

PORTFOLIO ACTIVITY

In mid-June, National Bank announced that it will buy Canadian Western Bank in an all-stock deal which valued the company at a 110% premium to its prior closing price. This marks the fourth DM holding to be taken out over the past 12 months, all of which have generated windfall gains for our mandates. In fact, in June we deployed capital generated by the take-private acquisition of Nuvei Corp. to open our first ever position in Canadian e-commerce giant, Shopify Inc.

FEATURE STOCK

Jamieson Wellness Inc. (JWEL)

In May we established an initial position in JWEL in the DM Canadian Equity portfolio. JWEL develops, manufactures, and distributes health products in Canada and is now focused on expansion beyond our borders. The company has a strong record of growth, having doubled sales since its IPO in 2017, and has built a stable consumer base, allowing it to weather recessions and economic downturns. JWEL acquired US brand, Youtheory, and has recently ramped up its efforts in China, tapping into the two largest vitamin, mineral, and supplement markets in the world. Investors have cut the stock's earnings multiple by about a third, however, to reflect the risk of taking on new markets, which we felt provided an attractive entry point. We believe that JWEL will be able to apply its proven approach in both the US and China, and early results are encouraging.

WHAT HAPPENS TO STOCKS FEATURED IN THE DM LETTER?

It's a bit of Dixon Mitchell lore (mostly perpetuated by our research team!) that whenever a stock is mentioned in our monthly newsletter, it gets the performance equivalent of a kiss of death. To investigate the validity of the claim, we calculated how each stock highlighted since the covid market bottom has fared against its relevant benchmark to the end of May-2024. In defense of the DM letter, we're inclined to talk about a company after it's done particularly well, which creates a bit of a "buy-high" bias to the list. Nevertheless, we'll let you judge whether or not the DM newsletter curse is real (*note that not every month included a feature stock*).

Letter Date	Feature Stock	Stock Return*	Benchmark Return*	Annual Value Added/Lost
May-2020	DOLLARAMA INC. (vs. TSX Total Return)	31.3%	14.0%	17.3%
Jun-2020	ROPER INC. (vs. S&P 500 Total Return)	8.8%	16.1%	-7.3%
Sep-2020	WASTE CONNECTIONS INC. (vs. TSX Total Return)	16.2%	11.2%	5.0%
Oct-2020	COMCAST INC. (vs. S&P 500 Total Return)	-1.2%	14.4%	-15.6%
Nov-2020	TFI INTERNATIONAL INC. (vs. TSX Total Return)	37.6%	13.7%	23.9%
Dec-2020	BERKSHIRE-HATHAWAY INC. (vs. S&P 500 Total Ret.)	18.4%	12.5%	5.9%
Feb-2021	CONSTELLATION SOFTWARE (vs. S&P 500 Total Ret.)	29.8%	10.3%	19.5%
Mar-2021	MIDDLEBY CORP. (vs. S&P 500 Total Return)	-6.3%	11.2%	-17.5%
Apr-2021	CP RAIL (vs. TSX Total Return)	4.5%	8.2%	-3.7%
Sep-2021	MTY INC. (vs. TSX Total Return)	-13.1%	5.8%	-18.9%
Oct-2021	ALPHABET INC. (vs. S&P 500 Total Return)	9.2%	8.9%	0.3%
Nov-2021	GILDAN ACTIVEWEAR (vs. TSX Total Return)	6.7%	4.9%	1.8%
Dec-2021	ORACLE CORP. (vs. S&P 500 Total Return)	15.6%	7.9%	7.7%
Jan-2022	MICROSOFT INC. (vs. S&P 500 Total Return)	10.2%	5.7%	4.5%
Feb-2022	INTACT FINANCIAL (vs. TSX Total Return)	15.0%	5.0%	10.0%
Apr-2022	CDN. NATURAL RESOURCES (vs. TSX Total Return)	18.7%	3.7%	15.0%
May-2022	CARLISLE COMPANIES (vs. S&P 500 Total Return)	26.9%	14.0%	12.9%
Jun-2022	DRI HEALTH CARE TRUST (vs. TSX Total Return)	52.6%	6.9%	45.7%
Oct-2022	DOMINO'S PIZZA INC. (vs. S&P 500 Total Return)	35.7%	27.8%	7.9%
Nov-2022	BOYD GROUP SERVICES (vs. TSX Total Return)	9.0%	12.1%	-3.1%
Dec-2022	NETFLIX INC. (vs. S&P 500 Total Return)	60.1%	20.4%	39.7%
Jan-2023	ELEMENT FLEET MGMT. (vs. TSX Total Return)	23.2%	13.7%	9.5%
Apr-2023	JP MORGAN INC. (vs. S&P 500 Total Return)	50.3%	25.5%	24.8%
Jun-2023	ARITIZA INC. (vs. TSX Total Return)	-3.4%	16.8%	-20.2%
Sep-2023	BOOKING.COM (vs. S&P 500 Total Return)	21.5%	18.0%	3.5%
Nov-2023	TOPBUILD INC. (vs. S&P 500 Total Return)	68.5%	25.6%	42.9%
Dec-2023	BROOKFIELD INFRASTRUCTURE (vs. TSX Total Ret.)	8.1%	10.6%	-2.5%
Mar-2024	BADGER INFRASTRUCTURE SVICES. (vs. TSX T.R.)	-7.7%	4.1%	-11.8%
		* returns to 31-May-2024, annualized for periods > 1yr.	Annualized average:	+7.0%