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NEWS HIGHLIGHTS

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OUR VIEWS ON ECONOMIC AND OTHER EVENTS AND THEIR EXPECTED IMPACT ON INVESTMENTS

MARCH 28, 2022

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OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND[1]

PORTLAND 15 OF 15 ALTERNATIVE FUND[1] COMPANY NEWS

SoftBank Group Corp. ("SoftBank") is seeking a valuation of at least US$60 billion for Arm Ltd. ("Arm") when the business goes public, according to people familiar with the matter. They are aiming for a higher amount than it would have gotten from its failed sale of the chip designer to Nvidia Corporation ("Nvidia"). SoftBank is poised to appoint Goldman Sachs Group Inc. ("Goldman Sachs"), JPMorgan Chase & Co. ("JP Morgan") and Mizuho Financial Group to lead a loan transaction for Arm ahead of the planned initial public offering ("IPO"), according to the people, who asked not to be identified because the situation is private. The firms handling of the loan are likely to also have lead roles on the IPO, but the lineup isn't final and more banks could be added. Arm's valuation could still change based on a variety of factors, including market conditions, noted the source. Though Arm is little-known to consumers, its influence in the electronics industry is hard to overstate. The company's technology is at the heart of components that run much of the modern economy and its presence is growing. The company licenses fundamental elements of semiconductors and also sells chip designs to many of the world's largest companies. But Arm's pervasiveness is due in part to its relatively low fees. While there are billions of chips made each year that use Arm's blueprints, it has about $2.6 billion in annual sales, a fraction of what companies such as Intel Corporation pull in. SoftBank announced a deal to sell Arm to Nvidia in September 2020, but the transaction almost immediately faced obstacles. Arm's customers opposed the takeover, and regulators around the world gave it close scrutiny. The deal began to unravel after the U.S. Federal Trade Commission sued to block it in December, and Nvidia walked away last month. That sent SoftBank back to its previous plan to earn a return from Arm: an IPO. Arm is increasingly focusing on higher-value designs for products such as server chips, which can cost thousands of dollars for just one processor. SoftBank has said it's aiming to conduct the IPO in its current fiscal year, which ends next March.

SoftBank Group Corp. ("SoftBank") - Apollo Global Management Inc. ("Apollo") increased its loan to SoftBank to US$5.1 billion, according to a person with knowledge of the matter. SoftBank, which first borrowed $4 billion from Apollo in December, closed an additional $1.1 billion backed by holdings of SoftBank Vision Fund 2 on Tuesday, and drew substantial investor interest despite market volatility, the person explained. The addition comes amid an increase in Vision Fund 2's holdings which had a fair value of $48 billion as of December 31, according to a SoftBank presentation. The loan bears an interest rate of roughly 5%, the person noted. Apollo led the deal, which included participation from mutual funds, insurers, endowments and financial institutions. SoftBank Vision Fund 2 has invested more than $42 billion in companies including athletic-apparel maker Vuori Inc., senior-assistance start-up Papa Pals and crypto-analytics firm Elliptic Ltd. Some of its companies, including IonQ Inc., Pear Therapeutics Inc. and Exscientia PLC, are now publicly traded. Of SoftBank's Vision Fund 2's companies, 41% are in the U.S., followed by 26% in Europe, the Middle East and Africa, 12% in China and 9% in India, based on the company presentation shows. The rest are elsewhere in Asia. Son has a focus on SoftBank's loan-to-value ratio, or LTV, checking it multiple times a day. The measure, calculated by dividing its net debt by the equity value of its holdings, jumped to 22% at the end of last year from 8.8% in June 2020.

Samsung Electronics Co., Ltd. ("Samsung") – The US$1.1 billion block trade in Samsung shares added to a series of such deals seen last week across Asia amid a drop in equity-market volatility. About 19.9 million Samsung shares were sold at 68,800 South Korean won each, a discount of about 2.4% to Wednesday's closing price, according to the terms of the deal obtained by Bloomberg News. A member or members of the founding Lee family were the sellers, according to people familiar with the matter. These member(s) of the Samsung's founding family, whose patriarch Lee Kun-hee died in 2020, are selling to raise funds for the inheritance tax bill, one of the people explained, who asked not to be identified as the information is private. The inheritance tax levy was more than 12 trillion won (US$9.8 billion). A representative for Samsung Electronics declined to comment. Kookmin Bank is the vendor for the shares. Hong Ra-hee, wife of the late Lee Kun-hee, signed a trust agreement with Kookmin Bank on October 5th to dispose of 19.9 million shares, or a 0.33% stake, in Samsung, according to a filing that month.

Brookfield Asset Management Inc. ("Brookfield") – Ireland's Hibernia REIT plc ("Hibernia") said that its board unanimously recommended shareholders accept a 1.09 billion euro (US$1.2 billion) takeover bid by a subsidiary of Canada's Brookfield. Ireland's largest stock market-listed office landlord said the offer price, excluding a 3.4 euro cent dividend per Hibernia share, represents a 35.6% premium to Thursday's 1.18 euro closing price. Hibernia said its share price had consistently traded at a discount to the value of its property portfolio since its 2013 stock market flotation, the same complaint that prompted the 1.34 billion euros sale of local rival Green REIT plc to Britain's Henderson Park in 2019. Hibernia, which has a 1.3 billion euro property portfolio and tenants such as Twitter, Deloitte Touche Tohmatsu Limited and U.S. software company HubSpot, said its shares had traded at a 21% average discount to its net asset valuation ("NTA") over the last five years. Its board listed a number of reasons for this, including expected near-term pressure on earnings while it redevelops income generating assets, the relatively low levels of liquidity in its shares, recent changes to the Irish Residential Properties REIT plc taxation regime and uncertainty over future office demand. The offer therefore represents a 5.7% discount to its independently valued NTA per share at the end of last year, said Hibernia, which raised 385 million euros at IPO in 2013 and a further 300 million a year later. The takeover will be completed by Benedict Real Estate Bidco Limited (Bidco), a newly-incorporated Irish subsidiary of one of Brookfield's real estate private funds that has been established for the purpose of undertaking the acquisition. Credit Suisse Group AG and Goodbody Stockbrokers advised Hibernia on the deal. Goldman Sachs Group Inc., J.P. Morgan Cazenove and Societe Generale S.A. acted as financial advisers to Bidco. Brookfield also said one of its private infrastructure funds was in the early stages of considering a possible offer for home repair services provider HomeServe PLC ("HomeServe"). The home repair services industry was a big winner of pandemic lockdowns as home-bound customers spent more time and money on renovations, boosting the sector's sales. In the six months to September 30, UK-based HomeServe's adjusted earnings jumped 27% thanks to a strong performance in its North America market. Brookfield said it would either announce a firm intention to make an offer for the London-listed firm or walk away from it by April 21st. HomeServe said in a separate statement it had not received an approach from Brookfield. Brookfield and fund manager Morrison & Co entered an exclusivity deed with Uniti Group Inc. ("Uniti"), after a Macquarie Asset Management ("Macquarie") led consortium offered AU$5 per share (US$3.73) for the Australian telecom firm. The new deed replaces the one the Australian telecom firm had with just Morrison & Co, but is on "substantially the same terms" as that arrangement, which valued Uniti at AU$4.50 per share, Uniti said in a statement after market close. The announcement came after Uniti earlier said it got a buyout proposal from Macquarie Asset Management and Canada's Public Sector Pension Investment Board that valued it at about AU$3.44 billion. Uniti said both proposals are still non-binding and preliminary. The proposal for Uniti is Morrison & Co's latest venture into the telecom space after funds managed by it acquired a 49% stake in Telstra's mobile tower business last year. Brookfield has also been involved in a number of deals in Australia. In recent weeks, its investment vehicle bought asset manager La Trobe Financial in a US$1.1 billion deal, and it has also tried to buy power producer AGL Energy Limited ("AGL.AX").

Berkshire Hathaway Inc. ("Berkshire") is buying Alleghany Corporation ("Alleghany") for US$11.6 billion ($15.67 billion) in cash, as Warren Buffett returns to the dealmaking he has shied away from in recent years. Berkshire will acquire all outstanding Alleghany shares for US$848.02 per share in cash. The transaction represents a 29% premium to Alleghany's average stock price over the last 30 days and a 16% premium to Alleghany's 52-week high closing price. Alleghany is best known as one of America's largest specialist insurers. But like Berkshire itself, Alleghany is a conglomerate that has spread into a variety of industries, including machine tools, custom trailer and truck bodies, steel fabrication, funeral products and services and toys. Its Jazwares Inc. subsidiary is home to several big toy franchises, including the famous Nerf toy gun brand.

Meta Platforms Inc. ("Meta") - The European Union ("EU") and U.S. broke the deadlock on a new data-transfer pact, potentially avoiding a doomsday scenario for tech players such as Meta and thousands of other firms that rely on free flows of information across the Atlantic. The EU and U.S. said on Friday that they agreed in principle to a new accord after a previous arrangement was struck down due to concerns over the power of American agencies to snoop on the information without adequate privacy safeguards. While negotiators will still need to work out the finer details, the result could signal an end to the uncertainty over data flows that led Facebook owner Meta to warn of a potential withdrawal from the EU if the legal vacuum persisted. The legal fears escalated when the EU Court of Justice, the bloc's top court, in a surprise 2020 ruling toppled the so-called Privacy Shield, a trans-Atlantic transfer accord, over longstanding fears that citizens' data wasn't safe from American surveillance. Even though judges upheld a separate contract-based system to keep transferring data, the doubts they expressed about American data protection made this a shaky alternative too. The breakthrough was aimed at ensuring data privacy and security and to protect data traffic which formed the foundation of a US$7.1 trillion economic relationship between the U.S. and the EU according to a White House representative. The EU court's 2020 ruling forced regulators on both sides of the Atlantic and EU data protection authorities back to the drawing board, grappling with the ramifications amid doubts about the safety of EU user data once it's been shipped to the U.S. The ruling meant thousands of businesses that ship commercial data to the U.S. had to figure out alternative ways to keep their data flowing. The controversy stretches back to 2013, when former contractor Edward Snowden exposed the extent of spying by the U.S. National Security Agency. Privacy campaigner, Max Schrems, has been challenging Facebook in the Irish courts arguing that EU citizens' data is at risk the moment it gets transferred to the U.S. Schrems said on Friday he's not convinced that the new draft accord would solve the problems of the previous ones and questioned the timing of the announcement.

DIVIDEND PAYERS

GO TO PORTLAND GLOBAL ALTERNATIVE FUND[1]

GO TO PORTLAND GLOBAL ARISTOCRATS PLUS FUND[1]

GO TO PORTLAND GLOBAL BALANCED FUND[1]

Bank of Montreal ("BMO") announced that the bank will issue 18.125 million common shares at CA$149.00 per share, representing gross proceeds of approximately $2.7 billion, with an option for the underwriters to purchase an additional 2.72 million shares, exercisable at any time up to 30 days after closing of the offering. On a pro forma basis, it is estimated that the equity raise (including the underwriters' option) translates to roughly 2% dilution to 2022 earnings per share ("EPS") and 3% to 2023 EPS. Proceeds of the offering are expected to finance a portion of BMO's previously announced acquisition of Bank of the West. At the time of the announced acquisition, BMO had indicated that the bank expected to fund the acquisition primarily with its excess capital, as well as up to an additional $2.7 billion equity raise. As of the first quarter of 2022, BMO's capital remained strong in our view with a Core Equity Tier 1 ratio of 14.1%. The anticipated closing date of the offering is March 29, 2022.

National Grid plc ("National Grid") announced it has sold a 60% stake in NGG (UK Gas transmission and metering) to Macquarie Associate Member Business Continuity Institute (AMBCI") for £9.6 billion; estimated to be about a 35% premium to March 2022 Regulatory Asset Base ("RAB"). National Grid does not have a put option on the remaining 40% stake. In March 2021, National Grid started a portfolio rationalization to tilt its business more towards electricity, taking the mix of electricity from 60% to 73% of Enterprise Value. National Grid purchased wpd AG ("WPD") for a 65% premium to March 2021 RAB, and announced the sale of NECO Petroleum LLC (agreed) for £3.8 billion and also a sale process for NGG (gas transmission and metering). National Grid targeted a sale of a majority stake. National Grid has £8.2 billion of bridge finance, which must be repaid with the proceeds of this deal, and we think can be. It would appear there is an increasing gap between the value of regulated assets which are: (i) electricity (where growth is expected with electrification); and (ii) gas (where growth is lower, and dependent upon blue/green hydrogen and/or Carbon capture, utilization and storage ("CCUS") commercialization). SSE plc recently completed divestment of a 33% stake in Scotia Gas Networks Ltd. ("SGN") gas distribution for a 35% RAB premium. Whereas National Grid itself paid 65% for WPD electricity distribution (since amortised given very high Retail Price Index ("RPI") inflation). We expect that the National Security Act of 2021 — which gives the UK Government powers to scrutinise and intervene in business transactions—may have played a role in limiting the pool of bidders.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

Amgen Inc. ("Amgen") – has agreed to drop its patent infringement suit against its rivals, Pfizer Inc. ("Pfizer") and Hospira, over claims of their post-chemotherapy treatment being nearly identical to Amgen's Neulasta. The suit was a part of Amgen's wide-scale patent litigation against a host of rivals, including Apotex Inc. and Sandoz Inc., over biosimilar versions of Neulasta. Amgen announced that new Otezla (apremilast) data, along with findings on the unmet need for patients with plaque psoriasis, will be presented at the American Academy of Dermatology ("AAD") congress in Boston, Massachusetts. These data presentations follow the recent U.S. Food and Drug Administration ("FDA") expanded Otezla label approval in December 2021. Amgen will present data from a Phase 2 palmoplantar pustulosis ("PPP") Japanese trial ("PPP-001") as well as data from both the PROMINENT and ADVANCE Phase 3 studies in patients with mild to moderate plaque psoriasis. Results from the PPP-001 trial showed that apremilast demonstrated meaningful and early improvements in PPP severity, itching and pain, and that adverse events (the most common including gastrointestinal events and headache) were consistent with the known safety profile. The PROMINENT and ADVANCE studies reinforced the efficacy of apremilast in patients with mild to moderate plaque psoriasis. Otezla is the most prescribed brand for plaque psoriasis patients starting systemic therapy. Amgen is committed to investigating the potential of Otezla across the continuum of psoriasis, including underserved patients with genital psoriasis, pediatric psoriasis, juvenile psoriatic arthritis and other areas of high burden.

Clarity Pharmaceuticals Limited ("Clarity") – announced that an investigator-initiated trial ("IIT") will commence shortly in the U.S. investigating 64Cu (copper) SAR-bisPSMA in prostate cancer. The X-Cancer's investigator-led trial of SAR-bisPSMA in known or suspected prostate cancer (X-Calibur) is a Phase I/II IIT in up to 150 patients at the Urology Cancer Center and GU Research Network ("GURN") in Omaha, Nebraska, sponsored by Dr. Luke Nordquist. It will investigate a broad spectrum of prostate cancer patients by imaging with 64Cu-(Screening Activity Report ("SAR")-bisPSMA ("prostate-specific membrane antigen") on the day of administration and at later timepoints. The X-Calibur trial will be assessing the safety of 64Cu SAR-bisPSMA as well as looking at the impact of the product on staging and clinical management of participants with prostate cancer. This is the first step in the clinical evaluation of Clarity's Copper-based imaging agent for diagnosis of PSMA. Clarity will have strong competition in this field with Gallium being already entrenched as a preferred imaging modality for PSMA diagnostic imaging.

Novartis International AG ("Novartis") – The FDA approved Novartis' therapy for the treatment of patients with a type of advanced prostate cancer that has spread to other parts of the body, i.e. metastatic castrate-resistant prostate cancer. Novartis' Pluvicto is a targeted radioligand therapy for adult patients who have already undergone other anticancer treatments. The company bought the therapy as part of its US$2.1 billion purchase of cancer drugmaker Endocyte in 2018.

Pluvicto is a precision treatment combining a targeting compound, or ligand, with a cancer-killing radioactive particle. The company said it has submitted marketing authorization for Pluvicto to the European Medicines Agency and other health authorities. Two late-stage studies evaluating Pluvicto in earlier lines of treatment for metastatic prostate cancer are underway, according to Novartis.

POINT Biopharma Global Inc. ("POINT Biopharma") – a company accelerating the discovery, development, and global access to life-changing radiopharmaceuticals, announced financial results for the fourth quarter and full year ended December 31, 2021 and provided a business update. "2021 was a transformational year for POINT Biopharma," said Dr. Joe McCann, Chief Executive Officer ("CEO") of POINT Biopharma. "On January 1, 2021, our company looked like many of its peers. Today, just over a year later, we are one of the only therapeutic radiopharmaceutical companies in the world manufacturing our own radioligands in our own manufacturing facility for our own Phase 3 trial. I am confident this level of successful execution is a direct function of having one of the most experienced teams in the radiopharmaceutical business." "I am incredibly excited for 2022," Dr. McCann continued. "The advancement of our pan-cancer FAP targeting program PNT2004 into the clinic is the first step in our journey to introduce radiopharmaceuticals in a variety of cancer indications with high unmet need. We also plan to initiate IND enabling studies for PNT2001 this year. PNT2001 is our next-generation PSMA-targeted radioligand which is being developed for delivery of the alpha emitter 225Ac to prostate cancer cells. These are only two of the many exciting milestones we have planned for this year. I look forward to providing updates on our execution throughout this year, as we usher in the next generation of precision oncology medicines to patients," concluded Dr. McCann. POINT Biopharma also affirmed that a recent reactor shutdown in Europe and current geopolitical events concerning Russia and Ukraine have not impacted the company's trial timelines or the company's 2022 business outlook. POINT Biopharma"s management team has long-standing relationships with leading external partners for lutetium-177 ("177Lu") supply, with each partner having their own diverse networks for neutron irradiation, minimizing the impact of single reactor outages. Establishing redundancy across every key business area is a pillar of POINT Biopharma's value proposition to physicians and patients, as it is not possible to forecast reactor-related irradiation shortages and other similar radiopharmaceutical supply chain disruptions. This announcement reaffirms the importance of redundant capacity as an integral strategic pillar in the supply-chains of theranostic companies and highlights POINT Biopharma management's forethought.

Telix Pharmaceuticals Limited ("Telix") – announced it has made significant progress in advancing the Company's glioblastoma multiforme ("GBM") therapy candidate TLX101 into the next stage of clinical development. TLX101 is one of the company's lead therapeutic clinical programs and has been granted orphan drug designation in the U.S. and Europe. TLX101 targets L-type amino acid transporter 1 ("LAT-1"), typically over-expressed in GBM. The IPAX-1 Phase I study, which completed recruitment in 2021, established a favourable safety profile for TLX101 and promising preliminary disease stabilisation with evidence of anti-tumour responses in a second-line (refractory) disease setting. Building on this experience, Telix has now been granted Human Research Ethics Committee ("HREC") approval to commence a Phase I dose escalation study (called "IPAX-2") to evaluate TLX101 in combination with post-surgical standard of care comprised of external beam radiation therapy ("EBRT") and temozolomide in newly diagnosed GBM patients. Twelve patients are expected to be recruited to evaluate whether the observed safety and drug interaction profile remains suitable in this setting before progressing to a Phase II study. In addition to the company-sponsored IPAX-2 study, Kepler University Hospital in Linz (Austria) has received ethics approval to commence an institution-led Phase II study of TLX101 (called "IPAX-Linz", or "IPAX-L") in combination with EBRT in patients with relapsed-glioblastoma. This provides an opportunity to continue to study the benefit to patients in the recurrent (second line) setting, building on the experience of the IPAX-1 study at this leading neuro-oncology site in Europe. Dr. Josef Pichler, Kepler University Hospital, Austria, Principal Investigator in the IPAX-L study added, "Based on extensive experience with this asset in the IPAX-1 study, I am convinced that TLX101 should be further investigated for the treatment of brain tumours. The first clinical data has shown encouraging results with a good safety profile. IPAX-Linz will gather additional data on safety and preliminary activity results." Telix also provided a material update on the development of its radiopharmaceutical production facility in Brussels South (Seneffe) in the Wallonia region of Belgium. The state-of-the-art facility will serve as the primary European manufacturing site for Telix's products, aligning with the group's strategic objective of maintaining control and reliability of its supply chain, as well as cost control. It will also be an integral hub for Telix's research and development ("R&D") activities, specifically in relation to the scale-up of radioisotope production. Following the decommission and removal of the two pre-existing cyclotrons on the site in late 2021, the company advised it has secured a €12.1 million debt financing package to help fund first-stage building works, which will include the build-out of a radiopharmacy, as well as installation of the first cyclotron, clean rooms and purification suites. Stage 1 construction works are now underway at the site. Upon completion of Stage 1, Telix will have the ability to produce a wide range of medical isotopes, for use in its own commercial and clinical programs, as well as for other organisations. This will include its prostate and kidney cancer imaging agents (TLX591-CDx and TLX250-CDx) and its therapeutic candidates TLX591 and TLX250. The company has a vision and plan for the site to become a future hub for radiopharmaceutical R&D in Europe, not only for its own programs but through collaborations with partners, including pharmaceutical and biotech companies, hospitals and universities.

ECONOMIC CONDITIONS

Ukraine Crisis: The one thing Putin has accomplished is making North Atlantic Treaty Organization ("NATO") more unified then we have seen in many, many years while bringing the U.S. and Europe closer together. Last week, the U.S. and European Union (EU) announced their liquid natural gas deal. The U.S. will supply at least 15 billion cubic meters of gas to Europe this year growing to 50 billion cubic meters ("bcm") until at least 2030 as Europe tries to end its reliance on Russian oil. Germany also announced plans to make the country completely independent from Russian energy imports by the middle of 2024. European Commission President, Ursula von der Leyen, noted today "the time when energy could be used to blackmail us is over".

Canada Gross Domestic Product ("GDP"): According to data released by Statistics Canada, our country's natural resources sector had a strong impact on GDP in the fourth quarter of 2021. Volume production rose by an annualized 3.6% in the quarter, for a year-to-date gain of 7% over year-ago levels. Nominal GDP was even more impressive, with an annualized quarterly increase of 24% in the fourth quarter and an impressive 44% jump on a year-over-year basis. Nominal GDP for the natural resources sector now exceeds CA$310 billion. That's 12% of Canada's GDP.

U.S. durable goods orders fell more than expected in February, down 2.2%. That marks the first drop in five months and the sharpest decline since April 2020 when orders plunged by a hefty 11.6%. Transportation equipment wilted 5.6% on weaker aircraft bookings, while motor vehicles and parts dipped for the second straight month, down 0.5%. After strong gains through much of last year, orders ex. transportation posted a surprise 0.6% drop, marking the first decline in 12 months. Machinery fell from record highs, down 2.6% as metals sagged for the second straight month. Core orders, which exclude aircraft and military hardware, slipped 0.3% though the prior month was revised up to +1.3%. Meantime, core shipments climbed 0.5%.

UK headline and core inflation surprised to the upside for the fifth month in a row in February as the headline rate rose 0.7 points ("ppts") to 6.2% year-over-year ("y/y") (market: 6.0%, Bank of England ("BoE"): 5.9%) and core increased 0.8ppts to 5.2% y/y (market: 5.0%). The biggest contributors to this month's print came from recreation and culture and food, but moreover, price pressures were broad based, with every sub-division contributing more or the same to this month's print as in January. Looking ahead, we expect headline inflation to increase sharply over the next couple of months, mainly due to the raised energy price cap but also due to broadening price pressures across the board. We believe it's possible the headline rate could approach 10% y/y by May—much higher than the BoE's latest forecast of around 8%.

FINANCIAL CONDITIONS

The great bond selloff (i.e. rout) continues with U.S. Treasury 10 year yields touching above 2.50%, the U.S. Treasury 5 years versus 30 years curve inverted for the first time in 16 years, 2 years versus 10 years spread down to +9 basis points ("bps") at one point overnight (from +130 bps in October) … historically inversions do presage recessions.

Norway's central bank raised its benchmark interest rate last week as expected, and said it now plans to hike at a faster pace than previously intended to keep a lid on inflation and a rapidly growing economy. Norges Bank's monetary policy committee raised the sight deposit rate to 0.75% from 0.50%, its third hike since September, as unanimously predicted in a Reuters poll of economists and in line with the central bank's plan.

The U.S. 2 year/10 year treasury spread is now 0.13% and the U.K.'s 2 year/10 year treasury spread is 0.26%. 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 4.42%. 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 consider a more normal range of 4-7 months.

The VIX (volatility index) is 19.97 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 which could be encouraging for quality equities.

And finally: *"The sheep will spend its entire life fearing the wolf, only to be eaten by the shepherd." – African proverb*

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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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