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CAMERON WOODS
PORTFOLIO MANAGEMENT
Make Every Year Count.

NORTH AMERICAN EQUITY

CW NORTH AMERICAN GROWTH PORTFOLIO

Q2 2017 Report

Investment Objective and Criteria

The CW North American Growth Portfolio aims to increase the value of your investment over the long term. The portfolio is diversified into mid-to-large capitalization stocks or trust units listed on the S&P/TSX Composite Index or the S&P 500 Index. The portfolio consists of up to 30 securities (no more than 15 to each country) and is diversified by industry sector according to our process and investment policy. This enables the investor to gain exposure to the strongest opportunities within an equity pool of over 700 securities and two distinct economic climates.

Performance as of 06-30-2017

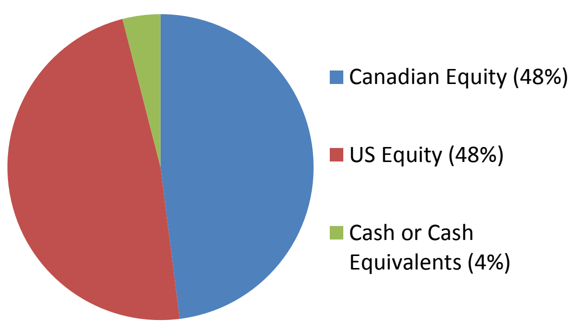
Calendar Year Returns %	Q4 2014[3]	2015	2016	YTD
CW North American Growth Portfolio[1]	**+8.0%**	**+15.8%**	**+11.4%**	**-1.9%**
Benchmark[2]	+5.8%	+6.0%	+14.6%	+2.8%

Trailing Returns %	3 Mo	6 Mo	1 Yr	Annualized
CW North American Growth Portfolio[1]	**-2.1%**	**-1.9%**	**+9.2%**	**+12.3%**
Benchmark[2]	-0.1%	+2.8%	+14.1%	+10.8%

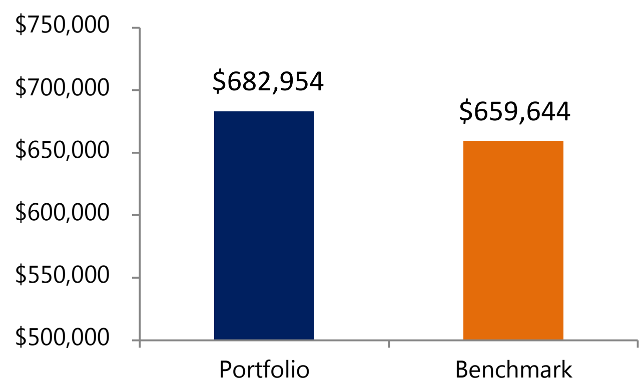
Investment Details

Inception Date:	October 21st, 2014
Minimum Investment:	$500,000
Management Fee:	1.75% per annum
Type of Portfolio:	North American Equity

Geographic Diversification as of 06-30-2017



Cumulative Return Since Inception on $500,000[1]



Top 10 Holdings as of 06-30-2017

Micron Tech Inc.	5.3%
BRP Inc.	4.1%
Applied Materials Inc.	3.9%
Restaurant Brands Intl Inc.	3.7%
Western Digital Corp	3.7%
Premium Brands Holding Corp	3.6%
Waste Connections Inc.	3.5%
TMX Group Ltd.	3.5%
United Rentals Inc.	3.5%
Netflix.com Inc.	3.5%
Total Weight Top 10 Holdings	38%

Portfolio Allocation as of 06-30-2017

Global Equity Sectors	**% of Equity**
Information Technology	25 %
Basic Materials	14 %
Financials	14 %
Industrials	10 %
Consumer Discretionary	15 %
Health Care	9 %
Real Estate	6 %
Utilities	3 %

Market Cap	**% of Equity**
Large (>$5B)	64 %
Medium (>$1.5B)	25 %
Small (<$1.5B)	7 %

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Manager Commentary

The North American Growth Portfolio was down -2.1% in the second quarter of 2017.

The Canadian Energy market continued to deflate in the second quarter, falling another -13% to end the first half of 2017 down -21% (as measured by the TSX Capped Energy Index). Our 6% energy position was sold out by late April for about a -1% loss to the portfolio. This would be a great time for enthusiastic believers in Energy stocks or the hold-for-the-long term crowd to admit there just might be a better approach. Oil (West Texas Int.) finished the quarter at $46. Five years ago today it was $85. Ten years ago today it was $71, with a brief spike $148 in 2008. When the trend is no longer your friend get the hell of out of the way.

Speaking of 'ugly' and 'trends', another gem of an experience we enjoyed this quarter was the reaction to an off-hand comment from our Premier about closing down coal exports in BC. Our position in Westshore Terminals promptly dropped about -13% that day. We sold on the small bounce the following day. Why not hold on for more? Or buy more while it's cheap? Trend … friend… it is not. The future is always uncertain but stocks going down are not stocks we want to own (whatever the reason). All told, we bought WTE at $23.72, sold at $23.44 (-1.2%), and it is $21.01 today (-11%). Yes, it might come back. And if it does we may look a little silly for selling. But the odds say (at this point) it won't, and why fight the odds?

While we're at it, let's talk about a few other bombs going off in the quarter. We bought Blackberry as the stock showed some consistent price strength in the early part of Q2, only to have it bomb out on earnings soon afterwards. We are currently down -18% on the position, costing the portfolio about 60 beeps. Like Energy, we entered Q2 with a modest 6% weighting in mining stocks. And just like Energy, mining stocks as a whole lost money during the quarter (Capped Materials Index fell -6.6%). We closed out our two positions for a net gain of 0.7% to the portfolio – not bad, but less than the 1.4% paper gain we were sitting on at the start of Q2. And finally, no help was to found in either the US or Canadian Indices, returning close to zero in Q2 (S&P 500 in CDN dollars) and -1.6% for the TSX Composite.

That being said, we still battled through the quarter with some wins under our belt (Technology, Financials, Consumer Discretionary) to end up mildly negative year to date. Sometimes the growth comes easy – sometimes we have to fight for it. Markets, like most things in life, are cyclical. Good times follow bad times, and so on. We are prepared to continue to muddle through if that's all that the market offers up; however, we are confident that when better conditions arise we will take full advantage of them.

So here's to Making This Year Count!

Investment Managers

Jeff Woods, *CIM, B. Eng.*
Portfolio Manager

Phone: (250) 405-2917
Email: jwoods@pifinancial.com
Website: www.cameronwoods.ca

David Cameron, *CIM, Hon B.Sc.*
Portfolio Manager

Phone: (250) 405-2916
Email: dcameron@pifinancial.com
Website: www.cameronwoods.ca

PI Financial Corp. www.pifinancial.com

620-880 Douglas Street, Victoria, BC, V8W 2B7
Toll Free: 1 877 405 2900 | Phone: 250 405 2900 | Fax: 250 405 2911