CANADIAN EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

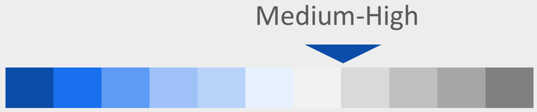
STRATEGY

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 prices. 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.

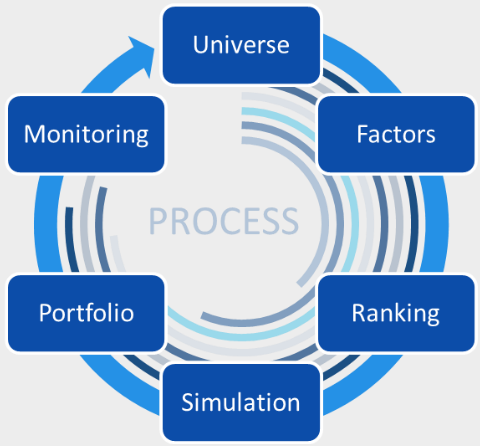
RISK RATING



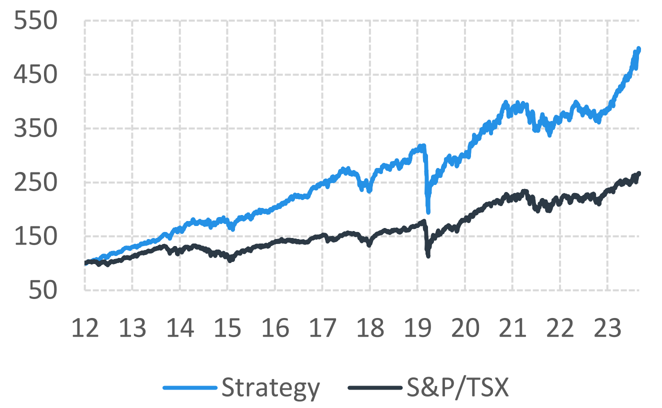
REASONS TO INVEST

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

INVESTMENT PROCESS



AS OF AUGUST 31ST, 2024



PERFORMANCE

Ann. (%)	1M	3M	1Y	3Y	5Y	10Y
Strategy	1.0	11.8	32.3	11.3	11.8	12.5
S&P/TSX	1.2	5.7	18.8	7.6	10.6	7.3
Difference	-0.2	6.1	13.5	3.7	1.2	5.2

Year (%)	2019	2020	2021	2022	2023	YTD
Strategy	27.6	-3.2	29.5	-6.2	6.9	28.5
S&P/TSX	22.9	5.6	25.1	-5.8	11.8	13.7
Difference	4.7	-8.8	4.4	-0.4	-4.9	14.8

Month (%)	Mar	Apr	May	Jun	Jul	Aug
Strategy	2.1	2.1	4.2	2.9	7.5	1.0
S&P/TSX	4.1	-1.8	2.8	-1.4	5.9	1.2
Difference	-2.0	3.9	1.4	4.3	1.6	-0.2

TOP HOLDINGS

Ticker	Company	Weight (%)
CSU:CAN	Constellation Software	7.2
CEU:CAN	CES Energy Solutions	6.0
L:CAN	Loblaw	5.5
FFH:CAN	Fairfax Financial	5.3
CWB:CAN	Canadian Western Bank	4.9
DOL:CAN	Dollarama	4.8
DPM:CAN	Dundee Precious Metals	4.5
X:CAN	TMX Group	4.3
CG:CAN	Centerra Gold	4.2
IAG:CAN	iA Financial	4.1

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RISK STATISTICS

Since Inception	Strategy	S&P/TSX
Ann. Return (%)	15.6	7.0
Standard Dev. (%)	11.4	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 (%)	8.6	0.0

SECTOR ALLOCATION

Weight (%)	Strategy	S&P/TSX	Deviations
Materials	24.8	12.3	12.5
Staples	13.9	4.2	9.7
Telecom	3.1	3.1	0.0
Health Care	0.0	0.3	-0.3
Info Tech	7.2	8.4	-1.2
Financials	32.3	33.7	-1.4
Energy	15.4	17.5	-2.0
Discretionary	0.0	3.5	-3.5
Utilities	0.0	3.8	-3.8
Industrials	3.0	13.3	-10.4

CHARACTERISTICS

Median	Strategy	S&P/TSX
Market Cap ($B)	20.4	3.6
Price / Earnings	10.0	13.3
Price / Book	2.5	1.9
Price / Sales	1.4	1.9
Price / Cash Flow	8.5	9.8
Return on Equity	16.8	8.7
Dividend Yield	2.4	1.7
5Y EPS Growth	17.3	10.8
Debt / Equity	0.5	0.5
5Y Beta	1.1	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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