CANADIAN HIGH DIVIDEND EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

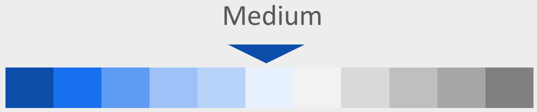
STRATEGY

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.

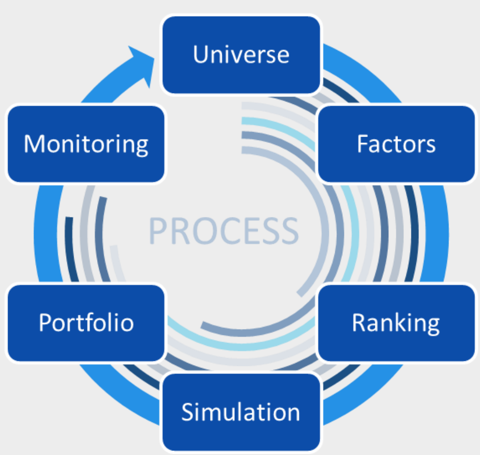
RISK RATING



REASONS TO INVEST

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

INVESTMENT PROCESS



AS OF MARCH 31ST, 2021

PERFORMANCE [see disclaimer]

Annualized (%)	1M	3M	1Y	5Y	SI
Strategy	4.3	6.8	36.6	12.8	16.6
TSX HD TR	6.6	14.4	46.1	8.6	6.4
Difference	-2.4	-7.6	-9.5	4.2	10.3

Yearly (%)	17	18	19	20	21
Strategy	12.9	-4.6	29.2	8.7	6.8
TSX HD TR	7.6	-10.8	25.8	-7.4	14.4
Difference	5.2	6.2	3.4	16.1	-7.6

Monthly (%)	Nov	Dec	Jan	Feb	Mar
Strategy	9.0	4.2	0.7	1.7	4.3
TSX HD TR	15.4	0.0	1.6	5.6	6.6
Difference	-6.4	4.2	-0.9	-3.9	-2.4

TOP HOLDINGS

Ticker	Companies	Weight (%)
BEP.UN:CN	Brookfield Renewable	5.9
FTT:CN	Finning International	5.6
RNW:CN	TransAlta Renewables	5.3
MG:CN	Magna International	4.9
IAG:CN	IA Financial	4.4
BMO:CN	Bank of Montreal	4.3
SPB:CN	Superior Plus	4.3
RUS:CN	Russel Metals	4.3
WSP:CN	WSP Global	4.1
NA:CN	National Bank	4.1

CANADIAN HIGH DIVIDEND EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

RISK STATISTICS

Since Inception	Strategy	TSX HD TR
Ann. Return (%)	16.6	6.4
Standard Dev. (%)	9.5	14.2
Max Drawdown (%)	-41.1	-48.3
Portfolio Turnover	72.2	6.3
Sharpe Ratio	1.5	0.4
Sortino Ratio	1.9	0.5
Index Correlation	0.7	1.0
R-Squared	0.5	1.0
Beta	0.5	1.0
Alpha (%)	10.3	0.0

SECTOR ALLOCATION

Weights (%)	Strategy	TSX HD TR	Deviations
Staples	10.0	3.7	6.3
Utilities	11.1	4.8	6.3
Industrials	17.5	12.3	5.1
Financials	34.8	31.6	3.2
Discretionary	4.9	4.0	0.9
Telecom	5.6	4.8	0.8
Health Care	0.0	1.5	-1.5
Real Estate	0.0	3.1	-3.1
Materials	7.7	11.9	-4.2
Energy	8.2	12.5	-4.3
Info Tech	0.0	9.7	-9.7

CHARACTERISTICS

Median	Strategy	TSX HD TR
Market Cap ($B)	32.1	3.2
Price / Earnings	12.1	14.2
Price / Book	2.1	2.2
Price / Sales	1.5	2.6
Price / Cash Flow	8.3	12.7
Return on Equity	10.6	7.0
Dividend Yield	3.7	1.4
5Y EPS Growth	5.9	12.5
Debt / Equity	1.6	0.7
5Y Beta	1.05	1.00

PORTFOLIO FACTS

Number of Securities	25
Currency	CAD
Benchmark	S&P/TSX TR
Inception Date	January 1st, 2000
Strategy Fees	Contact Us
Rebalancing Frequency	Quarterly

PORTFOLIO MANAGER

François Soto CFA, MBA, FRM, CIM
Founder, Portfolio Manager

With more than 15 years of experience in the financial services industry, Francois 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

Phone	(514) 700-1989
Email	info@factorbased.com
Website	www.factorbased.com

DISCLAIMER