

Wutherich & Co. December 2023 Newsletter

Wil Wutherich, President, B.Sc., MBA: Over thirty-one 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 4.0% in December. This compares with the S&P/TSX being up 3.9%.

Thank you, Santa, for a great year-end rally which has taken us up 17.0% for 2023, handily outpacing the TSX at 11.8%. But Ho Ho Hold that idea. We are seldom in synch with what happens in the overall stock market. Instead, we always focus on what is happening at the company level amongst the holdings in our portfolio. To this, we can say that our names are in very strong shape right now. While macro-economic and geopolitical events may cause swings, barring disaster here, the strong operations of our companies should result in good returns for years to come.

With the departure of Opsens (OPS-T) from the portfolio, we have introduced a new name, North American Construction Group Ltd.(NOA-T). NOA is an Alberta based company that specializes in earth-moving for the construction and mining industries. They have operations in Canada, the USA and Australia and are expected to experience strong growth due to heavy infrastructure and mining spending in each of these jurisdictions. NOA is a highly profitable, high return on capital and well managed business that should grow for many years to come.

Lastly, we would like to wish everyone a Happy New Year and look forward to welcoming you to our **Annual Update on January 24, 2024 at the Mount Stephen Hotel**, both in person or via ZOOM. Cocktails and hors d'oeuvres at 17:30, presentation at 18:00. Please let us know if you can attend by sending us an email at jf@wutherich.ca or calling at 514-924-4438.

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>5YR</u>	<u>10YR</u>	<u>20YR</u>	<u>INCEPTION</u>
<u>WUTHERICH & CO.</u>	4.0%	17.0%	15.9%	6.9%	10.0%	11.8%
<u>S&P/TSX</u>	3.9%	11.8%	11.3%	7.6%	7.8%	8.0%

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

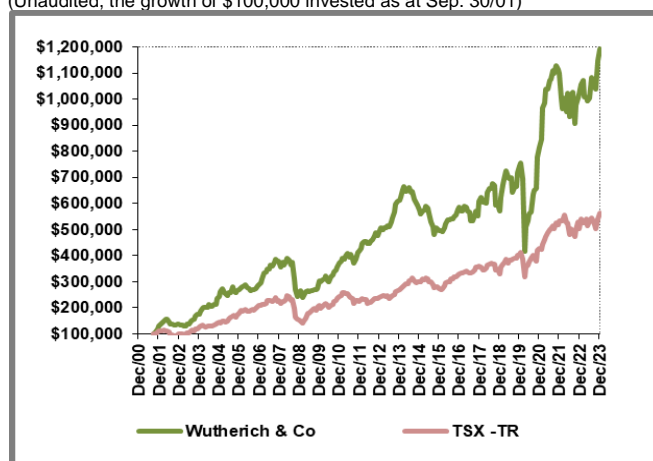
Our style can be described as concentrated, disciplined, long-term growth stock investing. The focus is on established companies that generally have a demonstrated track record in revenue, cash flow or earnings per share growth, with strong managements and solid balance sheets. The current emphasis in 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	82.39%
• ENERGY	7.72%
• FINANCIALS	20.30%
• INFORMATION TECHNOLOGY	12.59%
• COMMUNICATIONS	0%
• CONSUMER	0%
• HEALTHCARE	0%
• INDUSTRIALS	29.79%
• MATERIALS	0%
• TELECOM	0%
• UTILITIES	0%
• OTHER	11.99%
U.S. STOCKS	10.35%
• CONSUMER	10.35%
CASH AND OTHER	7.26%

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.