



NORTH GROWTH
MANAGEMENT



MARCH 2023 MONTHLY REPORT

APRIL 8, 2023

Market and Fund Performance Update

March was a tumultuous month for equities. The multiple failures of Silicon Valley Bank, Credit Suisse, and Signature Bank, among others have lifted the odds of an imminent recession and reverberated echoes of the 2008 financial crisis. While the swift response from regulators has propelled hopes that the fallout from the banking shocks will be contained, the stock market continues to face increasing uncertainty as investors seem stuck in a “wait and see” mode.

FLIGHT TO “SAFETY”

How the current bank stresses will affect the path of the economy and monetary policy remains unknown. During most of March, money rotated out of financial shares and into those equities perceived as safe, namely technology mega-caps. Moreover, small- and mid-cap stocks sold down heavily in the risk-averse market mood as the cumulative advance-decline ratio of the New York Stock Exchange plunged before recovering slightly to end the month.

Once again, the S&P 500 became highly concentrated—except that instead of FAANG (Facebook, Apple, Amazon, Netflix and Google), the U.S. market was dominated by just two stocks last month, Apple and Microsoft. The combined weighting of Apple and Microsoft in the S&P 500 rose to 13.3% while the influence of the other large-cap technology names waned by comparison. According to S&P Dow Jones Indices, not since International Business Machines Corp. (IBM) and AT&T in 1978 have two stocks made up a greater share of the S&P 500 index.

Generally, money has flowed into large-cap tech shares to hide out from the banking crisis. Concurrently, the market appears to harbour expectations that the Fed may pivot to pausing or even lowering interest rates despite repeated communication of a higher-for-longer monetary policy. Amid the heightened uncertainty and confusion, daily sentiment swings for equities remain commonplace.

ADHERING TO GROWTH AT A REASONABLE PRICE

Continued market volatility may provide trading opportunities whereby the weightings of our portfolio constituents may be adjusted based on company fundamentals and equity valuations. As always, however, we remain steadfast in our disciplined, long-term investment approach. We are staying focused on researching and investing in companies that meet our “Growth at a Reasonable Price” criteria. We aim to thoroughly understand the businesses in which the Funds are invested; this is the primary reason the North Growth equity portfolios have no direct exposure to financial institutions. We continue to believe that stock selection is the key to long-term success.

U.S. EQUITY ADVISOR FUND, SERIES F

In March, the North Growth U.S. Equity Advisor Fund, Series F, appreciated 0.8%. The Fund underperformed the S&P 500 which gained 3.7% as well as the NASDAQ Composite which was up 6.8%. The Fund beat the smaller-capitalization indices which were relatively weak last month; the S&P 400 MidCap declined -3.2% while the S&P 600 SmallCap lost -5.2%. A stronger Canadian currency reduced the Fund's monthly return to 0.2% in Canadian dollars versus the S&P 500's 3.1% Canadian-dollar March return. Year-to-date, in Canadian dollars, the Fund is up 10.6% versus the S&P 500's 7.4% gain.

CANADIAN EQUITY FUND, SERIES F

Given the bank stresses in the United States, the Financial sector in Canada also underperformed in March. Consequently, the S&P/TSX Composite depreciated -0.2%. Despite having no exposure to the banking sector, the North Growth Canadian Equity Fund, Series F, lagged the index with its loss of -1.3%. The Fund's overall constitution of smaller-cap companies was largely the reason for its lagging performance in March. Year-to-date, the Fund is up 6.2% versus the S&P/TSX Composite's return of 4.6%.

North Growth U.S. Equity Advisor Fund

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

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Advisor Fund \$CDN (Series F)	0.23	10.55	22.84	10.55
North Growth U.S. Equity Advisor Fund \$CDN (Series D)	0.21	10.47	22.57	10.47
S&P 500 in \$CDN	3.09	7.41	13.30	7.41
North Growth U.S. Equity Advisor Fund \$U.S. (Series F)	0.80	10.64	25.36	10.64
North Growth U.S. Equity Advisor Fund \$U.S. (Series D)	0.77	10.56	25.09	10.56
S&P 500 \$U.S.	3.67	7.50	15.62	7.50

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

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
NGM U.S. Equity Advisor Fund \$CDN (Series F)	1.74	16.06	9.92	14.25	13.35
NGM U.S. Equity Advisor Fund \$CDN (Series D)	1.36	15.69	9.57	13.85	12.91
S&P 500 \$CDN	-0.07	16.75	12.27	15.51	14.79
NGM U.S. Equity Advisor Fund \$U.S. (Series F)	-6.05	17.90	8.86	11.02	11.24
NGM U.S. Equity Advisor Fund \$U.S. (Series D)	-6.40	17.52	8.52	10.63	10.82
S&P 500 \$U.S.	-7.73	18.60	11.19	12.24	12.65

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

*Date of inception: October 23, 2009.

North Growth Canadian Equity Fund

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

	1 Month	3 Months	6 Months	YTD
NGM Canadian Equity Fund Series F	-1.27	6.30	17.02	6.30
NGM Canadian Equity Fund Series D	-1.29	6.22	16.85	6.22
Benchmark**	-0.22	4.55	10.79	4.55

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

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
NGM Canadian Equity Fund Series F	0.81	21.06	10.65	11.25	12.62
NGM Canadian Equity Fund Series D	0.51	20.70	10.32	10.87	11.99
Benchmark**	-5.17	18.02	8.80	7.86	8.52

Source: Bloomberg "Total Return Analysis" as of March 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

U.S. EQUITY ADVISOR FUND — HOLDINGS AS AT MARCH 31, 2023

Ranking	Security	% of Net Assets
1	Jabil Inc.	6.18
2	Ciena Corp.	5.02
3	Applied Materials Inc.	3.80
4	Horizon Therapeutics, plc.	3.15
5	Motorola Solutions Inc.	3.08
6	SolarEdge Technologies Inc.	2.90
7	Qualcomm Inc.	2.86
8	Bristol-Myers Squibb Company	2.81
9	D.R. Horton, Inc.	2.78
10	HP Inc.	2.66
11	Elevance Health, Inc.	2.45
12	Tapestry Inc.	2.35
13	Tempur Sealy International, Inc.	2.17
14	InMode Ltd.	2.16
15	Coherent Corp.	2.12
16	Jacobs Solutions Inc.	2.07
17	Nvidia Corp.	2.05
18	FedEx Corp.	2.03
19	Lumentum Holdings Inc.	2.01
20	Global Payments Inc.	1.93
21	Best Buy Co., Inc.	1.92
22	Johnson Controls International plc.	1.82
23	Align Technology, Inc.	1.80
24	Booking Holdings Inc.	1.74
25	Texas Instruments Inc.	1.73
26	Crocs, Inc.	1.64
27	Warner Bros. Discovery Inc.	1.63
28	Apple Inc.	1.53

Ranking	Security	% of Net Assets
29	Brinker International Inc.	1.53
30	Microsoft Corporation	1.52
31	Electronic Arts Inc.	1.43
32	RH	1.42
33	Foot Locker, Inc.	1.38
34	PerkinElmer, Inc.	1.33
35	Watts Water Technologies Inc.	1.14
36	Fortune Brands Innovations, Inc.	1.05
37	Abercrombie & Fitch Co.	1.01
38	Herc Holdings Inc.	0.91
39	Charles River Laboratories International, Inc.	0.88
40	Old Dominion Freight Line, Inc.	0.77
41	West Pharmaceutical Services, Inc.	0.63
42	Biogen Inc.	0.60
43	Masterbrand, Inc.	0.14
	Total Equities	86.13
	Cash	13.87
	Total Assets	100.00

CANADIAN EQUITY FUND — HOLDINGS AS AT MARCH 31, 2023

Ranking	Security	% of Net Assets	Ranking	Security	% of Net Assets
1	ATS Corporation	7.58	29	Quisitive Technology Solutions Inc.	0.28
2	TFI International Inc.	7.19	30	Blackberry Ltd.	0.25
3	Aritzia Inc.	6.78	31	Perimeter Medical Imaging AI, Inc.	0.23
4	Calian Group Ltd.	6.01	32	Lumine Group Inc.	0.03
5	Bombardier Inc., Class B	5.75		Total Equities	85.70
6	CAE Inc.	4.79		Cash	14.30
7	Leon's Furniture Ltd.	4.72		Total Assets	100.00
8	Open Text Corporation	3.51			
9	Heroux-Devtek Inc.	3.35			
10	TELUS Corporation	2.99			
11	Innergex Renewable Energy Inc.	2.82			
12	Profound Medical Corp.	2.80			
13	Converge Technology Solutions Corp.	2.71			
14	Restaurant Brands International	2.59			
15	Canadian Solar Inc.	2.57			
16	Knight Therapeutics Inc.	2.54			
17	Zymeworks Inc.	2.14			
18	dentalcorp Holdings Inc.	1.93			
19	Constellation Software Inc.	1.90			
20	Dollarama Inc.	1.89			
21	Canadian National Railway Company	1.73			
22	Polaris Renewable Energy Inc.	1.72			
23	AutoCanada Inc.	1.25			
24	Evertz Technologies Limited	1.16			
25	Bombardier Recreational Products Inc.	0.93			
26	Jamieson Wellness Inc.	0.78			
27	Shopify Inc.	0.49			
28	Lululemon Athletica Inc.	0.29			

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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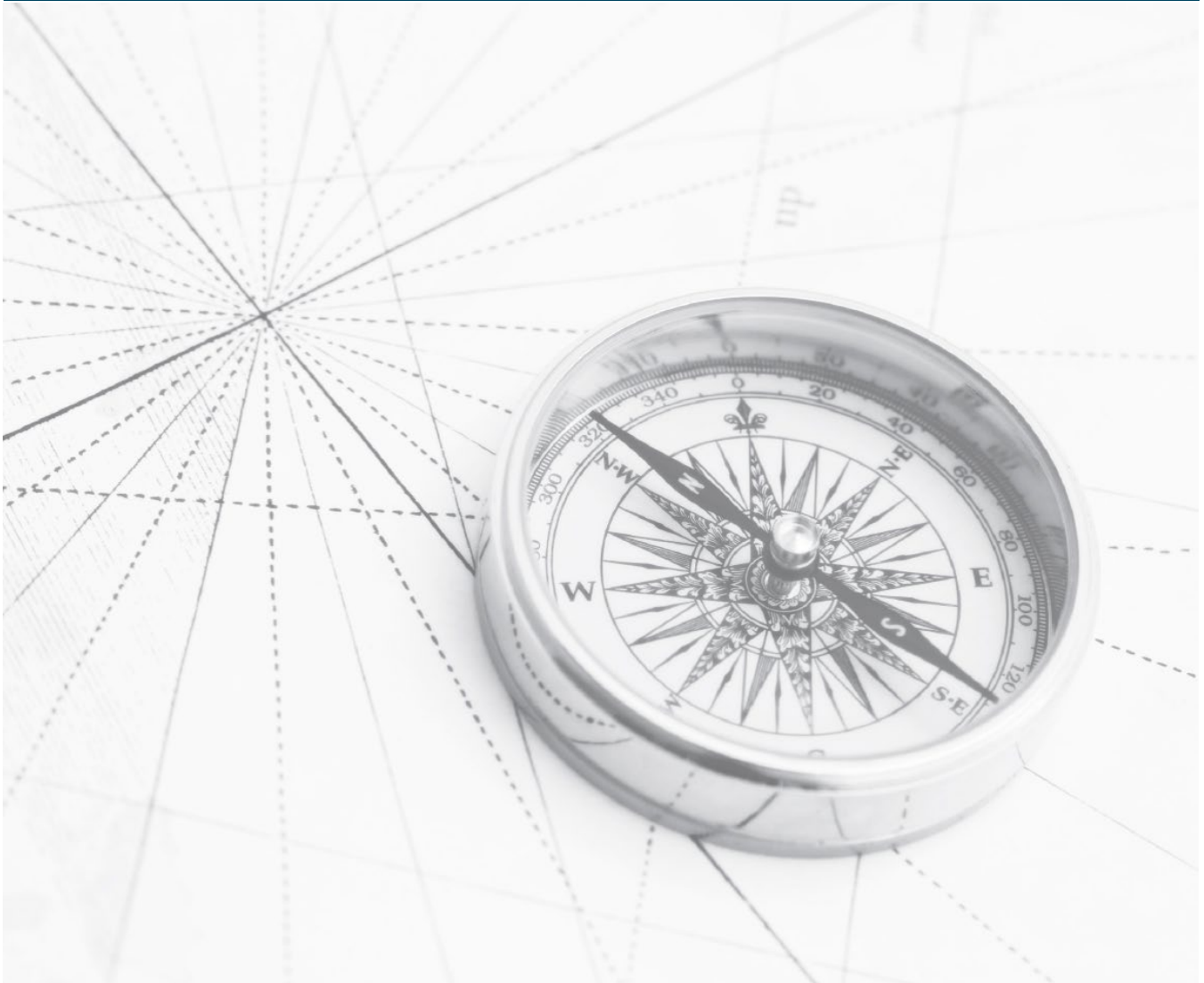
A NOTE ON FORWARD-LOOKING STATEMENTS

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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