David Shubs – Equity Completion

October 2020

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

October saw large spikes in new Covid cases. Fears of another world shut down are very real and this drove stock markets directly down. Much of the gains which we have been seeing since the summer months were reversed. Once again, we were faced with large swings in the TSX and the Dow Jones. This month, from peak to trough, the Dow Jones industrial average swung over 10x%, closing down 4.6% and the TSX index swung almost 7.5% closing down 3.4% (Thomson One, October 30, 2020).

These aggressive swings are the new normal and are likely to get more pronounced in the next 6 months.

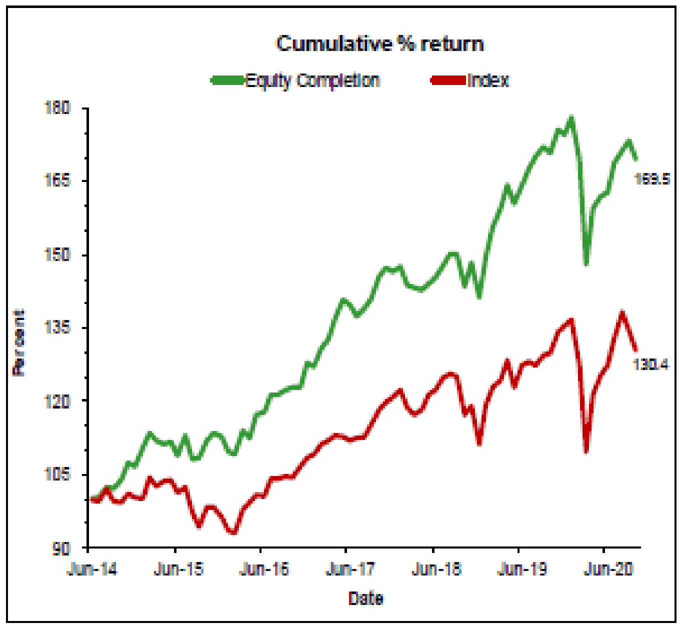
In the very near future, we are facing the US presidential election, the release of mortgage deferral statistics, the success, or lack thereof, of holiday shopping, information on Covid trials from the 5 large vaccine players, regular flu season, and more civil unrest south of the border.

In "normal" times any of these would have the capacity to drive markets. In these unprecedented times, I expect more volatility – both up and down. The exuberance from any positive news is offset by the fear from negative news and the pendulum continues to swing.

We are invested in our core names and holding more cash than we ever have. I am expecting the next 6 months to be ripe with opportunity. I am hoping to invest some of our war chest in the coming months as those pendulum swings create opportunity.

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	1 Yr	2 Yr	3 Yr	4 yr	5 yr	Since Inception
Strategy	(2.2%)	(0.8%)	8.6%	5.2%	8.4%	8.7%	8.7%
Benchmark	(3.0%)	0.5%	5.4%	3.3%	5.8%	5.8%	4.2%

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