

Canadian Focus Private Portfolio



Q1 2022

Management Philosophy

The Canadian Focus Private Portfolio uses quantitative measures to identify stocks offering growth at a reasonable price.

- › Portfolio is constructed with a maximum of 25 Canadian securities that have strong relative earnings momentum, dividend growth and are trading at reasonable valuation.
- › Portfolio aims to be 100% invested and can use up to 20% ETFs for diversification
- › All holdings must have adequate liquidity
- › All holdings must have a dividend

Top Holdings (49.2% of total portfolio)

Symbol	Description	Portfolio Weight	Income Yield
CNQ	CANADIAN NATURAL RESOURCES	5.9%	3.9%
NTR	NUTRIEN LTD	5.7%	1.9%
SU	SUNCOR ENERGY INC	5.0%	2.9%
L	LOBLAWS COMPANIES LTD	4.9%	1.5%
CNR	CANADIAN NATIONAL RAILWAY	4.8%	1.6%
NA	NATIONAL BANK OF CANADA	4.7%	3.6%
RY	ROYAL BANK OF CANADA	4.7%	3.5%
IFC	INTACT FINANCAIL CORP	4.6%	2.2%
SLF	SUN LIFE FINANCIAL INC	4.5%	3.8%
LIF	LABRADOR IRON ORE ROYALTY CORP	4.4%	4.8%

Portfolio Performance

	3 Months	6 Months	1 Year	3 Year	5 Year	Since Inception
Performance*	7.9%	15.1%	25.3%	15.1%	10.6%	9.3%
Benchmark	3.8%	10.5%	20.2%	14.2%	10.3%	7.7%

Portfolio Information

Inception	September 1, 2014
Initial Minimum Investment	\$58,468
Distributions Made	\$6,600
Current Dividend Yield	3.5%
Current Investment	\$105,544
Portfolio Manager	John (Jay) D. Nash, BA, CIM®, FCSI®

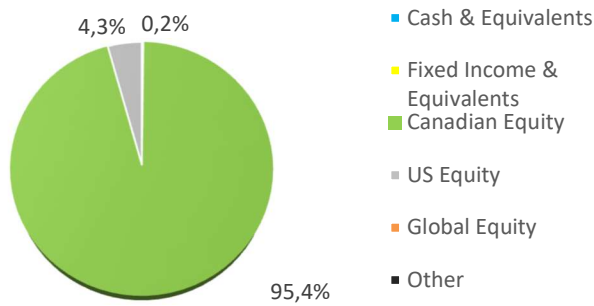
Composition of the benchmark: S&P/TSX Total Return

- All reported data presented includes the cash balance set aside and available for investment in securities within the private portfolio. NBF statements exclude cash amounts from listed holdings in the section dedicated to the private portfolio.

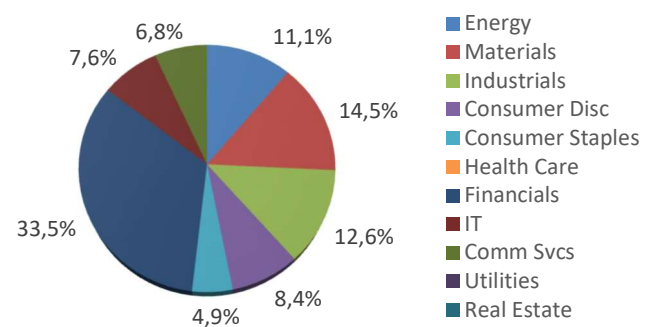
*Returns presented are before management fees; Figures beyond 1 year are annualized

Leading Families to Their Wealth Goals

Asset Allocation



Industry Weightings



Management Commentary –

Canadian equity markets were an “island of stability” compared to most global equity indices in the first quarter. However, individual investor experience was largely dependent on one’s exposure to the energy and materials sectors. A significant global selloff of growth-based equities followed by the Russian invasion of Ukraine resulted in record prices for many commodities. 7 of the 10 largest Russian exports are the same as Canada’s. As sanctions were implemented the world economies have turned to Canada to help make up any supply shortfalls. This bodes well for Canadian exporters.

The Canadian Focused Private Portfolio started 2022 with a 21.7% weighting in energy and materials sectors and an underweight in technology. The mandate outperformed nicely. No positions were replaced but as holdings such as **Canadian Natural Resources (CNQ)** and **Nutrien (NTR)** began large some profits were taken and redistributed. Commodity rallies can last for years. But when they end, they often end fast. It’s prudent to trim and redistribute as values rise.

Transactions

Added	Increased	Decreased	Removed
None	Intact Financial (IFC)	CDN Natural Resources (CNQ)	None
	Labrador Iron Ore (LIF)	TD Bank (TD)	
	GoEasy (GSY)	Nutrien (NTR)	
	Loblaws (L)		
	Restaurant Brands Int’l (QSR)		



I have prepared this commentary to give you my thoughts on various financial aspects and considerations. This commentary reflects my opinion alone, and may not reflect the views of National Bank Financial Group. In expressing these opinions, I bring my best judgement and professional experience from the perspective of someone who surveys a broad range of investments. Therefore, this report should be viewed as a reflection of my informed opinions rather than analyses produced by the Research Department of National Bank Financial. > National Bank Financial – Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under licence by NBF. NBF is a member of the Investment Industry Regulatory Organization of Canada (IIROC) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). > National Bank Financial may act as financial advisor, fiscal agent or underwriter for certain companies mentioned herein and may receive remuneration for its services. National Bank Financial and/or its officers, directors, representatives or associates may have a position in the securities mentioned herein and may make purchases and/or sales of these securities from time to time on the open market or otherwise. The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. Unit values and returns will fluctuate and past performance is not necessarily indicative of future performance.