, the source for data cited in any commentary is the portfolio manager. Nothing in any commentary should be considered a recommendation to buy or sell a particular security. The Fund may sell these securities at any time, or purchase securities that have previously been sold. The securities may increase or decrease in value after the date hereof, and the Fund may accordingly gain or lose money on the investment in the securities. The statements by the portfolio managers in their commentaries are intended to illustrate their approach in managing the funds, and do not necessarily reflect the views of Purpose Investments Inc. All data sourced from Bloomberg and Purpose Investments, unless otherwise noted.