

# BEST IDEAS EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

**FACTOR-BASED**

## STRATEGY

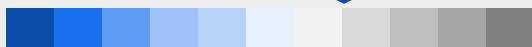
In seeking to pursue its investment objective, the portfolio is designed to provide exposure to high quality companies (10 Canadian, 10 US and 10 International stocks) across all our universes that consistently generate shareholder wealth, while trading at attractive price. This strategy is based on 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

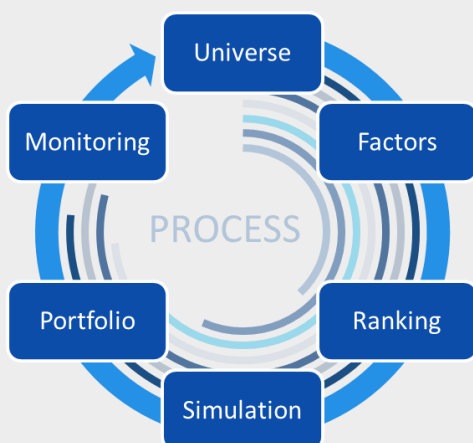
Medium-High



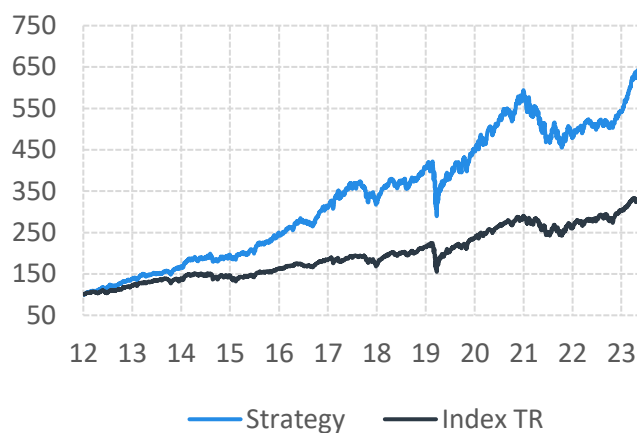
## REASONS TO INVEST

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

## INVESTMENT PROCESS



## AS OF APRIL 30<sup>TH</sup>, 2024



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	1.4	12.1	20.8	10.9	17.1
Index TR	-1.7	5.8	15.4	10.0	6.1
Difference	3.1	6.3	5.5	0.9	10.9
Yearly (%)	19	20	22	23	YTD
Strategy	21.5	11.0	-18.2	12.9	16.5
Index TR	22.0	10.1	-9.1	16.5	7.4
Difference	-0.4	0.9	-9.1	-3.6	9.1
Monthly (%)	Dec	Jan	Feb	Mar	Apr
Strategy	2.9	3.9	5.4	4.9	1.4
Index TR	2.9	1.6	4.1	3.4	-1.7
Difference	0.0	2.4	1.3	1.5	3.1

## TOP HOLDINGS

Ticker	Companies	Weight (%)
VIST	Vista Energy	5.9
KLAC	KLA	5.7
MSFT	Microsoft	4.6
CSU:CAN	Constellation Software	4.5
BAESY	BAE Systems	4.3
HMY	Harmony Gold	4.3
SIL:CAN	SilverCrest Metals	4.0
ABBV	AbbVie	3.9
COST	Costco Wholesale	3.7
CEU:CAN	CES Energy Solutions	3.6

### RISK STATISTICS

Since Inception	Strategy	Index TR
Ann. Return (%)	17.1	6.1
Standard Dev. (%)	11.3	12.0
Max Drawdown (%)	<b>-31.3</b>	<b>-45.9</b>
Portfolio Turnover	62.6	6.0
Sharpe Ratio	1.3	0.4
Sortino Ratio	1.8	0.5
Index Correlation	0.7	1.0
R-Squared	0.5	1.0
Beta	0.7	1.0
Alpha (%)	10.9	0.0

### SECTOR ALLOCATION

Weight (%)	Strategy	Index TR	Deviations
Staples	20.6	5.9	14.7
Info Tech	29.0	16.9	12.1
Materials	17.7	7.2	10.4
Energy	14.2	9.4	4.8
Health Care	8.5	7.3	1.2
Utilities	0.0	3.0	<b>-3.0</b>
Telecom	0.0	5.8	<b>-5.8</b>
Industrials	4.3	12.1	<b>-7.8</b>
Discretionary	0.0	8.6	<b>-8.6</b>
Financials	5.0	23.7	<b>-18.7</b>

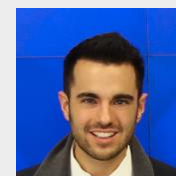
### CHARACTERISTICS

Median	Strategy	Index TR
Market Cap (\$B)	22.5	15.2
Price / Earnings	15.1	13.5
Price / Book	3.8	2.4
Price / Sales	2.2	2.0
Price / Cash Flow	17.5	11.9
Return on Equity	30.2	12.3
Dividend Yield	1.4	2.0
5Y EPS Growth	17.3	9.1
Debt / Equity	0.6	0.7
5Y Beta	0.88	1.01

### PORTFOLIO FACTS

Number of Securities	30
Currency	CAD
Benchmark	Custom TR
Inception Date	January 1 <sup>st</sup> , 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

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