

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



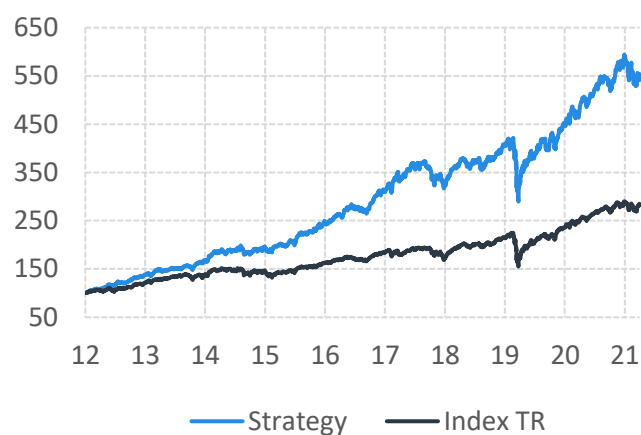
REASONS TO INVEST

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

INVESTMENT PROCESS



AS OF MARCH 31ST, 2022



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

PERFORMANCE

Annualized (%)	1M	3M	1Y	5Y	INC.
Strategy	-0.5	-7.9	13.0	15.6	18.0
Index TR	2.3	-2.0	13.2	10.7	6.0
Difference	-2.8	-5.9	-0.2	4.9	12.0
Yearly (%)	17	18	19	20	22
Strategy	26.8	7.9	21.5	11.0	-7.9
Index TR	13.2	-4.3	22.0	10.1	-2.0
Difference	13.6	12.1	-0.4	0.9	-5.9
Monthly (%)	Nov	Dec	Jan	Feb	Mar
Strategy	3.1	4.7	-4.5	-3.1	-0.5
Index TR	-0.1	3.2	-2.6	-1.6	2.3
Difference	3.2	1.5	-1.9	-1.5	-2.8

TOP HOLDINGS

Ticker	Companies	Weight (%)
HSY	Hershey	5.2
ABBV	AbbVie	4.4
ZIM	ZIM Integrated Shipping	4.2
MSFT	Microsoft	4.0
BMO:CAN	Bank of Montreal	3.8
CM:CAN	Canadian Imperial Bank	3.6
BCE:CAN	BCE	3.5
RY:CAN	Royal Bank of Canada	3.5
KLAC	KLA	3.4
TD:CAN	Toronto-Dominion Bank	3.4

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RISK STATISTICS

Since Inception	Strategy	Index TR
Ann. Return (%)	18.0	6.0
Standard Dev. (%)	11.2	11.9
Max Drawdown (%)	-31.3	-45.9
Portfolio Turnover	62.6	6.0
Sharpe Ratio	1.4	0.4
Sortino Ratio	1.9	0.5
Index Correlation	0.7	1.0
R-Squared	0.5	1.0
Beta	0.7	1.0
Alpha (%)	12.0	0.0

SECTOR ALLOCATION

Weight (%)	Strategy	Index TR	Deviations
Info Tech	30.2	17.8	12.4
Staples	11.2	6.1	5.2
Financials	26.7	23.4	3.3
Health Care	7.2	7.8	-0.6
Industrials	9.8	10.6	-0.8
Materials	6.5	7.4	-0.9
Utilities	0.0	3.4	-3.4
Telecom	3.5	7.1	-3.6
Energy	3.3	6.8	-3.6
Discretionary	0.0	9.6	-9.6

CHARACTERISTICS

Median	Strategy	Index TR
Market Cap (\$B)	251.8	15.3
Price / Earnings	13.3	14.9
Price / Book	3.3	2.6
Price / Sales	3.0	2.6
Price / Cash Flow	16.8	11.5
Return on Equity	22.5	14.0
Dividend Yield	3.8	1.6
5Y EPS Growth	15.7	13.4
Debt / Equity	0.8	0.7
5Y Beta	0.98	1.00

PORTFOLIO FACTS

Number of Securities	30
Currency	CAD
Benchmark	Custom TR
Inception Date	January 1 st , 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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