

David Shubs – Equity Completion

February 2017

Investment Objective

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 75% North American equity, 20% international equity and a small portion of cash.

Manager Comments

Since Donald Trump's presidential election, North American stock markets have rallied ("The Trump Rally"). The S&P 500 is up 10.5% and the TSX is up 5.1% (source Thomson Reuters). It would seem as though much of the euphoria is based around Trump's pro-business and tax minimization stance. Businesses and investors will be looking for details on how this ideology will be executed and I would suggest that the Presidents runway to provide this information is getting shorter.

As an investor I am wary of the Trump Rally. Our portfolios are holding a core group of companies with strong balance sheets and stable cash flows. We are also sitting on the sidelines, holding more cash than usual. These 5% and 10% increases in the markets have sent some business valuations into the stratosphere. I believe that there will be some choppy waters over the next several months and I look forward to writing about how we are taking advantage.

Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

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

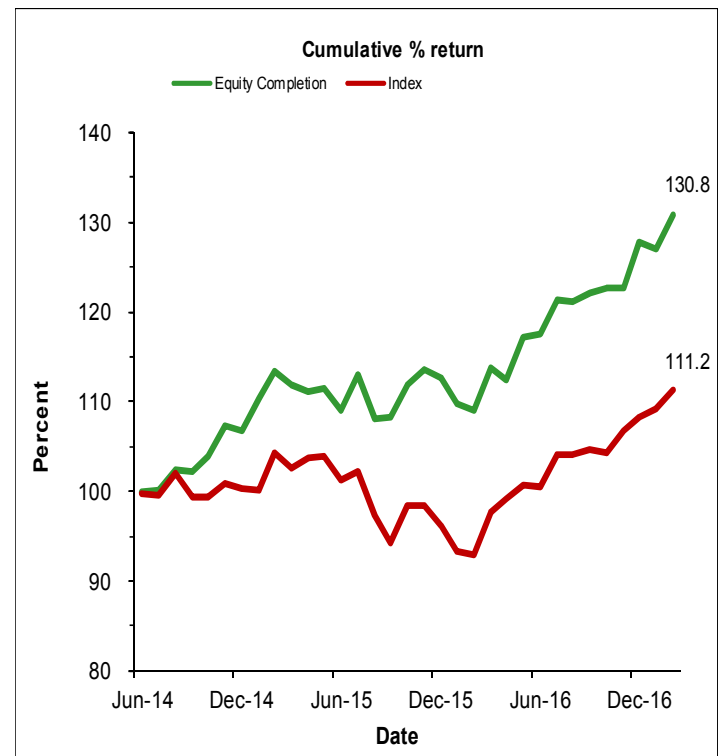
Minimum Investment - **\$250,000**

Portfolio Inception Date – **September 2014**

Base Currency – **Dual**

Benchmark - **5% DEX 91-day T-Bill + 50% S&P/TSX**

Composite + 35% S&P 500 (CAD) + 10% MSCI EAFE (CAD)



Source: Thomson Reuters

	1 Mo	3 Mo	6 Mo	1 Yr	2 Yr	3yr	Since Inception
Strategy	2.9%	6.6%	7.9%	19.9%	7.4%	N/A	10.6%
Benchmark	1.8%	4.3%	6.8%	19.6%	3.2%	N/A	4.1%

David Shubs, MBA, CFA, Investment Advisor and Portfolio Manager

david.shubs@nbpcd.com | 416-359-7663



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