

# HEWARD EQUITY FUND

AS OF JUNE 30, 2024

# HEWARD

INVESTMENT MANAGEMENT INC.

## FUND FACTS

Inception Date: November 1, 2016  
Fund Size (million \$): \$27.2

Portfolio Manager: Heward Investment Management Inc.  
Fund Manager: Majestic Asset Management

Fund Class	Fund Number	NAV (\$)
Class F	MAJ452	14.96
Class O	MAJ450	17.13
Class D	MAJ453	0.00

Distributions	
Q2 Income Distribution (Class O)	0.13
YTD Income Distribution (Class O)	0.23
Annual Capital Gains Distribution	0.00

## PERFORMANCE - Compounded Annual Returns %

	1 mth.	3 mths.	6 mths.	YTD	1 year	2 years	3 years	5 years	10 years	Since Inception
HEWARD EQUITY FUND	-0.40	-0.63	5.36	5.36	11.66	9.73	6.91	8.01		8.45
GlobalEquityBenchmark*	0.40	1.36	9.61	9.61	16.01	14.99	7.03	9.49		8.77

\*10% FTSE TMX Canada 91 Day TBill Index / 45% S&P TSX Total Return Index / 45% MSCI World Index Total Return (CS)

Returns are presented net of management and advisory fees.

Past Performance is not indicative of future returns. See "Important Information" for details.

## OBJECTIVES AND STRATEGY

The Heward Equity Fund (The "Fund") seeks to achieve a superior long-term rate of return and safety of capital. The Fund's strategy is diversified across various sectors and market capitalizations in the global marketplace. The portfolio will be structured in accordance with the Portfolio Manager's view of the market, therefore, sector allocations may vary significantly over time.

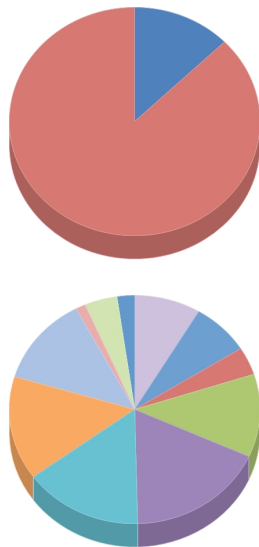
## WHAT DOES THE FUND INVEST IN?

### Current Asset Mix

CASH	13.49%
EQUITY	86.51%

### Sector Allocation

COMMUNICATION SERVICES	7.93%
CONSUMER DISCRETIONARY	6.39%
CONSUMER STAPLES	3.18%
ENERGY	9.22%
FINANCIALS	15.73%
HEALTH CARE	13.77%
INDUSTRIALS	11.60%
INFORMATION TECHNOLOGY	10.57%
MATERIALS	1.16%
REAL ESTATE	3.91%
UTILITIES	2.15%



### TOP TEN HOLDINGS

STOCK NAME	% OF PORTFOLIO
DOLLARAMA COMMON	2.94
TORONTO DOMINION BK COMMON	2.93
UNITEDHEALTH GRP INC COMMON	2.82
OPEN TEXT CORP COMMON	2.57
PFIZER INC COMMON	2.51
TELUS CORP COMMON	2.42
BANK OF NOVA SCOTIA COMMON	2.37
TC ENERGY COMMON	2.33
SCHNEIDER ELECT SE UNSPON ADR	2.33
GE HEALTHCARE TECHNOLOGY INC.	2.31

The current asset mix, sector allocation and top ten holdings represent a snapshot of the Fund's investments as of the date of this fact sheet. The Fund's investments may change over time.

## WHO SHOULD INVEST IN THIS FUND?

The Fund caters to investors that value capital preservation and that wish to participate in long-term growth opportunities available in equity markets.

## HOW THE FUND PERFORMED

After previously forecasting global growth of 2.9% for 2024, the International Monetary Fund (IMF) now expects global economic output to expand by 3.2%. The improved outlook owes mainly to the continued strength of the U.S. economy, which has defied expectations of a slowdown. China, Russia, India and Brazil, the largest developing economies are also seen growing somewhat faster than the IMF predicted six months ago.

With Nvidia and other key Artificial Intelligence (AI) related equities generating the majority of the move in our benchmark Index, it was able to generate a return of 1.36%. The portfolio, which did not have Nvidia and with its negative exposure to telecoms, generated a return of (0.63)%.

All signs are now pointing to the Fed successfully engineering a “soft landing”. Meanwhile, the tide may be turning on the international front. In Europe, the European Central Bank (ECB) did cut rates, but their decision was not supported by the Surprise Economic Data Index. In China, authorities have implemented specific catalysts to support both property and equity markets, and targeted manufacturing. But it is difficult not to harbour some skepticism. Equity valuations (led by AI) have shifted higher into the upper strata of their historical range. And, history suggests rate cuts are better feared than hoped for. We remain cautious, but are beginning to have some interest in foreign markets. Mexico should be a benefactor of deglobalization, while China should benefit from new government initiatives. Global growth and lack of new supply initiatives should support select industrial metals, while currency debasement will lend support to Gold.

## QUICK FACTS AND FUND CHARACTERISTICS

**CHARACTERISTICS:**

- Equity portfolio of Canadian and global securities
- 35-45 Holdings
- Moderate risk
- Medium to long-term appreciation

**FUND TYPE:** Global Equity

**REGISTERED ACCOUNT ELIGIBILITY:** RRSP, RESP, RRF, TFSA, IPP, FHSA

**MINIMUM INVESTMENT:** \$150,000 (or investors who meet criteria of “accredited investor”)

**DISTRIBUTION FREQUENCY:** Income: Quarterly  
Capital Gains: Annually

**PROVINCES OF DISTRIBUTION:** QC, ON, AB, NB, BC

**FUND ADMINISTRATOR:** SGGG Fund Services Inc.

**CUSTODIAN:** National Bank Independent Network

**TRUSTEE:** TSX Trust Company

**AUDITORS:** Deloitte

## LEAD MANAGER



**Renato Anzovino, CFA**

**Partner & Senior Portfolio Manager**

Renato Anzovino has 30 years of experience in portfolio management. Prior to joining Heward in 2003, Mr. Anzovino was a Vice President at a prominent investment management firm. His previous experience extends to the Royal Trust and the Royal Bank Financial Group, where he was a portfolio manager for their private client division. Renato is an active member of the Montreal Society of Financial Analysts. Mr. Anzovino is also the lead Portfolio Manager of the Heward Canadian Dividend Growth Fund.

**Co-managers:** Maurice Conti & Willem Hanskamp

## ABOUT THE PORTFOLIO MANAGER

**HEAD OFFICE:** Montreal, Quebec

**FOUNDED:** In 1981 and remains independently owned by the principals of the firm, thus ensuring its continued independence

**STAFF:** 18

**PORTFOLIO MANAGERS:** Stable and experienced investment management team of 6 with almost 200 years of combined experience

**INVESTMENT STYLE:** Growth at a Reasonable Price (GARP) with value basis

**INVESTMENT PROCESS:** Top-down / Bottom-up

**INVESTMENT OBJECTIVE:** To provide long term capital growth and preservation of capital

**ASSETS UNDER MANAGEMENT:** Approximately \$633 million

## FOR MORE INFORMATION ABOUT THE FUND'S STRATEGY PLEASE CONTACT

**HEWARD INVESTMENT MANAGEMENT INC.**

2115 rue de la Montagne,

Montreal, QC H3G 1Z8

[www.heward.com](http://www.heward.com)

Telephone: (514) 985-5757

Toll Free: 1-800-567-5257

Fax: (514) 985-5755

Email: [info@heward.com](mailto:info@heward.com)

## DISCLAIMER

Management fees and administrative expenses all may be associated with pooled fund investments. Please read the offering memorandum before investing. The indicated rates are the historical compound total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Pooled funds are not guaranteed, their value changes frequently and past performance may not be repeated.

The S&P/TSX Total Return Index Benchmark has been used since the inception of the Heward Canadian Dividend Growth Fund on June 30, 2009. It reflects the Fund's investment policy of 100% equities. The Global Equity Benchmark has been used since the inception of the Heward Equity Fund on November 1st, 2016. It reflects the Fund's investment policy of 45% Canadian equity and 45% global equity, 10% cash (+/- 20%). The Income Benchmark has been used since the inception of the Heward Income Fund on November 1st, 2016. It reflects the Fund's investment policy of 90% fixed income, 10% cash (+/- 20%). The Global Leaders Benchmark has been used since the inception of the Heward Global Leaders Fund on April 19th, 2017. It reflects the Fund's investment policy of 80% global equities, 10% Canadian equities and 10% cash (+/- 20%).

The blended returns are calculated by Heward Investment Management Inc. using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilizing any MSCI Data, models, analytics or other materials or information.

## IMPORTANT INFORMATION

This document is for informational purposes only and is not intended as a recommendation or an offer or solicitation for the purchase or sale of securities. The information contained herein is in summary form for convenience of presentation. It is not complete, and it should not be relied upon as such. The information set forth herein was gathered from various sources which Majestic Asset Management LLC and Heward Investment Management Inc. believe, but may not have been able to independently verify and do not guarantee, to be accurate. This document is provided to you on the understanding that, as an accredited investor, you will understand and accept its inherent limitations and you will not rely on it in making or recommending any investment decision. Any investment in a private fund, including the Heward Equity Fund, the Heward Income Fund, the Heward Canadian Dividend Fund and the Heward Global Leaders Fund (the "Funds", and each a "Fund"), is subject to various risks; such risks should be carefully considered by prospective investors before they make any investment decision. Please refer to the Funds' offering memorandum for more information of the risks related to an investment in a Fund. The information in this document should not be considered legal, tax, investment, financial, or any other professional advice and each prospective investor should obtain its own legal, tax, investment, financial, or any other professional advice before investing in a private fund. An investment in the Fund is not guaranteed, its value changes frequently, and past performance may not be repeated. Investment losses do and may occur, and investors could lose some or all of their investment in the Fund. Commissions, fees, and expenses may be associated with Fund investments. This document reflects general information about the Funds. There can be no assurance that any information included herein will not change or be adjusted to reflect the environment in which the Funds will operate. Historic performance is not indicative of future returns. Conclusions and opinions do not guarantee any future event or performance. Majestic Asset Management LLC, and Heward Investment Management Inc. are not liable for any errors or omissions in the information or for any loss or damage suffered. Investments in the Funds has not been and will not be recommended or approved by any Canadian or provincial securities commission or regulatory authority. The foregoing authorities have not passed upon the accuracy or determined the adequacy of this summary.

The information presented in this document is not intended for persons that are citizens of, domiciled or resident in, or entities registered in a country or jurisdiction in which its distribution, publication, provision or use would violate current laws and regulations. In Canada, the distribution of this document and any other document relating to the distribution or marketing of any investment in the Funds, is made and will be made only to accredited investors (as defined in National Instrument 45-106 – Prospectus Exemptions) or pursuant to another applicable prospectus exemptions. This document is not an offering memorandum, prospectus, advertisement, or public offering of any financial instrument. All information contained in this document regarding the Funds is qualified in its entirety by the information contained in the offering memorandum prepared in connection with the distribution of the Funds and the constituting documents establishing the Funds (the "Offering Documents"). Investment objectives, risks, charges, and expenses should be considered carefully. This and other important information can be found in, and is subject to the Offering Documents. Should any of the descriptions or terms in this document be inconsistent with the Offering Documents, the Offering Documents shall prevail.

By receiving a copy of this document, you agree to be bound by the foregoing limitations. Additional information is available upon request.

