

American Focus Private Portfolio

Q2 2022

Management Philosophy

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

- › Portfolio is constructed with a maximum of 25 American listed 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 (47.0% of total portfolio)

Symbol	Description	Portfolio Weight	Income Yield
NVO	NOVO-NORDISK A/S ADR	5.2%	1.4%
LLY	ELI LILLY & CO	5.1%	1.2%
MSFT	MICROSOFT CORP	5.0%	1.0%
AAPL	APPLE INC	4.8%	0.7%
ABBV	ABBVIE INC	4.8%	3.7%
BP	BP PLC ADR	4.6%	4.6%
BMJ	BRISTOL MYERS SQUIBB CO	4.5%	2.8%
PAYX	PAYCHEX INC	4.4%	2.8%
ACN	ACCENTURE PLC CL A	4.3%	2.1%
HD	HOME DEPOT INC	4.3%	2.8%

Portfolio Performance

US Focus Private Portfolio	3 Months	6 Months	1 Year	3 Year	5 Year	Since Inception
Performance*	-9.1%	-12.8%	-0.9%	14.0%	12.5%	12.5%
Benchmark	-13.1%	-18.5%	-9.1%	7.6%	8.9%	9.6%

US Focus Model	3 Months	6 Months	1 Year	3 Year	5 Year	Since Inception
Performance*	-9.1%	-12.8%	-0.9%	14.0%	12.5%	13.5%
Benchmark	-13.1%	-18.5%	-9.1%	7.6%	8.9%	10.8%

Portfolio Information

	American Focus Private Portfolio	American Focus Model Portfolio
Inception	January 26, 2017	September 12, 2014
Initial Minimum Investment	\$28,897	\$26,632
Distributions Made		\$4,100
Current Yield		2.8%
Current Investment		\$51,342 USD
Portfolio Manager	John (Jay) D. Nash, BA, CIM®, FCSI®	

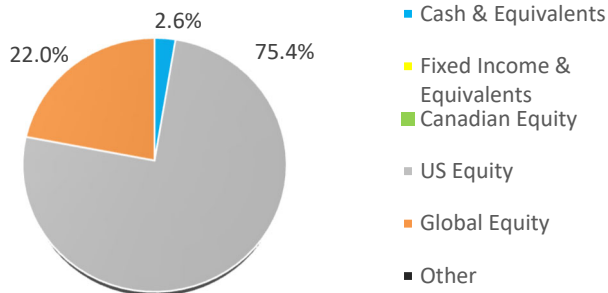
Benchmark Composition: 75% S&P 500 TR and 25% MSCI EAFE TR in Canadian Dollars
Returns are before management fees in Canadian dollars. Data beyond 1 year is annualized.

- 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.

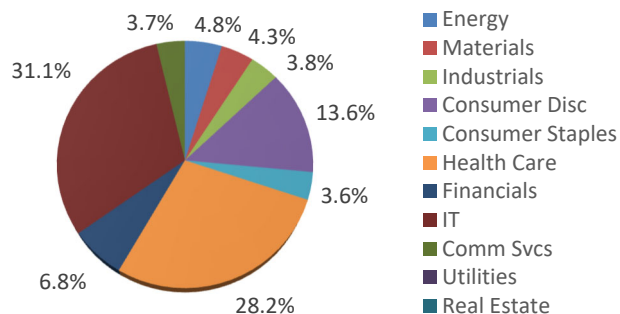
- The American Focus Private Portfolio was launched on January 26, 2017. A Model using a similar investment strategy was launched on September 12, 2014. Return figures are presented for informational purposes. The unit was dividend in two December 2019.

Leading Families to Their Wealth Goals

Asset Allocation



Industry Weightings



Management Commentary

Hopes that inflation would peak and decline quickly were dashed in early June as the United States posted levels not seen since the 1980s. Equity markets had been showing signs of stabilizing, but this dropped the S&P nearly 10% in a very short period (about 10 hours of trading). The American Focus Private Portfolio continues to outperform its benchmark (75% S&P 500 and 25% MSCI EAFE), but the quarter was a negative one.

Investors currently face the competing fears of inflation and recession. We believe that the United States and Europe may register a recession (two consecutive quarters without GDP growth), but it is likely to be shallow and short-term in nature. We believe this has largely been priced into the market. Inflation should be near its peak as expectations are for it to decline reasonably rapidly in the months ahead. Portfolio holdings focus on large cap, profitable companies offering a reasonable dividend. We believe these will be among the first to turn higher when a market bottom is found and expect a very strong participation in any recovery.

Transactions

Added	Increased	Decreased	Removed
TJX Companies Inc (TJX)	Matson (MATX)	Novo Nordisk A/S ADR (NVO)	Big 5 Sporting Goods Group (BGFV)
Horizons USD Cash Maximizer (HSUV.U)	NetEase Inc ADR (NTES)	Eli Lilly & Co (LLY)	Woodside Energy Grp ADR (WDS)



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.