



# Low Volatility Canadian Equity

## Summary

This quantitative strategy aims to outperform the S&P/TSX Index over the mid to long term, with lower volatility and an attractive current yield.

Style	Quantitative
Process	Bottom-up fundamental
Horizon	Mid to long term
Benchmark	S&P/TSX Capped
Value-added objective	0.9% over market cycle (before management fees)
Market cap	More than \$500 M
Turnover	40% on average

## Why invest in this strategy

- Approach focused on the most defensive sectors for better capital preservation
- Disciplined investment process that combines quantitative filters and fundamental analysis performed by the managers
- Potential for annualized returns exceeding that of the benchmark
- Consistently generates lower volatility than the index
- Dividend yield exceeding that of the index
- Stable, experienced management team

## Investment Philosophy

Several empirical studies show that it is possible to build an equity portfolio that minimizes risk without sacrificing returns. According to modern portfolio theory, this is a market anomaly. The objective of the Optimum Low Volatility Canadian Equity strategy is to exploit this market anomaly by applying a bottom-up selection approach to the securities in the S&P/TSX Index. The integration of environmental, social and governance (ESG) factors is taken into account in the investment process. The strategy outperforms mainly during market downturns.

## Investment Process

### ANALYSIS



### PORTFOLIO CONSTRUCTION

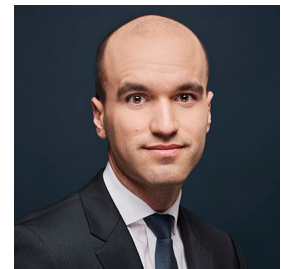
The authorized investment universe is the S&P/TSX Index. The investment constraints are as follows:

- Market capitalization > \$500 million
- Dividend-yielding securities
- Sectorial limit
- Beta below market
- Overweight in defensive sectors

## Management Team



**Martin Delage**  
CFA, M. Fin.  
**Canadian Chief Investment Officer**  
29 years of experience



**Nicolas Poirier**  
CFA, M. Fin.  
**Director, Equities**  
8 years of experience