

David Shubs – Equity Completion

September 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

September 2021 was a reality check. Buoyant markets needed to take a breather as there were any number of negative signs. In the US, non-farm payrolls missed the mark by 500,000 people, the Fed signalled their hand on bond purchase tapering and increasing interest rates, consumer confidence slumped, the White House stimulus package includes a potential corporate tax increases and the Delta variant infection rates are the highest they have been in several months. We are facing significant uncertainty about the short-term prospects for the pandemic and the economy.

This led to a small repricing of assets, with no industries spared. We saw a break from the steady upward movement of stocks with the Dow declining 2.7% and the TSX down 2.1% (Thomson Reuters, October 1, 2021).

Just as there are companies that fly too high in good times, the short-term uncertainty has the capacity to drive the value of good businesses down. We have maintained our mantra of buying quality businesses at fair prices and this repricing has brought more businesses onto our radar. As we believe that many of these factors are short term in nature, we have increased our wish list and are hopefully much closer to adding more great businesses to our portfolio. We expect to be buyers during these repricings and look forward to adding more great businesses to our stable of companies.

The final quarter of 2021 should be interesting and I look forward to writing about how we took advantage of these interesting times.

Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

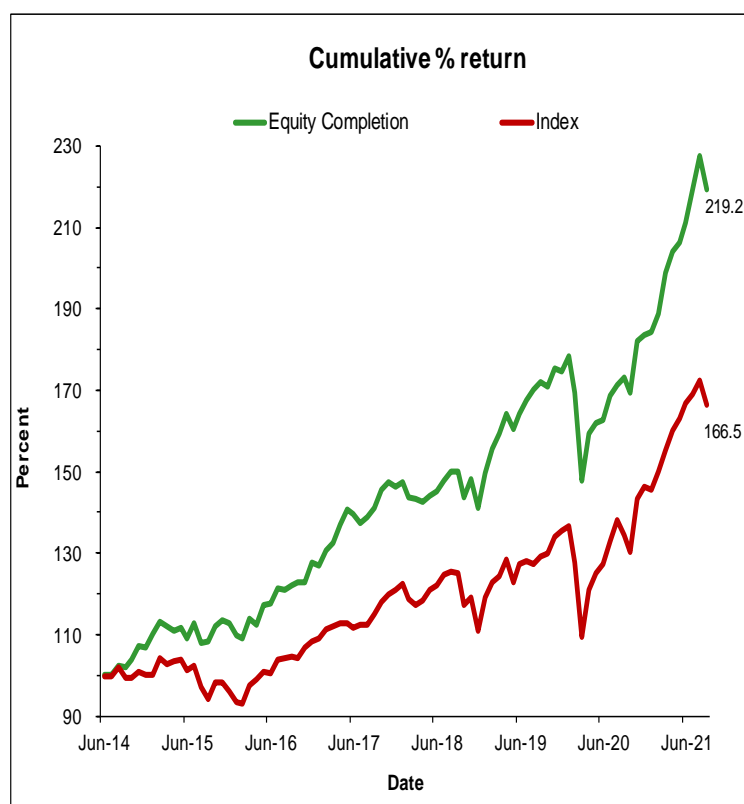
Return Objective - **Capital Growth and Dividend Income**

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	(3.6%)	26.5%	12.9%	13.4%	11.7%	12.4%	11.4%
Benchmark	(3.5%)	23.9%	13.5%	10.0%	9.6%	9.7%	7.2%

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