



NORTH GROWTH
MANAGEMENT



JULY 2023 MONTHLY REPORT

AUGUST 2, 2023

Market and Fund Performance Update

Equities continued to advance in July as market sentiment has swung from extreme negativity and skepticism since the beginning of the year to increasing bullishness. Amid mounting economic data that suggests inflation is easing while business activity, consumer confidence, and employment remain resilient, a positive narrative for stocks has emerged.

FADING RECESSION FEARS

With the Federal Reserve near the end of its trajectory of interest rate hikes, the prospect of a “soft landing” has improved. Inflation is cooling and economic growth is holding up. This so-called Goldilocks scenario is the underpinning of the rising tide in stocks last month.

In July, the 2023 equity advance expanded to include even speculative assets. The currency market saw a broad risk-on move as traders sold the U.S. dollar, a long-favoured haven, and sought higher returns from virtually every other currency including the euro and Mexican peso. A Goldman Sachs Group Inc. basket of unprofitable technology firms rallied the most since January and money managers cut their short positions while deploying cash to stocks.

Despite the drastic improvement in market sentiment, the list of concerns continues to be long. Bankruptcy filings have ramped up as companies faced spiking interest costs over the past year. Additionally, while perhaps delayed, the threat of a recession nonetheless lingers as the yield curve remains firmly inverted. An inverted yield curve, one in which the 10-year Treasury yield trades lower than that of the 2-year, has historically been a reliable predictor of every recession over the past 50 years even though the downturn has not been immediate.

OUR VIEW

Markets have climbed a wall of worry so far in 2023, and whether that continues is anyone’s guess. We do not make macro-driven investment decisions. Based on company fundamentals, we are encouraged by the availability of attractive equity investment opportunities. Accordingly, we continue to adjust the weightings of portfolio constituents and upgrade the quality of portfolio holdings as market conditions permit.

As always, we believe stock selection is the key to outperformance, and we remain focused on the analysis of individual stocks that adhere to our long term “Growth at a Reasonable Price” investment philosophy.

U.S. EQUITY ADVISOR FUND, SERIES F

In July, the North Growth U.S. Equity Advisor Fund, Series F appreciated 2.9% in US Dollars. The Fund underperformed the indices we normally follow: the S&P 500 which gained 3.2%, the S&P MidCap and S&P 600 SmallCap which advanced 4.1% and 5.5% respectively, as well as the NASDAQ Composite which was up 4.1%. A stronger Canadian currency against its U.S. counterpart lowered the Fund's monthly return to 2.4% in Canadian dollars versus the S&P 500's 2.7% Canadian-dollar July return.

CANADIAN EQUITY FUND, SERIES F

Smashing expectations in July, Canadian jobs data reinforced the notion that May's job loss was merely a blip in the long-term trend. With fears of a recession abating and a "soft landing" coming into focus again, the Bank of Canada raised rates by another 25 basis points or 0.25%. The S&P/TSX Composite continued its streak of strong performance with a 2.6% return for July, driven primarily by strength in commodities. Expectations for both a production cut for oil by OPEC+ and increased demand in an expansionary economy provided tailwinds to the energy and materials sectors. The North Growth Canadian Equity Fund, Series F, underperformed the index with a loss of -1.5%.

North Growth U.S. Equity Advisor Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED JULY 31, 2023

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Advisor Fund \$CDN (Series F)	2.36	8.03	7.18	16.93
North Growth U.S. Equity Advisor Fund \$CDN (Series D)	2.33	7.95	7.11	16.84
S&P 500 in \$CDN	2.72	7.25	12.05	17.38
North Growth U.S. Equity Advisor Fund \$U.S. (Series F)	2.85	11.32	8.58	20.19
North Growth U.S. Equity Advisor Fund \$U.S. (Series D)	2.82	11.23	8.52	20.09
S&P 500 \$U.S.	3.21	10.51	13.52	20.65

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED JULY 31, 2023

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
NGM U.S. Equity Advisor Fund \$CDN (Series F)	15.29	9.57	9.99	13.53	13.47
NGM U.S. Equity Advisor Fund \$CDN (Series D)	14.96	9.25	9.66	13.15	13.04
S&P 500 \$CDN	16.13	13.07	12.47	15.50	15.14
NGM U.S. Equity Advisor Fund \$U.S. (Series F)	12.20	10.20	9.72	10.74	11.62
NGM U.S. Equity Advisor Fund \$U.S. (Series D)	11.88	9.87	9.39	10.37	11.21
S&P 500 \$U.S.	13.02	13.72	12.20	12.66	13.27

Source: Bloomberg "Total Return Analysis" as of July 31, 2023

*Date of inception: October 23, 2009.

North Growth Canadian Equity Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED JULY 31, 2023

	1 Month	3 Months	6 Months	YTD
NGM Canadian Equity Fund Series F	-1.50	0.85	-2.44	5.91
NGM Canadian Equity Fund Series D	-1.53	0.77	-2.58	5.72
Benchmark**	2.58	0.78	0.95	8.43

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED JULY 31, 2023

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
NGM Canadian Equity Fund Series F	8.66	12.66	10.10	10.14	12.18
NGM Canadian Equity Fund Series D	8.33	12.32	9.77	9.77	11.56
Benchmark**	8.23	11.73	7.92	8.37	8.61

Source: Bloomberg "Total Return Analysis" as of July 31, 2023

* The Benchmark Since Inception return is calculated from the Series F Date of Inception, June 15, 2012. The Series D Date of Inception is June 29, 2012

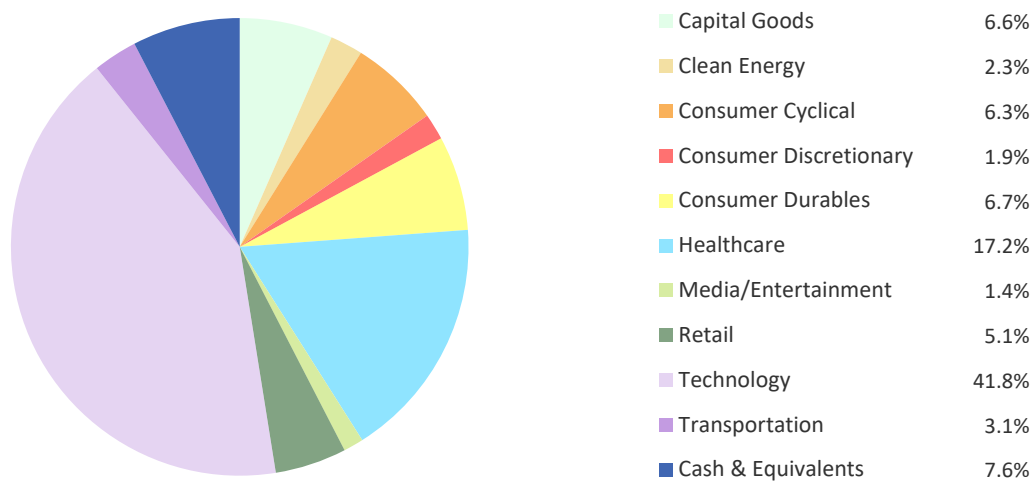
** Benchmark = S&P/TSX Composite Index

Equity Fund Holdings and Composition

U.S. EQUITY ADVISOR FUND — TOP 10 HOLDINGS AS AT JULY 31, 2023

Ranking	Security	% of Net Assets
1	Jabil Inc.	7.77
2	Applied Materials Inc.	4.70
3	Ciena Corp	4.24
4	InMode Ltd.	3.13
5	Motorola Solutions Inc.	3.09
6	Horizon Therapeutics, plc.	3.09
7	HP Inc.	2.98
8	Qualcomm Inc.	2.97
9	Coherent Corp.	2.85
10	Nvidia Corp.	2.51
Top 10		37.33
Total Equities		92.39
Cash		7.61
Total Assets		100.00

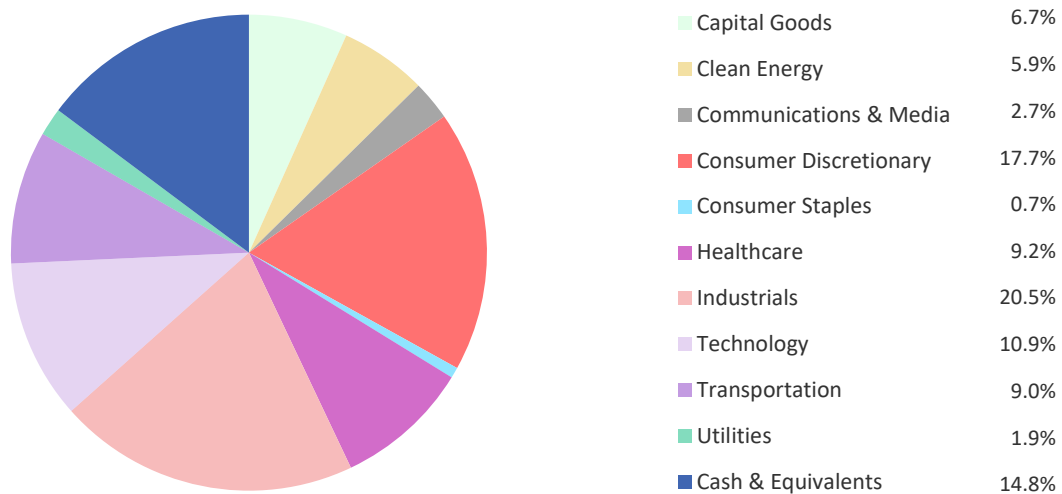
U.S. EQUITY ADVISOR FUND — SECTOR MIX AS AT JULY 31, 2023



CANADIAN EQUITY FUND — TOP 10 HOLDINGS AS AT JULY 31, 2023

Ranking	Security	% of Net Assets
1	TFI International Inc.	7.27
2	ATS Corporation	6.71
3	Leon's Furniture Ltd.	6.22
4	Calian Group Ltd.	5.99
5	Bombardier Inc., Class B	5.56
6	CAE Inc.	4.84
7	Heroux-Devtek Inc.	4.07
8	Open Text Corporation	3.91
9	Canadian Solar Inc.	3.36
10	Restaurant Brands International	2.95
Top 10		50.88
Total Equities		85.21
Cash		14.79
Total Assets		100.00

CANADIAN EQUITY FUND — SECTOR MIX AS AT JULY 31, 2023



Investing with Us

INVESTING WITH NORTH GROWTH MANAGEMENT:

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

FUND CODES

Canadian Equity Fund (only Canadian dollar investments)	Series D reference Fund Code NGM 272 Series F reference Fund Code NGM 270
U.S. Equity Advisor Fund (for investments in Canadian dollars)	Series D reference Fund Code NGM 372 Series F reference Fund Code NGM 370
U.S. Equity Advisor Fund (for investments in U.S. dollars)	Series D reference Fund Code NGM 373 Series F reference Fund Code NGM 371

For any questions contact:

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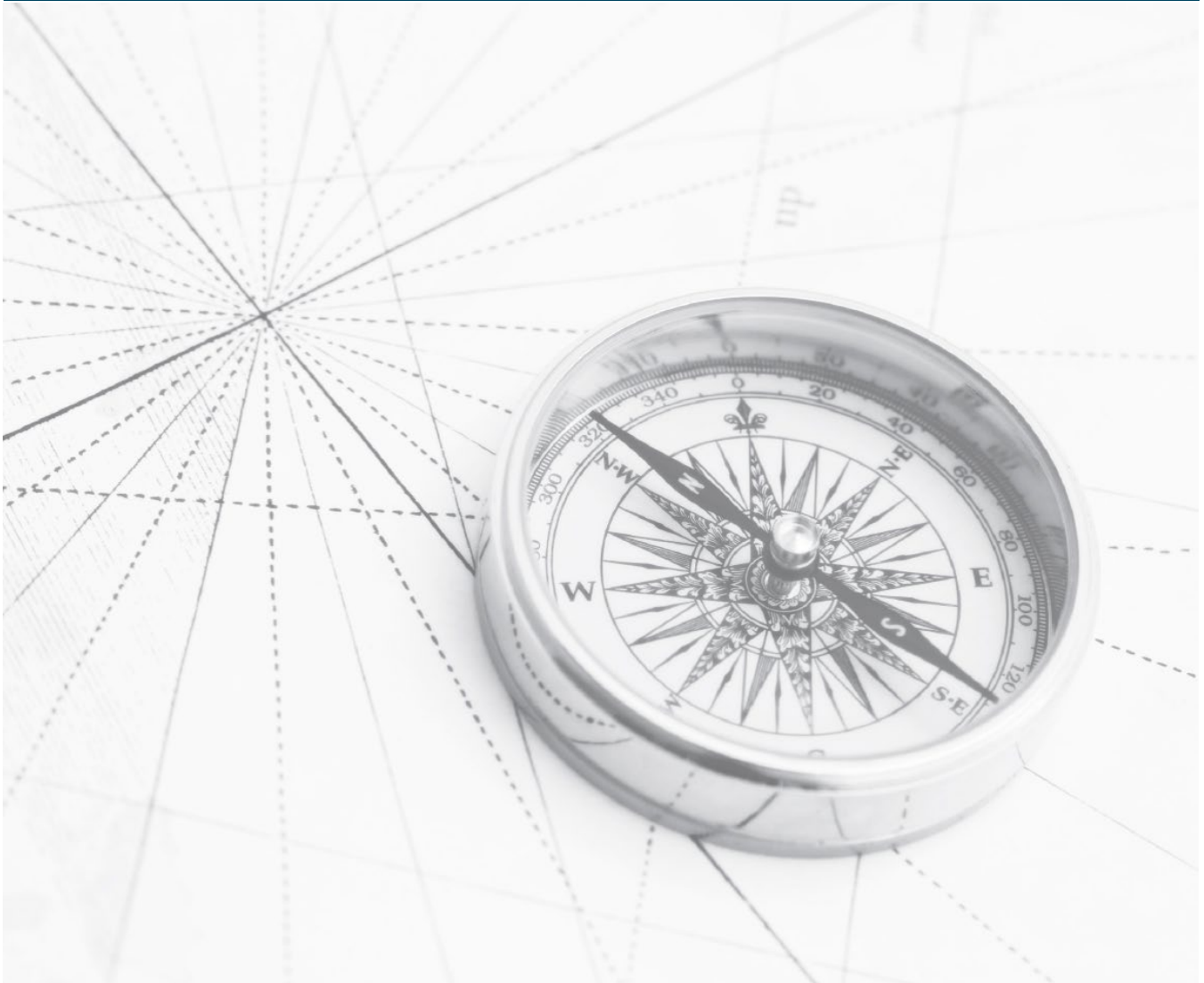
A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements are inherently subject to risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in tax laws, unexpected judicial or regulatory proceedings and catastrophic events. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements. Any forward-looking information contained in this report is current only as of the date of this report.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.



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