

September 30, 2023

Quarterly Commentary

Performance

	1 M	YTD	3M	6M	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Portfolio	-2.8%	1.2%	-2.3%	-1.0%	8.9%	6.3%	4.9%	6.6%	7.1%
Benchmark	-3.3%	3.4%	-2.2%	-1.1%	9.5%	9.9%	7.3%	7.5%	7.5%

Source: FactSet. Performance as of September 30, 2023.

The top performers in the Canadian Growth Guided Portfolio were **Tamarack Valley Energy (TVE-CA)**, **Canadian Natural Resources (CNQ-CA)**, and **WSP Global (WSP-CA)**, with price returns in the quarter of 21.5%, 17.9%, and 9.5%, respectively.

TVE-CA despite missing consensus estimates on oil production, followed energy prices higher. Additionally, during the earnings call, management also noted free funds flow is expected to increase in the second half of 2023 due to tighter Western Canadian Select (WCS) differentials, and benefits from its operating/infrastructure initiatives. CNQ-CA benefited from WTI price trends which rallied on news of lower inventory levels and OPEC+ cuts to production. Additionally, the company reported Q2/23 earnings in August that beat on sales and EPS estimates. WSP-CA reported financial results in August, which beat on sales and EPS estimates, with a positive price impact of 2.6%. This helped lift the stock for the remainder of the quarter showing investor sentiment remained positive.

Conversely, the bottom three performers were **Park Lawn (PLC-CA)**, **StorageVault (SVI-CA)**, and **Northland Power (NPI-CA)**, which declined 23.2%, 22.7%, and 19.9% respectively, during the quarter.

PLC-CA declined mostly after reported earnings in August that had mixed results. The company missed sales, EBITDA, and GAAP EPS estimates. The results did little to lift sentiment declining 1.1% post release, and another ~19% for the rest of the quarter. SVI-CA had a difficult quarter after reporting Q2/23 earnings results in July that missed on sales and NOI estimates by 3.1% and 2.7%, respectively. After the earnings announcement, the price declined 9.3% and remained lower for the rest of the quarter. NPI declined following earnings news in August, with Q2/23 results showing relative declines to the previous year as regulatory changes in Spain contributed to its onshore segment EBITDA declining by CAD \$41 mln y/y. Management also noted that it expects EBITDA and free cash flows to come in at the low end of their previous guidance ranges.

Trades

No trades in Q3/23.

Investment Team

Larbi Moumni, CFA®
Peter Tewolde

Available on Partners Program?

No

Objective

The Canadian Growth Guided Portfolio is designed to satisfy the long-term return requirements and risk tolerances of investors whose primary objective is capital appreciation.

Investment Philosophy

Buying high-quality businesses across the investment universe. Quality businesses are sector/industry-leaders that have a solid competitive position, a robust financial profile, and a strong management team.

Investment Process

Multi-disciplined investment approach with a particular focus on capital appreciation

Portfolio Inception

January 2, 2012

Benchmark

S&P/TSX Composite Total Return Index

Top 10 Holdings

Toronto-Dominion Bank (TD-CA)
Canadian Natural (CNQ-CA)
Wsp Global (WSP-CA)
Enbridge (ENB-CA)
Brookfield (BN-CA)
Intact Financial (IFC-CA)
Wheaton Precious Metals (WPM-CA)
Constellation Software Ca (CSU-CA)
Alimentation Couche-Tard (ATD-CA)
Teck Resources (TECK.B-CA)

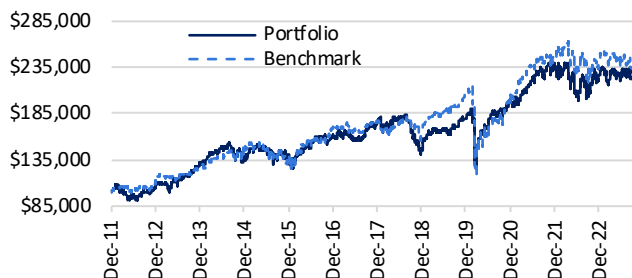
Please read domestic and foreign disclosure/risk information beginning on page 5.

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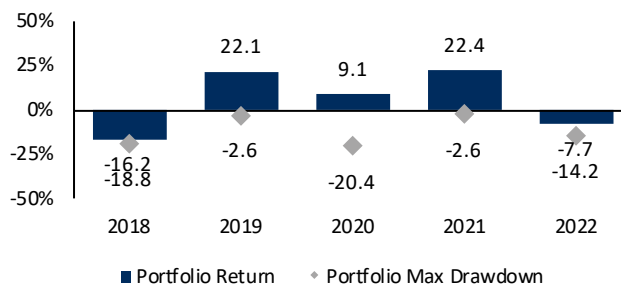
Portfolio Characteristics

Growth of \$100,000 – Since Inception



Source: FactSet, Raymond James.

Calendar Year Return and Max Drawdown



Source: FactSet, Raymond James.

Portfolio Statistics

Fundamentals

Market Capitalization (mlns)	\$47,926
Price/ Earnings	17.7x
Price / Book	2.1x
ROIC	8.7%
Est 3-5 Yr EPS Growth	13.8%
Sustainalytics ESG Score	23.2

Dividends

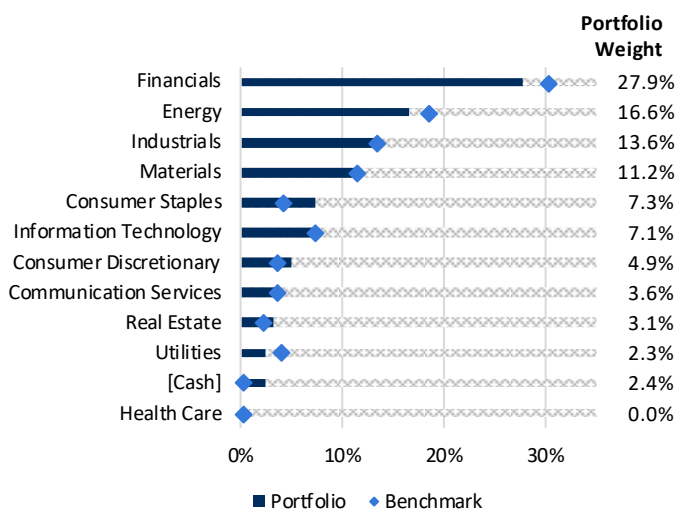
Forecasted 1yr DPS Growth	4.0%
Indicated Dividend Yield	2.4%
Cost Yield (%)	4.0%

Risk Stats

Sharpe	0.32
Beta	0.86
Standard Deviation	12.6%

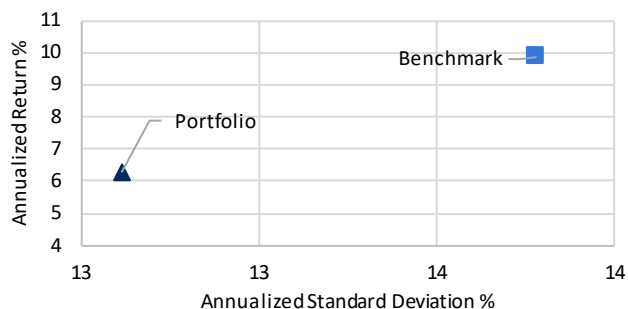
Source: FactSet, Raymond James. Market cap is a weighted average. Risk stats use 3 year annualized daily performance numbers.

Sector Allocation



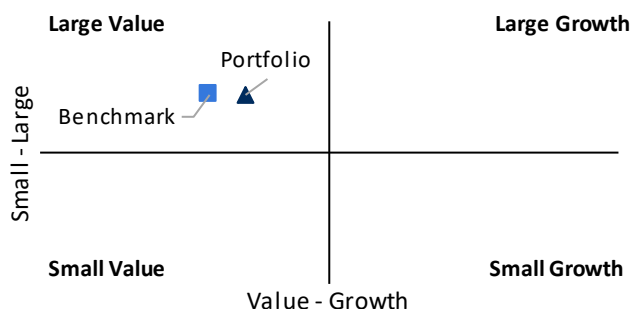
Source: FactSet, Raymond James.

Risk/Return Profile



Source: FactSet, Raymond James; Risk/return uses 3 year annualized daily performance numbers.

Style Box Chart



Source: FactSet, Raymond James; 3 year annualized daily performance numbers; Large Value = Russell 1000 Value, Large Growth = Russell 1000 Growth, Small Value = Russell 2000 Value, and Small Growth = Russell 2000 Growth.

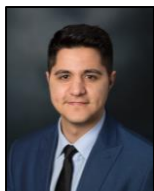
Portfolio Holdings

	Ticker-Region	Date Added	Price Added	End of Month Price	Indicated Yield	Port. Weight
Total					2.4%	100.0%
Communication Services						3.6%
Quebecor	QBR.B-CA	3/13/2019	\$ 31.36	\$ 30.89	4.1%	3.6%
Consumer Discretionary						4.9%
Dollarama	DOL-CA	1/20/2015	\$ 20.18	\$ 87.61	0.3%	3.5%
Park Lawn	PLC-CA	5/28/2018	\$ 24.20	\$ 22.34	2.4%	1.4%
Consumer Staples						7.3%
Alimentation Couche-Tard	ATD-CA	1/17/2019	\$ 35.90	\$ 70.66	0.8%	3.8%
Jamieson Wellness	JWEL-CA	7/24/2020	\$ 37.29	\$ 25.75	3.1%	1.1%
Loblaws Compan	L-CA	3/25/2020	\$ 67.21	\$ 117.33	1.5%	2.4%
Energy						16.6%
Canadian Natural	CNQ-CA	1/13/2021	\$ 33.52	\$ 87.42	4.1%	7.5%
Enbridge	ENB-CA	4/28/2022	\$ 57.10	\$ 47.44	7.9%	4.7%
Tamarack Valley Energy	TVE-CA	1/27/2022	\$ 4.52	\$ 3.65	3.8%	2.6%
Tourmaline Oil	TOU-CA	9/29/2022	\$ 72.87	\$ 69.29	1.5%	1.8%
Financials						27.9%
Brookfield	BN-CA	7/23/2015	\$ 23.88	\$ 46.12	0.9%	4.6%
Brookfield Asset Management	BAM-CA	12/12/2022	\$ 44.77	\$ 46.69	3.8%	1.2%
goeasy	GSY-CA	1/13/2021	\$ 94.71	\$ 126.26	3.6%	3.1%
Intact Financial	IFC-CA	3/13/2019	\$ 110.88	\$ 190.50	2.2%	4.6%
TMX Group	X-CA	3/25/2020	\$ 105.01	\$ 29.90	2.5%	3.2%
Toronto-Dominion Bank	TD-CA	2/21/2020	\$ 75.77	\$ 82.42	4.7%	8.5%
Trisura Group	TSU-CA	6/21/2017	\$ 5.48	\$ 32.05		2.7%
Industrials						13.6%
Brookfield Bus	BBUC-CA	3/15/2022	\$ 37.87	\$ 23.87	1.4%	1.5%
Canadian Pacific Kansas City	CP-CA	5/29/2019	\$ 59.80	\$ 107.26	0.8%	3.2%
GFL Environmental	GFL-CA	1/13/2021	\$ 37.10	\$ 43.79	0.2%	2.2%
Savaria	SIS-CA	9/16/2020	\$ 15.39	\$ 16.10	3.7%	1.6%
WSP Global	WSP-CA	1/17/2019	\$ 63.28	\$ 189.26	0.8%	5.0%
Information Technology						7.1%
Constellation Software CA	CSU-CA	4/28/2022	\$ 2,070.34	\$ 2,775.5	0.2%	4.1%
Shopify	SHOP-CA	3/25/2020	\$ 63.45	\$ 89.89		2.9%
Materials						11.2%
Champion Iron	CIA-CA	1/27/2022	\$ 5.37	\$ 5.28	3.7%	1.8%
MAG Silver	MAG-CA	6/5/2020	\$ 16.66	\$ 15.38		1.4%
Teck Resources	TECK.B-CA	1/13/2021	\$ 24.15	\$ 55.88	0.9%	3.6%
Wheaton Precious Metals	WPM-CA	9/20/2019	\$ 36.39	\$ 58.94	1.5%	4.4%
Real Estate						3.1%
Minto Apartment REIT	MI.UT-CA	5/31/2019	\$ 19.71	\$ 13.27	3.6%	1.9%
StorageVault Canada	SVI-CA	5/28/2018	\$ 2.44	\$ 4.58	0.3%	1.1%
Utilities						2.3%
Boralex	BLX-CA	6/5/2020	\$ 28.83	\$ 32.78	2.3%	1.0%
Northland Power	NPI-CA	6/4/2014	\$ 17.91	\$ 25.55	5.4%	1.3%
[Cash]						2.4%

Source: FactSet, Raymond James

Investment Team

The Canadian Growth Guided Portfolio is managed by Larbi Moumni, Head of Portfolio Advisory & Portfolio Manager.



Larbi Moumni, CFA®, VP, Head of Portfolio Advisory & Portfolio Manager

As Head of Portfolio Advisory, Larbi Moumni has been a key contributor to Raymond James since 2015, holding the position of Portfolio Manager for the equity, fixed income, and balanced Raymond James Managed Portfolios. Since joining Raymond James, Larbi has been an integral part of the advisory channel, addressing equity-related inquiries, offering portfolio construction solutions, and writing insightful portfolio analyses. As a Portfolio Manager, Larbi is responsible for stock selection, equity idea generation, due diligence on portfolio holdings, and daily operations of the Guided Portfolios, while also shaping and executing their investment strategies. Prior to Raymond James, Larbi worked as a Debt Capital Markets Analyst at JLL, managing commercial real estate debt placements, and previously worked as a Market Analyst at Brookfield Renewable Energy, focusing on power generation and infrastructure projects. Larbi holds a Bachelor of International Business from Carleton University's Sprott School of Business, is a CFA charterholder, and a registered portfolio manager.



Peter Tewolde, Senior Equity Specialist

Senior Equity Specialist Peter Tewolde has over five years of combined experience in analyzing equity and real estate investments. He played an integral part in the underwriting process of over \$250 million in real estate development projects throughout his career. Peter holds a Bachelor of Commerce from Carleton University and an accounting diploma from Humber College. He is also a Level 2 CFA candidate and aspires to become a CFA charterholder.



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