

Wutherich & Co. August 2024 Newsletter

Wil Wutherich, President, B.Sc., MBA: Over thirty-two 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 2.2% in August versus the S&P/TSX being up 2.9% (By the way, last month should have read 4.1% for the TSX, not 5.9%).

Despite many twists and turns, the market and the Wutherich & Co. Portfolio continued to advance in August. The traditionally weak month of September, politics and the economy should keep things curvy.

We are still looking to deploy cash in the portfolio. Stronger performance amongst the names that we follow has made this a little more difficult though we still have several prospects that we consider to be very interesting. We hope to see progress on this in the coming months.

In the meantime, our portfolio still has plenty to offer including some ignored and unloved names. Total Energy Services Inc. (TOT-T) and Parkland Corp. (PKI-T) have not contributed to the performance of the Wutherich & Co. Portfolio over the last year or so. TOT is in the dreaded oil field services space and PKI operates oh-so-dull convenience stores and distributes fuel throughout North America and the Caribbean. Both are strong operators generating significant cash flow with the ability to internally sustain their growth for years to come. The market has not recognized the value in either of these names. We think they could become more loved and less ignored in the years to come.

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>	2.2%	31.3%	16.5%	7.9%	10.0%	12.2%
<u>S&P/TSX</u>	2.9%	18.8%	10.6%	7.3%	8.3%	8.4%

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

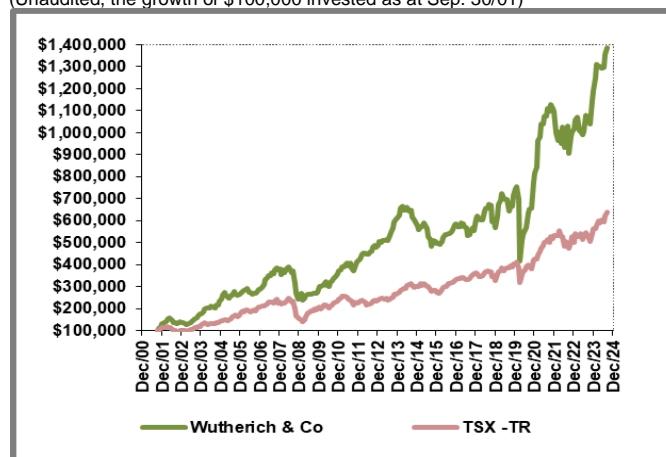
Our style can be described as concentrated, disciplined, long-term growth stock investing. The focus is on established companies that generally have a demonstrated track record in revenue, cash flow or earnings per share growth, with strong managements and solid balance sheets. The current emphasis in 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	88.68%
• ENERGY	8.42%
• FINANCIALS	28.41%
• INFORMATION TECHNOLOGY	13.77%
• COMMUNICATIONS	0%
• CONSUMER	0%
• HEALTHCARE	0%
• INDUSTRIALS	30.85%
• MATERIALS	0%
• TELECOM	0%
• UTILITIES	0%
• OTHER	7.24%
U.S. STOCKS	0.0%
• CONSUMER	0.0%
CASH AND OTHER	11.32%

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 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 them 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. We present it here purely to give some context to the investing environment that the Wutherich & Co. Portfolio operates in.