

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 OCTOBER 31ST, 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	3.0	45.8	14.3	17.4
Index TR	0.8	4.2	33.3	12.4	6.5
Difference	0.6	-1.2	12.5	1.9	10.9
Yearly (%)	19	20	22	23	YTD
Strategy	21.5	11.0	-18.2	12.9	36.3
Index TR	22.0	10.1	-9.1	16.5	21.1
Difference	-0.4	0.9	-9.1	-3.6	15.2
Monthly (%)	Jun	Jul	Aug	Sep	Oct
Strategy	1.5	5.5	2.0	-0.3	1.4
Index TR	1.2	3.8	0.6	2.8	0.8
Difference	0.4	1.8	1.4	-3.1	0.6

TOP HOLDINGS

Ticker	Companies	Weight (%)
MSI	Motorola Solutions	5.6
PGR	Progressive	5.5
HMY	Harmony Gold Mining	4.9
FVI:CAN	Fortuna Mining	4.5
ALLE	Allegion	4.4
CM:CAN	Canadian Imperial Bank	4.4
CEU:CAN	CES Energy Solutions	4.2
BABA	Alibaba Group	4.2
ABBV	AbbVie	4.1
SIL:CAN	SilverCrest Metals	3.9

RISK STATISTICS

Since Inception	Strategy	Index TR
Ann. Return (%)	17.4	6.5
Standard Dev. (%)	11.3	11.9
Max Drawdown (%)	-31.3	-45.9
Portfolio Turnover	62.6	6.0
Sharpe Ratio	1.3	0.4
Sortino Ratio	1.8	0.6
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
Materials	28.5	7.2	21.3
Staples	20.0	5.8	14.1
Info Tech	20.0	17.6	2.3
Health Care	7.6	7.4	0.2
Energy	5.6	8.5	-2.9
Utilities	0.0	3.2	-3.2
Telecom	0.0	5.7	-5.7
Discretionary	0.0	8.0	-8.0
Financials	15.6	24.7	-9.1
Industrials	0.0	11.8	-11.8

CHARACTERISTICS

Median	Strategy	Index TR
Market Cap (\$B)	16.8	17.0
Price / Earnings	13.3	14.9
Price / Book	3.4	2.6
Price / Sales	2.0	2.2
Price / Cash Flow	13.4	12.7
Return on Equity	27.0	12.1
Dividend Yield	2.1	1.9
5Y EPS Growth	13.1	8.9
Debt / Equity	0.5	0.7
5Y Beta	0.94	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.

CONTACT

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