

The Lalonde Wealth Management Group

Actively managing investment portfolios of enduring quality to serve your family's needs and aspirations.

Investment Philosophy

Through the Managed Portfolio Account (MPA) program, we provide a discretionary investment management service to our clients, which frees them from the day-to-day decision making of portfolio management, allowing them to focus on their businesses, pastimes or other pursuits.

Subsequent to the establishment of an investment policy statement, we construct and manage investment portfolios that incorporate very high quality securities, which brings our clients peace of mind. They are also significantly differentiated from most Canadians' securities portfolios.

We believe in active management - which doesn't mean frequent trading. Active Share is a measure of how a portfolio differs from its benchmark: the higher the active share, the more different the portfolio. Our active share is 74%. High Active Share funds tend to outperform their benchmark. At most times, investors are better off avoiding trying to match the performance of the Canadian stock market via an exchange traded fund or typical mutual fund. Our market's outsized weighting in natural resources brings with it increased volatility and sometimes protracted periods of underperformance relative to other countries' indices. We currently have relatively limited exposure to the natural resource sector. At the end of September just 4 of our top 15 equity investments were Canadian.

Among our international holdings, a considerable distinctiveness is readily apparent. Beyond the names of securities we select for client portfolios, the holding periods can also set us apart. Consider that currently the median cost across my clientele of our Apple shares is less than \$12. That took some time, but it's been well worth the wait.

Please see page 2 of this factsheet for a list of our top holdings. In many cases, these are longstanding investments and they have benefited our clients greatly. After considering the list and taking note of our long term performance record, if you imagine we would be an improvement on your current investment management, please give us a call.

Investment Process

BMO Nesbitt Burns is acclaimed for its investment research and while it serves as an important part of our investment selection process, we also review the research from U.S. based research providers such as JP Morgan, Morningstar, Value Line and Bloomberg. Underlying our security selection and portfolio maintenance is critical thinking and constant reevaluation, regarding both individual securities and sector weightings. Initial stock positions typically range from 3-5% of an overall client portfolio.

The Team

Mark Lalonde, CFA – Senior Portfolio Manager & Wealth Advisor

Mark has been investing professionally since 1984 when he joined a major full-service brokerage firm as an investment advisor. He obtained the CFA designation from the Association for Investment Management and Research in 1993. He joined BMO Nesbitt Burns in 1999 and was licensed as a Portfolio Manager in 2002.

Daniel Khayat, CFA – Investment Associate

Daniel is a graduate of the University of Western Ontario's Honours Economics program and is a CFA charter holder. He aids our team in business development, equity research and client liaison.

Samuel Bourgeois, B.B.A – Administration Assistant

Samuel is a graduate of The University of Quebec at Montreal's business administration program. He diligently handles client account administration for our team and he is perfectly bilingual.

Danny Guarnieri, CPA, CA, LL.M. Fisc. Pl. Fin. – Director, Wealth Planning

Danny has over 13 years of professional experience in Financial Planning and Financial services. He holds a Masters Degree in Taxation from HEC, a CPA designation and was licensed as a financial planner in 2018. Prior to working at BMO, Danny worked at Richter and Deloitte in corporate tax advisory.



 Let's connect

Mark Lalonde, CFA

Senior Portfolio Manager & Wealth Advisor

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"I am very fortunate. I work at the intersection of the financial markets, technological advancements, science, politics and the global economy. It is always changing and fascinating. Still, none of it is more interesting than my clients' lives and aspirations, to which I dedicate my efforts."

Large Capitalization Equity Portfolio

Style

Large Cap Growth;
Average Number of holdings: 20-25

Benchmark

60% S&P 500, 30% S&P/TSX Composite,
10% FTSE Developed ex North America

10-Year Sharpe Ratio: 0.95

This measures how an investor is compensated for taking on risk compared to a risk free rate of return. Higher ratios are better for investors.

Typical Sharpe ratios fall between 0.2 and 0.5.²

Active Share: 74.31%

Factors contributing to active share:
Underweighting in Natural Resources
Underweighting in U.S. Financials

Portfolio – Regional Allocation

U.S. Equity	73.47%
Canadian Equity	20.06%
International	2.99%
Cash	3.49%

Information Technology	31.19%
Industrials	11.0%
Consumer Staples	5.28%
Consumer Discretionary	4.57%
Financials	19.64%
Health Care	1.84%
Real Estate	1.38%
Communication Services	14.70%
Utilities	0.39%
Materials	3.17%
Energy	2.35%
Funds	1.09%
Cash	3.49%

Representative Holdings

Oct 2, 2023

Apple
Microsoft
Berkshire Hathaway Inc.
MSG Sports
Amazon.com
CAE Inc.
Alphabet
Toronto Dominion Bank
General Dynamics
The Coca-Cola Company
The Royal Bank of Canada
Canadian National Railway
Costco
Occidental Petroleum
Boeing

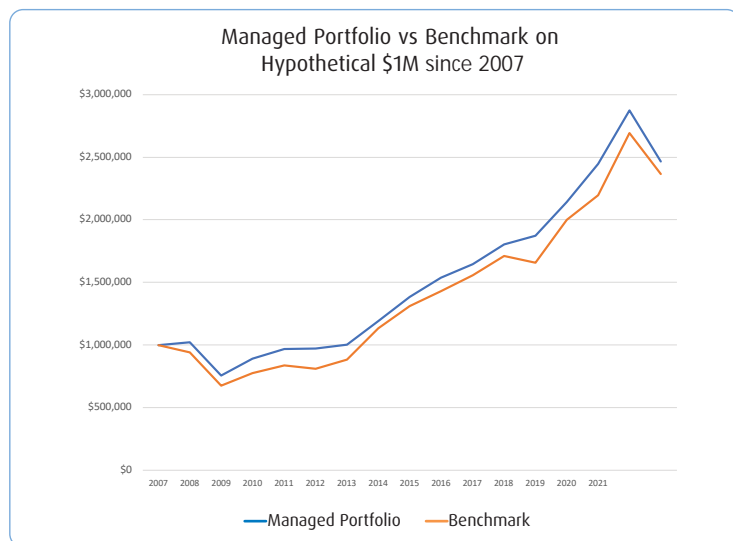
Minimum client relationship of \$2,000,000

Median Growth Account Returns⁴;

2023YTD: 8.04% 2022: -14.17%, 2021: 17.46%, 2020: 14.17%, 2019: 14.39%, 2018: 3.76%, 2017: 9.62%, 2016: 7.15%, 2015: 11.01%, 2014: 16.14%

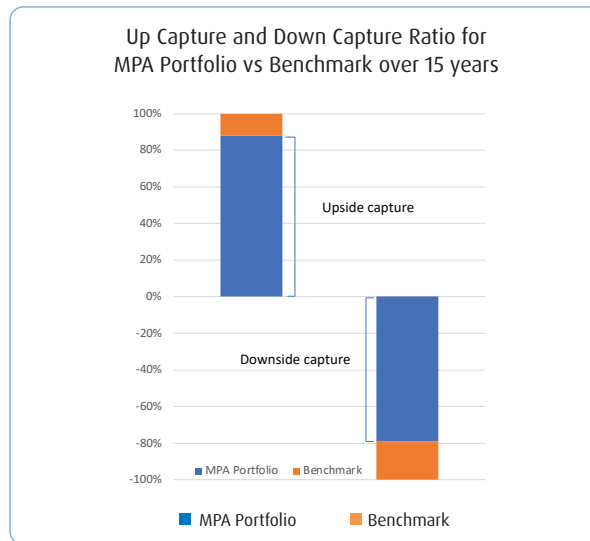
1. ActiveShare.info 2. All definitions are from CFA Institute 3. All statistics are from Bloomberg 4. Rates of return are total returns, net of all fees and are based upon the median account of the investor type subset of "growth investor" enrolled in The Managed Portfolio Account and managed by Mark Lalonde, CFA

Even minor out-performance in most years can result in significantly greater wealth over time, with more attractive exit points for those who anticipate future liquidity needs.



Source:

<https://www.forecast-chart.com/historical-tsx-composite.html>
<https://www.macrotrends.net/2526/sp-500-historical-annual-returns>



Notes:

Upside and downside ratio calculate as geometric mean of up and down year returns as directed in the Journal of Economic and Finance Education



BMO Nesbitt Burns

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