

## FUND FACTS

**Inception Date :** April 19, 2017  
**Fund Size (million \$) :** \$8.5

**Portfolio Manager :** Heward Investment Management Inc.

Fund Class	Fund Number	NAV (\$)
Class A	MAJ751	N/A
Class F	MAJ752	\$11.80
Class O	MAJ750	\$12.06
Class D	MAJ753	N/A

Distributions	
Q2 Income Distribution (Class O)	\$0.02
YTD Income Distribution (Class O)	\$0.04
Annual Capital Gains Distribution	N/A

## PERFORMANCE - Compounded Annual Returns (%)

	1 mth.	3 mths.	6 mths.	YTD	1 year	2 years	3 years	5 years	10 years	Since Inception
<b>Heward Global Leaders Fund</b>	<b>-0.01%</b>	<b>+5.18%</b>	<b>+11.98%</b>	<b>+11.98%</b>	<b>+16.36%</b>	<b>+10.86%</b>	<b>+8.85%</b>			<b>+6.76%</b>
Global Leaders Benchmark*	+3.62%	+5.55%	+8.96%	+8.96%	+23.09%	+13.25%	+9.99%			+8.73%

\*80% MSCI World, 10% S&P/TSX Total Return Index, 10% FTSE TMX Canada 91 Day TBill Index

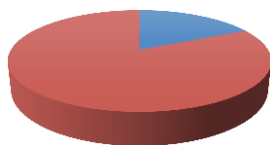
## OBJECTIVES AND STRATEGY

The Heward Global Leaders Fund seeks to generate consistent risk adjusted returns over the long term by identifying high-quality global businesses that are attractively priced. These companies are typically leaders in their respective business field, have high defensible barriers to entry, strong free-cash-flow generation, solid management, high returns on invested capital and consistent return of capital via dividends. By focusing on predictable high-quality global businesses, the goal is to preserve capital during market corrections and downturns while generating value over an economic cycle. The Fund is comprised of 35-50 leading global businesses from four regions: North America, Europe, Asia-Pacific and Japan.

## WHAT DOES THE FUND INVEST IN?

### Current Asset Mix

CASH	17.9%
EQUITY	82.1%



### Sector Allocation

CONSUMER DISCRETIONARY	8.96%
CONSUMER STAPLES	3.86%
ENERGY	9.12%
FINANCIALS	17.44%
HEALTH CARE	10.53%
INDUSTRIALS	6.35%
INFORMATION TECHNOLOGY	9.14%
MATERIALS	9.77%
COMMUNICATION SERVICES	4.48%
UTILITIES	2.45%
CASH	17.89%



### TOP TEN HOLDINGS

STOCK NAME	% OF PORTFOLIO
MICROSOFT CORP COMMON	3.19%
CHEVRON CORP COMMON	3.08%
SCHLUMBERGER LTD COMMON	3.06%
APPLE INC COMMON	3.02%
SHAW COMMUNICATIONS CLASS B NON VTG	2.98%
ROYAL DUTCH SHELL SPONS ADR A	2.97%
BRISTOL MYERS SQUIBB COMMON	2.95%
MONDELEZ INTL INC COMMON	2.94%
AMAZON COM INC COMMON	2.53%
BROOKFIELD INFR PRTR LTD PARTNERSHIP UNT	2.45%

## WHO SHOULD INVEST IN THIS FUND?

The Fund is suitable for investors that value capital appreciation. They aim to participate in long-term growth opportunities available in equity markets.

## HOW THE FUND PERFORMED

With the beginning of July there is still some uncertainty on a number of fronts, from the Covid variant risks, some reopening logistic issues, many supply chain disruptions, worries about inflation and the ongoing geopolitical risk especially with China. There is a lot to think about and generally, markets have remained calm with major equity indices near all-time highs, bonds well off levels that would worry risk assets and the US Dollar near where it started the year. We believe both the US and China GDP's have likely peaked but the euro area is now showing real signs of momentum, with vaccination rates rising, economies re-opening and business and consumer confidence surging. Meanwhile, the US should still have a strong second half by historical standards and with half the year over, the recovery is increasingly well entrenched. With the S&P 500 trading at more than 20X earnings (forward) and the 10-year Treasury under 1.3% it seems almost cliché to say that future returns for risk assets will be challenged.

There is clear evidence that that supply remains a problem for many companies, just as demand is picking up. In the May US employment report, the market focused on labor availability which may also turn out to be a critical headwind for re-openings. While these problems haven't broadly effected margins yet, it's quite possible they will at some point. The recent move lower in U.S. 10-year Treasuries suggests some weakness (short term) is ahead, and we may be in for choppy markets over the summer. However, the pace of the global recovery is set to accelerate in the months ahead. Any market weakness that may develop near-term would be viewed as an opportunity to add exposure to our preferred investment sectors (Energy, Financials, Industrials & Materials). We remain constructive on global equities and the fund has solid exposure to leading global companies that focus on our core themes: Technology / Digital, E-Commerce, Demographics (Rise of the Millennial and Gen Z and the wellness of an aging population, Infrastructure Spending and gold exposure).

## QUICK FACTS AND FUND CHARACTERISTICS

**CHARACTERISTICS:**

- Equity portfolio with international exposure
- 25-50 Holdings
- Moderate risk
- Medium to long-term appreciation

**FUND TYPE:** Global Equity

**REGISTERED ACCOUNT ELIGIBILITY:** RRSP, RESP, RRIF, IPP, TFSA

**MINIMUM INVESTMENT:** \$150,000 (or investors who meet criterias "accredited investor")

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

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

**FUND MANAGER:** Majestic Asset Management LLC

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

**CUSTODIAN:** National Bank Independent Network

**TRUSTEE:** TSX Trust Company

**AUDITORS:** KPMG Canada

## LEAD MANAGER



**Geoffrey Heward**

**Senior Vice President, Portfolio Manager**

A third generation Heward and portfolio management professional, Geoffrey Heward began his career with Cazenove & Co. in London, England, in 1986. Later, he returned to Canada and joined Merrill Lynch in Toronto, focusing on international equities. Geoff has extensive investment experience having also worked with Sanwa Bank, Scotia Capital Markets and Desjardins Securities, where he held the position of Vice President, Equity Capital Markets. In 2007, having lived away from Montreal for more than 20 years, Geoff returned to join the family firm.

**Co-managers:** Maurice Conti

## ABOUT THE FIRM

**HEAD OFFICE:** Montreal, Quebec

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

**STAFF:** 20

**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 growth and preservation of capital

**ASSETS UNDER MANAGEMENT:** Approximately \$703 million

## FOR MORE INFORMATION

**PLEASE CONTACT HEWARD INVESTMENT MANAGEMENT INC.**

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Performance is calculated after brokerage costs, but before management fees. 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 Global Leaders Benchmark has been used since the inception of the Heward Global Leaders Fund on April 30<sup>th</sup>, 2017. It reflects the Fund's investment policy of 80% global equity, 10% Canadian equity, 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.