

David Shubs – Equity Completion

April 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

April was another month of volatility. Major North American markets fluctuated over 4-6% for the month, with the TSX ending 1.6% and the S&P 500 ending up 0.3% (Thompson Reuters, April 30, 2018).

The news driving March 2018 markets was the geopolitical fears of a trade war and the data breach at Facebook. Creating news this month is the historic agreement from North and South Korea, the potential revocation of the Iran nuclear deal and strong U.S. economic numbers,

I have never been a believer in “this time it’s different”. I don’t believe that it is a matter of “this time”, but I do believe that we are in a very new world. That is a world of instant reporting, social media, fake news and information saturation and overload. We are subject to instant headlines and reaction. Where we historically had time to absorb data, review and make calmer decisions, many now seem to be spring into action in a “Ready, Fire, Aim” mindset.

In my experience, investing is not about reacting to headline news, but establishing what is relevant to any business I want to own. It takes time and thought to understand how developments will affect a company I own or want to own. I will happily let the traders and algorithmic programs trade stocks on news. I have every intention of being there to pick up the scraps when this “news” creates a situation where people run for the doors when they shouldn’t.

Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

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

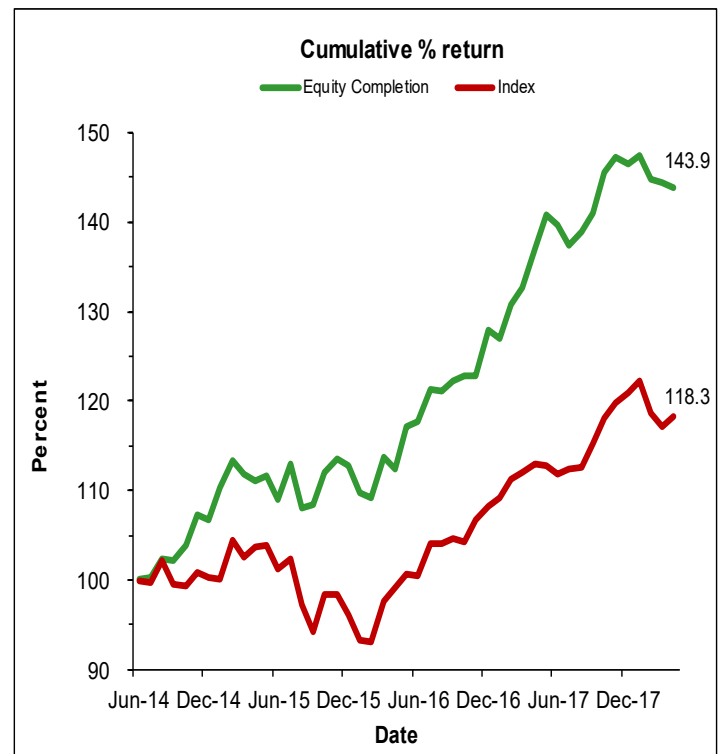
Minimum Investment - **\$250,000**

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	(0.3%)	(2.4%)	(1.1)%	5.0%	13.1%	9.0%	10.0%
Benchmark	0.9%	(3.3%)	0.1%	4.8%	9.2%	4.5%	4.5%

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