



November 2024

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TRU Student Investment Fund (TRUSIF)

trusif@tru.ca

Room: IB1021



TRUSIF Overview



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TRUSIF Overview

TRUSIF Executive Summary

Overview

The Thompson Rivers University Student Investment Fund (TRUSIF) was founded in 2019 with the idea to create a competitive advantage for TRU students interested in capital markets and adjacent fields. Flash forward to today, TRUSIF manages a long-only equity and ETF focused fund with ~\$220,000+ in assets under management with an aim to find high quality names for the sectors which it covers

TRUSIF By The Numbers



TRUSIF Foundational Objectives



To Embody Experiential Learning



Build a Deep Moat of Finance Alumni



To Create Scholarships

Why Students Join TRUSIF



Connect With Like-Minded Students



Internship Opportunities

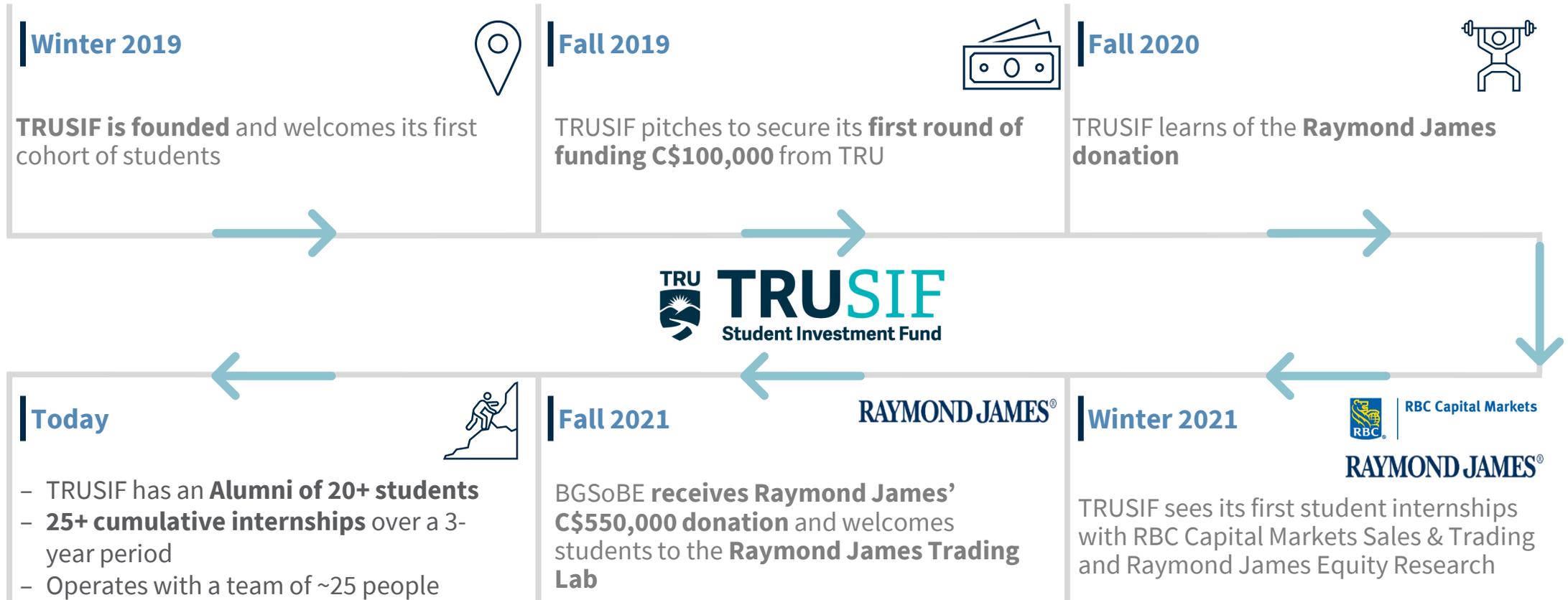


Network With Experts



Applying Skills

TRUSIF Major Events Timeline



TRUSIF Internships

Industry experience is the purest form of value driven into TRUSIF



Accounting
Summer 2021



RBC Capital Markets

Sales & Trading
Winter 2021



Equity Research
Winter 2021

RAYMOND JAMES®

Equity Research
Summer 2021

RAYMOND JAMES®

Equity Research
Fall 2021



Sales & Trading
Winter 2022



Treasury
Winter 2022



Public Markets
Summer 2022

RAYMOND JAMES®

Equity Research
Summer 2022

RAYMOND JAMES®

Investment Banking
Fall 2022



RBC Capital Markets

Sales & Trading
Fall 2022

RAYMOND JAMES®

Investment Banking
Summer 2023

RAYMOND JAMES®

Equity Research
Summer 2023

RAYMOND JAMES®

Private Client Group
Summer 2023

RAYMOND JAMES®

Equity Research
Fall 2023



Grant Thornton

Accounting
Winter 2024



Accounting
Winter 2024



Personal Banking
Winter 2024



Personal Banking
Winter 2024



Investment Banking
Summer 2024

TRUSIF Internships

Industry experience is the purest form of value driven into TRUSIF



Accounting
Summer 2024



Consulting
Summer 2024



Finance
Summer 2024



Sales & Trading
Fall 2024



Commercial Banking
Fall 2024



Wealth Management
Fall 2024



Sales & Trading
Winter 2025



Accounting
Full Time



Consulting
Full Time



Investment Banking
Full Time



Investment Banking
Full Time



Finance Rotational
Full Time



Financial Risk
Full Time



Global Banking Ops
Full Time



Commercial Banking
Full Time

TRUSIF Team Overview

Investment Team



Daiman Mather

Fund Manager

Coverage: Industrials

Program: Finance

Year: Fourth

Interests: Hiking, Music, Macro, Capital Markets, and anything with a beer



Aadhar Chawla

Fund Manager

Coverage: Technology, and Real Estate

Program: Finance

Year: Third

Interests: Soccer, Entrepreneurship and Business, Reading



Jordan Fedyna

Fund Manager

Coverage: Industrials

Program: Finance

Year: Third

Interests: Sports, Self-Development, Real Estate, Nutrition, Entrepreneurship and Reading



Austin Burke

Fund Manager

Coverage: Utilities, and Macros

Program: Computer Science

Year: Third

Interests: Hockey, Golf, Hiking and Chess



Francisco Eckardt

Investment Analyst

Coverage: Financials

Program: Finance

Year: Third

Interests: Soccer, Poker, Entrepreneurship & Business



Nolan Bennett

Investment Analyst

Coverage: Consumer & Healthcare

Program: Accounting

Year: Third

Interests: Portfolio Mgmt, Entrepreneurship, Sports, Fishing, Hiking and Dirt Biking



Gagandeep Multani

Investment Analyst

Coverage: Aerospace

Program: Finance

Year: Third

Interests: Cricket, Planetspotting, Military History



Timothy Mburu

Investment Analyst

Coverage: Aerospace

Program: Finance

Year: Third

Interests: Soccer, Snowboarding, and Travel

TRUSIF Team Overview

Investment Team



Chirag Doshi
Investment Analyst
Coverage: Technology
Program: Finance
Year: Third
Interests: Cricket, Formula1, UFC, Finance and Emerging Tech



Arthur Costa
Investment Analyst
Coverage: Utilities
Program: Economics
Year: Third
Interests: Asset Management, Entrepreneurship, Soccer, Music and Travelling



Matthew Hamilton
Investment Analyst
Coverage: Consumer
Program: BBA Finance
Year: Third
Interests: Volleyball, Reading, Weightlifting, and UFC



Cynthia Urrutia
Investment Analyst
Coverage: Real Estate
Program: Applied Data Science
Year: First
Interests: Swimming, Dogs, Dancing, Piano, Finance and Investments



Nihar Meshram
Research Analyst
Coverage: Real Estate
Program: Finance
Year: Third
Interests: Formula 1, Hiking, and Reading



Ananya Pal
Research Analyst
Coverage: Healthcare
Program: MBA
Year: First
Interests: Self Development, Travelling, and Reading



Michael Adeyemi
Research Analyst
Coverage: Financials
Program: Economics
Year: Second
Interests: Soccer, Formula 1, Economics, Video Games



Jacob Jolly
Research Analyst
Coverage: Real Estate
Program: Finance
Year: First
Interests: Hiking, Soccer, Data Analysis

TRUSIF Team Overview

Investment Team



Caz Markus-pawliuk

Research Analyst

Coverage: Technology

Program: Finance

Year: Second

Interests: World Politics, Capital Markets,
Sports



Liam Miniely

Research Analyst

Coverage: Consumer

Program: BBA (Major undeclared)

Year: First

Interests: Travel, Golf, Music, Pickleball

TRUSIF Team Overview (Cont'd)

Marketing Team



Anel Jazybayeva

Head of Marketing

Program: Communications

Year: Third

Interests: Classic Literature, Digital Marketing, New Media and is an earl grey tea enthusiast



Isabella Lizarzaburu

Marketing Associate

Program: Bachelor of Business Administration

Year: Second

Interests: Travel, Dance, Business and Painting

Faculty Advisor



Dr. Yong Joo Kang

Assistant Professor of Finance

Education:

- Ph.D, Business Administration, Yonsei University
- M.B.A., Finance Major (with distinction), NYU
- M.S. Engineering Econ Systems & Ops, Stanford
- B.S. chemical Engineering, UC Berkeley



HR & Operations Team



Joel Rodrigues

Head of Human Resources & Operations

Program: Bachelor of Business Administration

Year: Fourth

Interests: Road Trips, Surfing, and Current Events



Durga Kondapalli

Co-Head of Human Resources & Operations

Program: PB Human Resources

Year: Second

Interests: Fitness, Movies, and Cooking



Leena Gupta

Human Resources & Operations Associate

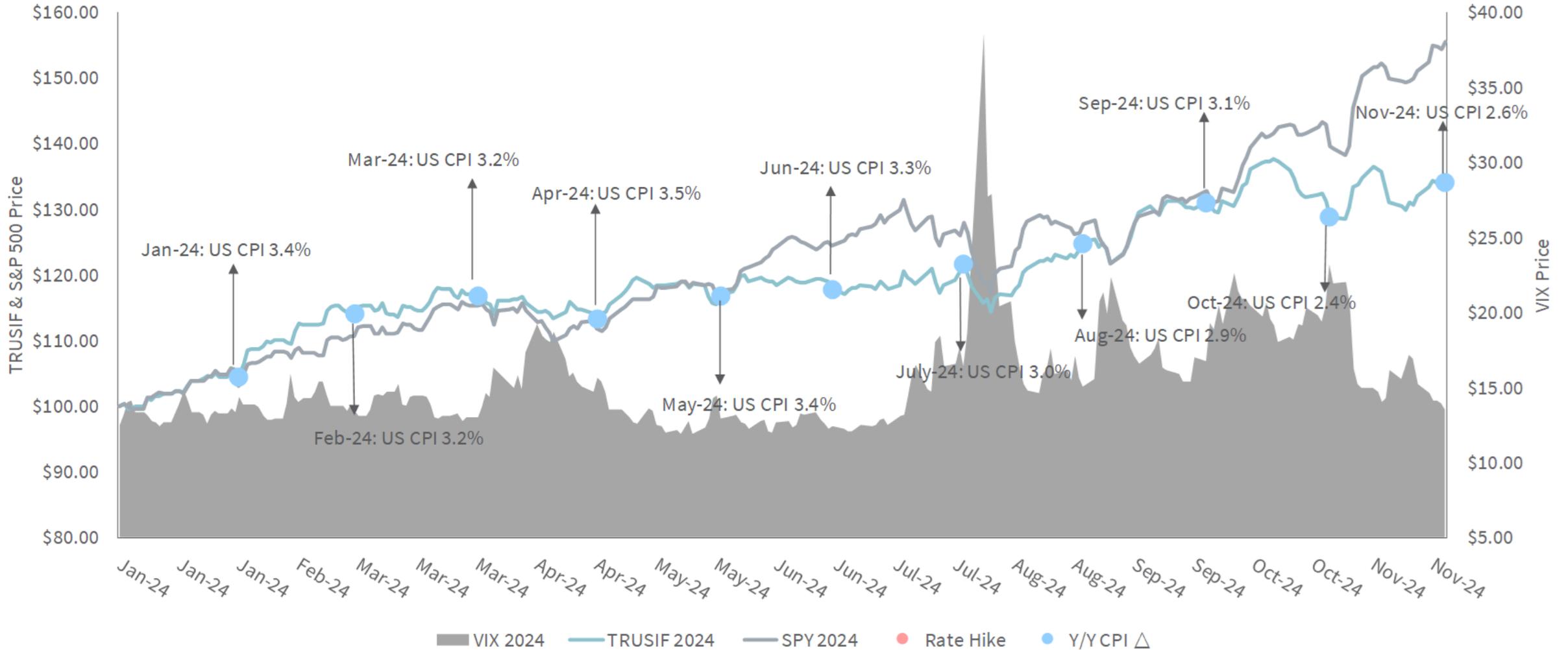
Program: PB Human Resources

Year: Second

Interests: Trekking, Cooking, Handmade Arts and Badminton

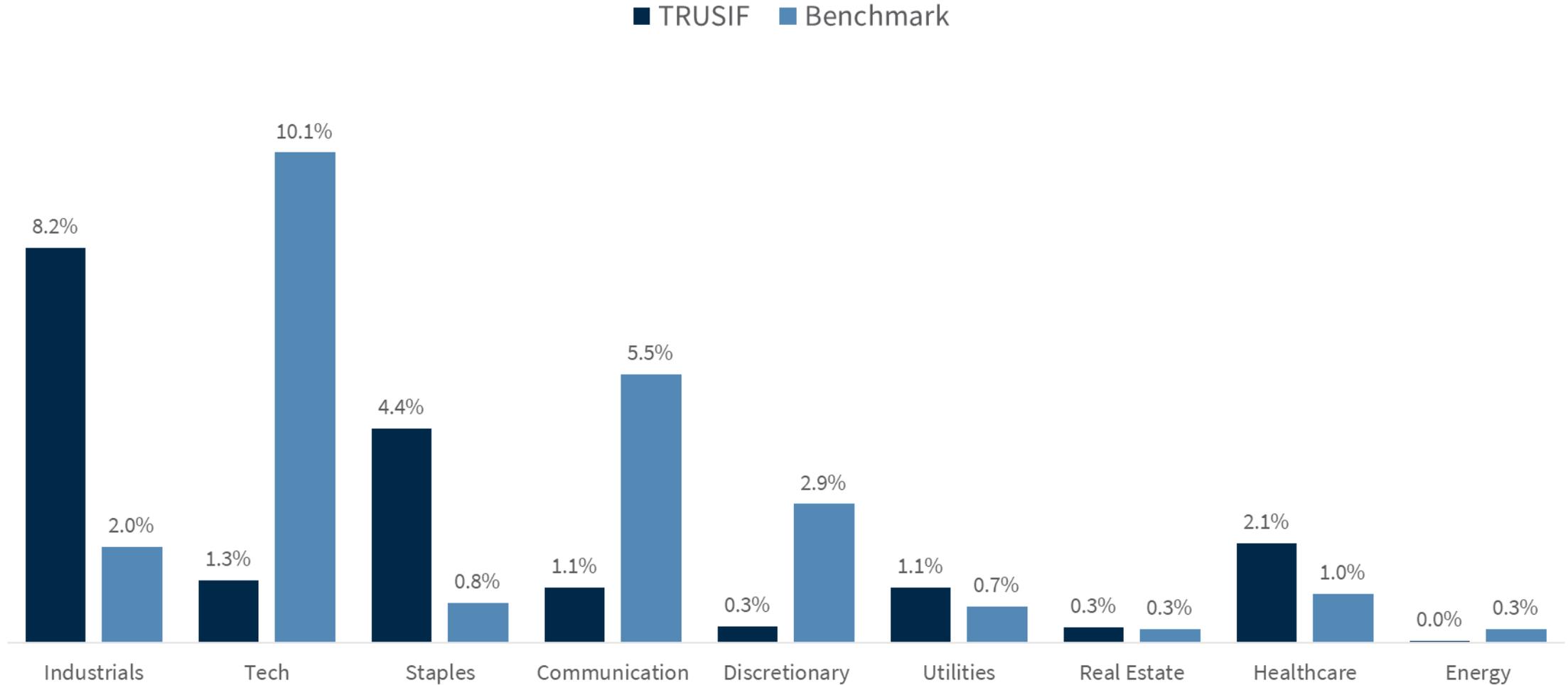
Portfolio Overview

TRUSIF Trading Performance (YTD)



Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

TRUSIF Sector Performance



Macro Update

Team: Austin Burke, Fund Manager

Macro Snapshot

Overview

- November saw Donald Trump being chosen as President elect of the United States. The market witnessed a strong rally after the news as Trump brings in positive sentiment for businesses
- CPI Canada rose 2.0% yoy in October, up from 1.6% in September, as gas prices fell to a lesser extent in October (-4.0%). The all-items CPI excluding gasoline rose 2.2% in October
- A surprise came in the form of the Bank of Korea cutting rates by 25 bps to 3.0%. The surprise rate cut signaled the BoK's policy priority is growth, not short-term financial market stability

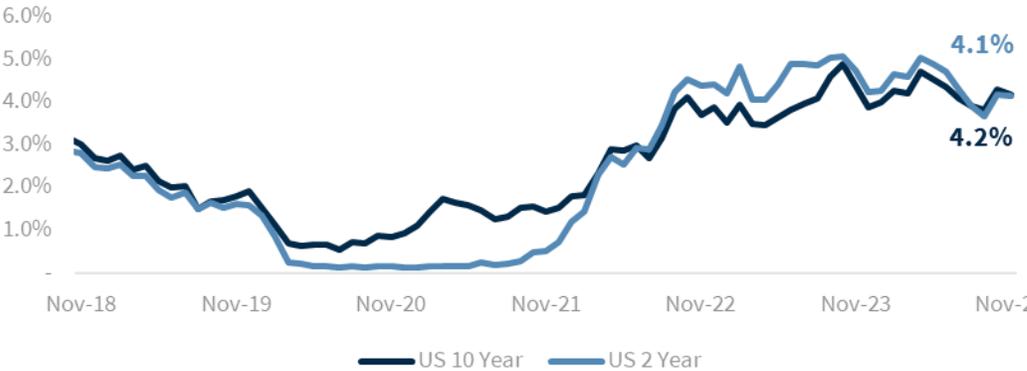
Consumer Price Index



Canadian Yields



U.S. Treasury Yields



Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

Sector Updates

Consumer

Team: Nolan Bennett, Investment Analyst

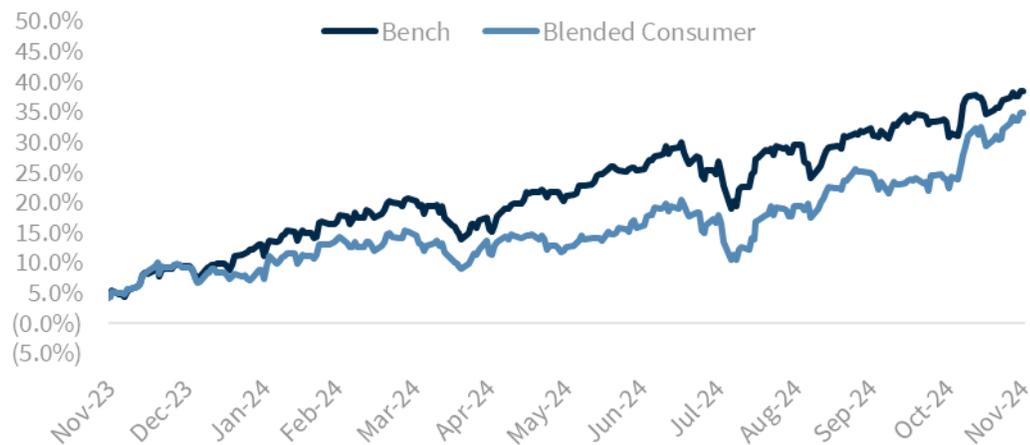
Matthew Hamilton, Investment Analyst

Consumer Sector Overview

Recent Developments

- **Consumer Discretionary:** The sector surged by 11.02% in November, significantly outperforming the broader S&P 500, which rose by 3.42%. Key drivers included strong early holiday shopping and notable gains from Tesla (+33%), Garmin (+27.86%), and Tapestry (+27.02%)
- **Consumer Staples:** Modest growth in line with the overall market, despite easing inflation benefits. Rising input costs continued to weigh on the sector
- **Monetary Policy:** The Federal Reserve implemented a 0.25 percentage point rate cut, lowering the federal funds rate to 4.5%-4.75%. Further rate cuts are anticipated but remain contingent on inflation progress

LTM Index v. Benchmark

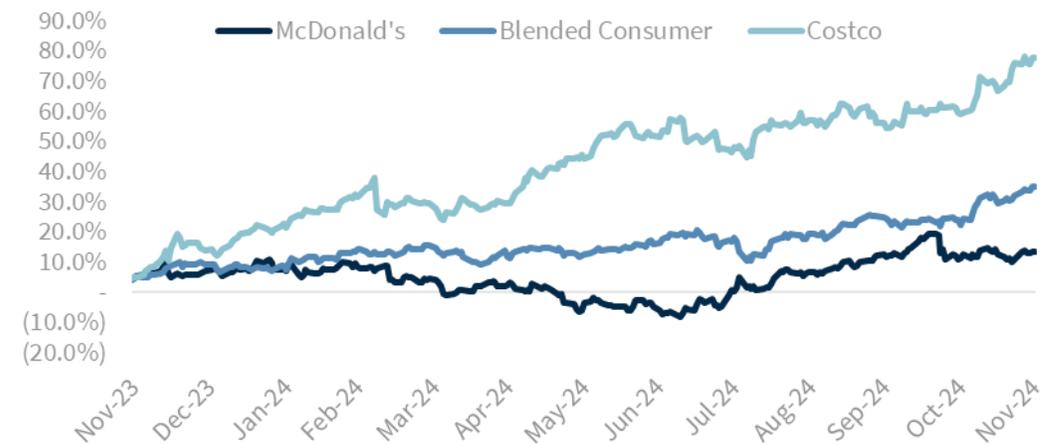


Source: Capital IQ, TRUSIF Research
 Note: Market data as of Nov 30, 2024

Holdings' Overview and Performance

- Costco reported \$20.03 billion in October sales, up 7.2% year-over-year, with strong e-commerce growth
- Costco also declared a quarterly dividend of \$1.16 per share, payable November 15, 2024
- CDC declared the E. coli outbreak at McDonald's over, but customer traffic and stock performance remain affected
- McDonald's plans to launch a 'McValue' menu in January 2025 to regain trust and drive sales

LTM Holdings' Performance



McDonald's (NYSE: MCD) Overview



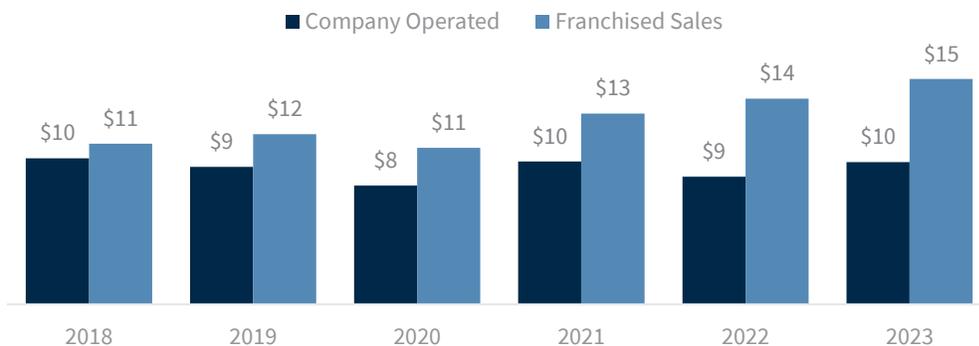
Overview

McDonalds Corporation (NYSE:MCD), founded in 1940 by Ray Kroc, is one of the worlds largest multinational fast food chains. Famous for their value proposition: food of consistent quality that is served in a timely fashion and consistently across the globe

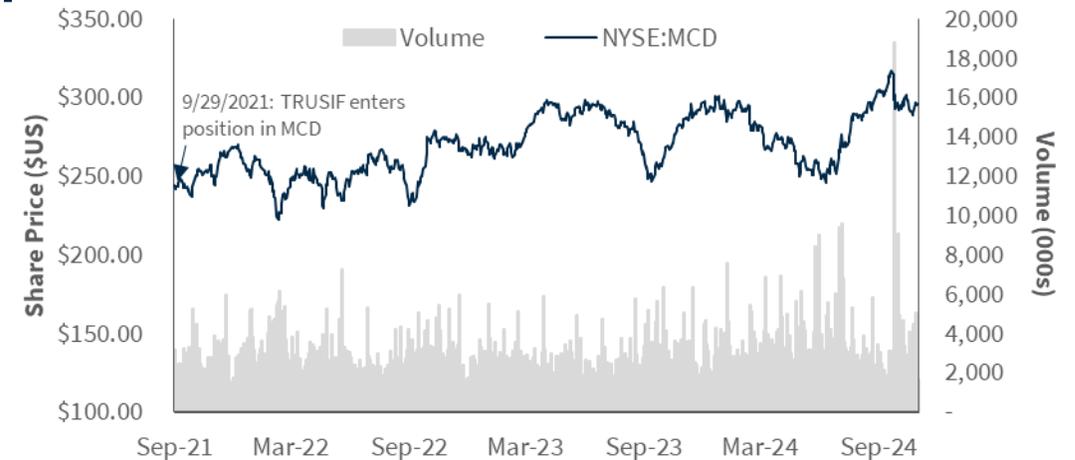
Thesis points:

1. Income is key: MCD is a dividend aristocrat which hasn't flinched in rewarding shareholders with regular dividend increases and share buybacks
2. US in the drivers seat: a 1% increase US SSS translates to roughly US\$0.06 - \$0.08 growth in EPS, US dominances offsets geo risks
3. Well moated business: MCD targets 250mln loyal users and US\$45bln in annual sales by 2027, emphasizing loyalty programs as key revenue drivers

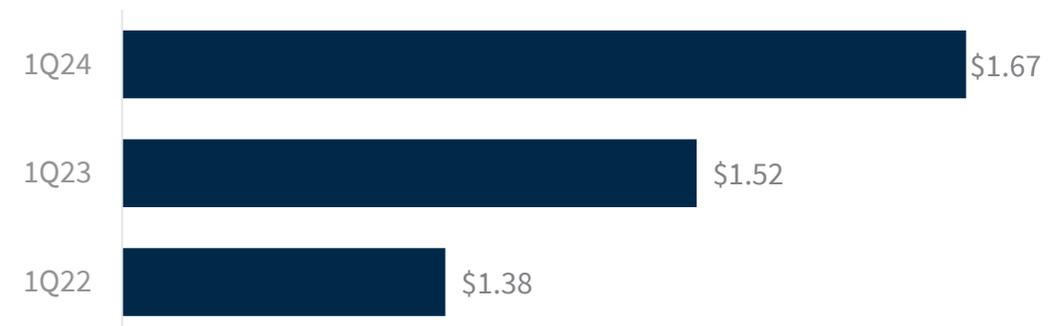
Segment Revenue (US\$bln)



Share Price



Dividends Received Post-Purchase



Costco (Nasdaq: COST) Overview



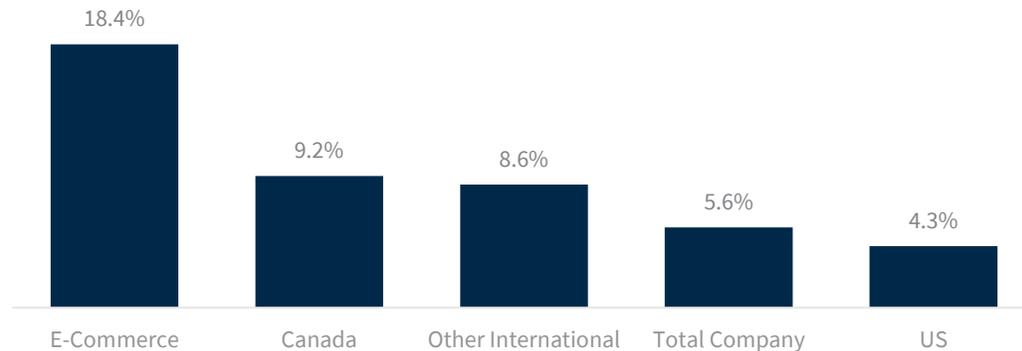
Overview

Costco Wholesale Corp. (Nasdaq: COST) has been led by CEO Ron Vachris since February 2022. COST is considered to have a unique value proposition providing a variety of consumer goods in bulk and at wholesale pricing. Costco attracts and retains some of the best hourly workers in the industry, thanks to its reputation as an employer-of-choice

Thesis points:

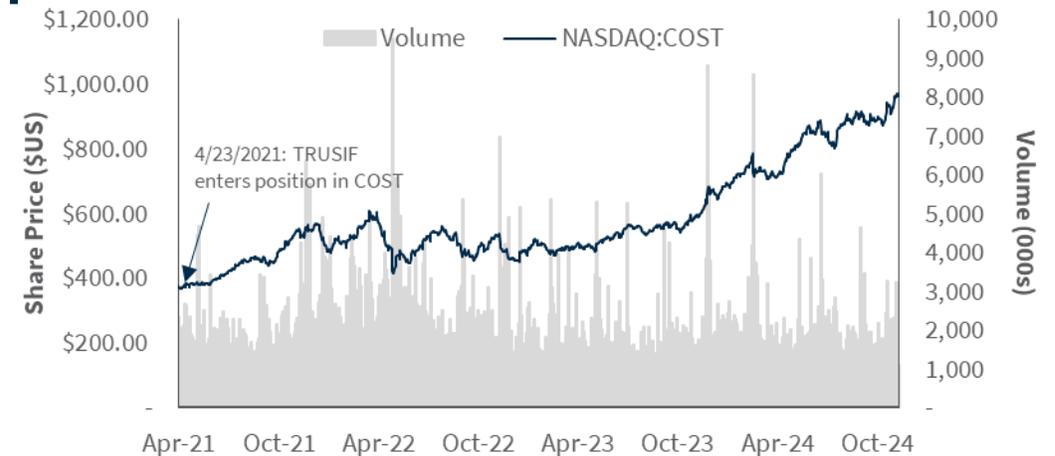
1. Bulk Buying Strategy: Costco's bulk purchasing strategy and discount-passing ethos establish a defensive moat while fostering customer loyalty
2. Global Expansion: Costco's global expansion drive underscores its ambition for market penetration and sustained growth
3. Loyalty-Driven Revenue: Costco's revenue model heavily relies on high membership renewal rates and membership fee contributions

Comparable Sales (12 Weeks)

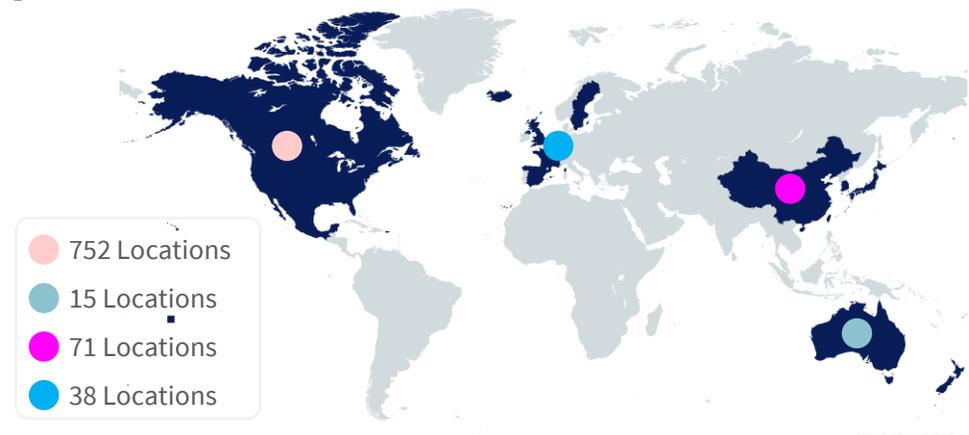


Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

Share Price



Global Locations



Technology

Team: Aadhar Chawla, Fund Manager

Chirag Doshi, Investment Analyst

Technology Sector Overview

Recent Developments

- The S&P 500 IT Index ended +7.3% for the month, overperforming the S&P 500 Communications Services Index which was +3.2% and the S&P 500 which was +5.3%
- OpenAI is being sued by five Canadian news publishers claiming that OpenAI is using copyrighted material to train their A.I. products
- Wonder Group to buy Grubhub for \$650Mln, marking a 91% loss in value from the 7.3Bln Just Eat Takeaway paid for Grubhub in 2020
- The U.S. Department of Commerce has awarded Intel \$7.8Bln in funding with hopes to boost U.S. semiconductor manufacturing. The funding will go toward manufacturing projects in facilities across Arizona, New Mexico, Ohio and Oregon

LTM Index v. Benchmark

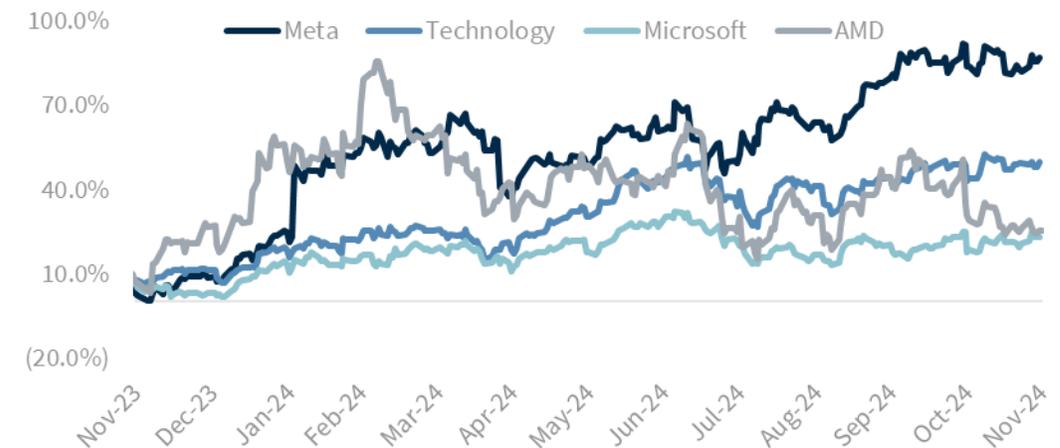


Source: Capital IQ, TRUSIF Research
Note: Market data as of Nov 30, 2024

Holdings' Overview and Performance

- MSFT and C3 AI have formed a strategic alliance to accelerate the adoption of Enterprise AI on Microsoft Azure, combining C3 AI's Enterprise AI software with Azure's ecosystem
- META plans to build a 40,000+ KM fibre-optic subsea cable spanning the world, with an estimated investment of over \$10Bln, to support its growing infrastructure needs
- AMD has very recently powered the world's fastest supercomputer, El Capitan, which has achieved a HPL score of 1.742 exaflops, making it the 6th straight Top500 list where an AMD-powered supercomputer has taken the top spot
- AMD and IBM have partnered to offer AMD MI300X accelerators as a service on IBM Cloud. This will help IBM cloud customers run larger models with fewer GPUs

LTM Holdings' Performance



Meta (Nasdaq: META) Overview



Overview

Meta Inc. (Nasdaq: META), has been led by CEO Mark Zuckerberg since its founding in 2004. Meta is a social media company best known for Facebook, Instagram and WhatsApp. TRUSIF has held Meta since April 2021

Thesis points:

1. Reels advertising opportunity in the near term as well as the Commerce possibilities over the long run
2. We don't think you have to be a believer in the Metaverse story to like the stock — we think the increased transparency around Facebook Reality Labs is a positive, but we also don't think the initial goal of reaching 1bln Metaverse users is a stretch (would only be 40% of gamers)
3. Meta remains the preferred choice for advertisers, who point to the company's unmatched scale and marketer tools relative to competitors (TikTok included)

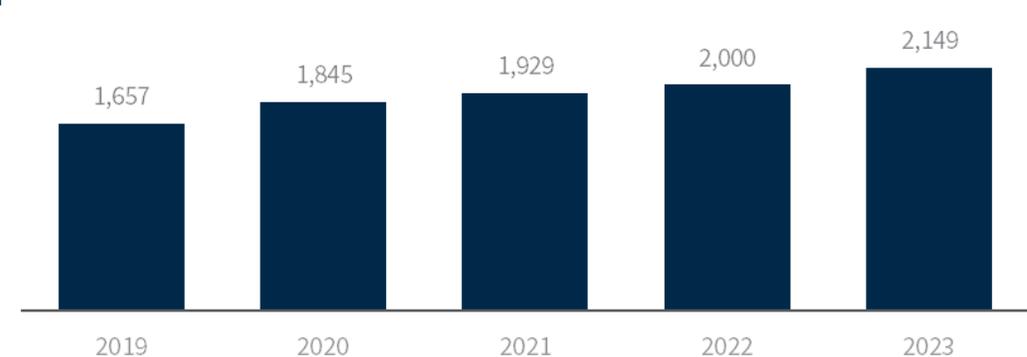
FCF Per Share (\$US)⁽¹⁾



Share Price



Annual DAUs (mms)⁽¹⁾



Microsoft (Nasdaq: MSFT) Overview



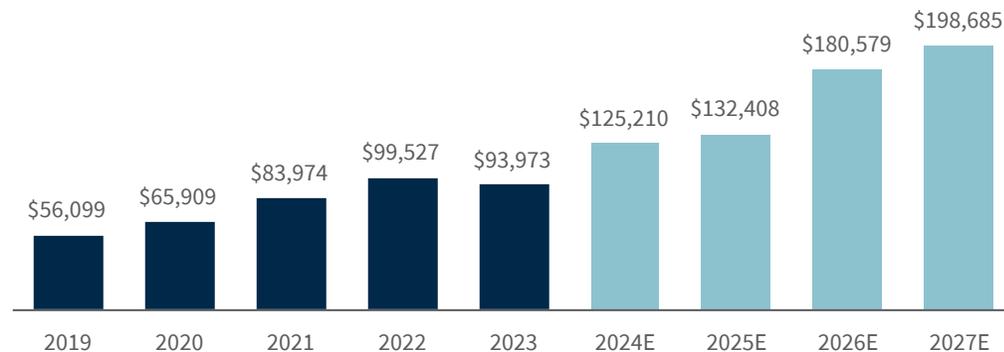
Overview

Microsoft Corp. (Nasdaq: MSFT), has been led by CEO Satya Nadella since 2014. MSFT is best known for developing and providing software, services, devices, and solutions globally. TRUSIF has held Microsoft since July 2021

Thesis points:

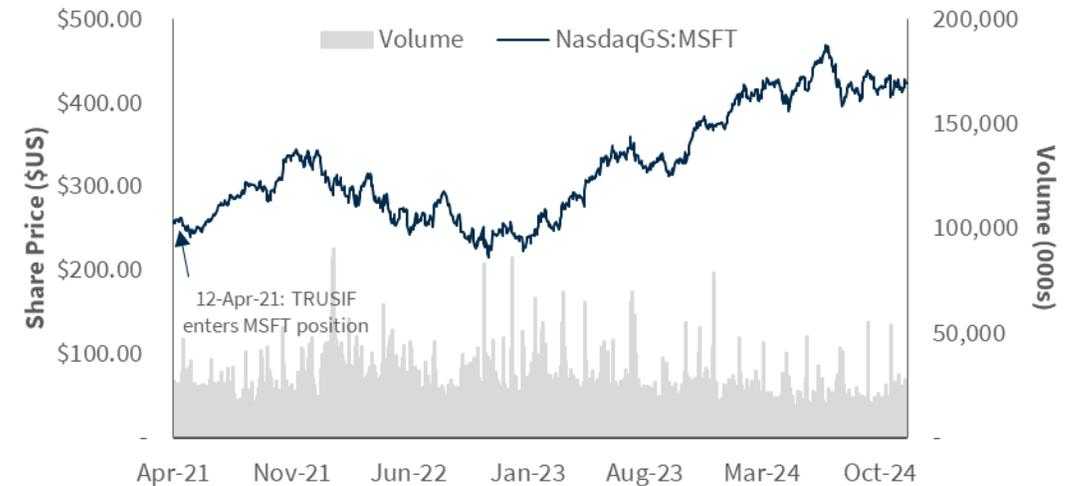
- 1. Business Focus:** MSFT is centered around Azure and Office 365, expecting solid growth in Productivity and Business Process division and Intelligent Cloud
- 2. Diverse Portfolio:** Despite Windows concerns, Bing, Surface, and Xbox are gaining momentum, showcasing Microsoft's diverse offerings
- 3. Financials:** MSFT foresees strong growth in cloud revenue, gross margins, and efficient cost management, driving increased profit and cash flow. It plans to sustain capital return strategy, aiming for >\$20B annually, leading to high-single-digit returns through EPS growth and dividends

Annual Adj. EBITDA⁽¹⁾

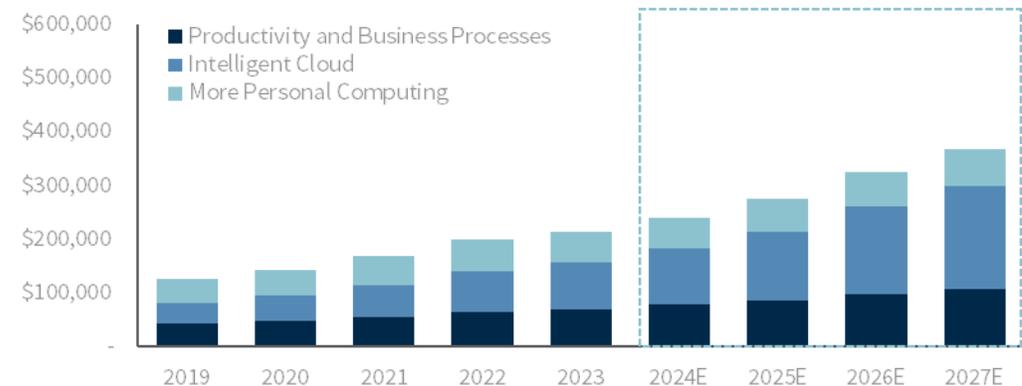


Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

Share Price



Annual Segment Revenue⁽¹⁾



Advanced Micro Devices, Inc. (Nasdaq: AMD)

Overview



Overview

Advanced Micro Devices Inc. (Nasdaq: AMD), has been led by CEO Lisa T. Su, since 2014. It is best known for developing graphics processors, microprocessors and advanced chipsets globally. TRUSIF recently bought AMD this month making it its latest buy

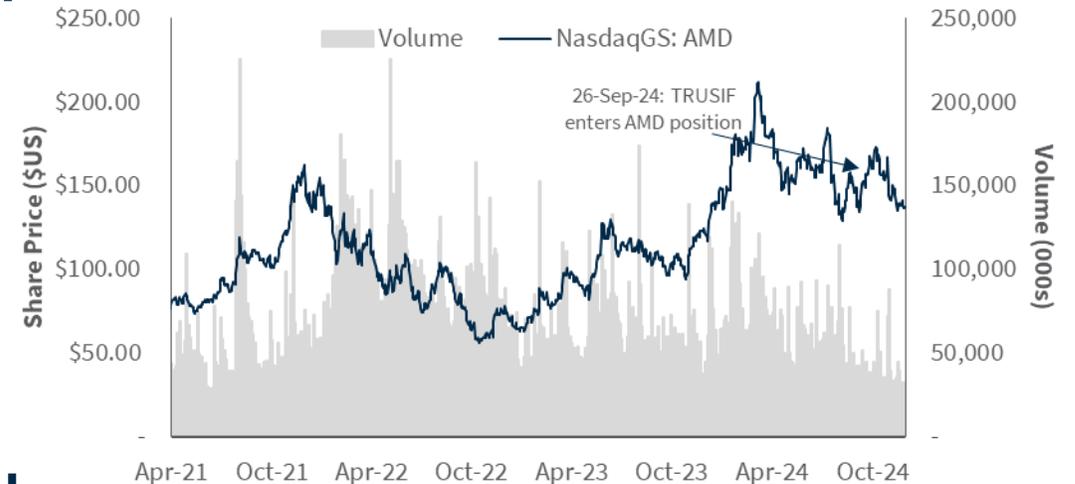
Thesis points:

- Gaming, VR & AR:** AMD's gaming segment accounts for almost 30% of their revenue, and is a strength, with their Ryzen 7 & 9 chipsets offering incredible gaming performance
- Semiconductor Chipsets:** The demand for chipsets is huge and growing every day. AMD stands to capitalize on the technological advancements in GenAI, Gaming and the Auto industry
- Data Center:** AMD delivers hyperscale-class network acceleration, security features, and observability for enterprise data centers and companies globally

Annual Adj. EBITDA⁽¹⁾



Share Price



Industry Growth (US\$ Bln)⁽¹⁾



Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

Industrials

Team: Daiman Mather, Fund Manager

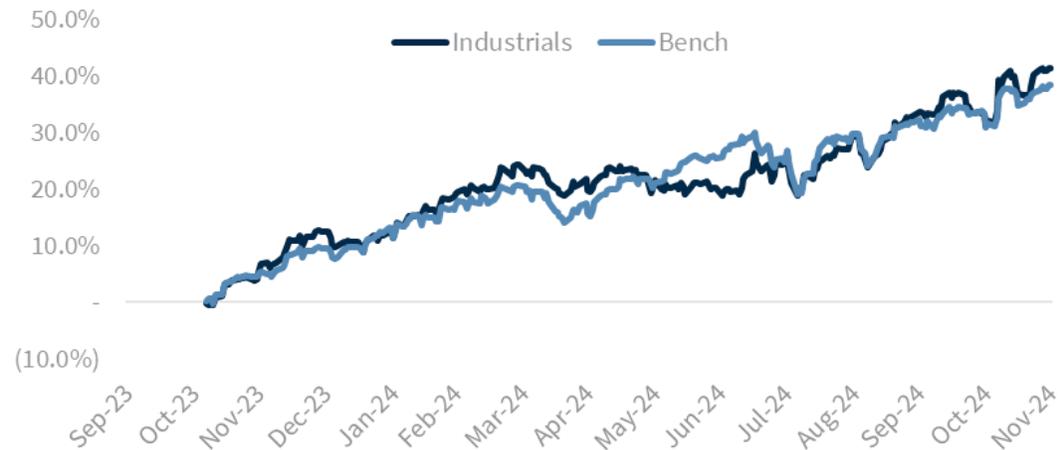
Jordan Fedyna, Fund Manager

Industrials Sector Overview

Recent Developments

- CPKC's RTMs are up (+4.4%) y/y driven by Fertilizer & Sulphur (+32.2%), Automotive (+20.8%), and Forest Products (+20.1%), offset by only Coal (-13.9%) and Metals, Minerals & Consumer Products (-1.2%)
- CPKC's RTMs are down (-1.7%) y/y driven mainly by Coal (-27.2%), Metals, Minerals & Consumer Products (-8.3%), and Automotive (-6.6%), offset by Intermodal (+9.6%) and Forest Products (+3.1%)
- CNR has partnered with Union Pacific (UP) and Ferromex (FXE) to present the fastest service between Canada, the U.S Midwest and Mexico called the Falcon Premium

LTM Index v. Benchmark

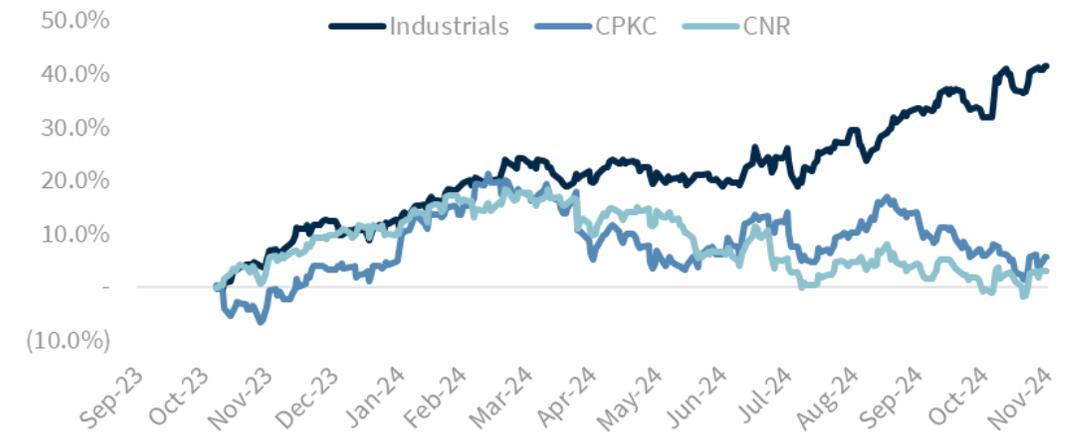


Source: Capital IQ, TRUSIF Research
 Note: Market data as of Nov 30, 2024

Holdings' Overview and Performance

- Both CPKC and CNR have resumed operations by order of the Canada Industrial Relations Board, amongst the ongoing disputes in the binding arbitration
- CNR posted 3Q24 revenue, and Adj. Diluted EPS came in at \$4.11bln and \$1.72 (+3%), (+2%) slightly beating street consensus \$4.08bln, \$1.70
- CPKC printed 3Q24 revenue, and Adj. Diluted EPS came in at \$3.5bln and \$0.99 (+6%), (+8%) slightly underperforming street consensus \$3.59bln, \$1.01

LTM Holdings' Performance



Canadian Pacific (TSX:CP) Overview



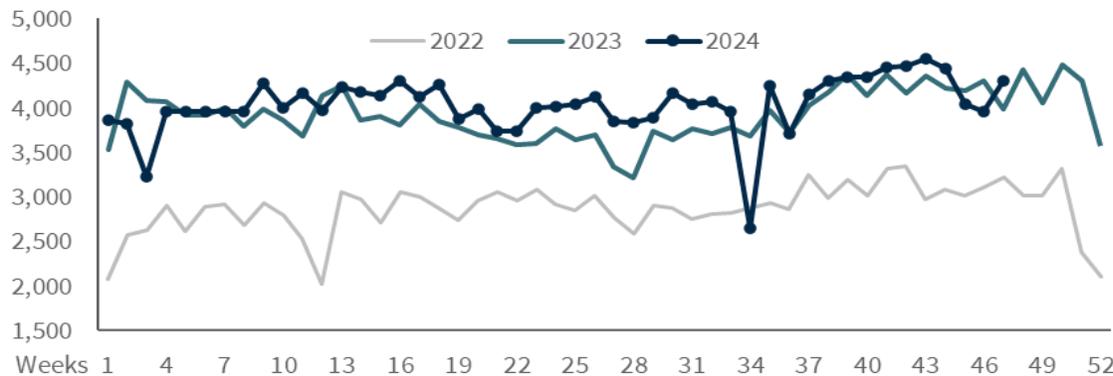
Overview

Canadian Pacific Kansas, has been led by CEO Kieth Creel since 2023. CPKC is the combination of two historical railways, CP and KCS, creating the first and only transnational rail network in North America. CPKC moves essential goods across our 20,000-mile network supporting economic growth throughout Canada, the U.S and Mexico. TRUSIF has held CPKC since Nov 2022

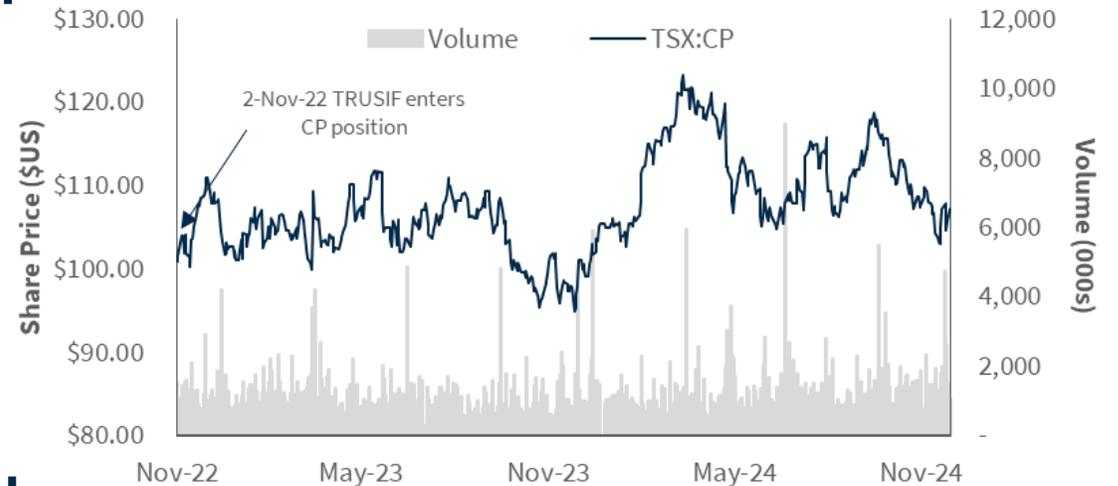
Rail Stats':

- RTMs: are up (+4.4%) y/y driven by Fertilizer & Sulphur (+32.2%), Automotive (+20.8%), and Forest Products (+20.1%), offset by only Coal (-13.9%) and Metals, Minerals & Consumer Products (-1.2%)
- Carloads were down (-1.0%) y/y mainly due to Coal (-15.8%), Forest Products (-9.5%), Intermodal (-7.4%), offset by Potash (+31.5%), Grain (+10.4%), and Energy, Chemicals & Plastics (7.4%)

RTMs



Share Price



Carloads



Canadian National (TSX:CNR) Overview



Overview

Canadian National Railway, has been led by CEO Tracy Robinson since 2022. CN is Canada's largest railway, in terms of both revenue and the physical size of its rail network. CN has approximately 23,000 employees transporting ~C\$250 bln worth of goods annually. Their rail network spans ~20,000 miles across Canada and mid-America. TRUSIF has held CN since Nov 2022

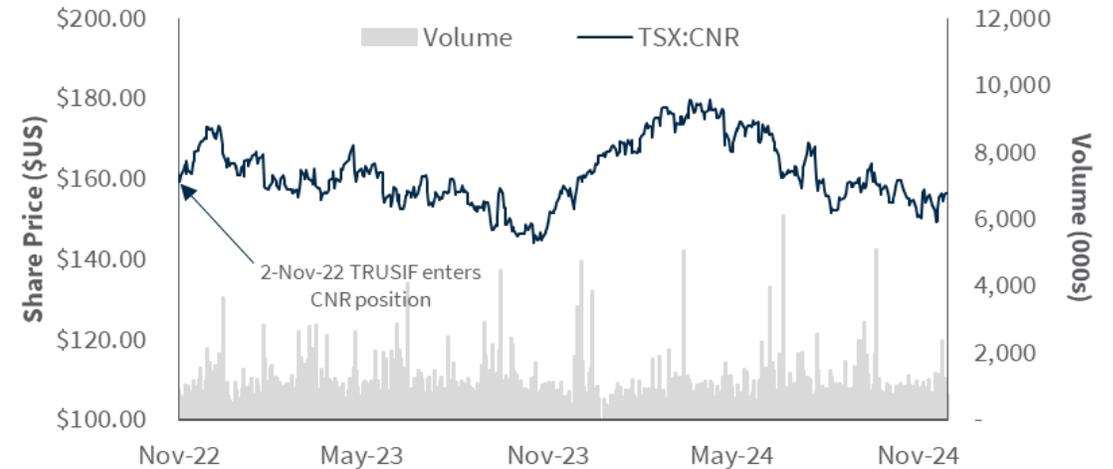
Rail Stats':

- RTMs: are up (+6.9%) y/y, driven mainly by Intermodal (+20.9%), Metals & Minerals (+10.1%), and Petro & Chemicals (+6.2%), offset by Automotive (-9.4%) and Forest Products (-5.2%)
- Carloads: up (+2.7%) y/y mainly due to Grains & Ferts (+8.9%), Intermodal (5.5%), and Petro & Chemicals (+3.3%), offset by Automotive (-11.7%), and Forest Products (-3.8%)

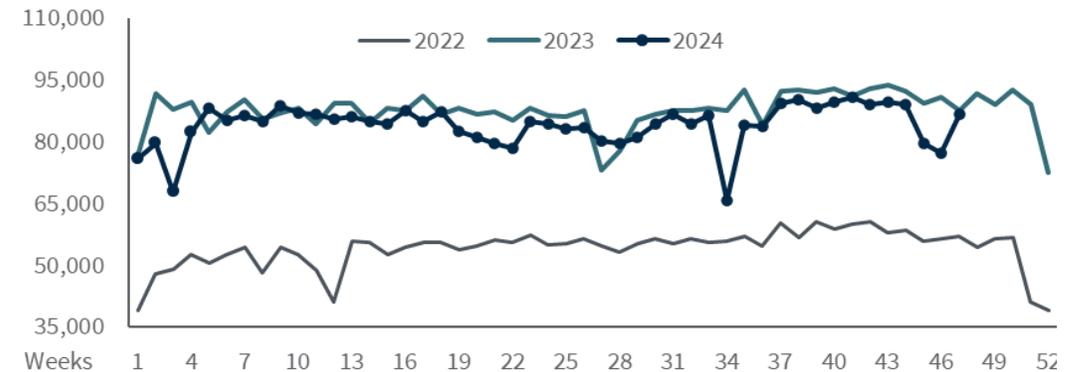
RTMs



Share Price



Carloads



Financials

Team: Francisco Eckardt, Investment Analyst

Cynthia Urrutia, Research Analyst

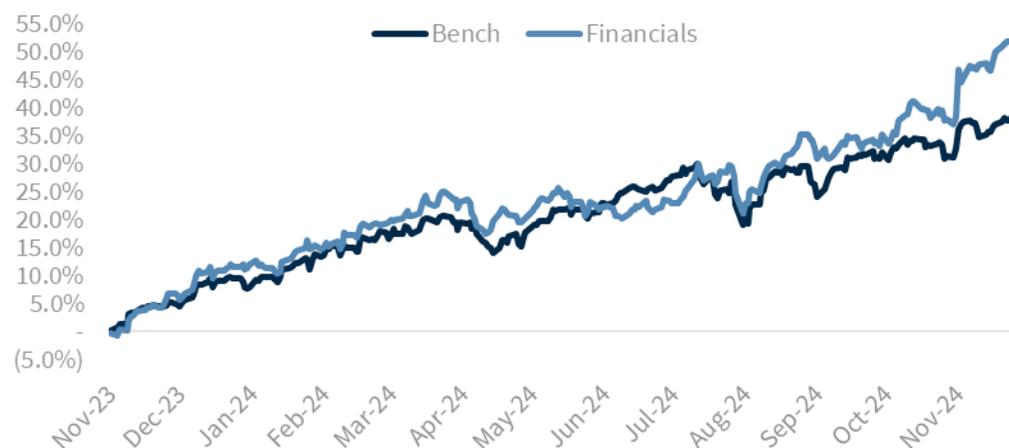
Michael Adeyemi, Research Analyst

Financials Sector Overview

Recent Developments

- The Fed lowered its benchmark overnight rate by 25bps, to a target range of 4.50%-4.75% in November, with expectations of lowering it to a target range of 4.25% - 4.50% this December.
- The S&P 500 Financials Index +10.2% outperformed the tape 5.7% with Banks, Asset Managers, and Investment Banks/Brokers, and Cards/Payments outperformed the sector. Treasury yields declined with the 2-year rate shedding 1bp to 4.15%, while the 10-year rate declined 11bps to 4.17%
- Insurance S&P Composite 1500 +8.46% underperformed the S&P 500 Financials +10.16% but outperformed the broader S&P 500 +5.73%

LTM Index v. Benchmark

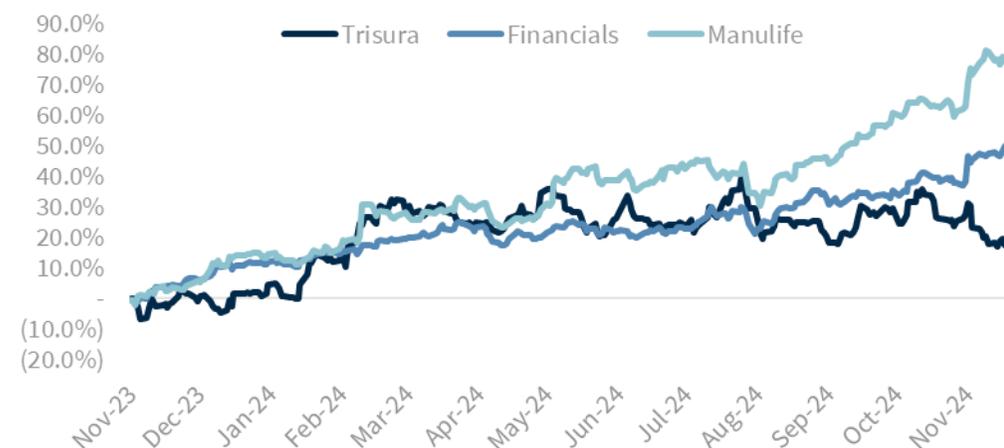


Source: Capital IQ, FactSet, TRUSIF Research
 Note: Market data as of Nov 30, 2024

Holdings' Overview and Performance

- MFC reported net income of \$1.8bln +82% Y/Y, with core EPS up 7% to \$1. Performance from the Asia segment was exceptional, delivering +877% Y/Y growth in net income
- TSU reported an operating net income of \$33.2mln +4.7%, book value per share increased by 24.3% to \$15.64 due to growing earnings in US programs and net investment income.
- MFC entered \$5.4bln reinsurance agreement with RGA to transfer some risk from its portfolio and free up capital for share buyback. MFC is issuing a \$1bln subordinated debenture, it will carry a fixed rate of 4.064% until Dec 2029, after which the rate will shift to 1.25% over Daily Compounded CORRA.

LTM Holdings' Performance



Manulife Financial (TSX:MFC) Overview

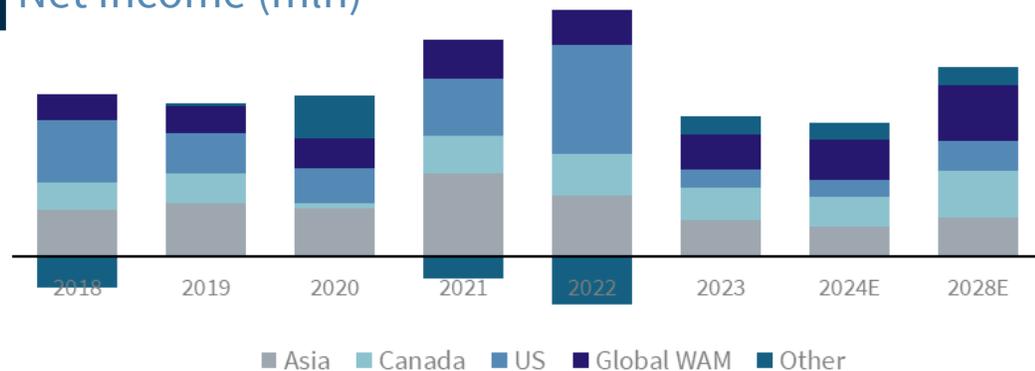
Overview

Manulife Financial Corporation (TSX: MFC), under the leadership of CEO Roy Gori, is a leading international financial services group providing insurance, wealth, and asset management solutions

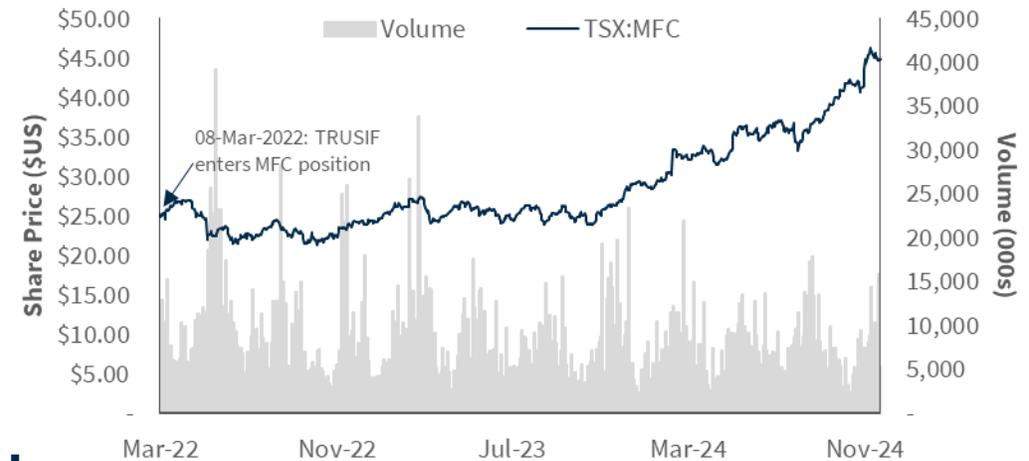
Thesis points:

1. Product and Service Innovation: We believe Manulife differentiates itself through innovative insurance and financial products tailored to diverse customer needs
2. Global Presence and Market Expansion: With a strong foothold in Asia, Manulife is well-positioned to capitalize on emerging market growth and demographic trends
3. Stable Financial Performance and Customer Focus: Manulife's customer-centric approach and consistent financial performance are fundamental to its strategy for delivering sustained value

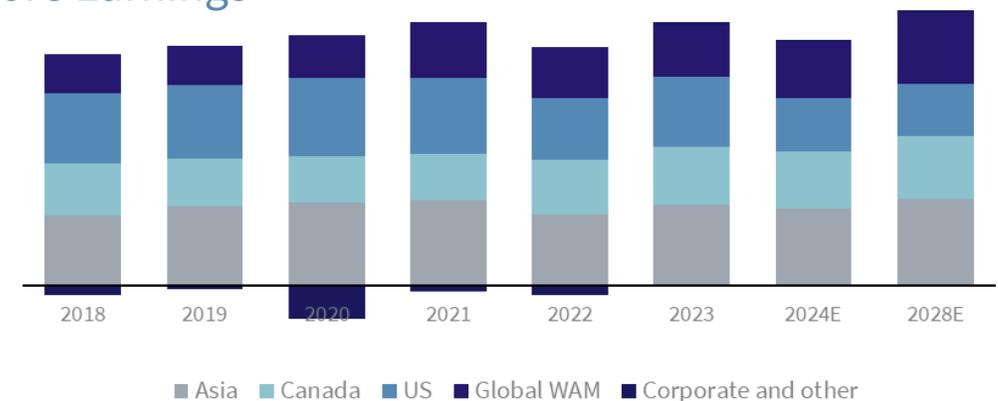
Net Income (mln)



Share Price



Core Earnings



Source: Capital IQ, TRUSIF Research
 Note: Market data as of Nov 30, 2024
 (1) Company filings as of 2Q24

Trisura Group (TSX:TSU) Overview



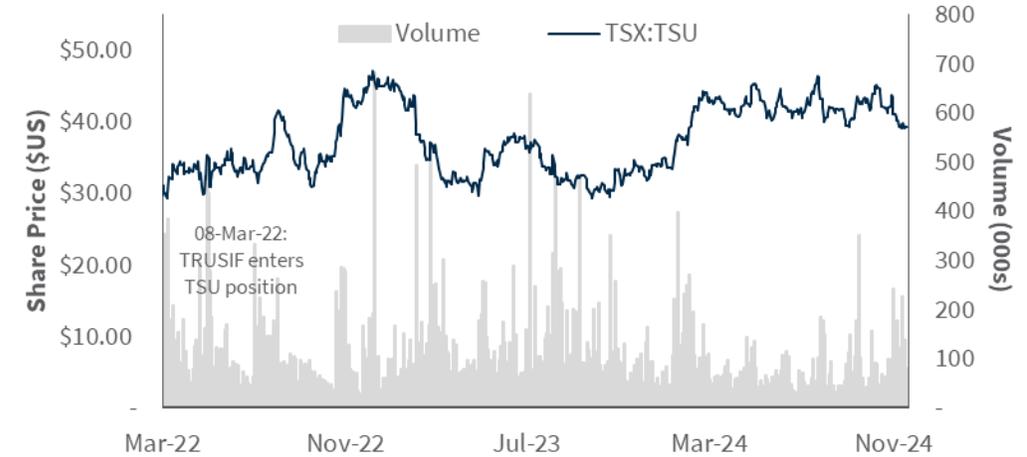
Overview

Trisura Group Ltd. (TSX: TSU), under CEO David Clare, is a North American specialty insurance provider. Renowned for its selective underwriting and expertise in surety, risk solutions, and reinsurance

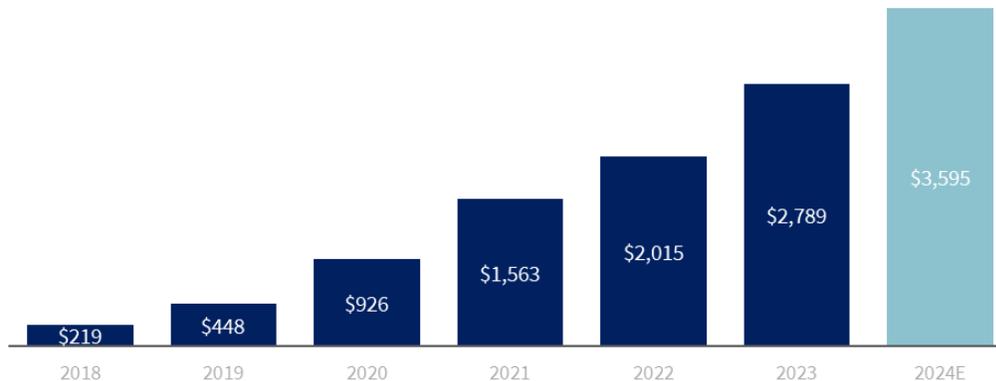
Thesis points:

1. Selective Underwriting and Diversification: Trisura employs selective underwriting for profitability while offering diverse specialty insurance products
2. Strategic Growth in North American Markets: The company is expanding its U.S. presence, contributing significantly to its premium base and market reach
3. Financial Discipline for Long-term Value: Trisura prioritizes efficiency and strategic capital deployment for financial health and shareholder value

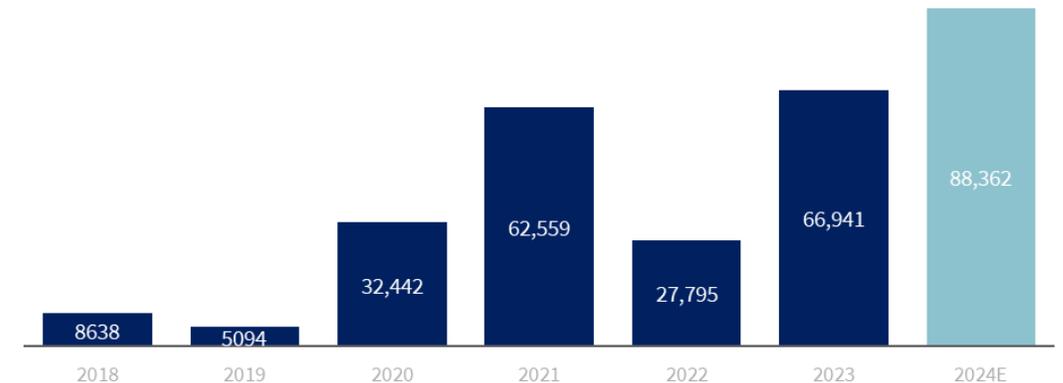
Share Price



Revenue (mln)



Profitability



Source: Capital IQ, TRUSIF Research
 Note: Market data as of Nov 30, 2024
 (1) Company filings as of 2Q24

Real Estate

Team: Aadhar Chawla, Fund Manager

Cynthia Urrutia, Research Analyst

Nihar Meshram, Research Analyst

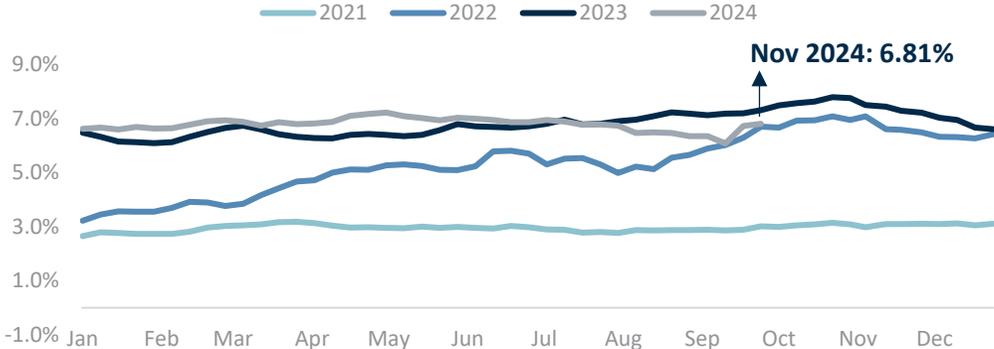
Jacob Jolly K, Research Analyst

Real Estate Sector Overview

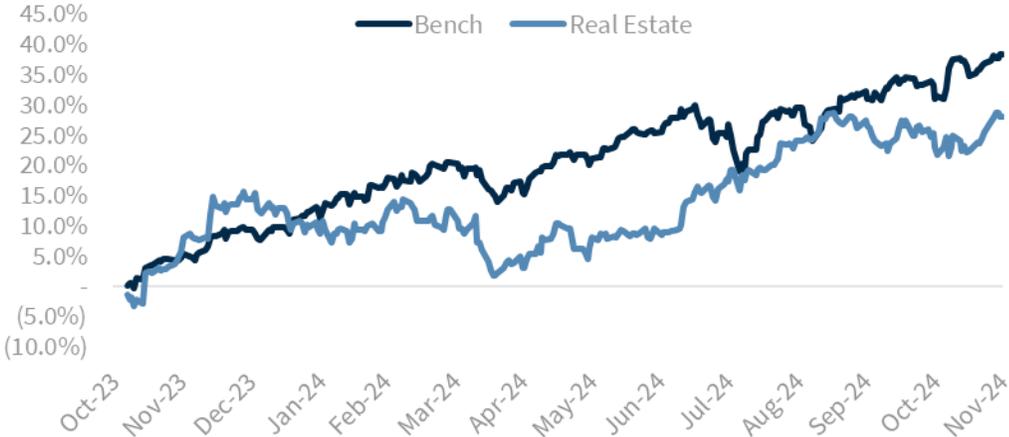
Overview

- Real Estate underperformed the broader market in November, with the S&P500 Real Estate Index declining +3.98% versus the S&P500 Index +5.73%.
 - Outperformers - Data Centers, Timber, RE Services
 - Underperformers - Diversified, Industrials, Healthcare, Single-Family, Retail, Office, Hotels, Multi-Family, Towers, Specialty, Self-Storage
- Housing starts in Canada rose 7.8% month-over-month to 240,761 units in October 2024, reaching the highest level in three months, though still falling short of the market expectation of 242,500 units, according to the Canada Mortgage and Housing Corporation. The seasonally adjusted annual rate (SAAR) for total urban housing starts increased by 6% to 223,111 units, with multi-unit starts climbing 7% to 175,705 units and single-detached urban starts rising by 1% to 47,406 units.

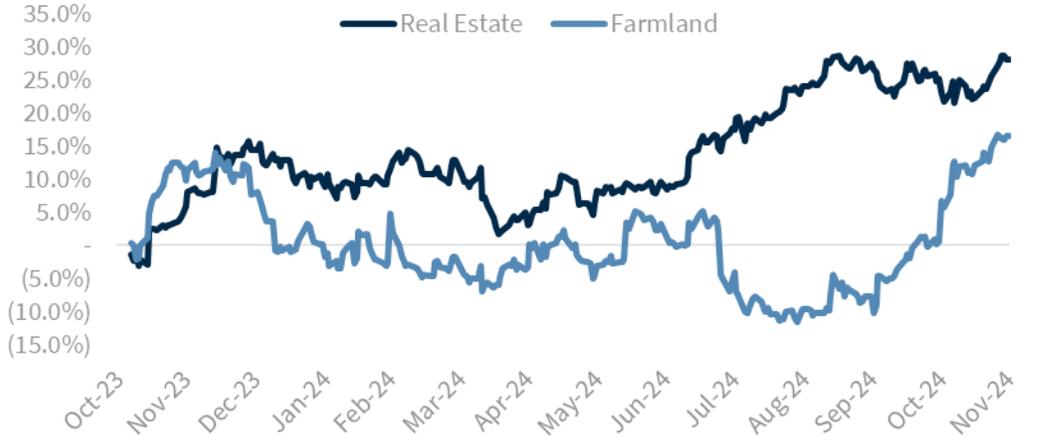
US 30Y Mortgage Rate



LTM Index v. Benchmark



LTM Holdings' Performance



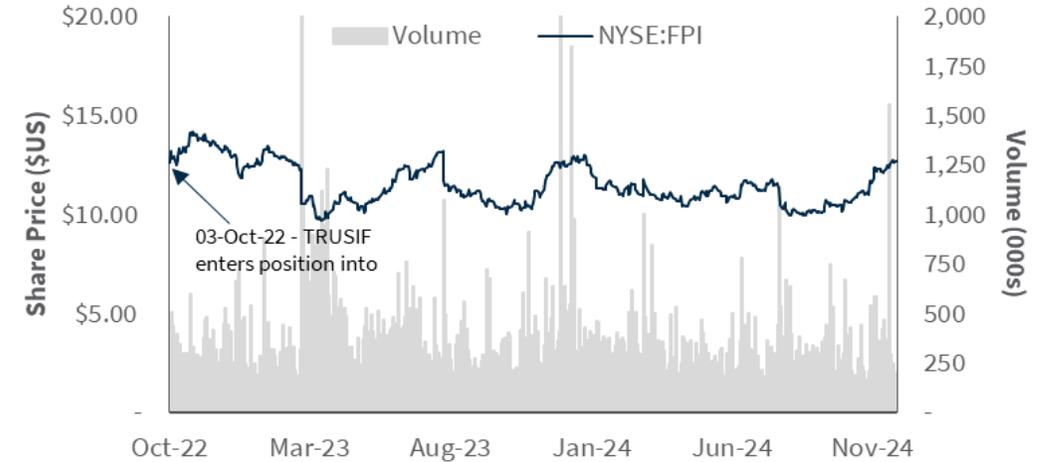
Source: Capital IQ, TRUSIF Research
 Note: Market data as of Nov 30, 2024

Farmland Partners (NYSE:FPI) Overview

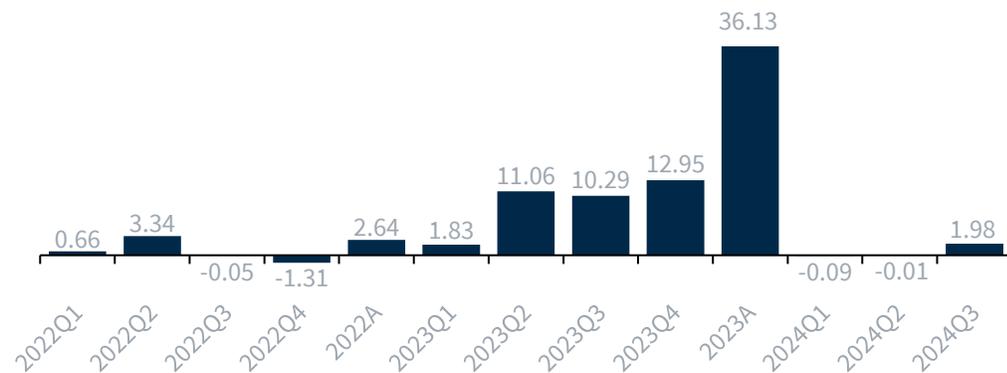
Overview

- Farmland Partners Inc (NYSE: FPI), has been led by CEO Luca Fabbri since February 2023. FPI is an internally managed real estate company that owns and seeks to acquire high-quality farmland located in agricultural markets throughout North America. Q3 2024 highlights include:
- Recorded net income of \$1.8 mln, or \$0.02 per share available to common stockholders, compared to \$4.3 mln (which included \$10.3 mln of gain on disposition of assets, net), or \$0.07 per share available to common stockholders for the same period in 2023
- Recorded AFFO of \$1.4 mln, or \$0.03 per share, compared to (\$0.5) mln, or (\$0.01) per share, for the same period in 2023
- Increased total operating revenues by \$1.7 mln or 14.6%; while average gross book value of real estate reduced from \$1.08 bln to \$1.01 bln from 2023 to 2024, a decrease of (6.7%) as a result of dispositions that occurred during 2023

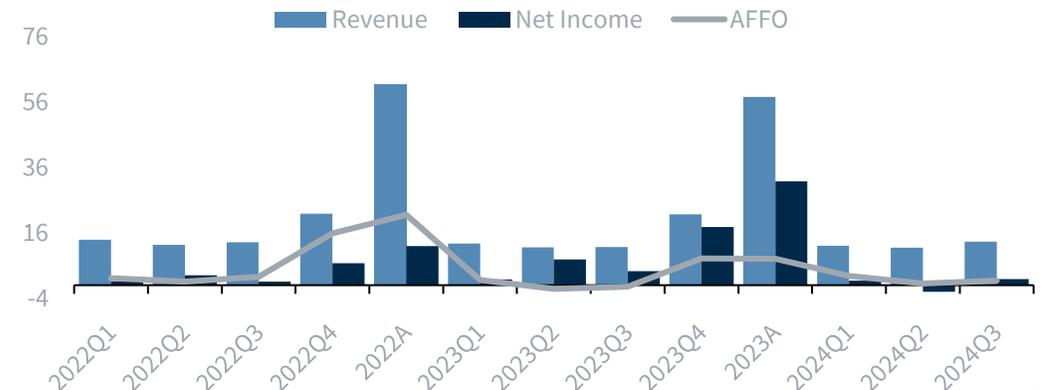
Share Price



Gain/Loss On Disposition Of Asset⁽²⁾



Net Income, Revenue & AFFO⁽²⁾



Utilities

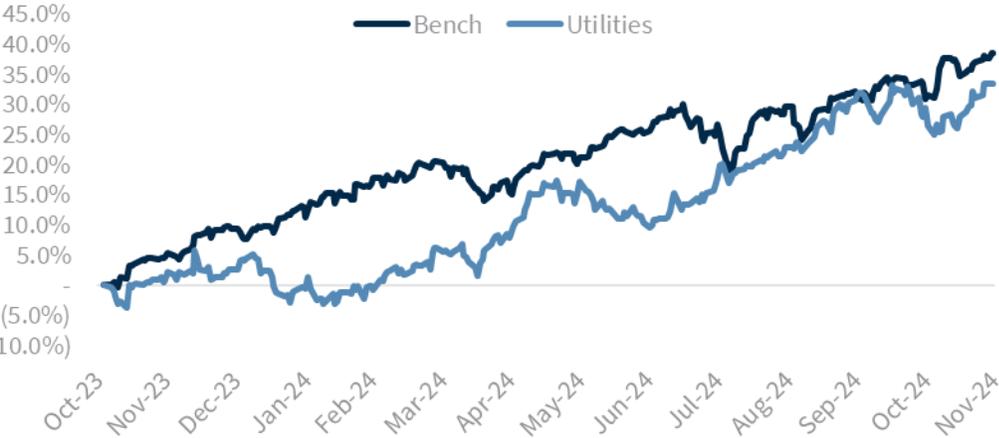
Team: Austin Burke, Fund Manager
Arthur Costa, Investment Analyst

Utilities Sector Overview

Recent Developments

- S&P 500 Utilities Index +3.2% vs. S&P 500 +5.7%. S&P 500 Electric Utilities Index +1.5%.
- Natural Gas +17% to \$3.35 per MM/Btu
- Week ended 29-Nov: S&P 500 advanced, with most sectors gaining, driven by consumer discretionary, health care and real estate, with utilities also higher. Energy was only sector to decline. Renewables all stronger, with hydrogen and solar leading.
- With a Republican-controlled Congress, analysts think Pres-elect Trump could roll back parts of the Inflation Reduction Act (IRA), raise tariffs and end offshore wind auctions.

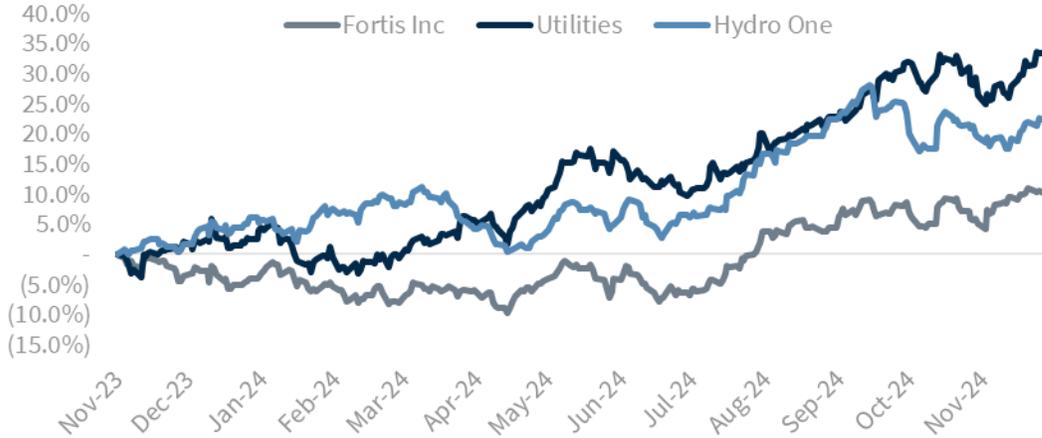
LTM Index v. Benchmark



Holdings' Overview and Performance

- H reported 3Q24 earnings on Nov 7, 2024 - Third quarter basic earnings per share (EPS) of \$0.62 compares to EPS of \$0.60 for the same period in 2023. Revenue of 2,192B compared to 1934B in 3Q23. Net income of 371 against 357 in 3Q23
- H: Ontario Energy Board (OEB)-approved 2024 transmission and distribution rates
- FTS announced 3Q24 earnings on Nov 5, 2024 - Adjusted net earnings per common share2 of \$0.85, up from \$0.84 in the third quarter of 2023. Capital expenditures2 of \$3.6 billion through September; capital expenditures of \$5.2 billion expected for 2024
- FTS: Expect dividend growth of 4-6% through 2029 for shareholders

LTM Holdings' Performance



Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

Hydro One (TSX:H) Overview



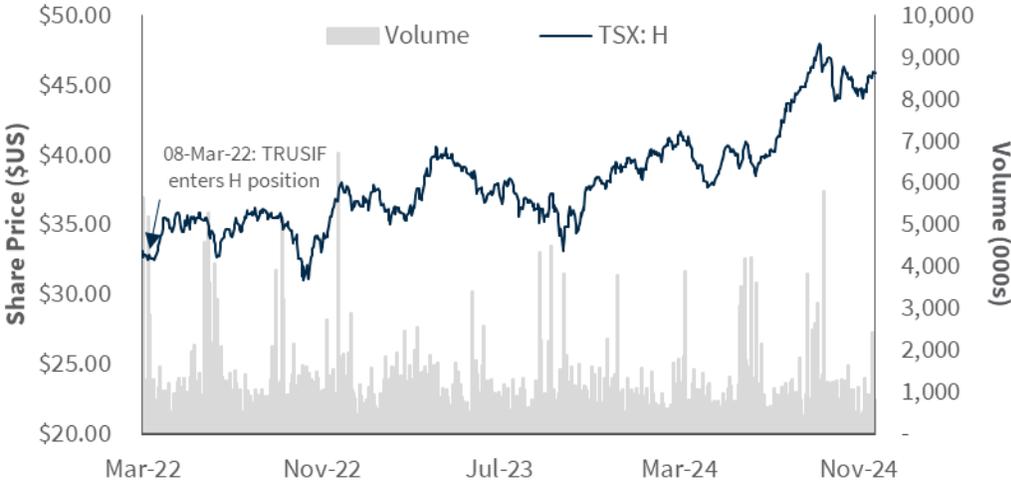
Overview

H, operational since 2015, specializes in electricity transmission and distribution across Ontario, serving residential, commercial, and industrial sectors. H serves about 1.5 million customers, with roughly \$32.8 bln in assets and about \$7.8 billion annual revenues in 2023.

3Q24 highlights include:

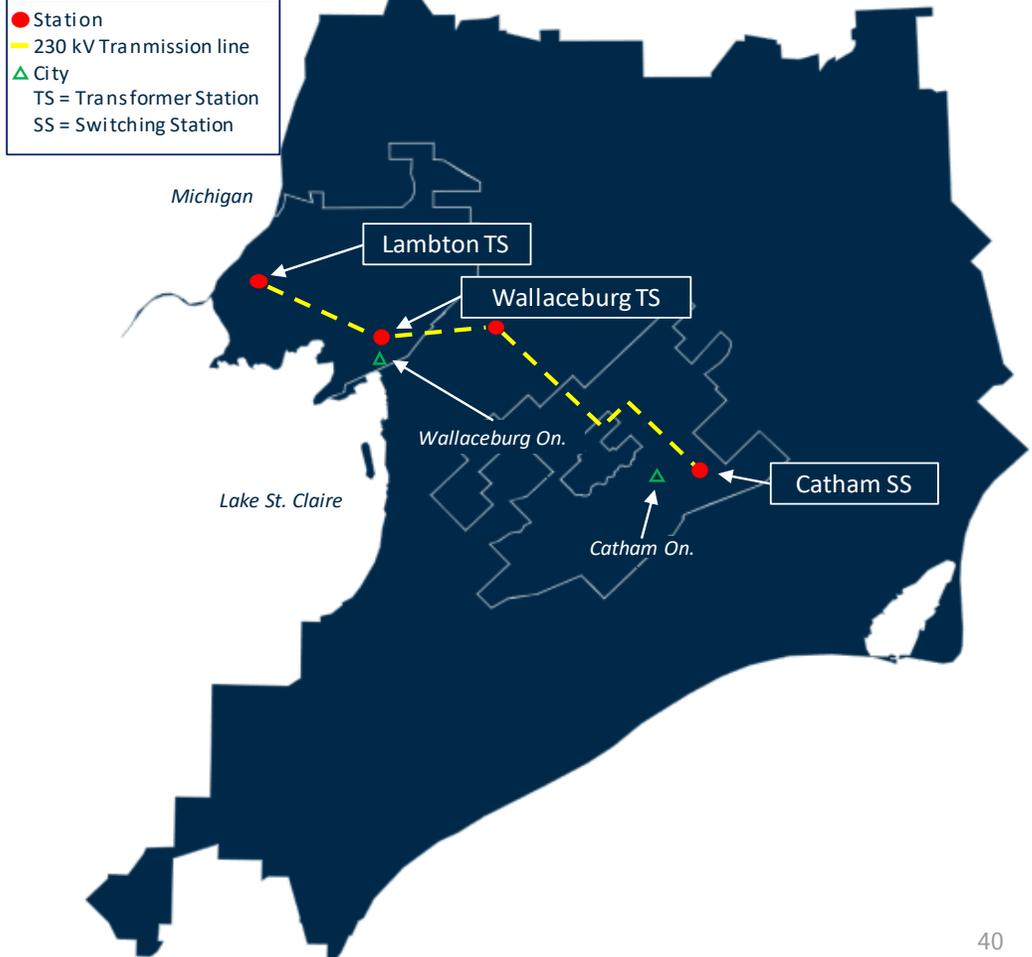
- Basic EPS of \$0.62 compares to EPS of \$0.60 for the same period in 2023. Quarterly dividend declared at \$0.3142 per share, payable December 31, 2024.
- The year-over-year EPS increase was driven by higher revenues from OEB-approved 2024 rates and increased demand and energy consumption, partially offset by higher taxes, depreciation, and financing costs.
- The Company's capital investments and in-service additions for the quarter were \$773 million and \$597 million, respectively, compared to \$638 million and \$699 million in 2023.

Share Price



Recent Project Update⁽¹⁾

St. Clair Transmission Line Project (ETC - 2028)



Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

Healthcare

Team: Nolan Bennett, Investment Analyst

Ananya Pal, Research Analyst

Healthcare Sector Overview

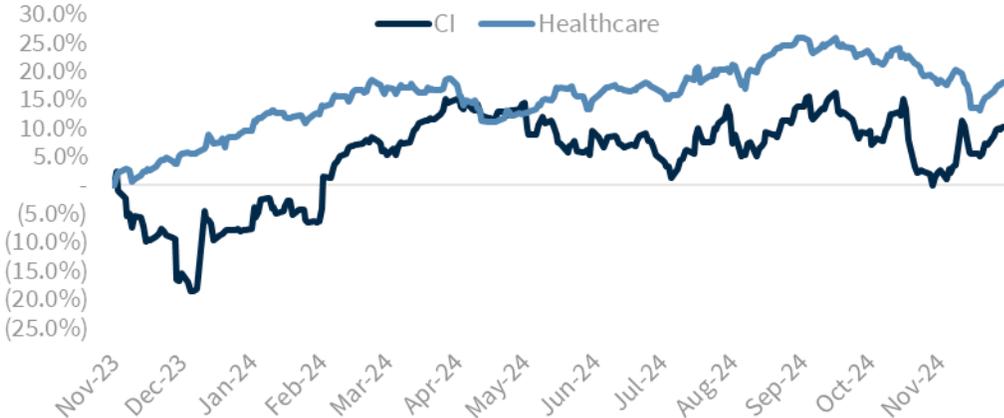
Recent Developments

- Healthcare spending in Canada is projected to reach \$372 bln (\$9,054 per Canadian) in 2024, accounting for 12.4% of Canada's GDP
- Health Canada authorized Novo Nordisk's weight loss drug, Wegovy, for lowering the risk of non-fatal heart attacks in certain adults. addressing both obesity and cardiovascular conditions in adults
- The government is giving student loan forgiveness of up to \$60,000 for doctors and \$30,000 for nurses who operate in rural and remote communities

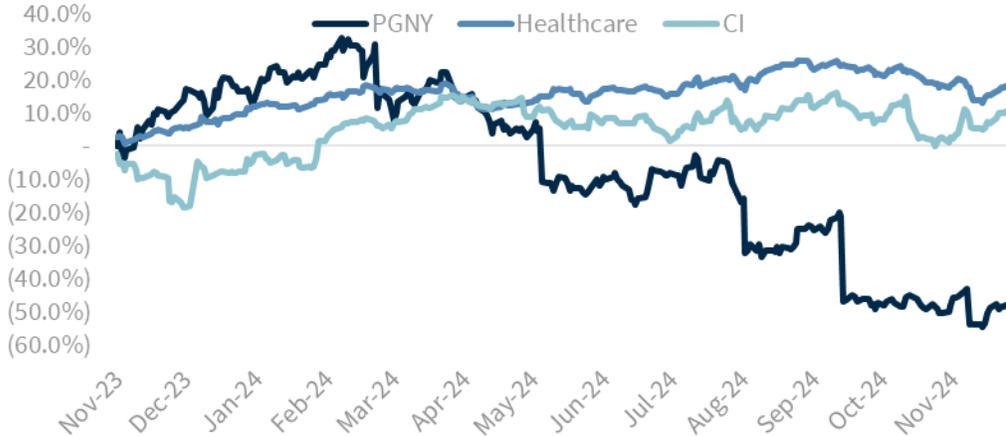
Holdings Overview and Performance

- On November 1, Cigna Healthcare connected with Mobile-based Infirmiry Health to grant its Medicare Advantage customers in-network access to Infirmiry Health's services, aiming to reduce costs through value-based care
- On November 8, 2024, law firm Hagens Berman announced an investigation into Progyny's disclosures about client retention rates following the unexpected departure of a major client, despite previous claims of near-100% client retention
- As of November 15, short interest in Intuitive Surgical (ISRG) stock totaled 4,150,000 shares, a 7.8% increase from October 31

LTM Index v. Benchmark



LTM Watchlist Performance



Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024



The Cigna Group (NYSE: CI) Overview

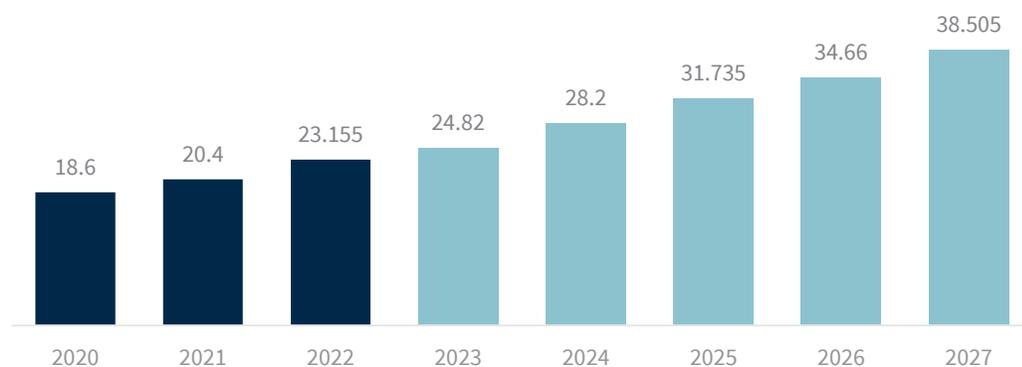
Overview

Founded in 1792, Cigna is the largest PBM business in the U.S (post-acquisition of Express Scripts) and has a diversified revenue stream within the healthcare sector

Thesis points:

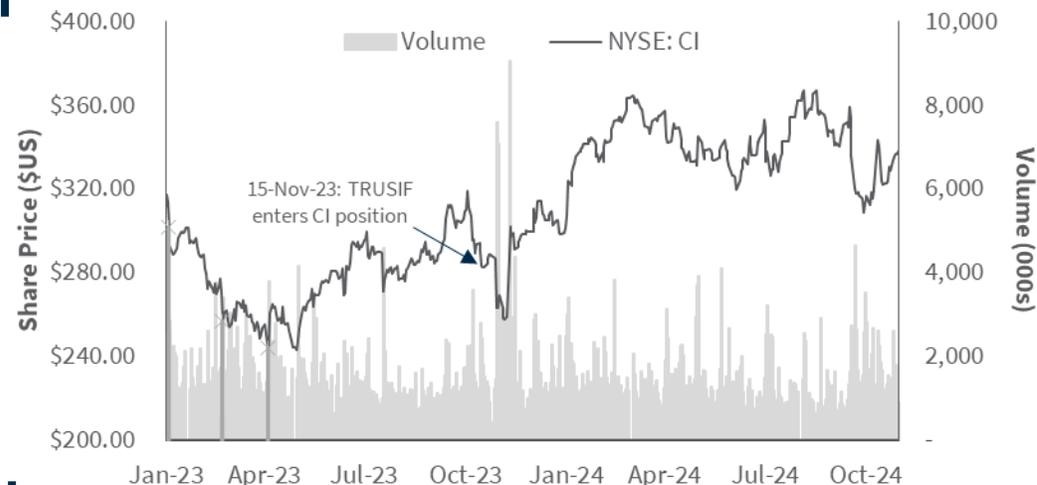
- M&A Strength & Catalyst Potential:** CI's enterprise leverage and strong cash flows allow increased focus on buybacks and strategic M&A. CI has a track record of executing blockbuster deals that help keep their competitive advantage
- Strong Client Relationships and Geographic Expansion:** CI operates one of most successful PBM businesses in the US, recently signing a contract with Centene to handle more than \$35 bln in annual drug spending
- Virtual Healthcare & Aging Demographic:** CI has acquired multiple virtual care companies to bolster margins and scale more demand from an aging population

Annual EPS Growth

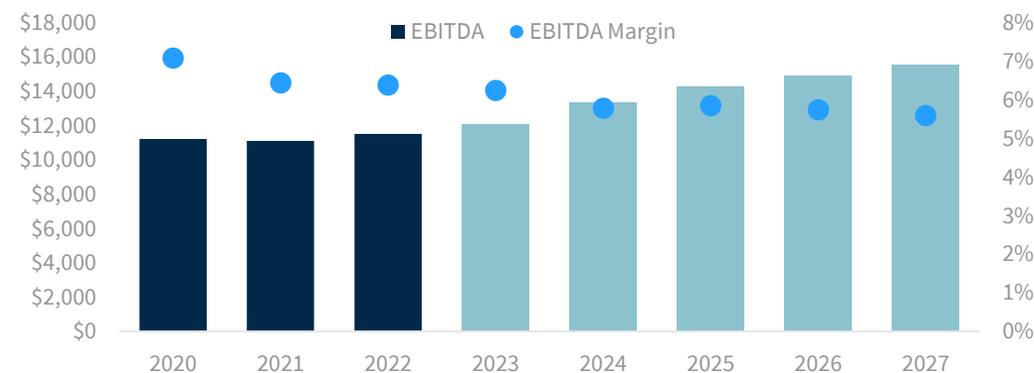


Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

Share Price



EBITDA & EBITDA Margin



Aerospace

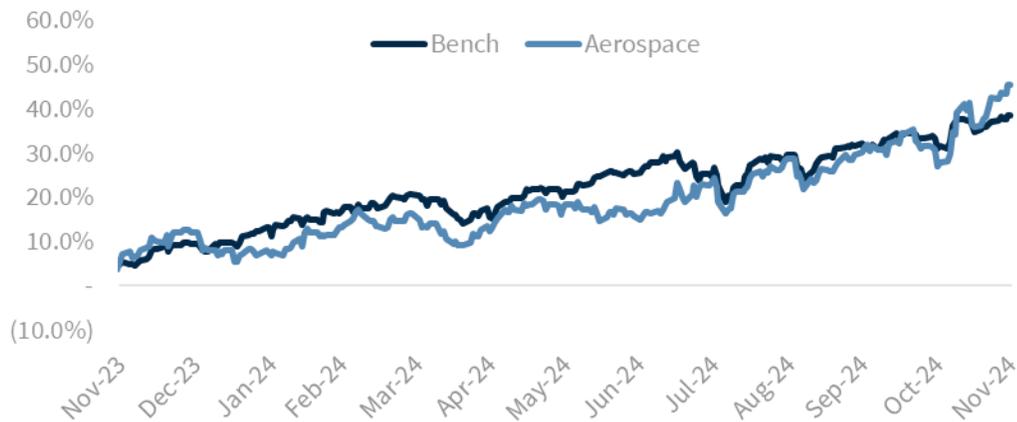
Team: Gagandeep Multani, Investment Analyst
Timothy Mburu, Investment Analyst

Aerospace Sector Overview

Recent Developments

- Boeing delivered the first MH-139A Grey Wolf production aircraft to the U.S Air Force. Boeing jointly developed the MH-139A with Integris Composites (fitting the armor), and this aircraft is an icon in military aviation since the Vietnam war to protect America's ICBM bases
- Boeing also saw the Machinists ending the strike which lasted for 53 days, and bruised Boeing significantly in terms of production. The deal brings a 38% wage increase for the 33,000 union members, and was approved by 59% of the voters
- RTX's Raytheon was awarded a U.S Army contract to work on directed energy wireless power beaming capabilities that aim to distribute power across the battlefield, simplifying logistics, and safeguard locations for U.S troops

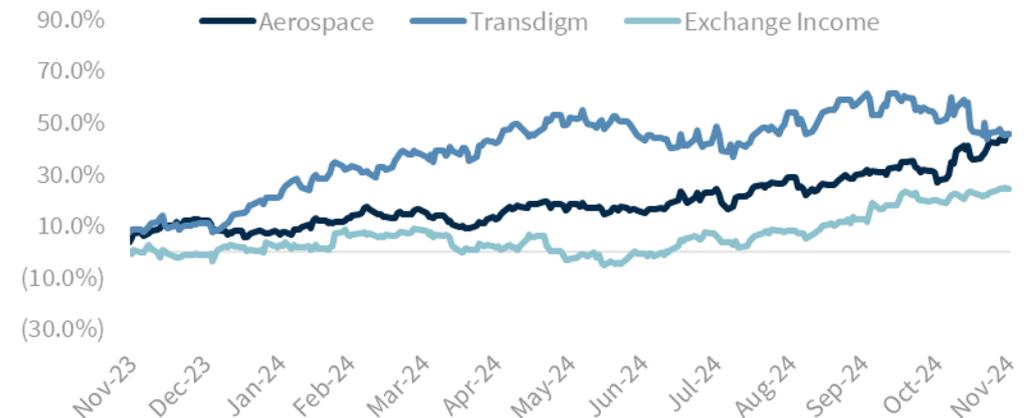
LTM Index v. Benchmark



Holding Overview and Performance

- Transdigm reported 4Q24 earnings with revenue at U\$2185mln, up 18% yoy, and net income at U\$468mln, up 13% yoy. TDG saw commercial OEM sales growing by 13%, and aftermarket sales up 8%
- Exchange income reported 3Q24 with record quarterly revenues at C\$710 mln and record quarterly FCF of C\$136mln. Revenue in the Aerospace & Aviation segment increased by 5% on the back of improved load factors, increased flying under the BC medevac contract, and increased medevac activity under the new Manitoba contract
- Exchange Income announced the acquisition of Spartan Mat, LLC for U\$120mln. The price will be funded through \$18mln common shares and \$102mln from EIF's credit facility

LTM Holdings' Performance



TransDigm (NYSE: TDG) Overview



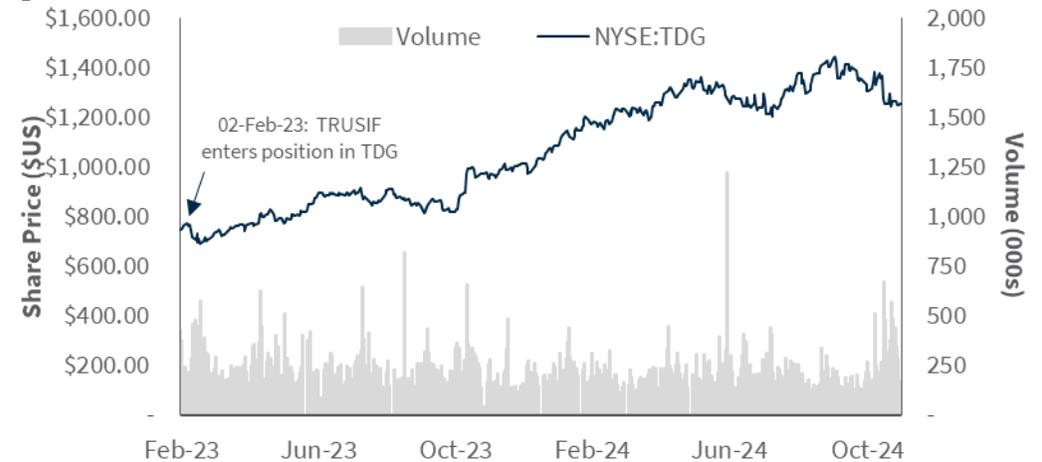
Overview

TransDigm Group (NYSE: TDG), has been led by CEO Kevin Stein since 2017. TDG is a leading aerospace component supplier, focused on highly engineered OEM and A&M products. TRUSIF has held TDG since February 2023

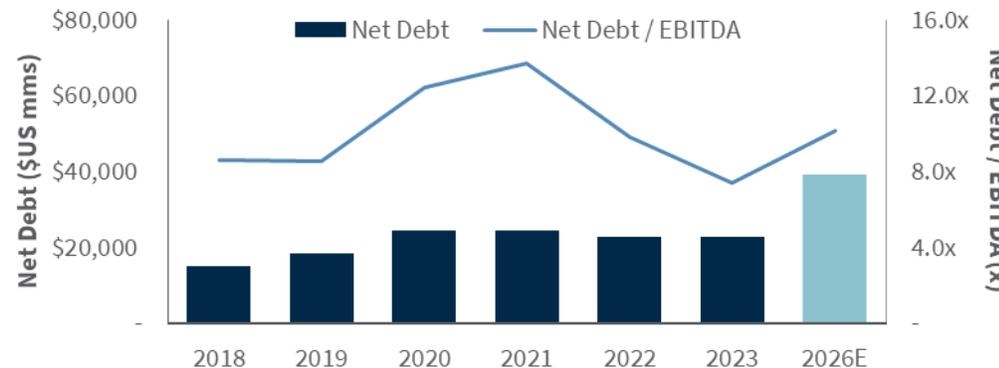
Thesis points:

- M&A Strength & Catalyst Potential:** we see TDG continuing to add to its robust A&D portfolio through its proven track record of successful M&A
- Strong Commercial AM Growth:** TDG's high margin commercial A&M segment surged by +35%, outperforming due to market exposure and pricing
- Strategic Leverage & Financial Resilience:** TDG's adept use of leverage benefits from low interest rates, with prudent refinancing pushing major debt maturities to 2026. This approach ensures financial stability and potential value creatio

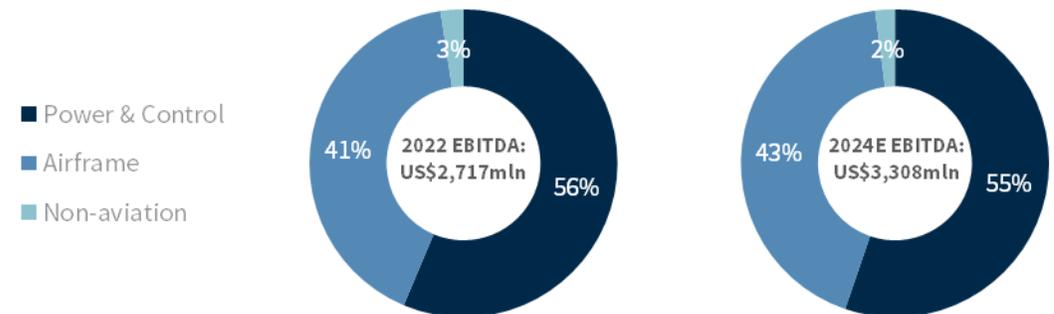
Share Price



Annual Net Debt to Adj. EBITDA⁽¹⁾



Segment Adj. EBITDA Mix⁽¹⁾



Exchange Income (TSX: EIF) Overview



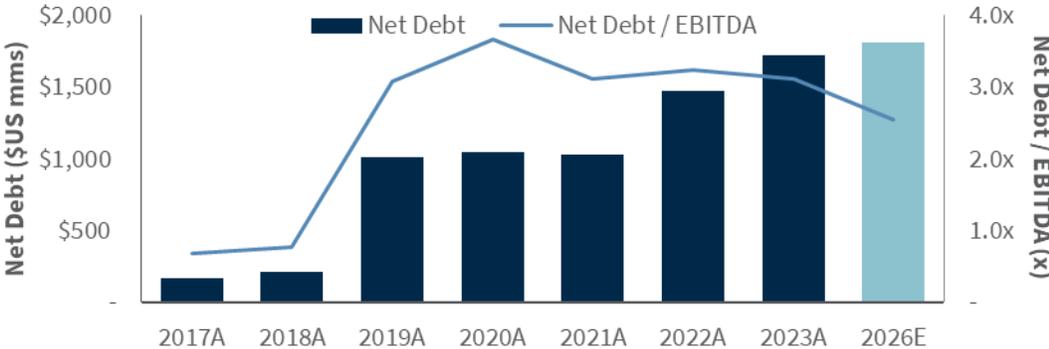
Overview

Exchange Income Corporation (TSX:EIF) is a diversified, acquisition-oriented corporation focusing on investing in profitable, well-established companies with strong cash flows, operating in niche markets

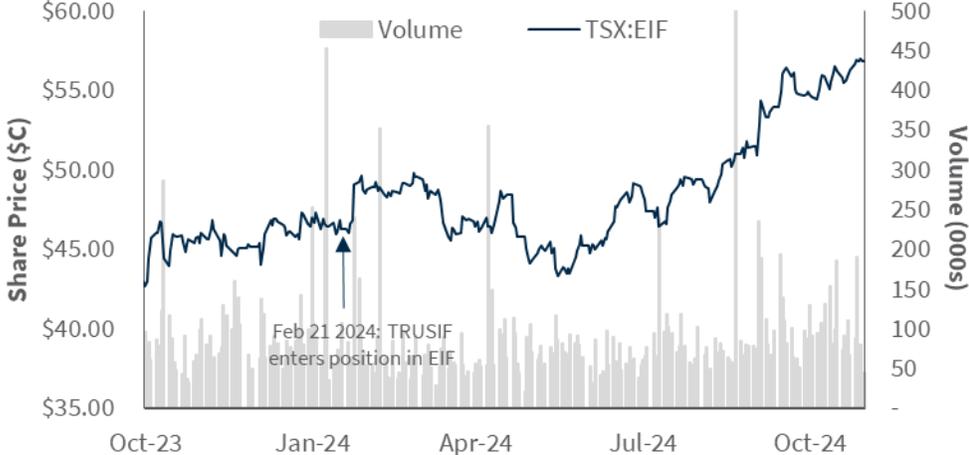
Thesis points:

- Recent Acquisitions:** 2023 saw EIF acquire Hansen Industries Ltd., and BVGlazing Systems Ltd under its manufacturing segment. EIF expects to see positive returns out of these acquisitions in 2024
- Contractual Wins:** Recent highlights for EIF were getting contracts for Medevac services in British Columbia and Manitoba, entering into a contract with Air Canada for providing services in Eastern Canada, and getting the ISR contract for the UK Home Office
- Financial Performance:** EIF has reported consistent increases in Revenue, EBITDA, Free Cash Flow, and Dividends for the last 7 years (exception 2020)

Annual Net Debt to EBITDA⁽¹⁾



Share Price



Acquisition History⁽¹⁾

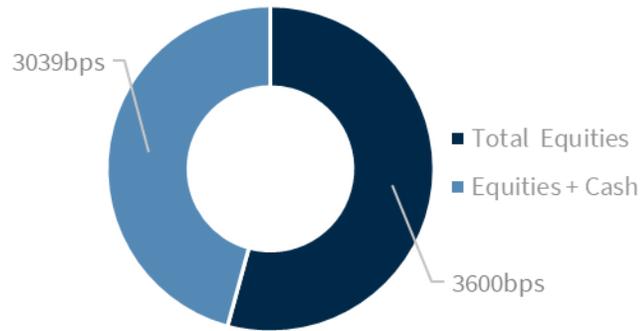


Source: Capital IQ, TRUSIF Research Note: Market data as of Nov 30, 2024

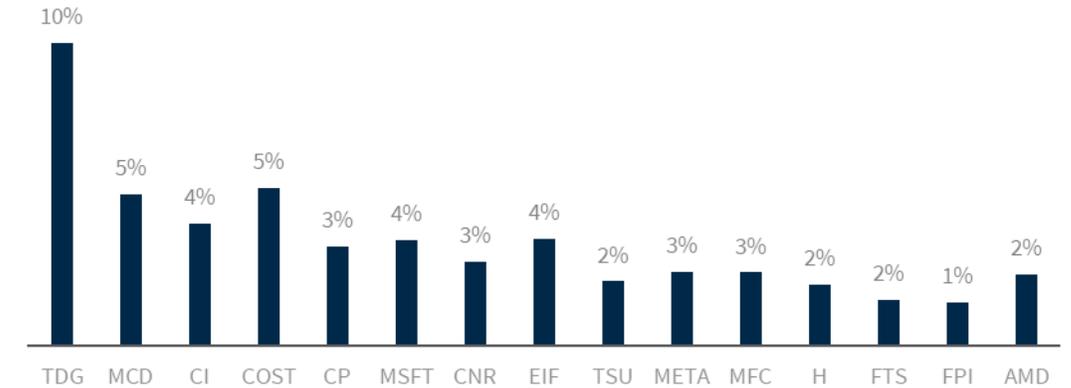
Appendix

Appendix: Portfolio Overview

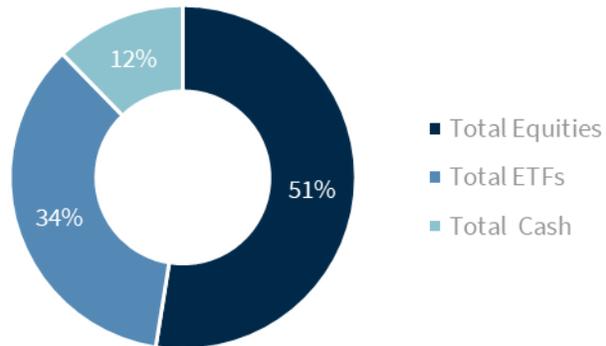
Total Performance With Cash Affect



Equity Ownership Weighting



Asset Mix



ETF Ownership Weighting



Disclosure

The information contained herein has been obtained from sources believed to be reliable by TRUSIF. However, TRUSIF does not guarantee its accuracy and is not liable for any loss or damage from its direct or indirect use.

