

CANADIAN EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY



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 price. 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



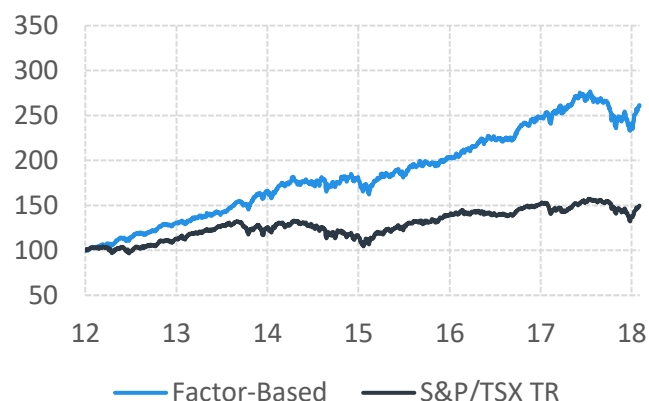
REASONS TO INVEST

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

INVESTMENT PROCESS



AS OF JANUARY 31TH, 2019



PERFORMANCE (%) [see disclaimer]

Annualized (%)	1M	3M	1Y	5Y	SI
Factor-Based	8.3	8.0	4.3	14.8	16.7
S&P/TSX TR	8.7	4.3	0.5	5.6	5.9
Difference	-0.4	3.7	3.8	9.2	10.8

Yearly (%)	15	16	17	18	YTD
Factor-Based	7.7	13.5	22.1	-2.4	8.3
S&P/TSX TR	-8.3	21.1	9.1	-8.9	8.7
Difference	16.0	-7.6	13.0	6.5	-0.4

Monthly (%)	Sep	Oct	Nov	Dec	Jan
Factor-Based	-2.5	-7.0	4.3	-4.5	8.3
S&P/TSX TR	-0.9	-6.3	1.4	-5.4	8.7
Difference	-1.7	-0.7	3.0	0.9	-0.4

TOP 10 HOLDINGS (%)

Ticker	Sector	Weight
CSU:CN	Info Tech	7.8
AC:CN	Industrials	5.2
L:CN	Staples	5.0
QBR.B:CN	Telecom	4.5
FSV:CN	Financials	4.3
OTEX:CN	Info Tech	4.3
GIB.A:CN	Info Tech	4.2
MRU:CN	Staples	4.1
TECK.B:CN	Materials	4.0
BMO:CN	Financials	4.0

RISK STATISTICS

Since Inception	Factor-Based	S&P/TSX TR
Ann. Return (%)	16.7	5.9
Standard Dev. (%)	10.7	13.5
Max Drawdown (%)	-34.0	-48.5
Portfolio Turnover	72.2	6.3
Sharpe Ratio	1.3	0.3
Sortino Ratio	1.8	0.4
Index Correlation	0.7	1.0
R-Squared	0.5	1.0
Beta	0.6	1.0
Alpha (%)	10.8	0.0

SECTOR ALLOCATION (%)

Weights	Factor-Based	S&P/TSX TR	Deviations
Info Tech	16.3	4.0	12.3
Telecom	12.4	6.0	6.4
Staples	9.1	4.0	5.1
Materials	14.0	11.3	2.6
Discretionary	6.4	4.3	2.1
Industrials	12.8	10.8	2.0
Utilities	3.3	4.1	-0.9
Health Care	0.0	1.6	-1.6
Energy	3.5	17.8	-14.3
Financials	19.5	36.1	-16.6

CHARACTERISTICS

Median	Factor-Based	S&P/TSX TR
Market Cap (\$B)	20.1	3.4
Price / Earnings	13.9	15.0
Price / Book	2.6	1.8
Price / Sales	1.8	1.9
Price / Cash Flow	8.7	9.4
Return on Equity	20.1	8.9
Dividend Yield	2.3	1.7
5Y EPS Growth	18.8	12.6
Debt / Equity	1.1	0.6
5Y Beta	0.62	1.00

PORTFOLIO FACTS

Number of Securities	25
Currency	CAD
Benchmark	S&P/TSX TR
Inception Date	January 1 st , 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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