CANADIAN EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

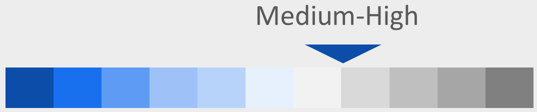
STRATEGY

In seeking to pursue its investment objective, the portfolio is designed to provide exposure to high quality Canadian companies that consistently generate shareholder wealth, while trading at attractive price. This strategy is based on a proprietary multi-factor quantitative model.

OBJECTIVES

1. Target long term capital appreciation among Canadian companies.
2. Consistently deliver performance over the S&P/TSX Total Return Index.
3. Maximize tax efficiency by having a low portfolio turnover ratio.

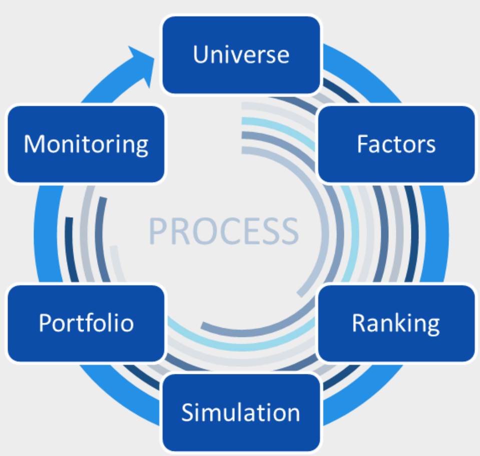
RISK RATING



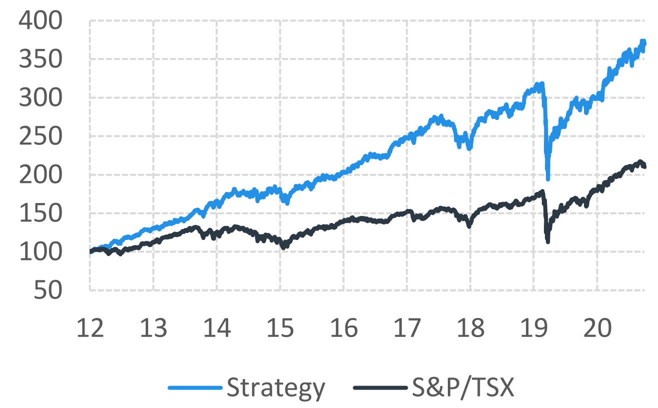
REASONS TO INVEST

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

INVESTMENT PROCESS



AS OF SEPTEMBER 30TH, 2021



PERFORMANCE

Ann. (%)	1M	3M	1Y	3Y	5Y	10Y
Strategy	2.3	2.7	27.0	12.3	13.3	15.7
S&P/TSX	-2.2	0.2	28.0	11.0	9.6	8.8
Difference	4.5	2.5	-1.0	1.3	3.7	6.9

Year (%)	2016	2017	2018	2019	2020	YTD
Strategy	13.5	22.1	-2.4	27.6	-3.2	23.8
S&P/TSX	21.1	9.1	-8.9	22.9	5.6	17.5
Difference	-7.6	13.0	6.5	4.7	-8.8	6.3

Month (%)	Apr	May	Jun	Jul	Aug	Sep
Strategy	3.4	3.1	2.8	-2.0	2.4	2.3
S&P/TSX	2.4	3.4	2.5	0.8	1.6	-2.2
Difference	1.0	-0.3	0.3	-2.8	0.8	4.5

TOP HOLDINGS

Ticker	Company	Weight (%)
TOU:CN	Tourmaline Oil	7.9
OVV:CN	Ovintiv	6.8
ATA:CN	ATS Automation Tooling	4.8
CM:CN	Canadian Imperial Bank	4.3
NA:CN	National Bank of Canada	4.1
STN:CN	Stantec	4.0
FTT:CN	Finning International	4.0
BMO:CN	Bank of Montreal	3.9
IAG:CN	IA Financial	3.8
MTL:CN	Mullen Group	3.8

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RISK STATISTICS

Since Inception	Strategy	S&P/TSX
Ann. Return (%)	16.3	6.8
Standard Dev. (%)	11.5	13.9
Max Drawdown (%)	-39.2	-48.5
Portfolio Turnover	72.2	6.3
Sharpe Ratio	1.2	0.4
Sortino Ratio	1.6	0.5
Index Correlation	0.7	1.0
R-Squared	0.6	1.0
Beta	0.6	1.0
Alpha (%)	9.5	0.0

SECTOR ALLOCATION

Weight (%)	Strategy	S&P/TSX	Deviations
Industrials	20.2	11.5	8.7
Financials	40.4	35.0	5.4
Energy	18.5	13.1	5.4
Staples	7.1	3.7	3.4
Health Care	0.0	1.0	-1.0
Telecom	3.4	4.9	-1.5
Discretionary	0.0	3.6	-3.6
Materials	7.4	11.2	-3.8
Utilities	0.0	4.6	-4.6
Info Tech	0.0	11.5	-11.5

CHARACTERISTICS

Median	Strategy	S&P/TSX
Market Cap ($B)	35.2	3.5
Price / Earnings	11.6	13.8
Price / Book	2.1	2.2
Price / Sales	2.5	2.6
Price / Cash Flow	9.9	9.3
Return on Equity	13.7	10.0
Dividend Yield	2.7	1.3
5Y EPS Growth	8.4	10.9
Debt / Equity	1.3	0.7
5Y Beta	0.9	1.0

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.

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