



### TEAM PHILOSOPHY & APPROACH

**Value-oriented management discipline:** The Mackenzie Cundill Team adheres to a disciplined value investing approach. Cundill believes that competitive long-term returns are the result of deep conviction and the will to act differently from the crowd. 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 value.



### KEY BENEFITS OF OUR APPROACH

**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 underlying value in the future. Because value investing often means buying stocks near their 52-week lows, 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 experienced portfolio managers 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 true 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 underlying value. For instance, a stock trading at \$10 but with an underlying value of \$20, is trading with a 50% margin of safety. Secondly, the Team applies a multi-factor scoring system to every candidate for the portfolio. To gain entry to the portfolio, stocks must pass specific required margins of safety depending on their quality.



### FUNDS UNDER MANAGEMENT: \$ 4.01 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\*\*

##### US Equity

- › Mackenzie Cundill US Class

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 fixed income assets under management, as of February 28, 2019. Excludes balanced funds.

\*\* Fund is available in USD option.



### MEET THE TEAM

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#### Richard Wong, CFA

Senior Vice President, Investment Management, Portfolio Manager  
Investment experience since 1994



#### Jonathan Norwood, MBA, CFA

Senior Vice President, Investment Management, Portfolio Manager  
Investment experience since 1998



#### Rami Nasser, MBA, CFA

Senior Investment Analyst  
Investment experience since 2009

The Team is led by portfolio managers Richard Wong and Jonathan Norwood. Richard has extensive experience in fundamental equity analysis and portfolio construction. He worked at a Canadian firm with \$5 billion in assets, specializing in institutional value investing. Prior to joining Mackenzie, Jonathan was a Portfolio Manager at a subsidiary of one of the largest mutual life insurance companies in Canada. He also founded and operated his own asset management firm where he managed a value-oriented portfolio comprised of North American equities. Together, they manage the Cundill suite of funds and are supported by a nimble team of analysts aligned to the same mindset and philosophy.

### INVESTMENT DIRECTOR

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#### Mary Mathers, MBA, CFA

Vice President,  
Senior Investment Director – Equities  
Investment experience since 1997

