

CPMT Monthly Update – May 2022



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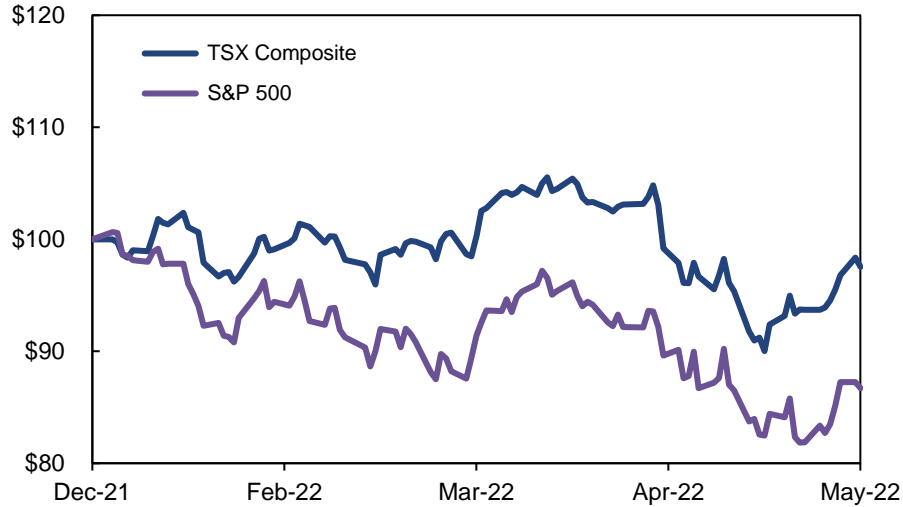
Macroeconomic Snapshot



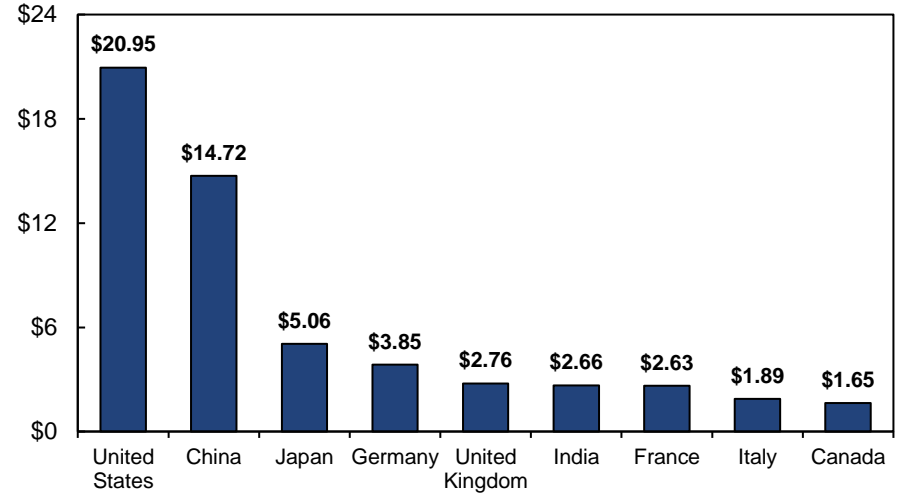
Portfolio Managers: *Arnav Mayank, Eric Xiao*

Macroeconomic Snapshot

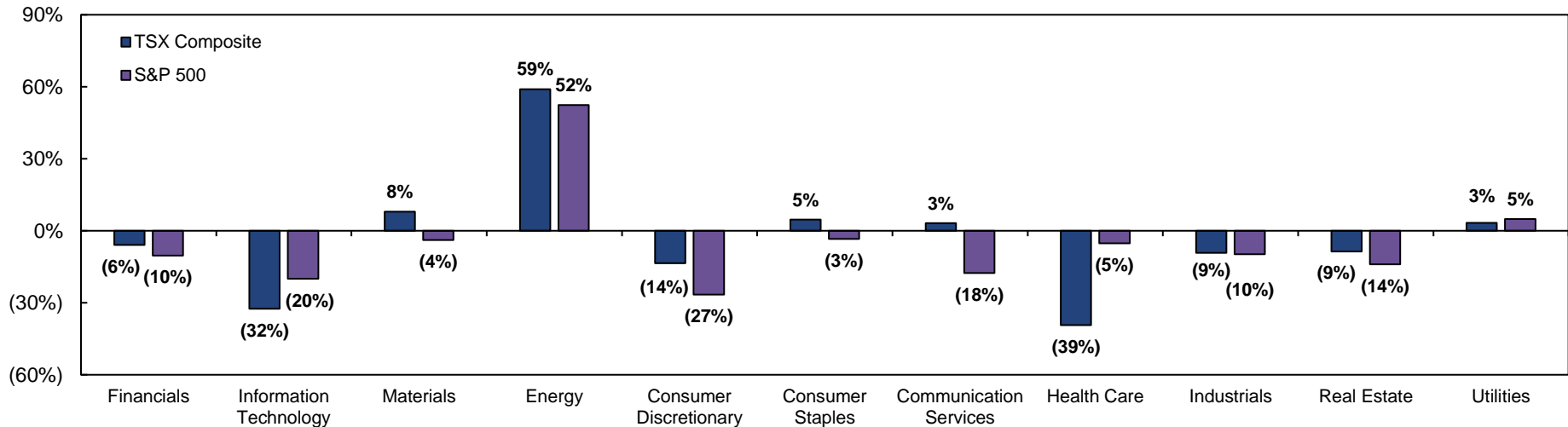
YTD Indices Performance (Indexed to \$100)



Top 10 GDP¹ (Nominal US\$T)



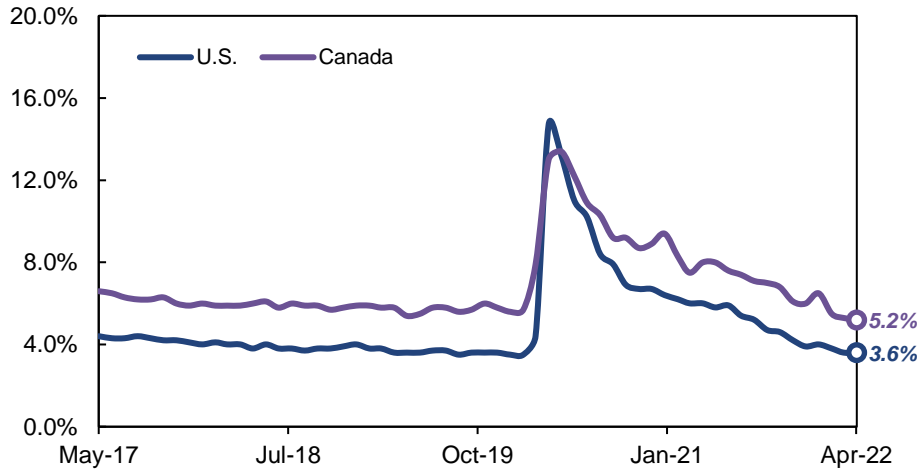
YTD Sector Returns



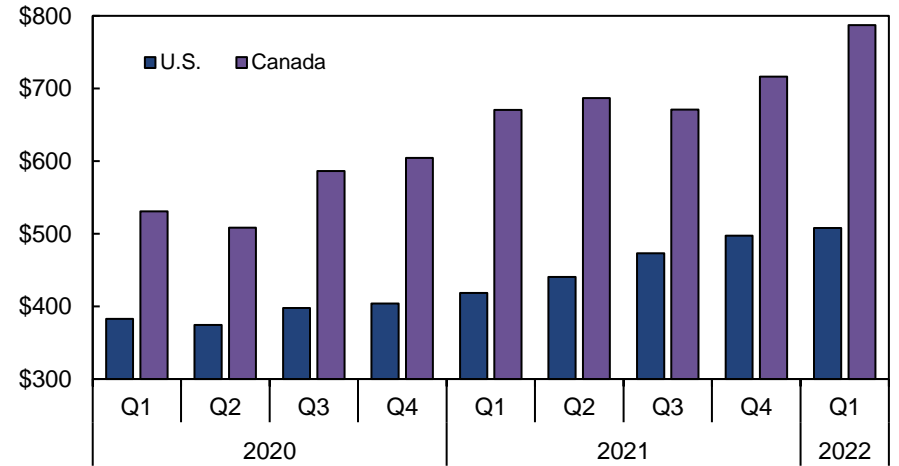
Source: S&P Capital IQ, World Bank
 (1) As of 2020

Macroeconomic Snapshot

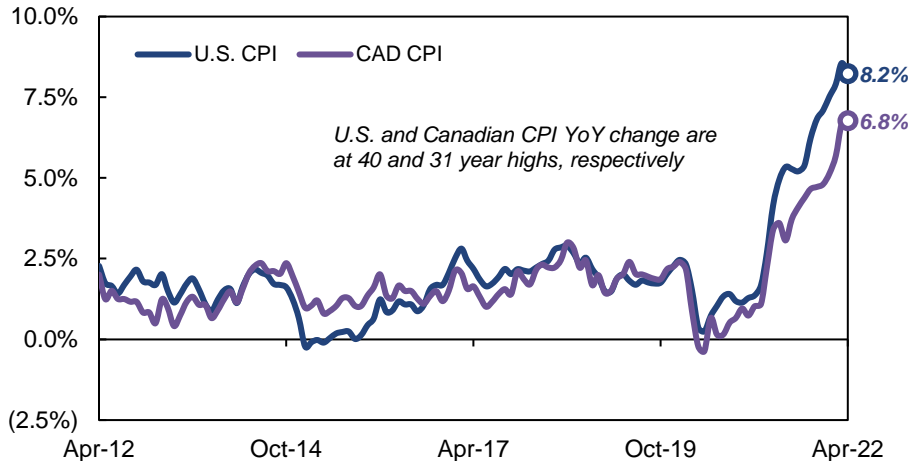
North American Unemployment Rates



Average House Price (000's)¹



Consumer Price Index (CPI) % Change Year Over Year



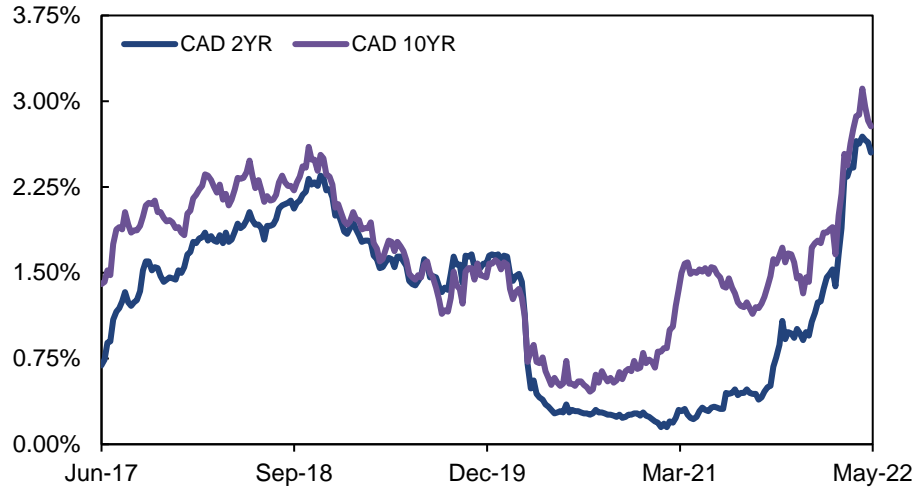
Crude Oil Pricing (US\$)



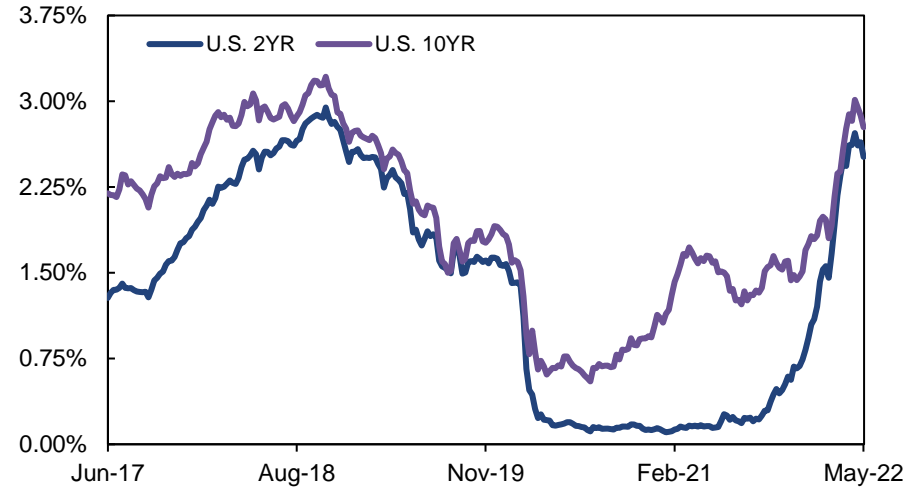
Source: Bank of Canada, Canada Real Estate Association, FRED, Statistics Canada
 (1) Houses sold (in respective currency)

Macroeconomic Snapshot

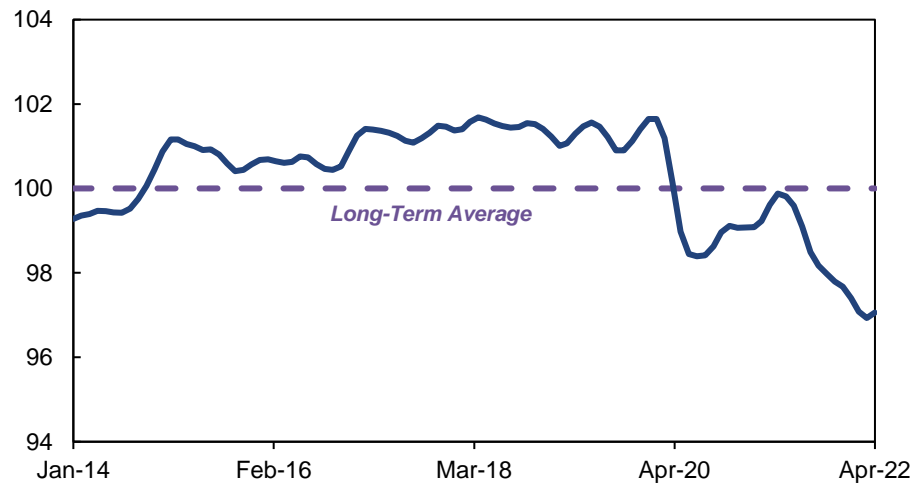
Canadian Yields



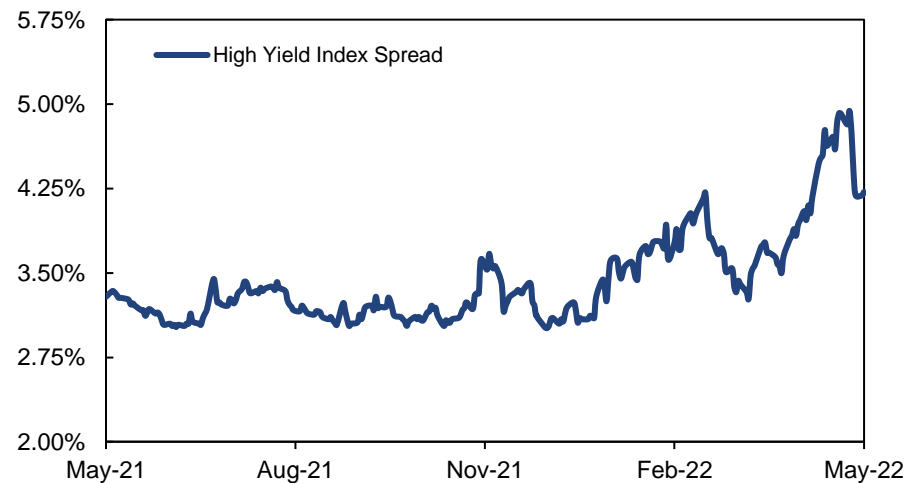
U.S. Treasury Yields



U.S. Consumer Confidence Index¹



U.S. High Yield Spread²



Source: Bank of Canada, FRED, OECD

(1) Amplitude adjusted; long-term average of 100

(2) Option-adjusted spread between sub investment grade bond index and spot treasury curve

Communication Services



Portfolio Managers: *Arnav Mayank, Eric Xiao*

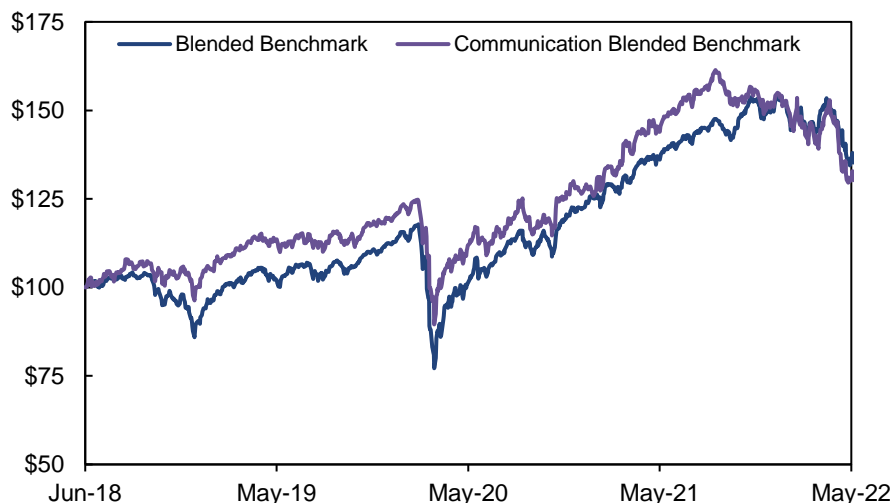
Investment Analysts: *Ryan Crisalli, Joel Homersham*

Communications Services Sector Overview

Sector News

- Elon Musk, CEO of Tesla (NASDAQ: TSLA), proposed a deal on April 26, 2022 to acquire Twitter (NASDAQ: TWTR) for US\$44B to take the Company private. The two parties are in negotiations and awaiting SEC approval
- Meta (NASDAQ: FB) will receive the new ticker symbol "META" on June 9, 2022. Facebook rebranded as Meta in October 2021, which signifies the Company's ambitions to grow beyond social media and into VR technologies through the build out of the Metaverse
- The Competition Bureau revealed its plan to take Rogers (TSX: RCI-B) to court over its \$26B bid to acquire Shaw Communications (TSX: SJR-B), leaving the Company desperate to find a buyer for Freedom Mobile
 - Quebecor (TSX: QBR-B), a competitor of Rogers, is pursuing legal action after a disputed network-sharing agreement and is positioned to benefit from this distress sale
- The S&P 500 Communications Services Index outperformed the S&P 500 Index over the last 12 months by 20.60%

Blended Communications Index⁽¹⁾ vs Blended Benchmark (Indexed to \$100)



Holdings Overview

- GOOGL is a multinational technology conglomerate known for its best-in-class search engine, online advertising, intellectual property. The Company also has a market-leading position within the technology industry
 - The Fund entered a position in Alphabet (NASDAQ: GOOGL) in November 2021 at a conviction rating of 2 due to the Company's history of strong FCF generation and exposure to sector growth
- GOOGL returned -8.64% QTD, outperforming the S&P Communications Sector by 16.42%, but it underperformed the Blended Benchmark by 2.40%, which returned -6.24%
- Previously, the Fund held Comcast (NASDAQ: CMCSA) as its sole holding in the sector. In March 2022, the Fund decided to liquidate its position to focus on more growth-oriented names with better capital appreciation opportunities
- Moving forward, the Fund will continue to monitor other telecommunication and media names that meet its mandate and provide growth opportunities

Sector Comparable Table ⁽²⁾

Company Name	Market Data			Valuation		
	Price (US\$/sh)	Mkt. Cap (US\$B)	EV (US\$B)	EV/Sales x	EV/EBITDA x	P/E x
Meta Platforms	\$189	\$511	\$481	4.0x	8.9x	19.1x
Verizon Communications	\$51	\$216	\$398	3.0x	7.9x	11.4x
The Walt Disney Company	\$109	\$199	\$251	3.3x	19.6x	73.8x
Comcast Corporation	\$44	\$197	\$289	2.4x	7.5x	16.4x
T-Mobile US	\$134	\$169	\$279	3.5x	8.5x	37.6x
AT&T	\$21	\$152	\$368	2.3x	6.2x	10.0x
Alphabet	\$2,277	\$1,501	\$1,396	5.2x	14.1x	30.0x
Average				3.4x	10.4x	28.3x
Median				3.3x	8.5x	19.1x

Source: CNBC, Company Filings, S&P Capital IQ

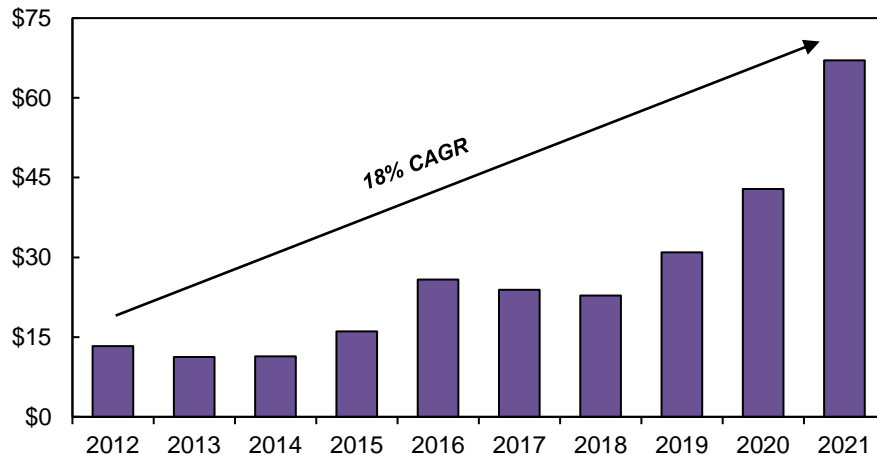
(1) S&P 500 Communications Services Index and S&P/TSX Capped Communication Services Index (equal-weighted)

(2) Peers include: NYSE: DIS, T, VZ; NASDAQ: CMCSA, META, TMUS

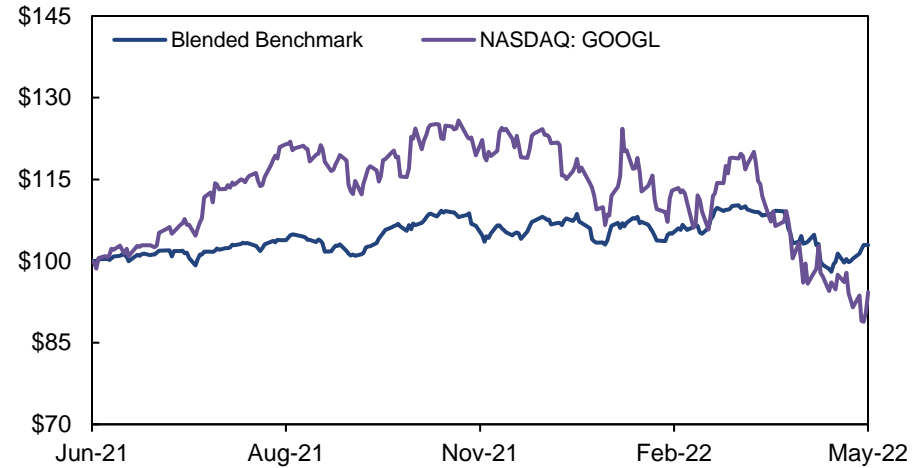
Recent Earnings

- GOOGL reported net revenues of US\$68B (23% increase YoY) and EPS of US\$24.62 (6% decline YoY) in Q1 2022
- Revenues attributed to the YouTube segment grew 14% YoY, despite being down ~2% from Q2 2021 highs, driven by Apple's (NASDAQ: AAPL) iPhone privacy changes and an increasingly fragmented competitive landscape
 - YouTube Shorts now has 30B daily views, up ~100% QoQ
- GOOGL's cloud business revenue grew 44%, driven by larger enterprises shifting workloads away from in-house data centers
 - Despite impressive growth, the cloud business reported an operating loss of US\$931mm, albeit a slight improvement from US\$974mm a year earlier
- Revenue growth in Europe slowed to 19% in Q1 2022, down 14% YoY, driven by the Company halting most of its Russian operations in response to the invasion of Ukraine

Free Cash Flow (US\$B)



Trading Performance vs Blended Benchmark (Indexed to \$100)



Investment Outlook

- The YouTube segment faces increased competition from social video platforms and entertainment services
 - The Fund expects to see modest segment growth until the video entertainment sector is rebalanced or further consolidated
- GOOGL faces an antitrust suit from the Department of Justice and 11 U.S. States alleging that the Company unlawfully maintained monopolies in search advertising and general search
- Management has been focused on utilizing its free cash flow to repurchase shares and acquire high growth businesses
 - The Board authorized up to an additional US\$70B in share repurchases
 - In March 2022, GOOGL agreed to acquire Mandiant, a leader in cyber defense and response, for US\$5.4B in cash (expected to close in Q2 2022)
- The Fund believes that GOOGL's broad portfolio of high-quality business segments coupled with its track record of growth justifies conviction in the name

Consumers



Portfolio Managers: *Arnav Mayank, Eric Xiao*
Investment Analysts: *Joao Beani, Lucas Frame*

Consumer Discretionary Overview

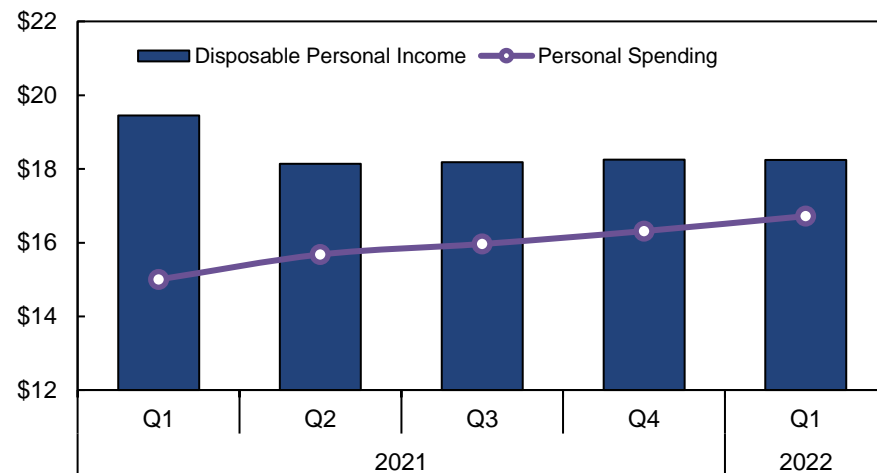
Recent Sector Trends and Outlook

- The Consumer Discretionary sector underperformed the Blended Benchmark from May 2021 to May 2022 and ended the period ~5% below the benchmark
 - The sector's underperformance was primarily due to elevated inflation, reflected in increased energy, gasoline, and housing costs
- The revival of in-store traffic in Q1 after the distribution of COVID-19 vaccines and increased levels of consumer spending provided support for in-person sales
 - Economic uncertainty and inflationary pressures have been hindering share price performance in the sector
- In May 2022, the U.S. Consumer Confidence Index fell to its lowest level since 1952, which may signal a decrease in personal spending moving forward
- The supply-chain crunch is expected to continue in 2022 due to labour shortages, China's zero COVID-19 policy, and international port congestion
- In the last 12 months, M&A volume grew by 17% compared to 2020, led by consumer sub-sector deals, which constituted 49% of transactions

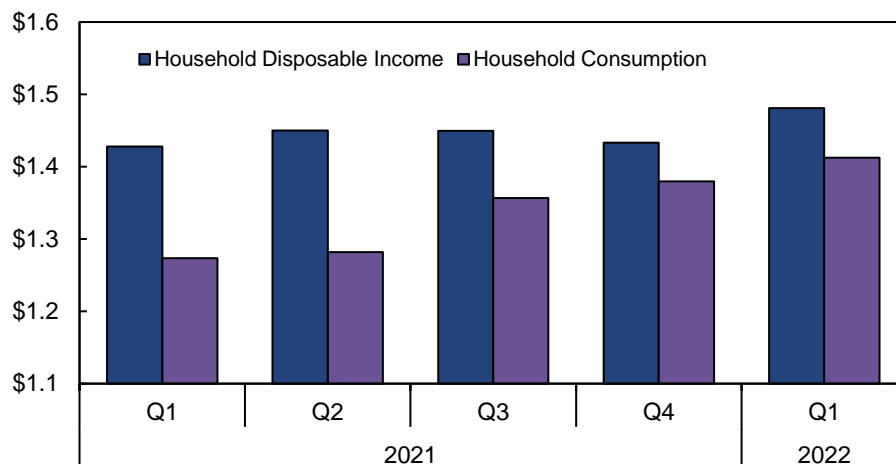
Recent Developments

- Recent and Notable M&A Transactions:**
 - May 17th, 2022:** MGM Resorts International (NYSE: MGM) announced the closing of its acquisition of Cosmopolitan of Las Vegas for a total cash consideration of ~US\$2B
 - April 22nd, 2022:** Amazon (NASDAQ: AMZN) announced a deal to acquire Accelerator Enterprise for a purchase price of ~US\$289mm
 - March 18th, 2022:** General Motors (NYSE: GM) announced its plans to acquire SoftBank Vision Fund 1's equity ownership stake in Cruise for ~US\$2B
- After numerous retail bankruptcy filings during the COVID-19 lockdowns such as Brooks Brothers Groups, J.C. Penney, Aldo, and Stein Mart, levels decelerated post-widespread vaccine distribution, with none occurring from September 2021 to February 2022
 - However, increasing inflation levels and lower consumer confidence may reflect in the reacceleration of bankruptcy filings

U.S. Disposable Personal Income and Personal Spending (US\$B)



Canadian Household Disposable Income and Consumption (\$B)



Consumer Discretionary Holdings

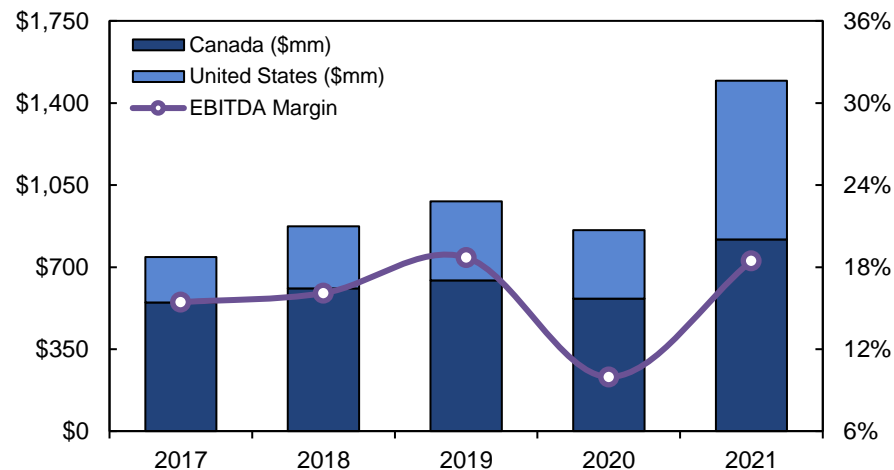
Aritzia Q1 2022 Results and Key Developments

- Aritzia (TSX: ATZ) reported net revenues of \$444mm and net income of \$34mm, representing an increase of 66% and 113% YoY, respectively
- E-commerce revenue was \$182mm in Q1 2022, an increase of ~21% from Q4 2021, contributing to 41% of net revenues
- Retail revenues reached ~\$262mm in Q1 2022, up 123% from Q4 2021
 - Compared to pre-pandemic levels, retail sales have increased by 13%
- Adjusted EBITDA increased to \$66mm, up 57% from Q4 2020
- During Q1 2022, ATZ opened six new boutiques and repositioned six existing boutiques in premier real estate locations such as Miami and Las Vegas
 - A new distribution network was also established in Toronto
- CEO Brian Hill stepped down after 38 years with ATZ, which was followed by the appointment of Jennifer Wong as Mr. Hill's replacement
 - The Fund remains confident in the management quality of ATZ as Wong has previously had a strong track record within the Company

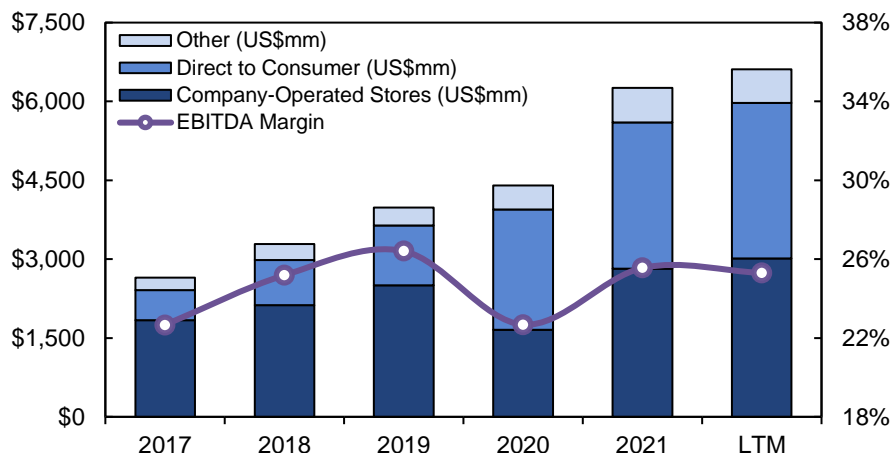
lululemon Q1 2022 Results and Key Developments

- lululemon athletica (NASDAQ: LULU) reported US\$190mm in earnings during Q1 2022 (US\$1.48/share), compared to US\$145mm (US\$1.11/share) in Q1 2021, an increase of 31% YoY
- The Company's revenues increased 32% YoY, driven by growth in new and existing company-operated store sales
 - LULU experienced record quarterly revenues during Q1 2022 due to an increase in foot and web traffic
- The Company achieved a record gross margin of ~47% during the first quarter due to its ability to pass supply chain and inflationary costs onto consumers
- At quarter end, LULU had 579 total company-operated stores, representing an increase of 56 stores since Q1 2021
- Capital expenditures were US\$111mm in Q1, an increase of 73% YoY, driven by increased investment in technology, business systems, and store remodeling to support the launch of its footwear line

ATZ LHS Annual Sales by Geographical Region vs RHS EBITDA Margin



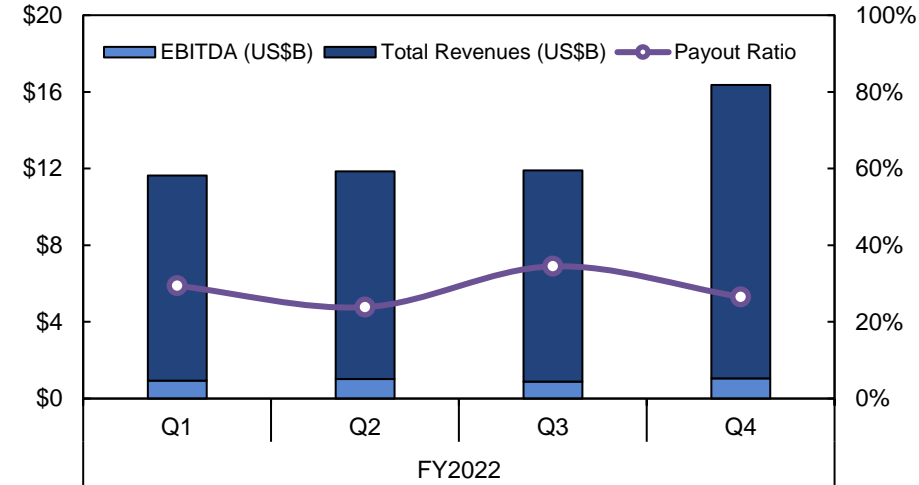
LULU LHS Annual Sales by Segment vs RHS EBITDA Margin



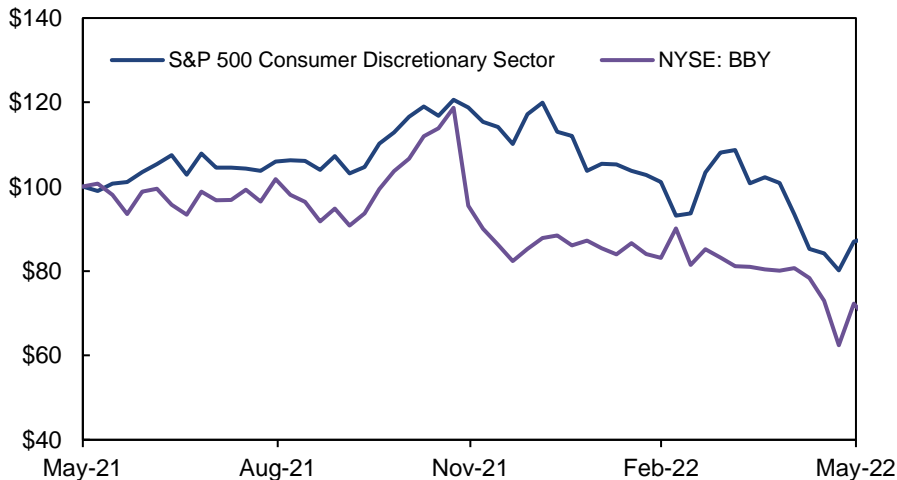
FY2022 Results and Key Developments

- Best Buy (NYSE: BBY) reported revenues of ~US\$16B in Q4 2022, a 3% decrease YoY with EPS of US\$2.62, down 15% YoY
 - Weaker sales were due to constrained inventory and the temporary reduction in-store hours due to COVID-19 disruptions
- Despite a weaker Q4 2022, BBY had a record year in FY2021 with total revenue of ~US\$52B and EPS of US\$9.84, up 10% and 44% YoY, respectively
- FY2022 saw the launch of Best Buy Totaltech, a new membership program aimed at enhancing the customer experience by providing members with:
 - Unlimited tech support and complementary antivirus software
 - Discounted repair, home setup, and warranty services
- Management expects weaker sales in FY2023, as the industry digests the last two years of strong demand and government stimulus

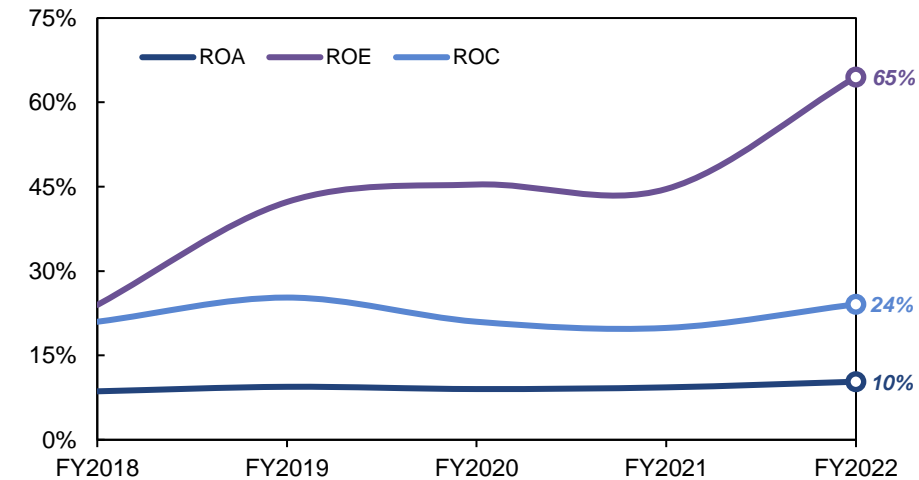
LHS Quarterly Sales¹ vs RHS Quarterly Payout Ratio



Trading Performance vs Discretionary Index (Indexed to \$100)



Key Profitability Ratios



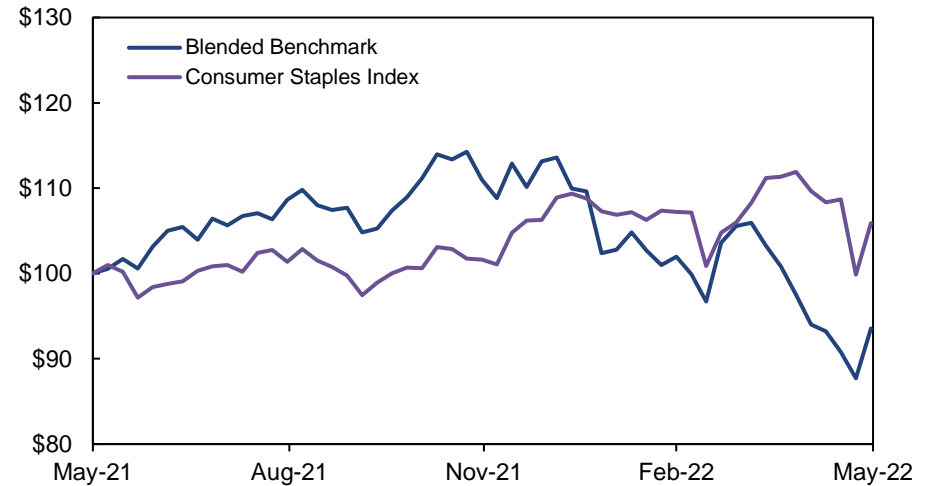
Source: Company Filings, S&P Capital IQ, Street Research
 (1) Total Revenues are adjusted to reflect EBITDA contribution

Consumer Staples Overview

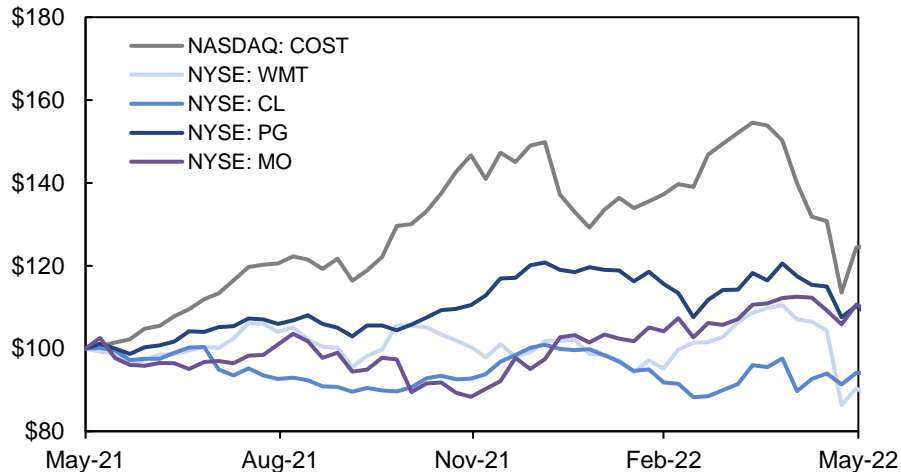
Sector Trends and Outlook

- The Consumer Staples Index outperformed the Blended Benchmark by ~12% from May 2021 to May 2022
- Major contributors to the sector's outperformance were:
 - Elevated grocery demand driven by the convenience of online ordering and direct-to-home delivery
 - Consumer staples retailers and large merchants have been able to maintain profitability as increased levels of input-cost inflation are being passed down to the consumer
- The Russia-Ukraine conflict has put significant pressure on domestic commodity production in the form of lower international supply resulting from the sanctions imposed on Russian exports
 - This has led to the general elevation in commodity prices, with major price increases seen in oats and wheat, up ~76% and ~58% YoY, respectively

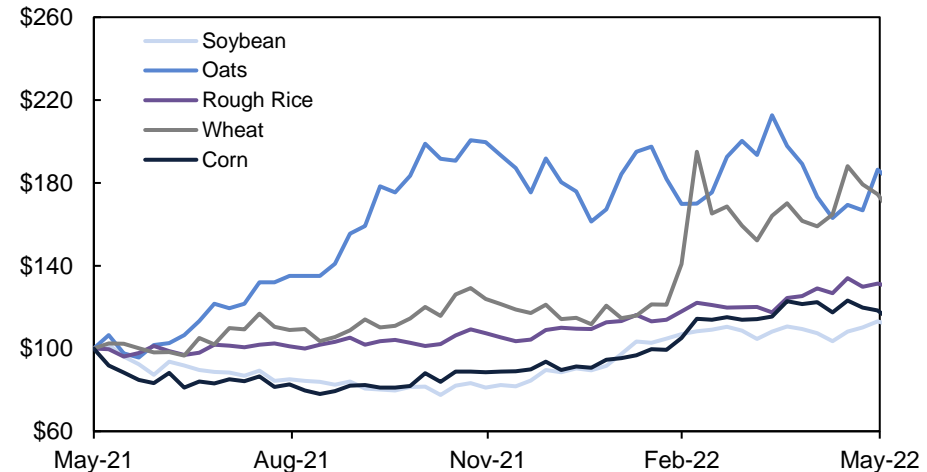
Consumer Staples Index vs Blended Benchmark (Indexed to \$100)



Major Players' Trading Performance (Indexed to \$100)



Commodity Trading Performance (Indexed to \$100)



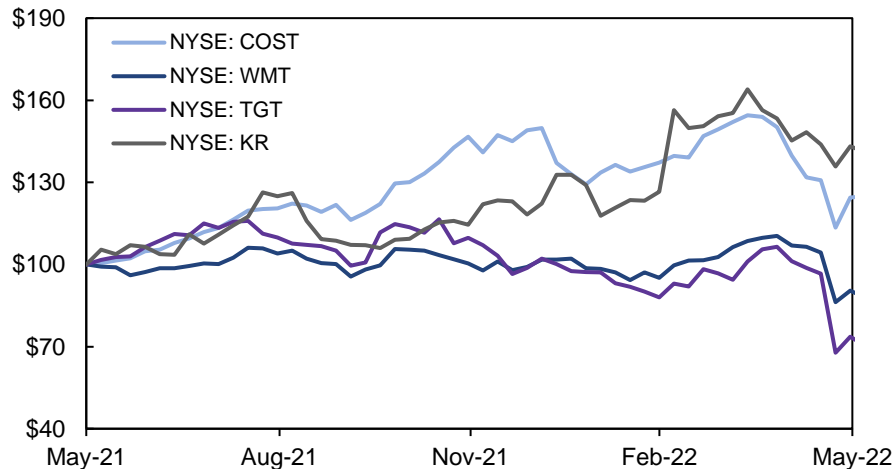
Costco Wholesale Corporation



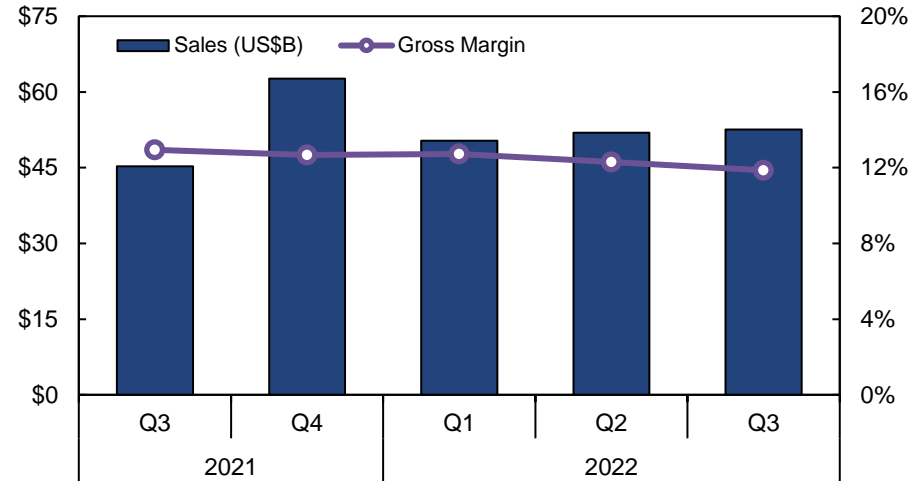
Q3 2022 Results and Recent Developments

- Costco Wholesale (NASDAQ: COST) reported Q3 2022 earnings of US\$1.3B (\$3.04/share) compared to US\$1.2B (\$2.75/share) in Q3 2021, up ~11% YoY
- The Company reported revenue of ~US\$44B in FY2021 (16% YoY increase), driven by growth in all segments, in particular e-commerce, which reported segmental revenue growth of ~12% over the last 36 weeks
- The Company's Q3 2022 revenue from memberships increased ~9% to US\$984mm YoY
 - Membership contribution has remained a constant ~54% of EBIT YoY
- While competitors raise prices due to rising inflation, COST is better positioned in the industry because of its superior input-cost control resulting in sustained member loyalty
- From Q3 2021 to Q3 2022, COST opened 19 new warehouses, now operating a total of 828 warehouses throughout the U.S., Puerto Rico, and Canada

Trading Performance vs Peer Group (Indexed to \$100)



LHS Quarterly Sales vs RHS Gross Margin



ESG Considerations

- In January 2022, shareholders voted for COST to adopt a more comprehensive plan to mitigate greenhouse gas emissions
 - The Company is expected to develop an ESG strategy that aligns with its peers and reduces the climate impact of its supply chain
- The vote pressures members of COST's supply chain to also reduce emissions, including PepsiCo (NYSE: PEP), Procter & Gamble (NYSE: PG), and Kraft Heinz (NASDAQ: KHC). The Company is committed to disclosing a Scope 3 Action plan by December 2022
- The Company's scope 1 and 2 plan is as follows:
 - Scope 1: accelerate the phase-out of HFCs and increase investment in refrigeration retrofits to reduce refrigerant emission Global Warming Potential (GWP) by 30% in 2030, as compared to its 2020 baseline
 - Scope 2: increase purchased renewable electricity in its global operations from ~16% in 2021 to 30% by 2025, and 100% by 2035

Energy



Portfolio Manager: *Eric Xiao*

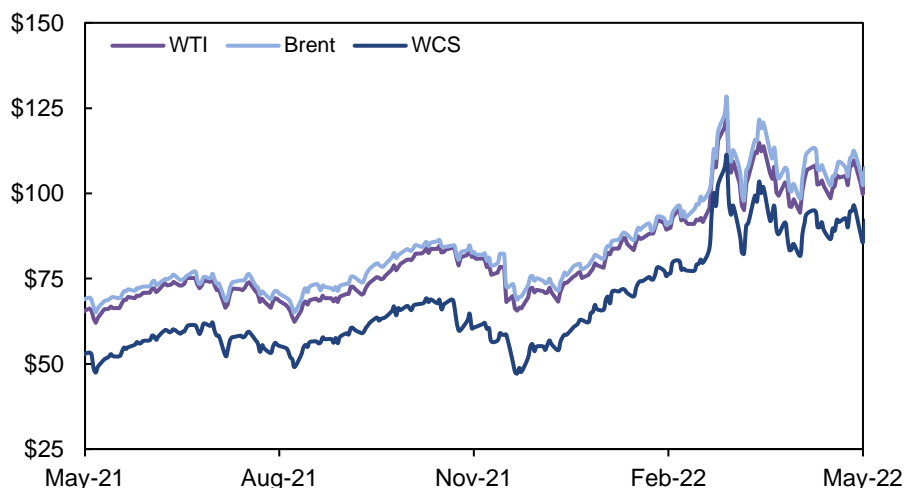
Investment Analysts: *Ryan Crisalli, Joel Homersham*

Industry Outlook

Sector Overview

- Global economic activity has significantly increased due to the removal of COVID-19 restrictions, resulting in a strong rebound in energy production, commodity pricing, and global demand
 - Oil consumption in May increased by 2.1mmb/d from April
- On February 24, Russia launched a full-scale invasion on Ukraine, causing many countries to impose financial sanctions on the 11.9mmb/d energy producer in order to block transactions through the SWIFT banking platform
 - On May 31, the European Union (EU) agreed on an embargo of all Russian fuel products by tanker, with hopes to slash 90% of the bloc's imports
- Global crude oil inventories have decreased for 14 consecutive months with OECD countries accounting for 70% of the decline
 - On April 4, the U.S. declared that 180mm barrels will be released from its Strategic Petroleum Reserve (SPR) in order to aid rising prices
- Moving forward, companies have an increased focus on offering an attractive shareholder yield, which will ultimately reduce capital expenditures

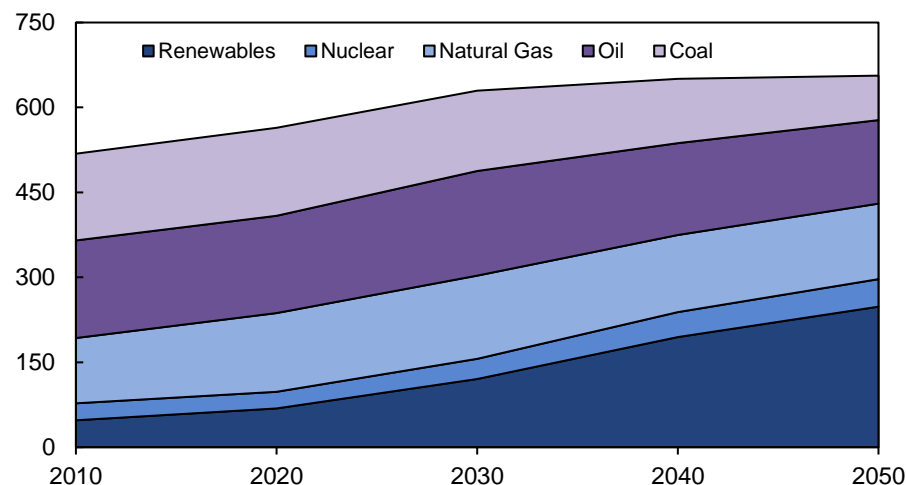
WTI vs Brent vs WCS Pricing (US\$/bbl)



Key Developments and Outlook

- WTI and Brent prices are up ~62% and ~58% YTD respectively, driven by tight supplies, an increase in economic activity, and energy security concerns surrounding the Russia-Ukraine Conflict
- OPEC+ agreed to boost output by 632mmb/d in July and August, rather than the 432mmb/d that was previously agreed
 - Global oil prices are expected to remain elevated despite the OPEC+ production increase due to COVID-19 restrictions easing in China
- Following the SPR release, the reserve has dropped to its lowest level since 1987 and holds 538mm barrels as of May 13, 2022
- The Biden Administration looks to implement an export ban of gasoline and diesel products to mitigate record level prices
- The Fund believes that the favourable supply-demand dynamics and revitalized conversation regarding energy security provide compelling opportunities in the North American energy sector

Global Energy Production by Fuel Source (EJ)⁽¹⁾



Source: Bloomberg, IEA, S&P Capital IQ

(1) Announced Pledges Scenario – IEA global energy production scenario accounts for pledges and commitments from governments and international organizations

Canadian Natural Resources

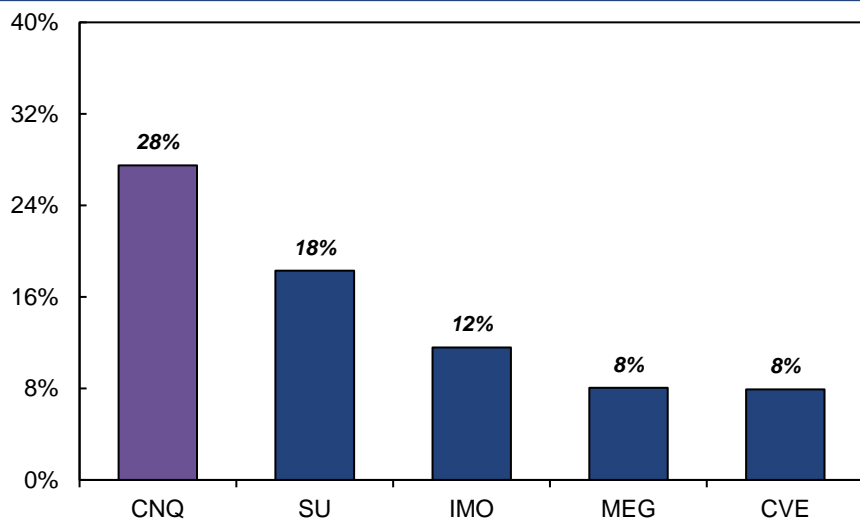
Q1 2022 Results

- Canadian Natural Resources Limited (TSX: CNQ) achieved net earnings of \$3.1B in Q1 2022, an increase from \$1.4B in Q1 2021
- Total production volumes were 1.3mboe/d, up ~2.8% YoY, and adjusted funds flow increased 85% to \$5.0B YoY
- Liquids production volumes were 945mboe/d, a decline of 3.4% when compared YoY. Natural Gas volumes have increased 25.5% YoY to 2 bcf/d in Q1 2022
- Total expenses increased 34.2% YoY to \$6.6B, resulting from increased production, transportation, blending, and feedstock expenses
- Oil Sands Mining and Upgrading expenses increased 24% YoY to \$24.60/share, primarily a result of lower production volumes at Scotford and higher energy, turnaround, and maintenance-related costs
- Management is committed to returning value to shareholders as it announced a 28% hike to its quarterly dividend which now sits at \$0.75 per share

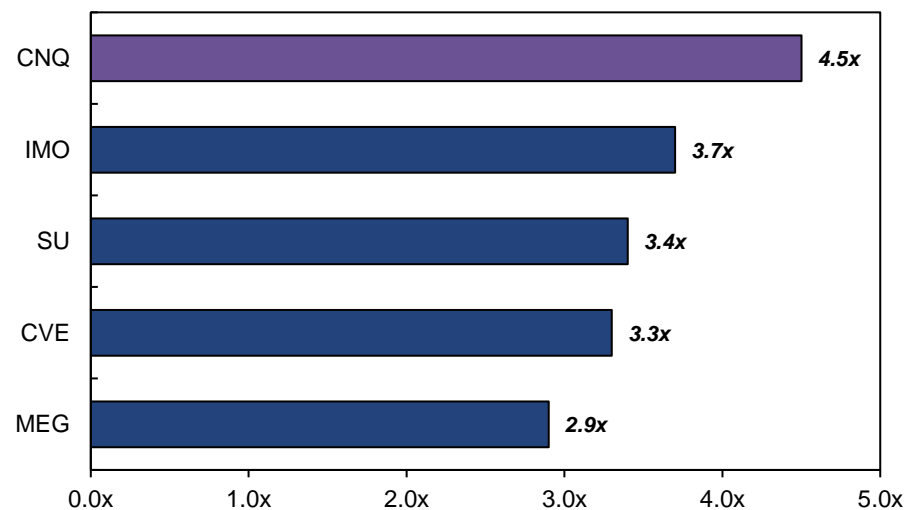
Investment Thesis and Outlook

- Strong global supply and demand fundamentals create a bullish pricing sentiment, supported by factors such as OPEC+ consistently falling below production quotas and international sanctions on Russian energy
- CNQ assets benefit from a low corporate decline rate (most notably in its Oil Sands and Mining segment), enabling the Company to be FCF positive in most price environments
- Management looks to direct a large portion of its FCF to deleveraging its balance sheet and returning meaningful capital to shareholders in the form of dividends and share buybacks
- CNQ continues to focus on safe, effective, and efficient operations through the Oil Sands Pathway to Net Zero initiative, anchored by a major CCUS project that will enable multi-sector tie-ins for further emission reductions
- Supported by a strong Q1, the Fund believes CNQ is well-positioned for stable growth, benefiting from strong tailwinds in the commodity markets

LTM UFCF Margin vs Peers⁽¹⁾



2023E EV/DACF vs Peers⁽¹⁾



Source: Company Filings, IEA, S&P Capital IQ, Street Research, The Globe and Mail

(1) Peers include: TSX: CVE, IMO, MEG, SU

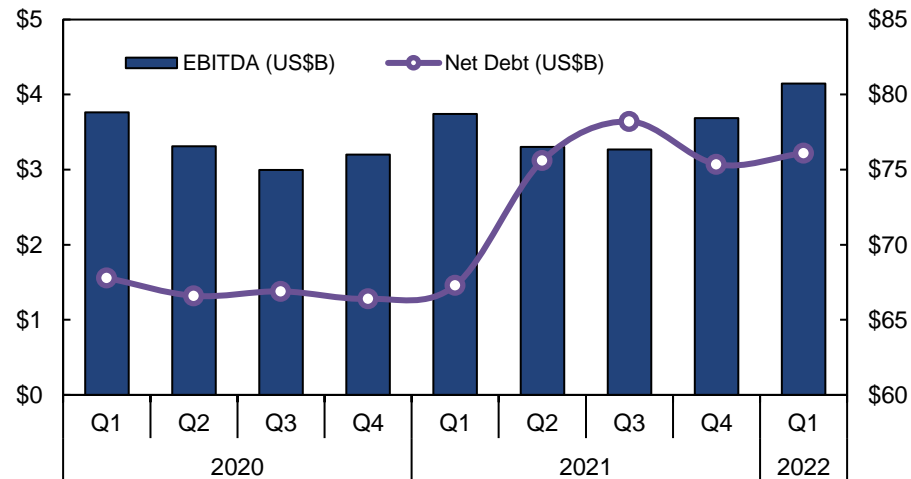
Q1 2022 Results

- Enbridge (TSX: ENB) reported earnings of US\$1.9B and US\$0.95 EPS, compared to earnings of US\$1.9B and US\$0.94 EPS in Q1 2021
- Distributable Cash Flow (DCF) for the quarter totaled US\$3.1B (\$1.52 per common share), up ~11% YoY
- The Company reaffirmed a 2022 full year guidance range for EBITDA of US\$15.0B to US\$15.6B, and DCF per share of US\$5.20 to US\$5.50
- ENB reported EBITDA of US\$4.1B compared to US\$3.7B a year prior
- ENB announced advancing capital allocation priorities and executed initial share repurchases in Q1 2022
- Quarterly results were driven by a strong operational performance, strong wind resources in its renewables business, and B.C. pipeline expansions
- ENB's liquids pipelines segment revenues grew ~18% YoY, primarily attributed to Line 3 being in service

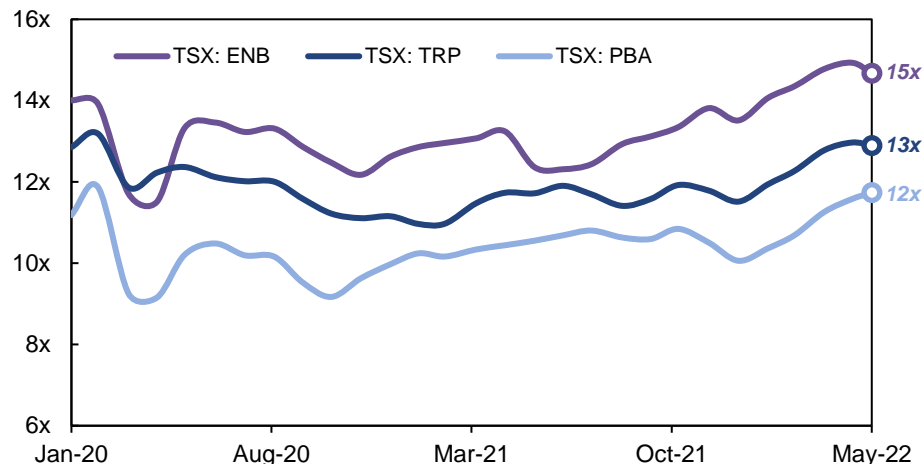
Recent Developments and Investment Outlook

- ENB's subsidiary Westcoast Energy will conduct an Open Season for an expansion of the T-North section of the B.C. pipeline system to add ~400mmcf/d to meet NEBC supply growth and increasing LNG export demand
 - This expansion project is expected to have a 2026 in-service date
- ENB was awarded the right to pursue further development of its proposed CCUS project with partners Capital Power and Lehigh Hanson Materials
- ENB's "Two-Pronged Strategy" of growth in conventional energy and low-carbon energy positions the Company to remain a North American leader in its transmission segment, while gaining exposure to high-growth markets such as LNG, CCUS, and Blue/Green Hydrogen
- The Fund remains convicted in ENB due to its high-quality assets, capital allocation framework, and its exposure to the LNG export sector

LHS Quarterly EBITDA vs RHS Net Debt



NTM EV/EBITDA vs Canadian Peers



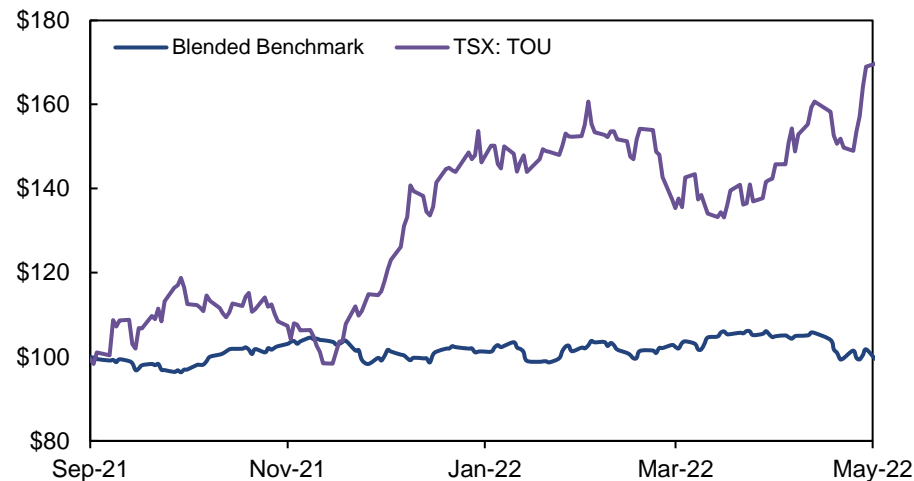
Q1 Results and Recent Acquisitions

- Tourmaline (TSX: TOU) recorded Q1 2022 cash flow from operations of \$1.1B, which represents a 71% increase YoY
 - The Company's cash flow growth is attributable to a significant increase in benchmark commodity prices and overall production volume
- Q1 2022, average production increased 23% to a record 507mboe/d, including liquids production of 114mboe/d
 - TOU's production increase is the result of corporate and property acquisitions in 2021, which account for ~51% of the increase
- In July 2021, TOU closed an \$1.1B acquisition of Black Swan Energy, which added ~50mboe/d of production and significant midstream gas infrastructure
- In September 2021, TOU and Topaz (TSX: TPZ) closed a \$108mm bought deal offering TPZ common shares, allowing TOU to work towards its commitment of reducing debt levels and increasing shareholder returns
- TOU announced a ~13% increase to its base dividend to \$0.225/share

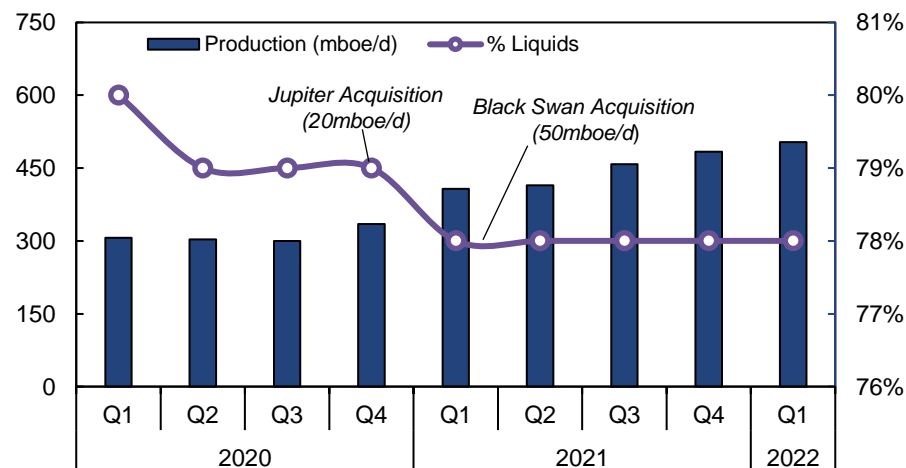
Investment Outlook

- TOU is one of the most prolific operators in the WCSB, maintaining meaningful reserves, moderate-decline assets, and impressive drilling results
 - 2P oil and natural gas reserves increased 35% and 26% YoY, respectively
 - The Company's future success is closely dependent on its successful exploration, drilling and completion activities
 - TOU achieved record low drilling times which will eventually materialize into shareholder returns from improved D&C efficiency and lower costs
- The Company is positioned to generate meaningful cash flow at current strip prices and has implemented an attractive special dividend
 - Operating netback increased 35% to \$24/boe when compared YoY
 - TOU paid out \$3.50/share in special dividends in Q1 2022, with it being likely that others are to follow in the coming quarters
 - Its production hedges are 37% and 15% in 2022 and 2023, respectively. This may put downward pressure on its bottom line compared to peers

Trading Performance vs Blended Benchmark (Indexed to \$100)



LHS Daily Production vs RHS % Liquids



Financials



Portfolio Managers: *Arnav Mayank, Eric Xiao*
Investment Analysts: *Joao Beani, Lucas Frame*

Financials Sector Overview

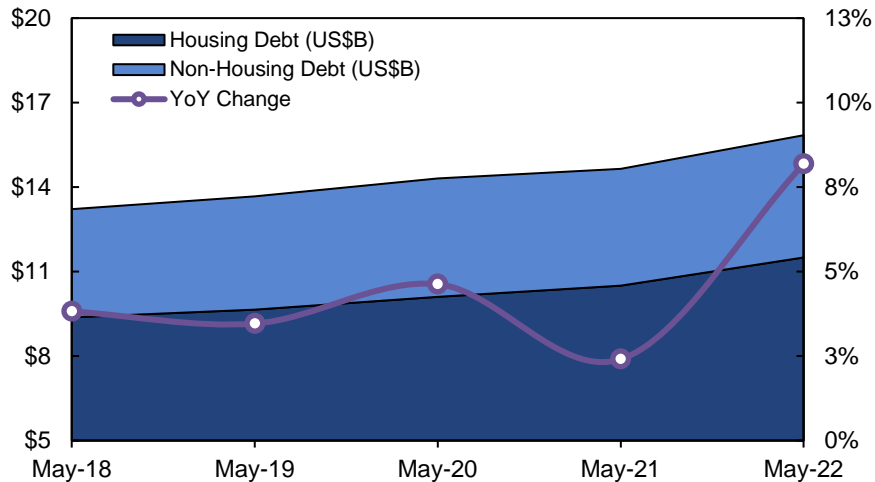
Sector Holdings Overview

- The Financials sector ended the period from May 2021 to May 2022 6.4% below the Blended Benchmark and was hindered by investor uncertainty over asset and credit quality prompted by rising inflation and interest rates
 - Brookfield (TSX: BAM.A), JPMorgan (NYSE: JPM) and Royal Bank of Canada (NYSE: RY) returned 6.5%, -20.1%, and 4.2%, respectively
- U.S. banks and regional counterparts could benefit from increased interest income, spurred by a rebound in commercial lending and the 78 basis point increase in the U.S. overnight rate YTD
- Recent volatility in U.S. equities reflects the downward earnings revisions and a weakening Purchasing Managers Index (PMI)
- JPMorgan CEO Jamie Dimon predicts economic instability primarily due to the Russia-Ukraine conflict and the Federal Reserve's monetary policy
- The CPMT believes that interest rate increases throughout the remainder of 2022 will continue to drive the interest income of its current Financials holdings

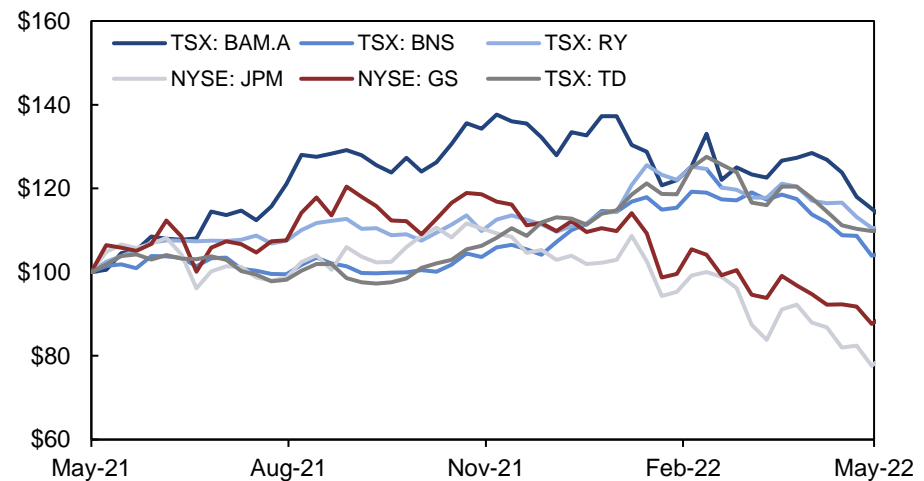
Sector News and Outlook

- On May 31, 2022, Canada imposed new sanctions on the Russian financial sector amid the Russia-Ukraine conflict:
 - New sanctions enforce restrictions on 22 individuals and four entities; among the individuals and entities listed are key Russian financial institutions and their senior officials
 - Rising interest rates and loan-growth momentum currently help banks' lending revenue, as credit quality may keep provisions grounded
 - Although credit quality has remained constant, it may decrease due to the expected interest rate increases throughout the remainder of the year
- Banks may continue to challenge the economic outlook until the market has a clearer picture of how the economy will digest the multiple rate hikes, spillover effects from the Russia-Ukraine conflict, and supply chain constraints

LHS U.S. Consumer Debt Levels vs RHS YoY Change



Major Players' Trading Performance (Indexed to \$100)



Financials Holdings Update

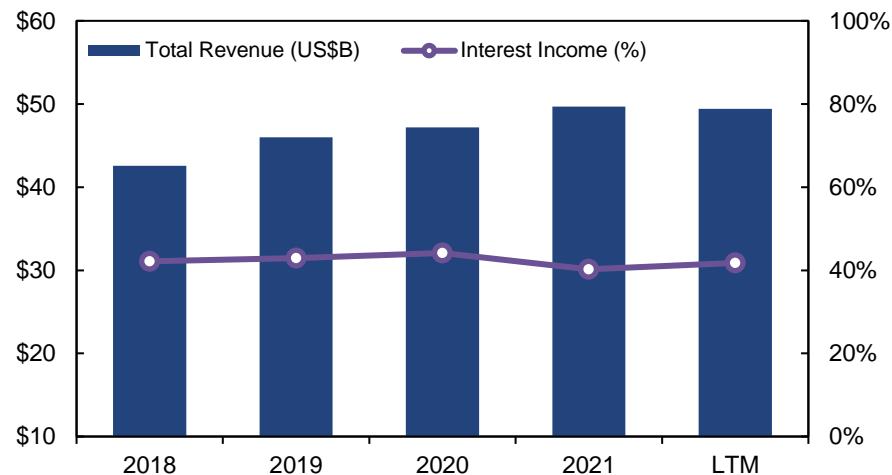
Royal Bank of Canada

- In Q2 2022, Royal Bank of Canada (NYSE: RY) reported a net income of US\$4.3B and EPS of US\$2.96 representing a 6% and 7% YoY increase, respectively
- Pre-tax earnings were down 2% YoY, reflecting lower Capital Markets revenues compared to 2021. The segment suffered a US\$276mm (or 23%) decrease YoY in net income driven by lower equity and debt origination
- Net income in Personal & Commercial Banking increased US\$326mm, or 17% YoY, primarily attributable to a lower provision for credit losses (PCL)
- Net income in Wealth Management increased US\$67mm (10% YoY), attributed to higher average fee-based client assets reflecting net sales appreciation
- In Q2 2022, RY returned US\$3.6B to shareholders and declared an increase to its quarterly dividend to US\$1.28 per share, up ~7% QoQ
- The CPMT believes that RY is an attractive holding given its ability to generate profits in a low-interest rate environment

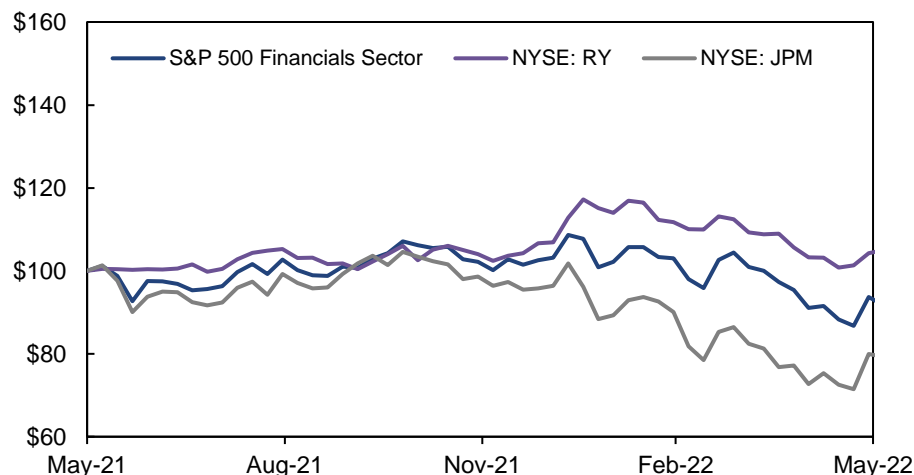
JPMorgan Chase & Co.

- JPMorgan Chase (NYSE: JPM) reported Q1 2022 revenues of US\$32B and EPS of US\$2.46, corresponding a 5% and 39% YoY decrease, respectively. Notable results include:
 - US\$902mm net credit reserve build firmwide (US\$0.23 decrease in EPS)
 - US\$524mm of losses within Credit Adjustments & Other in Corporate and Investment Banking segment, driven by funding spread widening and credit valuation adjustments relating to increases in commodity exposures from Russia-associated counterparties (US\$0.13 decrease in EPS)
- The build-up of credit reserves was a consequence of greater concerns over downside risk in the U.S. economy; specifically due to inflation impacts as well as the Russia-Ukraine conflict
- Moving forward, the Company is shifting focus toward the tokenization of money market funds with BlackRock. This dovetails through JPM's new office in Asia and the institutional DeFi project led by the Monetary Authority of Singapore

LHS Total Revenue vs RHS Interest Income



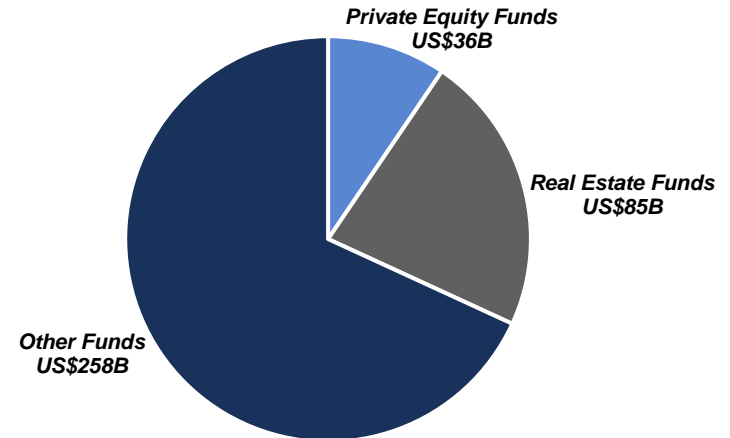
Current Holdings Trading Performance vs Financials Index (Indexed to \$100)



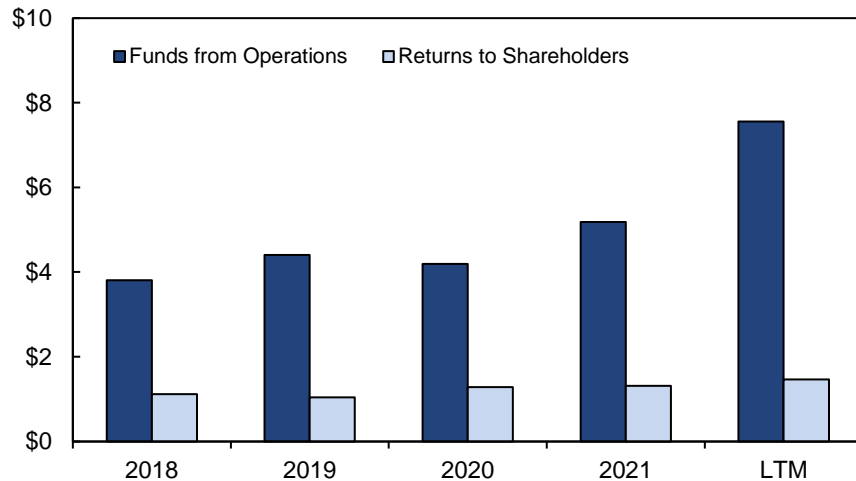
Q1 2022 Overview

- Brookfield Asset Management (NYSE: BAM) reported Q1 2022 revenues of US\$22.8B, corresponding to net income of US\$2.96B and EPS of US\$0.81
- BAM shares have decreased 22% since January 2022, but have risen 2% YoY
- The Company has recently announced that it plans a special distribution of 25% of the Asset Management Business to shareholders, to be completed in 2022
- Distributable earnings before realizations were US\$947mm in Q1 2022 and US\$3.7B over the last 12 months, ~30% greater than the comparable periods
- Bruce Flatt, the Company's CEO of over 20 years, has stated optimism regarding a light recession
 - Further inflation will benefit owners of real assets and real return businesses
- With prices up 10% - 20% and the Company owning US\$725B of assets, the value of BAM's overall investment portfolio is expected to increase and yield compounding effects over time

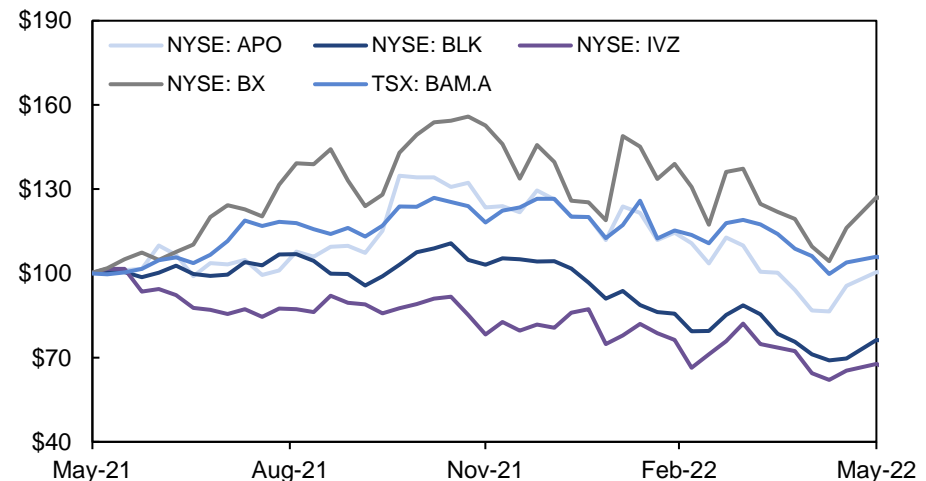
Q1 2022 AUM Breakdown



Annual Funds from Operations and Returns to Shareholders (US\$B)



BAM.A Trading Performance vs Peers (Indexed to \$100)



Source: Company Filings, S&P Capital IQ

Note: Returns to shareholders is the consolidation of dividends and share repurchases

Health Care



Portfolio Managers: *Arnav Mayank, Eric Xiao*

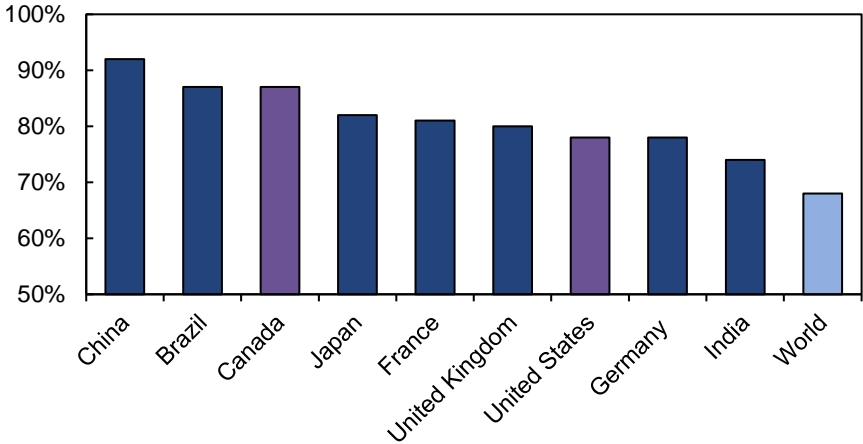
Investment Analysts: *Rebecca Butler, Jeevan Gill, Raunak Sandhu*

Industry Outlook

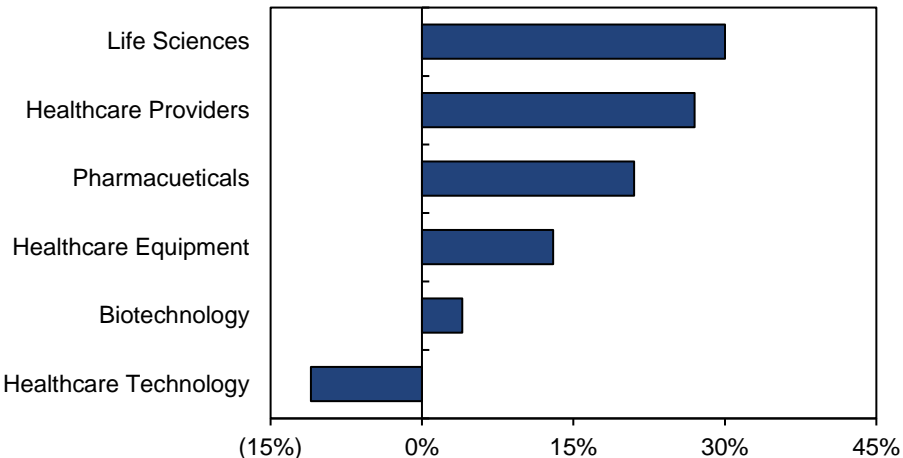
COVID-19 and Vaccine Impacts

- In 2021, returns in the Health Care sector were more volatile than previous years due to the COVID-19 pandemic
 - Life sciences companies and care services were the two strongest industries due to higher demand for research and clinical services during the pandemic
- The mRNA vaccines created by Pfizer and Moderna, as well as other viral vector vaccines, have been used all over the world to vaccinate ~5.8B people
- Antiviral oral treatments have also been approved by the FDA and have the potential to significantly reduce COVID-19 mortality rates
- After the Omicron wave in early 2022, many countries have removed COVID-19 restrictions in anticipation of COVID-19 transitioning to its endemic phase
- The rate of COVID-19 hospitalizations from the Omicron variant in the United States and Canada is expected to decline through 2022
 - New variants could trigger further waves of COVID-19 and create the need for updated booster shots

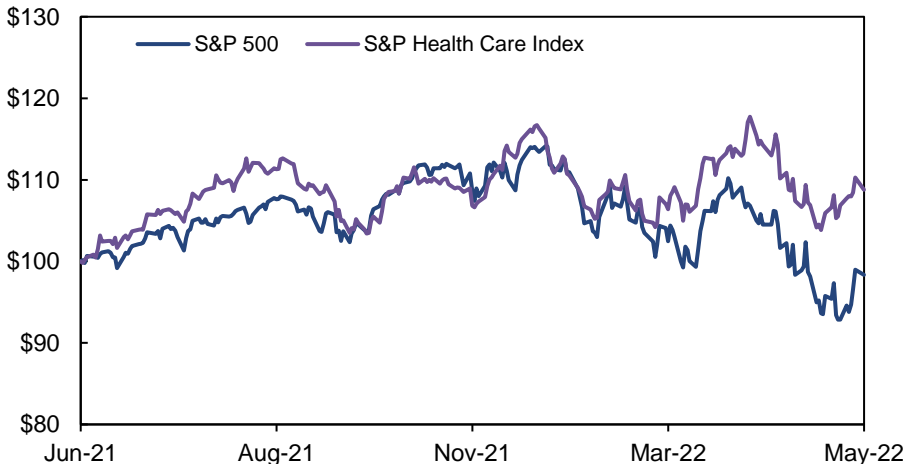
COVID-19 Vaccine Rate by Country (At Least One Dose)



2021 Health Care Returns by Industry Weight



Health Care Sector vs S&P 500 (Indexed to \$100)

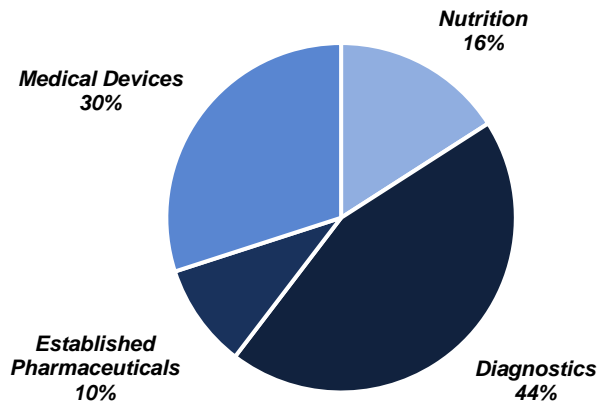


Source: BlackRock, NY Times, S&P Capital IQ

Q1 2022 Highlights

- In Q1 2022, Abbott Laboratories (NYSE: ABT) reported sales of US\$11.9B, representing a 13.8% increase YoY
 - Diluted EPS was US\$1.37, reflecting 37% growth YoY
- The Omicron variant drove increased COVID-19 testing revenue from US\$2.3B in Q4 2021 to US\$3.3B in Q1 2022
- ABT declared a quarterly dividend of US\$0.47 per share, up from US\$0.45 in Q4 2021. The Company has now increased its dividend payout for 50 consecutive years
- The Company received FDA approval for multiple new systems such as:
 - The CardioMEMS HF monitoring system: an implantable sensor that can detect and monitor for worsening signs of heart failure
 - The Aveir leadless pacemaker: a non-invasive pacemaker used in patients with slow heart rhythms

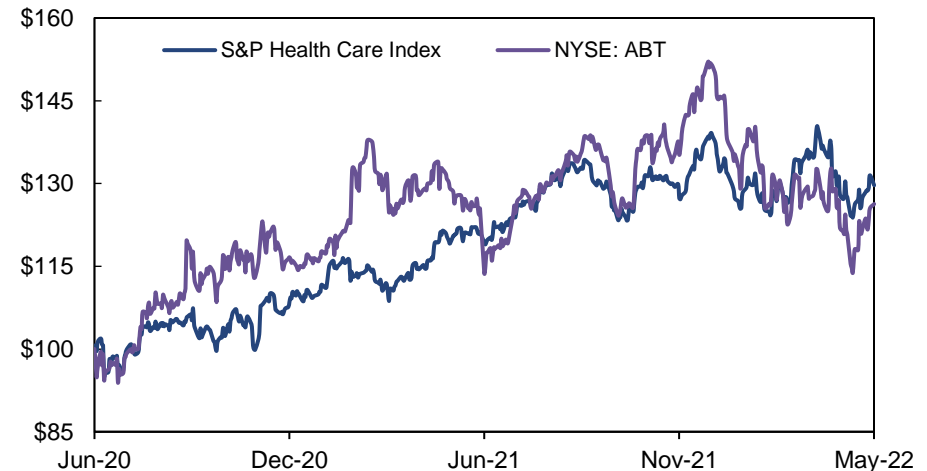
Q1 2022 Segmented Revenue



Key Developments and Outlook

- In February 2022, ABT voluntarily recalled baby formula products manufactured in its factory located in Michigan and shut down the plant. This has resulted in a nationwide shortage of baby formula across the U.S.
 - ABT's Michigan factory produces approximately half of the U.S. supply of baby formula. The plant is set to reopen on June 4, 2022
- In March, ABT announced its FreeStyle Libre system, the first and only continuous glucose monitoring system to expand reimbursement in Japan
- After two years of strong performance in COVID-19 testing revenue, ABT projects a significant drop to US\$4.5B from COVID-19 testing revenue in 2022
- ABT exhibited strong revenue growth in its medical devices and established pharmaceutical segments this quarter, both increasing ~7% from Q4 2021
 - ABT's established pharmaceuticals sector is becoming a market leader in emerging markets worldwide

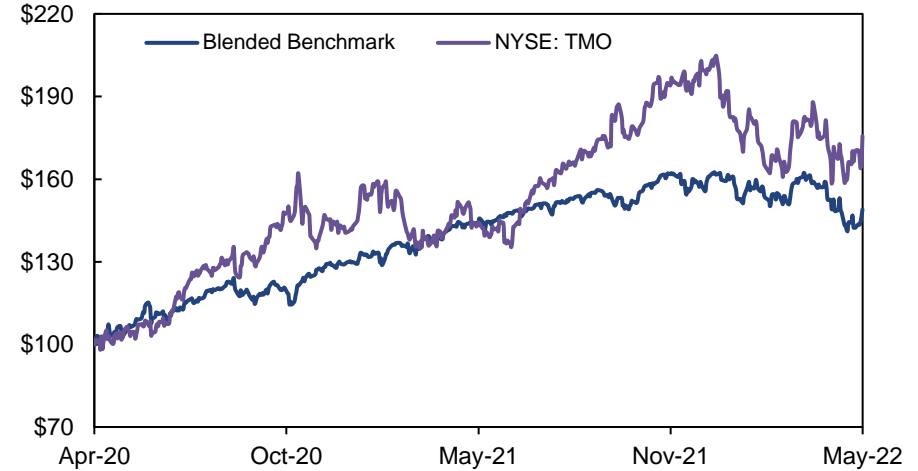
Trading Performance vs Health Care Sector (Indexed to \$100)



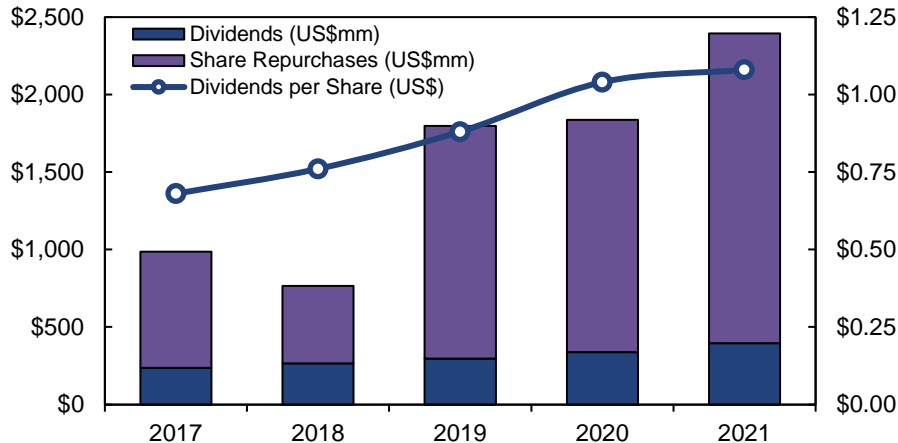
Q1 2022 Earnings

- Thermo Fisher Scientific (NYSE: TMO) reported revenues of US\$11.8B in Q1 2022, representing a 19% increase YoY
- TMO saw core organic growth of 16% and inorganic growth of 18%
- COVID-19 products and services generated US\$1.7B of total revenue in Q1 2022, down from US\$2.9B in Q1 2021
- The Company reported earnings of US\$2.8B (US\$5.61/share) in Q1 2022, compared to US\$3.1B (US\$5.88/share) in Q1 2021
- During the quarter, Moderna (NASDAQ: MRNA) announced a 15-year strategic collaboration agreement with TMO to support mass manufacturing of mRNA-based vaccines and therapies in the U.S.
- TMO repurchased US\$2.0B worth of stock over the quarter and increased its dividend by 15%

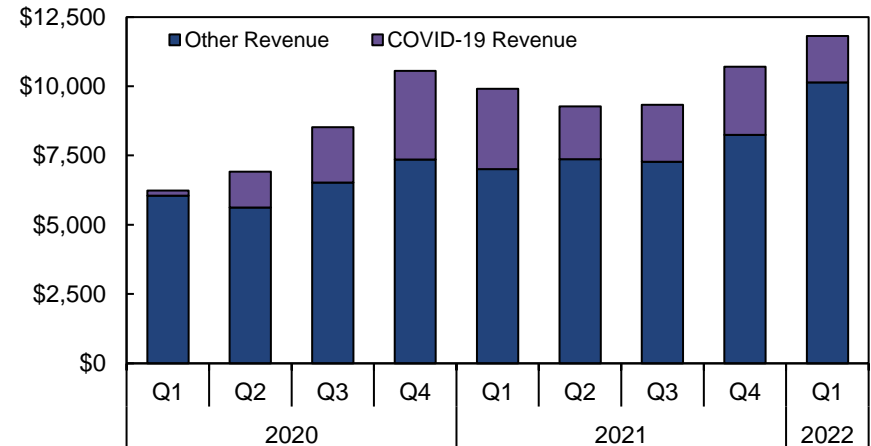
Holding Period Performance vs Blended Benchmark (Indexed to \$100)



LHS Dividends and Share Repurchases vs RHS Dividends per Share



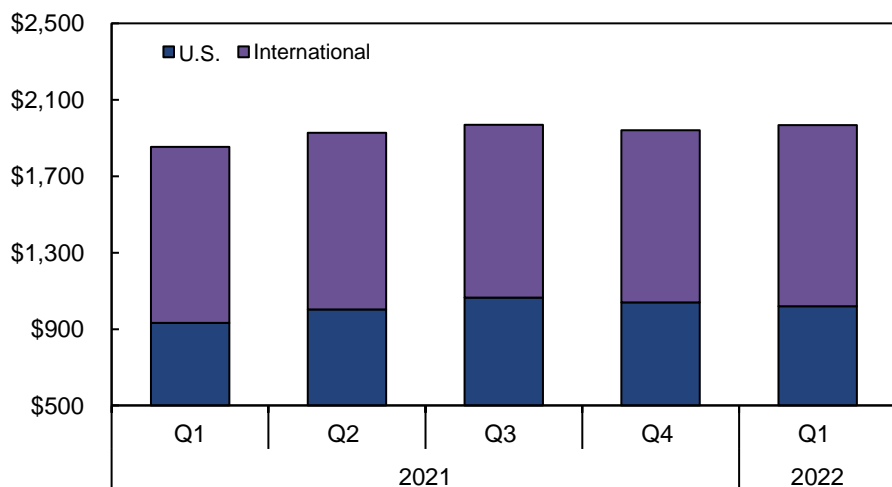
Quarterly Revenue (US\$mm)



Q1 2022 Financials Highlights

- Zoetis (NYSE: ZTS) reported revenues of US\$2B and net income of US\$595mm in Q1 2022, realizing growth of 6% and 8% YoY, respectively
- Sales of companion animal products increased 23% in the quarter, driven by growth in ZTS' parasiticide portfolio
 - ZTS' dermatology portfolio further contributed to this growth across the *Apoquel* and *Cytopoint* brands
- ZTS' Livestock segment revenues declined 9% YoY due to lower cost alternatives increasing competition in the U.S. cattle and poultry industries
 - Increased input costs and dry weather conditions in the U.S., as well as falling pork prices in China, have contributed to the decline
- Revenues in the U.S. segment grew 9% YoY to US\$1B, while international operational revenues grew 8% YoY to US\$948mm
- In April 2022, ZTS pledged ~US\$5mm to support 20 veterinarian initiatives across Africa, Brazil, China, Ukraine, and the U.S.

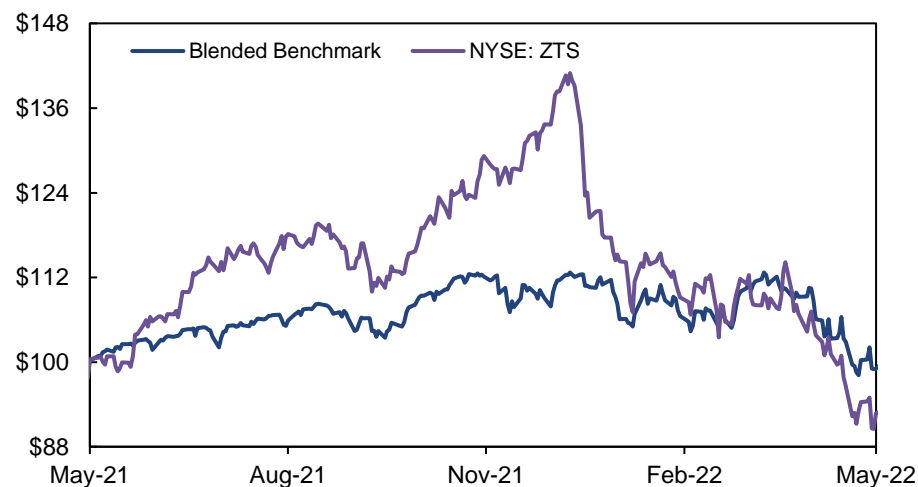
U.S. and International Revenue Breakdown (US\$mm)



Key Developments and Outlook

- Despite inflationary pressures, ZTS has strong demand in the pet care industry with durable pet owner spending
- Omicron has contributed to slower traffic, with a lower-than-expected increase of 5% in clinical visits. This was attributed to shorter-term capacity constraints
- ZTS' Global Diagnostics portfolio recorded operational sales growth of 12% in Q1 to US\$98mm
 - Growth is expected to exceed pre-COVID levels from placements of new devices in international markets
- ZTS announced the addition of artificial intelligence blood smear testing to its multi-purpose platform, *Vetscan Imagyst*, which will help veterinarians broaden in-clinic diagnostic offerings
- Catalysts for ZTS include growth in international markets, expansion of U.S. commercial teams, and large investments into its diagnostics portfolio

Trading Performance vs S&P 500 Health Care Sector (Indexed to \$100)



Industrials



Portfolio Managers: *Arnav Mayank, Eric Xiao*

Investment Analysts: *Rebecca Butler, Jeevan Gill, Raunak Sandhu*

Industrials Sector Overview

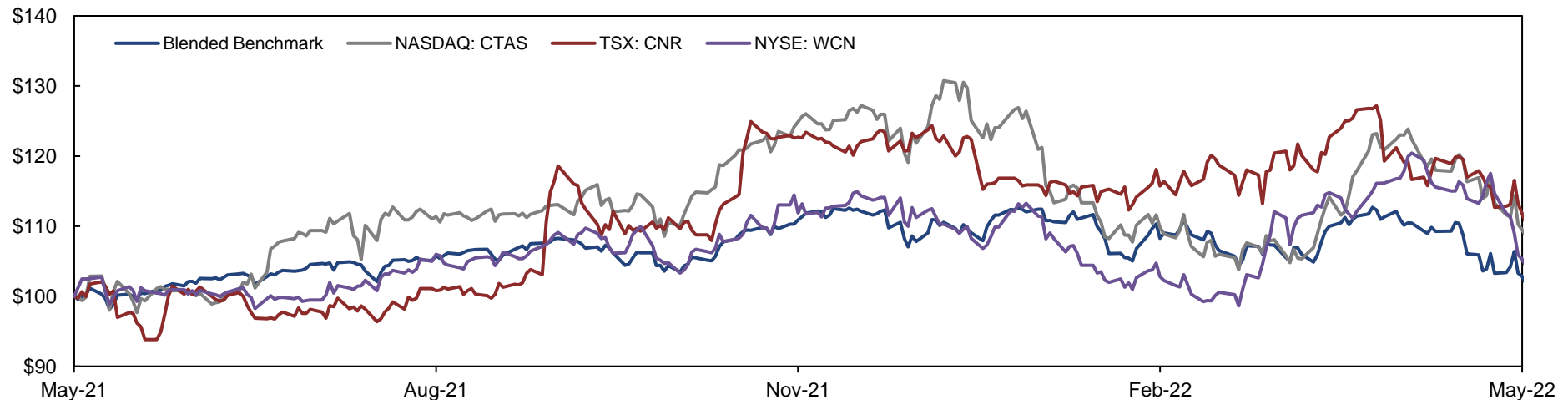
Sector Outlook

- The U.S. and Canadian Industrials sectors have outperformed their respective markets by ~6% YTD
- The U.S. ISM Manufacturing PMI continues to stay above 50 YTD, having recently marked the 24th straight month of expansion in the manufacturing sector and the U.S. economy
- Companies in the sector are reporting decreased demand in new orders, reflecting slowing growth following the peak of the COVID-19 pandemic
- Delivery times remain elevated and are likely to be tested by easing lockdowns in Shanghai. However, the recent slowdown in demand has positioned manufacturers to successfully address order backlogs
- The CPMT believes the environmental and facilities service industry will benefit from increased demand for projects funded through legislation. Significant near-term growth is expected as many firms capitalize on these developments

Sector News

- The Biden administration plans to remove the COVID-19 testing requirements for inbound travellers that were set in early 2021
 - Alaskan Airlines (NYSE: ALK) executives expect demand to surge in bookings across the U.S. travel industry
- The U.S. Department of Defense requested US\$773B for its 2023 budget, a 4.1% increase from the FY 2022 enacted amount of US\$722B. The budget focuses on addressing emerging threats from Russia, North Korea, and Iran
- Union Pacific Corp (NYSE: UNP) has joined the RailPulse coalition and plans to increase freight safety. The Company will work with other members to further develop telematics technologies in North America's freight rail industry
- The world's largest battery maker, Contemporary Amperex Technology (XSHE: 300750), plans to open EV battery factories in U.S. following government rollouts encouraging EV investments
 - The Company would serve automakers such as BMW (XETR: BMW) and Ford Motors (NYSE: F)

Trading Performance vs Blended Benchmark (Indexed to \$100)

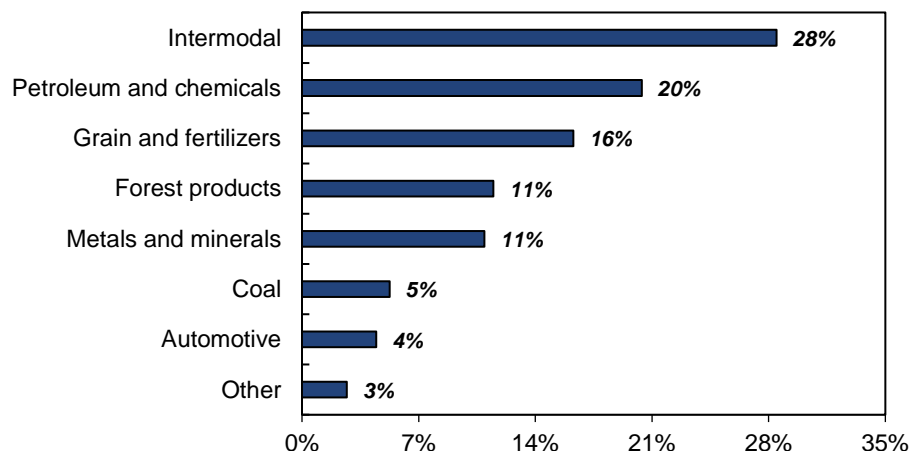


Source: Company Filings, Street Research, S&P Capital IQ

Q1 2022 Overview

- In Q1 2022, Canadian National Railway (TSX: CNR) reported revenues of \$3.7B, representing an increase of 5% YoY
- Revenue per tonne miles (RTM) decreased 8% YoY due to harsh winter weather conditions and supply chain disruptions
 - A weak Canadian grain crop in Q1 2022 dampened transport demand
- Operating income decreased 8% YoY from \$1.2B due to increased fuel costs
- CNR repurchased \$1.3B of common stock in Q1 2022 and has approved a repurchase plan in 2022 for up to 42mm shares
- CNR increased its dividend from \$0.62 in Q1 2021 to \$0.73 in Q1 2022 (19% increase YoY)
- CNR projects FCF in the range of \$3.7 - \$4.0B in 2022 and projects 15% to 20% diluted EPS growth in 2022 as weather conditions improve and supply chains stabilize from the removal of COVID-19 restrictions

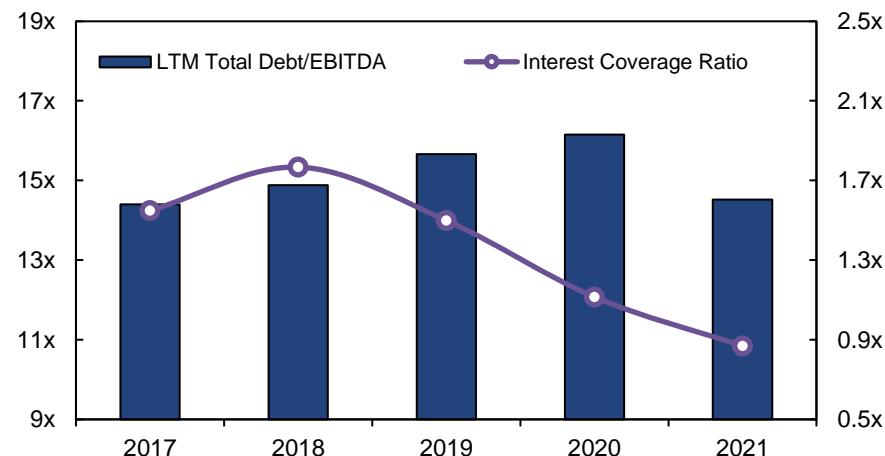
Q1 2022 Quarterly Transport Revenue by Segment



Key Developments & Outlook

- As the price of fuel has risen substantially in 2022 due to the Russian invasion of Ukraine, CNR has lowered its outlook for profit growth and cash flows in 2022
- CNR lowered its projected diluted EPS growth from 20% to a lower target of 15-20% for 2022. The operating ratio guidance was increased to 60%
- Higher fuel costs shrunk margins with operating expenses in Q1 increasing to \$2.5B (12% increase YoY)
- Tracy Robinson became the President and CEO of CNR on February 28, 2022. This appointment follows the retirement of JJ Ruest, who will be leaving CNR's board, but remain at CNR in an advisory role until March 31, 2022
 - Robinson was previously the Executive Vice President at TC Energy and worked for 27 years at TSX: CP

LHS Interest Coverage Ratio & RHS LTM Total Debt/EBITDA



Cintas Corporation

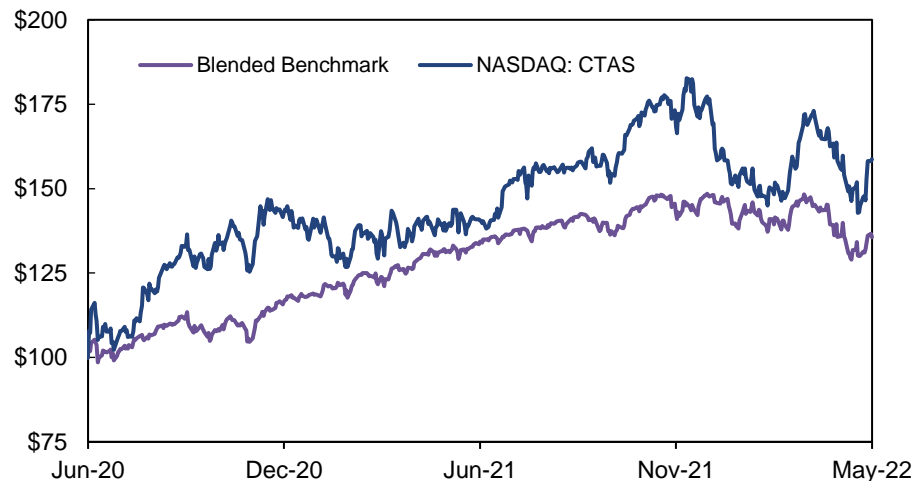
Q3 2022 Overview

- In Q3 2022, Cintas (NASDAQ: CTAS) quarterly revenues were US\$1.96B compared to US\$1.78B in Q1 2021, reflecting an increase of 10.3%
- Gross revenue was US\$898.2mm compared to US\$809.5mm in Q3 2021. Gross margin was 45.8% compared to 45.6% the year prior
- Diluted EPS was US\$2.97 compared to US\$2.37 the previous year. This calculation includes a gain on investment transaction and the resulting tax impact, which increased diluted EPS by US\$0.28 and US\$0.07, respectively
- EPS growth was supported by a 10% increase in organic revenue growth in Q3 2022
- Net cash increased 18.5% YoY to US\$393.3mm. During Q3, CTAS also repurchased US\$584.3mm of common stock under its buyback program
 - Additionally, CTAS paid US\$99mm in quarterly dividends
- The Uniform Rental and Facility Services, which constitutes ~80% of the Company's total revenue, had revenues increase 9.6% YoY

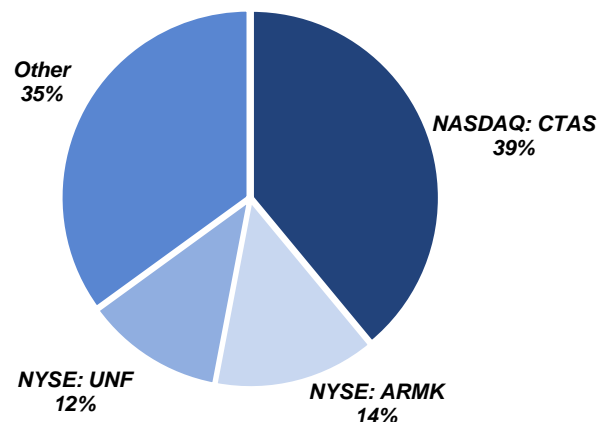
Key Developments and Outlook

- Todd Schneider, the CEO of CTAS, has announced projected revenues for Q4 2022 to be in the range of US\$1.96B to US\$2.02B. This would result in diluted EPS in the range of US\$2.54 to US\$2.74 (3% to 11% increase YoY)
- CTAS continues to generate profit from the COVID-19 pandemic through its sanitization and personal protective equipment sales. This will likely decline as the pandemic becomes less of a concern worldwide
 - During the pandemic, CTAS was able to provide PPE and other products to their customers much faster than competitors
- CTAS holds the largest market share in the uniform services industry and is considered the premier brand for Garment Rental services
- In February 2022, CTAS acquired the rental business of Gorman's Uniform Rental for an undisclosed amount
- The CPMT believes that CTAS's growth prospects remain intact as management has committed to penetrating new markets and investing in M&A

Holding Period Performance (Indexed to \$100)



2021 U.S. and Canada Uniform Services Market Share





Waste Connections

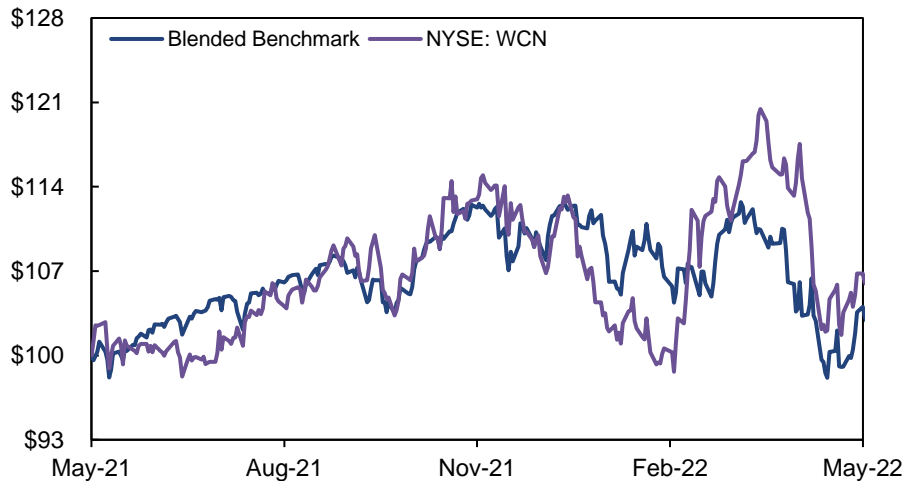
Q1 2022 Financial Highlights

- Waste Connections (TSX: WCN) reported revenues of US\$1.6B in Q1 2022, an increase of 17.9% YoY
- Operating income was reported at US\$273.9mm for Q1 2022, which included US\$4.7mm in acquisition-related costs and US\$1.9mm in impairments and other operating items
- WCN reported US\$40.8mm of E&P Waste Treatment revenues in Q1, an increase of 65.5% YoY
 - Increases resulted from an elevation in drilling activity and remediation jobs primarily in Western Texas
- WCN reported net income of US\$180.3mm and adjusted EBITDA of US\$502.1mm in Q1 2022, an increase of 30.5% and 15.9% YoY, respectively
- The Company reported net cash from operating activities of US\$440.9mm and adjusted FCF of US\$320.4mm in Q1 2022, an increase of 19.5% and 10.6% YoY, respectively

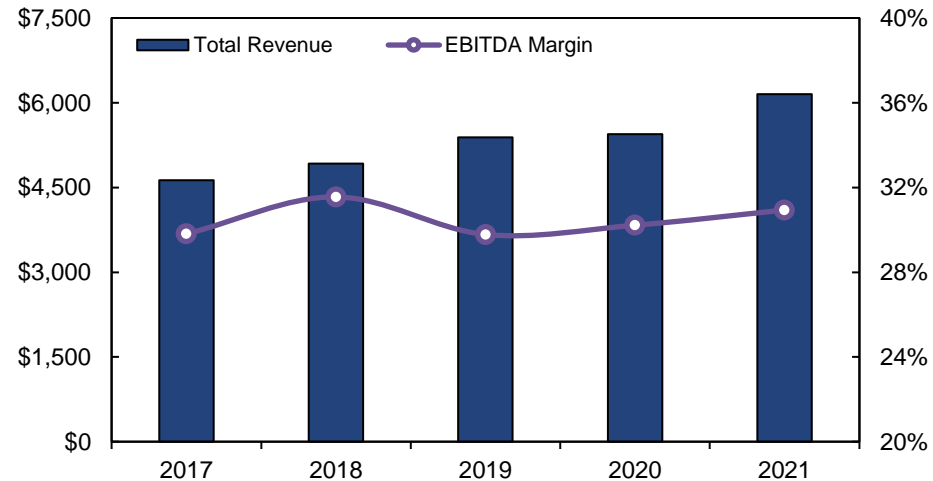
Key Developments and Outlook

- WCN achieved underlying margin expansion that was primarily driven by 7.1% growth in solid waste pricing
- WCN is expecting further increase of all-in price growth above 8.0% in Q2. WCN's pricing strength positions the Company well for inflationary headwinds
- The environmental and facilities services industry benefits from the Infrastructure Investment and Jobs Act signed by President Joe Biden in November 2021
 - Of the US\$1.2T package, US\$21.0B is allocated to environmental remediation. Additional funds are allocated to waste management and recycling programs
- WCN's solid waste acquisition activity has continued, contributing annualized revenues of ~US\$175mm
- WCN's U.S. counterpart, Waste Management (NYSE: WM), has outperformed the Company on a 1-year and 5-year basis, by 7.15% and 2.85%, respectively

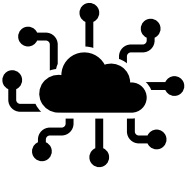
WCN Trading Performance vs Blended Benchmark (Indexed to \$100)



LHS Total Revenue (US\$mm) vs RHS EBITDA Margin



Information Technology



Portfolio Managers: *Arnav Mayank, Eric Xiao*

Investment Analysts: *Jake Kemp, Daniel Krapiwini*

Information Technology Sector Overview

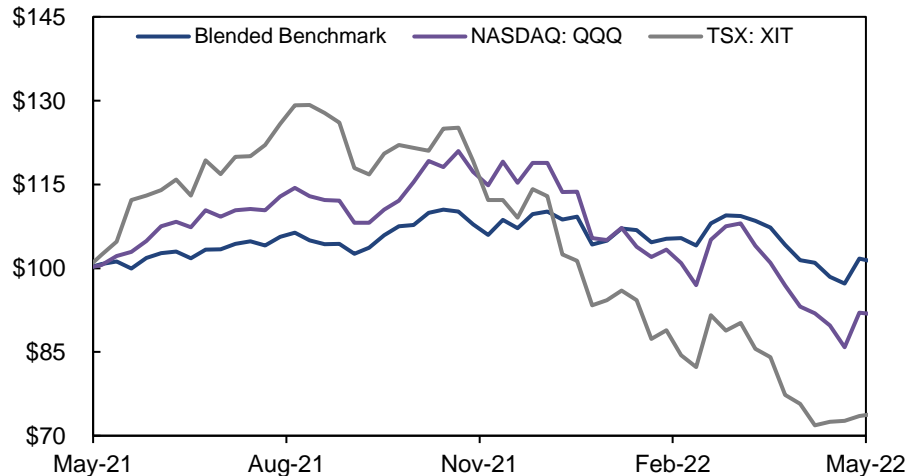
Sector Overview

- The Information Technology sector consists of firms operating in the (1) software and services, (2) semiconductor, and (3) technology hardware and equipment industries
- Social media companies have recently decreased forecasts for digital advertising spending due to lower disposable income caused by the high inflationary environment
- Many firms within the sector are focusing new resources for their products to develop the metaverse and related AR/VR products
- Headwinds for the sector include rising rates and inflationary pressures, which resulted in the -20.23% YTD return of the index (NASDAQ: QQQ)
- Major industry trends this year include creating better platforms for hybrid work models, optimizing supply chain analytics, and enhancing cloud services

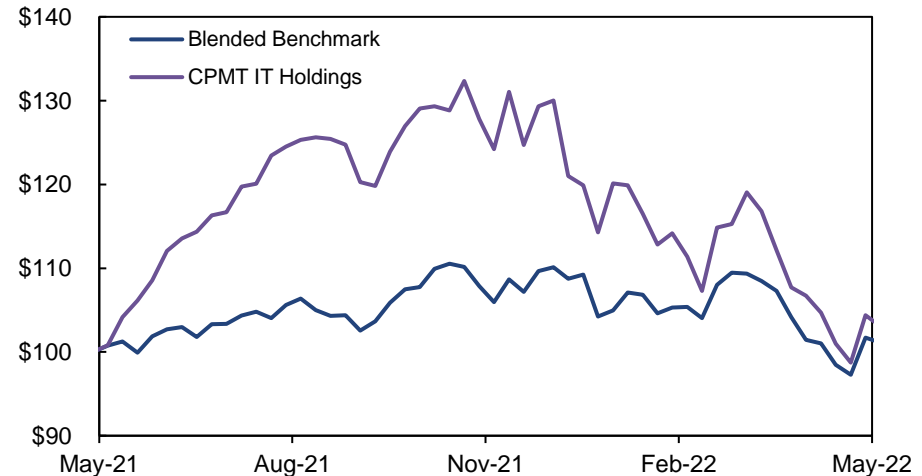
Information Technology Holdings Overview

- QTD, the CPMT Information Technology holdings have returned -10.14%, compared to the Blended Benchmarks performance of -6.47%, and the sector index (TSX: XIT) return of -15.81%
 - The CPMT's IT holdings currently measure a beta of 0.97 compared to the Blended Benchmark's beta of 1.32⁽¹⁾ and the index beta of 1.62
- QTD, Apple (NASDAQ: AAPL), Microsoft (NASDAQ: MSFT), Adobe (NASDAQ: ADBE), Constellation Software (TSX: CSU), and Topicus.com (TSXV: TOI) returned -14.30%, -11.37%, -6.01%, -7.86%, and -26.27%, respectively
 - A 0.6% selection effect resulted in the CPMT's outperformance of the index
- The fund's most recent addition to the portfolio, Visa (NYSE: V), has returned 5.18% QTD
- Cloud Service and Office Product providers have reported increased subscriber volume as work-from-home retains its popularity among employees

IT Sector Performance vs Blended Benchmark (Indexed to \$100)



CPMT IT Holdings vs Blended Benchmark (Indexed to \$100)



Source: Bloomberg, S&P Capital IQ
 (1) Conviction-weighted average

Information Technology Holdings Update

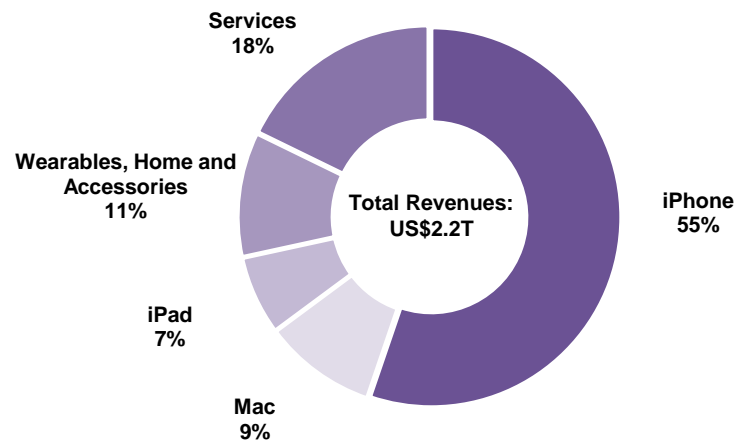
Apple

- Apple (NASDAQ: AAPL) grew net sales in Q1 2022 by US\$7.7B (9% YoY) driven by its service, iPhone, and Mac offerings, with its service revenues reaching new highs
 - Mac and Services revenues grew by 15% and 17% YoY primarily due to higher MacBook Pro sales and expanded service offerings
- The Company's gross margin was 43.7% (compared to 42.5% in Q1 2021) due to a product mix that has shifted to a higher weighting (33.7%) in service sales
 - Product and Services margins grew to 36.4% and 72.6%, respectively
- R&D expenses continued to rise in Q1 2022 as the Company focused on developing new technologies and services to retain its competitive advantage
- AAPL increased EPS by 9.0% to reach US\$1.54 compared to its Q1 2021 EPS of US\$1.41
- In Q1 2022, the Company's increased its quarterly dividend by 5% to US\$0.23 per share. Additionally, the Board of Directors authorized a US\$90B share repurchase program

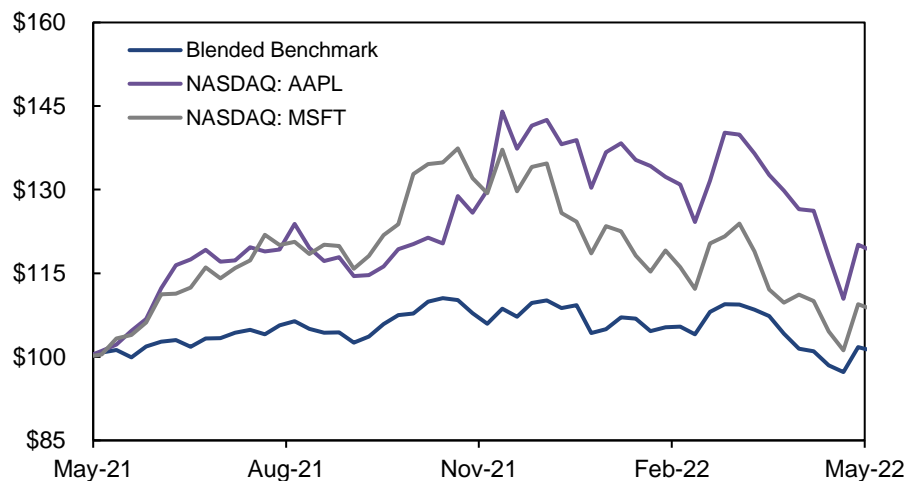
Microsoft

- Microsoft (NASDAQ: MSFT) reported revenues and EPS of US\$49.36B and US\$2.22, respectively
- MSFT grew its Cloud Services market share through superior customer service and has increased its segment revenue to US\$23.4B. This represents a market share of 21%, compared to market leader, AWS which currently holds 33%
- MSFT leverages network effects and economies of scale as competitive advantages, growing its Office Suites segment revenue by 12% YoY
- MSFT's subscriber count has grown 25% YoY for their office suite products
- In January 2022, MSFT announced a US\$68.7B deal to acquire Activision Blizzard (NASDAQ: ATVI), which was a former CPMT holding
- Intense competition in all current markets and increased cloud-based service providers pose a risk of decreased revenue and operating margins
 - The Company has recently lowered 2022 EPS guidance this year to US\$2.24 - US\$2.35, citing unfavourable interest rates as a headwind

Apple LTM Segmented Revenue Breakdown



Trading Performance vs Blended Benchmark (Indexed to \$100)



Information Technology Holdings Update

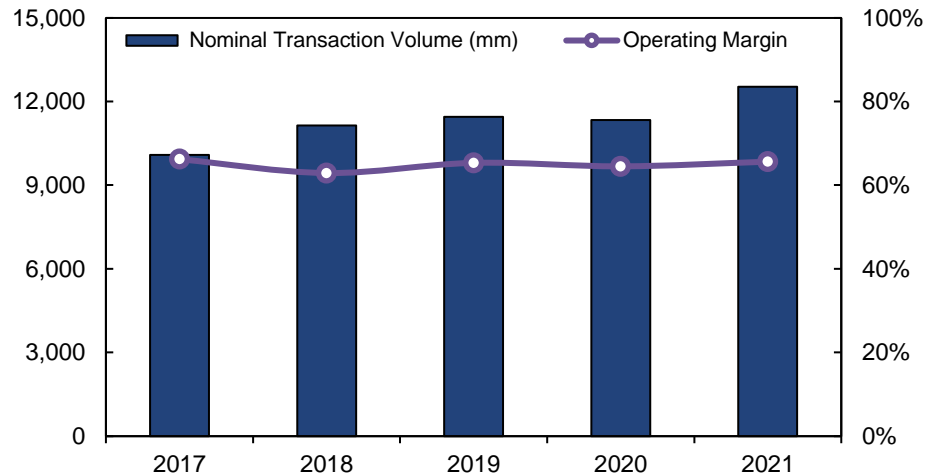
Visa

- Visa (NYSE: V) reported US\$7.2B in revenue resulting in a 23% YoY EPS growth in Q1 2022 despite suspending operations in Russia (4% of revenues)
 - Economic recovery, increased payments volume (17%), and cross-border volume (38%) made up for the lost sales in Russia
- Over the last six months, the Company repurchased 33.3mm Class A shares using US\$7.0B of its cash on hand from its US\$9.7B repurchase allocation
- In March, V acquired Tink – an open banking platform that allows institutions and merchants to build financial products, services, and move money
 - Over 3,400 banks and institutions are integrated with Tink, allowing V to reach millions of customers across Europe and further expand its cross-border transaction volumes
- V is cautious of geopolitical concerns but remains optimistic about growth due to robust travel recovery and the adoption of new payment technologies

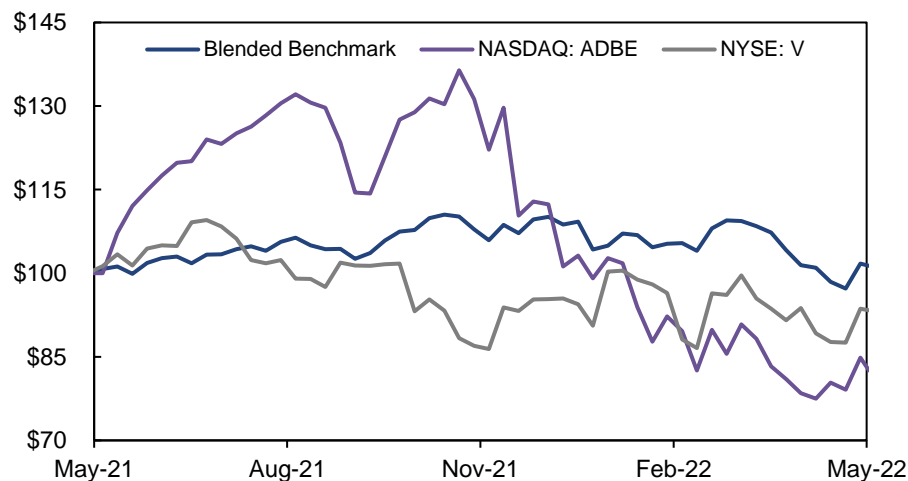
Adobe

- Adobe (NASDAQ: ADBE) reported record revenues in Q1 2022 of US\$4.3B, representing 17% YoY growth
 - Digital Media revenues were up 7% YoY despite halting operations in Russia due to the Russia-Ukraine conflict
- The Company's mobile app services continue building momentum with Acrobat mobile annual recurring revenue (ARR) growing over 70% YoY
 - With its latest expansion in product offerings, ADBE will be offering personalized pricing for bundles to promote its products better
- Remaining performance obligations grew by 19% YoY to reach US\$13.8B, creating a larger proportion of contracted revenues for the Company
- Going forward, the Company strives to increase ARR by US\$440mm in 2022 through the targeting of new metaverse clients with recently developed products, such as Substance 3D (which enable the creation of 3D models)

Visa LHS Nominal Transaction Volume vs RHS Operating Margin



Trading Performance vs Blended Benchmark (Indexed to \$100)



Information Technology Holdings Update

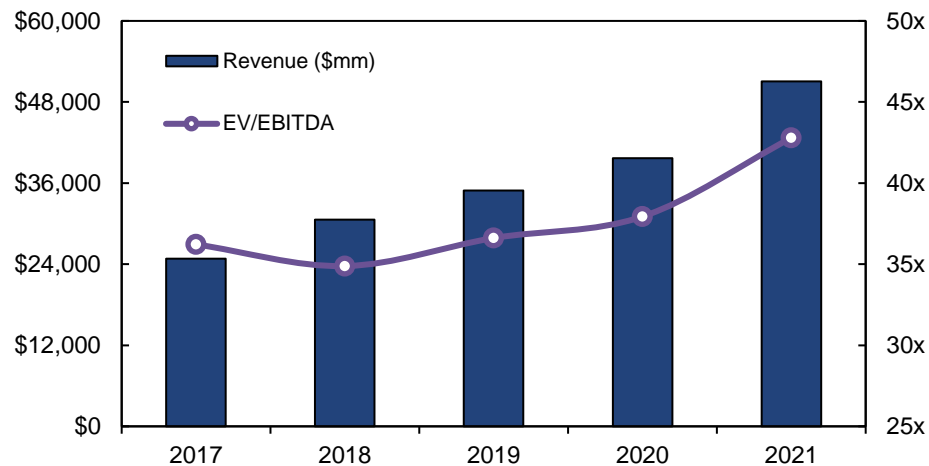
Constellation Software

- Constellation Software (TSX: CSU) reported revenues of \$1.2B in Q1 2022, representing an increase of 22% compared to 2021
 - 19% of this growth stemmed from several acquisitions completed by the Company in 2021 and Q1 2022
- The largest acquisition during the year included Allscripts Healthcare Solutions, which closed on May 2, 2022, providing exposure to electronic record technology and practice management systems
 - In Q1 2022, the Company made numerous smaller acquisitions for a total aggregate consideration of US\$273mm
- Operating cash flow stayed relatively stagnant YoY, however; FCFE increased by 20% over the same period to \$324mm
- The Company's net debt position increased by \$82.0mm QoQ to \$334.0mm in Q1 2022
 - The Company currently holds \$996mm in cash, demonstrating strong liquidity compared to its \$568mm term debt and revolving credit facility

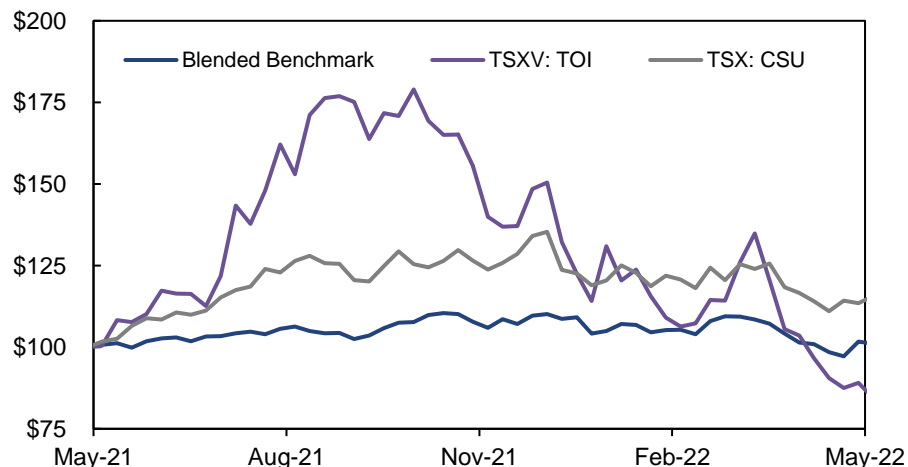
Topicus.com

- Topicus.com (TSXV: TOI) reported revenue of €203.8mm in Q1 2022, representing a 13% increase from its Q1 2021 revenue of €179.6mm
- In January 2021, CSU spun out TOI and CSU was issued 39mm preferred shares, representing 30.51% of shares on a fully diluted basis
- Net operating cash grew by 10% to €176.0mm in Q1 2022 as a result of successfully implemented acquisitions during the year
- In October 2021, TOI acquired the assets of GeoSoftware, a company offering a comprehensive portfolio of geoscience software solutions
- In April 2022, TOI placed a tender offer to acquire Sygnity S.A (WSE: SGN)
- The company's net debt position decreased by €86.8mm QOQ to €13.2mm in Q1 2022
 - This change comes primarily from a €141.7mm increase in cash QoQ

CSU LHS Revenue vs RHS EV/EBITDA



Trading Performance vs Blended Benchmark (Indexed to \$100)



Materials

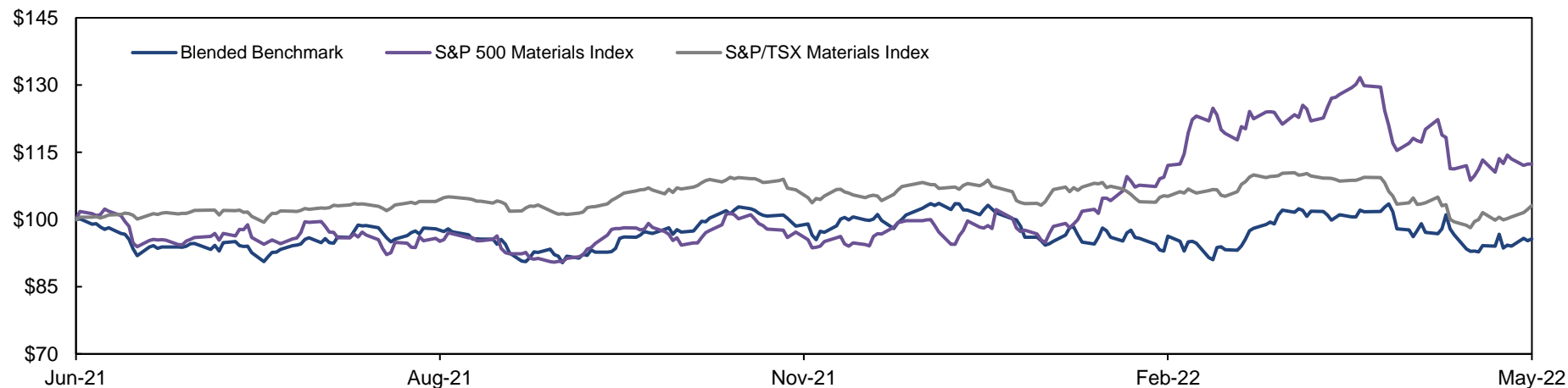


Portfolio Managers: *Arnav Mayank, Eric Xiao*

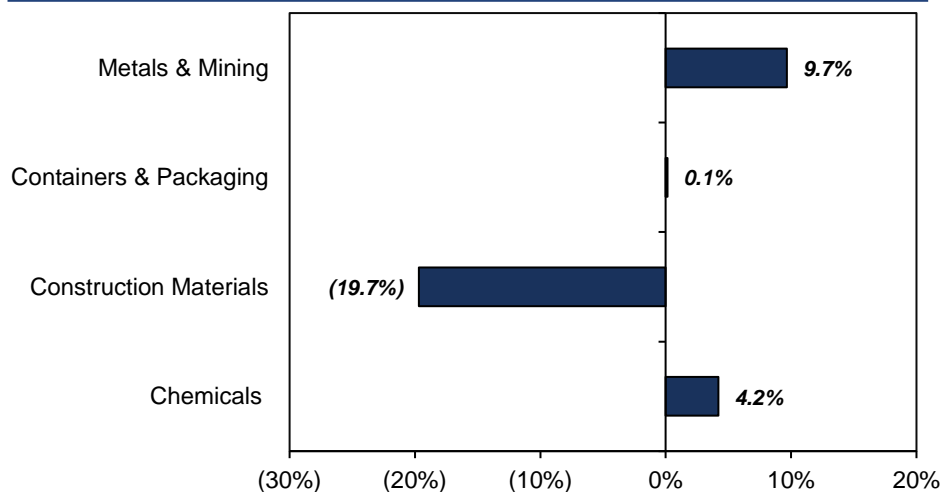
Investment Analysts: *Ryan Crisalli, Joel Homersham*

Industry Outlook

Materials Index vs Blended Benchmark (Indexed to \$100)



Sub-Segmented Performance YTD



Sector Commentary

- The reversal of accommodative monetary and fiscal policies coupled with signs of peaking economic growth are significant headwinds for the materials sector
- Demand for chemicals is expected to remain strong throughout 2022 and the industry should experience increased capital expenditures as leading players focus on building capacity and growing end markets
- A strong economy supported by supply disruptions due to Russian sanctions has resulted in decade-high commodity, chemical, and fertilizer prices
- The Biden administration's clean energy and infrastructure initiatives aim to provide further support and sustain the rally for industrial metals and materials
- The U.S. is ordering refiners to boost the use of biofuels, such as corn-based ethanol, as the Biden administration attempts to strike a balance between competing political and economic pressures such as soaring gasoline prices
- Funding for electric vehicle (EV) charging stations and consumer EV incentives may increase demand for input materials such as copper

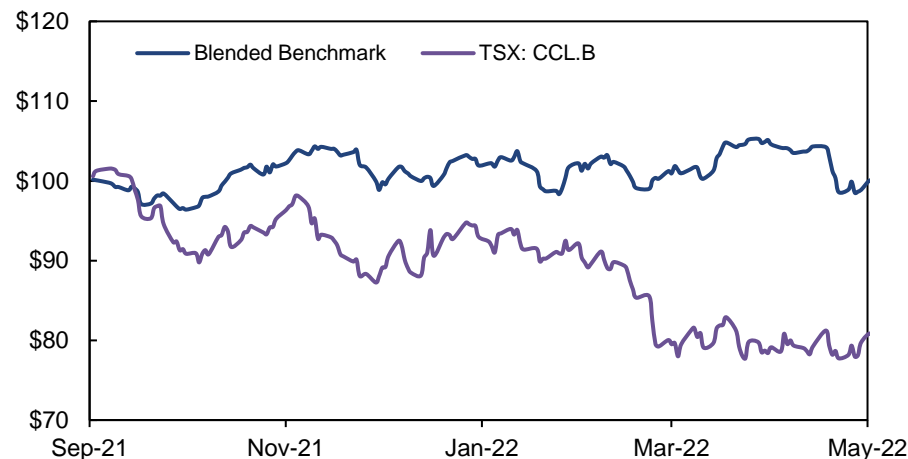
Q1 2022 Highlights and Recent Developments

- CCL Industries (TSX: CCL.B) reported adjusted EPS of \$0.85, up 3.7% YoY
- Sales increased by 12.8% due to organic (10.8%) and inorganic growth (4.5%), partially offset by currency translation effects (-2.5%)
- Operating income increased by 2.5% to \$228.6mm (compared to \$223.1mm for the comparable quarter in 2021)
- The CCL segment saw sales increase 7.4% to ~\$942mm driven by organic growth in Europe, Asia-Pacific, and Latin America
- The Checkpoint segment reported earnings of ~\$203mm which represents a 20.3% increase YoY driven by both organic and inorganic growth
- CCL returned \$142.9mm to shareholders over the quarter while maintaining a conservative consolidated leverage ratio of 1.2x
- The Fund believes that CCL will continue to grow its market share and diversify its product lines through M&A while maintaining its strong balance sheet

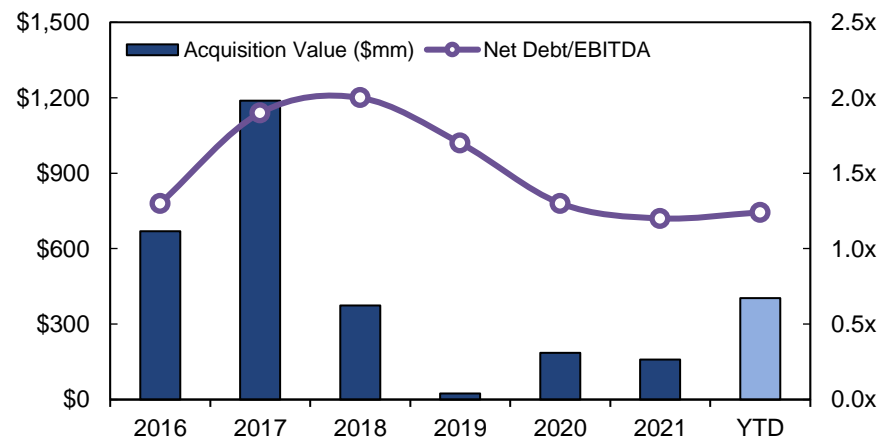
Recent Acquisitions

FY 2021	YTD 2022
Forever Blue Investmentos (\$19.1mm)	Intl. Master Products Corp. (\$62.8mm)
Plum Paper LLC (\$26.0mm)	Lodging Access Systems LLC (\$27.9mm)
Desarrollo & Fuzetouch (\$50.7mm)	McGavign Holdings LLC (\$105.5mm)
Uniter Group of Companies (\$53.7mm)	Adelbras Brazil (\$155.4mm)
Lux Global Label Asia Pte (\$9.4mm)	Floramedia Group B.V (\$51.6mm)

Trading Performance vs Blended Benchmark (Indexed to \$100)



LHS Acquisitions Value vs RHS Net Debt/EBITDA⁽¹⁾



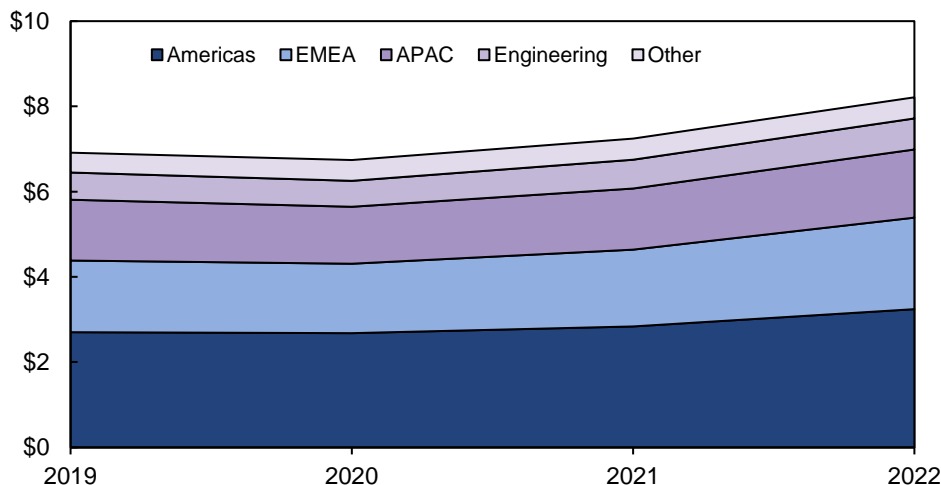
Source: Company Filings, S&P Capital IQ

(1) YTD using LTM Net/EBITDA and YTD 2022 acquisitions value

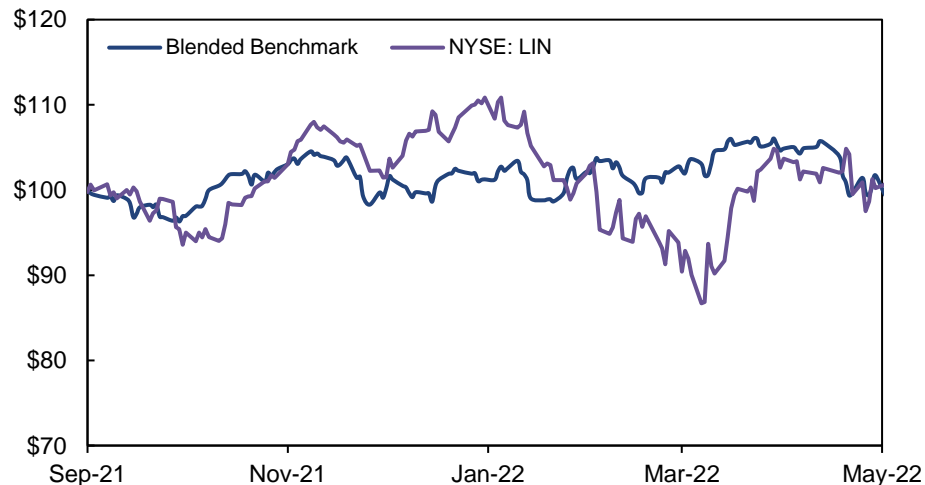
Q1 2022 Results and Key Developments

- LIN Plc (NYSE: LIN) reported revenues of US\$8.2B in Q1 2022, an increase of 14% YoY
 - Underlying sales increased 9%, including a 6% price attainment and 3% higher volumes from manufacturing, chemicals, and energy end markets
- Operating profit grew by 25% YoY to US\$1.5B, which can be primarily attributed to higher pricing, strong volumes, and continued productivity initiatives
- LIN achieved strong operating cash flows of US\$2.0B in Q1, up 24% YoY
 - LIN's capital expenditures were US\$648mm, resulting in US\$1.3B of FCF
- During Q1 2022, LIN returned US\$2.3B to shareholders
 - On April 26, LIN increased its quarterly dividend 10%, which now sits at US\$1.17 per share
- On April 13, LIN announced its commitment to continue expanding capacity in the U.S. gulf coast to meet the growing demand from the petrochemicals, clean energy, manufacturing, food, and aerospace sectors

Q1 End-Market Exposure (US\$B)



Trading Performance vs Blended Benchmark (Indexed to \$100)



Renewable and Hydrogen Project Developments

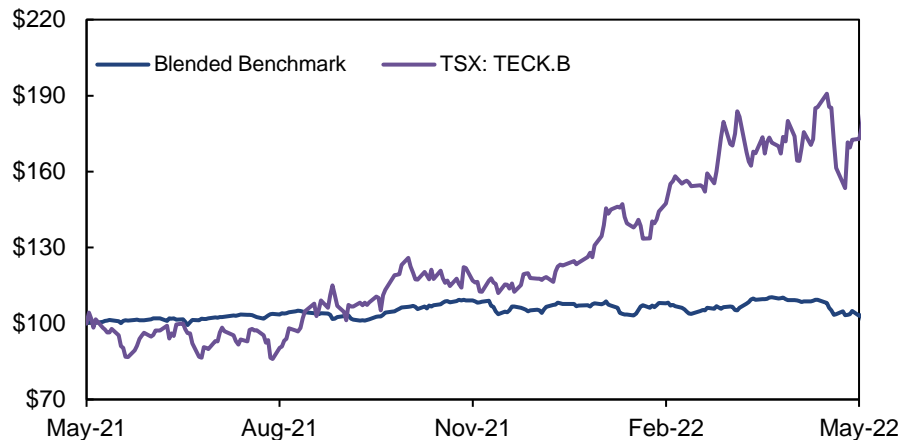
- On April 25, LIN announced a new long-term helium off-take agreement to recover the helium contained in Freeport's LNG assets in Texas
 - LIN will also construct a new helium processing plant in Freeport to purify and liquefy the recovered helium, providing additional supply in the U.S.
- On February 9, LIN signed a long-term agreement with BASF in France, one of the world's largest chemical companies, to provide hydrogen and steam
 - LIN will build and operate a new hydrogen production facility in France with expected completion in 2024, doubling its current capacity in the region
- On February 7, LIN expanded its agreement with Cleanse to provide decarbonization solutions
 - LIN will supply carbon dioxide and hydrogen to the Celanese manufacturing facility in Clear Lake, Texas
- LIN was awarded an "A" from CDP for its approach to tackling water security, as the Company helped reduce water use by 300mm gallons in 2020

Teck Resources

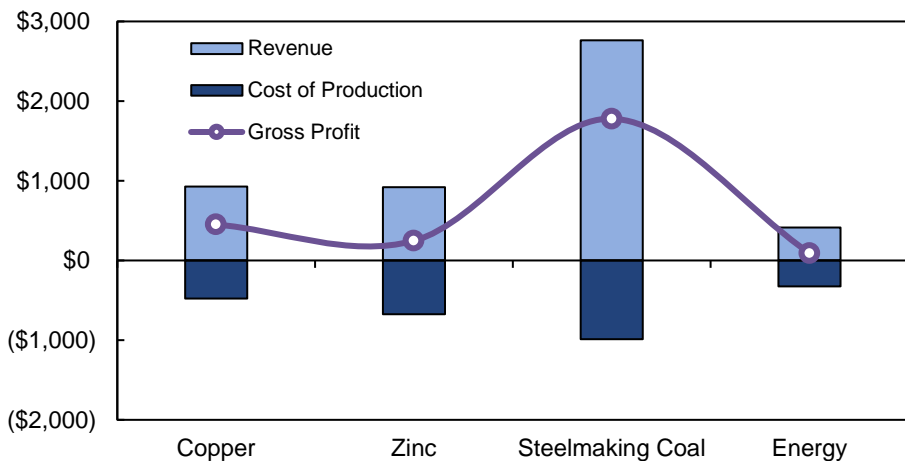
Q1 2022 Results and Key Developments

- TECK Resources (TSX: TECK.B) reported revenues of \$5B in Q1 2022, up 97% YoY, driven by improved commodity prices and operational efficiencies
- The Company generated \$2.3B of cash flow from operations and ended the quarter with \$2.5B in cash and \$8.0B in available liquidity
- TECK returned \$337mm to shareholders in dividends and completed \$100mm in Class B share buybacks throughout the quarter
- Gross profit for the copper and zinc segments increased 23% and 98% YoY respectively, attributed to higher realized prices and increased sales volumes
- TECK's QB2 copper project is 82% complete (as of April 27, 2022) and is expected to begin production in Q4 2022
- The Company has announced a tender offer to purchase up to US\$650mm aggregate principle amount of its outstanding notes that includes an early tender premium of US\$50 per US\$1,000 principle amount

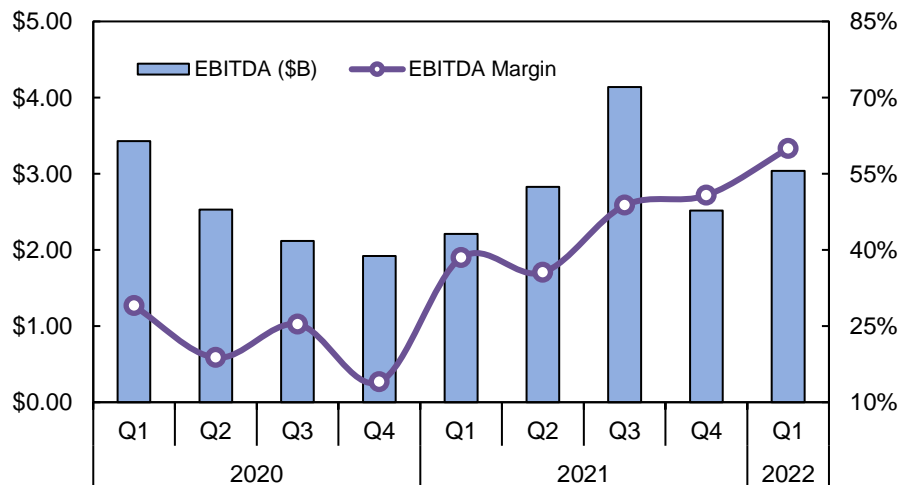
Trading Performance vs Blended Benchmark (Indexed to \$100)



Q1 Segmented Revenue and Gross Profit (\$mm)



LHS EBITDA vs RHS EBITDA Margin



Real Estate



Portfolio Managers: *Arnav Mayank, Eric Xiao*

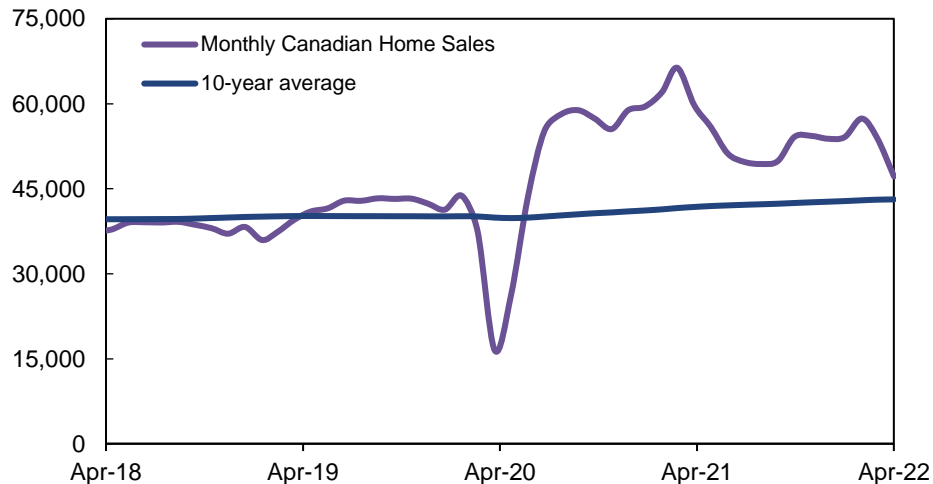
Investment Analysts: *Jacob Kemp, Daniel Krapiwin*

The Canadian Real Estate Market

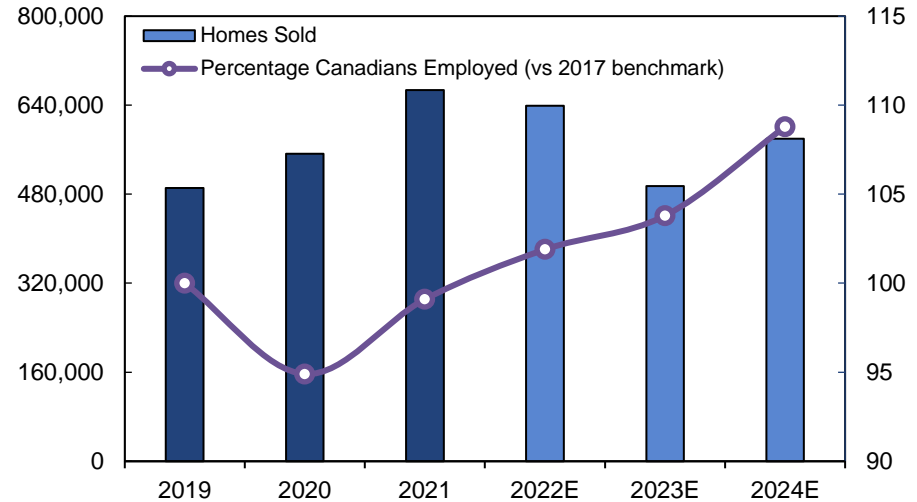
Residential Real Estate Market

- GDP and employment growth are predicted to slow in 2022 compared to 2021, but growth in the residential real estate market is expected to remain robust
 - In addition, net international migration is expected to strengthen in 2022
- A combination of labour and supply constraints in construction will also continue to impact the major centres of Vancouver and Toronto
- Remote work has become more common across all sectors; therefore, employees are opting to upgrade homes to allow for a work-from-home model, causing average home prices to increase 25% from April 2020
- The Canada Municipal Housing Corporation (CMHC) still utilizes the stress testing measures for mortgage qualifications, which will raise the qualification rate to 5.3%
- The Bank of Canada (BoC) increased interest rates by 100 bps since 2022 to slow inflation. Historically, this has slowed the purchase of homes as buyers typically face higher mortgage payments

Number of Monthly Canadian Home Sales



LHS Housing Sales vs RHS Employment Index



Future Outlook

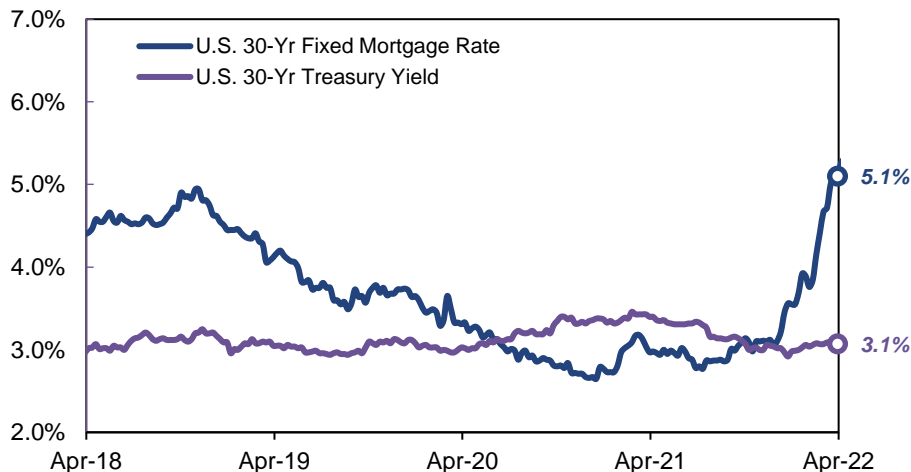
- Led by Alberta, the Prairie provinces will likely see relatively strong sales and starts levels, mainly stimulated by energy sector investments and higher energy and commodity prices
- Mortgage rates are increasing as monetary policy tightens to return current elevated inflation rates to targeted levels, resulting in a projected purchasing decrease in 2022
- 612,800 houses are forecasted to trade in 2022, down 8.1% YoY, as a result of rising interest rates and declining disposable income
- National home prices are now forecasted to rise by 14.3% on an annual basis to \$786,000 by YE 2022
- The growth in pricing will continue to be led by markets such as Toronto, Vancouver, and Montreal, where housing demand outweighs supply

The American Real Estate Market

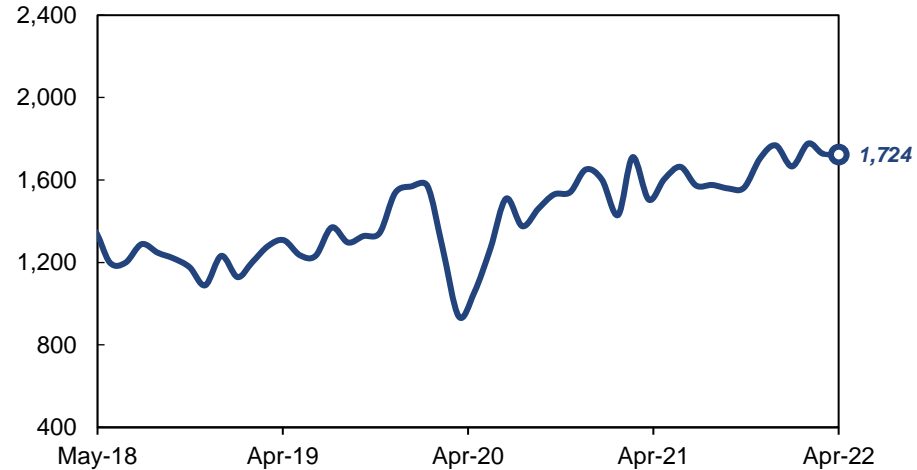
Current Trends and Outlook

- In Q2 2022, mortgage rates rose from 3.3% to 5.1% due to higher interest rates, rising starts and sale prices of homes, and the unemployment rate dipping to 3.6%
- The National Association of Realtors (NAR) predicts the U.S. 30-year fixed mortgage rates will vary between 4.8% and 5.5% in 2022
- The value of a home in the U.S. increased ~20.0% over the past year. The NAR forecasts a continued 11.0% growth over the next twelve months due to expected rate increases during 2022
- Multifamily real estate largely recovered from the pandemic as home vacancies hit 4.7% in late 2021, reverting to 2019 levels
- House rentals for Q1 2022 were US\$44.2mm, above the 2021 levels of US\$43.4mm and the low of US\$40.8mm in Q2 2020
- Office vacancy rates were 12.3% in April 2022, lower than 2021 levels of 16.4%, as a result of companies returning to the office through hybrid work models

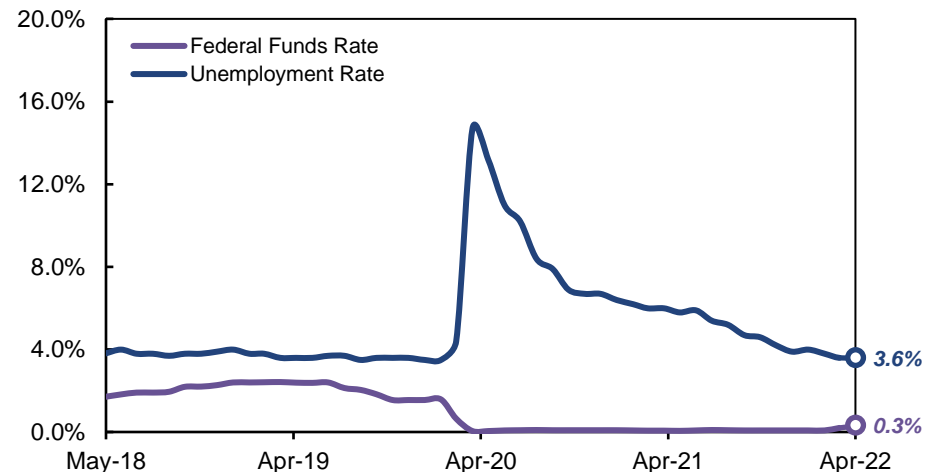
U.S. 30-Yr Treasury Yield vs 30-Yr Fixed Mortgage Rate



Monthly U.S. Housing Starts



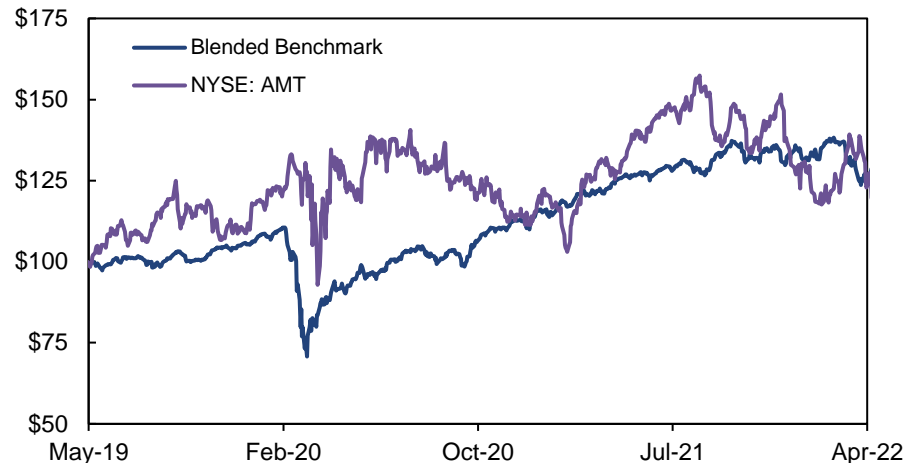
Unemployment vs Federal Funds Rate



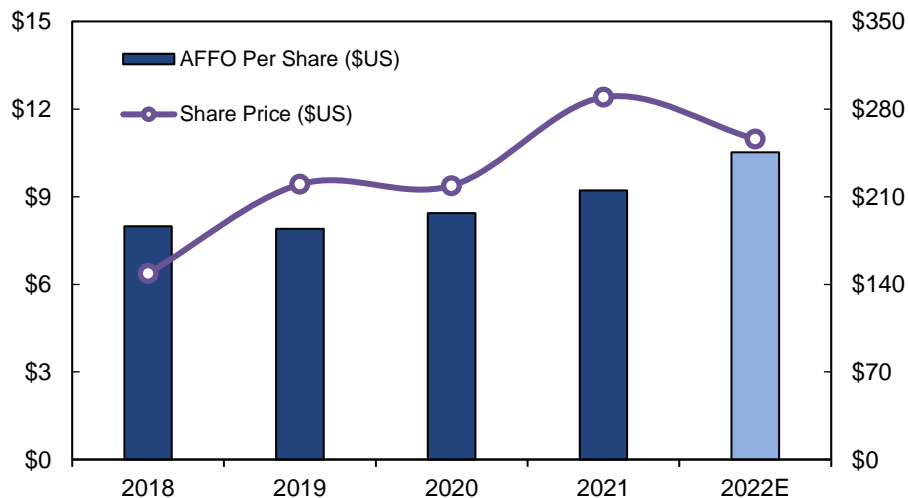
Q1 2022 Overview

- American Tower Corporation (NYSE: AMT) continues to benefit greatly from accelerating 5G deployments, multiyear lease agreements (MLAs), and elevated global demand for its communication sites
- Net income increased 10.3% YoY to US\$712mm, with consolidated AFFO growing 6.0% YoY to US\$1.2B
- AMT saw sequential improvement in Organic Tenant Billings growth across all regions, as revenue grew by 22.3% YoY to US\$2.7B
- In Q1 2021, AMT developed ~1,450 sites globally and accelerated its new build program which is expected to drive ~11.0% returns upon completion
- During the quarter, AMT finalized the CoreSite financing aimed at paying off half of the US\$2.1B in debt while maintaining an Investment Grade credit rating
- The Company plans to continue growing its consolidated AFFO per share, which it expects to reach US\$10.06 in 2022 from US\$9.25 in 2021

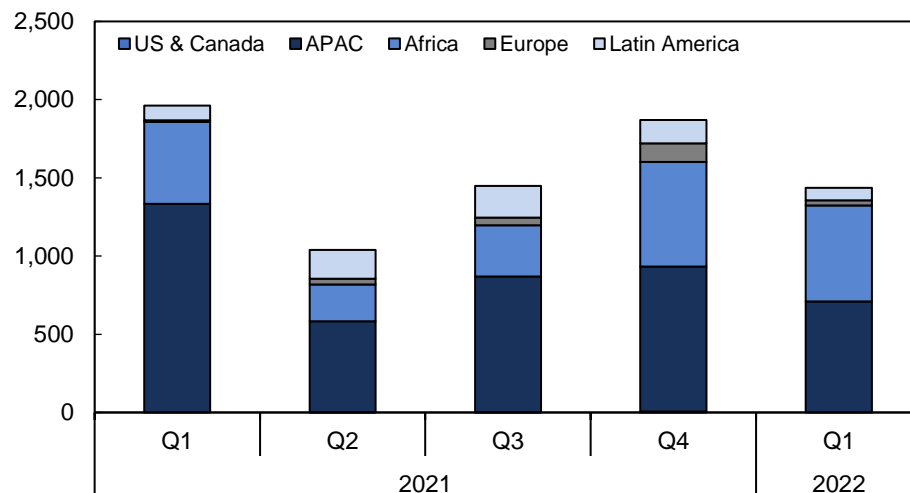
Historical Trading Performance (Indexed to \$100)



LHS Consolidated AFFO per Share vs RHS Price⁽¹⁾



Quarterly New Build Volumes by Region



Source: Company Filings, S&P Capital IQ
 (1) Year end share price; YTD share price for 2022

Utilities

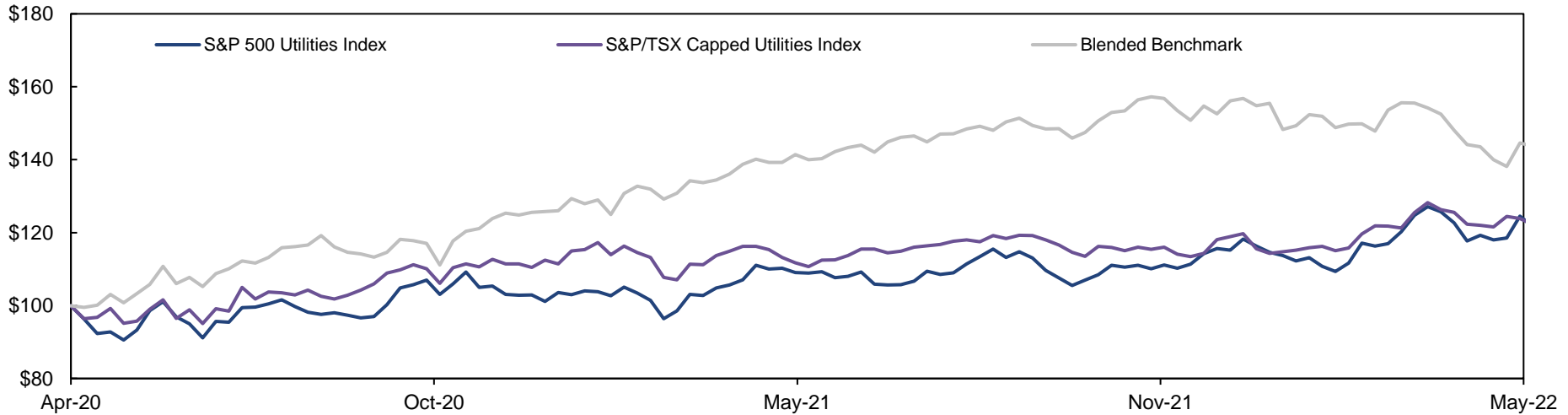


Portfolio Managers: *Arnav Mayank, Eric Xiao*

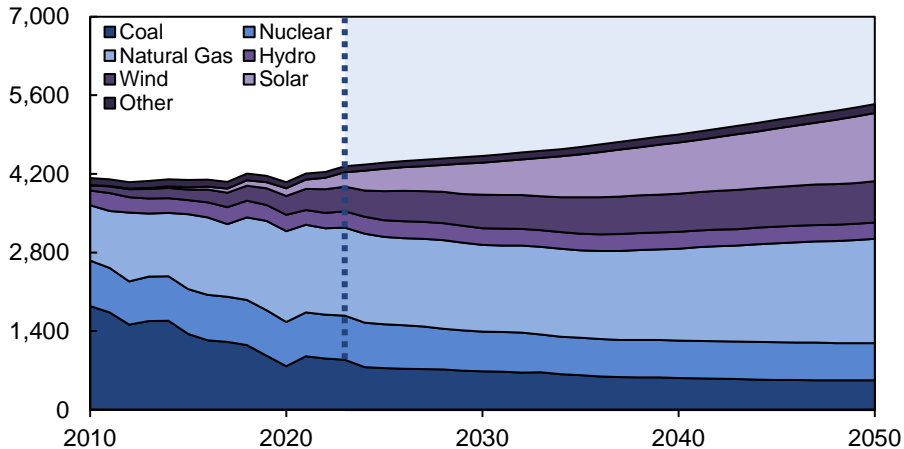
Investment Analysts: *Rebecca Butler, Jeevan Gill, Raunak Sandhu*

Industry Outlook

Utilities Indices vs Blended Benchmark (Indexed to \$100)



U.S. Electricity Generation (BkWh)



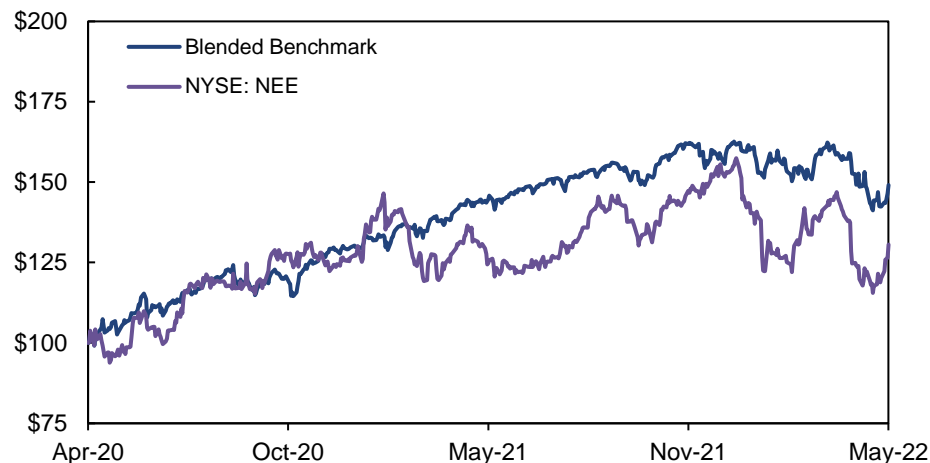
Commentary and Outlook

- The largest increase in U.S. electricity generation over the next two years is expected to come from expanded generating capacity from renewable sources
 - Solar capacity additions in electric power generation are expected to total 20 Gigawatts (GW) for 2022 and 22 GW for 2023
- Retirement of coal generating capacity in the U.S. is forecasted as 21.0% and 20.0% of total electricity generation for 2022 and 2023, respectively, down from 23.0% in 2021
 - Coal generation is constrained by limited rail capacity for fuel delivery, low coal stocks at power plants, reduced mining activity, and increased generation from renewable sources
- U.S. residential electricity prices are forecasted to average US\$0.146/kWh between June and August 2022, up 4.8% YoY
 - Increased residential electricity prices predominantly reflect elevated wholesale power prices as well as higher prices for natural gas

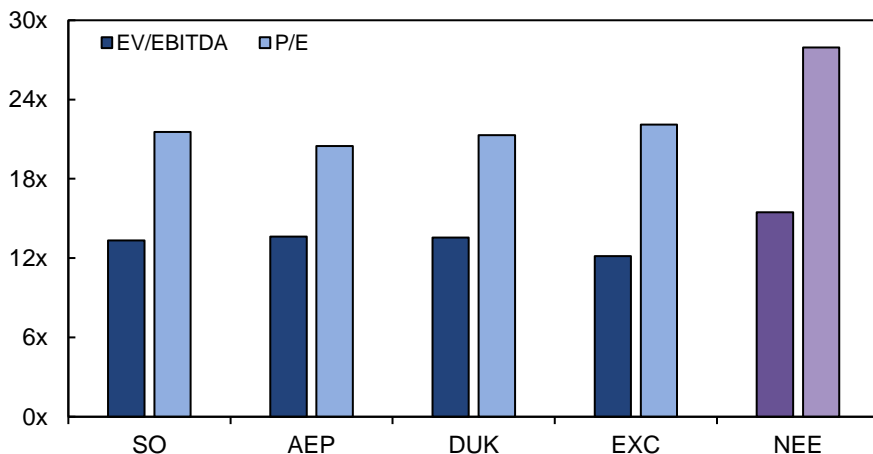
Q1 2022 Earnings

- NextEra Energy (NYSE: NEE) reported earnings of US\$1.4B (US\$0.74/share) in Q1 2022, representing 9% growth YoY
- Net income from Florida Power & Light (FPL) increased to US\$875mm, up 12% YoY. EPS increased to US\$0.44 in Q1 2022 from US\$0.39 in Q1 2021
 - First quarter growth was driven by reinvestment into the business, where capital expenditures were US\$2.2B
- Net income from NextEra Energy Resources (NEER) increased to US\$628mm, up 5% YoY. EPS increased to US\$0.32 in Q1 2022 from US\$0.30 in Q1 2021
 - NEER added ~1,200 net MW of new wind projects from 2022 to 2024
 - In 2022, NEE fully integrated its Gulf Power segment into FPL. The combined entity is expected to save customers ~US\$2.8B in utility costs over the life of the assets
- NEE's solar builds added ~450 MW of new solar generating capacity, bringing its total owned and operated solar portfolio to ~3,600 MW, the largest of any utility in the U.S.

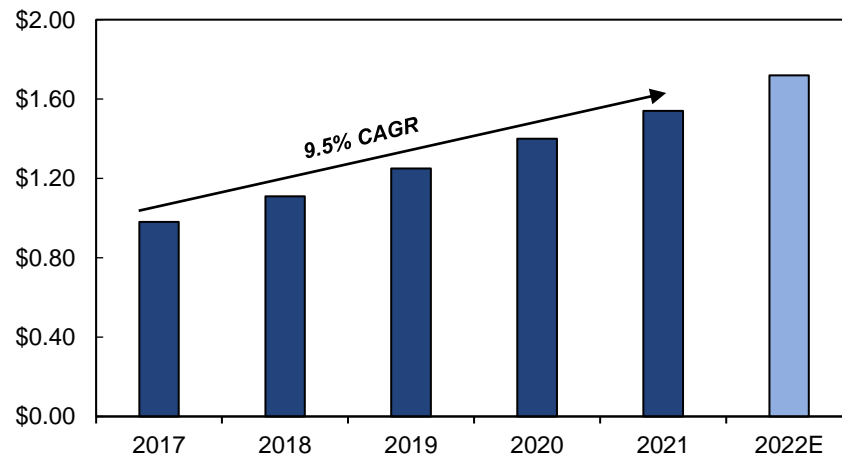
Holding Period Performance (Indexed to \$100)



NTM EV/EBITDA and NTM P/E vs Peers



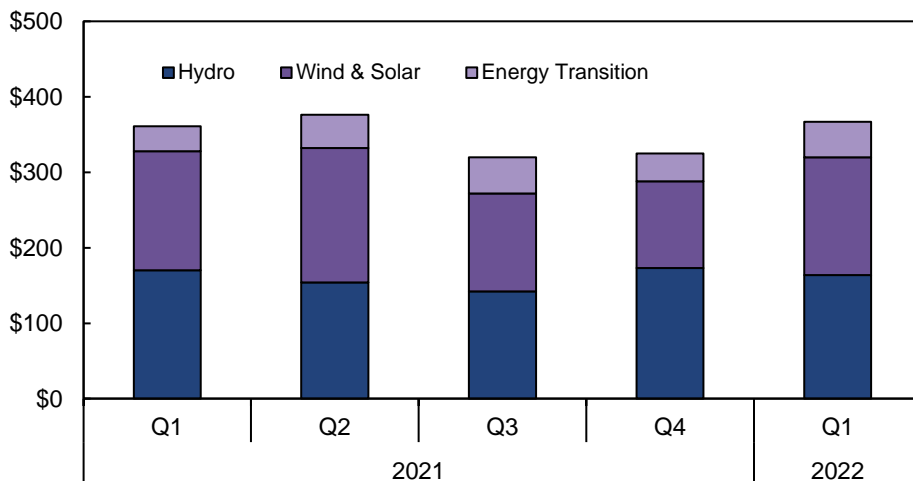
Dividends Over Time (US\$)



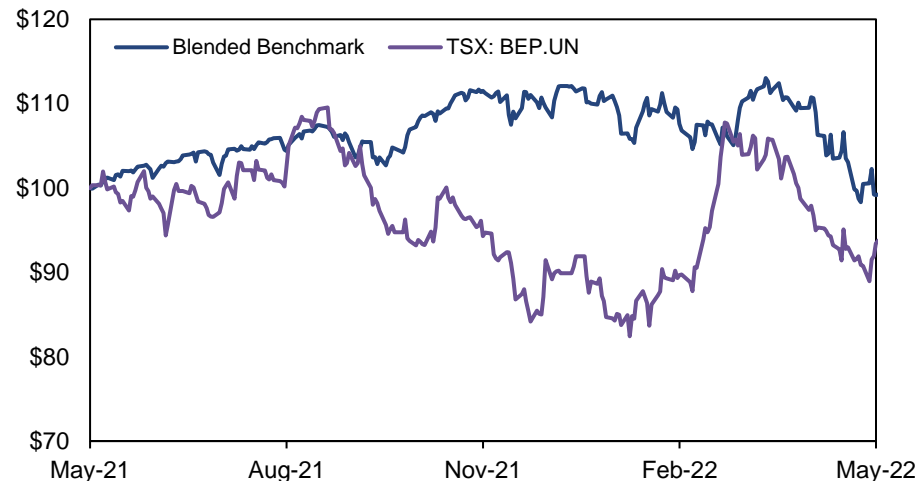
Q1 2022 and Recent Developments

- Brookfield Renewable Partners (TSX: BEP.UN) reported revenues of US\$1.14B in Q1 2022, an increase of 12% YoY
- FFO increased 18% YoY to US\$243mm or US\$0.38 per unit, with the hydroelectric segment as the main contributor (US\$164mm)
 - Q1 operations benefited from strong asset availability, higher power prices, and recent acquisitions
- BEP.UN secured contracts to deliver over 1,400 gigawatt hours (GWh) of clean energy annually, including 500 GWh to corporate offtakers
- The US\$300mm Advantage Entropy deal marked the Company's first investment into carbon capture (CCS)
- BEP.UN is well positioned to capture much of the growing demand for clean energy, with tailwinds including higher PPA prices and Canada's announcement of CCS tax credits
 - BEP.UN finished the quarter with 15 GW of construction and diversified projects across solar, wind, hydro, and hydrogen (energy transition)

FFO by Segment (US\$mm)



BEP.UN Trading Performance vs Blended Benchmark (Indexed to \$100)



Annual Dividends per Unit (US\$)

