

# INTERNATIONAL EQUITY

## FACTOR-BASED MODEL PORTFOLIO STRATEGY



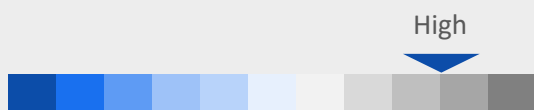
### STRATEGY

In seeking to pursue its investment objective, the portfolio is designed to provide exposure to high quality companies across the world 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 companies across the world.
2. Consistently deliver performance over the MSCI ACWI Ex US TR Index.
3. Maximize tax efficiency by having a low portfolio turnover ratio.

### RISK RATING



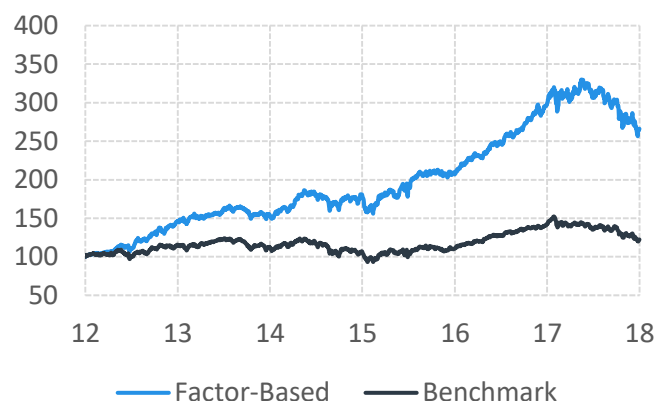
### REASONS TO INVEST

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

### INVESTMENT PROCESS



### AS OF DECEMBER 31<sup>TH</sup>, 2018



### PERFORMANCE (%) [see disclaimer]

Annualized (%)	1M	3M	1Y	5Y	SI
Factor-Based	-5.2	-11.4	-10.4	12.7	18.6
Benchmark	-4.5	-11.4	-13.8	1.1	3.4
Difference	-0.7	0.0	3.4	11.5	15.2
Yearly (%)	14	15	16	17	YTD
Factor-Based	4.6	16.5	16.0	43.3	-10.4
Benchmark	-3.4	-5.3	5.0	27.8	-13.8
Difference	8.0	21.7	11.0	15.6	3.4
Monthly (%)	Aug	Sep	Oct	Nov	Dec
Factor-Based	-3.5	-2.4	-7.5	1.0	-5.2
Benchmark	-2.1	0.5	-8.1	1.0	-4.5
Difference	-1.4	-2.9	0.6	0.0	-0.7

### TOP 10 HOLDINGS (%)

Ticker	Sector	Weight
OEC	Materials	6.8
BHP	Materials	6.5
CCEP	Staples	6.3
SEDG	Info Tech	5.9
CEO	Energy	5.5
ORBK	Info Tech	5.3
BSBR	Financials	4.5
RHHBY	Health Care	4.2
RIO	Materials	4.2
ALV	Discretionary	4.2

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### RISK STATISTICS

Since Inception	Factor-Based	Benchmark
Ann. Return (%)	18.6	3.4
Standard Dev. (%)	17.1	16.9
Max Drawdown (%)	-48.5	-60.6
Portfolio Turnover	70.9	7.4
Sharpe Ratio	1.0	0.2
Sortino Ratio	1.4	0.2
Index Correlation	0.9	1.0
R-Squared	0.8	1.0
Beta	0.9	1.0
Alpha (%)	15.2	0.0

### SECTOR ALLOCATION (%)

Weights	Factor-Based	Benchmark	Deviations
Materials	29.4	7.8	21.6
Telecom	10.1	3.9	6.1
Info Tech	14.7	11.8	2.9
Energy	9.1	7.3	1.8
Health Care	10.4	8.6	1.8
Staples	9.1	9.6	-0.5
Discretionary	10.3	10.8	-0.6
Utilities	0.0	3.1	-3.1
Industrials	0.0	11.9	-11.9
Financials	4.5	25.2	-20.8

### CHARACTERISTICS

Median	Factor-Based	Benchmark
Market Cap (\$B)	40.2	9.5
Price / Earnings	9.0	12.7
Price / Book	2.0	2.0
Price / Sales	1.7	1.4
Price / Cash Flow	10.4	9.4
Return on Equity	14.9	12.4
Dividend Yield	3.8	2.6
5Y EPS Growth	2.8	6.8
Debt / Equity	0.4	0.6
5Y Beta	0.96	1.00

### PORTFOLIO FACTS

Number of Securities	25
Currency	USD
Benchmark	MSCI ACWI Ex US
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.

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