

January 24th, 2023

Bromley Advisor Basket Switch

We have recently made the following changes within the Bromley Advisor Basket.

SOLD

10 shares Bank of Nova Scotia (BNS-T)
14 shares National Bank of Canada (NA-T)

BOUGHT

110 shares Element Fleet Management (EFN-T)

The motivation for the switches was to lock in some profit on shares which have performed very well and initiate positions in a company we feel has strong growth prospects ahead.

We trimmed our positions in Bank of Nova Scotia and National Bank of Canada, as the weight of Canadian Banks in the basket has reached the upper limits of how much exposure we wish to have in that sector. Our analysts still believe strongly in both these companies; however, we saw it as a good time to take some profit in banks, and to begin a position in a non-bank financial. We initiated a position in Element Fleet Management, a Canada-based fleet management company with a history of dividend growth and increasing cashflow. Our analysts expect that Element Fleet Management will continue to outperform the broader financials sector due to its large order backlog with high margins, as well as the potential to win mega-fleet customers, such as its recent Rentokil North America deal which involves a fleet of 21,000+ vehicles in the US.

We are very happy with these switches and believe this diversification will be highly beneficial to our Basket of stocks. As always, we remain committed to our goal of providing solid long-term returns to our Basket holders. Thanks again for your continued confidence and support.

Yours truly,

NATIONAL BANK FINANCIAL

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