

CANADIAN HIGH DIVIDEND 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 Canadian dividend-paying companies that consistently generate shareholder wealth, while trading at attractive price. This strategy is based on a proprietary multi-factor quantitative model.

OBJECTIVES

1. Provide a steady stream of income by investing in Canadian Equities.
2. Consistently outperform the S&P/TSX TR Index over a 5-year period.
3. Maximize tax efficiency by having a low portfolio turnover ratio.

RISK RATING



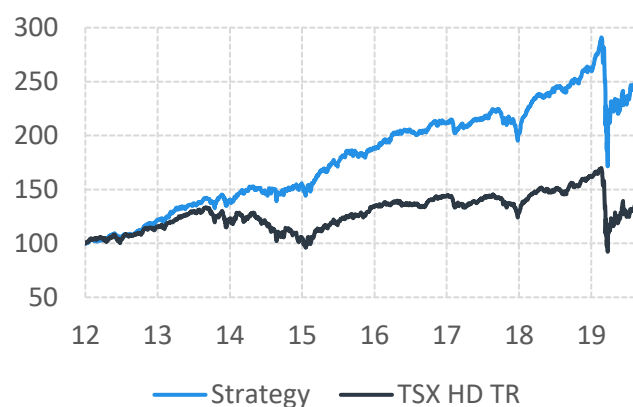
REASONS TO INVEST

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

INVESTMENT PROCESS



AS OF AUGUST 31TH, 2020



PERFORMANCE [see disclaimer]

Annualized (%)	1M	3M	1Y	5Y	SI
Strategy	3.5	7.8	2.5	11.2	16.0
TSX HD TR	4.7	7.0	-8.6	4.2	5.4
Difference	-1.3	0.8	11.1	7.0	10.7
Yearly (%)	16	17	18	19	20
Strategy	22.0	12.9	-4.6	29.2	-4.2
TSX HD TR	28.5	7.6	-10.8	25.8	-15.8
Difference	-6.5	5.2	6.2	3.4	11.6
Monthly (%)	Apr	May	Jun	Jul	Aug
Strategy	3.1	1.4	0.9	3.3	3.5
TSX HD TR	6.4	1.9	0.1	2.1	4.7
Difference	-3.3	-0.5	0.8	1.2	-1.3

TOP HOLDINGS

Ticker	Sector	Weight (%)
NPI:CN	Utilities	5.5
BEP.UN:CN	Utilities	5.3
RNW:CN	Utilities	4.9
EMA:CN	Utilities	4.9
BLX:CN	Utilities	4.3
CHP.UN:CN	Real Estate	4.2
X:CN	Financials	4.2
BIP.UN:CN	Utilities	4.1
NA:CN	Financials	4.1
CM:CN	Financials	4.1

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RISK STATISTICS

Since Inception	Strategy	TSX HD TR
Ann. Return (%)	16.0	5.4
Standard Dev. (%)	9.4	13.9
Max Drawdown (%)	-41.1	-48.3
Portfolio Turnover	72.2	6.3
Sharpe Ratio	1.4	0.3
Sortino Ratio	1.8	0.4
Index Correlation	0.7	1.0
R-Squared	0.5	1.0
Beta	0.5	1.0
Alpha (%)	10.7	0.0

SECTOR ALLOCATION

Weights (%)	Strategy	TSX HD TR	Deviations
Utilities	36.0	4.9	31.2
Real Estate	7.8	3.0	4.8
Staples	6.4	4.1	2.4
Telecom	6.7	5.2	1.5
Health Care	0.0	0.9	-0.9
Financials	26.3	29.0	-2.6
Discretionary	0.0	3.4	-3.4
Industrials	6.9	11.9	-5.0
Info Tech	4.0	10.3	-6.3
Energy	3.7	12.0	-8.3
Materials	0.0	15.4	-15.4

CHARACTERISTICS

Median	Strategy	TSX HD TR
Market Cap (\$B)	23.9	2.6
Price / Earnings	17.0	15.2
Price / Book	2.2	1.9
Price / Sales	2.2	2.2
Price / Cash Flow	10.3	11.0
Return on Equity	10.5	5.8
Dividend Yield	3.8	1.4
5Y EPS Growth	7.8	10.0
Debt / Equity	2.6	0.8
5Y Beta	0.72	1.00

PORTFOLIO FACTS

Number of Securities	25
Currency	CAD
Benchmark	S&P/TSX TR
Inception Date	January 1 st , 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.

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