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NEWS HIGHLIGHTS

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

DECEMBER 3, 2024

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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

Reliance Industries Limited (Reliance) – Reliance's United States (U.S.) unit has bought a 21% stake in U.S.-based helium production company Wavetech Helium, Inc. (WHI) for US$12 million, the company said on Thursday, in a move aimed at expanding its low-carbon energy segment. Reliance, which operates the world's biggest oil refining complex at Jamnagar in the western Indian state of Gujarat, announced in 2021 investments worth $10 billion to develop its green energy portfolio and achieve its 2035 net zero carbon goal. Helium gas, a by-product of mining natural gas, is used in several green technologies, as well as in medical applications, scientific research, aerospace and aeronautics, electronics, fibre optics, among others. Founded on July 2, 2021, and commencing operations in 2024, WHI is a U.S.-based helium gas exploration and production company. It specialises in acquiring and developing properties to extract helium gas from underground reservoirs. The rising demand for semiconductors, driven by advancements in Artificial Intelligence (AI) and data centres, is expected to boost helium consumption further. The acquisition is part of the company's strategy to expand its exploration and production business in low-carbon solutions. The transaction is not a related party deal. No regulatory or governmental approvals were required.

Reliance – Strand Life Sciences Private Limited, a genomics and bioinformatics subsidiary of Reliance, has unveiled CancerSpot, a pioneering blood-based test designed for the early detection of multiple cancers. This innovative test leverages advanced methylation profiling technology, a globally accepted method, to identify tumor deoxyribonucleic acid (DNA) fragments in the blood, providing a simple and non-invasive way for cancer screening, Reliance announced in a press release on Monday. CancerSpot works by analysing a simple blood sample and utilizing a proprietary genome sequencing and analysis process to detect DNA methylation signatures that are indicative of cancer. The test's design draws on robust signatures from Indian cohorts, ensuring its relevance across different ethnicities worldwide. As a result, CancerSpot offers a convenient and effective solution for proactive cancer screening, according to Reliance.

Samsung Electronics Co., Ltd. (Samsung) - South Korea's biggest conglomerate has named a woman who is not a member of its founding family as chief executive officer (CEO) of a group company for the first time in its 86 year history. In a country where women business leaders have long struggled to make inroads into corporate boards and C-suites, the appointment of Kim Kyung-Ah as president and CEO of Samsung Bioepis Co., Ltd. (Bioepis) is a story likely to inspire the next generation of executives. A doctor in neurotoxicology from the Johns Hopkins University, Kim, 56, has more than two decades of experience in biologic development and will oversee product developments. Her promotion takes immediate effect and comes as part of Samsung's management reshuffle announced Wednesday. Neurotoxicology delves into the adverse effects of chemical and biological agents on the nervous system. While Kim's ability to break the glass ceiling may stand out, female executives account for just 10% of the board at 269 large, listed companies in 2023, according to Seoul-based consultancy CEO Score, Inc. This is despite women and men being equally educated in the country. The lack of female leaders in South Korean companies reflects the widespread gender inequality in the country, which has the highest wage gap among developed countries, according to data from the Organisation for Economic Co-operation and Development (OECD).

Prior to joining Bioepis in 2015, Kim worked as principal scientist and later as vice president at the Samsung Advanced Institute of Technology, Samsung's research and development arm, focusing on antibody therapeutics targeting oncology. Kim becomes the second woman to lead a Samsung affiliate. Lee Boo-jin, granddaughter of late Samsung founder Lee Byung-chull and CEO of Hotel Shilla Co., Ltd. was the first woman to run a Samsung subsidiary.

Berkshire Hathaway (Berkshire) – Warren Buffett has outlined further plans for distributing his fortune, currently valued at over US$150 billion, after his death. At 94, Buffett intends to donate 99.5% of his remaining wealth to a charitable trust managed by his three children: Susie, 71; Howard, 69; and Peter, 66. In a letter to shareholders, he revealed the appointment of three potential successor trustees to oversee the disbursement of his wealth should his children be unable to serve. Buffett emphasized his desire to avoid creating a dynasty, expressing hope that his children will manage the entire distribution of his assets within 10 years of his passing. The family must reach unanimous agreement on which philanthropic causes to support. The trust aligns with Buffett's broader philanthropic commitment, which began in 2006 when he pledged most of his wealth to foundations, including the Bill & Melinda Gates Foundation. To date, Buffett has donated over $58 billion, including $43 billion to the Bill & Melinda Gates Foundation.

Brookfield Asset Management Ltd. (Brookfield) – has ended its pursuit of acquiring Spanish blood-plasma company Grifols, S.A. (Grifols), concluding months of negotiations. The decision followed the Grifols board's rejection of Brookfield's €6.45 billion (US$6.8 billion) offer and extensive due diligence. Brookfield's bid sought to take Grifols private in collaboration with the company's founding family, which controls a third of the business. However, the family has since expressed firm opposition to any further privatization attempts, citing shareholder feedback that the offer undervalued the company. Grifols has faced a challenging year, grappling with declining investor confidence fueled by allegations of governance and accounting irregularities raised by Gotham City Research LLC (Gotham) in January. Grifols has rejected these claims, sued the short-seller, and welcomed a Spanish court's decision to investigate Gotham for allegedly misleading investors. Despite these efforts, Grifols has lost over a third of its market value this year.

Carnival Corporation & plc (Carnival) – has announced key leadership changes for its brands Princess Cruises, Holland America Line, and Seabourn Cruise Line. Gus Antorcha, currently President of Holland America Line, will assume the role of President of Princess Cruises on December 2, 2024, succeeding John Padgett, who will leave the company in February 2025. Antorcha will oversee all operations for Princess Cruises, which includes a fleet of 16 ships sailing to over 330 destinations worldwide. During his tenure at Holland America Line, Antorcha led the brand's post-pandemic recovery and achieved record-setting financial results. Beth Bodensteiner, presently the Senior Vice President and Chief Commercial Officer (CCO) of Holland America Line, will step into the role of President of the cruise line on December 2, 2024. A 20-year veteran of the company, Bodensteiner has played a key role in driving commercial strategy and enhancing guest experiences. Alongside her new responsibilities at Holland America Line, she will also oversee the ultra-luxury Seabourn Cruise Line brand, which will welcome Mark Tamis as its new President. Tamis, who brings over three decades of experience in cruising and luxury hospitality, succeeds Natalya Leahy.

LVMH Moët Hennessy Louis Vuitton SE (LVMH) – French cognac producer Jas Hennessy & Co. (Hennessy), owned by luxury conglomerate LVMH, has suspended plans to bottle its brandy in China following backlash from employees and renewed diplomatic discussions. The company initially proposed shipping cognac to China for bottling as a way to sidestep new anti-dumping tariffs imposed by Beijing last month. However, after workers staged a strike in protest and discussions took place between the French and Chinese presidents at the Group of Twenty Summit (G20) in Brazil, Hennessy informed unions and employee representatives that the plan was on hold. The suspension comes as Beijing's recent measures require a 30% to 40% deposit on European Union (EU) brandy imports, a move that significantly impacts French cognac producers such as Hennessy, Pernod Ricard S.A., and Remy Cointreau S.A. Cognac exports to China, the second-largest market after the United States, generated US$1.7 billion in revenue last year, highlighting the importance of the Chinese market for the industry. French President Emmanuel Macron has urged Chinese President Xi Jinping to remove the tariffs and announced that French Prime Minister Michel Barnier will continue negotiations during an upcoming trip to China. Meanwhile, the EU Commission has formally raised the issue with the World Trade Organization.

DIVIDEND PAYERS

GO TO PORTLAND CANADIAN BALANCED FUND[1]

The Bank of Nova Scotia (Scotiabank) – reported net income of CAD$7,892 million for the fiscal year 2024, compared with net income of $7,450 million in 2023. Diluted earnings per share (EPS) were $5.87, compared to $5.72 in the previous year. Return on equity was 10.2%, compared to 10.3% in the previous year. Reported net income for the fourth quarter (Q4) ended October 31, 2024, was $1,689 million compared to $1,354 million in the same period last year. Diluted EPS were $1.22, compared to $0.99 in the same period a year ago. Return on equity was 8.3% compared to 7.0% a year ago.

This quarter's net income included adjusting items of $430 million after-tax. These included impairment charges of $379 million related to Scotiabank's investment in its associate, Bank of Xi'an Co., Ltd. in China, as well as certain software intangible assets, and severance provisions of $38 million related to the Scotiabank's continued efforts to focus on operational excellence. Adjusted net income was $8,627 million for the fiscal year 2024, up from $8,363 million in the previous year and adjusted diluted EPS were $6.47 versus $6.48 in the previous year. Adjusted return on equity was 11.3% compared to 11.6% in the previous year. Adjusted net income for Q4 ended October 31, 2024, was $2,119 million and adjusted diluted EPS were $1.57, compared to $1.23 last year. Adjusted return on equity was 10.6% compared to 8.7% a year ago. "2024 was a foundational year for Scotiabank as we launched and made early progress against our new strategy. Scotiabank delivered solid revenue growth and positive full year operating leverage, while redeploying capital to our priority markets across the North American corridor," said Scott Thomson, President and CEO of Scotiabank. Canadian Banking delivered adjusted earnings of $4,277 million in 2024, up 7% from the prior year. Revenue was supported by double-digit growth in net interest income from volume growth and margin expansion. Expenses were well-managed, resulting in positive operating leverage for the year. International Banking generated adjusted earnings of $2,862 million in 2024, up 11% year-over-year. Solid revenue growth, driven by margin expansion, continued expense discipline and the favourable impact of foreign exchange, were partly offset by higher provision for credit losses. Strong positive operating leverage of 5% reflected the significant impact of productivity initiatives in the region. Global Wealth Management, Scotiabank's wealth management division generated adjusted earnings of $1,612 million in 2024, up 10% y/y. The business delivered strong revenue growth driven by fee revenue from assets under management of $373 billion, up 18% y/y, and higher net interest income across Canadian and International Wealth businesses. Scotiabank Global Banking and Markets reported earnings of $1,688 million in 2024. Higher fee revenue and lower provision for credit losses were more than offset by lower net interest income driven by lower loan balances and higher expenses to support business growth. Scotiabank reported a Common Equity Tier 1 (CET1) capital ratio of 13.1%, up from 13.0% last year and continued to maintain strong liquidity metrics. "While I am encouraged by our strategic progress to date, there is significant work ahead as we focus on client primacy initiatives to drive enhanced profitability across our businesses. I am confident that we are on track to achieve the targets we laid out at our Investor Day for 2025," continued Mr. Thomson. "I would like to thank our global team of Scotiabankers for their efforts and contributions as we continue to execute on our enterprise strategy in the coming year."

American Telephone and Telegraph Company (AT&T) - Ahead of its 2024 Analyst & Investor Day presentation, AT&T unveiled a bold, multi-year strategic plan highlighted by continued profitable fifth generation (5G) and fiber subscriber growth. This growth is expected to fuel enhanced shareholder returns on network investments through a robust and balanced capital allocation program. "Over the last four years, we've achieved durable and profitable subscriber growth, generated attractive returns on network investment, and strengthened our balance sheet," said John Stankey, AT&T CEO. "We're putting customers first to become the best connectivity provider in America. Our plan expands the country's largest fiber network to more than 50 million total locations, modernizes our wireless network and rewards our shareholders. As we grow, we expect to return more than US$40 billion to shareholders over the next three years through dividends and share repurchases. With this bold strategy, we are entering a new era of sustained growth at AT&T."

AT&T is making progress on its journey to become the best connectivity provider in America. Over the past four-plus years, AT&T has streamlined its operations and centered its business around the customer as it enhanced and simplified their experiences with AT&T. AT&T has also greatly expanded its 5G and fiber services to more people and places and is the largest capital investor in U.S. connectivity infrastructure since 2019. With the plans announced today, AT&T will unlock new capabilities that further its momentum while investing in future growth – ultimately enabling more robust shareholder returns. As a result of continued investment, AT&T expects to be in a differentiated position within the connectivity industry by the end of the decade. In mobility, AT&T is building a more efficient, high-capacity, programmable and open network. By 2027, it expects to have largely completed the modernization of its 5G wireless network with open technology, with deep mid-band 5G spectrum covering 300 million+ people by the end of 2026. This network will support super-fast download speeds and serve as a platform for new product and GenAI innovation.

In broadband, AT&T is creating even more distance between itself and the competition on what is already the largest fiber broadband network in America. By the end of 2029, it expects to reach 50 million+ total locations with fiber. This includes expectations to pass about 45 million locations through its organic fiber deployment and serve 5 million+ fiber locations through GigaPower, LLC., its joint venture with Blackrock, Inc., as well as through agreements with commercial open-access providers. AT&T's fiber expansion will greatly increase its opportunity to serve customers how they want to be served, by one provider in a converged manner. While building the network of the future, AT&T is actively working to exit its legacy copper network operations across the large majority of its wireline footprint by the end of 2029. AT&T believes sustaining industry-leading levels of network investment and pursuing these strategic objectives will ultimately allow it to offer the best value, greater personalization and security and more customer-centric products and services on the largest, highest-capacity, lowest-marginal cost network in America.

AT&T expects this plan to provide $50 billion+ of financial capacity over the next three years, largely through organic growth. Financial capacity represents anticipated free cash flow after distributions to noncontrolling interests, plus expected cash payments from the announced agreement to sell AT&T's stake in DIRECTV, LLC to TPG Inc., as well as net borrowing capacity after AT&T achieves its net leverage target. AT&T continues to expect to achieve its net leverage target of net-debt-to-adjusted EBITDA in the 2.5x range in the first half of 2025 and maintain leverage within this range through 2027.

AT&T expects to return $40 billion+ of this financial capacity to shareholders through dividends and share repurchases. Under this capital return plan, AT&T expects to maintain its current annualized common stock dividend of $1.11 per share. This plan would result in $20 billion+ in total dividend payments, with capacity for about $20 billion in share repurchases, from 2025-2027. Under this plan, AT&T also expects approximately $10 billion in incremental financial flexibility for items such as potential organic or inorganic strategic growth investments, debt repayment, redemptions of noncontrolling interests, or additional dividends or share repurchases. Of the $20 billion share repurchase capacity, AT&T's Board has authorized an initial tranche of approximately $10 billion in common stock repurchases. Management expects share repurchases under this authorization to commence when AT&T reaches its net leverage target range and expects to conclude by the end of 2026. Additionally, AT&T expects approximately $10 billion of share repurchases in 2027, pending Board authorization.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

BeiGene, Ltd. (BeiGene) – announced that the European Commission has approved BeiGene's TEVIMBRA® (tislelizumab) in combination with chemotherapy for the first-line treatment of advanced esophageal squamous cell carcinoma (ESCC) and gastric or gastroesophageal junction (G/GEJ) cancer. The approval is based on the results of two Phase 3 studies, RATIONALE-305 and RATIONALE-306, which showed a significant overall survival benefit for patients treated with TEVIMBRA. In ESCC, the treatment showed a 34% reduction in the risk of death compared to chemotherapy alone. TEVIMBRA has already been used by over 1.3 million patients globally.

Iovance Biotherapeutics, Inc. (Iovance) – announced the promotion of Raj Puri, M.D., Ph.D., to the newly created role of Chief Regulatory Officer. Dr. Puri joined the company in March 2022 as Executive Vice President of Regulatory Strategy and Translational Medicine. He played a key role in obtaining regulatory approval for Amtagvi™ in the U.S. and advancing submissions in multiple countries. Prior to joining Iovance, Dr. Puri had a distinguished 33-year career at the US Food and Drug Administration (FDA), where he led research and regulatory efforts in cell and gene therapies, cancer vaccines, and cellular immunotherapy.

Olema Pharmaceuticals, Inc. (Olema) – has announced a clinical trial collaboration and supply agreement with Novartis to support its pivotal Phase 3 OPERA-02 trial, which will evaluate palazestrant in combination with ribociclib for frontline Estrogen Receptor Positive / Human Epidermal Growth Factor Receptor 2 Negativ (ER+/HER2)-metastatic breast cancer. The trial, expected to begin in mid-2025, will involve approximately 1,000 patients. Additionally, Olema has secured $250 million in an equity private placement with investors including Adage Capital Partners and Bain Capital Life Sciences. This funding will support the OPERA-02 trial, along with other key initiatives, including the OPERA-01 Phase 3 trial and Phase 1/2 studies of OP-3136.

RadNet Inc.'s (RadNet) – DeepHealth subsidiary has received expanded FDA 510(k) clearance for its SmartMammo™ solution, allowing its AI algorithm, SmartMammo Dx, to be compatible with GE HealthCare's Senographe Pristina™ (GE HealthCare) mammography systems. The collaboration between DeepHealth and GE HealthCare aims to improve diagnostic accuracy, efficiency, and patient care by integrating AI into radiology workflows.

NUCLEAR ENERGY

ČEZ Group (ČEZ) – announced that the European Investment Bank (EIB) is providing a €400 million loan to Czech energy utility ČEZ to upgrade and expand the country's electricity distribution grid. The loan will support the integration of renewable energy sources, such as solar and wind, by modernizing the power network to absorb up to 5.5 gigawatts (GW) of new renewables. This investment aims to improve energy reliability, increase energy independence, and align with the European Union (EU)'s REPowerEU initiative to reduce reliance on Russian fossil fuels. The upgrade project is expected to be completed by 2026.

Cameco Corporation (Cameco) – Canada's uranium miners are boosting production and U.S. supply contracts after Russia restricted uranium exports, but they face concerns over potential 25% tariffs proposed by U.S. President-elect Donald Trump. These tariffs could raise prices unless uranium is exempted, as the U.S. relies heavily on Canadian imports for nuclear power. Russia's export curbs have driven uranium prices higher, while U.S. suppliers face challenges meeting demand. Canadian companies like Cameco and NexGen Inc. see this as an opportunity to strengthen their role as key suppliers. They stress the importance of Western-controlled uranium supplies to reduce dependence on Russia and meet increasing U.S. electricity needs.

Constellation Energy Corporation (Constellation) – has asked regulators to establish new rules for directly connecting customers like data centers to power plants. In a complaint to the Federal Energy Regulatory Commission (FERC), Constellation argued that unclear guidelines have allowed utilities to unfairly block or delay co-location projects, such as its data center initiative at the Limerick site in Pennsylvania. Co-location enables data centers to access electricity directly from plants, bypassing lengthy grid connection delays. This approach has attracted interest from tech companies expanding into artificial intelligence but faced criticism for potentially risking grid reliability and raising consumer power costs. Constellation claimed utilities, including Exelon Corporation (Exelon), have blocked projects or imposed demands such as requiring the use of their transmission services, causing significant delays and costs. FERC recently rejected a co-location project at another Pennsylvania nuclear plant, citing reliability and cost concerns. Constellation warned that delays could hinder U.S. technological advancements in AI and threaten national security. Utilities like Exelon defended their actions, advocating for fair and reliable energy policies while supporting innovation and national security goals.

ECONOMIC CONDITIONS

Australian Consumer Price Index (CPI) - Australian CPI inflation came in slightly below consensus and remained unchanged at 2.1% y/y in October (consensus: 2.3%, September: 2.1%). Once again, state/federal energy rebates had an outsized impact on the CPI while the fall in fuel prices also helped to drive headline inflation lower. Looking at other measures to gauge underlying inflation, trimmed mean inflation re-accelerated to 3.5% y/y (September: 3.2%), with a similar pattern observed in the services CPI which jumped to 4.8% y/y (September: 4.4%). New dwellings and rents inflation (even after the Canada Revenue Agency (CRA) subsidy) continue to stay sticky which are proving to be formidable obstacles in the Reserve Bank of Australia's pursuit of returning inflation back to target sustainably. Overall, the details of the October CPI report (e.g., elevated underlying price pressures, temporary distortions from rebates) suggest that the Reserve Bank of Australia will find it difficult to justify an earlier rate cut and the first Reserve Bank of Australia cut is only likely in August 2025.

US Personal Income and Savings - Personal income growth surged by a better-than-expected 0.6% in October with disposable personal incomes jumping a sizzling 0.7%. In inflation-adjusted terms, real disposable personal income growth, personal income excluding current taxes, grew 0.4%, breaking a four-month string of almost zero gains. Incomes were driven by solid increases in compensation, receipts on assets, and current transfers and were good enough to push the personal savings rate back up to 4.4% from 4.1% in September. The rebound in real income growth in October means consumers still have enough gas in the tank to pull off a decent holiday shopping season this year. Personal spending growth was in-line with our forecast, rising 0.4% in October from an upwardly revised 0.6% in September. In inflation-adjusted terms, however, spending was up a more modest 0.1% and the details on spending were mixed. Real goods spending growth was nearly unchanged with a 0.3% increase in durable goods spending and 0.2% decline in nondurable spending, while real spending on services increased 0.2%. Spending on health care and housing drove the gain on the services side. The drop in gasoline and energy prices propelled the drop in nondurable goods spending.

Canadian Foreign Direct Investment - Canada just notched up a second consecutive quarter of net foreign direct investment inflows—the first back-to-back pluses in a decade. Inflows into Canada were well above average at a solid CAD$23 billion in Q3, while outflows were the lowest in a decade at just above $9 billion (a typical quarter sees more than $20 billion of investment abroad). Combined, the net $14 billion Foreign Direct Investment (FDI) inflow was one of the largest on record. In tandem with a smaller than expected current account deficit for the same quarter (just $3.2 billion), and that's a double dose of decent news on the nation's balance of payments front. However, before getting too positive, note that both are still firmly in the red on a rolling average. The current account gap was $10 billion in the past four quarters (a modest 0.3% of Gross Domestic Product (GDP), while the FDI outflow was $35 billion.

Canadian GDP - Statistics Canada released its GDP estimate for Q3 2024. The economy expanded at an annualized rate of 1.0%, one tick lower than the consensus estimate calling for a 1.1% increase. The previous quarter's result, meanwhile, was revised up from 2.1% to 2.2%. Domestic demand was up in Q3 (+2.4%), as household consumption (+3.5%), government consumption (+4.5%), government investments (+6.5%) and residential investments (+3.0%) posted increases. Business investment (-3.6%), meanwhile, posted a decline in the month. Trade had a negative impact on GDP, as exports (-1.1%) registered a larger decrease than imports (-0.4%). Inventory investment was lower compared to second quarter (Q2) resulting in a negative contribution to GDP. Nominal GDP grew 3.4% on an annualized basis following a 6.7% increase in the second quarter of 2024. Also in nominal terms, disposable income surged an annualized 9.4% following a 10.3% jump in Q2. Consumption, meanwhile, rose 3.5% annualized. As a result, the savings rate rose from 6.2% to 7.1%, remaining above its pre-pandemic level (2.8%). Industry data showed that output was up +0.1% in September, two ticks below consensus expectations. Goods (-0.3%) were down in the month, while services (+0.2%) posted a slight increase. Statistics Canada also released an advance estimate for October showing the growth may have edged up in the month (+0.1%).

FINANCIAL CONDITIONS

Reserve Bank of New Zealand – The Reserve Bank of New Zealand policy decision, as widely expected, cut the cash rate again by 50bps, bringing the Official Cash Rate to 4.25% (consensus: 4.25%). The Reserve Bank of New Zealand now sees more front-loading of rate cuts in 2025 though their expectation of terminal rate remained unchanged at 3% judging by the Official Cash Rate track. In the statement, the Committee signaled that it plans to reduce the Official Cash Rate further early next year. Initial market reaction to the decision drove the New Zealand Dollar higher by ~0.7% while New Zealand bond yields jumped. We reckon the price action was more reflective of a short squeeze given the onshore chatters of a possibility of a 75 basis points (bps) cut today as the February 2025 meeting is some time away. We will watch the Reserve Bank of New Zealand Orr's press conference later for his views on the speed of rate cuts in 2025 as we reckon there should be greater urgency to lower the Official Cash Rate quickly to neutral. We expect 25bps cuts at every meeting next year and see the Reserve Bank of New Zealand bringing the Official Cash Rate to 3% instead of the gradual cuts seen in the Official Cash Rate track for 2025.

The U.S. 2 year/10 year treasury spread is now 0.02% and the U.K.'s 2 year/10 year treasury spread is 0.02%. 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 is usually an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate has increased to 6.81%. Existing U.S. housing inventory is at 4.2 months supply of existing houses as of Nov 21, 2024 - well off its peak during the Great Recession of 11.1 months and we consider a more normal range of 4-7 months.

The VIX (volatility index) is 13.67 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

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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, 'GAAP' Generally Accepted Accounting Principles, '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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