

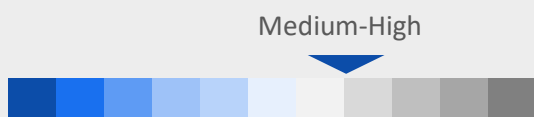
## STRATEGY

In seeking to pursue its investment objective, the portfolio is designed to provide exposure to high quality US Large Caps 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 US Large Cap companies.
2. Consistently deliver performance over the S&P 500 Total Return Index.
3. Maximize tax efficiency by having a low portfolio turnover ratio.

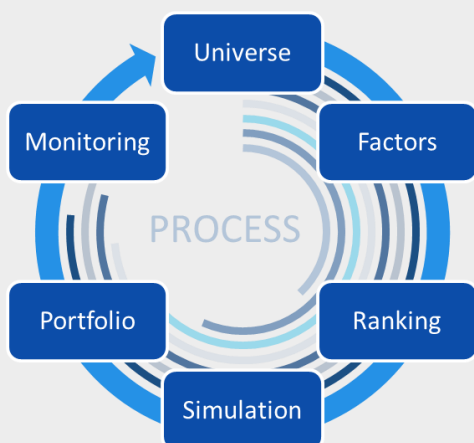
## RISK RATING



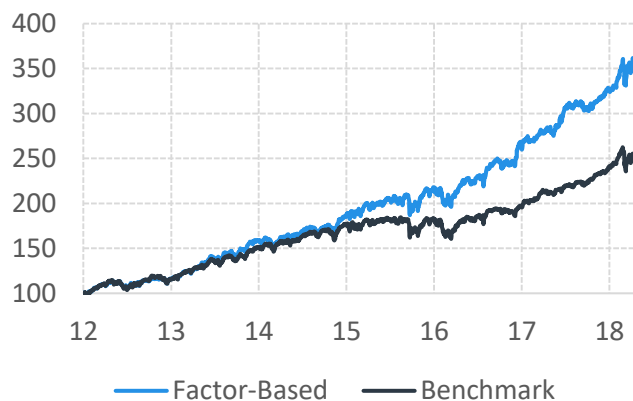
## REASONS TO INVEST

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

## INVESTMENT PROCESS



## AS OF APRIL 30<sup>TH</sup>, 2018



## PERFORMANCE (%) [see disclaimer]

Annualized (%)	1M	3M	1Y	5Y	SI
Factor-Based	0.9	-2.1	21.5	20.8	17.2
Benchmark	0.4	-5.8	13.3	13.0	5.3
Difference	0.5	3.7	8.3	7.8	11.9
Yearly (%)	14	15	16	17	YTD
Factor-Based	16.0	13.3	25.7	22.6	5.3
Benchmark	13.7	1.4	12.0	21.8	-0.4
Difference	2.4	11.9	13.8	0.8	5.7
Monthly (%)	Dec	Jan	Feb	Mar	Apr
Factor-Based	0.3	7.6	-1.1	-1.8	0.9
Benchmark	1.1	5.7	-3.7	-2.5	0.4
Difference	-0.8	1.8	2.5	0.8	0.5

## TOP 10 HOLDINGS (%)

Ticker	Sector	Weight
HUM	Health Care	5.7
INTU	Info Tech	5.2
NTAP	Info Tech	5.2
EL	Staples	5.0
UNH	Health Care	4.8
MU	Info Tech	4.7
TPR	Discretionary	4.6
JCI	Industrials	4.3
MSI	Info Tech	4.1
ACN	Info Tech	4.0

### RISK STATISTICS

Since Inception	Factor-Based	Benchmark
Ann. Return (%)	17.2	5.3
Standard Dev. (%)	12.5	14.5
Max Drawdown (%)	<b>-38.4</b>	<b>-55.3</b>
Portfolio Turnover	53.5	4.2
Sharpe Ratio	1.2	0.3
Sortino Ratio	1.6	0.4
Index Correlation	0.8	1.0
R-Squared	0.7	1.0
Beta	0.7	1.0
Alpha (%)	11.9	0.0

### SECTOR ALLOCATION (%)

Weights	Factor-Based	Benchmark	Deviations
Info Tech	38.5	24.9	13.7
Health Care	24.9	13.7	11.2
Staples	12.8	7.7	5.1
Discretionary	16.2	12.7	3.5
Telecom	0.0	1.9	<b>-1.9</b>
Materials	0.0	2.9	<b>-2.9</b>
Utilities	0.0	2.9	<b>-2.9</b>
Industrials	7.2	10.2	<b>-3.0</b>
Energy	0.0	5.7	<b>-5.7</b>
Financials	0.0	17.5	<b>-17.5</b>

### CHARACTERISTICS

Median Value	Factor-Based	Benchmark
Market Cap (\$B)	40.5	20.9
Price / Earnings	15.4	15.7
Price / Book	6.7	3.2
Price / Sales	2.8	2.6
Price / Cash Flow	21.1	14.9
Return on Equity	23.9	15.2
Dividend Yield	2.3	1.9
5Y EPS Growth	5.8	10.6
Debt / Equity	0.7	0.8
5Y Beta	1.03	1.01

### PORTFOLIO FACTS

Number of Securities	25
Currency	USD
Benchmark	S&P 500 TR
Inception Date	January 1 <sup>st</sup> , 2000
Strategy Fees	Contact Us
Rebalancing Frequency	Quarterly

### PORTFOLIO MANAGER

William Tremblay CFA, MBA, FRM, CIM  
Senior Vice President, Portfolio Manager



With more than 10 years of experience in the financial services industry, William 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

Phone	514.700.1989
Email	info@factorbased.com
Website	www.factorbased.com

### DISCLAIMER

The term Model Portfolio Strategy (Strategy) is a non-registered trademark of Factor-Based (FB) Inc. S&P/TSX Total Return and S&P 500 Total Return are trademarks of S&P Global Inc. and MSCI ACWI Ex US Total Return is a trademark of MSCI Inc. This Strategy is not sponsored, endorsed, sold or promoted by any of its aforementioned trademark owners or their respective affiliates make no representation, warranty or condition regarding the advisability of buying, selling or holding shares in this Strategy.

This report is prepared solely for information purposes in connection with this Strategy. Historical returns shown are simulated. They are gross of management fees and do not consider brokerage commissions. They are calculated on a total return basis and annualized for all periods greater than one year. Past performance is not necessarily an indicator of future performance. The performance shown as indicated above and may not reflect the actual performance of clients following the Strategy.

FB makes every effort to ensure that the contents have been compiled or derived from sources believed reliable. However, FB makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions which may be contained herein and accepts no liability whatsoever for any loss arising from any use of or reliance on this report or its contents. Additional information may be available to FB or its affiliates, which is not reflected herein.

This report is not to be construed as an offer to sell, or solicitation for, or an offer to buy, any securities. FB, its affiliates and/ or their respective officers, directors or employees may from time to time acquire, hold or sell securities mentioned herein as principal or agent. This communication does not constitute any offer or solicitation to residents of the U.S. or to anyone in a jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such a solicitation.