

# Mackenzie Cundill Team



## Team philosophy & approach

### Value-oriented management discipline

The Mackenzie Cundill Team adheres to a disciplined value investing approach. The team believes that buying undervalued, out-of-favour, or misunderstood situations can generate competitive long-term returns as these situations re-price in the market. Their approach to investing is to determine investment merit as a function of the relationship between valuation and quality with an expected three-to-five year time horizon to realize value. At the core of their process is owning stocks with a margin of safety, where stocks are trading at substantial discounts to their assessed value.



## Team competitive advantage

### Informed conviction guided by rigorous process:

Cundill's process evaluates prospective stocks with a three-to-five year investment horizon. They ignore the prevailing short-term trend, and instead, find market-discounted opportunities that can rebound to their assessed value in the future. Because value investing often means buying stocks that are under-appreciated by the market, a successful value investor needs not only strong analytical tools but the courage of conviction to go against the popular short-term trends to find value opportunities. To do this well requires an experienced team and a disciplined investment process.

### Buying with a margin of safety:

At the heart of risk management is the focus on buying stocks with a substantial margin of safety between what the Team estimates is the assessed value of the stock and what it trades at on the market. In essence, they value the company as if there was no stock market waging an opinion. The margin of safety can be expressed as a discount to the assessed value. For instance, a stock trading at \$10 but with an assessed value of \$20, is trading with a 50% margin of safety.

## Funds under management: \$1.95 Billion\*

### MUTUAL FUNDS

#### BALANCED

- Mackenzie Cundill Canadian Balanced Fund\*\*

#### CANADIAN EQUITY

- Mackenzie Cundill Canadian Security Class
- Mackenzie Cundill Canadian Security Fund

#### GLOBAL EQUITY

- Mackenzie Cundill Value Class\*\*
- Mackenzie Cundill Value Fund\*\*

Secondly, the Team applies a multi-factor scoring system to every candidate for the portfolio. To gain entry to the portfolio, the team looks for a desired discount to assessed value. They use a proprietary fundamental score that determines the market-agnostic, desired margin of safety.

For example, a lower-ranked company requires a higher margin of safety than a higher-quality company. This is intuitive to some managers, but Cundill has codified this into a systematic approach that levels the playing field across stocks in different sectors and helps them steer away from value traps.

### Focus on catalysts and time horizons:

It is not enough to find a cheap stock and simply wait for the value to surface, instead the Team identifies specific catalysts for each stock and milestones by which they measure progress toward those catalysts. The Team has established a three-to-five year time horizon over which they continually evaluate milestones and ensure progress is being made by the company.

\*In retail and institutional assets under management, as of June 30, 2020. Excludes balanced funds.  
\*\*Fund is available in USD option.

# Mackenzie Cundill Team

## Portfolio managers



The Team is led by portfolio manager Richard Wong, who has extensive experience in fundamental equity analysis and portfolio construction. Prior to joining Mackenzie, Richard worked at a Canadian firm with \$5 billion in assets, specializing in institutional value investing. The Mackenzie Cundill Team uses a [patient, bottom-up stock selection process with a global perspective](#).

**Richard Wong, CFA**

Senior Vice President,  
Investment Management,  
Portfolio Manager,  
Head of Team

> Investment experience  
since 1994



**Rami Nasser, MBA, CFA**

Senior Investment  
Analyst

> Investment experience  
since 2009



**Muneeza Hasan, MBA**

Senior Investment  
Analyst

> Investment experience  
since 2003



**Vasista Ponduru, MBA**

Senior Investment  
Analyst

> Investment experience  
since 2012

## Investment director



**Mary Mathers, MBA, CFA**

Vice-President,  
Senior Investment  
Director, Equities

> Investment experience  
since 1997

For more information about the Mackenzie Cundill Team, visit [mackenzieinvestments.com](http://mackenzieinvestments.com).

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus of before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.