

Verecan - Trade Update Several Portfolio Changes



March 8th, 2024

On March 8th, we made several changes to the Verecan Global Equity Portfolio. As always, we welcome any conversations if you'd like more information.

Canadian Small Cap Fund

The IA Clarington Canadian Small Cap Fund, investing in smaller Canadian companies, has been a longstanding part of our portfolio. It fills a niche role in the portfolio, although by most practical standards, companies that are worth \$500 million plus (defined as "small cap") are still pretty big. The team managing this fund has seen some significant turnover to key people in the past year. We believe continuity in an investment team is vital, so we have looked for a substitute.

We found a suitable replacement in the TD Canadian Small Cap Fund. It has a similar focus and is looked after by an investment company called CC&L, one of the largest private investment managers in Canada. We've followed CC&L for years and finally have a reason to place some money with them.

Stock changes

We've entirely sold our positions in Cognizant Technologies (an IT services business) and CCL Industries (a packaging and label producing company – no relation to CC&L Financial). We've held shares in these companies for years and they've increased in price to a point where we no longer see significant upside. We also trimmed Shopify (an e-commerce software company), as our shares have appreciated significantly but still offer potential upside.

We've added to our positions in American Tower (they lease cell tower space to telecom companies) and Generac (a company manufacturing generators). These recent additions to the portfolio are companies that have much more potential upside, in our view. With our remaining cash, we added to our broad-based global stock investment, the Vanguard Global All Cap ETF.

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



Current Verecan Global Equity Fund Portfolio

Holdings*	Weight
Capital Group Global Equity	20.4%
Mawer Global Equity	20.3%
EdgePoint Global Portfolio	12.5%
iShares MSCI Minimum Volatility Canada ETF	9.9%
Vanguard FTSE Global All Cap ex Canada ETF	8.2% (+0.9%)
NBI Active Global Equity	7.8%
TD Canadian Small Cap	4.6% (+4.6%)
BMO US Banks ETF	2.6%
BMO MSCI World High Quality ETF	1.9%
Baxter International	1.6%
Intel	1.5%
Shopify	1.3% (-0.2%)
American Tower	1.3% (+0.7%)
Generac	1.3% (+0.7%)
Skechers	1.1%
Algonquin	1.0%
Hanesbrands	0.9%
Saputo	0.7%
IBM	0.6%
Cash	0.6%
IA Clarington Canadian Small Cap	0.0% (-4.6%)
Cognizant Technology Solutions	0.0% (-1.0%)
CCL Industries	0.0% (-1.0%)

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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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