



APRIL 2020 MONTHLY REPORT

MAY 11, 2020

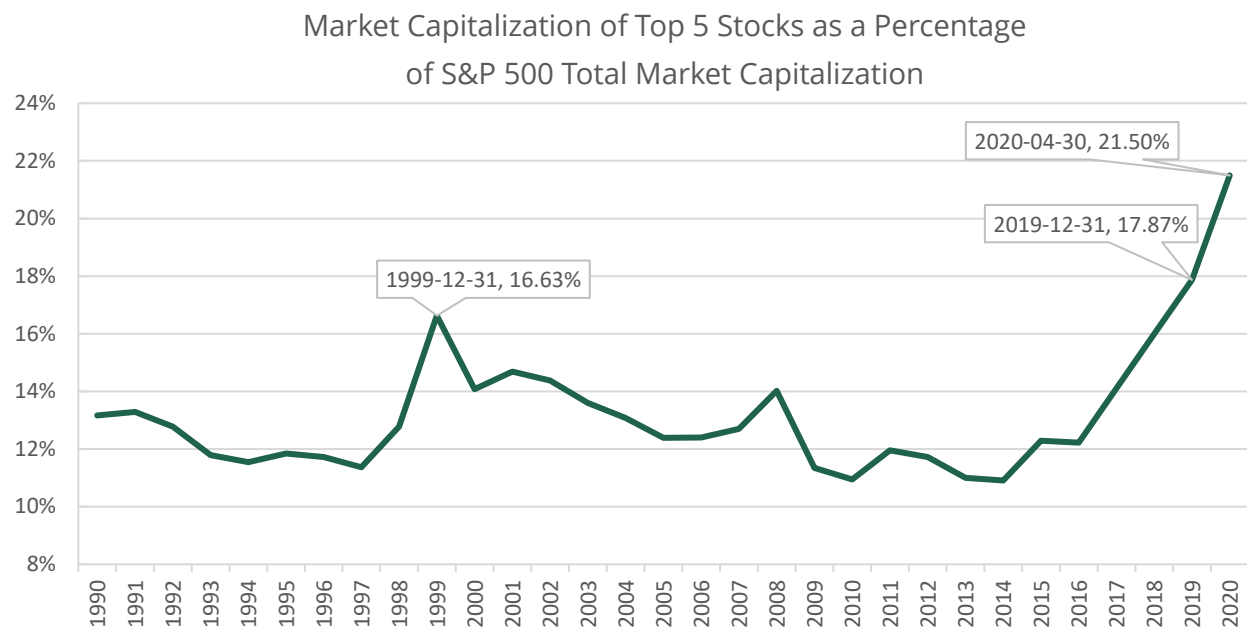
Market and Fund Performance Update

Following a brutal sell-off in March due to the COVID-19 pandemic, U.S. equities rallied strongly in April. The gain for the S&P 500 marked the index's best month since 1987 and its best April since 1938. Despite bleak economic data highlighting a deep recession and likely slow return to growth, the stock markets cheered the unprecedented stimulus combined with curve-flattening statistics and hopeful progress for a coronavirus treatment.

MARKET INCREASINGLY DRIVEN BY MEGACAPS

While the market rally from the March 23rd low has been broad, a handful of mammoth companies continue to drive the S&P 500 returns higher. We have made this point on several occasions over the past year, but it bears repeating especially as the megacap phenomenon continues and is now at an epic proportion.

The five largest stocks dominate U.S. equity markets to a greater extent than at the peak of the tech bubble in the late nineties, and according to Bloomberg data, the S&P 500 is more concentrated than at any time in the past 40 years. As of April 30th, the five largest companies in the S&P 500—Microsoft, Apple, Amazon, Alphabet (Google), and Facebook—have grown to account for nearly 22% of the index's market capitalization.



Such a narrowly focused market is fragile and inherently unhealthy. We expect volatility to remain elevated under the current unparalleled market conditions and amid the vast amount of uncertainty brought about by the once-in-a-century pandemic.

We are staying the course, which means continuing to focus on individual stock analysis that adheres diligently to our “growth at a reasonable price” investment philosophy and aims to thoroughly understand the businesses in which the Funds are invested. Stock selection is ever more paramount during these challenging times.

MORNINGSTAR'S 10 TOP SUSTAINABLE MUTUAL FUNDS IN CANADA

As we focus on achieving superior, long-term returns on our equity funds based on our “growth at a reasonable price” philosophy, being fossil-fuel free is a core element of our approach to investing. We are pleased that on April 20th, Morningstar named both North Growth’s U.S. and Canadian equity portfolios in its “10 top sustainable mutual funds” ranking. The report may be accessed at:

<https://www.morningstar.ca/ca/news/201554/10-top-sustainable-mutual-funds-in-canada.aspx>

U.S. EQUITY FUND

In April, the North Growth U.S. Equity Fund gained 14.5%. With the exception of the NASDAQ Composite which appreciated 15.5%, the Fund outperformed all the indices we normally track: the S&P 500 which advanced 12.8%, and the smaller capitalization S&P 400 MidCap and S&P 600 SmallCap indices which were up 14.2% and 12.7% respectively. As the Canadian currency strengthened last month against its U.S. counterpart, in Canadian dollars, the Fund gained 12.3% versus the S&P 500 which increased 10.6%.

CANADIAN EQUITY FUND, SERIES N

The North Growth Canadian Equity Fund, Series N, appreciated 14.4% in April whereas the S&P/TSX Composite gained 10.8%. Year-to-date, the Canadian Fund, Series N, is down -7.6% versus the S&P/TSX Composite’s negative return of -12.4%.

North Growth U.S. Equity Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED APRIL 30, 2020

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Fund \$CDN	12.30	-2.70	1.52	-3.00
S&P 500 in \$CDN	10.62	-4.61	2.36	-2.85
North Growth U.S. Equity Fund \$U.S.	14.53	-7.44	-3.95	-9.43
S&P 500 \$U.S.	12.82	-9.26	-3.16	-9.29
S&P 400 MidCap \$U.S.	14.18	-17.58	-15.02	-19.73
S&P 600 SmallCap \$U.S.	12.70	-20.94	-19.42	-24.08
NASDAQ Composite \$U.S.	15.49	-2.55	7.84	-0.57

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED APRIL 30, 2020

	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	Since Inception
North Growth U.S. Equity Fund \$CDN	2.87	8.18	10.42	13.37	9.08	9.78	12.45
S&P 500 \$CDN	4.52	9.70	12.28	15.26	9.31	5.26	9.99
North Growth U.S. Equity Fund \$U.S.	-0.74	7.53	7.32	9.86	8.35	10.12	11.99
S&P 500 \$U.S.	0.86	9.04	9.12	11.69	8.59	5.58	9.55
S&P 400 MidCap \$U.S.	-14.94	-0.03	3.58	8.86	8.20	7.84	10.90
S&P 600 SmallCap \$U.S.	-19.60	-1.79	3.37	8.74	7.78	8.08	10.15
NASDAQ Composite \$U.S.	11.06	14.95	13.80	15.10	12.01	5.31	*10.44

Source: Bloomberg "Total Return Analysis" as of May 1, 2020

* This return is a simple price appreciation because total return data is not available on Bloomberg.

The inception of the Fund: October 13, 1992.

Unit Price	\$ 47.57 CDN \$ 34.20 US
Total Assets in Fund	\$ 528.7 Million CDN

North Growth Canadian Equity Fund, Series N

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED APRIL 30, 2020

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund, Series N	14.35	-12.39	-0.54	-7.55
S&P / TSX \$CDN	10.79	-13.86	-8.80	-12.36

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED APRIL 30, 2020

	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	*Since Prospectus
North Growth Canadian Equity Fund, Series N*	10.10	2.90	5.58	8.87	4.36	9.35
S&P / TSX \$CDN	-7.91	0.46	1.34	4.57	2.49	6.40

* The Canadian Equity Fund became a reporting issuer on June 15, 2012. It is not permitted to publish performance data prior to this date it became a reporting issuer.

Unit Price \$ 20.16 CDN

Total Assets in Fund \$ 41.8 Million CDN

North Growth Canadian Money Market Fund

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED APRIL 30, 2020

	*Current Yield	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs
North Growth Canadian Money Market Fund	0.98	1.57	1.35	1.01	0.91	1.47
30 Day Treasury Bill	N/A	1.64	1.31	0.98	0.92	1.47

** The Current Yield for the Money Market Fund is the average of the annualized daily yield for the most recent seven day period. This measure is no longer available for the 30-day T-Bill Index.*

We take a very simple approach to managing the North Growth Canadian Money Market Fund. We invest in a portfolio of high quality short term bonds. The average maturity of the portfolio is most often less than 30 days. Historically the Fund has generated very competitive yields with this simple approach because the management fee is, and always has been, 0.25%.

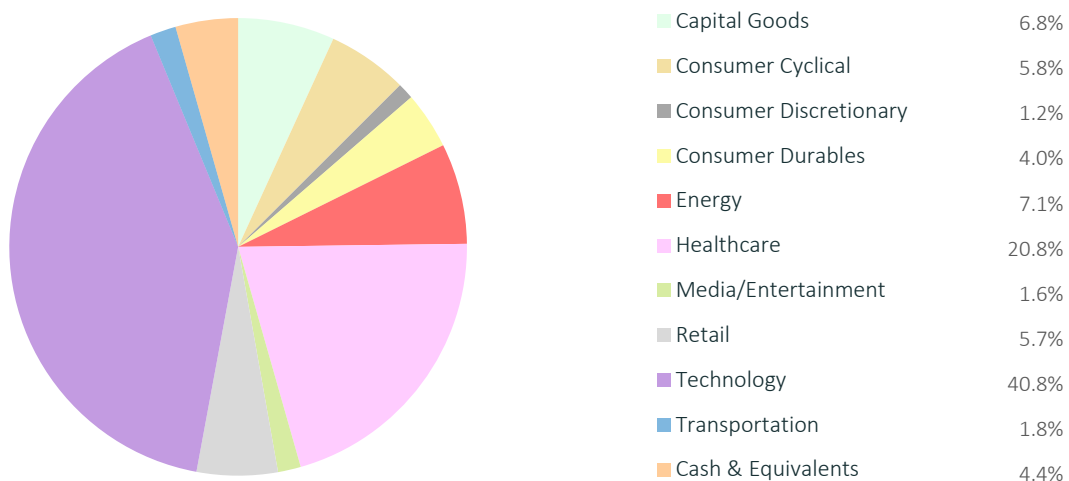
We manage the portfolio to ensure high liquidity and have no intention to extend maturities in order to chase a few basis points. We believe our money market fund has superior liquidity characteristics due to its very low average maturity.

Equity Fund Holdings and Composition

U.S. EQUITY FUND — TOP 10 HOLDINGS AS AT APRIL 30, 2020

Ranking	Security	% of Net Assets
1	Ciena Corp.	5.71
2	SolarEdge Technologies Inc.	4.10
3	Intel Corporation	3.92
4	Cisco Systems Inc.	3.73
5	Applied Materials Inc.	3.38
6	Bristol-Myers Squibb Company	3.05
7	First Solar Inc.	3.01
8	Amgen Inc.	3.01
9	II-VI Inc.	2.86
10	Jabil Inc	2.84
Top 10		35.61
Total Equities		95.58
Cash		4.42
Total Assets		100.00

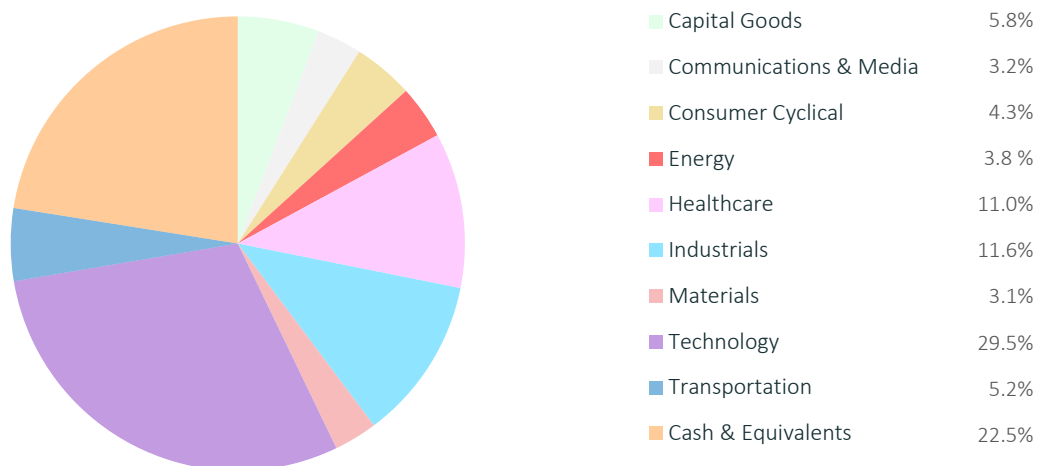
U.S. EQUITY FUND — SECTOR MIX AS AT APRIL 30, 2020



CANADIAN EQUITY FUND — TOP 10 HOLDINGS AS AT APRIL 30, 2020

Ranking	Security	% of Net Assets
1	Ballard Power Systems Inc.	9.38
2	Open Text Corporation	6.39
3	Zymeworks Inc	5.98
4	ATS Automation Tooling Systems Inc.	5.80
5	CAE Inc.	4.93
6	Aritzia Inc	4.28
7	Heroux-Devtek Inc.	4.09
8	Innergex Renewable Energy Inc	3.82
9	Sierra Wireless Inc.	3.56
10	TFI International Inc	3.23
Top 10		51.46
Total Equities		77.51
Cash		22.49
Total Assets		100.00

CANADIAN EQUITY FUND — SECTOR MIX AS AT APRIL 30, 2020



Investing with Us

INVESTING WITH NORTH GROWTH MANAGEMENT:

North Growth Management is a focused firm. Our objective is consistent, superior, long term returns on our equity funds based on our “Growth at a Reasonable Price” investment philosophy.

CONDUCTING TRANSACTIONS

The cut-off time for same-day transactions is one hour before the applicable markets close, normally 3 p.m. Eastern Time or 12 p.m. (noon) Pacific Time. Please note that U.S. markets close early on the day before Independence Day and on the Friday after U.S. Thanksgiving and both U.S. and Canadian markets close early on Christmas Eve. The cut-off time on those days is 12 p.m. (noon) Eastern Time or 9 a.m. Pacific Time. Orders received after the cut-off time will be processed on the next business day.

Our office is temporarily closed to help slow the spread of COVID-19. The North Growth team is working remotely.

For the time being, we ask that clients transact via wire instructions or electronic payments to ensure timeliness in processing transactions.

North Growth Management Ltd.

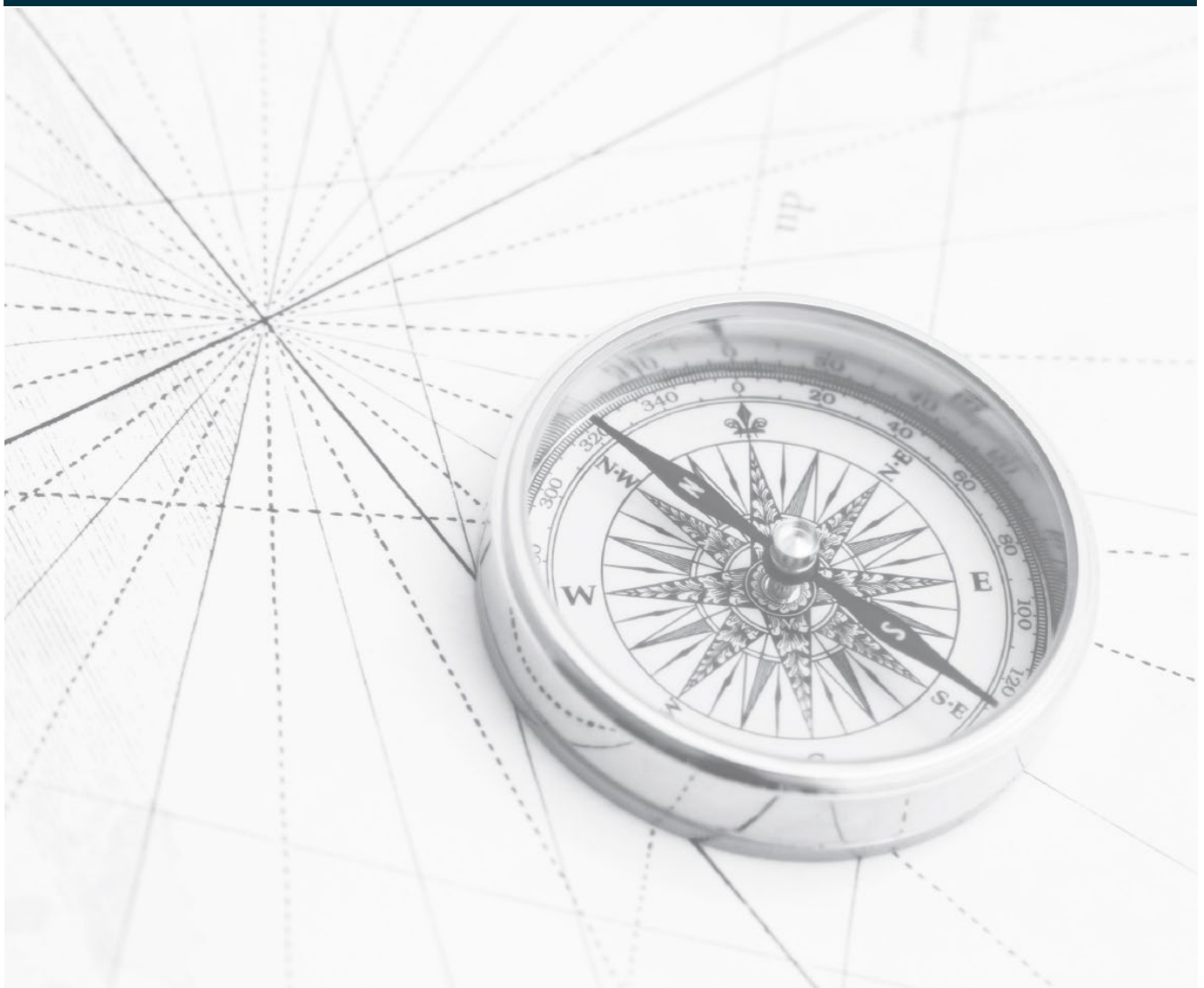
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WHERE TO FIND NGM FUND PRICES

Please visit www.northgrowth.com to view the Fund’s daily prices or to be added to our e-mail list to receive daily notification of the Fund’s prices.



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