

# David Shubs – Equity Completion

March 2018

## 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

March 2018 was another wild month for investors. We watched US markets fluctuate almost 8% ending down 3.5% and the Canadian market move 4% only to end down 0.5% (Thompson Reuters, March 29, 2018). There were two main causes of this month's market mayhem.

- 1) The usual broken record of Donald Trump stoking geopolitical fears. The threat of \$60 Billion of import tariffs sent old economy stocks into a tailspin.
- 2) It came to light that Facebook had been using client data unethically. This data breach was the catalyst that drove Facebook shares down over 20% and took much of the tech sector lower with it.

Both of these events have the capacity to fundamentally change not only individual businesses, but industries as a whole. As such, we are scouring our portfolio to ensure that our businesses are capable of weathering these storms. In addition, I am looking at companies in these effected industries that may have dropped below what would be reasonable. We have been holding significant cash reserves over the last several months and are hoping that these times of volatility will provide us with opportunities to get it invested.

## Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

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

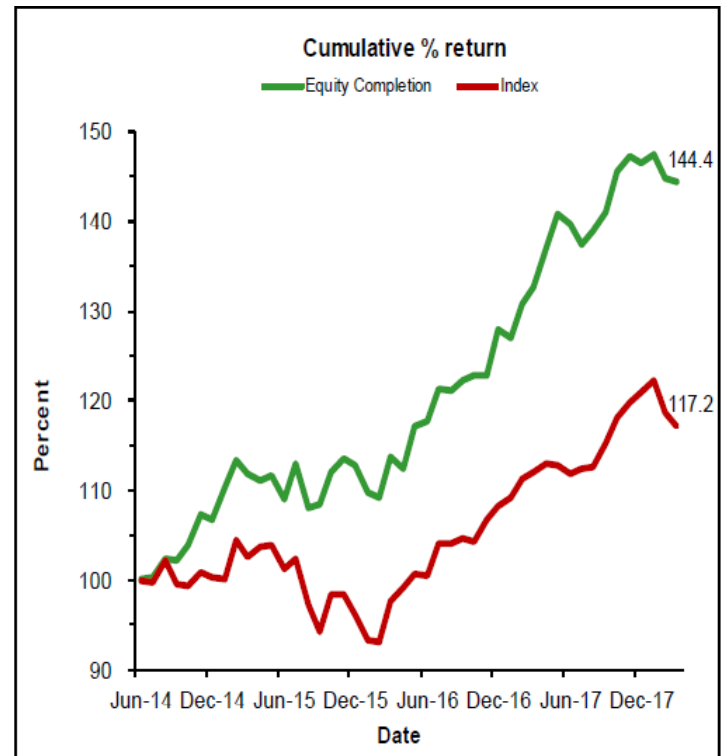
Minimum Investment - **\$250,000**

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
<b>Strategy</b>	(0.3%)	(1.4%)	2.3%	8.8%	12.6%	8.9%	10.3%
<b>Benchmark</b>	(1.2%)	(3.0%)	1.8%	4.7%	9.5%	4.5%	4.3%

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