



# VPI CANADIAN EQUITY POOL

## GROWTH THROUGH BUSINESS OWNERSHIP

### WHAT YOU OWN

BMO 



- One of the most profitable companies in Canada
- Paying dividends since 1829
- Diversified Fintech company
- Many opportunities for growth

#### TRAILING TWELVE MONTHS AS OF

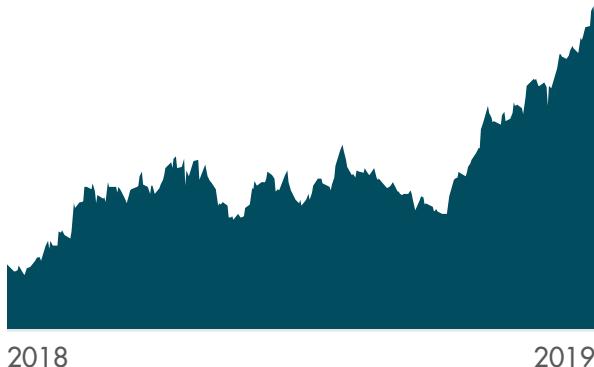
	CQ2 2018	CQ2 2019	% CHANGE
REVENUES	\$21,978	\$24,627	12%
NET INCOME	\$4,794	\$6,056	26%
DIVIDENDS	\$2,381	\$2,550	7%
SHARE PRICE	<b>\$106.97</b>	<b>\$91.26</b>	<b>-15%</b>

Revenues, net income and dividends stated in millions CAD; share prices in CAD as of August 31, 2018 & 2019. Dividends equal common dividends per share times outstanding shares. Source: S&P Capital IQ, BMO Investor Relations.

ATTRACTIVE VALUATION | GROWING DIVIDENDS | INVESTING FOR GROWTH

### WHAT YOU DON'T OWN

BARRICK



- Produces a product we can live without
- Limited visibility on earnings, dividend growth
- Operations in unstable regions
- Do you want to stake your financial future on the price of gold?

#### TRAILING TWELVE MONTHS AS OF

	Q2 2018	Q2 2019	% CHANGE
REVENUES	\$10,158	\$10,330	2%
NET INCOME	-\$343	-\$1,706	N/A
DIVIDENDS	\$184	\$413	124%
PRICE	<b>\$13.35</b>	<b>\$25.81</b>	<b>93%</b>

Revenues, net income and dividends stated in millions CAD; share prices in CAD as of August 31, 2018 & 2019. Dividends equal common dividends per share times outstanding shares. Source: S&P Capital IQ.

RISKY BUSINESS | CAPITAL INTENSIVE | NEGATIVE EARNINGS

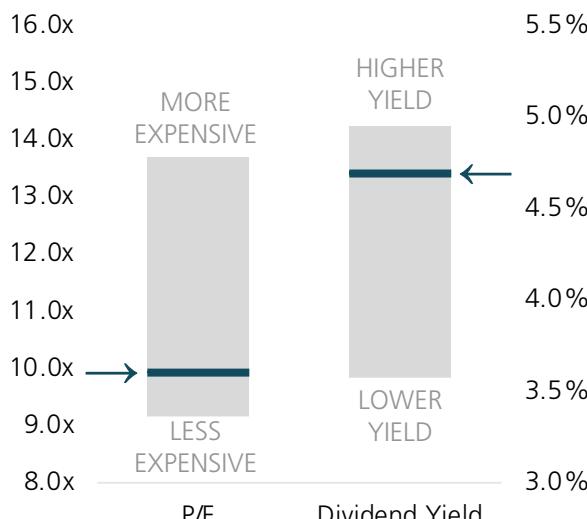


## THE CANADIAN EQUITY POOL IS THE OPPORTUNITY, NOT THE MARKET

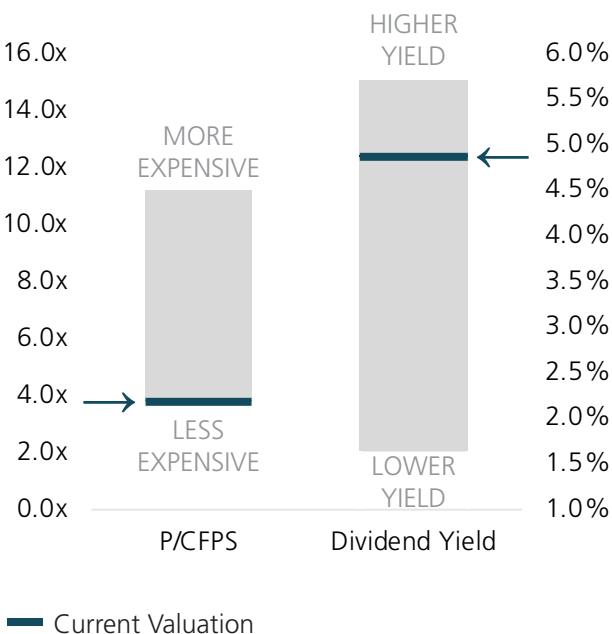
The Canadian market has been driven higher by weaker businesses with either no or unsustainable earnings. We continue to focus on durable and profitable businesses that clients can count on for good long-term performance.

Banks and energy companies have been very out of favour with investors. As a result, they are trading at valuations that are rarely available. These valuations offer very good upside potential and a good margin of safety on the downside. That is why we have increased our ownership in banks and energy holdings by \$120 million year-to-date.

### CANADIAN BANK HOLDINGS



### CANADIAN ENERGY HOLDINGS

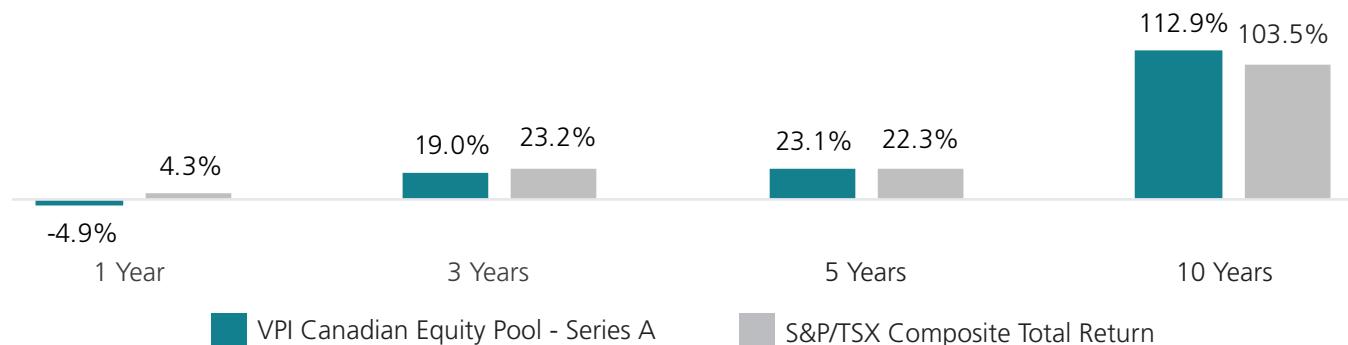


**STAY TUNED FOR MORE DETAILS ON THESE TOPICS OVER THE  
NEXT COUPLE OF WEEKS**

Note: Forward P/E and P/CFPS valuations based on next fiscal year estimates. Ten year averages from August 31, 2009 to August 31, 2019. \$120 million (CAD) has been added to businesses in the energy or banking sector from December 31, 2018 to August 31, 2019.  
Source: S&P Capital IQ, Value Partners Investments

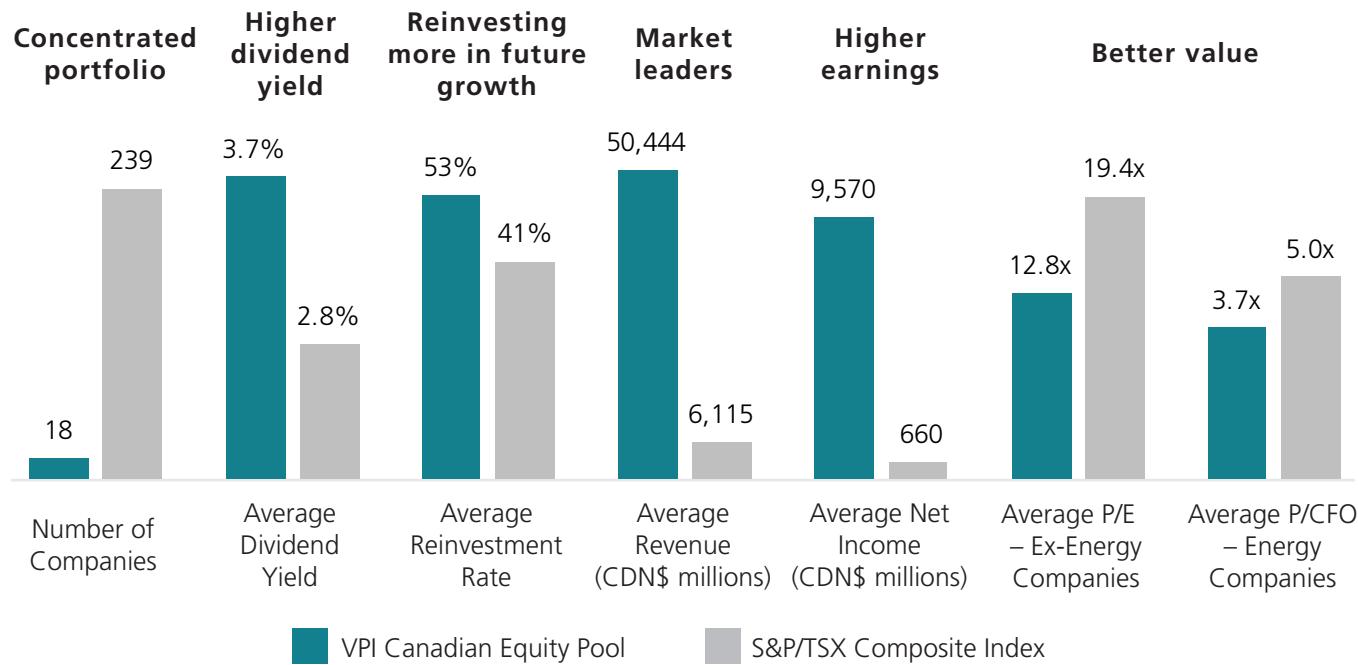


## ABSOLUTE (CUMULATIVE) PERFORMANCE



Source: S&P Capital IQ, Value Partners Investments Inc. Absolute (cumulative) performance ending August 31, 2019.

## OWN THE BEST, LEAVE THE REST



All figures except "Number of Companies" are calculated as a simple average. Average revenue, net income and reinvestment rate are trailing 12 month figures, as of the most recently reported data. "Dividend Yield" pertains to equity holdings in the pool. Average P/E & P/CF ratios reflect consensus estimates for 2019FY. "Average P/E: Ex-Energy" excludes companies classified as operating in the energy industry or with negative P/E or P/E > 100. "Average P/CF: Energy Companies" excludes companies with negative P/CF and P/CF > 100. "Average Reinvestment Rate" excludes non-dividend paying companies and the payout is set to 100% for companies with DPS > EPS. Net Income used to calculate reinvestment rate and average net income for VPI owned companies has been adjusted to account for one time items regarding the U.S. Tax Act. "Average Reinvestment Rate" excludes companies classified as operating in the energy industry. Source: S&P Capital IQ, Value Partners Investments. As of August 31, 2019.

# STANDARD PERFORMANCE INFORMATION

## AUGUST 2019



	1 YEAR	3 YEARS	5 YEARS	10 YEARS
<b>SERIES A</b>	-4.9%	6.0%	4.2%	7.9%

Note: Annualized returns as of August 31, 2019.

### DISCLAIMER

This brochure has been prepared based on information that is publicly available or that has been provided by Value Partners Investments Inc. (Value Partners). The information provided includes views or opinions of Value Partners, in its capacity as the portfolio manager of VPI Canadian Equity Pool (the Pool), and does not constitute individual, legal, investment, or tax advice about the Pool or the issuers discussed therein. Information about specific issuers of securities has been made available by Value Partners for the sole purpose of providing additional background information on the holdings in the Pool, and is not intended to be investment advice about the merits of investing directly in these issuers. The comparison of specific stocks as "What You Own" and "What You Don't Own" is provided to illustrate the key characteristics that Value Partners uses in its investment process to identify great businesses at reasonable prices. Please consult your own legal, investment, and/or tax advisor prior to making a decision to invest in the Pools.

The complete holdings of the Pool are disclosed in its Statement of Investment Portfolio semi-annually. On a quarterly basis, the Pool discloses its top 25 holdings in its Summary of Investment Portfolio. Both these documents are available on our website at [www.valuepartnersinvestments.ca](http://www.valuepartnersinvestments.ca). Value Partners is a registered investment fund manager, portfolio manager, and exempt market dealer and is responsible for making decisions about the investments in the Pool.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the fund facts document and the prospectus before investing. The indicated returns represent historical annual compounded total returns, including changes in share or unit value and reinvestment of all dividends, and do not take into account sales, redemption, distribution, or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance will not tell you how the Pool will perform in the future, particularly since the investment objectives of the Pool changed effective December 1, 2013 and the Portfolio Manager of the Pool changed effective January 5, 2015.

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