

Equity Completion Portfolio – June 2026

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

The tortoise and the hare?

I love reading bedtime stories to my kids. As an adult these stories take on a very different meaning and learnings. I have recently been thinking about the tortoise and the hare. With the huge lead and spry legs of the rabbit, it can be really hard to support, never mind invest in, the tortoise. But, we all know how the story ends.

The end of June marked the halfway point for 2026, and markets which had been roaring, took their foot of the gas. The economics behind the AI buildout was questioned, causing technology shares to drop, some as much as 20%, leading the S&P and tech heavy Nasdaq down 1.1% and 2.8% respectively for the month. (Factset, June 30, 2026)

The quick and steep decline in some technology shares does not mean that it is fair reflection of the company's value. Similarly, the last many months when the share prices of sectors that weren't AI were languishing was likely not a fair reflection of their value. Company values can diverge significantly from day to day or even year to year. However, over the long term they should revert back to the intrinsic value that cash flows and profitability would dictate. Fear, greed and current sentiment are a poor way to manage long term investing. This is because in the short-term sentiment trumps value, but in the long term, profitability and cash flow will drive the value of a company. When sentiment changes, greed looks elsewhere or fear takes over, being the last one holding the previously "hot" investment can make for a money losing tomorrow.

We will stick to our stable of boring businesses that grind out profits, generate cash flow, reinvest in themselves and have a long-term viability. I can not pretend that it is always easy to be patient. But in interesting times, patience seems to very much be what we need to have.

Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

Return Objective - **Capital Growth and Dividend Income**

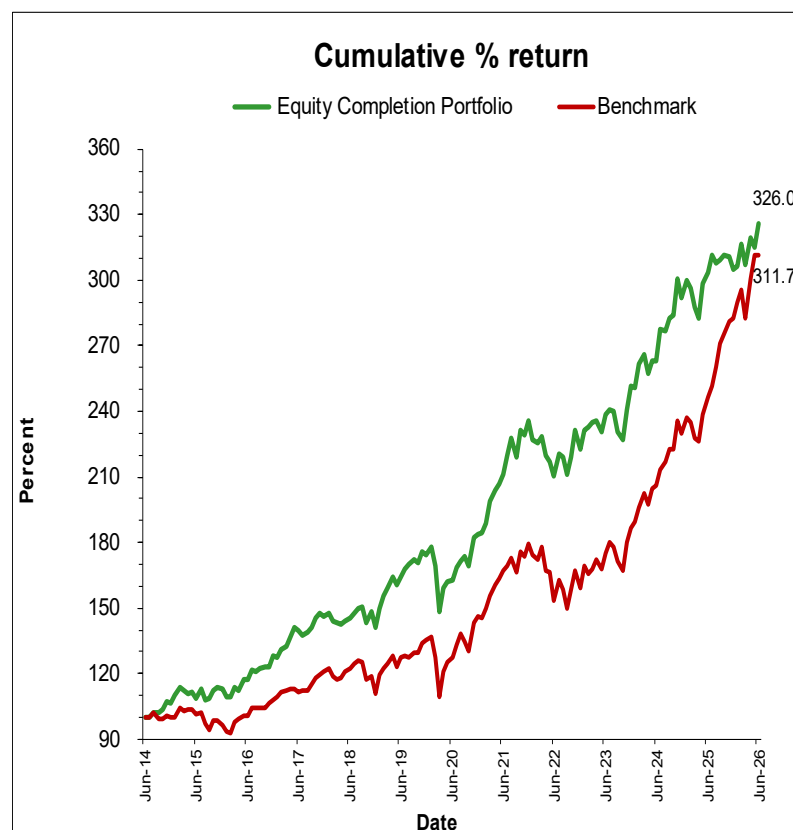
Minimum Investment - **\$250,000**

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	3.4%	7.5%	11.3%	10.9%	11.6%	9.1%	10.3%
Benchmark	0.0%	26.3%	23.0%	21.2%	19.4%	13.3%	9.8%

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