

Dear Investors,

Welcome to the new world as we await life to return to normalcy. For the most part, we have adjusted and adapted to circumstances beyond anyone's control. It has not been an even recovery, however, economies around the world are snapping back to life, and companies are finding clever ways to drive shareholder value during a very challenging past 12 months. Warren Buffett famously said long ago, "Don't bet against America", and this holds true today as we see America lead the developed world back to a life of prosperity and opportunity for those that can seize it. The past year has allowed people and companies to reflect on where they want to be 12 months from now and some have implemented transformational changes. Many entrepreneurial spirits have been unlocked and we all know a person or two that has taken the leap to go at it alone and start building their own business. My instincts tell me that many new successful businesses will be born out of the past year's discomforts and some celebrations this summer are on the way.

The re-opening trade is in full swing as optimism over the much-anticipated American infrastructure bill will be providing more stimulus to the economy and will maintain the positive outlook for the rest of 2021. In addition, the vaccinations have calmed fears and allowed the economy to keep employment high, with markets on a sustained upward trajectory. According to Bank of America, the massive stimulus packages have provided liquidity to the market, aiding the continued improvement of economic conditions with America's GDP expected to grow at 6.5% this year. However, no free lunch is available as we have seen the 10-year treasury yield touch 1.71%, its highest level since January of 2020. This rising bond yield will put the brakes on new money entering the stock market as bonds now have a yield that is attractive to some investors. Balancing this rise in interest rates, Fed Chair Jay Powell and the Federal Reserve indicated that they will continue to support the market and maintain artificially low rates through a monthly \$120 billion bond buying program.

The equity markets had a fantastic start to the year, with the S&P 500 gaining 5.80% in the first quarter of 2021. The two key data-points to watch going forward will be the unemployment rate and inflation. Historically, when governments provide robust liquidity and fiscal measures, economic activity increases, which places more demand on resources and labor. This increased demand drives up the prices of both inputs and creates inflation.

"Americans are getting stronger. Twenty years ago, it took two people to carry ten dollars' worth of groceries. Today, a five-year-old can do it. —Henny Youngman"

-- Benjamin Graham --

Inflation is detrimental to investors, and particularly allocators to bonds, given that rates of return are based on capital earning a fixed rate of return regardless of inflation unless they are inflation-protected notes. If inflation rears its ugly head, the bond market will quickly hamper the recovery and send yields upward, creating a negative feedback loop that is very hard to unwind. Inflation is our main concern. As we advance, we will be monitoring the CPI numbers very closely.

The SPAC market has seen a tremendous amount of new issuance with over 500 active SPAC's available for investors to participate in today. The traditional IPO roadshow that can take up to 18 months has been an even greater challenge to organize in the last 12 months and that is one of the reasons you have seen the SPAC issuance boom. As always, follow the money and the money has been flowing straight into the pockets of SPAC sponsors. According to JPMorgan Asset Management, it is no surprise that with the average SPAC sponsor earning 648% recently, we find many repeat SPAC sponsors such as Betsy Cohen, who is the Queen of SPAC's with her ninth sponsor raise. She has identified a winning strategy where she risks about 3% of the value of the capital raised at an IPO for legal, underwriting fees and working capital to potentially earn a meaningful portion of the once private and now public entity. Investors have been capitalizing on the SPAC boom through the Accelerate Arbitrage ETF, which is up nearly 40% since we launched it as an ETF in April 2020. ARB holds over 200 SPAC positions, which are trading very closely to NAV and therefore exceptionally well positioned for investors moving forward.

The Standard Wealth strategy saw the additions of Bristol Myers Squibb (BMY), Alibaba (BABA) and the Accelerate OneChoice Alternative Portfolio ETF (ONEC) into the portfolio. BMY is a leader in the manufacturing of prescription pharmaceuticals and biologics in several therapeutic areas with a diversified product shelf. A great steward of capital with a solid and growing dividend made it an easy addition to the strategy. Alibaba is a name that has been in the news for all the wrong reasons as China has been exerting pressure on the tech giant and is not pleased with BABA's market dominance. Potential antitrust issues are on the table, but for the long term investor, BABA is a dominant player that is expertly monetizing its very sticky 800+ million customer base. Finally, ONEC is a diversified, liquid alternative ETF that provides exposure to uncorrelated strategies and is comprised of 6 alternative asset classes. The thesis is that the strategy will zig when the market zags and it is also the first ETF in Canada to incorporate Bitcoin into an ETF.

As of March 31, 2021, the Standard Wealth strategy has a dividend yield of ##%, with a current portfolio price to earnings ratio of ##. The strategy has a trailing twelve month return of ##%.

We wish you all the best as we transition out of a long winter and into a prosperous summer.

Best Regards,

Fred H Mannix