

A Presentation by Getting Technical Info Services

Strategic Proportionality

The Objective: To adjust quarterly the weights of a 10 component CDN\$ iShares Global Growth Portfolio which is mandated to provide potential for long-term growth by investing primarily in ETFs that invest in equity securities

Step One – Select the Portfolio:

The iShares Growth Equal Weight portfolio

Asset Class	Symbol	Weight
iShares MSCI EAFE Index Fund	XIN	10.0%
iShares MSCI Emerging Markets	XEM	10.0%
iShares NASDAQ 100 Index	XQQ	10.0%
iShares S&P 500 Index	XSP	10.0%
iShares S&P Global Healthcare Index	XHC	10.0%
iShares Gold Trust	CGL	10.0%
iShares S&P/TSX 60 Index Fund	XIU	10.0%
iShares S&P/TSX Capped Utilities	XUT	10.0%
iShares S&P/TSX Energy Index	XEG	10.0%
iShares S&P/TSX Financials Index	XFN	10.0%
		100%

For construction and back-testing a basket of clone products was used through 2011

Proposed Original fixed iShares Model Weight

Clone Product			iShares Growth Model		Model Weight
iShares MSCI EAFE Index Fund	XIN		iShares MSCI EAFE Index Fund	XIN	10.0%
iShares MSCI Emerging Markets	EEM		iShares MSCI Emerging Markets	XEM	10.0%
PowerShares QQQ Trust - QQQ	QQQ		iShares NASDAQ 100 Index	XQQ	10.0%
S&P500 SPDRs - SPY	SPY		iShares S&P 500 Index	XSP	10.0%
SPDR Health Care Select Sector	XLV		iShares S&P Global Healthcare Index	XHC	10.0%
iShares Gold Trust	GLD		iShares Gold Trust (IGT)	CGL	10.0%
iShares S&P/TSX 60 Index Fund	XIU		iShares S&P/TSX 60 Index Fund	XIU	10.0%
S&P/TSX Capped Utilities Index			iShares S&P/TSX Capped Utilities	XUT	10.0%
iShares S&P/TSX Energy Index	XEG		iShares S&P/TSX Energy Index	XEG	10.0%
iShares S&P/TSX Financials Index	XFN		iShares S&P/TSX Financials Index	XFN	10.0%
					100%

Methodology:

The Original Model Weights are adjusted each quarter by scanning each component product by a long term relative performance screen that generates probable future performance Quartiles

System Rank Quartile #

- 1 = Early Relative Under Perform
- 2 = Mature Relative Under Perform
- 3 = Early Relative Out Perform
- 4 = Mature Relative Out Perform

Step Two: Assign Sector Ranking Numbers: 1 through 4

TSX Groups	Quarterly Ranking	28-Jun-13	29-Mar-13	30-Dec-12	30-Sep-12	29-Jun-12	30-Mar-12	30-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11	31-Dec-10
iShares MSCI EAFE Index Fund	XIN	4	4	4	4	3	3	1	1	1	1	1
iShares MSCI Emerging Markets	XEM	1	3	3	3	3	1	4	2	4	4	4
iShares NASDAQ 100 Index	XQQ	4	2	4	4	4	4	4	4	4	4	4
iShares S&P 500 Index	XSP	4	4	4	4	4	4	4	4	4	4	4
iShares S&P Global Healthcare Index	XHC	4	4	4	4	4	4	4	4	3	1	1
iShares Gold Trust (IGT)	CGL	1	2	2	4	2	4	4	4	4	4	4
iShares S&P/TSX 60 Index Fund	XIU	1	1	1	1	1	1	1	1	1	1	1
iShares S&P/TSX Capped Utilities	XUT	1	2	2	2	4	4	2	2	4	4	4
iShares S&P/TSX Energy Index	XEG	1	1	1	1	1	1	1	2	4	3	3
iShares S&P/TSX Financials Index	XFN	4	4	4	4	4	3	3	3	3	1	2

Note that over a span of 11 Quarters there were only 33 transactions or sector weight changes (**BOLD**)

Step Three: Assemble a quarterly work sheet
 The Original iShares Growth Equal Weight portfolio are
 Q1 2013 is displayed below as System Rank

iShares ID	Sym	System Rank	31-Dec-12	29-Mar-13	Profit / Loss per stock	Percent of available capital invested	Dollars invested in each stock	Number of units purchased	Profit or loss on each stock	Progression of profit or loss in \$	Progression of profit or loss %
\$10,000.00											
iShares MSCI EAFE Index Fund	XIN	10	17.93	19.42	1.49	10.00%	1000.00	56	83.10	83.10	8.31%
iShares MSCI Emerging Markets	XEM	10	44.35	42.77	-1.58	10.00%	1000.00	23	-35.63	47.48	2.37%
iShares NASDAQ 100 Index	XQQ	10	65.13	68.97	3.84	10.00%	1000.00	15	58.96	106.43	3.55%
iShares S&P 500 Index	XSP	10	142.41	156.67	14.26	10.00%	1000.00	7	100.13	206.57	5.16%
iShares S&P Global Healthcare Index	XHC	10	39.88	46.01	6.13	10.00%	1000.00	25	153.71	360.28	7.21%
iShares Gold Trust (IGT)	CGL	10	162.02	154.47	-7.55	10.00%	1000.00	6	-46.60	313.68	5.23%
iShares S&P/TSX 60 Index Fund	XIU	10	17.79	18.34	0.55	10.00%	1000.00	56	30.92	344.60	4.92%
iShares S&P/TSX Capped Utilities	XUT	10	223.90	221.56	-2.34	10.00%	1000.00	4	-10.45	334.14	4.18%
iShares S&P/TSX Energy Index	XEG	10	15.61	15.92	0.31	10.00%	1000.00	64	19.86	354.00	3.93%
iShares S&P/TSX Financials Index	XFN	10	23.88	24.76	0.88	10.00%	1000.00	42	36.85	390.85	3.91%
		100				100%	10000.00		390.85	390.85	
Returns		Open	Close	Net	%						
TSX Composite		12298.00	12750.00	452.00	3.68%						
iShares Growth Equal Weight		10000.00	10390.85	390.85	3.91%						
iShares Growth Proportionality		10000.00	10538.21	538.21	5.38%						

The Returns for the 1st quarter 2013

iShares Equal Weight is the original fixed weights

Proportionality is the adjusted model weights

A quarterly work sheet
The Original iShares Growth Equal Weight portfolio weights are adjusted and
Q1 2013 is displayed below as a System Rank

iShares ID	Sym	System Rank	31-Dec-12	29-Mar-13	Profit / Loss per stock	Percent of available capital invested	Dollars invested in each stock	Number of units purchased	Profit or loss on each stock	Progression of profit or loss in dollars	Progression of profit or loss %
\$10,000.00											
iShares MSCI EAFE Index Fund	XIN	4	17.93	19.42	1.49	13.79%	1379.31	77	114.62	114.62	8.31%
iShares MSCI Emerging Markets	XEM	3	44.35	42.77	-1.58	10.34%	1034.48	23	-36.85	77.77	3.22%
iShares NASDAQ 100 Index	XQQ	4	65.13	68.97	3.84	13.79%	1379.31	21	81.32	159.09	4.19%
iShares S&P 500 Index	XSP	4	142.41	156.67	14.26	13.79%	1379.31	10	138.12	297.21	5.75%
iShares S&P Global Healthcare Index	XHC	4	39.88	46.01	6.13	13.79%	1379.31	35	212.02	509.22	7.77%
iShares Gold Trust (IGT)	CGL	2	162.02	154.47	-7.55	6.90%	689.66	4	-32.14	477.08	6.59%
iShares S&P/TSX 60 Index Fund	XIU	1	17.79	18.34	0.55	3.45%	344.83	19	10.66	487.74	6.43%
iShares S&P/TSX Capped Utilities	XUT	2	223.90	221.56	-2.34	6.90%	689.66	3	-7.21	480.54	5.81%
iShares S&P/TSX Energy Index	XEG	1	15.61	15.92	0.31	3.45%	344.83	22	6.85	487.38	5.65%
iShares S&P/TSX Financials Index	XFN	4	23.88	24.76	0.88	13.79%	1379.31	58	50.83	538.21	5.38%
		29				100%	10000.00		538.21	538.21	
Returns		Open	Close	Net	%						
TSX Composite		12298.00	12750.00	452.00	3.68%						
iShares Growth Equal Weight		10000.00	10390.85	390.85	3.91%						
iShares Growth Proportionality		10000.00	10538.21	538.21	5.38%						

The Model Returns for the 1st quarter 2013

iShares Equal Weight is the original fixed weights

Proportionality is the adjusted model weights

Step Four: Summarise the returns
The Summary of accumulated returns: 11 quarters to September 30, 2013



iShares Global Fund of Funds	2011				2012				2013			Cumulative
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Quarterly Returns w/ GLD												
TSX Composite	5.01%	-5.77%	-12.61%	2.85%	3.66%	-6.42%	6.2%	-0.2%	3.7%	-4.87%	5.43%	-3.0%
iShares Growth Equal Weight	4.33%	-1.57%	-11.45%	5.04%	8.36%	-5.37%	6.0%	0.5%	3.9%	-3.87%	5.95%	11.9%
iShares Growth Proportionality	4.07%	-1.37%	-10.70%	5.11%	10.31%	-4.23%	5.3%	0.8%	5.4%	-2.54%	6.81%	18.9%
Value Added	-0.26%	0.20%	0.75%	0.07%	1.95%	1.14%	-0.68%	0.23%	1.47%	1.33%	0.86%	7.1%
Ratio - Active vs. Passive												
Geometric Returns												
TSX Composite	1.050	0.942	0.874	1.028	1.037	0.936	1.062	0.998	1.037	0.951	1.054	95%
iShares Growth Equal Weight	1.043	0.984	0.886	1.050	1.084	0.946	1.060	1.005	1.039	0.961	1.060	110%
iShares Growth Proportionality	1.041	0.986	0.893	1.051	1.103	0.958	1.053	1.008	1.054	0.975	1.068	118%

Disclosure: This model does not include trading costs and also excludes income or distribution from the components. No model works all the time and so use at your own risk. Blackrock and / or iShares do not endorse or recommend this methodology. The methodology is the original work of Getting Technical Info Services.

For more information contact info@getingtechnical.com