

STRATEGY PHILOSOPHY

The Global Equity strategy aims to hold a concentrated portfolio comprised of high quality global companies. These companies offer excellent profitability, low debt levels and generate important cash flows. We believe the return on capital invested in a company determines the growth of its intrinsic value and that in the long term, the share price will follow this value. We avoid companies that are unprofitable, cyclical and have too much debt. Our long term investment horizon allows us to maintain a low portfolio turnover rate.

Integration of environmental, social and governance factors (ESG) is taken into account throughout the investment process.

The fund’s objective is to outperform the MSCI World (Net) in Canadian dollars by 1.50% annually for 4-year moving periods, with lower volatility than the benchmark.



KEY POINTS

Style	Active management
Process	Bottom-up and top-down approach
Investment Horizon	3 to 5 years
Benchmark Index	MSCI World (Net) CAD
Value Added Objective	1.50% value added over a cycle
Cash	Maximum 10% of the portfolio
Number of Securities	75 to 80
Maximum Weighting	5% per security
Regional Deviation	United States + 20 - 20 Europe + 15 - 15 Asia + 10 - 10

RISK MEASURES

	Since Inception*
Information Ratio	-0.34
Sharpe Ratio	0.52
Bull Capture	97%
Bear Capture	101%
Bull Batting Average	37%
Bear Batting Average	47%
Beta	1.00

The risk measures as of December 31, 2020.
 * Mandate inception date: December 2008.

PORTFOLIO CONSTRUCTION

A bottom-up approach allows us to actively manage our choice of U.S. and European securities. The country selection for the Asian portion of the portfolio is based on a top-down approach.	
Bottom-up Approach	United States: Portfolio comprised of 35 equally weighted securities selected amongst the best American companies while emphasizing capital return, stability and low debt. In general, the companies are part of the Russell 1000 Index. Europe: Portfolio comprised of 40 equally weighted securities selected amongst the best European companies while emphasizing capital return, stability and low debt. The companies are selected amongst 15 countries, including Switzerland and Great Britain.
Top-down Approach	Asia: Selection of countries with index participation units. Decision making is backed by a fundamental analysis of macro economic factors and by technical analysis and market sentiment quantitative models.