BEST IDEAS EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

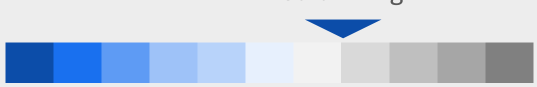
STRATEGY

In seeking to pursue its investment objective, the portfolio is designed to provide exposure to high quality companies (10 Canadian, 10 US and 10 International stocks) across all our universes that consistently generate shareholder wealth, while trading at attractive price. This strategy is based on our proprietary multi-factor quantitative models.

OBJECTIVES

1. Target long term capital appreciation among the best opportunities available.
2. Consistently deliver performance over a custom blended benchmark.
3. Maximize tax efficiency by having a low portfolio turnover ratio.

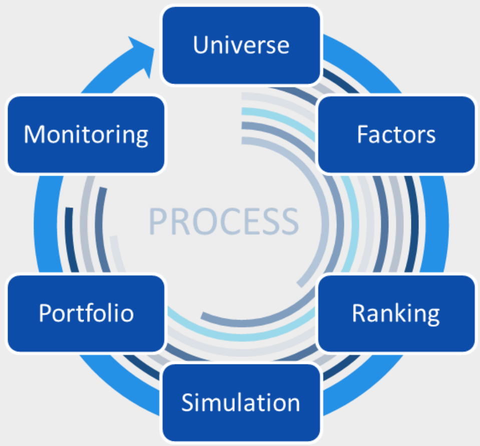
RISK RATING



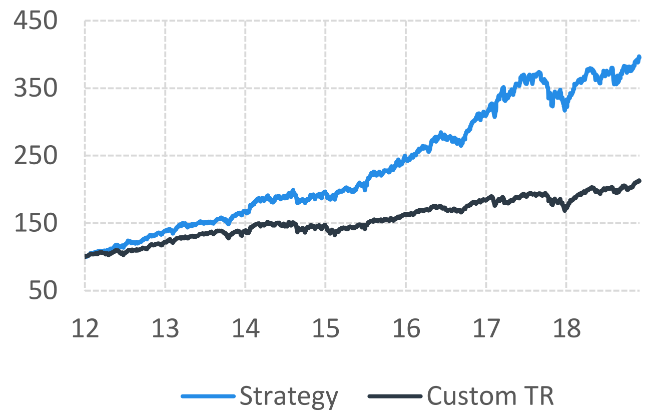
REASONS TO INVEST

- Historically outperformed benchmark.
- Risk-adjusted return performance.
- Consistent investment process.

INVESTMENT PROCESS



AS OF NOVEMBER 30TH, 2019



Custom TR = 1/3 S&P/TSX + 1/3 S&P 500 + 1/3 MSCI ACWI Ex US

PERFORMANCE (%) [see disclaimer]

Annualized (%)	1M	3M	1Y	5Y	INC.
Strategy	4.0	7.6	14.6	19.0	18.4
Custom TR	3.5	6.1	14.8	9.0	5.2
Difference	0.5	1.5	-0.1	10.1	13.2

Yearly (%)	15	16	17	18	YTD
Strategy	16.5	25.7	26.8	7.9	18.6
Custom TR	5.3	11.8	13.2	-4.3	20.8
Difference	11.3	13.9	13.6	12.1	-2.2

Monthly (%)	Jul	Aug	Sep	Oct	Nov
Strategy	0.3	-1.6	3.9	-0.4	4.0
Custom TR	0.8	-0.6	1.7	0.9	3.5
Difference	-0.5	-1.0	2.3	-1.3	0.5

TOP 10 HOLDINGS (%)

Ticker	Sector	Weight
SEDG	Info Tech	6.2
QBR.B:CN	Telecom	4.8
HSY	Staples	4.7
SIMO	Info Tech	4.6
GIB.A:CN	Info Tech	4.5
EL	Staples	4.4
RHHBY	Health Care	4.0
MRK	Health Care	3.9
GSK	Health Care	3.8
RY:CN	Financials	3.8

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RISK STATISTICS

Since Inception	Strategy	Custom TR
Ann. Return (%)	18.4	5.2
Standard Dev. (%)	10.7	11.5
Max Drawdown (%)	-20.6	-45.9
Portfolio Turnover	62.6	6.0
Sharpe Ratio	1.5	0.4
Sortino Ratio	2.1	0.5
Index Correlation	0.7	1.0
R-Squared	0.4	1.0
Beta	0.6	1.0
Alpha (%)	13.2	0.0

SECTOR ALLOCATION (%)

Weights	Strategy	Custom TR	Deviations
Info Tech	36.8	12.1	24.7
Health Care	14.9	8.0	6.9
Discretionary	13.2	8.5	4.7
Staples	9.1	7.2	1.9
Telecom	7.7	7.6	0.1
Materials	4.3	7.1	-2.8
Utilities	0.0	3.9	-3.9
Energy	3.2	9.0	-5.8
Industrials	0.0	10.8	-10.8
Financials	10.3	25.9	-15.6

CHARACTERISTICS

Median	Strategy	Custom TR
Market Cap ($B)	69.1	12.3
Price / Earnings	14.1	15.9
Price / Book	3.4	2.4
Price / Sales	2.5	2.1
Price / Cash Flow	14.4	12.1
Return on Equity	18.5	11.7
Dividend Yield	2.6	1.9
5Y EPS Growth	8.9	8.7
Debt / Equity	0.7	0.8
5Y Beta	0.94	1.00

PORTFOLIO FACTS

Number of Securities	30
Currency	CAD
Benchmark	Custom TR
Inception Date	January 1st, 2000
Strategy Fees	Contact Us
Rebalancing Frequency	Quarterly

PORTFOLIO MANAGER

William Tremblay CFA, MBA, FRM, CIM
Senior Vice President, Portfolio Manager

With more than 10 years of experience in the financial services industry, William brings extensive background and innovation in the field of quantitative finance to the firm. He holds both a BBA and MBA from HEC Montreal.

CONTACT

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