DECEMBER 13, 2021

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OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND

PORTLAND 15 OF 15 ALTERNATIVE FUND COMPANY NEWS

Ares Management Corporation ("Ares") – announced the final closing of Ares Senior Direct Lending Fund II (SDL II). With total equity commitments of approximately US$8 billion, SDL II was significantly oversubscribed relative to its initial target of $4.5 billion. The Fund is over 2.6 times the size of its 2018 predecessor fund of $3 billion. Including anticipated leverage, the total capital base for SDL II is expected to be approximately $14 billion. SDL II, together with the recently announced final close of Ares Private Credit Solutions II (PCS II) at $5.1 billion in October of 2021, brings the total commingled fund capital raised by the Ares U.S. direct lending team for the second vintages of these two flagship fund families to over $19 billion, including anticipated leverage. Through SDL II, Ares provides directly originated senior secured loans to middle market companies primarily in North America. Ares has deployed the same strategy in SDL II as its predecessor fund, SDL I, with investments in companies of $10 million to over $150 million of earnings before interest, taxes, depreciation, and amortization ("EBITDA") where Ares acts primarily as the lead investor. Ares seeks to invest in companies that maintain a strong competitive position in their respective markets with experienced management teams and strong free cash flow characteristics. SDL II has already deployed significant capital with the fund committing over 30% of its investable capital base across a diverse portfolio of over 70 companies. The fund benefits from the significant direct origination capabilities, incumbency and scaled capital base of the Ares U.S. direct lending platform that allows the team to identify, evaluate and execute on attractive investment opportunities in the middle market. With over 380 portfolio companies and more than $85 billion of capital invested since its inception, the company believes that the direct lending team's experience will benefit borrowers and provide opportunities for investors to receive attractive risk adjusted returns. Ares operates a leading global direct lending platform, with over $125 billion in assets under management ("AUM") in North America, Europe and the Asia-Pacific region.

Reliance Industries Limited ("Reliance") - The United Arab Emirates ("UAE") and Reliance Industries Limited agreed to build a US$2 billion petrochemical plant, the Indian company's first such investment in the Middle East. Abu Dhabi National Oil Company ("ADNOC") and Reliance are looking to turn hydrocarbons into products that will help them tap consumer demand for plastics. The accord builds on a 2019 framework deal to cooperate on petrochemicals, and a further agreement this year to work together at the Ruwais refining hub in Abu Dhabi. The collaboration will see the establishment of a joint venture at TA'ZIZ the chemicals and industrial complex under development at Ruwais, according to a statement on Tuesday. It comes as the UAE, the number three oil producer in the Organization of Petroleum Exporting Countries, is investing billions in crude and natural gas output to make higher-value petroleum products. ADNOC, which pumps most of the Persian Gulf country's oil and gas, aims to attract around $5 billion into the TA'ZIZ project. Reliance, the operator of the world's biggest refining complex, last month scrapped a plan to sell a stake in its oil-to-chemicals unit to the Saudi Aramco Oil Company.

Reliance Industries Limited ("Reliance")- Mukesh Ambani's Reliance Industries Limited, along with a partner, are among those bidding to take over bankrupt Indian textile firm Sintex Industries Limited ("Sintex"), according to a stock-exchange filing, as Ambani attempts to diversify from an oil empire and into telecommunications, green energy and fashion. Sintex said in a filing on Sunday that Reliance is partnering with Assets Care & Reconstruction Enterprise Limited to bid for the company under a court-appointed bankruptcy resolution process. Other bidders are Easygo Textiles Private Limited, GHCL Limited, and Himatsingka Ventures Private Limited, which are working with Shrikant Himatsingka and Dinesh Kumar Himatsingka. The move by Ambani, whose companies this year purchased intellectual property rights to use the iconic Lee Cooper brand in India and stakes in high-end fashion brands run by stylists to some of Bollywood's biggest stars, is only the second time Reliance has shown interest in an insolvent company. Sintex provides fabric to global fashion brands including Armani, Hugo Boss, Diesel and Burberry, according to an Economic Times report in October. Besides acquiring marquee Bollywood brands and assets abroad in recent years, Reliance has also forged partnerships with numerous luxury international names, including Burberry Group Plc, Hugo Boss AG and Tiffany & Co.

SoftBank Group Corp. ("SoftBank") - SoftBank is looking to offload US$550 million of debt it provided to WeWork Inc. ("WeWork")more than a year ago when the office sharing company faced a cash crunch and needed financing, according to people with knowledge of the matter. SoftBank is selling the bonds to institutional investors at approximately 85.6 cents on the dollar, for a yield of about 9.875%, according to the people, who asked not to be identified because the discussions are private. A spokesperson for SoftBank said the sale is a sign of its confidence in WeWork, pointing to "WeWork's impressive performance for the months of October and November." In a statement on Monday, the company said its occupancy in November grew by two percentage points from the month before to 61%, and that it sold about 55,000 gross desks in November, up from around 45,000 in October. The bond sale "is consistent with ongoing efforts to diversify WeWork's investor base," the spokesperson added. The office rental company said on Monday that SoftBank had extended the maturity on a credit facility for WeWork by a year to 2024, which is also a sign of confidence. The notes that SoftBank is selling now, were part of the $2.2 billion of securities it bought from WeWork in July 2020, that mature in 2025. The bonds will be split into two series and the Japanese company will retain a $1.65 billion portion, according to a copy of the offering documents seen by Bloomberg. They have a coupon of 5%. A WeWork spokesperson said, "facilitating this transaction provides WeWork with the opportunity to diversify its investor base and access to a group of strong institutional investors."

Samsung Electronics Co., Ltd. ("Samsung") – Samsung is combining two of its three business divisions and appointing new leaders to replace its three co-chief executive officers ("CEO") in its biggest management shakeup since 2017. The reorganization, decided under the oversight of de-facto leader and Samsung heir, Jay Y. Lee, will see the consumer and mobile divisions merged into a newly formed SET Division, to be led by Jong-Hee Han. Promoted from the company's TV research and development team, Han succeeds co-CEOs Dongjin Koh and Hyunsuk Kim, who had respectively led the smartphone and consumer appliances groups. Kyehyun Kyung is stepping in to lead the company's Device Solutions group, which encompasses its key semiconductor business lines such as memory, logic processors and chipmaking for outside customers. "Today's announcement shows the company keeps its performance-driven culture," said Kyungmook Lee, professor of business management at Seoul National University. "It also shows Jay Y. Lee's willingness to more actively engage in management." Since he was released from prison in August, Lee has gotten involved in major decisions for the company and recently traveled to the U.S. to conclude and announce plans for a US$17 billion plant in Taylor, Texas. He is currently on a trip to the Middle East, where Samsung Electronics and Samsung C&T are participating in multiple projects. The consolidation of consumer offerings under one umbrella simplifies the company's operational structure and may help the South Korean electronics giant better compete with U.S. archrival Apple Inc. As part of the reorganization, Samsung also announced that Hark Kyu Park will be its new chief financial officer, having previously held a post in the Device Solutions team.

DIVIDEND PAYERS

GO TO PORTLAND GLOBAL ALTERNATIVE FUND[1]

GO TO PORTLAND GLOBAL ARISTOCRATS PLUS FUND[1]

GO TO PORTLAND GLOBAL BALANCED FUND[1]

Costco Wholesale Corporation ("Costco") reported another strong first quarter with earning per share ("EPS") of US$2.98 versus consensus of $2.63. The resiliency of margin in the current tough operating environment is a testament to Costco's model and ability to execute as long as sales remain strong – which we believe should continue given market share gains and Costco's tendency to perform well in any economic environment. Other positives from the quarter include: continued strong membership growth and higher auto renewal penetration – now at approximately 50% in the U.S. and Canada; Costco Logistics deliveries are up over 50%; and e-commerce enhancements including such as a redesigned app, e-commerce lockers in 112 locations with plans to double locations in 2022, new touchscreen ordering kiosks in warehouses, and a small but growing online version of warehouse roadshows called Costco Next. Further, the potential for a membership fee increase in 2022 based on the historical fee increase cadence remains a possibility. All said, we believe Costco appears better positioned than most retailers to execute in this tough retailing environment, especially as the consumer may be more challenged in 2022.

Nestle S.A. ("Nestle") is selling back part of its stake in L'Oreal S.A. for approximately €8.9 billion, scaling down a decades-old relationship (since 1974) between the largest food company and the cosmetic maker. It now retains a 20.1% holding in L'Oreal and two seats on its board. Nestle will use the cash to carry out an expanded share buy back to repurchase CHF 20 billion of its own shares in 2022 to 2024, although this could be adjusted in the event of large acquisitions.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND

Clarity Pharmaceuticals Limited – ("Clarity") a clinical-stage radiopharmaceutical company developing next-generation products to address the growing needs in oncology, and Cardinal Health Inc. announced that the companies have entered into an agreement covering Clarity's Targeted Copper Theranostics ("TCT") platform. Cardinal Health Inc. ("Cardinal Health") will provide cGMP product manufacturing of ready-to-use TCT for Clarity's U.S.-based clinical trials from its Center for Theranostics Advancement in Indianapolis, Indiana. TCT are investigational radiopharmaceuticals that pair copper-64 ("64Cu") and copper-67 ("67Cu") for diagnosis and therapy. With more than 40 years of experience in the radiopharmaceutical industry, Cardinal Health provides radiopharmaceutical development support, manufacturing, preparation, commercialization, and business and practice management solutions across the care delivery continuum from origin to patient administration. Its Center for Theranostics Advancement is helping shape the future of precision medicine by providing radiopharmaceutical innovators the solutions they need at every stage of the product lifecycle. Dr. Alan Taylor, Clarity's Executive Chairman, said, "We are pleased to have further strengthened and expanded our U.S. manufacturing capabilities, ensuring seamless product supply for our clinical trials, including those in cancer indications with large patient populations. Cardinal Health has an intricate understanding of the supply chain requirements for copper-based products and the capability to mass-produce these products." "This is a testament to Clarity's pairing of copper isotopes fitting into the 'goldilocks zone' of half-lives when considering biological half-life of the targeting moieties, centralized manufacture, and broad distribution. The half-life of copper-64 is nearly identical to that of iodine-123, for which Cardinal Health has an established and robust distribution system across the U.S. For the therapeutic isotope copper-67, centralized distribution is well proven in an isotope of comparable half-life, yttrium-90, or the much shorter half-life of samarium-153." Cardinal Health™ Nuclear & Precision Health Solutions President, Mike Pintek, said, "We are excited to be working together with Clarity on the manufacturing and pharmacy dispensing of the TCT platform of investigational products. The 64Cu and 67Cu isotope pairing holds great promise for the field of radiopharmaceuticals as they are ideally suited for central manufacturing of cGMP ready-to-use products; they will fit easily within our broad distribution network. We are very pleased to enter this agreement and hope it will be another avenue for us to help improve access to next-generation radiopharmaceuticals for diagnosis and treatment of a range of cancers." Dr. Alan Taylor said, "Clarity's TCT platform is clearly differentiated in the radiopharmaceutical field as all products, once approved by the FDA, can be provided as ready-to-use to patients in any location in the U.S. from a single manufacturing site. The manufacturing agreement with Cardinal Health, in addition to the recent manufacturing agreement signed with Evergreen Theragnostics and other partners, will enable Clarity to create redundancies in the supply of our products – ensuring that we can provide a reliable, seamless supply of TCT that is unique for a company in the radiopharmaceutical field. This agreement further enables Clarity to continue to pursue our ultimate goal of improving treatment of children and adults with cancer."

Telix Pharmaceuticals Limited ("Telix") – advised that the company's marketing authorization application ("MAA") submission in Europe for the registration of its investigational product Illuccix® (TLX591-CDx) has successfully progressed to the final stage of regulatory assessment. After a comprehensive review process, an approval decision notification is expected to be provided no later than March 23, 2022. The evaluation of Illuccix (Kit for the preparation of 68Ga-PSMA-11 injection) has been led by The Danish Medicines Agency ("DKMA") in its capacity as a Reference Member State (RMS), on behalf of thirteen European countries and the United Kingdom. These are the initial territories selected by Telix for MAA submission. The DKMA has confirmed that Telix has fully responded to all information requests that have been issued to the company on behalf of the member states, and that it will issue an approval decision notification within 90 days. Following decision from the DKMA, national-stage approvals for individual member countries are expected to commence within 30-60 days of the notification. Telix EMEA (Europe, Middle East and Africa) President Mr. Richard Valeix said, "We thank the DKMA for the collaborative interactions throughout the review process. We are pleased to have confirmation that the so-called "clock-stop" period has concluded, putting us on track for decision in early 2022. PSMA-PET imaging is arguably one of the most important developments in prostate cancer in recent years, we look forward to bringing this next-generation diagnostic tool to patients across Europe, once approved."

ECONOMIC CONDITIONS

Canada's household debt-to-disposable income ratio climbed in the third quarter, up 1.7 percentage points to 177.3% in not-seasonally-adjusted terms. That marks the second straight quarterly increase, with the ratio now just about 3 percentage points below the all-time highs touched before the pandemic. In seasonally-adjusted terms, the ratio edged up 0.5 percentage points to 177.2%. While the income picture brightened (+1.7%) amid higher wages and still-elevated government transfers, debt (+2.0%) climbed at a faster pace as the increases in mortgage borrowing continued. Although the household debt-to-disposable income ratio hovers just below record highs, the good news is that the debt service ratio edged down to 13.3% compared to around 15% prior to the pandemic. And, the interest only portion fell to a record low 5.79% amid still-low mortgage rates, though we will likely see this component grind higher as rates begin to climb.

In the meantime, the asset side of the balance sheet continued to balloon. Net worth climbed to nearly 1026% of disposable income, marking the second straight quarter above the 1000-mark as home prices and equity values soared. Meanwhile, owner's equity in real estate has seen little change at 75.4% after hitting a record high of 75.8% in the first quarter of this year. And, the debt-to-asset ratio held at 14.9%. After sky-rocketing through the depths of the pandemic, government debt ratios are beginning to step down. Gross general government debt (includes all levels of government) fell for the third straight quarter to 132.3% of gross domestic product ("GDP"), while net debt-to-GDP fell to 47.5%.

U.S. consumer price index ("CPI") rose 0.8% month-over-month in November after climbing 0.9% the prior month. This result was a stronger than the +0.7% print expected by consensus. The energy component advanced 3.5% thanks in part to a 6.1% gain in the gasoline segment. After rising at the quickest pace since May 2014 the prior month, electricity prices progressed 0.3%. Meanwhile, the cost of food increased 0.7%. The core CPI, which excludes food and energy, increased a consensus-matching 0.5%. Prices for ex-energy services progressed 0.4% on gains for shelter (+0.5%), medical care (+0.3%) and transportation services (+0.7%), the latter boosted by an expected rise in airline fares (+4.7%) around Thanksgiving. The cost of rent jumped 0.4% month-over-month. Coming on the heels of a +0.4% print the prior month and a +0.5% result in September, it marked the steepest three-month gain since October 1987. The price of core goods, meanwhile, jumped 0.9% month-over-month, with steep increases for apparel (+1.3%), tobacco/smoking products (+0.9%) as well as new (+1.1%) and used (+2.5%) vehicles. For the last two cases, price hikes were again driven by the shortage of semiconductors, which continued to limit global car production.

Year-over-year, headline inflation is at 6.8%, unchanged from the prior month and the highest since November 1990. This was 3.8 standard deviations above the 10-year mean for this indicator and marked one the largest upward shifts in 100 years. The energy segment registered the second strongest price hikes since the 1980s (+33.3% year-over-year), while food inflation was the most acute in more than a decade (+6.1% year-over-year). Price pressures were not limited to these two segments, however, as evidenced by the sizeable increase of the core index. This measure jumped 4.9% on a 12-month basis, up from 4.6% the prior month and the most in 30 years.

UK Prime Minister Johnson warned of a "tidal wave" of new variant infection and ordered a huge increase of third booster for everyone age 18 and older. He says, "I'm afraid we're now facing an emergency in our battle with the new variant Omicron, and we must urgently reinforce our wall of vaccine protection to keep our friends and loved ones safe". He noted that the Omicron variant has been doubling every two to three days. UK scientists believe current vaccines are less effective in preventing symptomatic infection in people exposed to Omicron but preliminary data showed that effectiveness appears to rise to between 70-75% after a third vaccine dose.

FINANCIAL CONDITIONS

Bank of Canada kept its key interest rate unchanged at 0.25%, and notably made only the smallest of tweaks to their language on the forward guidance. Essentially, this stands as a policy placeholder, as the Bank awaits more evidence on the impact of the new variant (on growth and supply chains), as well as the British Columbia. floods. On balance, the key takeaway in our view is that policymakers did not send a warning shot about a possible rate hike as early as the January meeting, continuing to guide toward the "middle quarters of 2022" for when the output gap is closed and the likely start of rate hikes. On inflation, the Bank of Canada no longer refers to the "forces pushing up prices" as temporary, and notes that the supply chain issues will take "some time to work their way through". They now expect consumer price index ("CPI") to "remain elevated" in the first half of 2022, which is a bit different from "into next year" in the October statement. Importantly, though, they continue to expect CPI to ease toward the 2% target in the second half of 2022 (i.e., almost transitory, even if they don't call it that way). On forward guidance, the overall Statement removed the words "continue to" from what had been "We will continue to provide the appropriate degree of monetary policy stimulus to support the recovery and achieve the inflation target." And so it does seem to indicate that the stimulus will soon be drawing to a close.

Reserve Bank of Australia (RBA) left interest rates unchanged and said it would continue its quantitative easing program of US$4 Billion per week in purchases of government securities. The RBA also said that that condition will likely be met in February to allow the RBA to stop buying bonds but will re-assess at the February meeting. Core inflation is not expected to rise to 2.5% until 2023 and the labour markets were categorized as strong. The RBA expects wages pressure to rise slowly but with a caveat of some concern that it may be different at historical low unemployment levels. The RBA also did not expect the Omicron variant to derail the nation's economic recovery.

China's central bank said it would cut the amount of cash that banks must hold in reserve, its second such move this year, releasing 1.2 trillion yuan (US$188 billion) in long-term liquidity to bolster slowing economic growth. (source Reuters)

The U.S. 2 year/10 year treasury spread is now 0.78% and the U.K.'s 2 year/10 year treasury spread is 0.29%. A narrowing gap between yields on the 2 year and 10 year Treasuries is of concern given its historical track record that when shorter term rates exceed longer dated ones, such inversion could be an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate has increased to 3.10%. Existing U.S. housing inventory is at 2.6 months' supply of existing houses - well off its peak during the Great Recession of 9.4 months and we believe a more normal range of 4-7 months.

The VIX (volatility index) is 20.63 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 could be encouraging for quality equities.

And finally: "*There is no sadder sight than a young pessimist.*" ~ Mark Twain

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Glossary of Terms: 'CET' core equity tier, 'EBITDA' earnings before interest, taxes, depreciation and amortization, 'EPS' earnings per share, 'FCF' free cash flow, 'GDP' gross domestic product, 'ROE' return on equity, 'ROTE' return on common equity, 'ROTCE' return on tangible common equity, 'conjugate" a substance formed by the reversible combination of two or more others.

1.Not all of the funds shown are necessarily invested in the companies listed

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RISK TOLERANCE

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