

Wutherich & Co. January 2021 Newsletter

Wil Wutherich, President, B.Sc., MBA: Over twenty-eight years as an equity analyst and portfolio manager with Standard Life, Van Berkomp & Associates and Wutherich & Co.

Monthly Message

The Wutherich & Co. Composite was up 3.5% in January. This compares with the S&P/TSX being down 0.3%.

What a start to the new year! It seems like we have already had a year's worth of volatility and news stories in just the first month. We should point out that the number for January was depressed by about 2% due to one of our large positions being halted at month end. Since it did not trade, the stock is being valued at the "Bid" and not the "Last" price that it traded at. Performance for the month would have been about 5.5% if we were to use the "Last" price of \$3.87 for the shares rather than the "Bid" price of \$3.15. The stock is Sangoma Technologies (STC-T). The company is doing a very large cross-border transaction that will effectively transform the company into a significant, global player in the "Communications as a Service" market. It will take several days before all of the regulatory hurdles are cleared and the stock can trade again. Until this happens, the stock will be valued at its "Bid" price.

JF and I would like to thank all who joined us at our virtual "**Wutherich & Co.'s Annual Update**" on January 27th. You made it a huge success with over 40 attendees including 8 company managements. RRSP season or not, carefully review your investments and consider including us in any contributions that you might make. Contact us at info@wutherich.ca or 514-924-4438 and let's discuss what we can do for you.

The following table illustrates the performance of the Wutherich & Co. Composite to the present:

(Unaudited, since Sep.30/01)*

	<u>MONTH</u>	<u>1YR</u>	<u>3YR</u>	<u>5YR</u>	<u>10YR</u>	<u>15YR</u>	<u>INCEPTION</u>
<u>WUTHERICH & CO.</u>	3.5%	11.9%	10.7%	11.3%	8.4%	7.7%	11.7%
<u>S&P/TSX</u>	-0.3%	3.5%	6.1%	9.5%	5.6%	5.6%	7.8%

Please note that the Wutherich & Co. Composite is reported **AFTER FEES**.

Wutherich & Co. Factsheet

Company Objective

Our goal is to seek prosperity for our clients through participation in stable, growing companies in North America, led by strong management teams that we consider our partners for the next five or more years.

Investment Philosophy

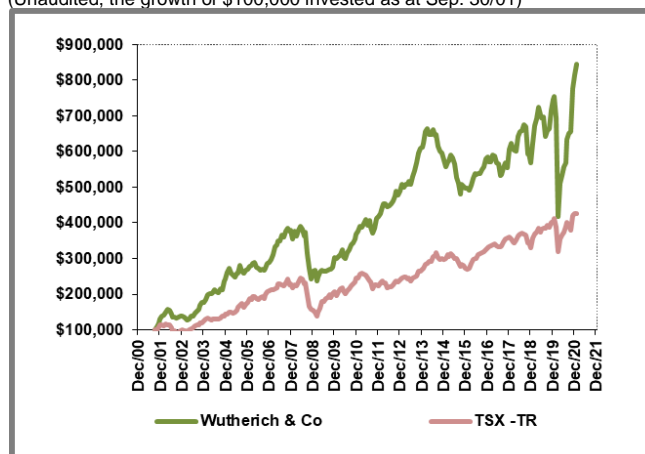
Our style can be described as concentrated, disciplined, long-term growth stock investing. The focus is on established companies that generally have a demonstrated track record in revenue, cash flow or earnings per share growth, with strong managements and solid balance sheets. The current emphasis in the portfolio is on the equity of small to medium capitalization companies, defined roughly as \$50 million to \$5 billion in market capitalization. The portfolio may include large capitalization companies if the right elements are there. Stocks are bought with a keen eye to valuation, so you're not likely to find many high multiple stocks here. The portfolio will likely maintain a significant percentage in foreign securities, providing exposure to investment returns outside of Canada.

Portfolio Composition

CANADIAN STOCKS	80.69%
• ENERGY	0.00%
• FINANCIALS	17.56%
• INFORMATION TECHNOLOGY	13.84%
• COMMUNICATIONS	6.58%
• CONSUMER	8.20%
• HEALTHCARE	13.62%
• INDUSTRIALS	12.82%
• MATERIALS	0%
• TELECOM	0%
• UTILITIES	0%
• OTHER	8.04%
U.S. STOCKS	18.43%
• CONSUMER DISCRETIONARY	18.43%
CASH AND OTHER	0.88%

Performance

(Unaudited, the growth of \$100,000 invested as at Sep. 30/01)*



Your account with us

Wutherich & Company is an independent investment counsellor. We do not hold assets for our clients, but simply exercise trades over your account as per an agreed upon investment policy statement and portfolio management agreement. Your account is held at [National Bank Independent Network](#) in your name. Withdrawals from that account can only be sent to you at your designated bank account and/or address of record. Wutherich & Co. may also do withdrawals from your account to satisfy any fees that may apply to your account. All accounts are cash accounts. Unlike hedge funds, we do not use leverage or derivatives to manage your money. Also, we are not a fund company – if you are a private investor with us, your account will mirror the Model Portfolio but your investments are not pooled.

Other Facts

- Annual fees are 1.5% of assets on a quarterly basis in arrears, plus applicable taxes
- Any commissions, custodial or brokerage fees are in addition to the annual fees
- Clients qualifying for an institutional account would be charged 1.5% for the first \$1 million, 1.0% from over \$1 to 10 million and 0.5% for the next \$40 million
- Fees on any accounts over \$50 million would be subject to negotiation
- Minimum account size is \$250,000
- Investments are 100% RSP eligible

*The Wutherich & Co. performance shown here (using the Time Weighted Rate of Return method) is of a composite which combines the performance of all of the accounts managed by Wutherich & Co. that have been invested according to the Wutherich & Co. Portfolio throughout their history. These accounts vary greatly in the size of assets that they contain and whether or not fees have been deducted directly from the accounts during their history. TSX = S&P/TSX Total Return Index. Due to its large capitalization nature and substantially different sector weightings, this index may not be considered comparable to the Wutherich & Co. Portfolio.