

Wutherich & Co. March 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 2.0% in March. This compares with the S&P/TSX being up 3.9%.

This month, we lapped the pandemic driven low of March 23, 2020. From that date, the Wutherich & Co. Portfolio is up approximately 185%. (Note that we miscalculated the number reported in the February Newsletter, it should have read 180%, not 156%).

Nearly tripling any portfolio in about a year should be considered unusual. The 2020 low was an over-reaction to the pandemic. Conversely, we do not think that the re-bounce in the Wutherich & Co. Portfolio is an over-reaction to the upside, at least not for most of our names. While some may have over-done it, most of our names have merely appreciated to fair value.

The past 12 months for us have been a true example of the benefits of staying the course. If you are convinced with the fundamentals of your holdings, make as few adjustments as possible. Over time, you should do just fine. This is something that we have done over-and-over again for the last 21 years. Now, we are mindful that the pandemic is not done with us yet. Rest assured, we will keep applying a steady hand to the tiller and calmly navigate through any storms.

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>	2.0%	136.1%	17.7%	14.3%	9.7%	8.6%	12.5%
<u>S&P/TSX</u>	3.9%	44.2%	10.2%	10.1%	6.0%	5.9%	8.2%

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

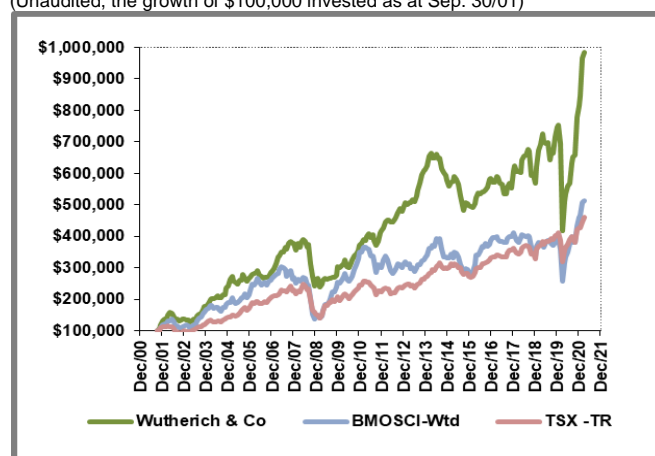
Our style can be described as concentrated, disciplined, long-term growth stock investing. The focus is on established companies that generally have a demonstrated track record in revenue, cash flow or earnings per share growth, with strong managements and solid balance sheets. The current emphasis in 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	77.01%
• ENERGY	3.43%
• FINANCIALS	17.10%
• INFORMATION TECHNOLOGY	14.60%
• COMMUNICATIONS	3.54%
• CONSUMER	8.58%
• HEALTHCARE	9.02%
• INDUSTRIALS	12.45%
• MATERIALS	0%
• TELECOM	0%
• UTILITIES	0%
• OTHER	8.31%
U.S. STOCKS	16.91%
• CONSUMER DISCRETIONARY	16.91%
CASH AND OTHER	6.08%

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.