

Equity Completion Portfolio – June 2022

Investment Objectives

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 85% North American equity, 10% international equity and a small portion of cash.

Managers Comments

June 2022 saw the worst month for North American equities since the start of the pandemic. Markets swung as much as 20%, with the S&P 500 ending down 8.5% and the TSX ending down 9.0% for the month (Thomson One).

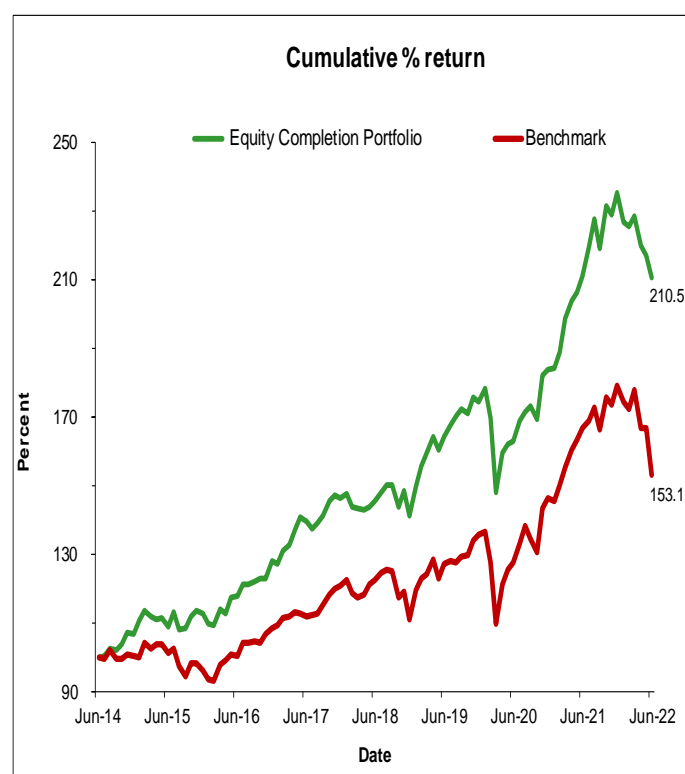
With the added economic strain of the Ukraine crisis, we are seeing commodity prices that are at, or near, historic highs. With oil priced over \$100 per barrel, much of the world becomes less affordable. Add to that the shock to food prices from the increase in natural gas pricing (necessary input for fertilizer) and agricultural commodities (which the Ukraine is a major worldwide producer of) and you see real inflation starting to hit people's pocket books.

Central banks are trying to curb this inflation with interest rate increases, but I would expect that to be largely irrelevant. The biggest mover of the dial will be the commodity pricing and how/when the upward pressure will abate.

Reading geo-political tea leaves, especially those influenced by dictators, is exceedingly difficult. We look forward to a calmer world, where we are not facing a humanitarian crisis or the economic fallout that comes with it. Until that time, we will continue to be very cautious with our capital, buying great businesses at discount prices and taking advantage of the higher interest rates for our increasing cash hoard.

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, reported in Canadian**
 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
Equity Completion	(3.0%)	(0.3%)	13.7%	8.6%	9.7%	8.6%	9.7%
Benchmark	(8.1%)	(8.2)%	9.6%	6.3%	5.8%	6.5%	5.4%

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