

VPI Canadian Equity Pool Ranked No. 1 by Morningstar Canada

Fund Has Top Ranking Over 1, 3 & 5 Years

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By Geoff Kirbyson

YOU don't need a big Bay Street office to be the best money manager around.

Morningstar Canada has ranked the VPI Canadian Equity Pool, which is managed by Winnipeg-based Value Partners Investments, as the top mutual fund in its class over the last five years.

The Toronto investment research house gave the pool, which has \$812 million in assets, a year-end ranking of No. 1 out of more than 130 competitors in the Canadian equity fund category. The pool posted a 84.7 per cent cumulative return over the previous 60 months, significantly outpacing the S&P/TSX composite index, which recorded a 51.7 per cent cumulative return recorded over the same period.

For Gregg Filmon, president of Value Partners, the third-party recognition demonstrates that the company's strict investment discipline is paying off.

"You don't have to be a \$100-billion investment firm to do a great job investing money for clients," he said. "Over the last 12 years, we've simply

continued to acquire shares in a select few dividend-paying businesses when their price was attractive. Being a smaller firm makes it easier to concentrate our investments in the best opportunities."

The pool also had the top spot over one year and three years and was ranked No. 7 over 10 years.

Value Partners has more than \$2.4 billion in assets under management. Considering it's a fraction of the size of so many of its competitors, perhaps it's fitting that VPI prides itself on playing small ball.

"We're not swinging for the fences and trying to hit home runs. We're not doing anything to put our clients' hard-earned money at risk and we haven't overpaid for the companies in our portfolio. We're also stockpiling cash for a rainy day, which makes the results more impressive," Filmon said.

VPI has had funds earn Morningstar Canada's top ranking of five stars and post top-quartile performance in the past, but this is the first time it has had a No. 1 year-end ranking over a meaningful period of time. Filmon is particularly proud of his investment research team because

Canadian equity is arguably the most competitive environment in Canada's mutual fund industry.

"Canadian equity is where all the banks and other mutual fund giants are. We had the best performance and we did it by taking less risk. I know it's hard to believe, but you don't find the best investment firms on roadside billboards," he said.

The VPI Canadian Equity Pool is managed by industry veteran David Atkins.

Since the fund's inception 12 years ago, its clients have made investments gains of more than \$360 million. For most of them, that represents a return of between 50 and 100 per cent.

"It's the outcome of our process. We show up to work every day and try to identify some really good businesses that are trading for less than they're worth and we grow with them," he said.

The VPI Canadian Equity Pool has investments in such well-known companies as the Royal Bank of Canada, the Bank of Nova Scotia, Husky Energy, railway Union Pacific Corp. and automobile parts manufacturer Magna International.

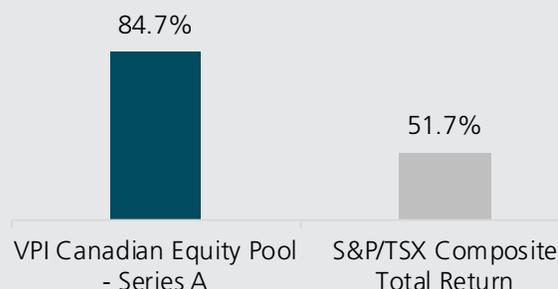
gkirbyson@vpinvestments.ca

VPI Canadian Equity Pool: By the Numbers

	1 Year	3 Year	5 Year
Return - Series F	11.0%	9.0%	13.2%
+/- S&P/TSX Total Return	1.9%	2.5%	4.6%
Rank in category	1	1	1
No. of funds in category	241	190	139

Source: Morningstar. As of December 29, 2017. Currency is displayed in CDN\$.

5 Year Absolute (Cumulative) Performance



Source: S&P Capital IQ, Value Partners Investments Inc., Morningstar. Absolute (cumulative) performance ending December 31, 2017.

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