



NIPISSING FIRST NATION 2013 BOUNDARY CLAIM TRUST

STATEMENT OF FINANCIAL POSITION as at August 31

ASSETS

Fair market value of investments managed by:

| | |
|-------------------------------------|------------------|
| Lincluden Investment Management | \$ 46,466,084 |
| Mawer Investment Management | 55,235,721 |
| Nipissing Solar SPN Promissory Note | 697,200 |
| Community Development Loan 1 | 4,200,049 |
| Community Development Loan 2 | <u>4,081,795</u> |
| | \$ 110,680,848 |

LIABILITIES

| | |
|--|---------------|
| Accounts payable | 9,924 |
| Peace Hills Trust (PCD/Minors Account) | <u>88,848</u> |

NET ASSETS

\$ 110,582,076

ANNUAL INCOME ESTIMATE

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, 2021, the estimated income due Nipissing First Nation is **\$4,882,088**. 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.

Emotions and Investing

Human beings are an intelligent lifeform. As a species, our intelligence allows us to thrive and survive through some of the most difficult situations. Our intelligence can be generalized into two broad categories: logical and emotional. Logical (also known as cognitive) refers to our capacity to acquire information and process it. Emotional refers to our capacity to demonstrate, use and manage emotions in a given situation.

Historically, there was a presumption that investing and investment decisions were predominantly a numbers game. That is to say investors use and process information to make logical Investment decisions. Behavioral finance, which is a relatively new branch of finance, states that both logic and emotions play an important role in



investment decisions. When investors let emotions influence their investment decisions, those decisions are known to be emotionally biased.

Emotions and Investing

Emotional biases impact an investor(s) approach to risk and return. Some people do not like taking risks in life and that is reflected in their investment decisions as



well. Some people are 'dare devils' and adrenaline junkies and enjoy taking risks in all aspects of their life and that too shows in their investment decisions. They may end up taking more risk when they shouldn't or vice versa. In summary, emotional biases negatively impact investment decisions

and can hinder financial goals if they go unchecked.

The benefit of having professional investment managers make investment decision on your behalf is that emotional biases are limited. These investment managers are not 'emotionally' attached to your investments as you may be as an individual. This provides a distinct advantage as the investment managers can make logical investment decisions. They have a dedicated team of analysts, economists and supporting staff which collects, synthesizes, and processes huge amounts of data to make an investment decision.

This does not mean that investment managers are free from emotional biases of their own (they are human beings after all!). Some investment managers may have a favorite stock or may prefer one asset class over another. The impact of emotional biases is reduced through compliance and peer reviews. Investment managers also use highly sophisticated financial models to determine the impact of investment decisions on returns. If the outcome of an investment manager(s) decision is not favorable, it is scrutinized to check for any biases and reset for an optimal outcome.



Meet The Team

Sarim Ehtesham joined Peace Hills Trust in January of 2020. Sarim is interning under Jeff and brings a new dynamic to the team and our ongoing monitoring process of the investment managers. Sarim just passed his level 2 CFA and writes his level 3 in November. Once this is completed he will be a new CFA. Sarim wrote this great article.