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NEWS HIGHLIGHTS

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

OCTOBER 7, 2024

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OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND[1]

PORTLAND 15 OF 15 ALTERNATIVE FUND[1] COMPANY NEWS

Reliance Industries Limited (Reliance) – British Petroleum Plc's (BP) exclusivity with Reliance Industries has ended but the energy major will continue to pursue oil and gas as well as mobility ventures in India with Reliance owing to an unwritten strategic partnership, BP's outgoing India head Sashi Mukundan said. BP in 2011 spent US$7.2 billion to acquire 30 per cent interest in 23 oil and gas blocks of Reliance. Eastern offshore Krishna Godavari Dhirubhai 6 (KG-D6) block was the cornerstone of the deal that also provided for a 10-year exclusivity period which meant that BP would take up energy projects or investments in India only in partnership with Reliance. The firm has so far invested more than $12 billion across the energy value chain including bringing on stream three new deepwater natural gas projects in KG-D6 that account for one-third of India's gas production. Mukundan said the original deal for stake in upstream oil and gas exploration and production assets has grown into the retail partnership and electric vehicles (EVs) and continues to grow. For Mukesh Ambani Chairman and Managing Director of Reliance Industries Limited), BP is its strategic partner. Asked why BP chose Reliance and not any other Indian firm like state-owned Oil and Natural Gas Corporation Limited (ONGC), Mukundan said Reliance had a very large exploration acreage spread over 270,000 square kilometers that gave it materiality. In the recently concluded bid round for oil and gas exploration acreage, BP-Reliance teamed up with ONGC to bid for a Gujarat offshore block. BP stands with the government on expanding exploration in the country so that more oil and gas can be produced and reliance on imports cut. While BP has been early movers in the renewable energy space, it believes India is in an energy addition phase where it will need fossil fuels to meet rising energy needs.

Samsung Electronics Co., Ltd. (Samsung) –is laying off workers in Southeast Asia, Australia and New Zealand as part of a plan to reduce global headcount by thousands of jobs, according to people familiar with the situation. The layoffs could affect about 10% of the workforces in those markets, although the numbers for each subsidiary may vary, said one of the people, who asked not to be named because the matter is private. Job cuts are planned for other overseas subsidiaries and could reach 10% in certain markets, said the person. The South Korean company has about 147,000 staff overseas, more than half of its total employees of more than 267,800, according to its latest sustainability report. It's not planning layoffs in its home market. Samsung staff across different teams in Singapore were called into private meetings on Tuesday with HR managers and their reporting managers and were informed of the retrenchment and severance package details, said another person familiar with the matter. "Some overseas subsidiaries are conducting routine workforce adjustments to improve operational efficiency," a Samsung spokesperson said. The company has not set a target number for any particular positions. The company has reduced the size of its workforce in the past as it's navigated the notoriously cyclical memory chip market. Samsung recently trimmed about 10% of jobs in India and some parts of Latin America, according to one of the people. In the latest push, Samsung is likely to cut less than 10% of its total overseas staff of 147,000, the person said. The company aims to preserve manufacturing jobs, while it cuts management and support functions. The figures will be affected by local labor regulations and financial priorities.

Berkshire Hathaway Inc. (Berkshire) – has been offloading its stake in Bank of America Corporation (BAC), selling about 238.7 million shares since mid-July, amounting to nearly US$10 billion. During the week of September 30th, Berkshire sold 8.55 million shares for approximately $337.9 million. Despite these sales, Berkshire still holds around 10.2%

of BAC, though this percentage may rise slightly as the bank hasn't disclosed recent stock buybacks. Berkshire's reduction in BAC, previously its second-largest stock holding, is part of Chief Executive Officer (CEO) of Berkshire Hathaway Warren Buffett's broader strategy to simplify his company's vast portfolio. The company has also reduced its stake in Apple Inc., its largest stock holding, by more than half in the first half of the year.

Berkshire – has agreed to acquire the remaining 8% of Berkshire Hathaway Energy Company (BHE) from the family of late billionaire Walter Scott, giving the conglomerate full ownership of the energy unit. The deal, valued at US$2.37 billion in cash for 4.42 million shares, also includes a swap of 1.6 million BHE shares for Berkshire Class B shares, and some debt exchange. Berkshire, which already owned 92% of the energy unit, will increase its stake to 100% upon regulatory approval in the current quarter. Walter Scott, a close friend of Buffett and a long-serving Berkshire director, passed away in 2021. This acquisition comes after Berkshire's $870 million buyout of Vice Chairman Greg Abel's 1% stake in BHE in 2022. The deal also allows Berkshire to utilize its substantial $276.9 billion cash reserves. Despite challenges, including litigation linked to wildfires caused by BHE's PacifiCorp utility, analysts believe the move is timely, especially given declining U.S. Treasury yields. Greg Abel is expected to succeed Buffett as Berkshire's CEO.

Brookfield Asset Management Ltd. (Brookfield) – The British Land Company PLC (British Land) has acquired seven retail parks from Brookfield, a Canadian investment firm, in a deal valued at £441 million (US$585.8 million). To partly fund the acquisition, British Land plans to raise £300 million through an equity placing, with the remaining capital coming from existing cash and facilities. British Land has been focusing on expanding its retail park portfolio since a strategic shift in 2021, attracted by the parks' affordability, low capital expenditure, and accessibility. The acquisition and equity placing are expected to boost earnings per share from 2025 onwards.

Carnival Corporation & plc (Carnival) – reported strong financial results for Third Quarter (Q3) 2024, with net income reaching US$1.7 billion, marking a 60% increase from the previous year. The company achieved record revenues of $7.9 billion, and operating income of $2.2 billion exceeded 2023 levels by $554 million. The full-year 2024 adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization(EBITDA) guidance was raised to $6.0 billion, a 40% increase compared to 2023, due to strong demand and cost-saving initiatives. Looking ahead, Carnival's cumulative advanced bookings for 2025 are already higher than the 2024 record, with ticket prices ahead of last year. Despite the positive outlook, the company expects Fourth Quarter (Q4) costs to rise by 8%, mainly due to maintenance and higher advertising spending. Carnival continues to reduce its debt and strengthen its balance sheet, with repayments totaling $7.3 billion since 2023.

LVMH Moët Hennessy Louis Vuitton SE (LVMH) – Formula One World Championship (Formula 1) announced a significant 10-year global partnership with LVMH, the luxury brand group, starting in 2025, coinciding with Formula 1's 75th anniversary. The collaboration will involve several iconic LVMH Maisons, including Louis Vuitton Malletier (Louis Vuitton), Moët Hennessy and TAG Heuer S.A. (TAG Heuer). This partnership is described as an unprecedented union between the worlds of luxury and motorsport, blending creativity, innovation, and excellence. LVMH's brands will be prominently featured in Formula 1 events, including TAG Heuer as the official timekeeper and Louis Vuitton crafting cases for trophies. The partnership aims to enhance fan experiences, combining the thrilling nature of motorsport with the sophistication of LVMH's craftsmanship.

DIVIDEND PAYERS

GO TO PORTLAND GLOBAL BALANCED FUND[1]

TC Energy Corporation (TC Energy) – On October 1, 2024, TC Energy announced that it has completed the spinoff of its Liquids Pipelines business into South Bow Corporation (South Bow). "Today is a pivotal moment for TC Energy's future, one that delivers progress on a strategic priority and our commitment to shareholders to maximize the value of our assets," said François Poirier, TC Energy's President and CEO . "We are uniquely positioned as a highly focused natural gas infrastructure and power and energy solutions company. We will continue to deliver enduring shareholder value, while playing a critical role in meeting growing industry and consumer demand for more secure, affordable and sustainable energy across North America and globally." As a standalone entity, TC Energy is positioned to achieve greater success by executing a tailored strategy to fully capture the incremental value of its unique opportunity set. Focused on long-term energy fundamentals and capital discipline, the Company will maintain its regulated, low-risk and utility like portfolio. "On behalf of TC Energy, I wish the team at South Bow all the best, and I am excited for the unique opportunities that lie ahead for them," said Poirier. "Growing energy demand requires all forms of energy, and South Bow is well-placed to deliver resilient supply to the strongest demand markets in North America." The TC Energy common shares will resume "regular way" trading on the Toronto Stock Exchange (TSX) and the New York Stock Exchange (NYSE) on Oct. 2, 2024, under the designation TRP. The South Bow common shares will commence "regular way" trading under the designation SOBO on the TSX on Oct. 2, 2024, but will not trade "regular way" on the NYSE until one trading day after the U.S. Securities and Exchange Commission (SEC) declares South Bow's registration statement on Form 40-F effective. TC Energy currently expects that the South Bow common shares will commence "regular way" trading on the NYSE on or about Oct. 8, 2024.

Toronto-Dominion Bank (TD Bank) - has been named "Best Consumer Digital Bank in North America" for the fourth consecutive year by Global Finance in their World's Best Digital Banks Awards 2024. TD Bank's results were driven by six North American regional category wins, recognizing TD Bank for best innovation, transformation, lending, open banking application programming interfaces (APIs), bill payment and presentment, and information security and fraud management. "At TD Bank, we innovate with purpose by harnessing the collective ideation power of our colleagues, exploring emerging technologies such as AI and spatial computing, and designing experiences that are focused on centering human needs to help support customers in an everchanging world," said Montresa McMillan, Senior Vice President, Digital Strategy, Innovation and Payments, TD Bank . "As we continue to develop better and faster outcomes for our customers, it is an honour to be recognized by Global Finance as the Best Consumer Digital Bank in North America for the fourth consecutive year." The Bank's leadership in the North American digital banking space is further supported by recent industry accolades, including:

- Recognized by Business Intelligence Group for organizational Gen AI efforts in their 2024 AI Excellence Awards.
- TD Lab in Canada and TD Workshop in the U.S. were recognized by Global Finance amongst the World's Best Financial Innovation Labs for the second consecutive year in 2024.
- TD Bank was recognized as a 2024 Fortress Cybersecurity Award winner by Business Intelligence Group.
- Recognized by Fair Isaac Corporation (FICO), a global analytics software leader, with a 2024 Decisions award for enhanced data-driven fraud detection and prevention capabilities.
- TD Bank has the largest number of monthly active mobile users among Canadian banks for the past ten consecutive years, according to data.ai
- According to Comscore, Inc. TD Bank continues to have the #1 average digital reach of any bank in Canada.

"*We're so proud to see the impressive efforts of our colleagues, who work to help enhance our mobile and digital offerings, be recognized this year by Global Finance,*" said Kyle McNamara, Senior Vice President, Customer Platforms, TD Bank. "As a team, they have shown their dedication to helping drive the best possible outcomes for our customers. This recognition is a testament to their leadership and talent in this space." Winners were chosen from entries evaluated by a panel of judges at Infosys, a global leader in consulting, technology and outsourcing. The editors of Global Finance were responsible for the final selection of all winners. Winning financial institutions were selected based on the following criteria: strength of strategy for attracting and servicing digital customers, success in getting clients to use digital offerings, growth of digital customers, breadth of product offerings, evidence of tangible benefits gained from digital initiatives, and web/mobile site design and functionality. Sub-category winners were selected based on the relative strength and success of those web products and services.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

BridgeBio Pharma Inc. (BridgeBio) – has completed enrollment for its Phase 3 FORTIFY trial, which is investigating BBP-418, an oral therapy for limb-girdle muscular dystrophy type 2I/R9 (LGMD2I/R9). The study exceeded its target enrollment, with topline interim data expected in 2025. If successful, BBP-418 could become the first approved therapy for LGMD2I/R9 in the U.S.

Telix Pharmaceuticals Limited (Telix) – has announced that the first patient has been dosed in the Phase II 'CA-NINE' trial, which is evaluating the use of TLX250-CDx (89Zr-girentuximab), an investigational Positron Emission Tomography(PET) agent, for detecting recurrent clear cell renal cell carcinoma (ccRCC) after surgery. Led by Professor Brian Shuch at University of California, Los Angeles (UCLA), the trial will compare the diagnostic accuracy of TLX250-CDx PET/CT with conventional imaging (contrast-enhanced CT) in 91 patients at intermediate-to-high risk of ccRCC recurrence. The trial aims to detect recurrent or metastatic disease and could support future label expansion for TLX250-CDx.

Telix – has received approval from Health Canada to expand the use of Illuccix® for selecting patients with metastatic castration-resistant prostate cancer (mCRPC) for Prostate-Specific Membrane Antigen (PSMA)-targeted radionuclide therapy, specifically Pluvicto® (lutetium-177 vipivotide tetraxetan). This approval broadens the clinical utility of Illuccix, which was initially approved in 2022 for prostate cancer staging, re-staging, and localization of recurrent tumors. Illuccix will be distributed across Canada through Isologic Innovative Radiopharmaceuticals, servicing 265 hospitals and clinics.

NUCLEAR ENERGY

Constellation Energy Corporation (Constellation) – is seeking a US$1.6 billion federal loan guarantee to support its plan to restart the Three Mile Island Nuclear Generating Station (Three Mile Island), which was shut down in 2019. The electricity generated from the plant would be sold to Microsoft Corporation (Microsoft) to power its data centers. The loan guarantee request, initially submitted to the Department of Energy in May, has passed an initial review, moving toward deal negotiation. The loan could reduce Constellation's borrowing costs by $122 million. The project also stands to benefit from federal tax credits under the Inflation Reduction Act of 2022, potentially worth $200 million per year for Constellation and Microsoft. Despite the financial incentives, the plan has sparked controversy, as some argue against providing both federal subsidies and tax credits for the project.

Plug Power Inc. (Plug) – is collaborating with Carreras Grupo Logístico, S.A. (Carreras) to create Spain's first hydrogen-powered logistics site at Carreras' logistics center in Masquefa, Barcelona. The project involves replacing lead-acid battery-powered forklifts with hydrogen fuel cells, enhancing decarbonization, energy efficiency, and cost savings. This site will serve as a testing ground for Plug's fuel cell technology, with plans to scale it across other Carreras locations.

ECONOMIC CONDITIONS

US Employment - U.S., nonfarm payrolls rose 254K (thousand) in September, a lot more than the median economic forecast was calling for at a +150K print. This positive surprise was compounded by a 72K cumulative positive to the prior months' results. Employment in the goods sector rose 21K as a 25K gain in the construction segment was only partially offset by a 7K decline in manufacturing. Employment in the mining/logging segment, meanwhile, edged up 3K. Jobs in service-producing industries jumped 202K, with notable increases for leisure/hospitality (+78K), health/social assistance (+72K), professional/business services (+17K) and retail trade (+16K). Alternatively, payrolls contracted 9K in the transportation/warehousing segment. The temporary help services category registered yet another decline in the month (-14K). In total, 223K jobs were created in the private sector (the most in 6 months), compared with 31K in the public sector, the latter split between federal (+2K) and state/local administrations (+29K). Average hourly earnings rose 4.0% y/y in September, up from 3.9% the prior month and two ticks above consensus expectations. Month on month (m/m), earnings progressed 0.4% following a 0.5% print the prior month (initially estimated at +0.4%). Released at the same time, the household survey painted an even more upbeat picture of the situation prevailing in the labour market, with a reported 430K increase in employment. This gain, combined with and an unchanged participation rate (62.7%) and a 150K increase in the size of the labour force, resulted in a one-tick decrease in the unemployment rate to 4.1%. Full-time employment surged 414K, while the ranks of part-timers shrank 95K.

US Housing Sentiment - Sales of existing homes are expected to record their lowest annual total since 1995, Federal National Mortgage Association(Fannie Mae) says. In the housing market, it seems like what goes down must come up. Housing sentiment has improved significantly, with a record share of consumers optimistic about mortgage rates falling over the next 12 months, a new survey by Fannie Mae found. But an increasing share are also expecting home prices to increase. In September, the share of respondents who said they expect mortgage rates to go down in the next 12 months rose to 42% from 39% the previous month, according to a monthly survey by housing-finance giant Fannie Mae. The share of respondents who expect home prices to go up over the same period also increased, to 39% from 37%. Despite the outlook over home-price growth, the big surge in optimism over rates pushed sentiment about the housing market up to the highest level in over two years. Fannie Mae's monthly Home Purchase Sentiment Index rose 1.8 points in September to 73.9. The Home Purchase Sentiment Index uses information from Fannie Mae's National Housing Survey, which goes back to 2010. The last time the index was at this level was in February 2022. That was right before the US Federal Reserve (Federal Reserve) began raising its benchmark interest rate in March 2022, which pushed up the 30-year mortgage rate over the next two years. As rates fall due to the US Federal Reserve starting to ease monetary policy in September, "a growing share are now pointing to high home prices rather than high mortgage rates as the primary sticking point for affordability," Mark Palim, chief economist at Fannie Mae, said in a statement. Even though consumers are happy about the drop in mortgage rates in the coming months, home-sales activity remains muted, he said. Fannie Mae expects existing-home sales to be on pace to record their lowest annual total since 1995. "This signals to us that consumers are paying attention to the easing interest rate environment," he said, "but still feel stymied by the considerable run-up in home prices over the last four years." The median price of an existing home in August was US$416,700, according to the National Association of Realtors. That's up 3.1% from a year ago. Only two in 10 respondents said that they believe it's a good time to buy a house, while 83% maintain that it's a bad time to buy. Sellers are still feeling upbeat about the market, with 65% saying it's a good time to sell.

FINANCIAL CONDITIONS

The U.S. 2 year/10 year treasury spread is now 0.03% and the U.K.'s 2 year/10 year treasury spread is -0.01%. 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 6.12%. Existing U.S. housing inventory is at 4.2 months supply of existing houses as of Sept 19, 2024 - well off its peak during the Great Recession of 11.1 months and we consider a more normal range of 4-7 months.

The VIX (volatility index) is 20.73 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

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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

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