

Portfolio Manager Commentary

Dave Bromley, BSc, M.B.A., FCSI, CIM, PFP



With the first quarter of 2024 behind us, we are pleased to say that our basket holders have experienced a strong start to the year, **up roughly 9%** so far. With the return of a strong year already achieved in the first quarter, we may see equities slow down, or even have a slight pull-back as they get set for the next leg up. There are still many uncertainties surrounding us including the ongoing wars, the November US election, and the highest interest rates in over 20 years. This has led to large swings in global stock markets over the past 4 years and there are still ongoing debates as to whether the current cycle will end with a recession or a soft-landing.

As always, we believe the high-quality, diversified, large-cap holdings which make up the basket will continue to participate strongly in the upside of markets, while trying to limit the downside when markets do experience pullbacks. With most the world's central banks now pivoting from rate hikes to rate cuts, we will likely begin to see the first cuts from the Bank of Canada and the US Fed later this summer or in the fall, which should begin to take some pressure off businesses and consumers, supporting spending and potentially giving markets another reason for optimism.

As we move into the second quarter, we would like to remind you if you haven't already done so to take advantage of this year's increased TFSA contribution limit of \$7,000. Also, with the new First Home Savings Account (FHSA) now released, please reach out if you or a family member would like to discuss taking advantage of this new account which is designed to save for a down payment on a first home purchase. Lastly, we wish to thank you again for your continued confidence. Don't hesitate to contact us if you would like to schedule a time to review your portfolio and future objectives.

I have prepared this commentary to give you my thoughts on various investment alternatives and considerations which may be relevant to your portfolio. This commentary reflects my opinions alone, and may not reflect the views of National Bank Financial Group. In expressing these opinions, I bring my best judgment and professional experience from the perspective of someone who surveys a broad range of investments. Therefore, this report should be viewed as a reflection of my informed opinions rather than analyses produced by the Research Department of National Bank Financial.

Investment Objectives

To provide a diversified portfolio, predominantly of Canadian securities, that produces capital appreciation and moderate income. The portfolio performance will be proportionately measured against the TSX and US indices.

Present Holdings - As at Mar 31, 2024

Company	Sector	Weighting	ESG Score*
Invesco QQQ (US)	Technology/Other	10.52%	N/A
iShares Healthcare (US)	Healthcare	8.56%	N/A
Teck Resources	Materials	7.78%	A-
Visa (US)	Financials	6.61%	B
Canadian Natural Resources	Energy	6.03%	C+
National Bank of Canada	Financials	5.99%	B
Costco	Consumer Staples	5.79%	B+
Cenovus Energy	Energy	5.61%	B+
Trisura Group Ltd.	Financials	5.35%	C-
Boeing (US)	Industrials	4.57%	A-
Tourmaline	Energy	4.44%	B-
CIBC	Financials	4.21%	B+
Canadian Pacific Kansas City	Industrials	4.18%	A
Bank of Nova Scotia	Financials	4.09%	A-
GFL Environmental	Industrial	3.82%	B+
Element Fleet Management	Industrials	3.51%	C+
Kinaxis	Technology	3.15%	A-
Capital Power	Utility	3.12%	B-
Air Canada	Industrials	2.70%	A-
Total		100.00%	

*ESG Scores are collected from Refinitiv via Thomson One

*Please note effective for the June 30, 2023 newsletter, Visa has been reclassified from Technology to Financials, QQQ has been reclassified from Technology to Technology/Other

*Please note effective for the March 31, 2024 newsletter, Element Fleet has been reclassified from Financials to Industrials

Fund Details

Inception Date:	Sept. 25, 2002
Inception Value:	\$12,980 Cdn
31 Mar 24 Value:	\$68,773 Cdn
Total Distributions:	\$17,634 Cdn
(Since Inception)	

Total Returns (gross of fees) 31 Mar 24

	<u>Basket</u>	<u>Benchmark</u>
3 mths:	9.03%	6.62%
1 year:	17.87%	13.96%
3 years:	11.39%	9.11%
5 years:	11.74%	9.96%
Since Inception:	10.10%	9.11%

Portfolio Allocation

by Sector As at Mar 31, 2024

Financials	26.30%
Industrials	19.28%
Energy	16.13%
Healthcare	9.21%
Technology	8.39%
Materials	7.95%
Consumer Staples	6.44%
Utilities	3.25%
Telecom	1.69%
Consumer Discretionary	1.33%
Real Estate	0.03%
Total	100.00%

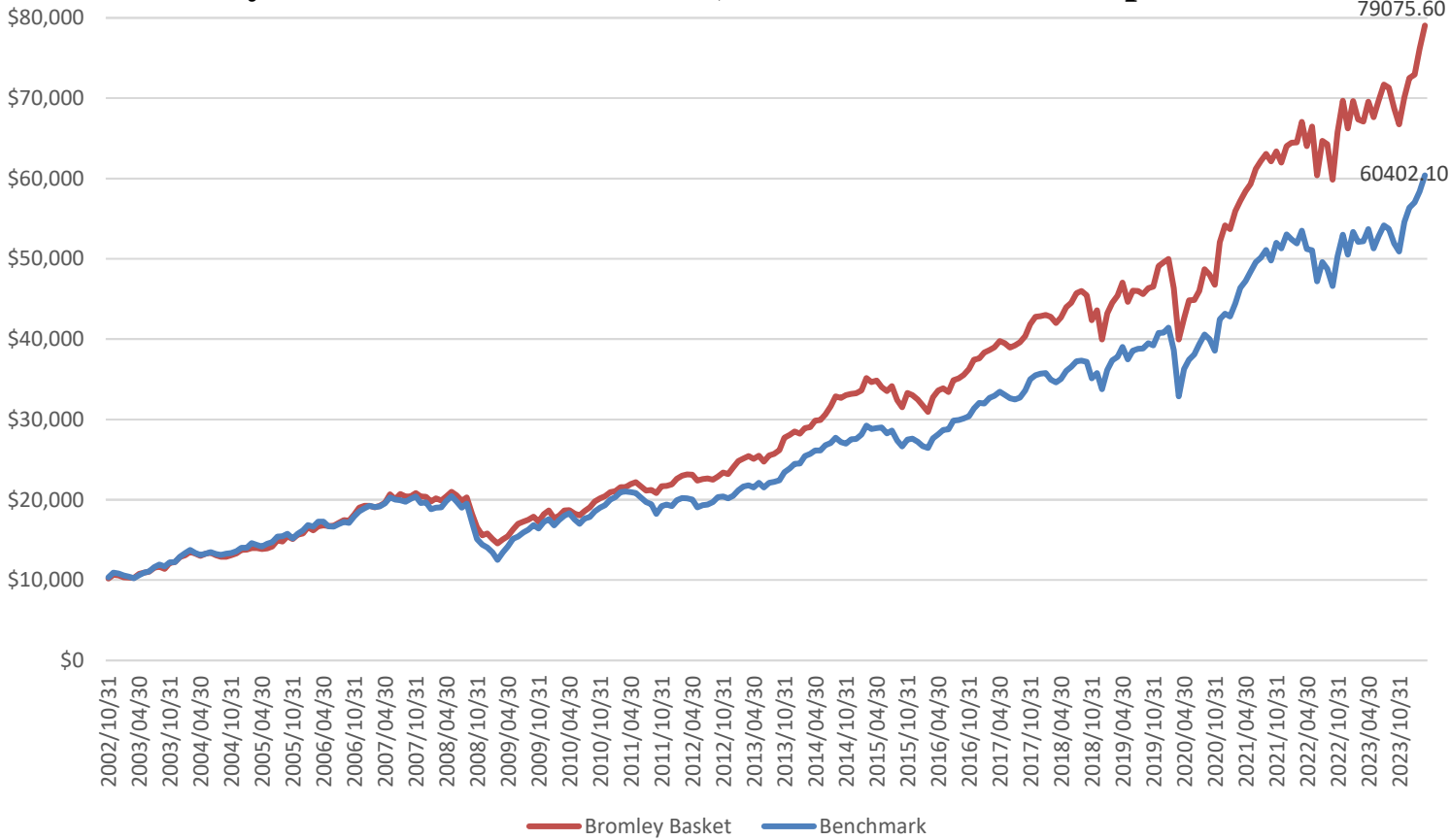
Year Over Year Returns

Period	Return on Investment
2002*	5.82%
2003	21.35%
2004	7.13%
2005	14.96%
2006	21.61%
2007	5.94%
2008	-22.45%
2009	18.04%
2010	12.31%
2011	4.69%
2012	9.52%
2013	18.59%
2014	16.82%
2015	-2.41%
2016	15.76%
2017	14.02%
2018	-6.74%
2019	23.95%
2020	9.36%
2021	18.21%
2022	3.43%
2023	9.50%

*From 25 Sep 02 to 31 Dec 02

Transaction Summary for the Quarter:

Bromley Basket Growth from \$10,000 Performance Comparison



Benchmark calculated as: {0.7 x (S&P/TSX Total Returns)} + {0.3 x (DJII x US\$)}

Note: Effective September 30, 2006, we changed one of the components of the Benchmark to more closely represent the holdings in our Basket.

i.e. In the past, we were using the TSX300 Index to tabulate the Benchmark, but are now using the S&P/TSX Total Returns Index to calculate the Benchmark returns.

For comparison purposes to our Benchmark, the returns are calculated gross of fees

David S. Bromley, B.Sc., M.B.A., FCSI, CIM, PFP
Senior Wealth Advisor, Portfolio Manager

Telephone: (604)541-4926 **Email:** david.bromley@nbc.ca
Website: <https://www.nbfwm.ca/advisor/the-bromley-wealth-management-team.html>

Parker Bromley, B.Sc., CIM, PFP
Wealth Advisor, Associate Portfolio Manager

Telephone: (604)541-4927 **Email:** parker.bromley@nbc.ca

Tara Senicki
Senior Wealth Associate

Telephone: (604)541-4928 **Email:** tara.senicki@nbc.ca

Jennifer Yaremchuk
Wealth Associate

Telephone: (604)541-4929 **Email:** jennifer.yaremchuk@nbc.ca

Jennie Makowski
Wealth Associate

Telephone: (604)541-4970 **Email:** jennie.makowski@nbc.ca

National Bank Financial

#100 - 2121 160th Street, Surrey, B.C. V3Z 9N6

Toll Free: 1-888-246-4925 **Fax:** (604)541-4949

Disclaimers: The opinions expressed herein do not necessarily reflect those of National Bank Financial. The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. The opinions expressed consider a number of factors including our analysis and interpretation of these particulars, such as historical data, and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein. Unit values and returns will fluctuate and past performance is not necessarily indicative of future performance. Important information regarding a fund may be found in the prospectus. The investor should read it before investing.

The particulars contained herein were obtained from sources we believe reliable, but are not guaranteed by us and may be incomplete. The securities mentioned in this article are not necessarily suitable for all types of investors. **National Bank Financial - Wealth Management (NBFWM)** is a division of National Bank Financial Inc. (NBF Inc.), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF Inc. NBF Inc. is a member of the Investment Industry Regulatory Organization of Canada (IIROC) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA).