



NORTH GROWTH  
MANAGEMENT



## DECEMBER 2024 MONTHLY REPORT

JANUARY 7, 2024



## Market and Fund Performance Update

Against the backdrop of ongoing uncertainty in 2024, the S&P 500 rallied significantly with 57 record closes over the year. Following a gain of 26% in 2023, the index's closing of another blockbuster 25% in 2024 cemented its best consecutive years in a quarter-century since 1997 and 1998.

As the U.S. economy remained healthy while inflation retreated, the relentless climb in big tech stocks fueled by artificial intelligence (AI) continued. Collectively, the Magnificent Seven—Apple, Microsoft, Alphabet (Google), Amazon, Nvidia, Tesla and Meta (Facebook)—accounted for more than 53% of the S&P 500's total return through December 24<sup>th</sup>, according to S&P Dow Jones Indices. Nvidia alone contributed 21% of the index's return.

During 2024, although U.S. stocks overall benefited from the Federal Reserve's cuts to interest rates for the first time since the Covid-19 pandemic, bouts of volatility were commonplace. Moreover, the market became increasingly top-heavy as further concentration of returns accrued in Big Tech.

With numerous solid businesses continuing to trade at reasonable valuations relative to their growth records and potential, the continued narrow U.S. equity market breadth offers many attractive investment opportunities. We remain focused on actively managing the equity funds, picking individual stocks that adhere to our "Growth at a Reasonable Price" investment philosophy. Knowing that market leadership alternates between large-cap and small-cap stocks over the long-term, we believe that North Growth's equity portfolios are poised to outperform when the market truly broadens.

### ANNUAL REPORT

Around mid-February, we plan on publishing our 2024 Annual Report. As usual, the annual report will include a more in-depth discussion of the year in review as well as our outlook for 2025.

### U.S. EQUITY ADVISOR FUND, SERIES F

In December, the North Growth U.S. Equity Advisor Fund, Series F declined -2.34%. For the month, of the indices we regularly track, the Fund underperformed the S&P 500 which lost -2.38% and NASDAQ Composite which gained 0.48%, but beat the S&P 400 MidCap and S&P 600 SmallCap which depreciated -7.12% and -7.95% respectively. In Canadian dollars, the Fund appreciated 0.31% versus the S&P 500's gain of 0.26%.

In 2024, the Fund was up 22.60%, lagging the S&P 500 and NASDAQ Composite indices, but outperforming the smaller-capitalization S&P 400 MidCap and S&P 600 SmallCap indices. For the year,

the S&P 500 gained 25.02%, the S&P 400 MidCap and S&P 600 SmallCap rallied 13.93% and 8.70% respectively, while the NASDAQ Composite recorded a substantial 28.64% increase. Due to a significant weakening of the Canadian currency during 2024, in Canadian dollars, the Fund's annual return was 33.38% versus the S&P 500's gain of 36.01%.

## CANADIAN EQUITY FUND, SERIES F

The North Growth Canadian Equity Fund, Series F, returned -1.58% compared to -3.27% for the S&P/TSX Composite Index during December. In a month where all 11 sectors in the S&P/TSX Composite lost money, the Fund's outperformance was driven primarily by its Consumer Discretionary holdings.

In 2024, the Fund appreciated 16.04%, lagging the S&P/TSX Composite's gain of 21.65%.

As always, we remain focused on our "Growth at a Reasonable Price" investment philosophy which guides our stock picking and has helped us generate long-term outperformance. The team views any pullbacks in the market as opportunities to add or upgrade the portfolio.

## North Growth U.S. Equity Advisor Fund

### SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	1 Month	3 Months	6 Months	YTD
<b>North Growth U.S. Equity Advisor Fund \$CDN (Series F)</b>	<b>0.31</b>	<b>10.07</b>	<b>14.39</b>	<b>33.38</b>
<b>North Growth U.S. Equity Advisor Fund \$CDN (Series D)</b>	<b>0.28</b>	<b>9.99</b>	<b>14.22</b>	<b>32.98</b>
S&P 500 \$CDN	0.26	8.97	14.00	36.01
<b>North Growth U.S. Equity Advisor Fund \$U.S. (Series F)</b>	<b>-2.34</b>	<b>3.45</b>	<b>8.81</b>	<b>22.60</b>
<b>North Growth U.S. Equity Advisor Fund \$U.S. (Series D)</b>	<b>-2.36</b>	<b>3.37</b>	<b>8.65</b>	<b>22.23</b>
S&P 500 \$U.S.	-2.38	2.41	8.44	25.02

### ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
<b>North Growth U.S. Equity Advisor Fund \$CDN (Series F)</b>	<b>33.38</b>	<b>8.71</b>	<b>14.01</b>	<b>13.38</b>	<b>14.37</b>
<b>North Growth U.S. Equity Advisor Fund \$CDN (Series D)</b>	<b>32.98</b>	<b>8.39</b>	<b>13.67</b>	<b>13.03</b>	<b>13.95</b>
S&P 500 \$CDN	36.01	13.64	16.90	15.56	16.33
<b>North Growth U.S. Equity Advisor Fund \$U.S. (Series F)</b>	<b>22.60</b>	<b>4.22</b>	<b>11.70</b>	<b>10.96</b>	<b>12.03</b>
<b>North Growth U.S. Equity Advisor Fund \$U.S. (Series D)</b>	<b>22.23</b>	<b>3.91</b>	<b>11.37</b>	<b>10.63</b>	<b>11.62</b>
S&P 500 \$U.S.	25.02	8.94	14.53	13.10	13.96

Source: Bloomberg "Total Return Analysis" as of December 31, 2024

\*Date of inception: October 23, 2009.

## North Growth Canadian Equity Fund

### SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	1 Month	3 Months	6 Months	YTD
<b>North Growth Canadian Equity Fund Series F</b>	<b>-1.58</b>	<b>1.91</b>	<b>8.06</b>	<b>16.04</b>
<b>North Growth Canadian Equity Fund Series D</b>	<b>-1.61</b>	<b>1.83</b>	<b>7.90</b>	<b>15.70</b>
S&P/TSX Composite Index	-3.27	3.76	14.71	21.65

### ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Prospectus *
<b>North Growth Canadian Equity Fund Series F</b>	<b>16.04</b>	<b>3.43</b>	<b>9.94</b>	<b>8.02</b>	<b>11.77</b>
<b>North Growth Canadian Equity Fund Series D</b>	<b>15.70</b>	<b>3.12</b>	<b>9.62</b>	<b>7.68</b>	<b>11.18</b>
S&P/TSX Composite Index	21.65	8.58	11.08	8.65	9.56

Source: Bloomberg "Total Return Analysis" as of December 31, 2024

\* The S&P/TSX Composite Index since Prospectus return is calculated from the Series F date of prospectus inception, June 15, 2012. The Series D date of prospectus inception is June 29, 2012

## Equity Fund Holdings

### U.S. EQUITY ADVISOR FUND — HOLDINGS AS AT DECEMBER 31, 2024

Ranking	Security	% of Net Assets
1	Jabil Inc.	7.06
2	Ciena Corp.	6.81
3	Coherent Corp.	4.44
4	Applied Materials Inc.	4.07
5	Motorola Solutions Inc.	4.01
6	Brinker International Inc.	3.97
7	Lumentum Holdings Inc.	3.12
8	Booking Holdings Inc .	2.87
9	HP Inc.	2.66
10	Tapestry Inc.	2.60
11	Tempur Sealy International, Inc.	2.46
12	Nvidia Corp.	2.30
13	Qualcomm Inc.	2.25
14	Integer Holdings Corporation	2.22
15	Johnson Controls International plc.	2.15
16	Jacobs Solutions Inc.	2.11
17	Abercrombie & Fitch Co.	2.07
18	Global Payments Inc.	2.02
19	NVR Inc.	1.95
20	Warner Bros. Discovery Inc.	1.87
21	Texas Instruments Inc.	1.86
22	Elevance Health, Inc.	1.76
23	InMode Ltd.	1.69
24	FedEx Corp.	1.63
25	Crocs, Inc.	1.61
26	Apple Inc.	1.60
27	Electronic Arts Inc.	1.56
28	Microsoft Corporation	1.50

Ranking	Security	% of Net Assets
29	Ulta Beauty Inc.	1.50
30	Watts Water Technologies Inc.	1.40
31	Fortune Brands Innovations, Inc.	1.33
32	Thermo Fisher Scientific, Inc.	1.26
33	Charles River Laboratories International, Inc.	1.24
34	Align Technology, Inc.	1.17
35	United Rentals, Inc.	1.04
36	West Pharmaceutical Services, Inc.	1.03
37	Arhaus Inc.	0.88
38	Old Dominion Freight Line, Inc.	0.79
39	NIKE Inc., Class B	0.70
40	Atkore Inc.	0.54
41	Biogen Inc.	0.47
42	First Solar Inc.	0.45
43	Masterbrand, Inc.	0.45
44	Amentum Holdings Inc.	0.33
45	<b>Total Equities</b>	<b>90.79</b>
	<b>Cash</b>	<b>9.21</b>
	<b>Total Assets</b>	<b>100.00</b>

## CANADIAN EQUITY FUND — HOLDINGS AS AT DECEMBER 31, 2024

Ranking	Security	% of Net Assets
1	Bombardier Inc., Class B	9.33
2	Leon's Furniture Ltd.	7.31
3	TFI International Inc.	7.17
4	Aritzia Inc.	6.82
5	ATS Corporation	5.89
6	CAE Inc.	4.54
7	Zymeworks Inc.	4.39
8	Bird Construction Inc.	4.07
9	Constellation Software Inc.	4.02
10	Open Text Corporation	3.96
11	Canadian National Railway Company	3.48
12	Calian Group Ltd.	3.27
13	Restaurant Brands International	3.25
14	Dollarama Inc.	2.75
15	TELUS Corporation	2.68
16	ADF Group Inc.	2.48
17	Bombardier Recreational Products Inc.	2.34
18	dentalcorp Holdings Inc.	2.20
19	Polaris Renewable Energy Inc.	2.08
20	Shopify Inc.	1.93
21	Profound Medical Corp.	1.87
22	Evertz Technologies Limited	1.62
23	AutoCanada Inc.	1.61
24	Badger Infrastructure Solutions Ltd.	1.26
25	Jamieson Wellness Inc.	1.16
26	Lululemon Athletica Inc.	0.85
27	Information Services Corporation	0.72
<b>Total Equities</b>		<b>93.05</b>
<b>Cash</b>		<b>6.95</b>
<b>Total Assets</b>		<b>100.00</b>



# 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**

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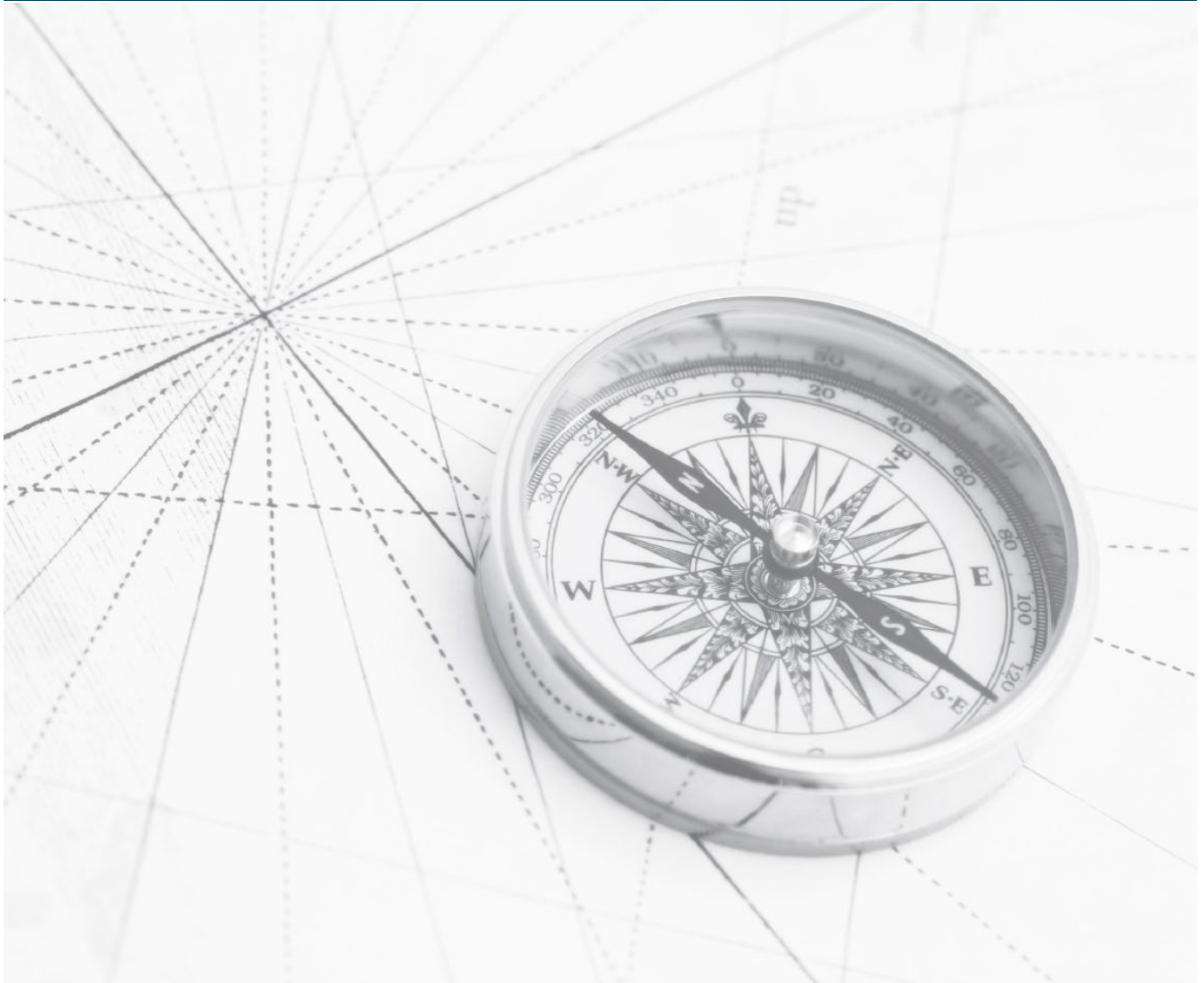
## A NOTE ON FORWARD-LOOKING STATEMENTS

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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