

Verecan - Trade Update Take It To The Bank Part 2



December 8th 2023

Last week, we added to our position in the BMO US Banks ETF to bring our position to 2.6% of the Verecan Global Equity portfolio. To create cash for this purchase, we sold a portion of our broad-based global stock investment, the Vanguard Global All Cap ETF. We initiated a position in US banks in April of this year.

US banks took a beating earlier this year during the Silicon Valley Bank (and others) failure. Our investment approach is always to look for value. One way to find value is to identify stocks that have declined to a point where expectations are incredibly low. By April, regulators had already stepped in to support banks, and we found it likely that most banks would be just fine. In fact, some of the larger ones could benefit from the failure of smaller banks. The BMO US Banks ETF invests in the largest 17 banks in the US.

We are adding to this ETF now, after a tidy return since April, because we feel there is still much negativity surrounding these banks. Better or worse matters more than good or bad when investing. We think the US banks are poised to do better than expected over the next couple of years, and that smells like opportunity.

The Verecan Global Equity Fund portfolio as of December 8th is to the right.



Current Verecan Global Equity Fund Portfolio

Holdings *	Weight
Mawer Global Equity	21.2%
Capital Group Global Equity	19.5%
EdgePoint Global Portfolio	12.8%
iShares MSCI Minimum Volatility Canada ETF	10.2%
NBI Active Global Equity	7.7%
Vanguard FTSE Global All Cap ex Canada ETF	6.7% (-1.25%)
IA Clarington Canadian Small Cap	4.8%
BMO US Banks ETF	2.6% (+1.25%)
BMO MSCI World High Quality ETF	1.8%
Shopify	1.6%
Intel	1.5%
Baxter International	1.5%
IBM	1.2%
Skechers	1.2%
Algonquin	1.2%
Cognizant Technology Solutions	1.1%
CCL Industries	0.9%
Saputo	0.8%
Hanesbrands	0.7%
American Tower	0.7%
Cash	0.7%

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The current holdings represent a snapshot of the Verecan Global Equity Fund's investments as of the date of this document. The Fund's investments may change over time.

*This chart represents the fund's holdings at date of trade, indicated at the top of this document.

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