

Equity Completion Portfolio – October 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

In October 2023 the IMF scaled back their expectations for global economic growth. At the same time, Central Banks are fighting inflation and are expecting interest rates to remain higher for longer. Low GDP and high inflation is not desirable and is known stagflation. Governments and central banks are trying to manipulate fiscal and monetary policy to avoid this.

The data coming in is consistently inconsistent and investors are trying to figure out how governments and Central Banks will react. These is creating large swings in the market that are short term focused without enough long-term vision. This creates massive market movements that can affect us in two ways:

Immediate Positive

Good businesses can get beaten down from mass selling. As the price of these businesses fall, we can find opportunities to buy great businesses at fair or discounted prices.

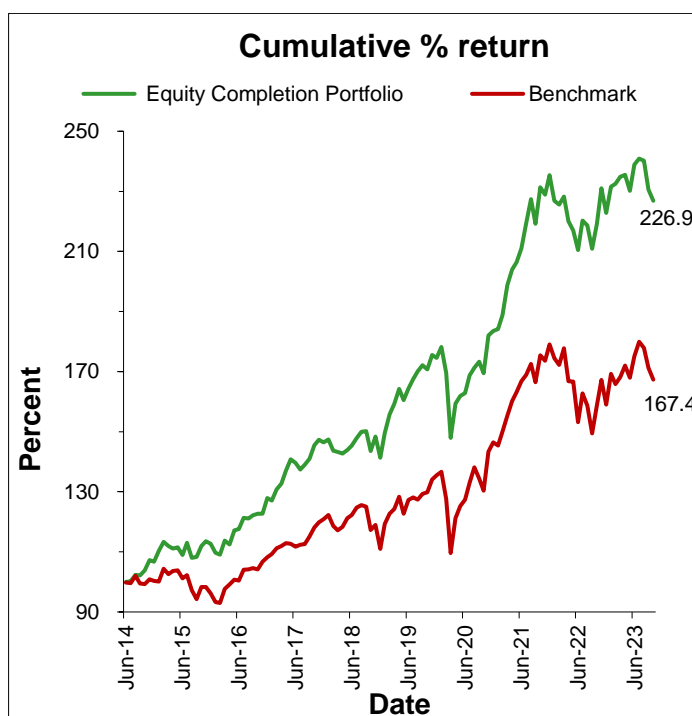
Delayed Positive

Businesses that we own get beaten down from mass selling. This creates down months on our statements, even though there has been no fundamental change to the business. We may not like the statements, but we generally love buying these businesses cheaper.

The world is facing another humanitarian crisis. History has shown that the world and its people are resilient. As a population, we will continue to exist, consume and hopefully, in time, thrive. As investors, we will keep doing our job and seek out businesses that offer us large cash flows at reasonable prices. As the geopolitics play out we will keep a keen eye on how that may effect our businesses and adjust accordingly. We do all of this with a heavy heart and pray that somehow the world becomes a better place.

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
Equity Completion	(1.6)%	3.5%	(1.0)%	10.2%	7.4%	9.6%	9.2%
Benchmark	(2.3)%	5.4%	(2.3)%	8.7%	6.6%	7.4%	5.6%

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