

David Shubs – Equity Completion

August 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

For the month of August 2018, Canadian markets were dominated by two headlines.

Short term

In mid-August, an international alcohol beverage company, invested in the marijuana space, taking a 38% ownership share of Canopy Growth. This moved Canopy's shares up 33% and the whole health care industry up double digits. (Thomson Reuters – August 15, 2018).

Long Term

Near the end of August, Mexico and U.S. came to terms on a Free Trade framework. The ball was then passed to Canada to review and participate. The ideal was to get this done before September so that the POTUS would have the time to sign the agreement before the sitting Mexican president steps down from office. This timing may not work, as Justin Trudeau has said "No NAFTA deal is better than a bad NAFTA deal" (Thomson Reuters, August 29, 2018).

The short term trade on weed stocks may make money today. The NAFTA discussions have much further reaching and long term consequences. Finding investments that make money today AND will make money tomorrow is the goal. I look forward to finding and writing about these opportunities shortly.

Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

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

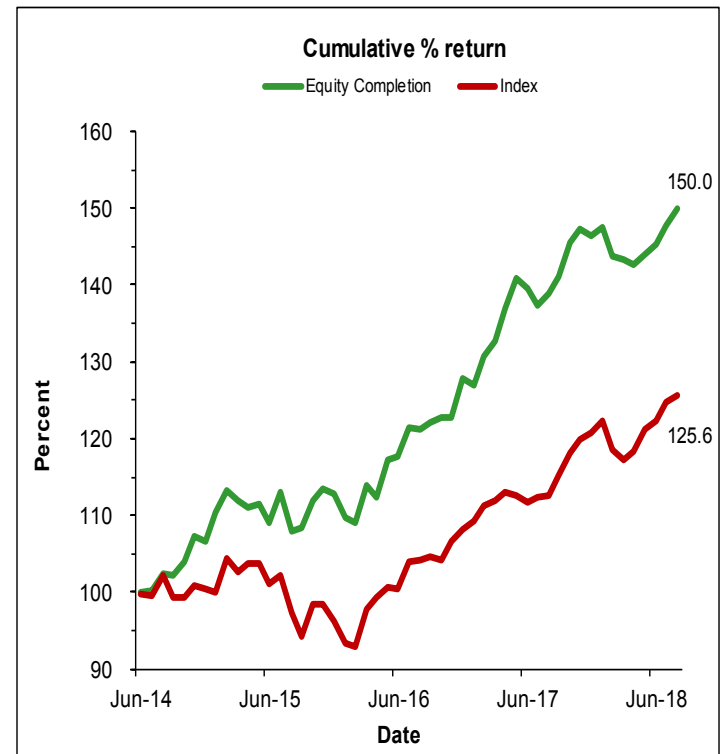
Minimum Investment - **\$250,000**

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
Strategy	1.5%	4.2%	4.4%	7.9%	11.3%	11.6%	10.2%
Benchmark	0.7%	3.7%	5.9%	11.6%	9.8%	8.9%	5.6%

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