

# Equity Completion Portfolio – August 2023

## Investment Objectives

This portfolio is predominantly an all-equity portfolio with a close eye on capital preservation. The strategy is designed to preserve capital in difficult times and over the longer term, provide capital growth and income in the form of dividends. The long-term target asset allocation for the portfolio is 85% North American equity, 10% international equity and a small portion of cash.

## Managers Comments

Historically in the investment world, the months of September and October have been fraught with downside. There is an saying that goes “sell in May and go away”. However, buying or selling based on a predetermined calendar date has the capacity to misprice companies, sell when unnecessary/undesirable and potentially buy back when a company has increased in price.

That may work for a trader but is fundamentally different from the mantra of an investor. As an investor, we are focussed on buying good businesses, purchasing them at a fair (we prefer discounted) price and only selling for 2 specific reasons:

- 1) The fundamentals of the business or its operating environment have changed to the detriment of company, or
- 2) We are being offered significantly more than we believe the company is worth

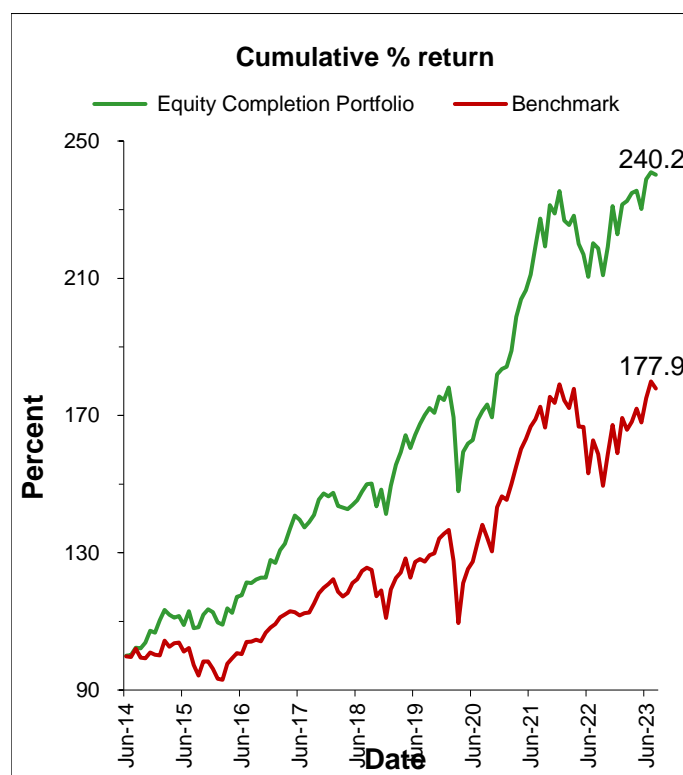
The fall may be different, but August 2023 was another month of a roller coaster ride with North American equity markets down greater than 4% at their worst, only to rebound and end the month down 1.6% for the TSX, 2.4% for the Dow Jones and the S & P saw ended down 1.8% (Factset August 31, 2023).

We understand the reasoning for the downswing, however we do not believe that the world is falling. There are always real events that will impact our businesses, but our stable of good companies should weather these storms and come out better for it.

To that end, we have been deploying capital in August and we are hoping to take advantage if people choose to move to cash to avoid investing in early fall.

## Portfolio Facts

Portfolio Manager - **David Shubs**  
 Investment Approach - **Fundamental & Quantitative**  
 Risk Profile - **Medium to High**  
 Return Objective - **Capital Growth and Dividend Income**  
 Minimum Investment - **\$250,000**  
 Portfolio Inception Date – **September 2014**  
 Base Currency – **Dual, reported in Canadian**  
 Benchmark - **5% DEX 91-day T-Bill + 50% S&P/TSX Composite + 35% S&P 500 (CAD) + 10% MSCI EAFE (CAD)**



	1 Mo	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	Since Inception
<b>Equity Completion</b>	(0.3)%	9.8%	2.8%	11.9%	9.0%	9.9%	10.0%
<b>Benchmark</b>	(1.1)%	12.1%	1.5%	8.8%	8.7%	7.2%	6.4%

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