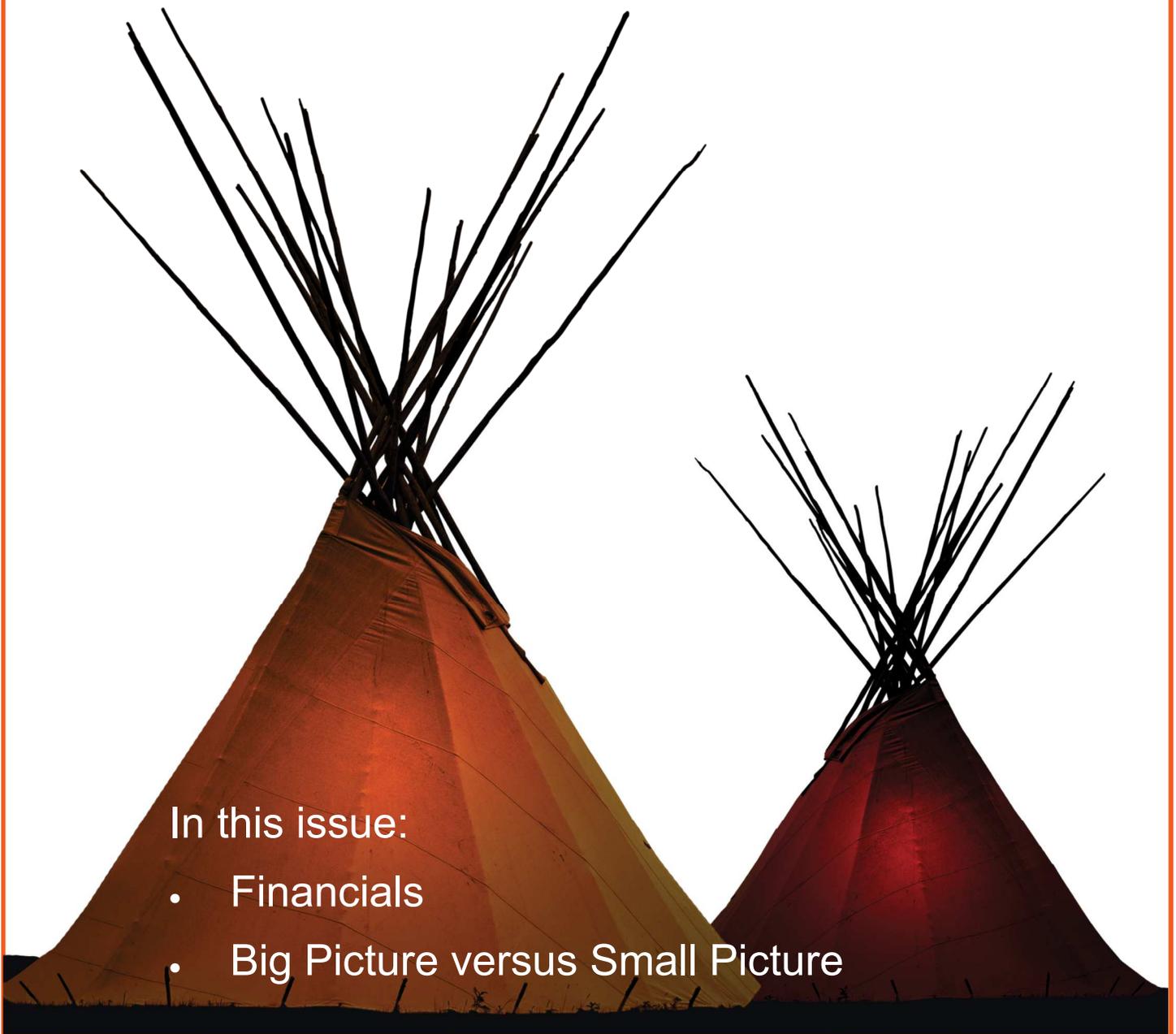


NIPISSING BOUNDARY CLAIM TRUST
TRUSTEES REPORT
May 31, 2019

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SECOND QUARTER NEWSLETTER

NIPISSING 2013 BOUNDARY CLAIM TRUST STATEMENT OF FINANCIAL POSITION As at May 31, 2019 (UNAUDITED)

ASSETS

Fair market value of investments managed by:

Lincluden Investment Management \$ 41,810,996

Mawer Investment Management 46,961,307

Nipissing Solar SPN Promissory Note 788,521

Community Development Loan 1 4,573,431

Community Development Loan 2 4,383,588

\$ 98,517,843

LIABILITIES

Accounts payable 9,767

Peace Hills Trust (PCD/Minors Account) 150,618

NET ASSETS \$ 98,357,458

Big Picture versus Small Picture

In this newsletter we want to talk about how world economic events can affect the price of the stocks in your Trust. The study of economic events at a national level is called macroeconomics. Macroeconomics looks at the big issues that drive the entire economic situation in a particular country, and often around the world. For example, if the US Federal Reserve (the 'Fed') decides to raise or lower interest rates (they raised them four times in 2018) this has an effect on the entire US economy, and often has ripple effects around the world. This, in turn, can have positive (or negative) effects on many different companies in different industries.

Companies have no control over the macroeconomic picture. Things happen around the world that makes different economies stronger or weaker. As a general rule, most developed economies (the US, Canada, Europe, Japan, Australia, etc.) grow 2 or 3% each year. They have some bad years, but they are usually outnumbered by good years. Companies know this, and when the macroeconomic picture is bad, they know that their sales could be weaker, which drives their stock prices down. As well, if investors feel that economies around the world are slowing down, they will drive down the price of most stocks. That is just the way it is.



When stock prices go down, it can be stressful for Council and Members. The important thing to look at is *why* the stock price went down. If it is a result of macroeconomic events, and most stock prices are down, there is usually nothing to get too worried about. As economies around the world improve, stock prices will go up.

That said, even if the price of a stock goes down, that does not mean it should be sold. Most of the stocks in your Trust pay dividends every three months. These dividends flow out to the Nation as part of the income earned by the Trust during the year. So even if the stock price is slightly down, the Trust is still earning dividends.

Investment managers are paid to find good companies that will perform well in the long run and they are constantly reviewing the stocks in the Trust to ensure that the companies are still strong and growing. As long as the companies do well in the long run, their stock prices will move up and the Trust will grow in value.