



NORTH GROWTH
MANAGEMENT



SEPTEMBER 2023 MONTHLY REPORT

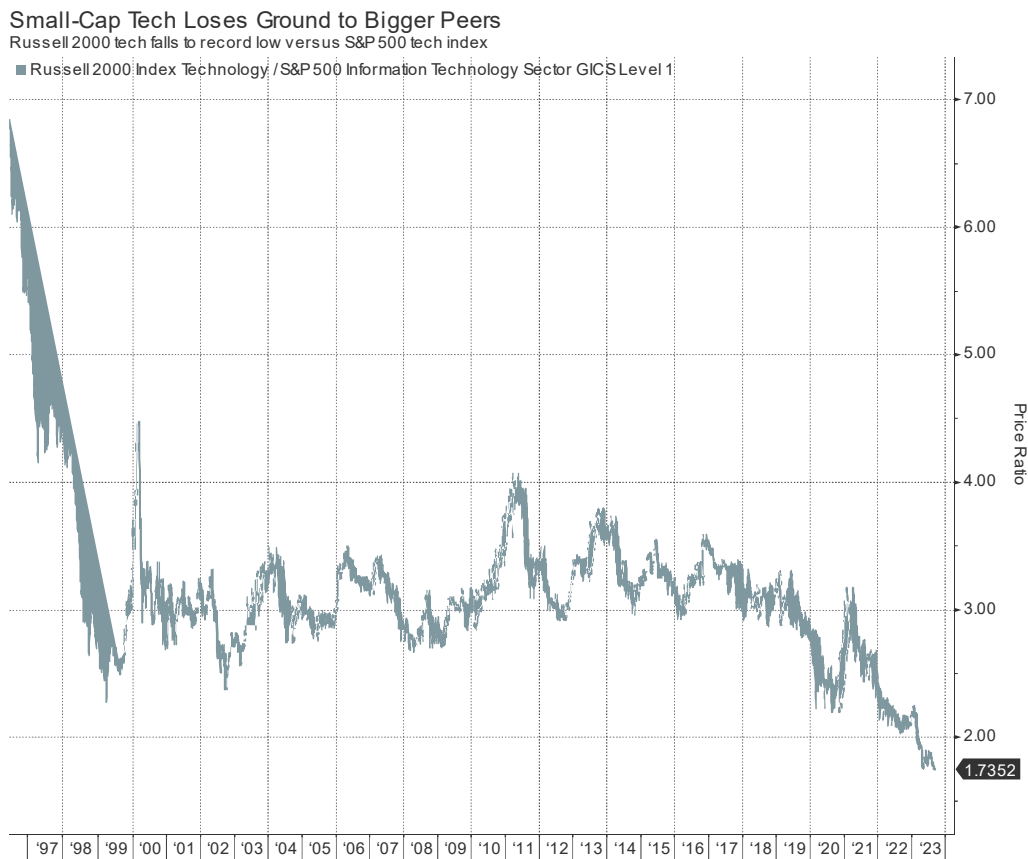
OCTOBER 8, 2023

Market and Fund Performance Update

Equities fell in September, capping their worst month this year. The prospect of a U.S. government shutdown and labour disruptions in the automotive sector added to the sour market sentiment that has been dominated by elevated interest rates and global economic activity set to slow.

THE NARROWEST MARKET IN DECADES

The S&P 500’s year-to-date gain has mostly been driven by only seven stocks—Apple, Microsoft, Alphabet (Google), Amazon, Nvidia, Tesla, and Meta (Facebook). As these technology behemoths have increasingly influenced the broad index and the S&P 500 has become the most concentrated it has been in decades, investors have piled into big tech over the years. As a result, the ratio between the Russell 2000 (small-cap index) tech and S&P 500 tech indices has reached a record low. Concurrently, the information technology sector which comprises approximately 12% of the Russell 2000, is also at a much lower constitutional weighting—less than half—compared to that of the S&P 500.



Small-cap stocks in general closed out another bleak month in September; small-caps suffered a more pronounced downturn versus their larger-cap peers. The wide discrepancy in security performance between the Russell 2000 and S&P 500 is not limited to just the tech sector, but is notable across all sectors. Despite September's outperformance in energy stocks due to the rally in oil, the Russell 2000's energy gains paled in comparison with the S&P 500 energy sector. The more modest advances occurred even as energy at 9% of the Russell 2000 is almost twice its weighting in the S&P 500. Similarly, the same phenomenon was observed with utilities and consumer discretionary.

Over the past several years, as most of the stock market has underperformed the S&P 500, stock multiples are not as expensive as the S&P 500 price/earnings (P/E) ratio would imply. Moreover, the thinning of U.S. equity market breadth has given rise to numerous attractive investment opportunities.

We remain focused on stock selection according to our "Growth at a Reasonable Price" philosophy. Amid the extreme market concentration, high-quality, reasonably-priced shares are readily available for the picking. Accordingly, we continue to adjust the weightings of portfolio constituents and upgrade the quality of portfolio holdings as market conditions permit. As market leadership alternates between large-cap and small-cap stocks, we believe the Funds are well-positioned to outperform in a broad market recovery.

U.S. EQUITY ADVISOR FUND, SERIES F

In September, the North Growth U.S. Equity Advisor Fund, series F declined -5.95%. Except for the S&P 600 SmallCap which fell -6.00%, the Fund underperformed all the other indices we regularly track: the S&P 500 which lost -4.77%, the S&P 400 MidCap which depreciated -5.26%, and the NASDAQ Composite which was down -5.77%. In Canadian dollars, the Fund declined -6.03% versus the S&P 500's -4.85% negative monthly return.

Year-to-date, the Fund is up 10.6%. The Fund has underperformed the S&P 500 and NASDAQ Composite which appreciated 13.1% and 27.1% respectively during the same period, while beating the S&P 400 MidCap and S&P 600 SmallCap indices which advanced 4.3% and 0.8% respectively. In Canadian dollars, the Fund has gained 10.39% versus the S&P 500 which is up 12.87%.

CANADIAN EQUITY FUND, SERIES F

An unexpected re-acceleration in inflation fueled by rising oil prices coupled with a drop in Canadian economic activity (as measured by GDP or gross domestic product) accelerated the sell-off in equities that started in August. The S&P/TSX Composite had its worst month since May 2023 with a negative

return of -3.3%. The North Growth Canadian Equity Fund, Series F, underperformed the index with a loss of -4.4%. Year-to-date, the Fund is down -2.6% versus the S&P/TSX Composite which is up 3.4%.

North Growth U.S. Equity Advisor Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Advisor Fund \$CDN (Series F)	-6.03	-3.37	-0.14	10.39
North Growth U.S. Equity Advisor Fund \$CDN (Series D)	-6.05	-3.44	-0.20	10.25
S&P 500 in \$CDN	-4.85	-1.23	5.08	12.87
North Growth U.S. Equity Advisor Fund \$U.S. (Series F)	-5.95	-5.37	-0.04	10.59
North Growth U.S. Equity Advisor Fund \$U.S. (Series D)	-5.98	-5.44	-0.10	10.44
S&P 500 \$U.S.	-4.77	-3.27	5.18	13.07

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
NGM U.S. Equity Advisor Fund \$CDN (Series F)	22.67	6.12	8.74	12.74	12.83
NGM U.S. Equity Advisor Fund \$CDN (Series D)	22.33	5.80	8.42	12.36	12.41
S&P 500 \$CDN	19.05	10.65	10.88	15.00	10.31
NGM U.S. Equity Advisor Fund \$U.S. (Series F)	25.31	5.64	7.80	9.71	10.82
NGM U.S. Equity Advisor Fund \$U.S. (Series D)	24.96	5.33	7.48	9.35	10.40
S&P 500 \$U.S.	21.62	10.15	9.92	11.91	10.01

Source: Bloomberg "Total Return Analysis" as of September 30, 2023

*Date of inception: October 23, 2009.

North Growth Canadian Equity Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	1 Month	3 Months	6 Months	YTD
NGM Canadian Equity Fund Series F	-4.35	-9.45	-8.41	-2.64
NGM Canadian Equity Fund Series D	-4.37	-9.52	-8.54	-2.86
Benchmark**	-3.33	-2.20	-1.13	3.38

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
NGM Canadian Equity Fund Series F	7.18	9.38	7.32	8.69	11.16
NGM Canadian Equity Fund Series D	6.87	9.05	7.00	8.33	10.55
Benchmark**	9.54	9.88	7.27	7.54	8.02

Source: Bloomberg "Total Return Analysis" as of September 30, 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 SEPTEMBER 30, 2023

Ranking	Security	% of Net Assets
1	Jabil Inc.	8.83
2	Ciena Corp.	5.32
3	Applied Materials Inc.	4.82
4	Horizon Therapeutics, plc.	4.00
5	Motorola Solutions Inc.	3.30
6	Qualcomm Inc.	2.80
7	Coherent Corp.	2.72
8	Jacobs Solutions Inc.	2.70
9	HP Inc.	2.62
10	Global Payments Inc.	2.61
11	Elevance Health, Inc.	2.60
12	InMode Ltd.	2.50
13	Bristol-Myers Squibb Company	2.40
14	FedEx Corp.	2.39
15	Tempur Sealy International, Inc.	2.36
16	Booking Holdings Inc.	2.26
17	Nvidia Corp.	2.12
18	NVR Inc.	1.98
19	Best Buy Co., Inc.	1.92
20	Lumentum Holdings Inc.	1.89
21	Align Technology, Inc.	1.84
22	Abercrombie & Fitch Co.	1.82
23	Johnson Controls International plc.	1.81
24	Tapestry Inc.	1.77
25	Texas Instruments Inc.	1.66
26	Microsoft Corporation	1.65
27	Electronic Arts Inc.	1.61
28	Apple Inc.	1.60

Ranking	Security	% of Net Assets
29	Charles River Laboratories International, Inc.	1.54
30	RH	1.53
31	Fortune Brands Innovations, Inc.	1.52
32	Brinker International Inc.	1.43
33	SolarEdge Technologies Inc.	1.39
34	Revvity Inc.	1.38
35	Warner Bros. Discovery Inc.	1.32
36	Watts Water Technologies Inc.	1.31
37	Crocs, Inc.	1.29
38	United Rentals, Inc.	1.08
39	Old Dominion Freight Line, Inc.	1.03
40	Ulta Beauty Inc.	1.01
41	West Pharmaceutical Services, Inc.	0.76
42	Atkore Inc.	0.75
43	Biogen Inc.	0.62
44	Arhaus Inc.	0.53
45	Masterbrand, Inc.	0.47
46	Axonics Inc.	0.30
	Total Equities	95.15
	Cash	4.85
	Total Assets	100.00

CANADIAN EQUITY FUND — HOLDINGS AS AT SEPTEMBER 30, 2023

Ranking	Security	% of Net Assets	Ranking	Security	% of Net Assets
1	TFI International Inc.	8.83	29	Lululemon Athletica Inc.	0.36
2	ATS Corporation	6.93	30	Blackberry Ltd.	0.31
3	Leon's Furniture Ltd.	6.02	31	Perimeter Medical Imaging AI, Inc.	0.21
4	CAE Inc.	5.85	32	Qusitive Technology Solutions Inc.	0.20
5	Calian Group Ltd.	5.57	33	Lumine Group Inc.	0.05
6	Bombardier Inc., Class B	5.12		Total Equities	90.75
7	Heroux-Devtek Inc.	4.98		Cash	9.25
8	Open Text Corporation	4.15		Total Assets	100.00
9	Canadian Solar Inc.	3.27			
10	Aritzia Inc.	3.21			
11	Knight Therapeutics Inc.	3.06			
12	Restaurant Brands International	3.03			
13	TELUS Corporation	2.93			
14	Profound Medical Corp.	2.91			
15	Constellation Software Inc.	2.44			
16	Dollarama Inc.	2.21			
17	AutoCanada Inc.	2.17			
18	Polaris Renewable Energy Inc.	2.14			
19	Bombardier Recreational Products Inc.	2.13			
20	Converge Technology Solutions Corp.	2.12			
21	Canadian National Railway Company	1.89			
22	Zymeworks Inc.	1.72			
23	Evertz Technologies Limited	1.55			
24	dentalcorp Holdings Inc.	1.52			
25	Borex Inc.	1.46			
26	Innergex Renewable Energy Inc.	0.99			
27	Jamieson Wellness Inc.	0.74			
28	Shopify Inc.	0.68			

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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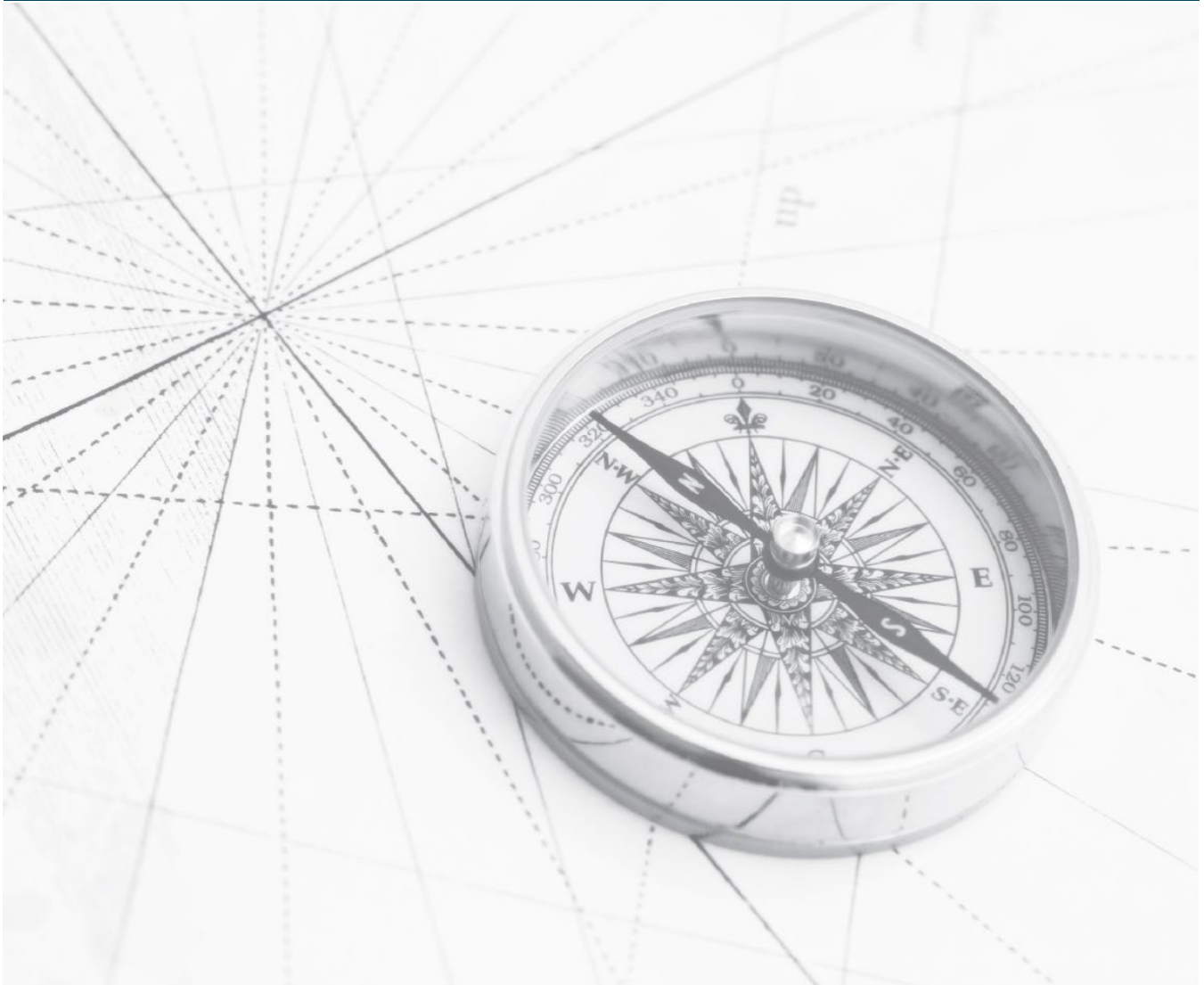
A NOTE ON FORWARD-LOOKING STATEMENTS

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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