

NIPISSING FIRST NATION 2013 BOUNDARY CLAIM TRUST

September 2018

THIRD QUARTER NEWSLETTER

STATEMENT OF FINANCIAL POSITION

as at August 31, 2018

ASSETS

2018

Investments at fair market value:

Managed by Lincluden	\$ 44,388,739
Managed by Mawer	49,070,973
Nipissing Solar SPN Promissory Note	816,816
Community Development Loan	<u>4,750,191</u>
	\$ 99,026,719

LIABILITIES

Accounts Payable	9,799
Peace Hills Trust (PCD/Minors Account)	<u>278,228</u>

NET ASSETS

\$ 98,738,693



In This Issue

- Financial Statement
- NAFTA
- Year to Date



PHT
PEACE HILLS TRUST

NAFTA

A lot of people are asking what could happen to their trust if NAFTA is cancelled. As you probably know, President Trump is threatening to cut Canada out of the North American Free Trade Agreement (NAFTA). This agreement allows for goods and services to flow between Canada, the US, and Mexico with little or no tariffs (which are basically taxes). Trump thinks that the US would do better without NAFTA, so he has no problem with threatening to throw Canada out of the deal. The fact that all three nations have done very well financially under NAFTA does not seem to make an impact on Trump.

If Canada were cut out of the agreement it would definitely have a negative effect on Canada's economy, and the car industry in particular. The exact size of the effect can only be estimated at the time, and there is a good chance that Trump will be distracted

by another issue and leave NAFTA negotiations to the professionals.

However, if worse comes to worse, and Canada is tossed out of NAFTA, the Trust will be fine in the long run because it is well diversified. This means because the Trust owns Canadian, US, and International stocks in many different industries, many of which will not be affected by the NAFTA negotiations. If a few companies are temporarily hurt by NAFTA, many others in the Trust will continue to do well. This is the reason the Trust must always be properly diversified by owning many different stocks in many different business in many different countries.

Year to Date

Around this time of year Nipissing and the Trustees start looking at what income has been earned year to date and where we stand going into the last quarter of the year.

As of August 31, 2018, the estimated income due Nipissing First Nation is \$2,333,132. This puts us around the same income as last year but we caution

you to remember all the income is reconciled at year end, then reviewed by an auditor before the actual income is paid out

