

**INVESTMENT STRATEGY**

Launched in January 2012, the Canadian Equity Fund is managed using the same strategy applied to segregated accounts since its inception in July 2006. The Fund is invested in approximately 40 small, mid and large cap Canadian listed companies selected using a disciplined long-term investment approach. Research is based on a sound understanding of each company and the industry in which each operates, complemented by our macro-economic outlook. The Fund's investment philosophy is value-oriented seeking to buy shares at a discount to a company's true worth, as well as event-driven with the goal of realizing maximum shareholder value either through dividend increases, share buybacks, spin-offs or an outright sale. The Fund's objective is to be different than the TSX Composite index and achieve higher than market returns with lower risk.

**MONTHLY COMMENTS**

The Canadian Equity Fund increased +2.7% versus +1% for the TSX Composite. Our outperformance versus the TSX was due to our low weightings in the Energy and Financial sectors which declined during the month, as well as a sharp rise in the share price of some of our holdings that announced strong results. Top contributors were Diamond Estates (+21%), Blackberry (+18%), Swiss Water Coffee (+18%), Goodfood (+11%), Stella Jones (+10%), Gibson Energy (+10% since sold), Park Lawn (+9%), Aritzia (+8%), Ag Growth (+7%), Badger (+6%), ATS Automation (+6%) and CN Rail (+6%). Most world stock markets continued to rise as central banks ceased raising rates for now amid worries of a global economic slowdown. We continue to take a prudent approach by trimming certain holdings and maintaining low exposure to cyclical or economically sensitive sectors.

**MONTHLY NET RETURNS \***

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	LAM**	TSX**	S&P500**	S&P500 \$C
2006							4.1%	3.9%	0.3%	5.6%	0.3%	4.4%	<b>20.0%</b>	<b>12.5%</b>	<b>12.7%</b>	<b>17.8%</b>
2007	4.3%	2.4%	0.5%	5.0%	3.0%	0.9%	1.6%	-5.3%	2.4%	2.9%	-6.3%	2.4%	<b>13.9%</b>	<b>9.8%</b>	<b>5.5%</b>	<b>-9.8%</b>
2008	-6.4%	1.0%	-2.5%	0.4%	2.3%	-1.8%	-5.2%	1.3%	-13.4%	-14.8%	-8.5%	-1.8%	<b>-40.8%</b>	<b>-33.0%</b>	<b>-37.0%</b>	<b>-23.1%</b>
2009	1.8%	-2.2%	6.3%	5.9%	8.1%	2.2%	4.2%	3.8%	4.7%	2.9%	5.2%	4.3%	<b>58.3%</b>	<b>35.1%</b>	<b>26.5%</b>	<b>9.3%</b>
2010	-0.5%	2.3%	2.7%	2.6%	-3.5%	-0.8%	2.0%	2.3%	5.0%	4.9%	3.2%	5.2%	<b>28.1%</b>	<b>17.6%</b>	<b>15.1%</b>	<b>9.0%</b>
2011	1.7%	1.7%	-0.3%	2.1%	1.6%	-2.7%	1.1%	-0.3%	-4.3%	3.1%	0.5%	0.3%	<b>4.5%</b>	<b>-8.7%</b>	<b>2.1%</b>	<b>7.6%</b>
2012	3.8%	0.7%	1.3%	1.5%	-1.8%	-1.2%	0.7%	2.3%	3.5%	0.9%	1.0%	2.9%	<b>16.8%</b>	<b>7.2%</b>	<b>16.0%</b>	<b>13.5%</b>
2013	3.8%	1.2%	1.0%	-0.6%	0.8%	-1.0%	1.4%	0.5%	2.1%	2.7%	2.1%	2.7%	<b>17.8%</b>	<b>13.0%</b>	<b>32.4%</b>	<b>41.1%</b>
2014	0.8%	0.7%	1.1%	-0.4%	1.9%	2.4%	-0.6%	3.3%	-3.1%	-0.1%	0.1%	2.4%	<b>8.8%</b>	<b>10.5%</b>	<b>13.7%</b>	<b>24.0%</b>
2015	-2.7%	1.6%	-1.9%	4.2%	-1.2%	-0.6%	-1.7%	-6.6%	-4.6%	1.5%	-0.8%	1.5%	<b>-11.3%</b>	<b>-8.3%</b>	<b>1.4%</b>	<b>20.1%</b>
2016	-1.1%	-0.3%	8.6%	1.6%	3.8%	0.9%	2.6%	2.1%	3.1%	0.1%	-1.6%	3.1%	<b>24.7%</b>	<b>21.1%</b>	<b>12.0%</b>	<b>8.7%</b>
2017	-1.0%	1.1%	2.9%	-0.7%	2.9%	0.1%	-1.0%	0.1%	1.7%	1.4%	0.3%	5.7%	<b>14.1%</b>	<b>9.1%</b>	<b>21.8%</b>	<b>14.2%</b>
2018	-1.7%	-1.7%	1.0%	-1.1%	-0.2%	1.1%	0.0%	0.2%	1.1%	-6.4%	-1.0%	-5.5%	<b>-13.6%</b>	<b>-8.9%</b>	<b>-4.4%</b>	<b>4.2%</b>
2019	8.5%	2.7%	2.7%										<b>14.6%</b>	<b>13.3%</b>	<b>13.6%</b>	<b>11.6%</b>

\*Dollar-weighted average returns net of fees for LAM's equity composite up to December 2011. Lester Canadian Equity Fund Series F as of January 2012. \*\* Total Return Including dividends.

**INDUSTRY WEIGHTINGS**

Industrials	diversified	21.4%
Consumer S & D	food/bev/retail/deathcare	17.8%
Technology	IT/software/wireless	14.6%
Utilities	renewable energy	7.8%
Financial/R.E.	loans/asset mgt/malls	7.7%
Energy	pipelines/infrastructure	6.1%
Telecom	wireless/internet/TV	5.5%
Healthcare	mobility/pharma/homes	5.4%
Materials	packaging/rail ties & poles	4.9%
Cash	cash & equivalents	8.8%

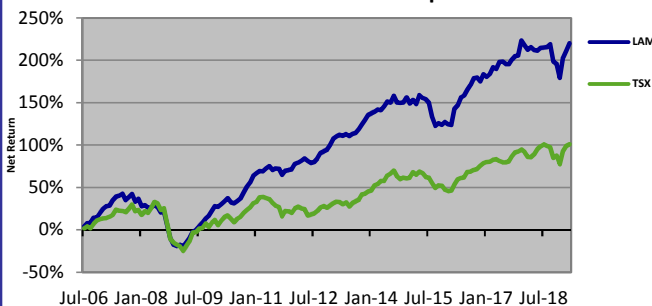
**TOP LARGE CAP HOLDINGS**

CN (railway transportation)
Pembina Pipeline (energy infrastructure)
Blackberry (security software)
BCE (telecom & media)
Algonquin (renewable power & utilities)
Telus (telecommunications)
CGI Group (IT consulting)
Keyera (energy infrastructure)
Dollarama (retail stores)
CCL Industries (packaging)

**TOP SMALL / MID CAP HOLDINGS**

Solium (software)
Baylin Technologies (wireless antennae)
GoodFood Market (home food delivery)
Sienna Senior Living (retirement homes & LTC)
Logistec (marine & environmental services)
Boralex (renewable energy)
Stella Jones (railway ties & utility poles)
K-Bro Linen (industrial laundry services)
Park Lawn (cemetaries & funeral homes)
Andrew Peller (wine production & sales)

**LAM Net Performance vs. TSX Composite Index**



NET RETURN	3 Month	1 Year	3 Year	5 Year	10 Year	1-Jul-06
LAM Cumulative	14.6%	1.4%	31.6%	32.3%	273.9%	220.1%
TSX Composite TR	13.3%	8.1%	30.4%	30.3%	147.7%	101.0%
LAM Value Added	1.3%	-6.7%	1.2%	2.0%	126.2%	119.1%
LAM Annualized		1.4%	9.6%	5.8%	14.1%	9.6%
TSX Composite TR		8.1%	9.3%	5.4%	9.5%	5.6%
LAM Value Added		-6.7%	0.3%	0.3%	4.6%	3.9%

**INVESTMENT TERMS**

Minimum	\$25,000 (accredited)/\$150,000 (non-accredited)
Net Asset Value	\$18.68 Series F FundSERV: LAF100
Management Fee	1.5% (plus approx. 0.10% for trading/custodial)
Fund/Firm AUM	\$63.5 million/\$310 million



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