



NORTH GROWTH  
MANAGEMENT



## APRIL 2025 MONTHLY REPORT

MAY 8, 2025



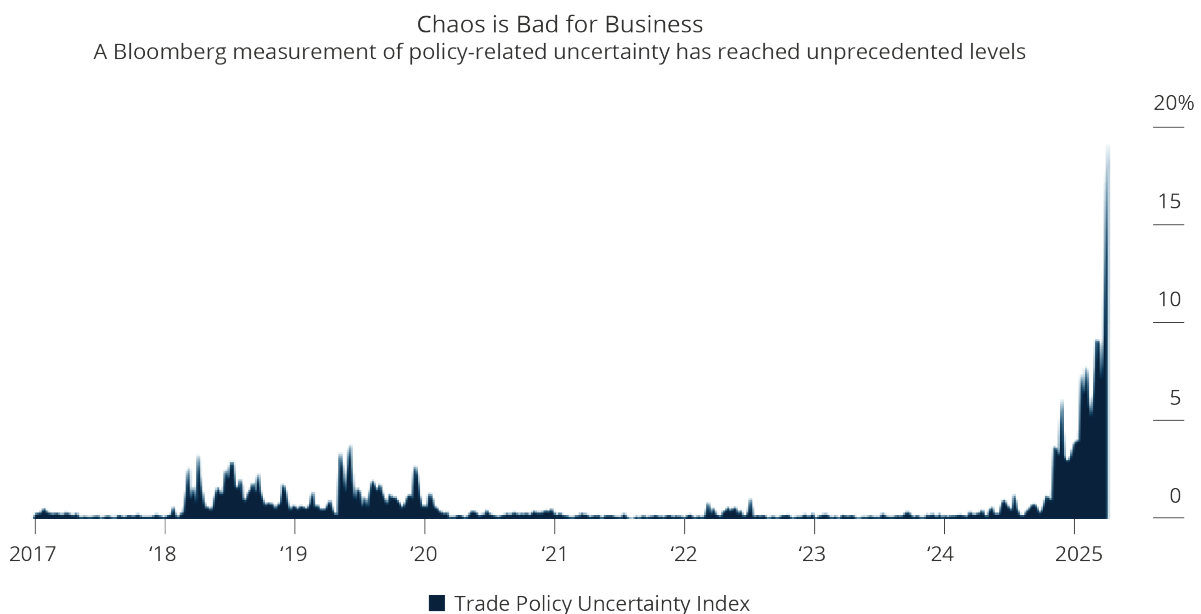
## Market and Fund Performance Update

April was another tumultuous month for financial markets that remain fixated by tariff news. The uncertainty surrounding tariffs and trade policy continue to impact both corporate plans and the economy. Despite the earnings reporting season—covering the January-to-March quarter before the U.S.'s April 2<sup>nd</sup> reciprocal tariff announcement and subsequent 90-day pause—being largely better than expected so far, most companies are voicing caution in their outlooks and are hesitant to give guidance.

### MARKETS DOMINATED BY MACROECONOMICS

The impacts of the dramatic tariff agenda and trade war are vast, with American small businesses being among the unintended casualties. Without a global network of assets and significant finances to weather the storm of the volatile trade policies, many mom-and-pop companies will be hit the hardest. Meanwhile, large corporations are pausing major expenditures, holding onto their cash reserves, and awaiting clarity; consumers are anxious and tightening their wallets.

The unpredictability of America's shifting tariff levels is likely to cause paralysis in spending and investing, thereby dampening economic growth. In fact, according to an advanced estimate released by the U.S. Bureau of Economic Analysis on April 30<sup>th</sup>, the U.S. economy contracted at an annual rate of -0.3% in the first quarter—as imports increased due to businesses stockpiling ahead of the anticipated tariff hikes.



*\*Source: Bloomberg Economics*

## OUR LONG-TERM FOCUS

We expect market volatility to remain elevated amid the enormous amount of uncertainty. As always, we continue to adhere to our disciplined, long-term investment approach. We are staying focused on what we have been doing over the past decades—researching and investing only in well-managed, financially strong companies that meet our “Growth at a Reasonable Price” criteria. This investment philosophy has worked well for us over the long-term, and we firmly believe it will continue to work well going forward.

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

In April, the North Growth U.S. Equity Advisor Fund, Series F, declined -1.7%. The Fund underperformed the S&P 500 which fell -0.7% and the NASDAQ Composite which gained 0.9%, while beating the smaller capitalization indices, the S&P 400 MidCap and S&P 600 SmallCap which decreased -2.3% and -4.2% respectively.

Due to a significant weakening of the U.S. currency, the Fund’s loss in Canadian dollars was -5.5% versus the S&P 500’s -4.6% Canadian-dollar depreciation for the month.

## CANADIAN EQUITY FUND, SERIES F

The North Growth Canadian Equity Fund, Series F, posted a return of 1.3% in April, outperforming the S&P/TSX Composite, which saw a slight decline of -0.1%. The S&P/TSX Composite's performance was driven by gains in the Consumer Staples, Utilities, and Consumer Discretionary sectors, while Communication Services, Energy, and Health Care lagged.

As we have pointed out in every report this year, 2025 will be a volatile year. However, in our March Monthly Report we highlighted that we do not believe the current environment is nearly as dire as the crises of 2008 or 2020.

Despite the negative sentiment in April, the market barely moved from where it stood at the end of March. Much of the media frenzy was driven by concerns over the potential end of globalization, but over the course of the month, this narrative resulted in a mere 10 basis point change in the S&P/TSX Composite.

This situation reminds us of a study by Harvard psychologist Paul B. Andreassen, titled *Judgmental Extrapolation and Market Overreaction: On the Use and Disuse of News*, published in 1990.

Andreassen's research explored how financial news influences investor behaviour. In the study, two groups were asked to invest in low price-volatility stocks. One group had access to stock prices and financial news, while the other group only had access to stock prices. The group without news access

outperformed the news-informed group. When the stocks were switched to high price-volatility ones, the group without news access posted double the return.

While we're not suggesting that investors completely disregard financial news, this study underscores the vital point that fundamentals carry more weight than short-term noise. History shows that market bottoms tend to occur when sentiment is at its absolute worst. Historically, we saw the market bottom when the word 'recession' peaked in mentions on earnings calls and we may see it again when 'tariff' becomes the dominant buzzword in future earnings calls.

Our approach is resolutely long-term. As legendary investor Peter Lynch wisely said, "Far more money has been lost by investors preparing for corrections, or trying to anticipate corrections, than has been lost in the corrections themselves."

## North Growth U.S. Equity Advisor Fund

### SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED APRIL 30, 2025

	1 Month	3 Months	6 Months	YTD
<b>North Growth U.S. Equity Advisor Fund \$CDN (Series F)</b>	<b>-5.51</b>	<b>-17.64</b>	<b>-6.33</b>	<b>-14.30</b>
<b>North Growth U.S. Equity Advisor Fund \$CDN (Series D)</b>	<b>-5.53</b>	<b>-17.70</b>	<b>-6.47</b>	<b>-14.39</b>
S&P 500 in \$CDN	-4.57	-11.79	-2.47	-8.73
<b>North Growth U.S. Equity Advisor Fund \$U.S. (Series F)</b>	<b>-1.65</b>	<b>-13.63</b>	<b>-5.62</b>	<b>-10.72</b>
<b>North Growth U.S. Equity Advisor Fund \$U.S. (Series D)</b>	<b>-1.67</b>	<b>-13.70</b>	<b>-5.76</b>	<b>-10.81</b>
S&P 500 \$U.S.	-0.68	-7.50	-1.74	-4.92

### ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED APRIL 30, 2025

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
<b>North Growth U.S. Equity Advisor Fund \$CDN (Series F)</b>	<b>4.90</b>	<b>10.36</b>	<b>11.18</b>	<b>10.85</b>	<b>12.91</b>
<b>North Growth U.S. Equity Advisor Fund \$CDN (Series D)</b>	<b>4.59</b>	<b>10.03</b>	<b>10.85</b>	<b>10.52</b>	<b>12.50</b>
S&P 500 \$CDN	12.63	15.08	15.44	13.85	15.28
<b>North Growth U.S. Equity Advisor Fund \$U.S. (Series F)</b>	<b>4.40</b>	<b>7.57</b>	<b>11.33</b>	<b>9.36</b>	<b>10.95</b>
<b>North Growth U.S. Equity Advisor Fund \$U.S. (Series D)</b>	<b>4.09</b>	<b>7.25</b>	<b>11.00</b>	<b>9.03</b>	<b>10.54</b>
S&P 500 \$U.S.	12.10	12.18	15.61	12.32	13.28

Source: Bloomberg "Total Return Analysis" as of April 30, 2025

\*Date of inception: October 23, 2009.

## North Growth Canadian Equity Fund

### SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED APRIL 30, 2025

	1 Month	3 Months	6 Months	YTD
<b>North Growth Canadian Equity Fund Series F</b>	<b>1.28</b>	<b>-8.80</b>	<b>-6.20</b>	<b>-9.30</b>
<b>North Growth Canadian Equity Fund Series D</b>	<b>1.26</b>	<b>-8.86</b>	<b>-6.34</b>	<b>-9.38</b>
S&P/TSX Composite Index	-0.10	-2.00	4.34	1.41

### ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED APRIL 30, 2025

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Prospectus*
<b>North Growth Canadian Equity Fund Series F</b>	<b>4.16</b>	<b>4.18</b>	<b>9.50</b>	<b>7.03</b>	<b>10.61</b>
<b>North Growth Canadian Equity Fund Series D</b>	<b>3.86</b>	<b>3.87</b>	<b>9.18</b>	<b>6.71</b>	<b>10.03</b>
S&P/TSX Composite Index	17.85	9.57	14.37	8.27	9.42

Source: Bloomberg "Total Return Analysis" as of April 30, 2025

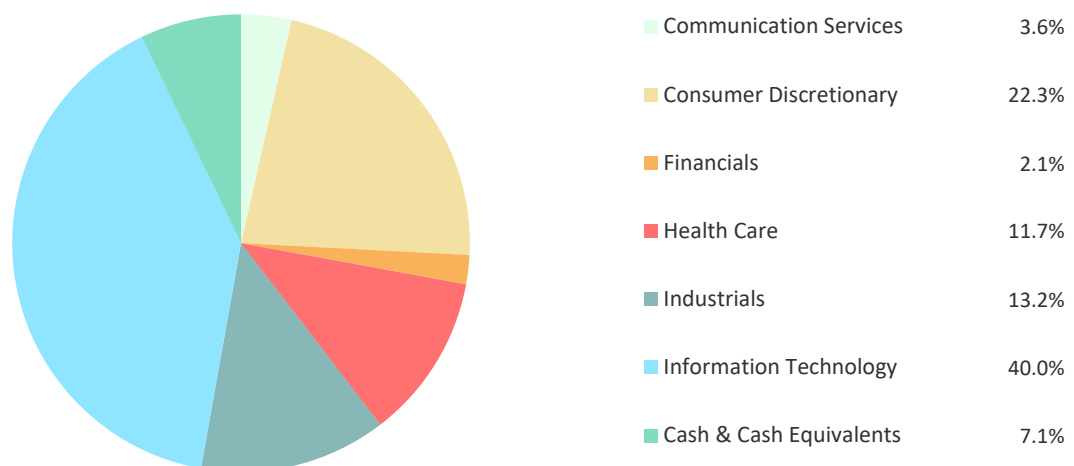
\* The S&P/TSX Composite Index since Prospectus return is calculated from the Series F date of prospectus inception, June 15, 2012. The Series D date of prospectus inception is June 29, 2012

## Equity Fund Holdings and Composition

### U.S. EQUITY ADVISOR FUND — TOP 10 HOLDINGS AS AT APRIL 30, 2025

Ranking	Security	% of Net Assets
1	Jabil Inc.	7.25
2	Ciena Corp.	5.95
3	Applied Materials Inc.	4.37
4	Motorola Solutions Inc.	4.23
5	Booking Holdings Inc.	3.45
6	Brinker International Inc.	3.44
7	Coherent Corp.	3.19
8	Somnigroup International Inc.	3.09
9	Johnson Controls International plc.	2.65
10	Lumentum Holdings Inc.	2.55
<b>Top 10</b>		<b>40.17</b>
<b>Total Equities</b>		<b>92.86</b>
<b>Cash</b>		<b>7.14</b>
<b>Total Assets</b>		<b>100.00</b>

### U.S. EQUITY ADVISOR FUND — SECTOR MIX AS AT APRIL 30, 2025

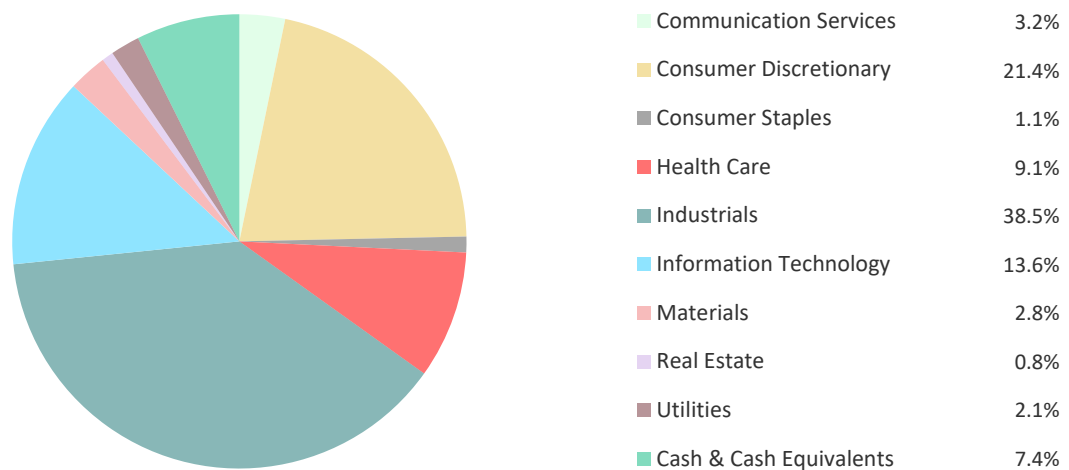




## CANADIAN EQUITY FUND — TOP 10 HOLDINGS AS AT APRIL 30, 2025

Ranking	Security	% of Net Assets
1	Bombardier Inc., Class B	9.70
2	Leon's Furniture Ltd.	7.28
3	Constellation Software Inc.	5.22
4	ATS Corporation	5.21
5	CAE Inc.	4.79
6	Bird Construction Inc.	4.66
7	Zymeworks Inc.	4.18
8	Open Text Corporation	4.05
9	Canadian National Railway Company	3.55
10	Restaurant Brands International	3.44
<b>Top 10</b>		<b>52.08</b>
<b>Total Equities</b>		<b>92.64</b>
<b>Cash</b>		<b>7.36</b>
<b>Total Assets</b>		<b>100.00</b>

## CANADIAN EQUITY FUND — SECTOR MIX AS AT APRIL 30, 2025



# 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**

To better align with the commonly adopted naming convention for mutual fund series that pay a trailing commission, the letter designation of the Series D units of the North Growth Canadian Equity Fund and the North Growth U.S. Equity Advisor Fund is changing from “D” to “A”. Effective from the anticipated June 13, 2025 date of our prospectus renewal, FundServ, the North Growth Funds simplified prospectus and fund fact documents and our website at [www.northgrowth.com](http://www.northgrowth.com) will refer to each Fund’s two series of units as Series A and Series F.

For any questions contact:

**Marcus Vander Leek, CFA**

*Director of Business Development and Client Service*

Email: [marcus@northgrowth.com](mailto:marcus@northgrowth.com) Phone: 604-354-9275



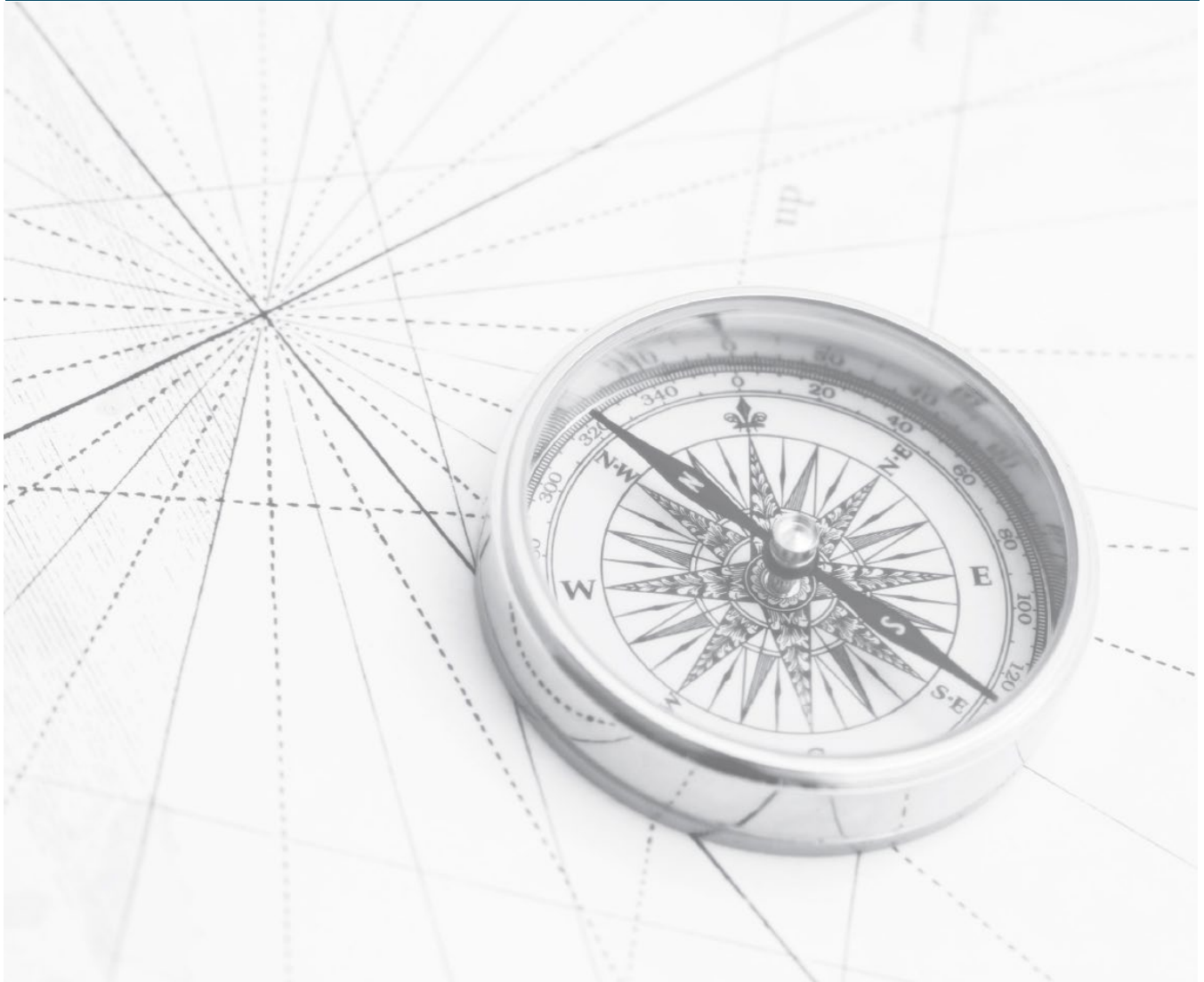
## A NOTE ON FORWARD-LOOKING STATEMENTS

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.



NORTH GROWTH  
MANAGEMENT



Suite 830, One Bentall Centre  
505 Burrard Street, Box 56  
Vancouver, BC V7X 1M4

T: 604-688-5440  
F: 604-688-5402  
[info@northgrowth.com](mailto:info@northgrowth.com)

[northgrowth.com](http://northgrowth.com)