



**January 2025**

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**TRU Student Investment Fund (TRUSIF)**

[trusif@tru.ca](mailto:trusif@tru.ca)

Room: IB1021



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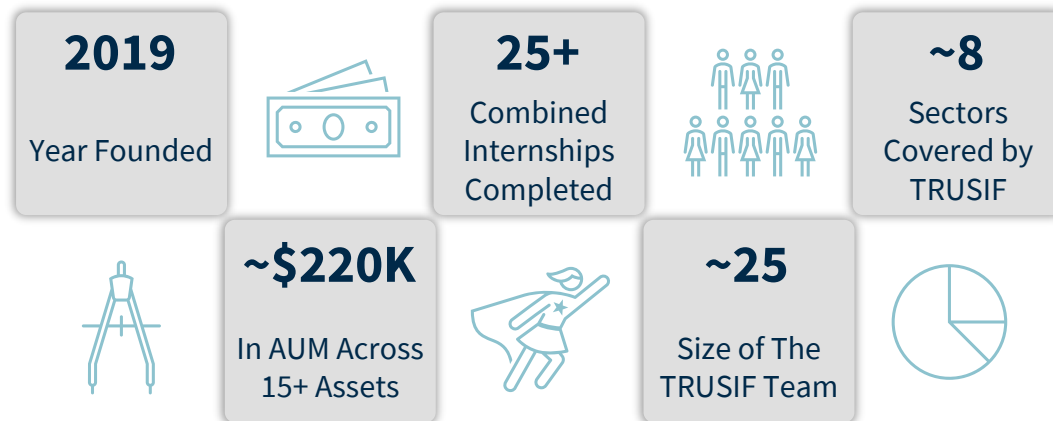
# TRUSIF Overview

# TRUSIF Executive Summary

## Overview

*The Thompson Rivers University Student Investment Fund (TRUSIF) was founded in 2019 with the idea to create a competitive advantage for TRU students interested in capital markets and adjacent fields. Flash forward to today, TRUSIF manages a long-only equity and ETF focused fund with ~\$220,000+ in assets under management with an aim to find high quality names for the sectors which it covers*

## TRUSIF By The Numbers



## TRUSIF Foundational Objectives



To Embody  
Experiential  
Learning



Build a Deep  
Moat of Finance  
Alumni



To Create  
Scholarships

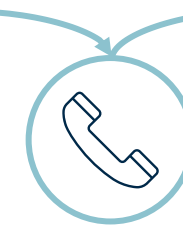
## Why Students Join TRUSIF



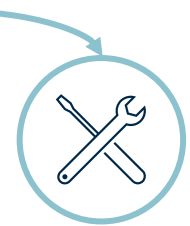
Connect With  
Like-Minded  
Students



Internship  
Opportunities

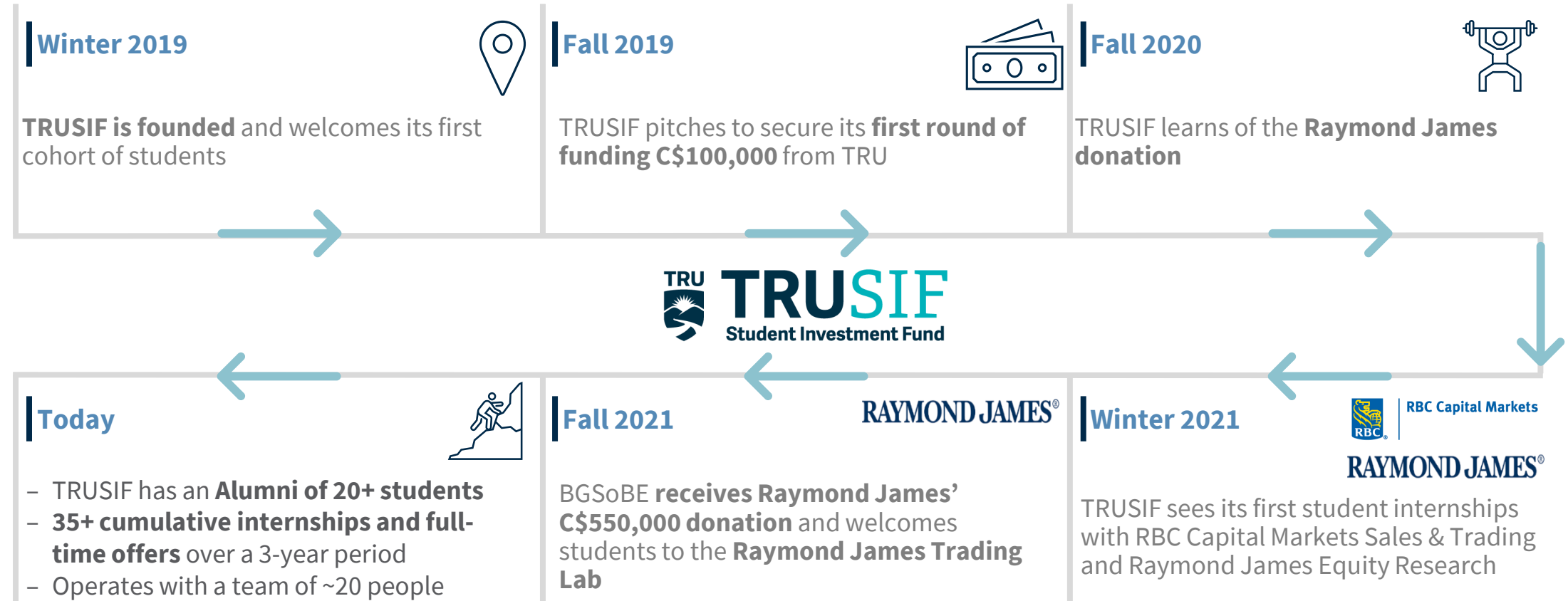


Network With  
Experts



Applying Skills

# TRUSIF Major Events Timeline



# TRUSIF Internships

Industry experience is the purest form of value driven into TRUSIF



Accounting  
Summer 2021



RBC Capital Markets

Sales & Trading  
Winter 2021



Equity Research  
Winter 2021

RAYMOND JAMES®

Equity Research  
Summer 2021

RAYMOND JAMES®

Equity Research  
Fall 2021



Scotiabank

Sales & Trading  
Winter 2022



Treasury  
Winter 2022



Public Markets  
Summer 2022

RAYMOND JAMES®

Equity Research  
Summer 2022

RAYMOND JAMES®

Investment Banking  
Fall 2022



RBC Capital Markets

Sales & Trading  
Fall 2022

RAYMOND JAMES®

Investment Banking  
Summer 2023

RAYMOND JAMES®

Equity Research  
Summer 2023

RAYMOND JAMES®

Private Client Group  
Summer 2023

RAYMOND JAMES®

Equity Research  
Fall 2023



Grant Thornton

Accounting  
Winter 2024



Accounting  
Winter 2024



Personal Banking  
Winter 2024



Personal Banking  
Winter 2024



Investment Banking  
Summer 2024

# TRUSIF Team Overview

## Investment Team



**Jordan Fedyna**

Fund Manager

**Coverage:** Industrials

**Program:** Finance

**Year:** Fourth

**Interests:** Sports, Self-Development, Nutrition, Entrepreneurship, and Reading



**Austin Burke**

Fund Manager

**Coverage:** Utilities, Macros

**Program:** Computer Science

**Year:** Third

**Interests:** Hockey, Golf, Hiking, and Chess



**Gagandeep Multani**

Fund Manager

**Coverage:** Aerospace

**Program:** Finance

**Year:** Third

**Interests:** Cricket, Planespotting, Military History, International Relations



**Chirag Doshi**

Investment Analyst

**Coverage:** Technology

**Program:** Finance

**Year:** Third

**Interests:** Cricket, Formula1, UFC, Finance and Emerging Tech



**Michael Adeyemi**

Investment Analyst

**Coverage:** Financials

**Program:** Economics

**Year:** Second

**Interests:** Soccer, Formula 1, Economics, Video Games



**Nolan Bennett**

Investment Analyst

**Coverage:** Consumer & Healthcare

**Program:** Accounting

**Year:** Fourth

**Interests:** Portfolio Mgmt, Entrepreneurship, Sports, Fishing, Hiking and Dirt Biking



**Cynthia Urrutia**

Investment Analyst

**Coverage:** Real Estate, Financials

**Program:** Applied Data Science

**Year:** Second

**Interests:** Swimming, Dogs, Dancing, Piano, Finance and Investments



**Timothy Mburu**

Investment Analyst

**Coverage:** Aerospace

**Program:** Finance

**Year:** Fourth

**Interests:** Soccer, Snowboarding, and Travel

# TRUSIF Team Overview

## Investment Team

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**Caz Markus-pawliuk**

Research Analyst

**Coverage:** Technology

**Program:** Finance

**Year:** Second

**Interests:** World Politics, Capital Markets, Sports



**Jacob Jolly**

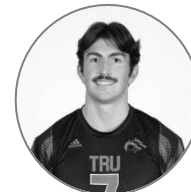
Research Analyst

**Coverage:** Real Estate

**Program:** Finance

**Year:** Second

**Interests:** Hiking, Soccer, Data Analysis



**Matthew Hamilton**

Investment Analyst

**Coverage:** Consumer

**Program:** BBA Finance

**Year:** Fourth

**Interests:** Volleyball, Reading, Weightlifting, and UFC



**Liam Miniely**

Research Analyst

**Coverage:** Consumer

**Program:** BBA (Major undeclared)

**Year:** First

**Interests:** Travel, Golf, Music, Pickleball



**Nihar Meshram**

Research Analyst

**Coverage:** Real Estate

**Program:** Finance

**Year:** Fourth

**Interests:** Formula 1, Hiking, and Reading



**Ananya Pal**

Research Analyst

**Coverage:** Healthcare

**Program:** MBA

**Year:** Second

**Interests:** Self Development, Travelling, and Reading



# TRUSIF Team Overview (Cont'd)

## Marketing Team



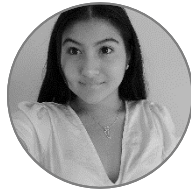
**Anel Jazybayeva**

Head of Marketing

**Program:** Communications

**Year:** Third

**Interests:** Classic Literature, Digital Marketing, New Media and is an earl grey tea enthusiast



**Isabella Lizarzaburu**

Marketing Associate

**Program:** Bachelor of Business Administration

**Year:** Second

**Interests:** Travel, Dance, Business and Painting

## Faculty Advisor



**Dr. Yong Joo Kang**

Assistant Professor of Finance

**Education:**

- Ph.D, Business Administration, Yonsei University
- M.B.A., Finance Major (with distinction), NYU
- M.S. Engineering Econ Systems & Ops, Stanford
- B.S. chemical Engineering, UC Berkeley



## HR & Operations Team



**Joel Rodrigues**

Head of Human Resources & Operations

**Program:** Bachelor of Business Administration

**Year:** Fourth

**Interests:** Road Trips, Surfing, and Current Events



**Leena Gupta**

Human Resources & Operations Associate

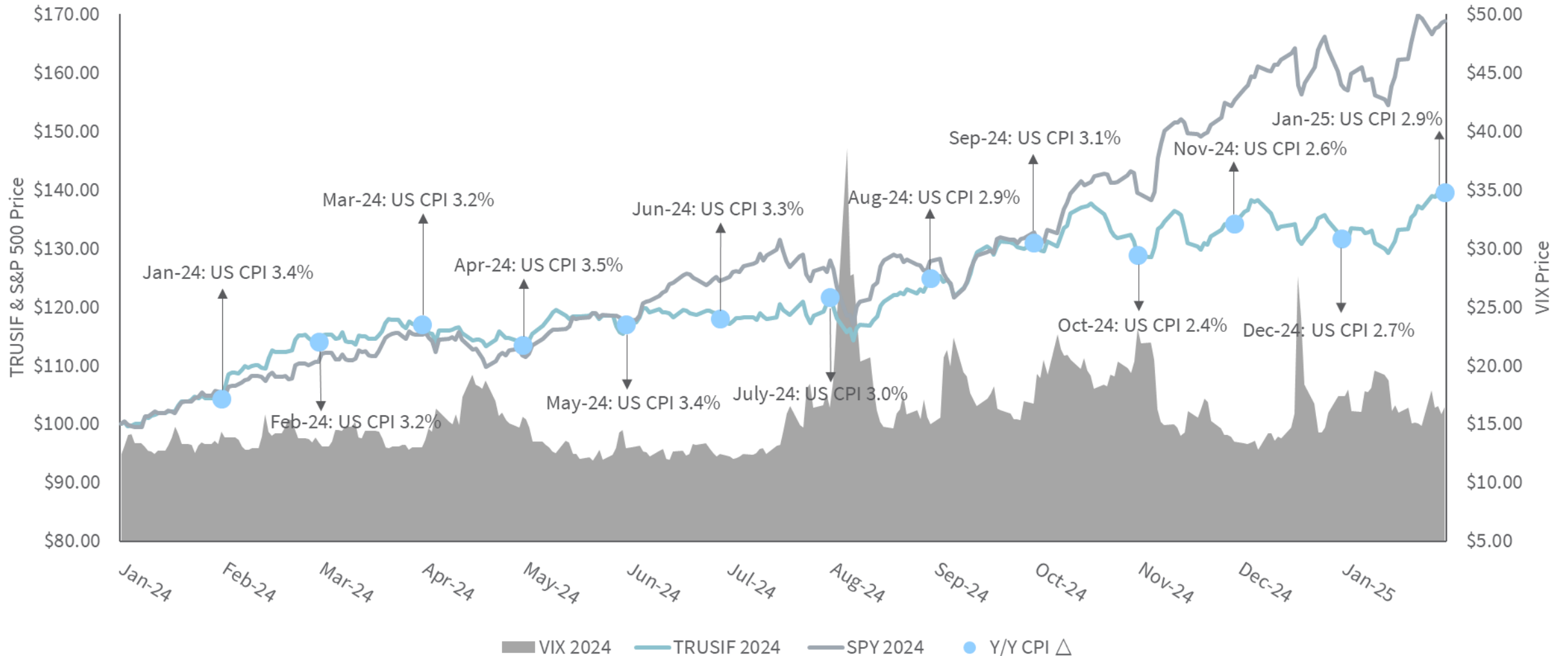
**Program:** PB Human Resources

**Year:** Second

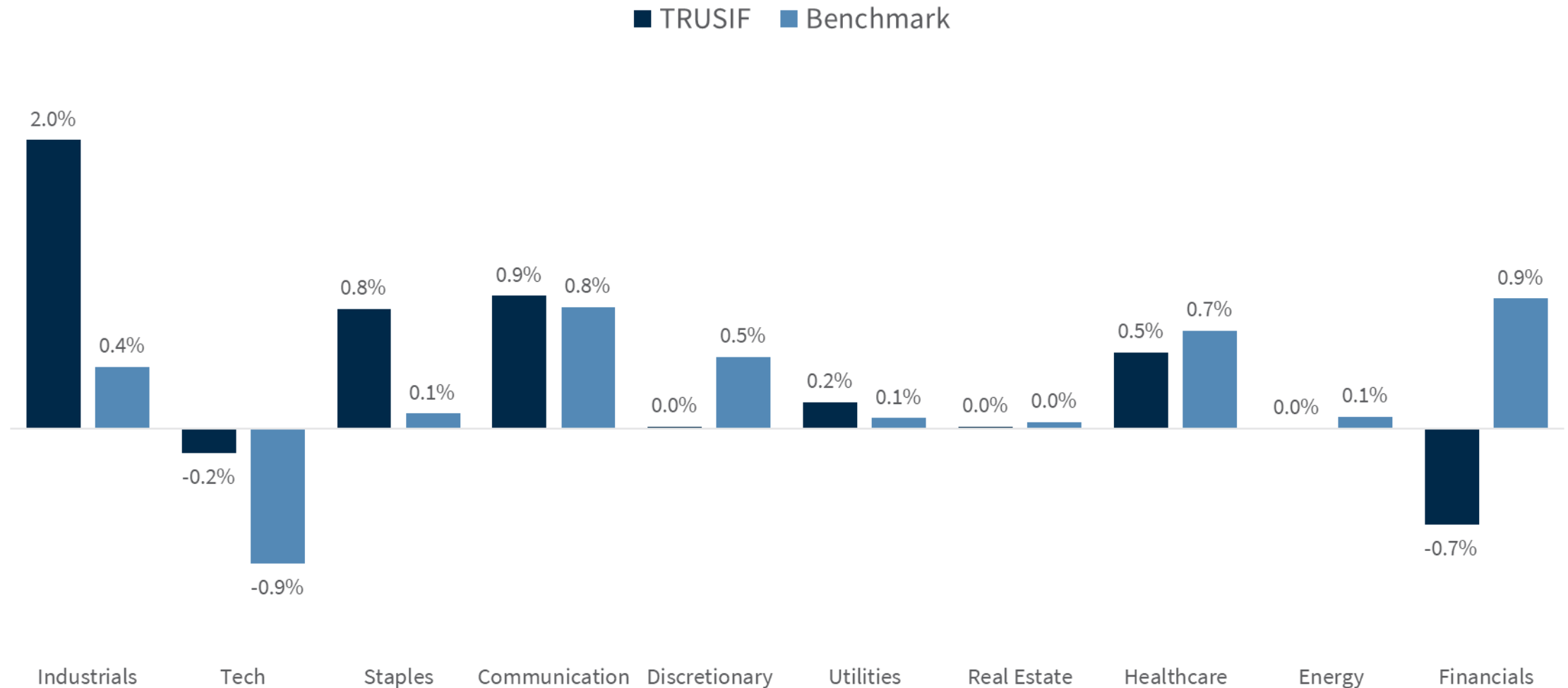
**Interests:** Trekking, Cooking, Handmade Arts and Badminton

# Portfolio Overview

# TRUSIF Trading Performance (YTD)



# TRUSIF Sector Performance



# Macro Update

Team: Austin Burke, Fund Manager

# Macro Snapshot

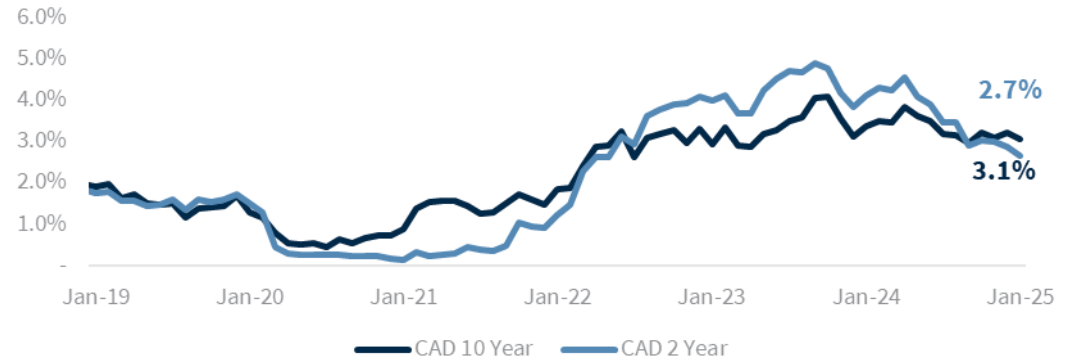
## Overview

- Donald Trump took office as POTUS and what followed was aggressive trade policies in the form of tariffs being imposed on China, Mexico, and Canada. The S&P 500 tanked following the news, only to recover soon as tariffs were paused for 30 days on Mexico and Canada
- The Jan 29 US Fed OMC meeting saw interest rates being held at earlier levels to keep them in the target range of 4.25%-4.50%
- China's Jan CPI rose 0.5% yoy, the fastest in 5 months, reflecting mixed consumer spending and weak factory activity

## Consumer Price Index



## Canadian Yields



## U.S. Treasury Yields



# Sector Updates

# Consumer

Team: Nolan Bennett, Investment Analyst

Matthew Hamilton, Investment Analyst

Liam Miniely, Research Analyst



# Consumer Sector Overview

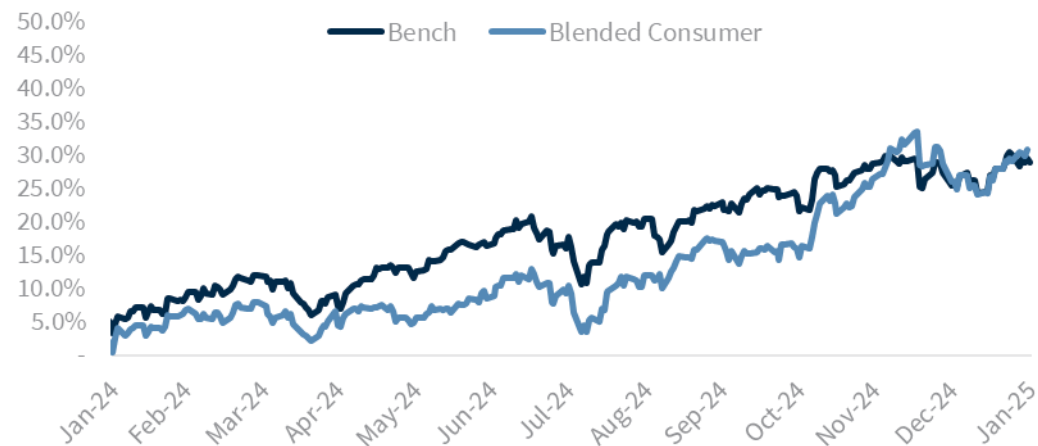
## Recent Developments

- Consumer Discretionary: January saw gains of 4.4% for the month of January, posting a 7.7% rally over the three-month period
- January saw McDonald's follow the likes of Walmart, John Deere, Harley-Davidson and others in the rolling back of some of its diversity programs. The move comes as a result of a US supreme court decision outlawing affirmative actions in college admissions

## Holdings' Overview and Performance

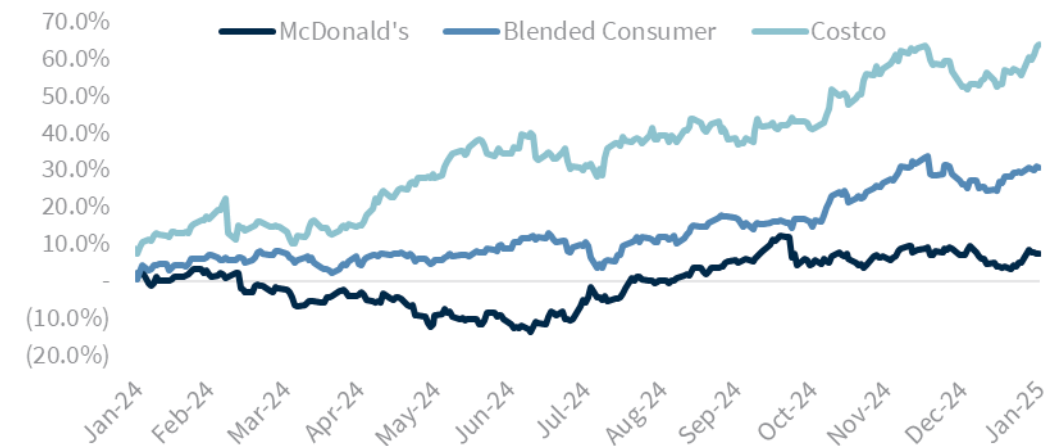
- Costco reported 1Q25 results with net sales up 7.5% yoy to US\$60.99bln. Net income for the quarter was at US\$1.79bln compared to US\$1.6bln yoy
- January sales for Costco came in at US\$19.51bln, an increase of 9.2% yoy
- McDonald's saw the month wrap up posting its biggest decline in US sales since 2020, seeing a 1.4% drop. This decline contrasting growth in international sales, led by the Middle East and Japan

## LTM Index v. Benchmark



Source: Capital IQ, TRUSIF Research  
Note: Market data as of Jan 31, 2025

## LTM Holdings' Performance



# McDonald's (NYSE: MCD) Overview



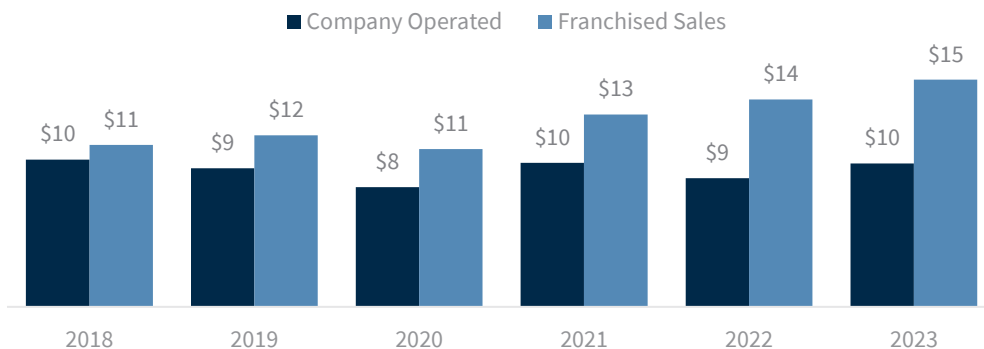
## Overview

McDonalds Corporation (NYSE:MCD), founded in 1940 by Ray Kroc, is one of the worlds largest multinational fast food chains. Famous for their value proposition: food of consistent quality that is served in a timely fashion and consistently across the globe

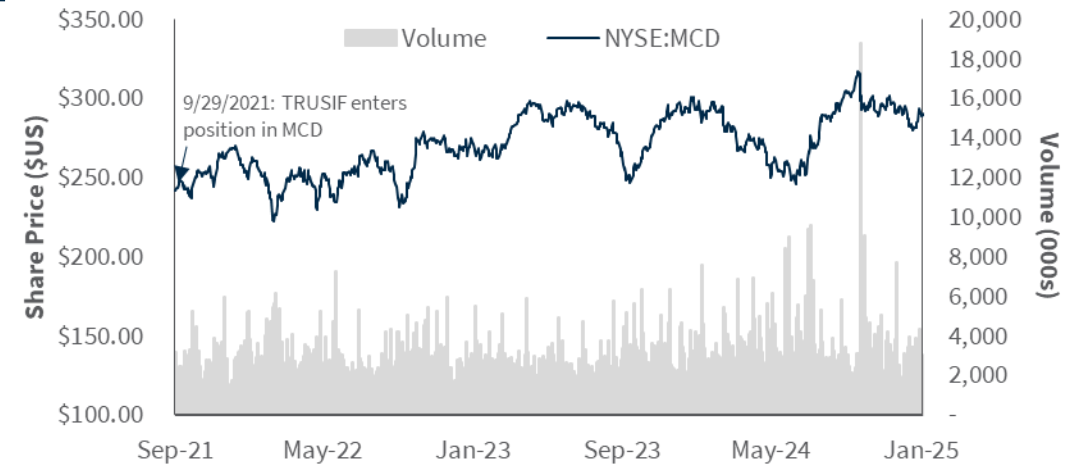
Thesis points:

1. Income is key: MCD is a dividend aristocrat which hasn't flinched in rewarding shareholders with regular dividend increases and share buybacks
2. US in the drivers seat: a 1% increase US SSS translates to roughly US\$0.06 - \$0.08 growth in EPS, US dominances offsets geo risks
3. Well moated business: MCD targets 250mln loyal users and US\$45bln in annual sales by 2027, emphasizing loyalty programs as key revenue drivers

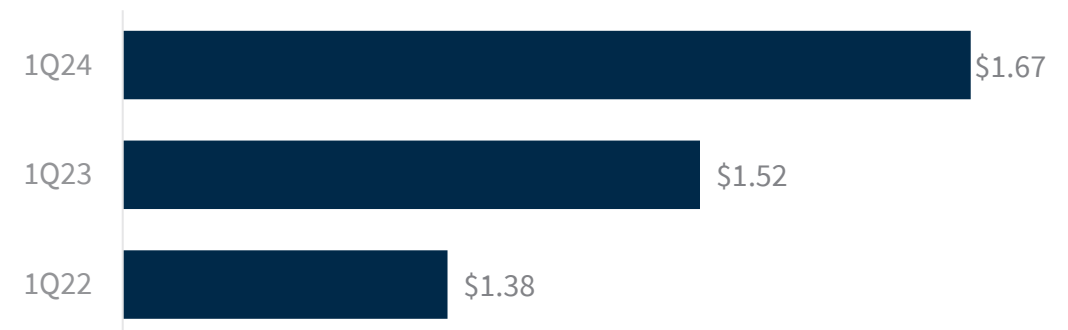
## Segment Revenue (US\$bln)



## Share Price



## Dividends Received Post-Purchase



# Costco (Nasdaq: COST) Overview



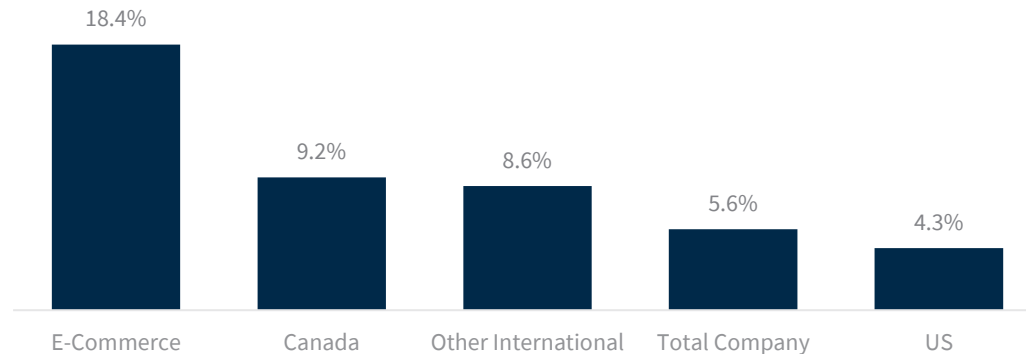
## Overview

Costco Wholesale Corp. (Nasdaq: COST) has been led by CEO Ron Vachris since February 2022. COST is considered to have a unique value proposition providing a variety of consumer goods in bulk and at wholesale pricing. Costco attracts and retains some of the best hourly workers in the industry, thanks to its reputation as an employer-of-choice

Thesis points:

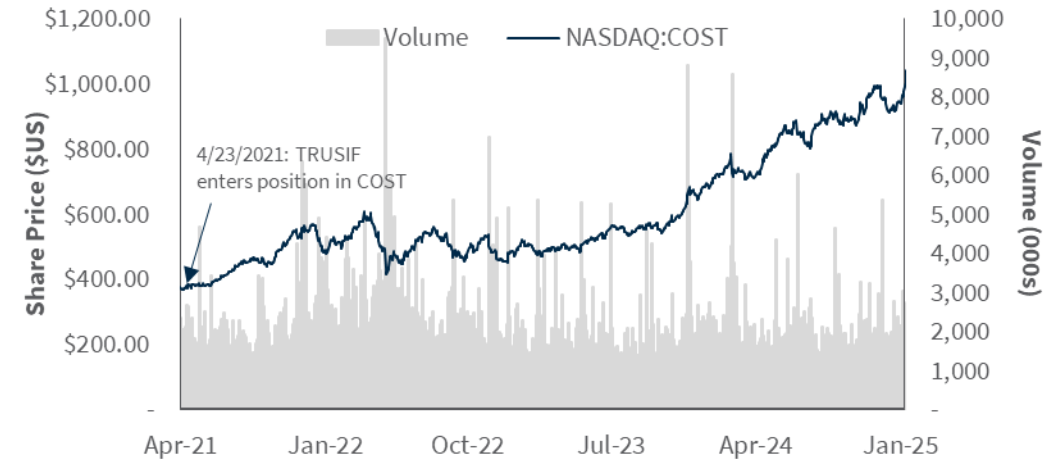
1. Bulk Buying Strategy: Costco's bulk purchasing strategy and discount-passing ethos establish a defensive moat while fostering customer loyalty
2. Global Expansion: Costco's global expansion drive underscores its ambition for market penetration and sustained growth
3. Loyalty-Driven Revenue: Costco's revenue model heavily relies on high membership renewal rates and membership fee contributions

## Comparable Sales (12 Weeks)

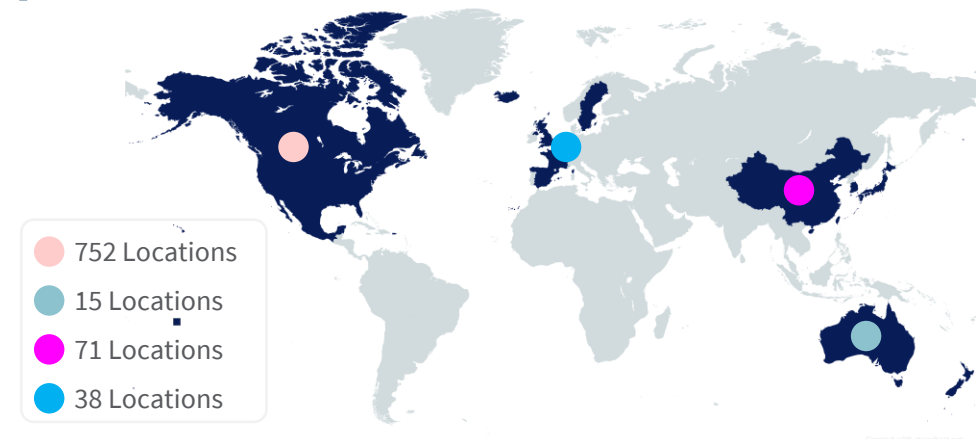


Source: Capital IQ, TRUSIF Research Note: Market data as of Jan 31, 2025

## Share Price



## Global Locations



# Technology

Team: Chirag Doshi, Investment Analyst

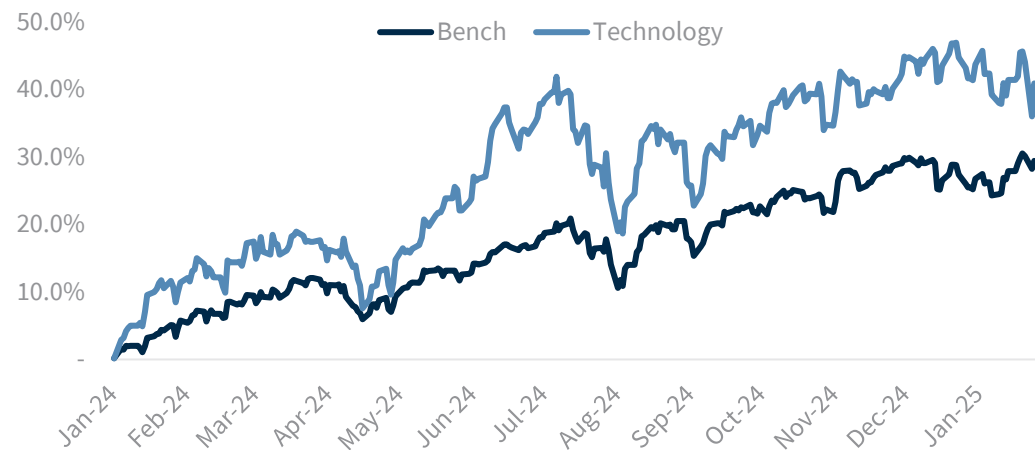
Caz Markus-Pawliuk, Research Analyst

# Technology Sector Overview

## Recent Developments

- The S&P 500 IT Index ended +11.98% for the month, overperforming the S&P 500 Communications Services Index which was +8.28% and the S&P 500 which was +2.93%
- Chinese startup DeepSeek shocked markets with a low-cost AI model rivaling major U.S. tech firms, wiping nearly \$600 billion off Nvidia's value and shaking confidence in America's tech dominance
- U.S. President Donald Trump announced a private sector investment of up to \$500Bln to fund infrastructure for artificial intelligence
- Apple reported an 11.1% drop in China sales for the December quarter, marking its sixth consecutive quarterly decline

## LTM Index v. Benchmark

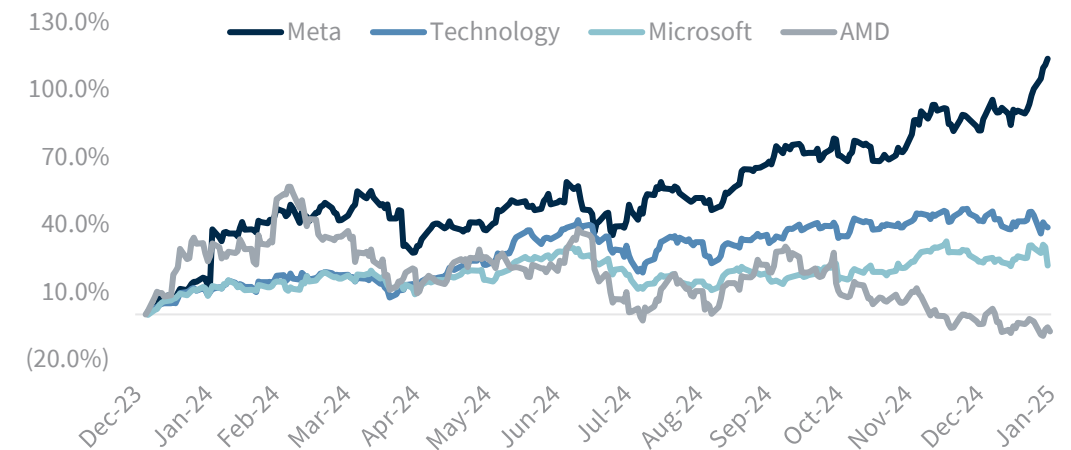


Source: Capital IQ, TRUSIF Research  
Note: Market data as of Jan 31, 2025

## Holdings' Overview and Performance

- Microsoft shares fell 5% after reporting slower-than-expected Azure cloud growth and issuing a weaker revenue forecast, despite beating earnings and revenue estimates for the fiscal second quarter
- Meta is adjusting its content moderation approach by ending its third-party fact-checking program in the U.S. and introducing a *Community Notes* system, where users can collaboratively add context to posts
- Absci Corporation announced a strategic partnership with AMD to use AMD Instinct™ accelerators and ROCm™ software for AI-driven drug discovery
- AMD announced that its new Ryzen AI PRO processors will power Dell's upcoming Pro series devices, marking the first time Dell's commercial PCs will feature these chips

## LTM Holdings' Performance



# Meta (Nasdaq: META) Overview



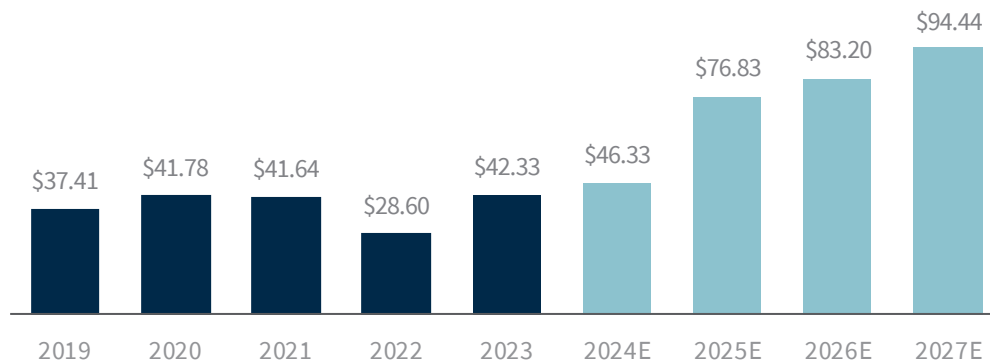
## Overview

Meta Inc. (Nasdaq: META), has been led by CEO Mark Zuckerberg since its founding in 2004. Meta is a social media company best known for Facebook, Instagram and WhatsApp. TRUSIF has held Meta since April 2021

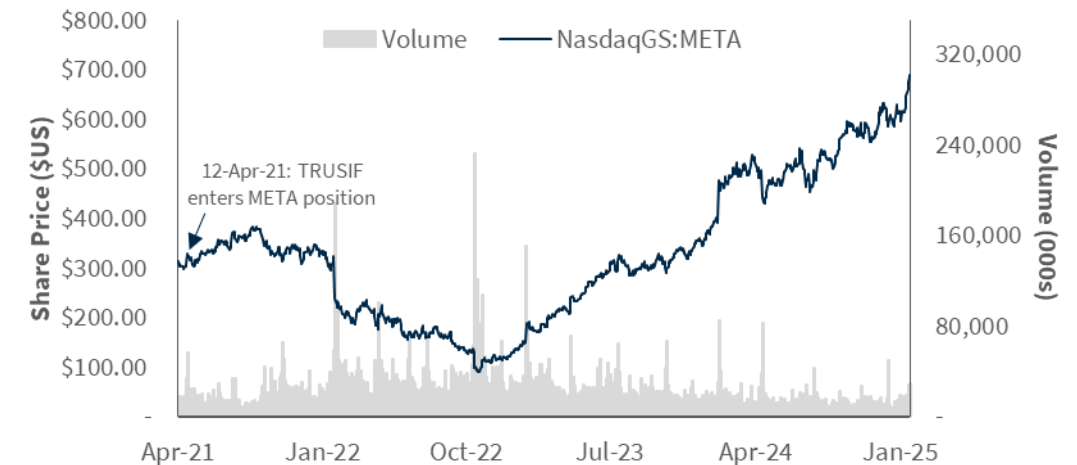
Thesis points:

1. Reels advertising opportunity in the near term as well as the Commerce possibilities over the long run
2. We don't think you have to be a believer in the Metaverse story to like the stock — we think the increased transparency around Facebook Reality Labs is a positive, but we also don't think the initial goal of reaching 1bln Metaverse users is a stretch (would only be 40% of gamers)
3. Meta remains the preferred choice for advertisers, who point to the company's unmatched scale and marketer tools relative to competitors (TikTok included)

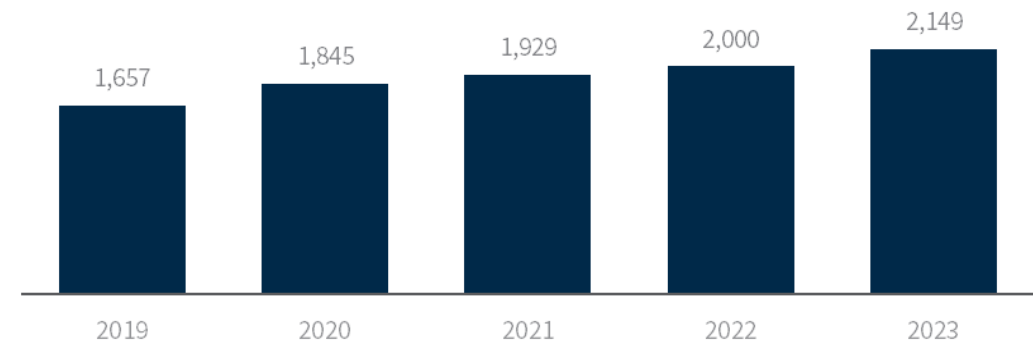
## FCF Per Share (\$US)<sup>(1)</sup>



## Share Price



## Annual DAUs (mms)<sup>(1)</sup>



# Microsoft (Nasdaq: MSFT) Overview



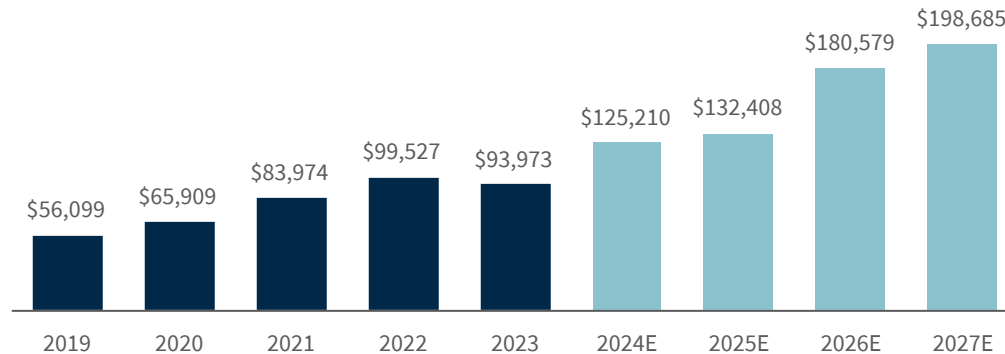
## Overview

Microsoft Corp. (Nasdaq: MSFT), has been led by CEO Satya Nadella since 2014. MSFT is best known for developing and providing software, services, devices, and solutions globally. TRUSIF has held Microsoft since July 2021

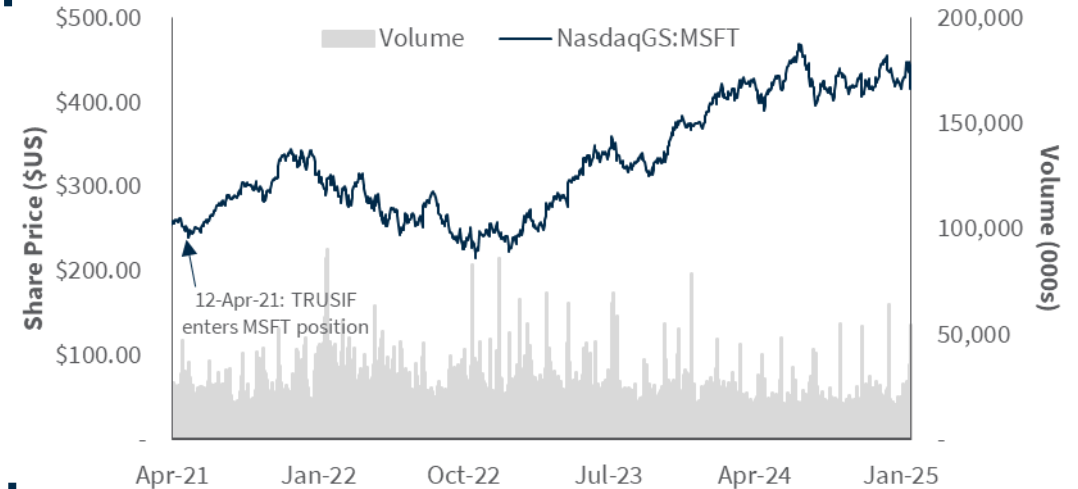
Thesis points:

- 1. Business Focus:** MSFT is centered around Azure and Office 365, expecting solid growth in Productivity and Business Process division and Intelligent Cloud
- 2. Diverse Portfolio:** Despite Windows concerns, Bing, Surface, and Xbox are gaining momentum, showcasing Microsoft's diverse offerings
- 3. Financials:** MSFT foresees strong growth in cloud revenue, gross margins, and efficient cost management, driving increased profit and cash flow. It plans to sustain capital return strategy, aiming for >\$20B annually, leading to high-single-digit returns through EPS growth and dividends

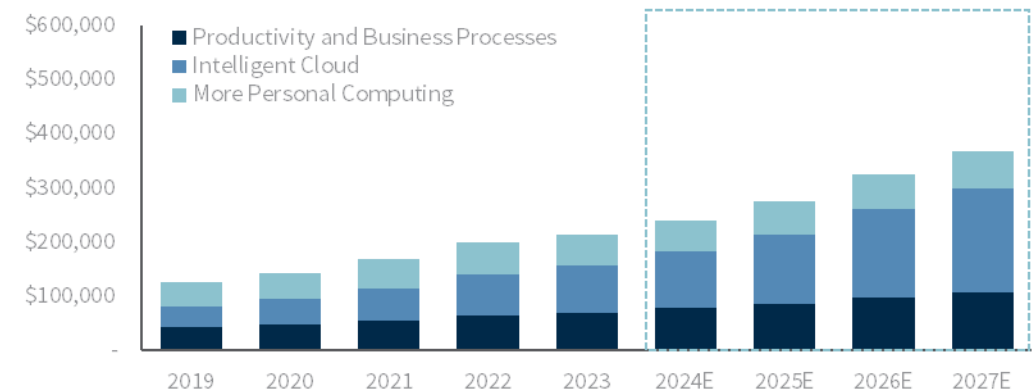
## Annual Adj. EBITDA<sup>(1)</sup>



## Share Price



## Annual Segment Revenue<sup>(1)</sup>



# Advanced Micro Devices, Inc.(Nasdaq: AMD)

## Overview



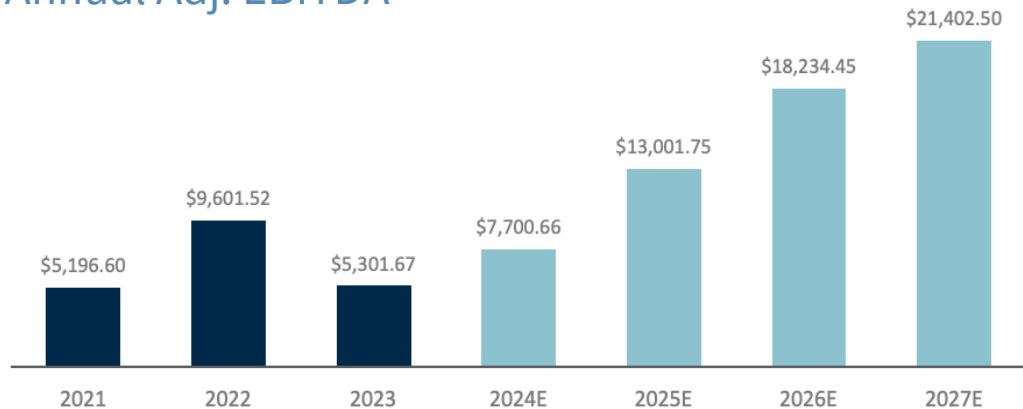
### Overview

Advanced Micro Devices Inc. (Nasdaq: AMD), has been led by CEO Lisa T. Su, since 2014. It is best known for developing graphics processors, microprocessors and advanced chipsets globally. TRUSIF recently bought AMD this month making it its latest buy

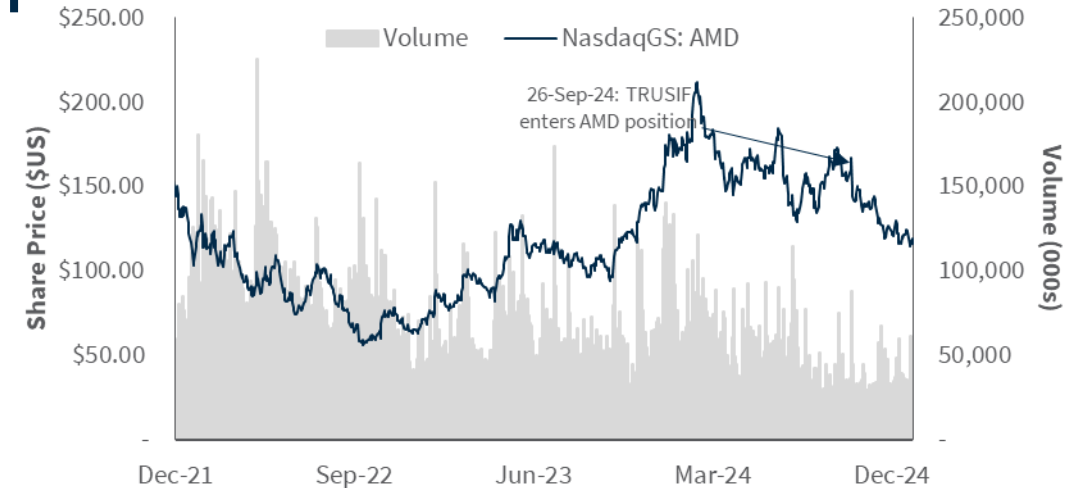
Thesis points:

- 1. Gaming, VR & AR:** AMD's gaming segment accounts for almost 30% of their revenue, and is a strength, with their Ryzen 7 & 9 chipsets offering incredible gaming performance
- 2. Semiconductor Chipsets:** The demand for chipsets is huge and growing every day. AMD stands to capitalize on the technological advancements in GenAI, Gaming and the Auto industry
- 3. Data Center:** AMD delivers hyperscale-class network acceleration, security features, and observability for enterprise data centers and companies globally

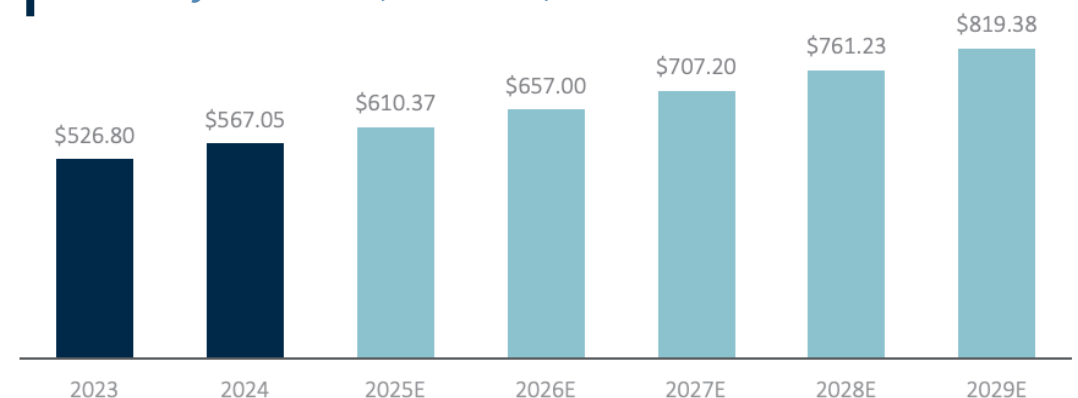
### Annual Adj. EBITDA<sup>(1)</sup>



### Share Price



### Industry Growth(US\$ Bln)<sup>(1)</sup>





# Industrials

Team: Jordan Fedyna, Fund Manager

# Industrials Sector Overview

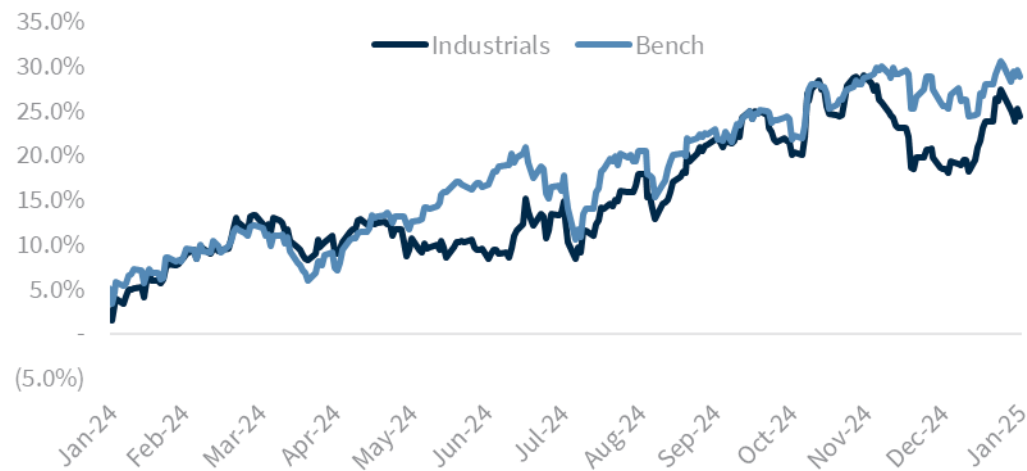
## Recent Developments

- CPKC's RTMs are up (+3.0%) y/y driven mainly by (+91.1%), Fertilizer & Sulphur (+40.4%), and Automotive (+35.4%), offset by only Grain (-10.7%) and Metals, Minerals & Consumer Products (-1.8%)
- CNR's RTMs are down (-3.2%) y/y, driven mainly by Coal (-10.8%), Automotive (-10.3%), and Forest Products (-3.6%), offset by Grain (+5.0%) and Food & Kindred Products (+5.8%)
- CNR has partnered with Union Pacific (UP) and Ferromex (FXE) to present the fastest service between Canada, the U.S Midwest and Mexico called the Falcon Premium

## Holdings' Overview and Performance

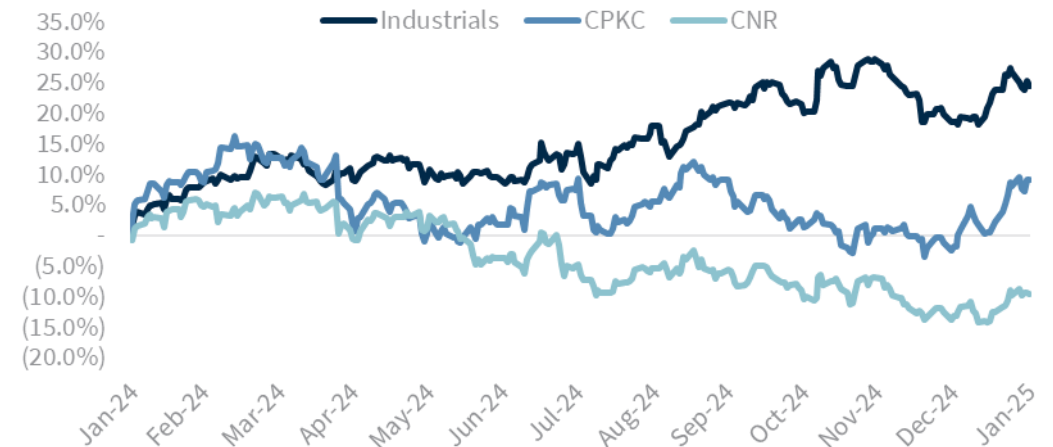
- Both CPKC and CNR have resumed operations by order of the Canada Industrial Relations Board, amongst the ongoing disputes in the binding arbitration
- CNR posted 4Q24 revenue, and Adj. Diluted EPS came in at \$4.4bln and \$1.82 (+4%), (+3%) slightly beating street consensus \$4.08bln, \$1.70
- CPKC printed 4Q24 revenue, and Adj. Diluted EPS came in at \$3.9bln and \$1.29 (+8%), (+6%) slightly underperforming street consensus \$3.8bln, \$1.01

## LTM Index v. Benchmark



Source: Capital IQ, TRUSIF Research  
Note: Market data as of Jan 31, 2025

## LTM Holdings' Performance



# Canadian Pacific (TSX:CP) Overview



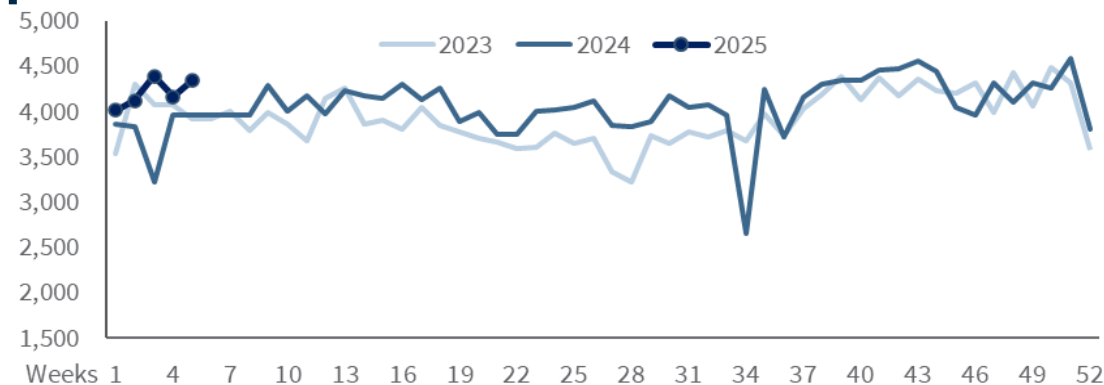
## Overview

Canadian Pacific Kansas, has been led by CEO Kieth Creel since 2023. CPKC is the combination of two historical railways, CP and KCS, creating the first and only transnational rail network in North America. CPKC moves essential goods across our 20,000-mile network supporting economic growth throughout Canada, the U.S and Mexico. TRUSIF has held CPKC since Nov 2022

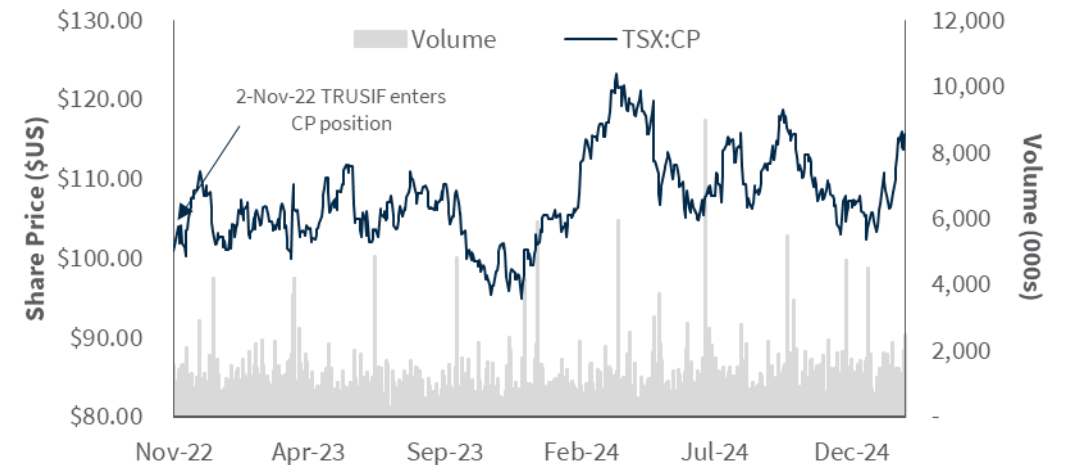
Rail Stats':

- RTMs: are up (+3.0%) y/y driven mainly by (+91.1%), Fertilizer & Sulphur (+40.4%), and Automotive (+35.4%), offset by only Grain (-10.7%) and Metals, Minerals & Consumer Products (-1.8%)
- Carloads are up (+1.5%) mainly due to Potash (+80.5%), Fertilizer & Sulphur (+21%), and Coal (+20.1%), offset by Grain (-16.9%), and Energy, Chemicals & Plastics (-6.4%)

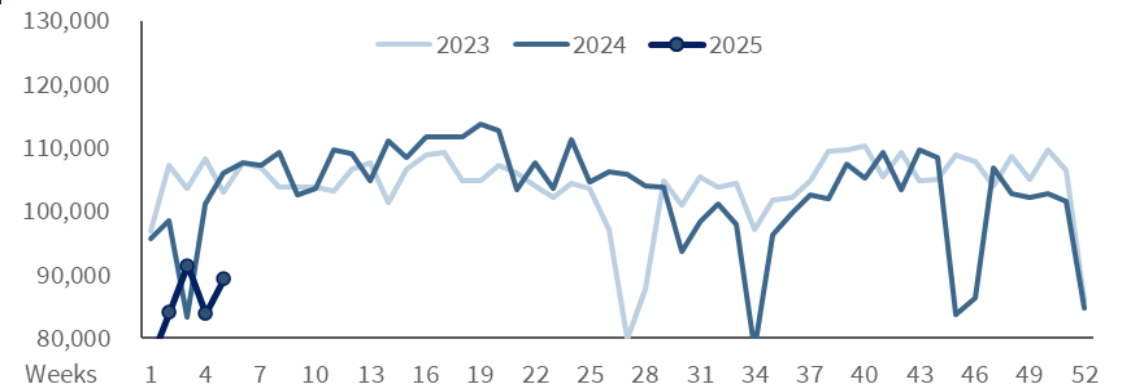
## RTMs



## Share Price



## Carloads



# Canadian National (TSX:CNR) Overview

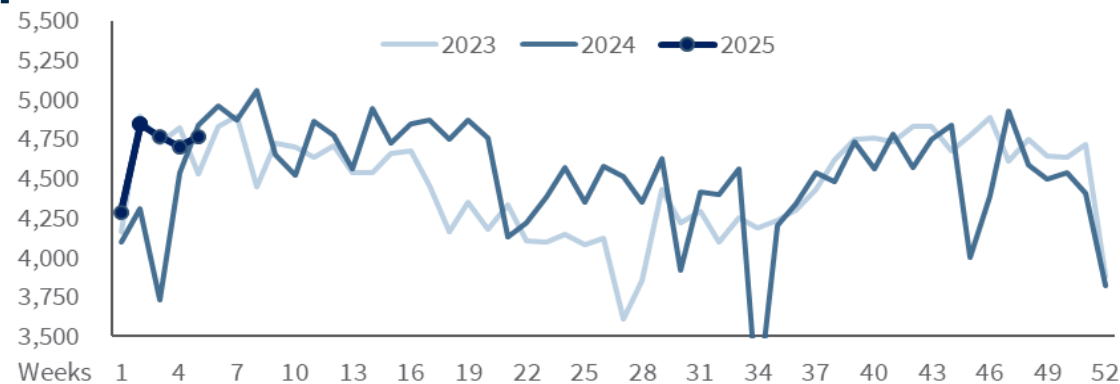
## Overview

Canadian National Railway, has been led by CEO Tracy Robinson since 2022. CN is Canada's largest railway, in terms of both revenue and the physical size of its rail network. CN has approximately 23,000 employees transporting ~C\$250 bln worth of goods annually. Their rail network spans ~20,000 miles across Canada and mid-America. TRUSIF has held CN since Nov 2022

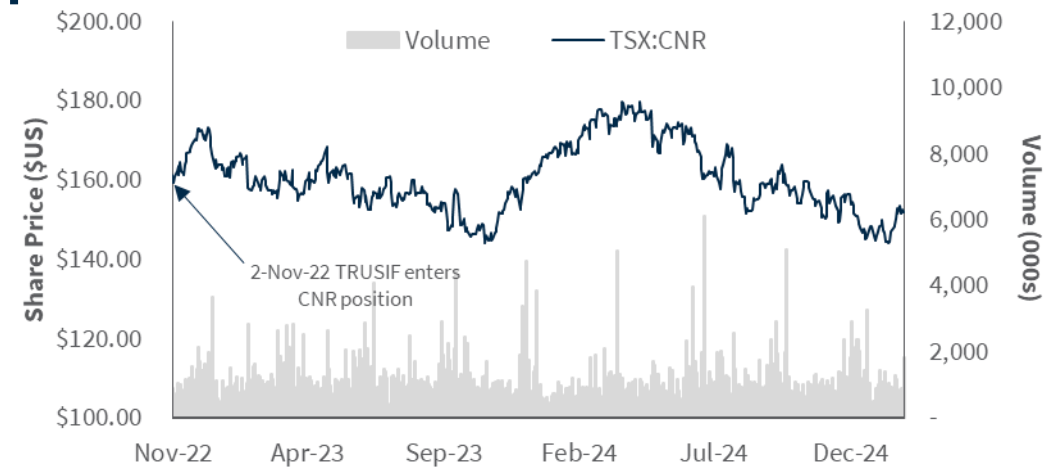
Rail Stats':

- RTMs: are down (-3.2%) y/y, driven mainly by Coal (-10.8%), Automotive (-10.3%), and Forest Products (-3.6%), offset by Grain (+5.0%) and Food & Kindred Products (+5.8%)
- Carloads: are down (-1.3%) y/y mainly due to Coal (-8.7%), Automotive (-7.2%), and Forest Products (-5.7%), offset by Grain (+8.2%), and Petro & Chemicals (-1.0%).

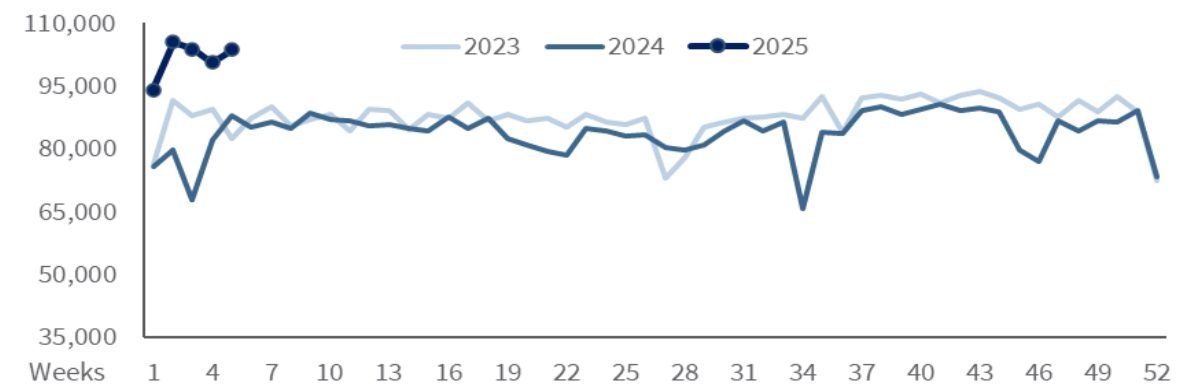
## RTMs



## Share Price



## Carloads



# Financials

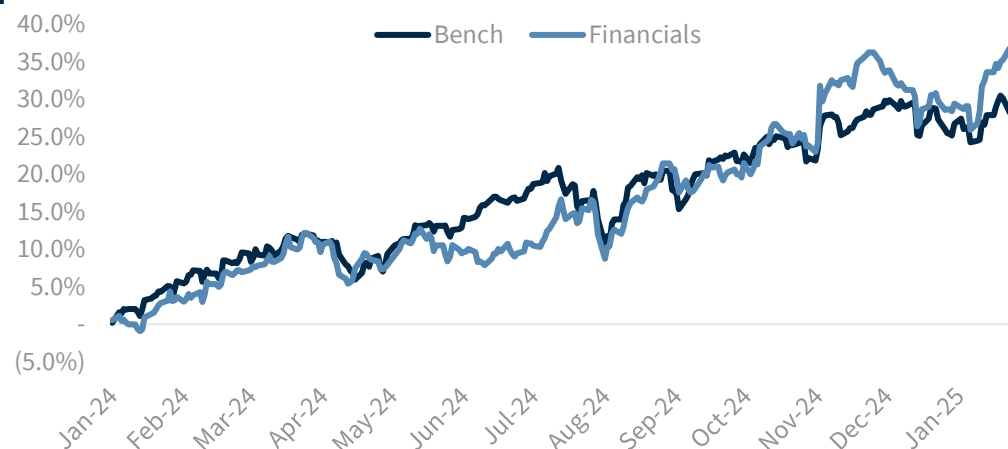
Team: Cynthia Urrutia, Investment Analyst  
Michael Adeyemi, Research Analyst

# Financials Sector Overview

## Recent Developments

- The BoC cut rates by 25 bps to 3% amidst the uncertainty of tariffs as unemployment rate nears peak and inflation being within the target. On other hand, the FOMC held the fed fund rates the unchanged at 4.25% - 4.5%
- The S&P 500 Financials Index (+6.4%) outperformed the broader market (+2.7%) on strong earnings, driven by higher net interest income and investment banking. Banks, brokers, and asset managers led, while Cards/Payments and Exchanges lagged. Treasury yields fell (2Y: -3 bps to 4.21%, 10Y: -3 bps to 4.54%). Bitcoin gained 4.9%, closing at \$97.8K
- Insurance S&P Composite 1500 +2.00% underperformed S&P 500 Financials +6.40% and the broader S&P 500 +2.70%

## LTM Index v. Benchmark

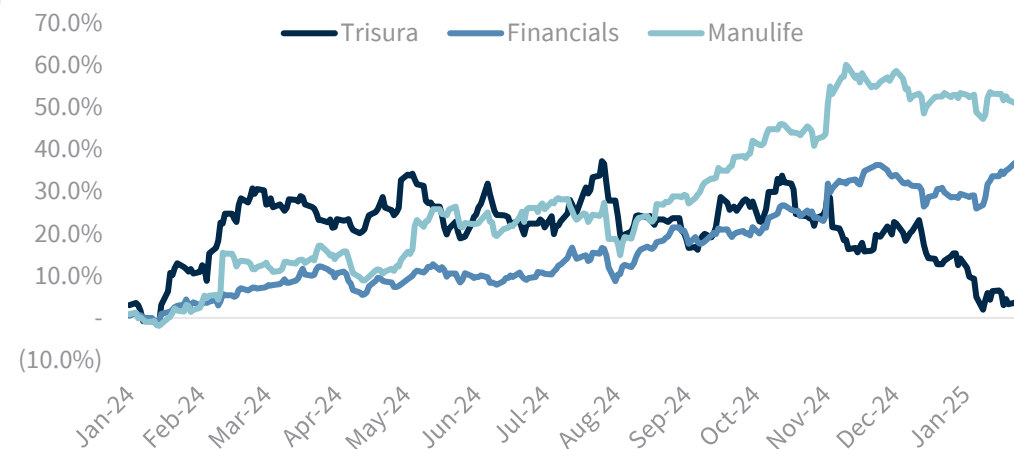


Source: Capital IQ, FactSet, TRUSIF Research  
Note: Market data as of Jan 31, 2025

## Holdings' Overview and Performance

- MFC announced it will not redeem its 10M Series 19 Preferred Shares on March 19, 2025. Holders have the option to convert 1:1 into Series 20 Floating Rate Shares, subject to a 1M share minimum. If fewer than 1M shares remain, automatic conversion applies. Dividend rates will be announced on Feb 18, 2025. TSX has conditionally approved Series 20 listing under MFC.PR.S.
- At the CIBC Western Institutional Investor Conference, TSU's CEO David Clare outlined plans for continued growth in 2025, with mid-teens growth in Surety, U.S. expansion, and improved profitability from an optimized portfolio, funded through internal growth, better reinsurance pricing, and enhanced underwriting discipline

## LTM Holdings' Performance



# Manulife Financial (TSX:MFC) Overview

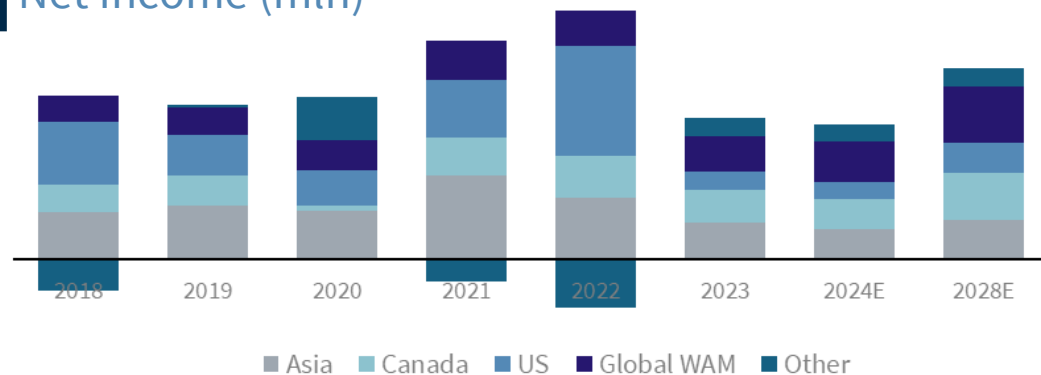
## Overview

Manulife Financial Corporation (TSX: MFC), under the leadership of CEO Roy Gori, is a leading international financial services group providing insurance, wealth, and asset management solutions

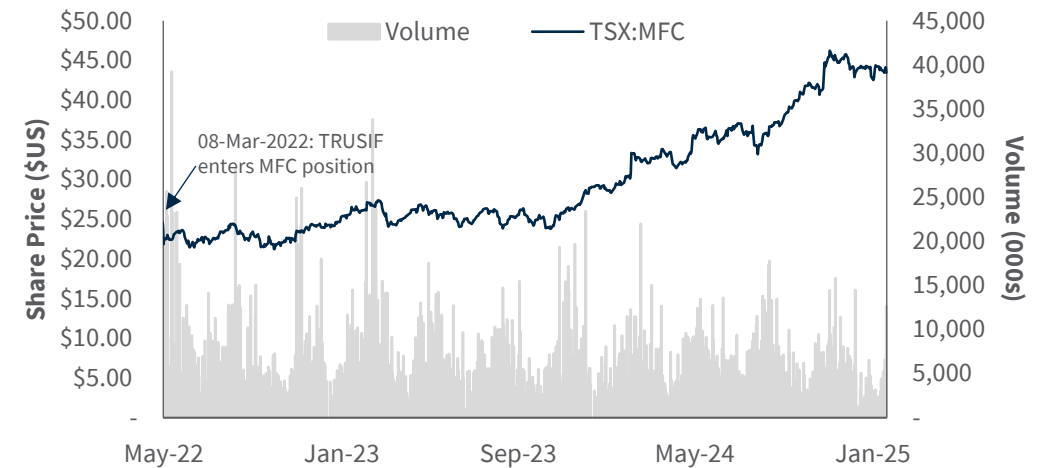
Thesis points:

1. Product and Service Innovation: We believe Manulife differentiates itself through innovative insurance and financial products tailored to diverse customer needs
2. Global Presence and Market Expansion: With a strong foothold in Asia, Manulife is well-positioned to capitalize on emerging market growth and demographic trends
3. Stable Financial Performance and Customer Focus: Manulife's customer-centric approach and consistent financial performance are fundamental to its strategy for delivering sustained value

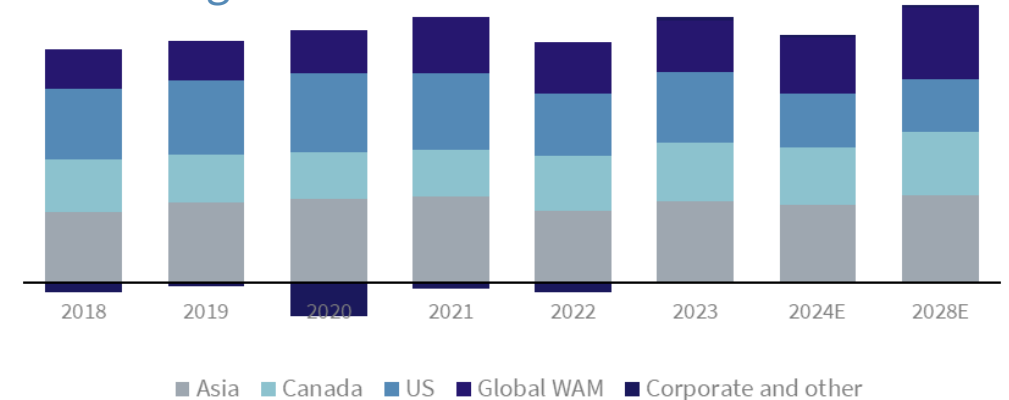
## Net Income (mln)



## Share Price



## Core Earnings



Source: Capital IQ, TRUSIF Research

Note: Market data as of Dec 31, 2025

(1) Company filings as of 3Q24

# Trisura Group (TSX:TSU) Overview



## Overview

Trisura Group Ltd. (TSX: TSU), under CEO David Clare, is a North American specialty insurance provider. Renowned for its selective underwriting and expertise in surety, risk solutions, and reinsurance

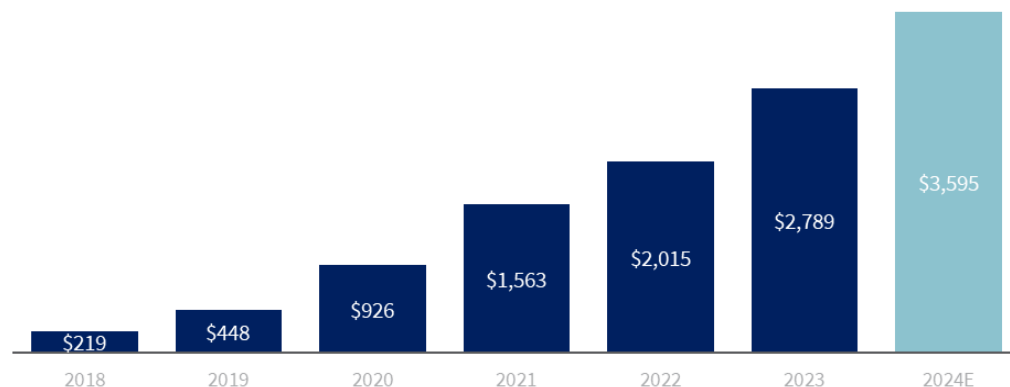
Thesis points:

1. Selective Underwriting and Diversification: Trisura employs selective underwriting for profitability while offering diverse specialty insurance products
2. Strategic Growth in North American Markets: The company is expanding its U.S. presence, contributing significantly to its premium base and market reach
3. Financial Discipline for Long-term Value: Trisura prioritizes efficiency and strategic capital deployment for financial health and shareholder value

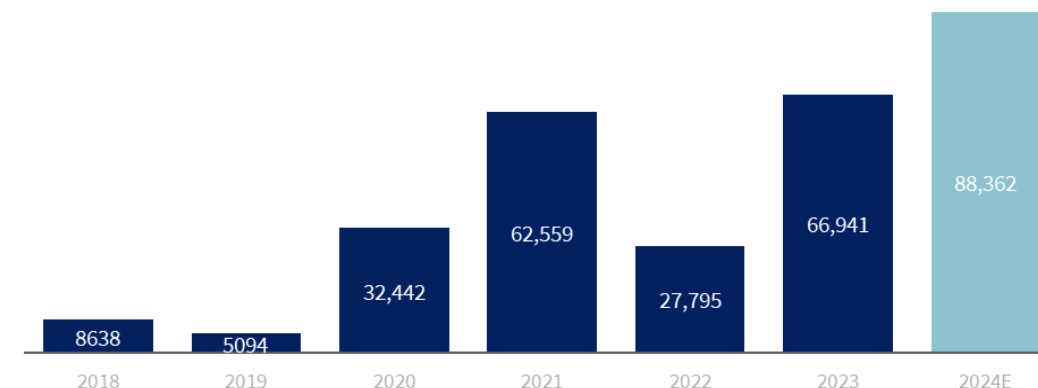
## Share Price



## Revenue (mln)



## Profitability



Source: Capital IQ, TRUSIF Research  
 Note: Market data as of Jan 31, 2025  
 (1) Company filings as of 3Q24



# Real Estate

Team: Cynthia Urrutia, Investment Analyst

Nihar Meshram, Research Analyst

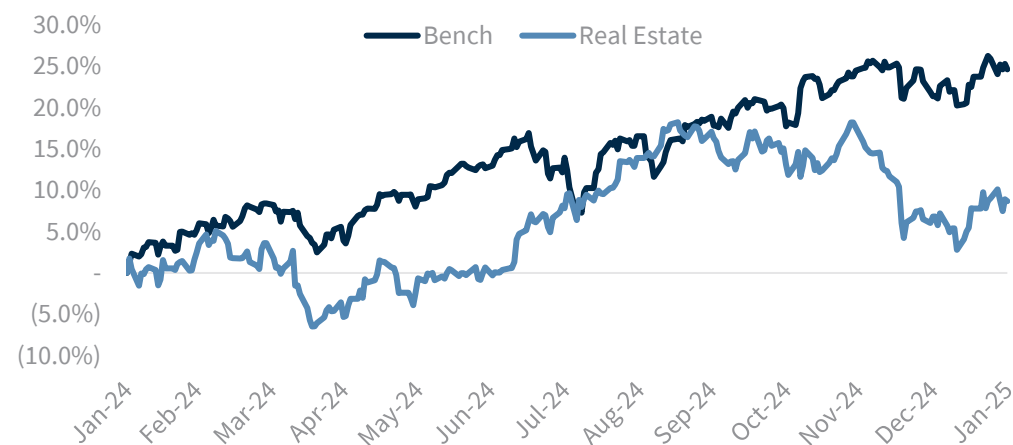
Jacob Jolly K, Research Analyst

# Real Estate Sector Overview

## Overview

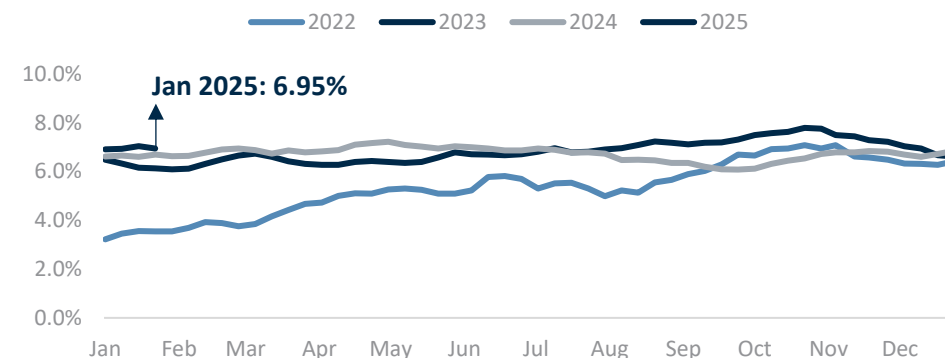
- Real Estate underperformed in January, with the S&P500 RE Index declining +1.74% versus the S&P500 Index +2.70% as subsectors finished mixed
  - Outperformers - Industrials, RE Services, Timber, Healthcare
  - Underperformers - Data Centers, Single-Family, Hotels, Multi-Family, Office, Retail, Towers, Specialty, Self-Storage, Diversified
- Canadian housing starts came in at 231.5k annualized units in December, marking a (13%) month-on-month (m/m) decline from November's robust level. The six-month moving average of starts dipped to 242.6k units.
- The Bank of Canada lowered its key policy rate by 25 basis points to 3%

## LTM Index v. Benchmark

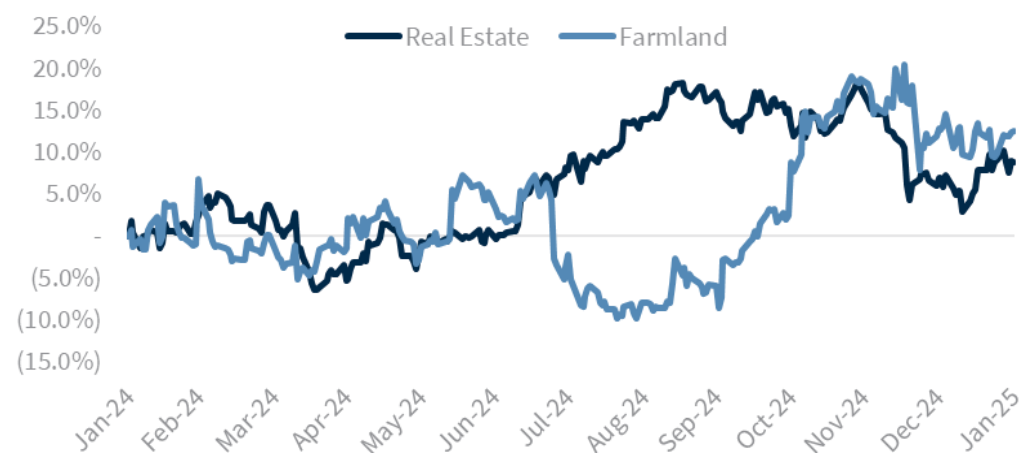


Source: Capital IQ, TRUSIF Research  
Note: Market data as of Jan 31, 2025

## US 30Y Mortgage Rate



## LTM Holdings' Performance

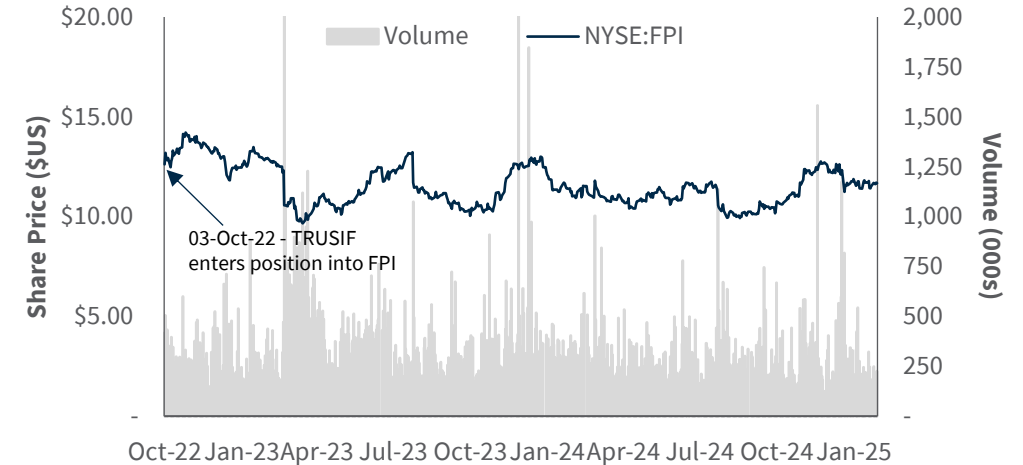


# Farmland Partners (NYSE:FPI) Overview

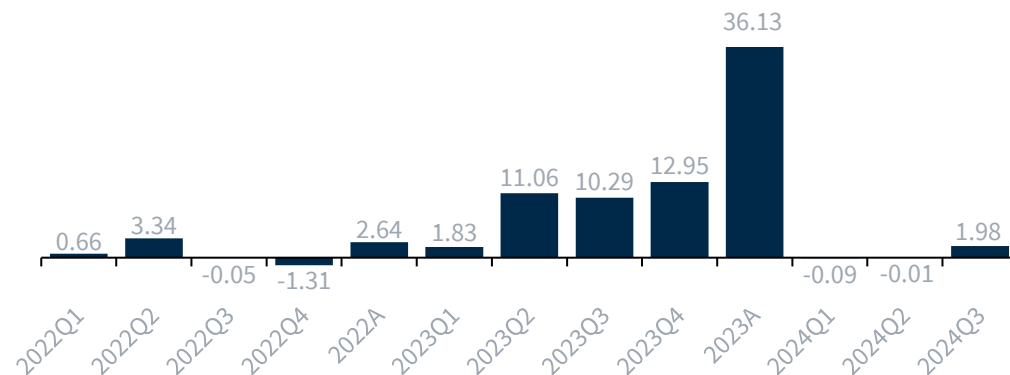
## Overview

- Farmland Partners Inc (NYSE: FPI), has been led by CEO Luca Fabbri since February 2023. FPI is an internally managed real estate company that owns and seeks to acquire high-quality farmland located in agricultural markets throughout North America. Q3 2024 highlights include:
- Recorded net income of \$1.8 mln, or \$0.02 per share available to common stockholders, compared to \$4.3 mln (which included \$10.3 mln of gain on disposition of assets, net), or \$0.07 per share available to common stockholders for the same period in 2023
- Recorded AFFO of \$1.4 mln, or \$0.03 per share, compared to (\$0.5) mln, or (\$0.01) per share, for the same period in 2023
- Increased total operating revenues by \$1.7 mln or 14.6%; while average gross book value of real estate reduced from \$1.08 bln to \$1.01 bln from 2023 to 2024, a decrease of (6.7%) as a result of dispositions that occurred during 2023

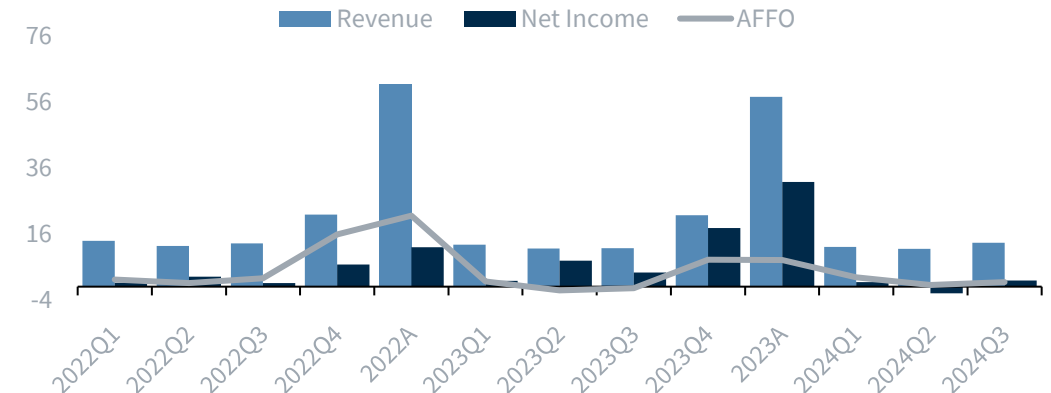
## Share Price



## Gain/Loss On Disposition Of Asset<sup>(2)</sup>



## Net Income, Revenue & AFFO<sup>(2)</sup>



# Utilities

Team: Austin Burke, Fund Manager

# Utilities Sector Overview

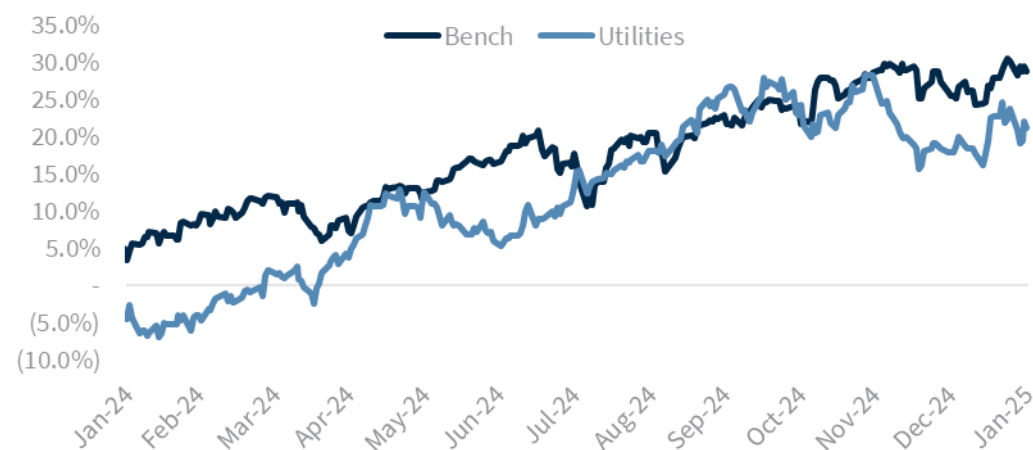
## Recent Developments

- S&P 500 Utilities Index 2.9% m/m, S&P 500 Electric Utilities Index 2.8% m/m, Nat Gas 4.3% all outperformed the broader market S&P 500 2.7%
- U.S. tariff threats pushed crude to ~\$71, and OPEC continued production cuts in January, expected to stop in April
- Trump declares national energy emergency to address inadequate energy supply and grid reliability and revoked ban on coastal oil and gas drilling, expedites LNG and energy projects in Alaska

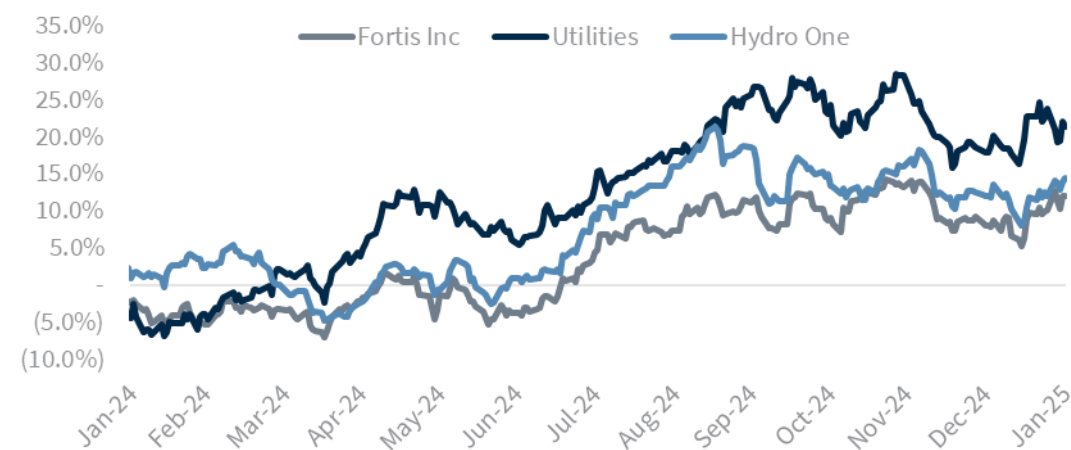
## Holdings' Overview and Performance

- H expected to release earnings for 4Q24 on Feb 20<sup>th</sup>, 2025
- H agreed to purchased 48% of the East-West Tie transmission line with OMERS and Enbridge affiliates
- FTS planning to announce earnings for 4Q24 on Feb 14<sup>th</sup>, 2025
- FTS announced the completion of the Wataynikaneyap Transmission project with 1,800 km of transmission lines

## LTM Index v. Benchmark



## LTM Holdings' Performance



# Hydro One (TSX:H) Overview



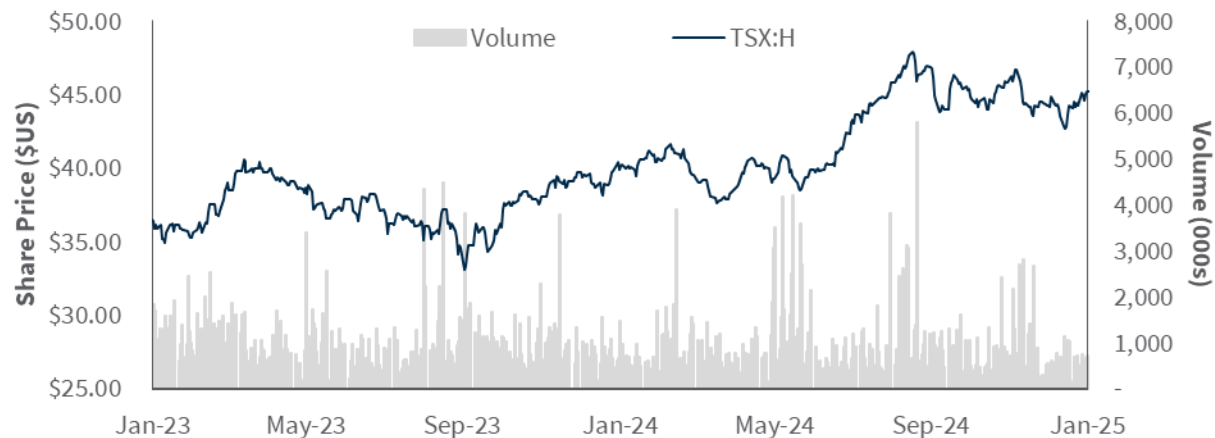
## Overview

H, operational since 2015, specializes in electricity transmission and distribution across Ontario, serving residential, commercial, and industrial sectors. H serves about 1.5 million customers, with roughly \$32.8 bln in assets and about \$7.8 billion annual revenues in 2023.

3Q24 highlights include:

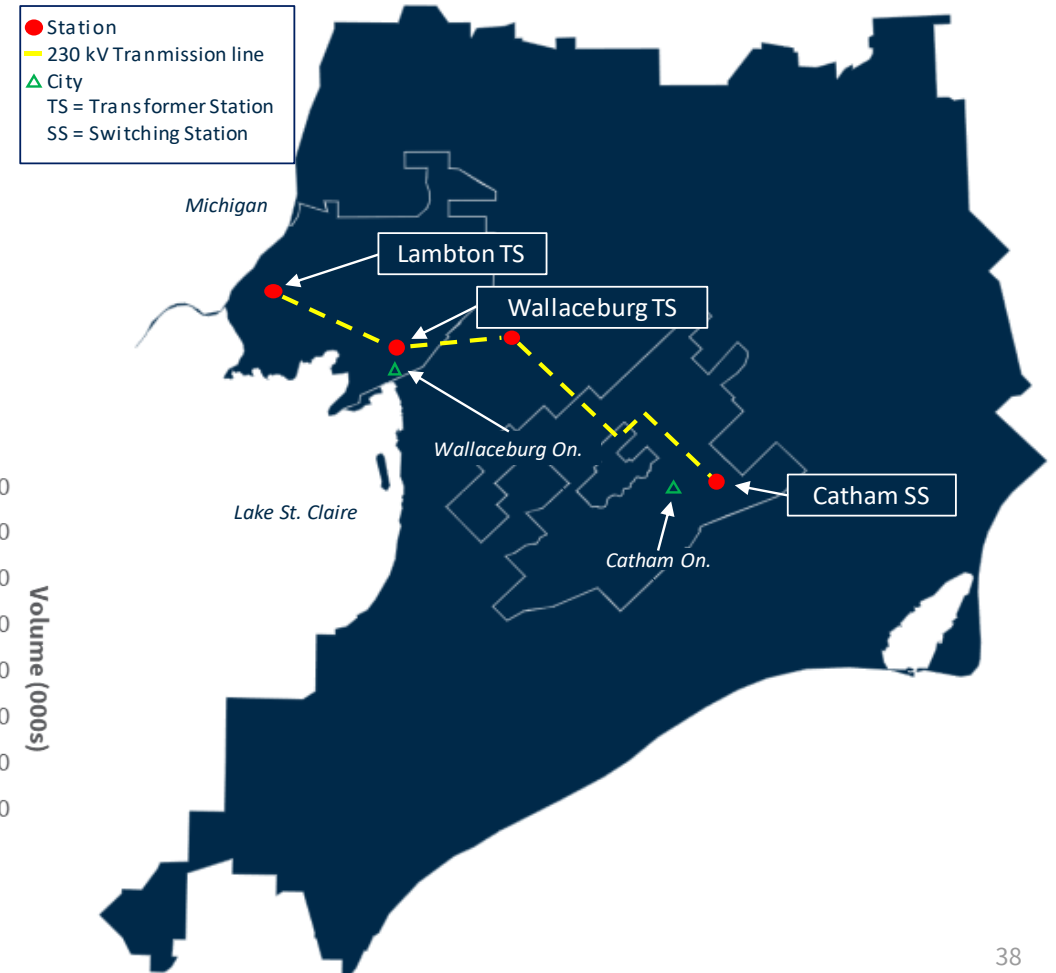
- Basic EPS of \$0.62 compares to EPS of \$0.60 for the same period in 2023. Quarterly dividend declared at \$0.3142 per share, payable December 31, 2024.
- The year-over-year EPS increase was driven by higher revenues from OEB-approved 2024 rates and increased demand and energy consumption, partially offset by higher taxes, depreciation, and financing costs.
- The Company's capital investments and in-service additions for the quarter were \$773 million and \$597 million, respectively, compared to \$638 million and \$699 million in 2023.

## Share Price



## Recent Project Update<sup>(1)</sup>

St. Clair Transmission Line Project (ETC - 2028)



# Healthcare

Team: Nolan Bennett, Investment Analyst

Ananya Pal, Research Analyst

# Healthcare Sector Overview

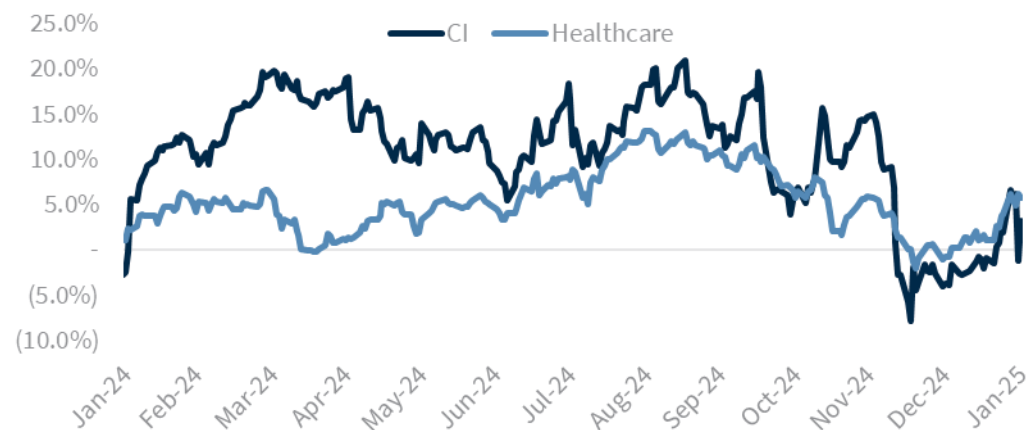
## Recent Developments

- AstraZeneca invests £460mln in Toronto, creating 700 jobs, highlighting Canada's life sciences potential and public-private collaboration for innovation and growth
- In January 2025, Canadian health ministers met in Halifax to discuss workforce, digital health, mental health, public health, and pharmaceuticals
- In 2025, Canadian health benefits costs will rise by 7.4%, from 5% in 2024 driven by diabetes, mental health treatments, and cardiovascular care expenses

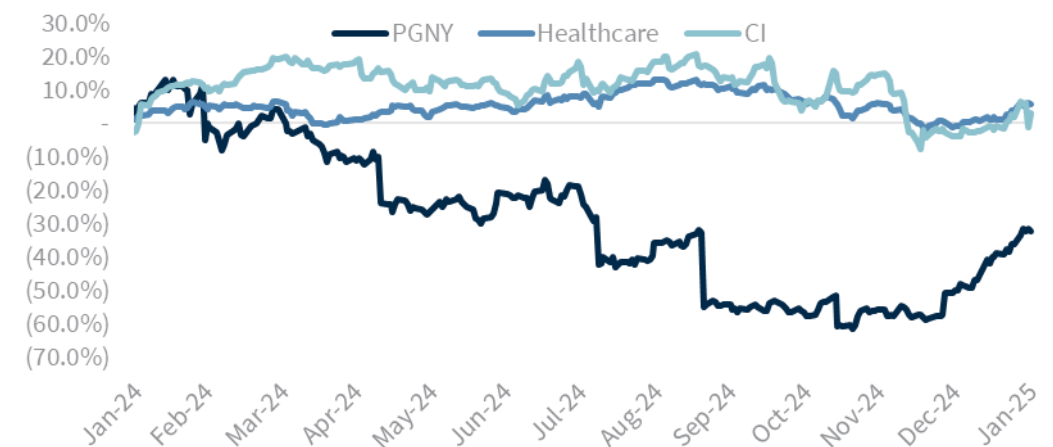
## Holdings Overview and Performance

- Cigna's stock dropped 11% due to inadequate earnings, driven by higher-than-anticipated medical costs
- ISG stock declined despite strong earnings due to cautious gross margin guidance, driven by shifting revenue towards newer platforms and unfavorable exchange rates
- Progyny acquired BenefitBump to enhance parental leave support and expects Q1 results to exceed guidance due to strong member activity and treatment volume

## LTM Index v. Benchmark



## LTM Watchlist Performance







# The Cigna Group (NYSE: CI) Overview

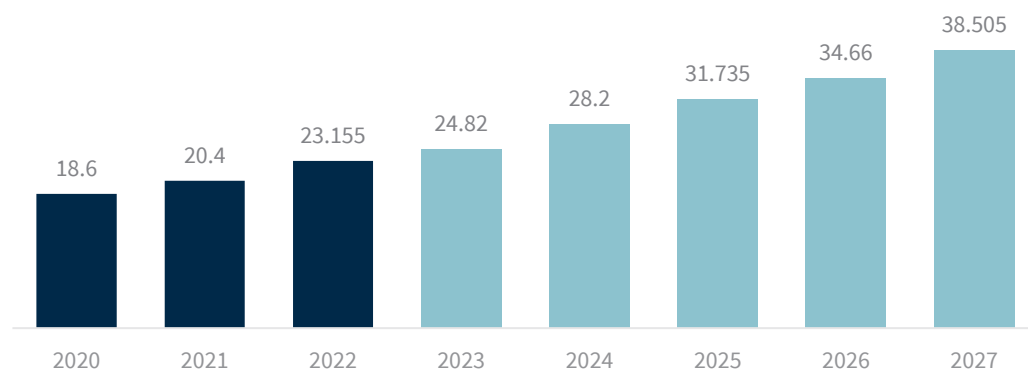
## Overview

Founded in 1792, Cigna is the largest PBM business in the U.S (post-acquisition of Express Scripts) and has a diversified revenue stream within the healthcare sector

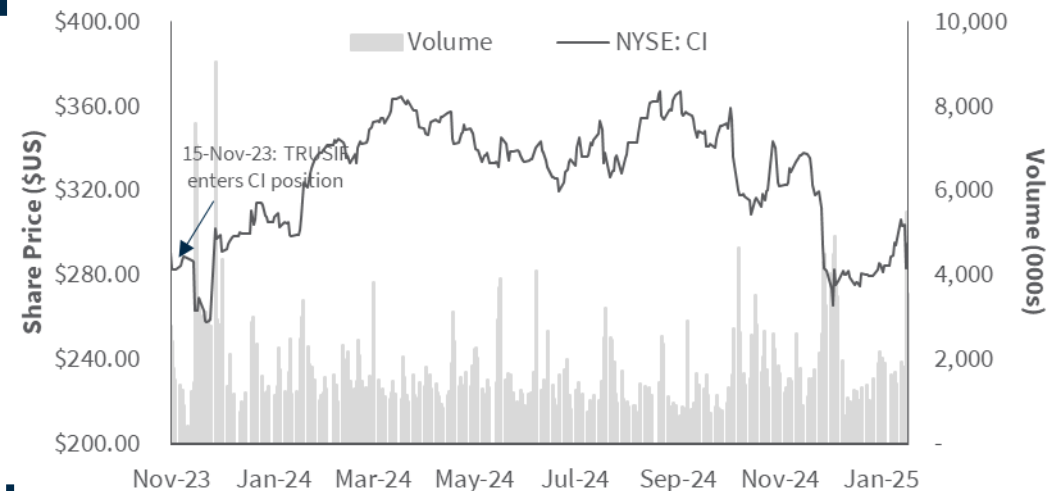
Thesis points:

- 1. M&A Strength & Catalyst Potential:** CI's enterprise leverage and strong cash flows allow increased focus on buybacks and strategic M&A. CI has a track record of executing blockbuster deals that help keep their competitive advantage
- 2. Strong Client Relationships and Geographic Expansion:** CI operates one of most successful PBM businesses in the US, recently signing a contract with Centene to handle more than \$35 bln in annual drug spending
- 3. Virtual Healthcare & Aging Demographic:** CI has acquired multiple virtual care companies to bolster margins and scale more demand from an aging population

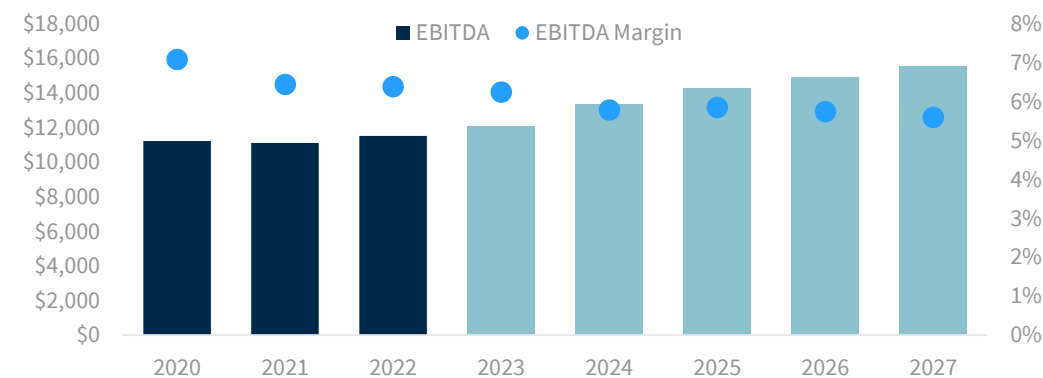
## Annual EPS Growth



## Share Price



## EBITDA & EBITDA Margin



# Aerospace

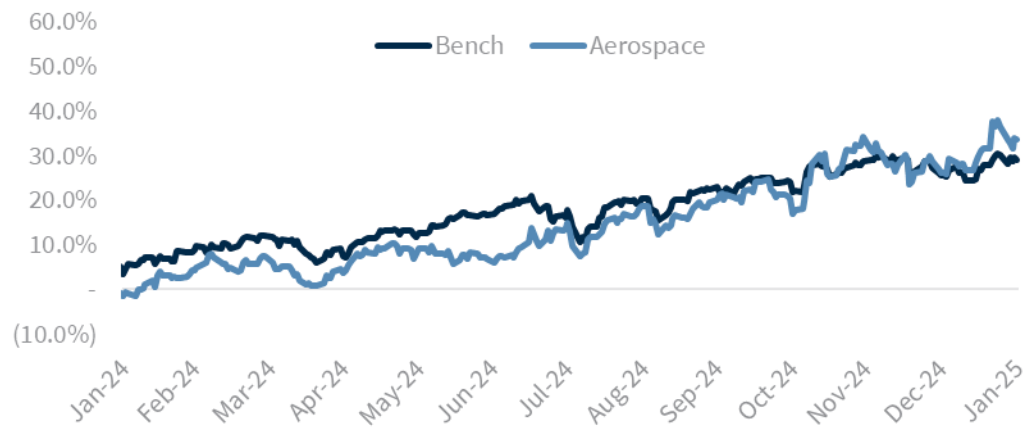
Team: Gagandeep Multani, Fund Manager  
Timothy Mburu, Investment Analyst

# Aerospace Sector Overview

## Recent Developments

- RTX reported 4Q24 results with sales at U\$21.6bln, up 9% yoy, and up 11% organically. Adjusted EPS was at \$1.54, up 19% yoy. Full year sales for 2024 came in at U\$80.7bln, adjusted EPS of \$5.73, up 13% yoy. For 2025, the company expects sales in the range of U\$83-84bln, and adjusted EPS of \$6.00-\$6.15
- Boeing reported 4Q24 results with revenue at U\$15.2bln, and a loss per share of \$5.46. BA delivered 348 commercial airplanes and recorded 279 net orders for the year, while the company backlog grew to U\$521 bln, including over 5500 airplanes
- January 2025 also saw Spirit Aerosystems shareholders approve the acquisition by Boeing, a deal which was initiated in June 2024. The merger aims to help Boeing stabilize its supply chain, improve efficiency, and address quality challenges

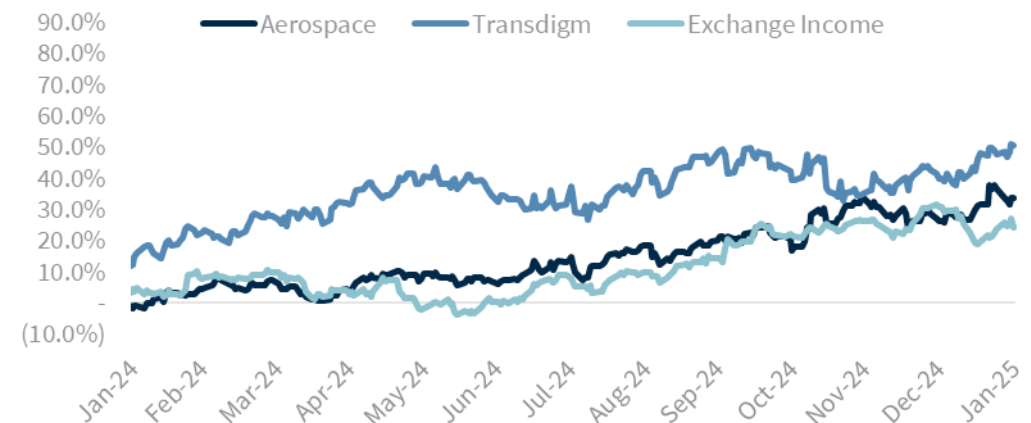
## LTM Index v. Benchmark



## Holding Overview and Performance

- After noting gains for the past few months, EIF saw its share price decline by approximately 4% in January to end the month at \$55.93 per share
- Transdigm ended January by adding 7.9% value in its share price to end the month at approximately \$1353 per share

## LTM Holdings' Performance



# TransDigm (NYSE: TDG) Overview



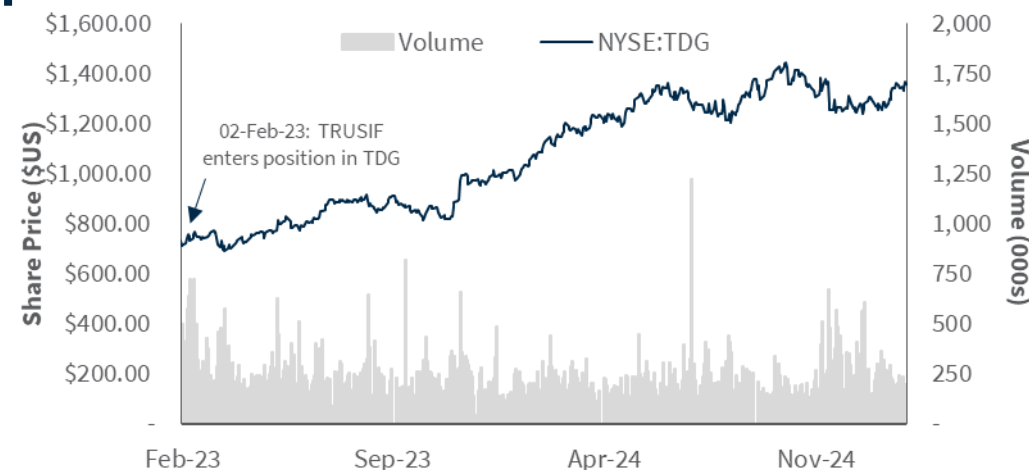
## Overview

TransDigm Group (NYSE: TDG), has been led by CEO Kevin Stein since 2017. TDG is a leading aerospace component supplier, focused on highly engineered OEM and A&M products. TRUSIF has held TDG since February 2023

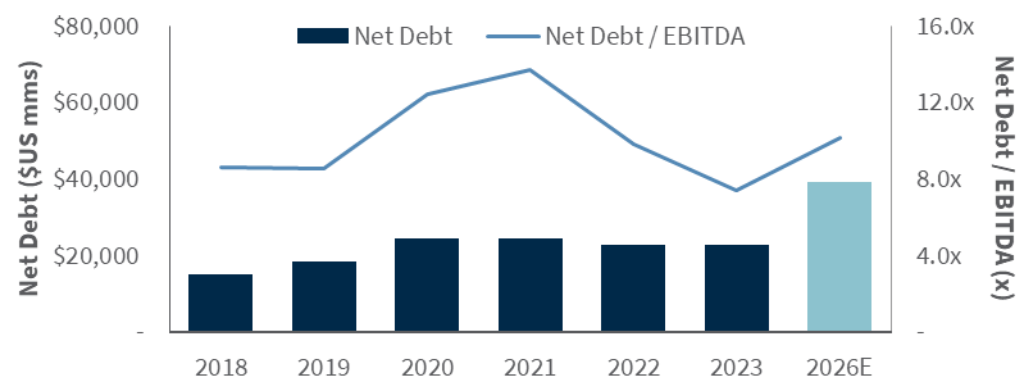
Thesis points:

- M&A Strength & Catalyst Potential:** we see TDG continuing to add to its robust A&D portfolio through its proven track record of successful M&A
- Strong Commercial AM Growth:** TDG's high margin commercial A&M segment surged by +35%, outperforming due to market exposure and pricing
- Strategic Leverage & Financial Resilience:** TDG's adept use of leverage benefits from low interest rates, with prudent refinancing pushing major debt maturities to 2026. This approach ensures financial stability and potential value creation

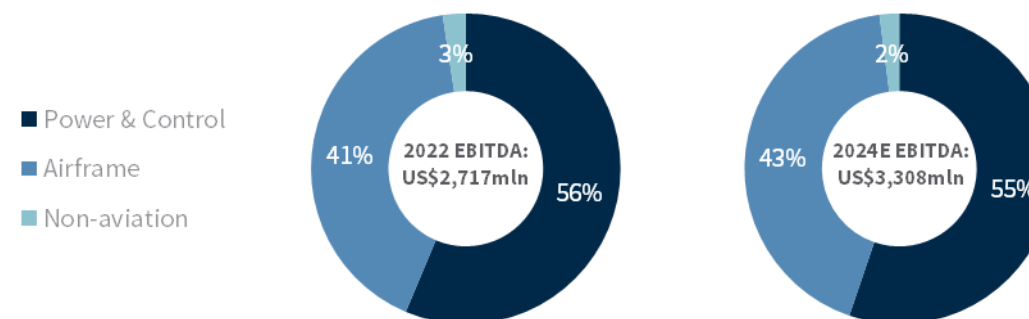
## Share Price



## Annual Net Debt to Adj. EBITDA<sup>(1)</sup>



## Segment Adj. EBITDA Mix<sup>(1)</sup>



# Exchange Income (TSX: EIF) Overview



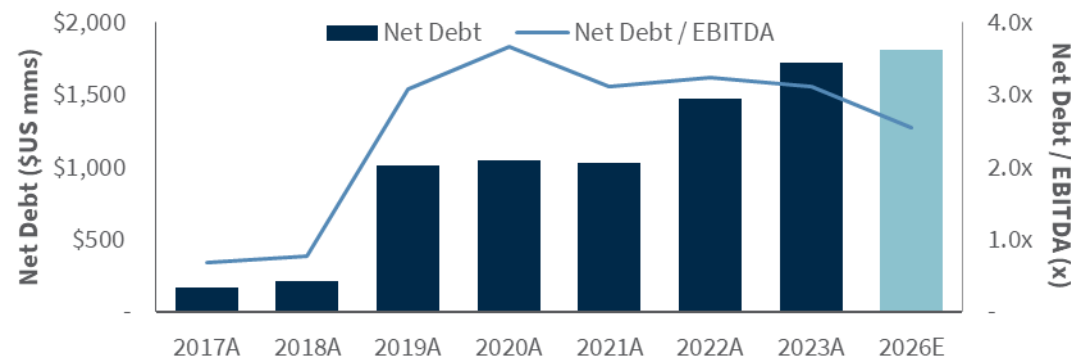
## Overview

Exchange Income Corporation (TSX:EIF) is a diversified, acquisition-oriented corporation focusing on investing in profitable, well-established companies with strong cash flows, operating in niche markets

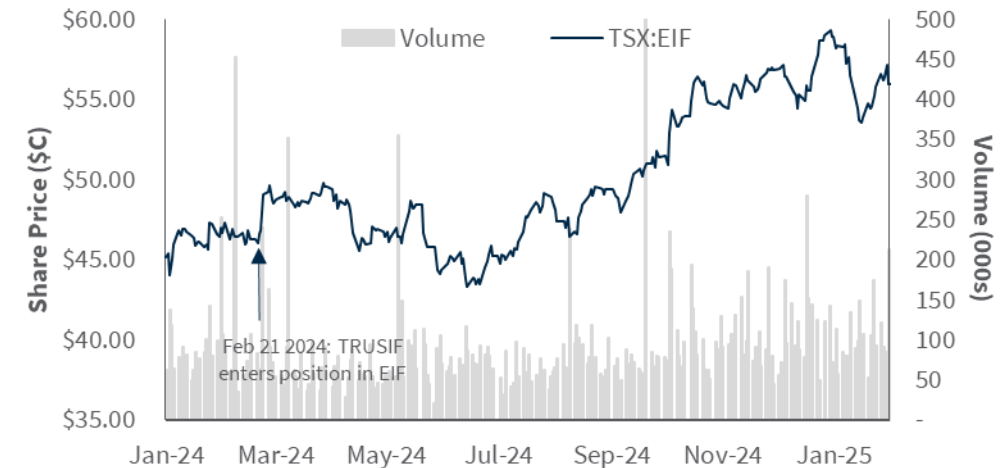
Thesis points:

- Recent Acquisitions:** 2023 saw EIF acquire Hansen Industries Ltd., and BVGlazing Systems Ltd under its manufacturing segment. EIF expects to see positive returns out of these acquisitions in 2024
- Contractual Wins:** Recent highlights for EIF were getting contracts for Medevac services in British Columbia and Manitoba, entering into a contract with Air Canada for providing services in Eastern Canada, and getting the ISR contract for the UK Home Office
- Financial Performance:** EIF has reported consistent increases in Revenue, EBITDA, Free Cash Flow, and Dividends for the last 7 years (exception 2020)

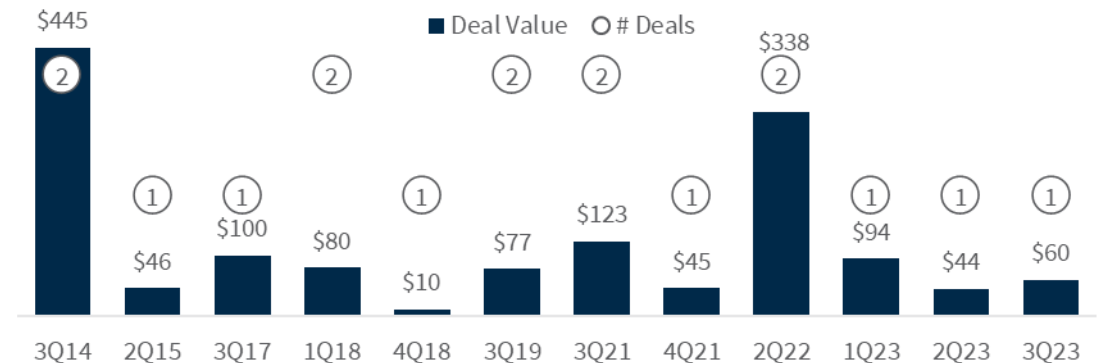
## Annual Net Debt to EBITDA<sup>(1)</sup>



## Share Price



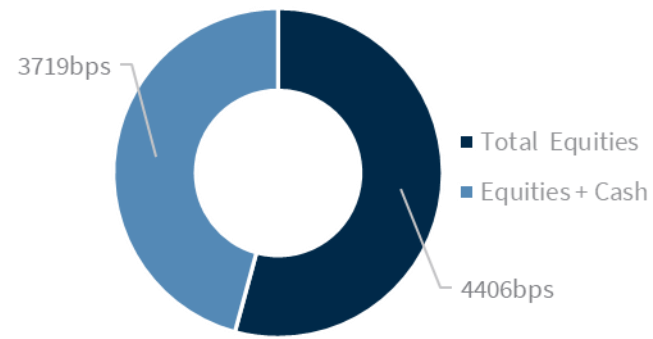
## Acquisition History<sup>(1)</sup>



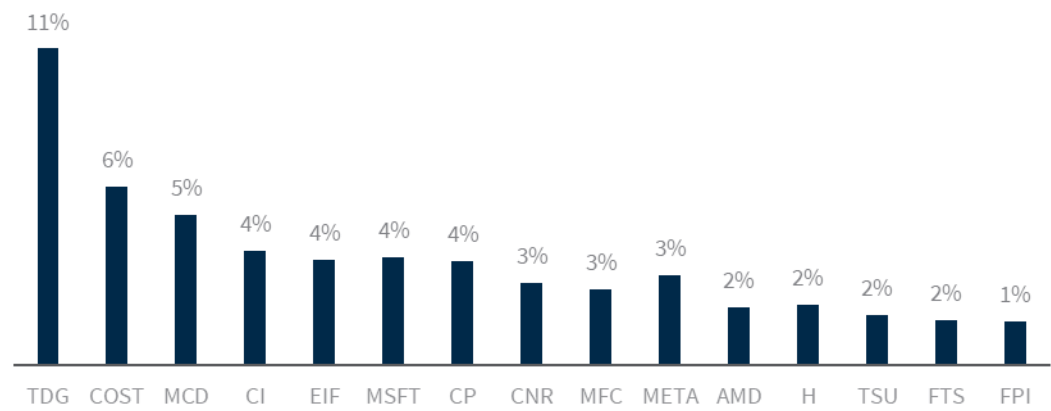
# Appendix

# Appendix: Portfolio Overview

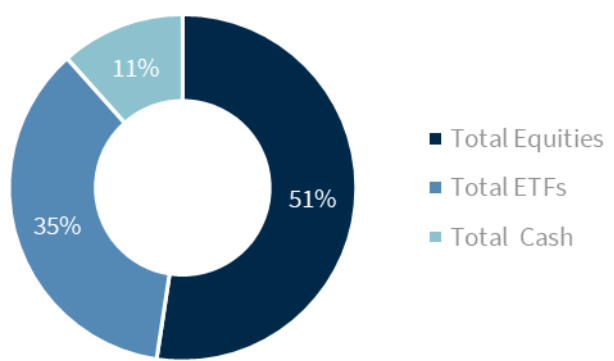
## Total Performance With Cash Affect



## Equity Ownership Weighting



## Asset Mix



## ETF Ownership Weighting



Source: Capital IQ, TRUSIF Research Note: Market data as of Jan 31, 2025

# Disclosure

*The information contained herein has been obtained from sources believed to be reliable by TRUSIF. However, TRUSIF does not guarantee its accuracy and is not liable for any loss or damage from its direct or indirect use.*



