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NEWS HIGHLIGHTS

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OUR VIEWS ON ECONOMIC AND OTHER EVENTS AND THEIR EXPECTED IMPACT ON INVESTMENTS

APRIL 14, 2022

OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND[1]

PORTLAND 15 OF 15 ALTERNATIVE FUND[1] COMPANY NEWS

SoftBank Group Corp. ("SoftBank") – Deutsche Telekom AG ("Deutsche Telekom") paid US$2.4 billion to SoftBank to increase its stake in T-Mobile US, Inc. ("T-Mobile"), taking it closer to its goal of holding a majority of the U.S. division. Deutsche Telekom now holds 48.4% of the company after buying 21.2 million shares at an average price of $113 per T-Mobile share, according to a statement Wednesday. The company is using part of the approximately 4 billion euros received from the recently completed sale of T-Mobile Netherlands to purchase the stake. Deutsche Telekom has long flagged that it wished to increase its stake in the U.S. business, which accounts for nearly two-thirds of the group's sales. SoftBank previously struck a complex deal with Deutsche Telekom to sell part of its stake in T-Mobile US. The Japanese company ended up with a stake in the U.S. firm after the completion of a mega-merger with Sprint Corporation in 2020. In September last year, SoftBank agreed to swap about 45 million T-Mobile shares for a 4.5% stake in Deutsche Telekom. The deal allowed SoftBank to borrow against its T-Mobile stake as long as Deutsche Telekom gets to vote the shares pledged as collateral. SoftBank still holds about 39.7 million shares in T-Mobile, currently worth about $5.2 billion. Deutsche Telekom previously had a 46.7% stake in T-Mobile after it bought 45 million shares in the company in September as part of its agreement with SoftBank. The move Wednesday involved the exercise of a call option for 21.2 million shares and the purchase of a further 9.3 million shares. The weighted average price compares with a closing value on Tuesday of $130.42.

Reliance Industries Limited ("Reliance") - Reliance is weighing a possible bid for Walgreens Boots Alliance Inc.'s ("Walgreens") international drugstore unit, according to people familiar with the matter. Reliance is in the early stages of exploring the feasibility of an offer for the Boots chain, the people said, asking not to be identified discussing confidential information. Ambani, is in the midst of pivoting his traditionally refining-focused conglomerate toward businesses that will better help him tap India's billion-plus consumers. He's also been chasing deals in Europe, including in the telecoms sector. Boots could be valued at as much as 7 billion pounds (US$9.1 billion) in a sale according to Bloomberg. Deliberations are ongoing and there's no certainty Reliance will decide to pursue an approach for Boots, according to the people. Walgreens kicked off the sale of Boots earlier this year. It's drawn interest from private equity firms including Apollo Global Management Inc. and TDR Capital. It also attracted Bain Capital LP and CVC Capital Partners, who teamed up and were considered early favorites before abandoning their pursuit. Walgreens is considering a potential initial public offering of Boots, which runs a chain of roughly 2,200 stores in the UK that includes brands such as No7 Beauty Company, if buyout interest is muted.

Brookfield Asset Management Inc. ("Brookfield") – Uniti Group Inc. ("Uniti") has agreed to a nearly AU$3.62 billion (US$2.70 billion) takeover offer by an infrastructure unit of Canada's Brookfield and fund manager Morrison & Co, the Australian telecom firm said. Under the potential deal, Uniti shareholders will receive $5 per share, representing a premium of 58.7% to the stock's closing price on March 14th, a day before the telecom firm received an initial $4.50 per share offer from Morrison & Co. Uniti's board unanimously recommended that its shareholders vote in favour of the proposal. Late March, the Morrison-Brookfield consortium matched a rival offer of $5 a piece from Macquarie Group Limited's asset management arm and Canada's Public Sector Pension Investment Board for Uniti. The proposal required the Australian telecom firm to not engage further with the Macquarie-led consortium or grant it due diligence access. The proposal for Uniti is Morrison & Co's latest venture into the telecom space after funds managed by it acquired a 49% stake in Telstra Corporation Limited's mobile tower business last year. Brookfield has also been involved in a number of deals in Australia. In recent weeks, its investment vehicle bought asset manager La Trobe Financial in a $1.1 billion deal, and it had also tried to buy power producer AGL Energy Ltd.

D.R. Horton, Inc. ("D.R. Horton") – D.R. Horton, America's Builder, and Vidler Water Resources, Inc. ("Vidler") announced that the two companies have entered into a definitive merger agreement pursuant to which D.R. Horton will acquire Vidler for US$15.75 per share in an all-cash transaction which represents a 19% premium to the 90-day volume-weighted average share price and a 39% premium to Vidler's book value of equity. Vidler owns a portfolio of premium water rights and other water-related assets in the southwestern United States in markets where D.R. Horton operates that require water for development, but face a lack of adequate supply. Vidler's highly experienced management team has a proven track record of accessing, developing and realizing value for premium water assets while expertly navigating local regulations and working with governmental entities. Post-closing, Vidler will operate as a separate operating division within D.R. Horton. Under the terms of the merger agreement, D.R. Horton, through its directly owned acquisition subsidiary, will commence a tender offer to acquire all outstanding shares of Vidler for $15.75 per share. Upon the successful completion of the tender offer, D.R. Horton's acquisition subsidiary will be merged into Vidler, and any remaining shares of Vidler will be canceled and converted into the right to receive the same consideration payable pursuant to the tender offer. Following completion of the merger, the common stock of Vidler will no longer be listed for trading on the Nasdaq. The total equity value of the transaction is approximately $291 million, and the transaction is expected to close during the second calendar quarter of 2022 subject to customary closing conditions.

DIVIDEND PAYERS

GO TO PORTLAND GLOBAL ALTERNATIVE FUND[1]

GO TO PORTLAND GLOBAL ARISTOCRATS PLUS FUND[1]

GO TO PORTLAND GLOBAL BALANCED FUND[1]

Citibank reported 2022 first quarter EPS of US$2.02, above consensus of $1.48. Beat was driven by higher revenues (+$0.05), particularly in Institutional & Corporate Group (largely trading-driven), lower efficiency (+$0.05), better provision (+$0.09), and a lower tax rate (+$0.04).

JPMorgan Chase & Co ("JPMorgan") reported 2022 first quarter EPS was US$2.63 as compared to the $2.72 consensus. The upside/downside variance tied to higher revenue (Markets driven), lower than forecast expenses/operating leverage realization, and higher than expected provision expense with substantially more loan loss reserve build, the latter understandable/reflective of "higher probabilities of downside risks". Return On Tangible Equity was 16% on Core Equity Tier 1 capital ratio of 11.9%. Firm wide average loans were up 1% quarter-over-quarter ("qtr/qtr"); deposits were up 2%; Fixed Income, Currency & Commodities and equities trading were both well above forecast; net charge offs were essentially in line; the quarter included more material loan loss reserve build--$0.9 billion--with builds in each of the business units/loan portfolios. Other than the loan loss reserve build, management detailed $0.5 billion in credit adjustments & 'other' in Corporate & Investing Banking, tied to credit spread widening and valuation adjustments relating to commodities exposures and derivatives receivables from Russia-associated counterparties ($0.13 net per share). $1.7 billion in buybacks in the quarter; Book Value and Tangible Book Value per share decreased 2% and 3% sequentially; the bank has announced a new $30 billion share repurchase authorization--opportunities (organic growth etc.) and the environment will dictate pacing. As per Jamie Dimon, Chief Executive Officer, said: "We remain optimistic on the economy, at least for the short term – consumer and business balance sheets as well as consumer spending remain at healthy levels – but see significant geopolitical and economic challenges ahead due to high inflation, supply chain issues and the war in Ukraine."

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

Guardant Health Inc. ("Guardant") – announced new data demonstrating the ability of the company's investigational next-generation Guardant SHIELD™ multi-cancer assay to accurately detect early-stage cancers. This assay is designed to analyze approximately 20,000 epigenomic biomarkers that are informative for detection of a wide range of solid tumors in a single blood test. The data for four cancer types were demonstrated as examples: colorectal, lung, pancreatic and bladder. These cancers alone account for more than 200,000 cancer-related deaths in the U.S. annually. In addition, the blood test identified the tumor tissue of origin with high accuracy. These data were presented during an oral presentation at the American Association for Cancer Research (AACR) Annual Meeting. Data from the presentation show that the next-generation Guardant SHIELD multi-cancer screening assay achieved sensitivity (detection rates) of 90% (n=692) in stages I and II colorectal cancer (CRC) and 87% (n=55) in stages I and II lung cancer. For more advanced cancer (stages III and IV), sensitivity was 93% (n=582) for CRC and 93% (n=136) for lung cancer. Detection was assessed at 90% specificity (true negative rates) based on a cohort of patients without cancer. This performance is on par with current guideline-recommended screening methods. A high-performance blood test that can be completed as part of a routine patient workup has the potential to improve screening rates and, ultimately, save more lives. "These positive results show that the next-generation Guardant SHIELD multi-cancer assay provides sensitive detection of early-stage cancers with the ability to identify the tumor tissue of origin with high accuracy," said AmirAli Talasaz, Guardant Health Inc. co-CEO. "Presentation of these positive results represents a major step forward in our commitment to offering clinicians and patients a highly sensitive blood-based multi-cancer screening test in select tumor types where we believe cancer screening can save lives."

POINT Biopharma Global Inc. ("POINT Biopharma") —will present a poster on its FAP-Alpha targeted program PNT2004 at the American Association for Cancer Research (AACR) 2022 Annual Meeting. The poster highlights the lead candidate of the PNT2004 program, PNT6555, and is titled "Pre-clinical characterization of the novel Fibroblast Activation Protein (FAP) targeting ligand PNT6555 for the imaging and therapy of cancer". The data presented demonstrate that 68Ga-PNT6555 is an effective imaging agent, with strong tumor targeting, low background in normal tissues and rapid clearance via urinary excretion. Also, 177Lu-PNT6555 shows prolonged tumor retention out to 168 hours post-injection. In addition, efficacy studies with 177Lu-PNT6555 or 225Ac-PNT6555 demonstrate compelling and dose-responsive inhibition of HEK-mFAP tumor growth. "A program with pan-cancer potential is tremendously exciting not only for radiopharmaceuticals, but also for precision oncology," said Dr. Joe McCann, Chief Executive Officer of POINT Biopharma. "FAP-αis a compelling pan cancer target for imaging and therapy that is found in more than 90% of epithelial tumors. FAP-alpha is highly expressed on cancer associated fibroblasts (CAFs) which drive tumor progression and resistance to chemo and immuno-therapy. FAP is expressed during early development, but its expression is very limited in healthy adult tissues, making it a compelling target."

Schrodinger Inc. ("Schrodinger") – presented new preclinical data from its Wee1 inhibitor program in a poster session at the American Association of Cancer Research (AACR) Annual Meeting. Schrödinger has identified multiple, highly selective and structurally distinct Wee1 inhibitors with optimized physicochemical properties that show strong pharmacodynamic responses and anti-tumor activity in preclinical models. The data presented show that Schrödinger's Wee1 inhibitors have therapeutic potential for use as monotherapy and as part of combination therapy with other agents. "The strength of our data underscore the potential of our novel, orally available and potent Wee1 inhibitors and provide an opportunity to advance a potential best-in-class Wee1 inhibitor into the clinic," said Karen Akinsanya, Ph.D., president of Research and Development, therapeutics, at Schrödinger. "The differentiated and balanced profile of our Wee1 molecules highlights the impact of our computational platform when deployed at scale to overcome design challenges. Our unique lead series were identified by assessing more than 445 million potential compounds computationally with only 42 that were synthesized for further analysis." Schrödinger has identified multiple, highly selective and structurally distinct Wee1 inhibitors that show strong responses and anti-tumor activity in preclinical models. Wee1 is a gatekeeper that prevents cellular progression through the cell cycle, allowing time for DNA repair before cell division takes place. Inhibition of Wee1 allows for accumulation of DNA damage, triggering DNA breakage and death in tumor cells. Wee1 is emerging as a potentially important therapeutic target for a range of solid tumors, including ovarian and uterine cancer. Schrödinger is on track to select a Wee1 development candidate later this year. Subject to completion of the preclinical data packages, Schrödinger anticipates submitting an Investigation New Drug (IND) Application to the U.S. Food and Drug Administration (FDA) in 2023.

Telix Pharmaceuticals Limited ("Telix") —announced that its ProstACT TARGET Phase II clinical trial of the Company's prostate cancer antibody therapy candidate TLX591 (177Lu-DOTA-rosopatamab), in patients experiencing a first recurrence of prostate-specific antigen (PSA) after initial therapy for prostate cancer, has been granted Human Research Ethics Committee (HREC) approval. Telix's primary goal with the ProstACT study series is to complete the pivotal Phase III ProstACT GLOBAL study in a second-line setting in patients with metastatic castration-resistant prostate cancer (mCRPC) progressing on first-line novel androgen agents. The inclusion of the TARGET study, will generate data on the use of TLX591 in patients at an earlier stage in their prostate cancer, supporting potential future indication expansion. This is in line with Telix's vision to benefit men along the full spectrum of their prostate cancer journey, creating multiple opportunities to deliver insights into the clinical performance of TLX591 throughout the program duration. As an antibody-based radiopharmaceutical, TLX591 is given as just two doses, two-weeks apart, and requires much less lutetium to deliver long-lasting radiation to the tumour with potential to reduce costs and off-target side effects such as salivary gland toxicity. The clinical objectives are delaying disease recurrence and thus deferring the commencement of androgen deprivation therapy (ADT) with the primary endpoint biological progression-free survival (PFS BIO). The study is a collaboration with Telix's strategic partner, GenesisCare. Dr. Christian Behrenbruch, Telix's Chief Executive Officer and Managing Director, stated, "We are delighted to have been granted approval to commence the Phase II ProstACT TARGET study for TLX591, a key milestone in the ProstACT family of trials. TARGET is part of the Company's long-term clinical and commercial strategy to develop TLX591 across multiple points from men with early, localised disease all the way through to advanced metastatic disease, integrating molecularly targeted radiation (MTR) with standard of care at each stage in the patient journey. Alongside the ProstACT SELECT study, this program will add value and clinical insight to the platform, with opportunity for near-term data readouts."

Telix announced first commercial doses of its prostate cancer imaging agent, Illuccix® (kit for preparation of gallium Ga-68 gozetotide injection), also known as 68Ga-PSMA-11 injection. As Illuccix rolls out nationally across the United States, physicians in Indianapolis (Indiana University School of Medicine), New York City, and Seattle are among the first to administer this new PSMA PET imaging agent that can help health care professionals (HCPs) diagnose the stage and spread of disease – an important step for the optimal care of men with prostate cancer. Illuccix is indicated for positron emission tomography (PET) of prostate-specific membrane antigen (PSMA) positive lesions in patients with prostate cancer with: suspected metastasis who are candidates for initial definitive therapy; and suspected recurrence based on elevated serum prostate-specific antigen (PSA) level. Prostate cancer is the most common cancer in American men after skin cancer. According to the American Cancer Society, more than 268,000 men in the U.S. will be diagnosed this year with prostate cancer, and nearly 35,000 will die from their disease. Reliable and flexible diagnostic tools are essential for treatment teams in narrowing the gap between understanding the spread of disease and appropriate individualized treatment by healthcare professionals. Illuccix is now widely available across the United States, significantly improving patient access to PSMA PET imaging. PSMA PET imaging is emerging as a standard of care in the U.S. having been included in latest NCCN Clinical Practice Guidelines in Oncology (NCCN Guidelines®) for Prostate Cancer. "Early detection and staging can help guide more informed disease management decisions. Tools such as Illuccix PSMA-PET are incredibly valuable as we look for better ways to manage prostate cancer in men," said Dr. Michael Koch, Professor and Chair of the Department of Urology at the Indiana University School of Medicine and a physician-scientist at the Indiana University Melvin and Bren Simon Comprehensive Cancer Center. Professor Mark Green, Director of Radiopharmaceutical Sciences and Professor of Radiology & Imaging Sciences at the Indiana University School of Medicine, added "The success of Telix in gaining FDA-approval for kit-formulated 68Ga-PSMA-11 represents an innovation for prostate cancer patients. Telix is providing a much-needed avenue for widespread clinical access to PSMA-targeted PET for improved understanding of the location and extent of a patient's disease. These imaging insights can be important as the physician develops an individualized treatment plan." Illuccix is now available to order from 117 pharmacies in the Telix network, providing coverage to approximately 85% of PET imaging sites across the U.S. with more sites to be added over the coming months.

ECONOMIC CONDITIONS

Ukraine/Russia War – This morning Putin has threatened to deploy nuclear weapons if Sweden and/or Finland join NATO but the market seems complacent or it's a reflection of how Russia's military capability on display in Ukraine is now being viewed.

U.S. Consumer Price Index (CPI): Underlying inflation eased in March. The CPI rose 1.2%, mostly as expected, lifting the yearly rate to 8.5%, the highest since December 1981. The main culprits were gasoline, up 18.3% (contributing to more than half of the headline increase), and food, up 1.0% (1.5% at grocery stores). Food is 8.8% more expensive than a year ago, the most since 1981, and the war in Ukraine, by impeding grain and fertilizer production, threatens to add to the pressure for some time. Excluding food and energy, core prices rose mush less than expected, by 0.3%, following five straight months of 0.5/0.6% gains. The yearly rate increased to 6.5%, the highest since August 1982, though the 3-month annualized rate pulled back to 5.8%. Strong pent-up demand for travel sent airfares and hotel rates soaring 10.7% and 3.7%, respectively. Returning office workers likely pushed clothing prices 0.6% higher, and 6.8% year-over-year ("y/y"). Medical care costs were boosted 0.5%. Primary rent gained just 0.4% following its biggest move in 44 years, while owners' equivalent rent held to a similar robust track. One big driver of core inflation in the past year, used vehicle prices, is now in reverse, down 3.8% in the month (though still up 35.3% y/y). Services (excluding energy) rose 0.6%, the most in three decades, suggesting lingering underlying pressure, even as goods prices begin to fade.

U.S. Retail sales mostly matched expectations of a 0.5% advance in March, and volumes look to have fallen, though that also reflects earlier very strong sales. In fact, the prior two months figures were increased, to 0.8% in February and to a huge 5.1% in January. Alas, raging consumer prices suggest retail volumes actually contracted in the month, and possibly in the past year (they were up 6.9%, versus 8.5% for the CPI). Despite stellar payrolls growth (averaging 600,000 in the past six months) and brisk wage increases, real disposable income likely shrank in the first quarter due to the end of expanded monthly child care benefits. Excluding a pullback in auto sales and surging gas station receipts (8.9%), retail sales rose a more modest 0.2% after a slight decline in February.

China - Chairman Xi is sticking with his zero-COVID policy (something that will have to be loosened up at some point) but with the Chinese economy under pressure we can expect another rate cut as soon as tonight and likely we'll see even looser monetary policy and more fiscal support going forward to prop up China's economy.

The UK employment data for the three months ending in February pointed to further tightening, with the unemployment rate improving to 3.8% (market: 3.8%), thus equalling its all-time low reached at the end of 2019. Pay growth continued to accelerate, with headline wage growth coming in at 5.4% three month and the ex-bonus measure rising slightly to 4.0% three month, both in line with consensus. Furthermore, vacancies increased once again in January to March to a new record high of 1,288,000, although the rate of growth slowed further.

One of the UK's biggest mortgage lenders will begin offering five and 10-year fixed rate mortgages at lower rates of interest than its two-year home loans, overturning borrowers' expectations of mortgage pricing. Halifax, which is part of Lloyds Banking Group, is offering a five or 10-year fixed rate deal at 2.48% for those with a deposit of 40% or more.

German Consumer Prices Index was released this week and was another "highest print" since reunification at 7.3%.

FINANCIAL CONDITIONS

The Bank of Canada raised its key overnight lending rate 50 basis points to 1.0%, as expected. The raise was the first 50 basis point increase since May 2000, and followed a like-sized increase by the The Reserve Bank of New Zealand ("RBNZ") just hours earlier (see below). In addition, the Bank also announced that it will begin to reduce its balance sheet, by simply not reinvesting maturing bonds (i.e., the start of Quantitative Tightening). This double-dose of tightening medicine is aimed squarely at tackling inflation—while Canada's headline rate of 5.7% looks a bit lower than some others, it's somewhat flattered by the absence of used car prices. The Bank's commentary certainly suggests that hefty hikes aren't done yet. Not only did they flatly state that "interest rates will need to rise further", but they have actually upgraded their inflation forecast (no surprise) and their growth projection for this year. This will leave the economy "moving into excess demand and inflation persisting well above target". The Bank's economic forecast was boosted this year, but shaved in 2023. Their call on first quarter edged up to 3.0%, but they are looking for a major re-opening in second quarter with a large 6.0% sprint in this quarter. As a result, they have actually lifted this year's growth estimate to an above consensus 4.2% pace. Meantime, and of no surprise, their inflation call has been increased from three months ago, alongside the sprint in oil and other commodity prices.

The Bank also updated its estimate of neutral interest rates. Previously, they had them pegged in a range of 1.75%-to-2.75%, but now see them 25 basis points higher at 2.0%-to-3.0%. We believe that the Bank will get the policy rate to at least the low end of that range as quickly as reasonably possible, before then shifting to a meeting-by-meeting game-time decision—which we believe will be a series of 25 basis point hikes on alternate meetings, until they get to the higher end of the neutral range.

The Reserve Bank of New Zealand hiked its official cash rate ("OCR") 50 basis points to 1.50%, in line with our forecast but above consensus expectations for a 25 basis points increase to 1.25%. The bank clearly looking to get ahead of the inflation curve and the more aggressive action was justified on the 'least regrets' approach to policy decisions. Russia's invasion of Ukraine played a key role in the Bank's upside outlook to inflation. Add to this policy being at stimulatory levels, employment above max sustainable levels and ongoing labour shortages, it became clear the Bank's February forecasts on inflation peaking in

2022 first quarter at 6.6% looked outdated. The Bank now expects annual CPI to peak around 7% in the first half of 2022.

The U.S. 2 year/10 year treasury spread is now 0.37% and the UK's 2 year/10 year treasury spread is 0.33%. A narrowing gap between yields on the 2 year and 10 year Treasuries is of concern given its historical track record that when shorter term rates exceed longer dated ones, such inversion is usually an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate has increased to 5.00%. Existing U.S. housing inventory is at 2.6 months' supply of existing houses - well off its peak during the Great Recession of 9.4 months and we consider a more normal range of 4-7 months.

The VIX (volatility index) is 21.85 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

And Finally …. We are taking a spring break, we'll resume this weekly newsletter the week commencing May 2nd ….in the meantime "The first rule of compounding is to never interrupt it unnecessarily." ~ *Charlie Munger*

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Glossary of Terms: 'CET' core equity tier, 'EBITDA' earnings before interest, taxes, depreciation and amortization, 'EPS' earnings per share, 'FCF' free cash flow, 'GDP' gross domestic product, 'ROE' return on equity, 'ROTE' return on common equity, 'ROTCE' return on tangible common equity, 'conjugate" a substance formed by the reversible combination of two or more others.

1.Not all of the funds shown are necessarily invested in the companies listed

Portland Investment Counsel Inc., 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7 Tel.:1-888-710-4242 • www.portlandic.com • info@portlandic.com

PIC22-020-E(04/22)