CANADIAN EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

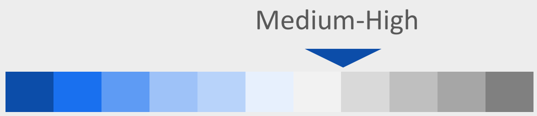
STRATEGY

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.

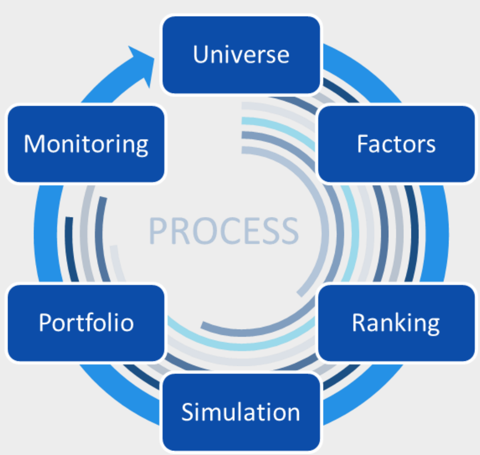
RISK RATING



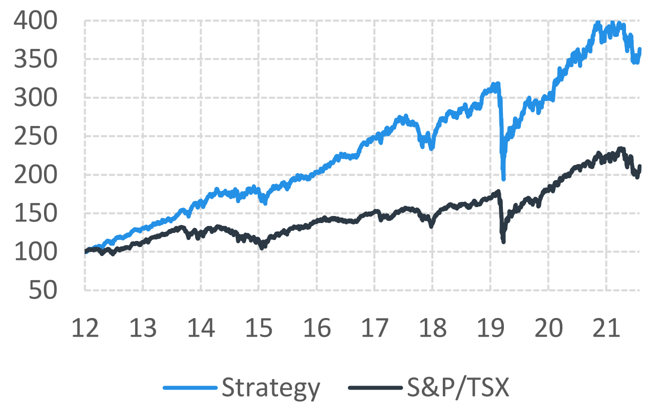
REASONS TO INVEST

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

INVESTMENT PROCESS



AS OF JULY 31ST, 2022



PERFORMANCE

Ann. (%)	1M	3M	1Y	3Y	5Y	10Y
Strategy	3.4	-3.3	3.1	8.2	10.5	14.8
S&P/TSX	4.7	-4.4	-0.2	9.5	8.6	8.6
Difference	-1.3	1.1	3.3	-1.3	1.9	6.2

Year (%)	2017	2018	2019	2020	2021	YTD
Strategy	22.1	-2.4	27.6	-3.2	29.5	-5.9
S&P/TSX	9.1	-8.9	22.9	5.6	25.1	-5.7
Difference	13.0	6.5	4.7	-8.8	4.4	-0.2

Month (%)	Feb	Mar	Apr	May	Jun	Jul
Strategy	-1.1	2.0	-4.2	0.6	-7.0	3.4
S&P/TSX	0.3	4.0	-5.0	0.1	-8.7	4.7
Difference	-1.4	-2.0	0.8	0.5	1.7	-1.3

TOP HOLDINGS

Ticker	Company	Weight (%)
MRU:CAN	Metro	5.1
L:CAN	Loblaw	5.0
CSU:CAN	Constellation Software	4.9
BCE:CAN	BCE	4.8
TIH:CAN	Toromont Industries	4.7
TECK.B:CAN	Teck Resources	4.6
H:CAN	Hydro One	4.6
STN:CAN	Stantec	4.3
TRP:CAN	TC Energy	4.2
CM:CAN	Canadian Imperial Bank	4.0

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RISK STATISTICS

Since Inception	Strategy	S&P/TSX
Ann. Return (%)	15.6	6.5
Standard Dev. (%)	11.6	13.9
Max Drawdown (%)	-39.2	-48.5
Portfolio Turnover	72.2	6.3
Sharpe Ratio	1.2	0.4
Sortino Ratio	1.5	0.5
Index Correlation	0.8	1.0
R-Squared	0.6	1.0
Beta	0.6	1.0
Alpha (%)	9.0	0.0

SECTOR ALLOCATION

Weight (%)	Strategy	S&P/TSX	Deviations
Staples	13.7	4.2	9.5
Utilities	11.8	5.2	6.6
Financials	39.6	34.0	5.6
Telecom	8.7	5.0	3.7
Health Care	0.0	0.3	-0.3
Info Tech	4.9	5.6	-0.8
Discretionary	0.0	3.4	-3.4
Industrials	9.1	12.7	-3.7
Materials	4.6	11.0	-6.4
Energy	4.2	18.5	-14.4

CHARACTERISTICS

Median	Strategy	S&P/TSX
Market Cap ($B)	41.5	3.2
Price / Earnings	15.6	13.9
Price / Book	1.9	1.9
Price / Sales	2.4	2.2
Price / Cash Flow	10.4	8.1
Return on Equity	15.7	12.4
Dividend Yield	3.0	1.7
5Y EPS Growth	10.6	17.4
Debt / Equity	1.5	0.6
5Y Beta	0.7	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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