

David Shubs – Equity Completion

August 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

The last several months have seen meaningful news developments.

The Positive

- U.S. (and Canadian) profits have soared in the second quarter of 2021.
- GDP to greater than pre-pandemic levels.
- The Bank of Canada and the US Federal Reserve have both tipped that they are going to move to less accommodating policies
- US has passed a \$1 trillion infrastructure bill and is now focussing on another \$3.5 trillion to support (fuel) the rest of the economy.

The Negative

- Facing another humanitarian crisis with the Taliban taking Afghanistan. This instability will have repercussions around the world.
- Lack of labour and supply chain delays are starting to effect companies' profitability.
- The Delta variant is spreading rapidly and reinforcing the need for masks, distancing and maybe even another lock down.

As an investor, conflicting information and differences in opinions create opportunities. There is no clear path forward, which leads to different interpretations of the data. We have been selectively deploying capital over the course of the pandemic to businesses that for one reason or another were temporarily out of favour. We are still focussed on our pockets of the world that we think we understand, waiting for more of these businesses to become fairly, or even better under, valued. We are comfortable with our current investments and patiently waiting with our cash pile to find more opportunities.

Portfolio Facts

Portfolio Manager - **David Shubs**

Investment Approach - **Fundamental & Quantitative**

Risk Profile - **Medium to High**

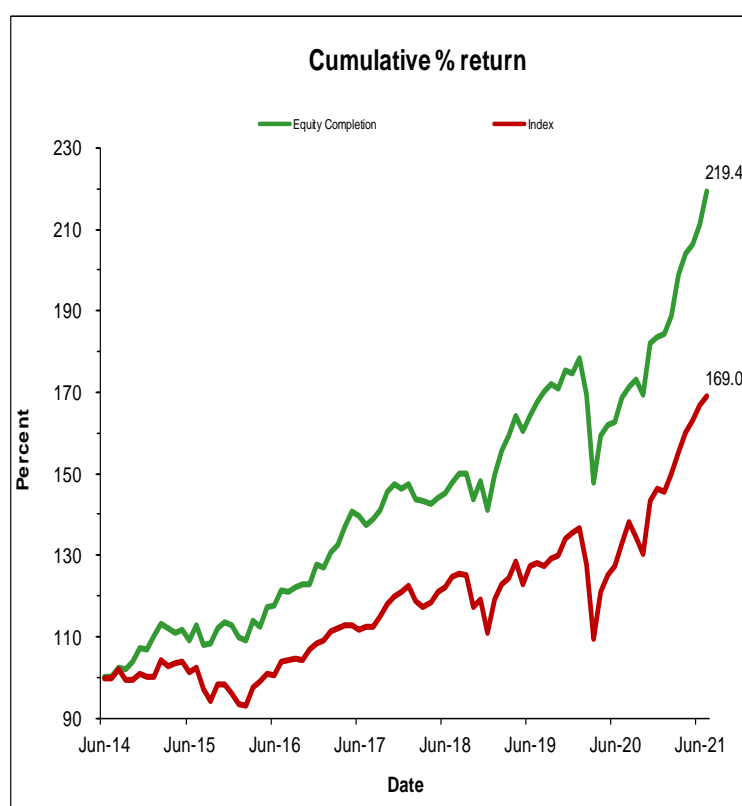
Return Objective - **Capital Growth and Dividend Income**

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	3.7%	32.8%	15.6%	14.9%	13.1%	13.4%	12.1%
Benchmark	2.1%	24.9%	16.4%	11.2%	11.3%	10.6%	7.8%

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