

David Shubs – Equity Completion

September 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

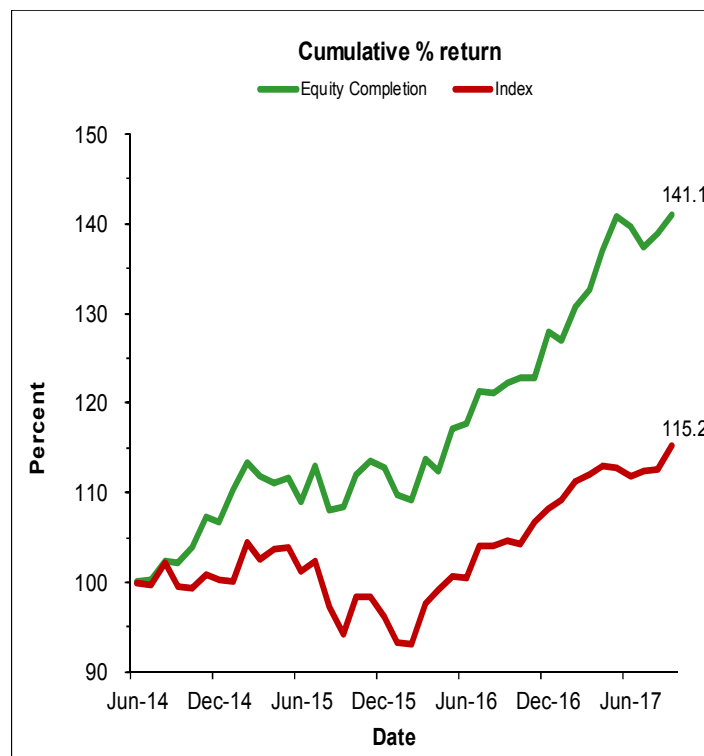
September saw the TSX soar 2.8% for the month, putting 2017 it in positive territory for the first time since June. These gains are on the back of an increased energy sector (up 11.6% for the month and oil up 9.2% for the month) and good GDP numbers (Thompson Reuters, September 30, 2017). The Bank of Canada raised interest rates again, showing faith in the Canadian economy, yet this was somewhat tempered. In its last announcement, they mentioned that they were likely to hold off on future interest rate hikes until the economic numbers clearly dictate another round of raises.

U.S. indices were up nearly 2.0% (Dow Jones 2.0% and S&P 500 1.9% - Thompson Reuters, September 30, 2017). The U.S. economy seems to be moving along and Janet Yellen is discussing another round of interest rate hikes before year end. In addition, the markets seem to be interested in Trump's new tax proposal that is very business friendly. As Trump has struggled to get much done in his time in office so far (no repeal of Obamacare, no progress on the Mexican wall, no additions to infrastructure spending), we will see if he is able to achieve any of his proposed tax changes as well.

Our portfolios are plotting along. We are earning our dividends and growing our capital base steadily. Funds have been deployed over the last 8 weeks and have already seen results both in terms of capital appreciation and large interest payments. I look forward to further reducing our cash position and buying more businesses to complement our strong stable of investments. I'm excited to write about our process, views and performance over the coming period.

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: Thompson Reuters

	1 Mo	3 Mo	6 Mo	1 Yr	2 Yr	3yr	Since Inception
Strategy	1.5%	1.1%	6.3%	15.5%	14.1%	11.4%	11.2%
Benchmark	2.3%	3.0%	2.8%	10.1%	10.5%	5.0%	4.4%

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