

David Shubs – Equity Completion

November 2021

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

Markets started the month roaring forward based on some positive economic news. In Canada and the US, labour force is strengthening, consumers are spending, and the governments are supporting all of this with massive infrastructure plans. These factors helped to drive the TSX up as much as 3.6% and the Dow Jones Industrial Average started up 2.1% for the month (Thomson Reuters, November 30, 2021).

However, on November 23rd, the Omicron variant of Covid was discovered. This new variant is stoking fears unknown about its virility, transmission and resistance to current vaccines. Markets are clearly worried that this may necessitate another global lockdown and are fearing the economic fallout from it. Equity markets did an abrupt about face with the TSX dropping 5.4% from its high, ending the month down 1.8%. The Dow decline was more aggressive, dropping 6% and closing down 3.7%.

We are trying to get back to life, while still in the grip of a pandemic. This makes our investment discipline even more critical. We are focussed on buying great businesses that can succeed in all economic cycles. These aggressive swings in the market provide the opportunity for what we believe to be mispriced assets. As assets run up on irrational exuberance, we are happy to sell businesses that are being significantly overvalued. We do that with the expectation that the pendulum will swing and there will be times when great businesses are priced with fear and undervalued.

Our job today is to find businesses that makes sense in this “new world” and will continue to be build wealth in the coming years. I am very happy with the slate of businesses that we own, and I look forward to adding more to our portfolio. As the market vacillates and opportunities arise, we should be buyers, looking for tossed out gems.

Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

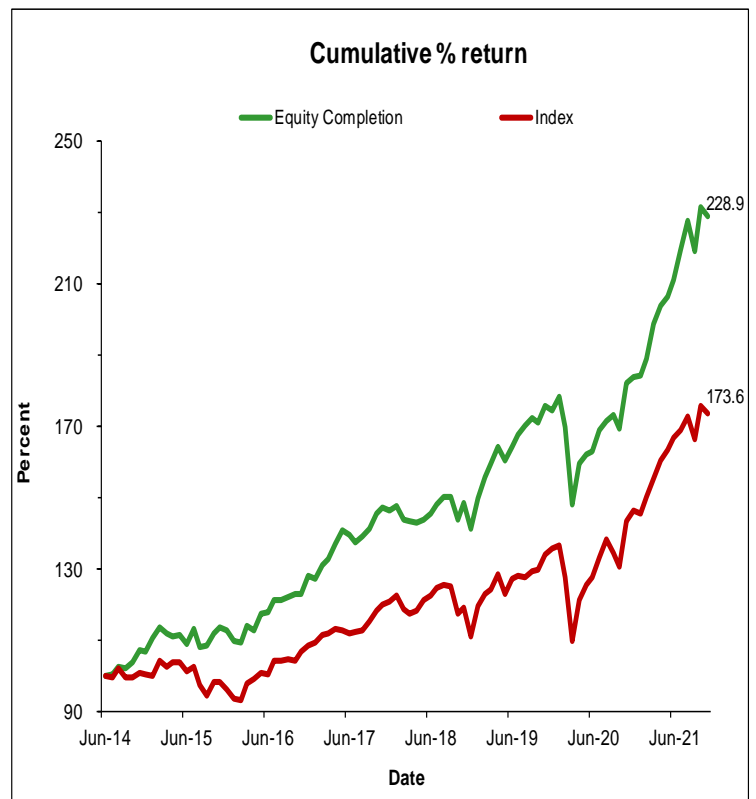
Return Objective - **Capital Growth and Dividend Income**

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)**



	1 Mo	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	Since Inception
Strategy	(1.1)%	25.8%	14.2%	15.5%	11.6%	13.3%	11.8%
Benchmark	(1.0)%	21.2%	13.8%	13.4%	9.7%	10.2%	7.6%

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