

Canadian Focus Private Portfolio



Q1 2023

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 (50.5% of total portfolio)

Symbol	Description	Portfolio Weight	Income Yield
L	LOBLAW COMPANIES LTD	5.8%	1.3%
CNQ	CDN NATURAL RESOURCES LTD	5.5%	4.8%
SU	SUNCOR ENERGY INC NEW	5.4%	5.0%
CSU	CONSTELLATION SOFTWARE	5.2%	0.2%
IFC	INTACT FINANCIAL CORP	5.1%	2.3%
NA	NATIONAL BANK OF CDA	5.1%	4.0%
CNR	CANADIAN NATIONAL RAILWAY	4.9%	2.0%
RY	ROYAL BANK OF CANADA	4.7%	4.1%
NTR	NUTRIEN LTD	4.7%	2.9%
CTC.A	CANADIAN TIRE CORP LTD-A NV	4.3%	3.9%

Portfolio Performance

	3 Months	6 Months	1 Year	3 Year	5 Year	Since Inception
Performance*	5.0%	11.2%	-5.3%	20.1%	8.1%	7.5%
Benchmark	4.6%	10.8%	-5.2%	18.0%	8.8%	6.1%

Portfolio Information

Inception	September 1, 2014
Initial Minimum Investment	\$58,468
Distributions Made	\$7,600
Current Dividend Yield	3.3%
Current Investment	\$98,874
Portfolio Manager	John (Jay) D. Nash, BA, CIM®, FCSI®

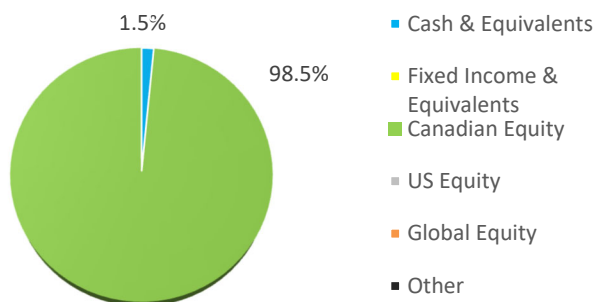
Composition of the benchmark: S&P/TSX Total Return

- 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.

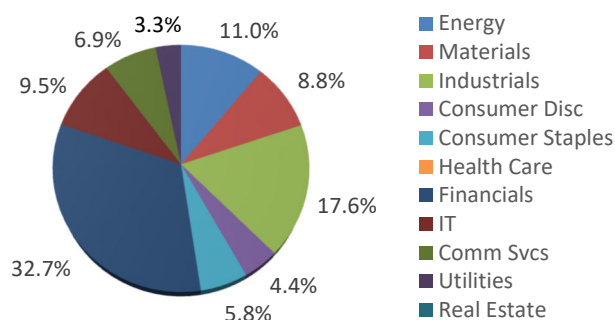
*Returns presented are before management fees; Figures beyond 1 year are annualized

Leading Families to Their Wealth Goals

Asset Allocation



Industry Weightings



Management Commentary

2023 got off to an extremely strong start in January with Canadian banks and energy leading the way higher. Both sectors came under considerable pressure in March as a global banking crisis, triggered by the collapse of Silicon Valley Bank (SVB), Signature Bank (SNY), and Credit Suisse (CS) had investors fearing a return to 2008. As March ended, the crisis appeared to be over. However, the price of oil remained about 10% down from January levels, and many Canadian banks remained down over 5% from early March. We believe both will recover, and Canadian banks may benefit from the turmoil as they are viewed as some of the safest financial institutions in the world.

Only minor changes were made during the quarter. These included a shift from **Labrador Iron Ore (LIF)** to **Teck Resources (TECK.B)**. Both are ranked well in our screens, but Teck has a broader metals exposure and greater growth potential as government and industry around the world focus on the resource requirements of electronic vehicles and renewable energy production.

Lumine Group Inc (LMN) was received as a spin out from **Constellation Software (CSU)**. The added return for investors was appreciated, but the company does not fit the profile of this portfolio and was removed. CSU remains the controlling shareholder.

Transactions

Added	Increased	Decreased	Removed
Horizons High Interest Svgs ETF (CASH)	Capital Power Corp (CPX)	Suncor Energy Inc (SU)	Horizons Cash Maximizer ETF (HSAV)
Teck Resources Ltd (TECK.B)			Labrador Iron Core Royalty Corp (LIF)
			Lumine Group Inc (LMN)



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.