

# David Shubs – Equity Completion

September 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

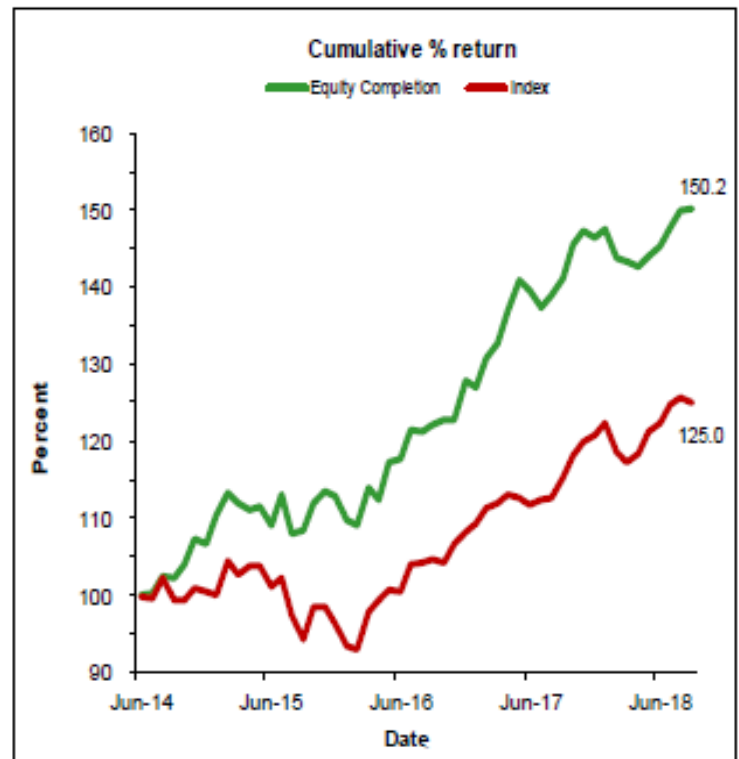
Marijuana, Trade negotiations, Brexit, strong U.S. economic data and interest rate increases drove the story for the month of September 2018. Even with the growth in marijuana stocks, we saw the TSX dip into negative territory for the year, finishing the month -1.2%, leaving it -0.8% year to date. Conversely, September 2018 saw U.S. equity markets increase 1.9% for the month and 7.0% for the year [Thomson Reuters, September 28, 2018].

Our investors have been active on both sides of the border, taking advantage of the United States' economic growth and stronger currency. Our investments at home are more stable and focussed on long term appreciation. These have been spitting off dividends and providing some capital growth. So, even with exactly no marijuana exposure, and unlike the TSX, our investors have made money this month and year.

We still have work to do. There are always opportunities and we need to find them. Markets are volatile and volatility has the capacity to create overreactions. We are hunting for these discounts. We have deployed some money recently and are hoping to "go shopping" again before the end of the year. I look forward to keeping you updated on our process and our returns.

## 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 - **June 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)**



	1 Mo	3 Mo	6 Mo	1 Yr	2 Yr	3yr	Since Inception
<b>Strategy</b>	0.1%	3.3%	4.9%	6.5%	10.9%	11.5%	10.0%
<b>Benchmark</b>	(0.5%)	2.3%	6.7%	8.6%	9.3%	9.9%	5.4%

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

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



The opinions, estimates and projections contained herein are those of the author as of the date hereof and are subject to change without notice and may not reflect those of BMO Nesbitt Burns Inc. ("BMO NBI"). Every effort has been made to ensure that the contents have been compiled or derived from sources believed to be reliable and contain information and opinions that are accurate and complete. Information may not be and may not reflect those of BMO Nesbitt Burns Inc. ("BMO NBI"). Every effort has been made to ensure that the contents have been compiled or derived from sources believed to be reliable and contain information and opinions that are accurate and complete. Information may not be and may not reflect those of BMO NBI or its affiliates that is not reflected herein. However, neither the author nor BMO NBI makes any representation or warranty, express or implied, in respect thereof, takes any responsibility for any errors or omissions which may be contained herein or accepts any liability whatsoever for any loss arising from any use of or reliance on this report or its contents.

BMO Wealth Management is the brand name for a business group consisting of Bank of Montreal and certain of its affiliates, including BMO Nesbitt Burns Inc. in providing wealth management products and services. "BMO (M-bar rounded symbol)" is a registered trade-mark of Bank of Montreal. If you are already a client of BMO Nesbitt Burns, please contact your Investment Advisor for more information.

**BMO Nesbitt Burns Inc. is a Member - Canadian Investor Protection Fund. Member of the Investment Industry Regulatory Organization of Canada.**