

David Shubs – Equity Completion

August 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

August saw North Korea test another missile and Donald Trump react with his usual bravado. But, regardless of political allegiance, economic models or reality show presidents, Mother Nature always shows us what being powerful and powerless actually looks like. Hurricane Harvey devastated Houston, killing some and displacing many. The oil and spillover economic effects may be seen soon and will continue to be felt for many years. In the short term this could affect oil production and price. In the long term this will effect consumer and business spending. This will effect markets from both an economic and personal stance for quite a while.

These natural disasters can be no more anticipated than can the actions of ego maniacal world leaders. To that extent, we have been holding significant cash on the sidelines waiting not so patiently for great opportunities. Thankfully, we found one such opportunity and took a material sized position in our portfolios. It has provided over 10% return in the first month of ownership and this will be compounded by 10%+ cash flows in the form of interest.

This helped our portfolios to outperform the market and still hold a war chest of cash for other opportunities. I look forward to writing about more great investments in the coming months.

Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

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

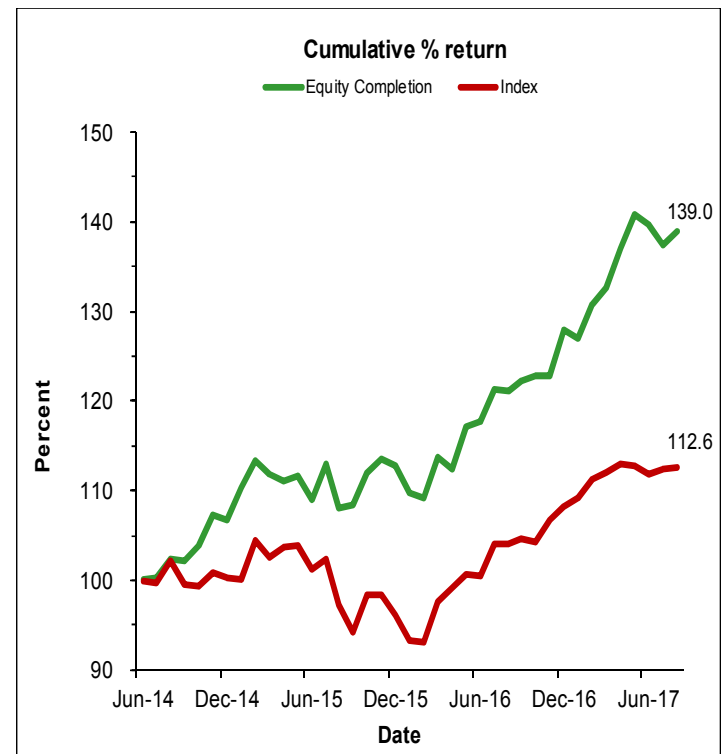
Minimum Investment - **\$250,000**

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	1.1%	(1.3%)	6.3%	14.7%	13.4%	10.7%	10.9%
Benchmark	0.2%	(0.1%)	1.2%	8.1%	7.6%	3.3%	3.8%

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