

A Focus on Global High-Quality Growth

Global equity management focuses primarily on large U.S. and multinational companies that demonstrate global leadership in their sector. These companies generally have steady growth rates, high returns on invested capital, dominant positions in world markets or their region and strong balance sheets to reduce financial risk.

Our approach targets U.S. and international companies that benefit from exposure to economies typically growing at a rate higher than global GDP. The emphasis is on non-cyclical companies with a competitive advantage in their industry.

PORTFOLIO CONSTRUCTION

- Market capitalization > U\$1B; EM market capitalization > U\$500M.
- Non-index emerging market limited to 10% weighting; non-index emerging country limited to 5% weighting.
- Maximum sector weight of the Fund as defined by the Global Industry Classification Standard (GICS®) is the greater of 25% or Index sector weight plus 15%.
- Maximum market value in a single issuer: 10%.

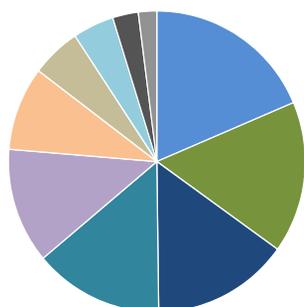
ANNUALIZED PERFORMANCE (%)

As of June 30, 2019	3 mos.	1 yr	3 yrs	5 yrs	7 yrs	10 yrs
JF Global Equity Fund	3.6	9.7	12.8	12.0	15.4	13.1
MSCI World Net C\$ ¹	1.7	5.6	12.0	11.2	14.9	12.4

CALENDAR YEAR PERFORMANCE (%)

To December 31 st	2018	2017	2016	2015	2014	2013	2012
JF Global Equity Fund	1.5	14.6	4.6	18.7	14.0	34.0	17.3
MSCI World Net C\$ ¹	-0.5	14.4	3.8	19.5	15.0	35.9	14.0

SECTOR WEIGHTINGS



- Health Care 18.6%
- Information Technology 16.3%
- Industrials 14.9%
- Consumer Staples 14.1%
- Financials 12.4%
- Consumer Discretionary 9.0%
- Communication Services 5.4%
- Materials 4.5%
- Energy 2.8%
- Cash & Equivalents 2.0%

Inception Date	September 30, 2005
NAV per Unit	C\$16.9701
Semi-Annual Distribution	C\$0.2110 (06/30/19)
Fund Size (\$M)	C\$264.9
Benchmark	MSCI World Net ¹

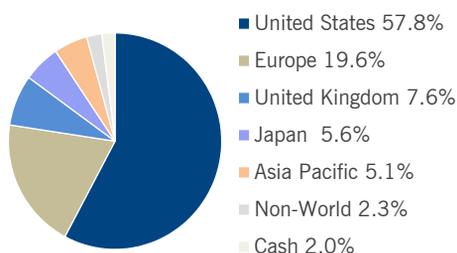
PORTFOLIO CHARACTERISTICS

*5-year period	Fund	Benchmark
Yield (%)	1.8	2.5
Weighted Avg. Market Cap (\$B)	\$245.8	\$219.0
Turnover (5-yr avg. to 12/31/18)	10.9	-
Sharpe Ratio*	1.1	1.0
Standard Deviation*	9.4	10.1
Upside Capture*	102.0	100.0
Downside Capture*	96.0	100.0
Batting Average*	0.5	-

TOP 10 HOLDINGS

Company	% of Fund
Microsoft	5.1
Alphabet (Class A&C)	4.0
UnitedHealth Group	3.7
Becton Dickinson & Co.	3.2
IQVIA Holdings	3.0
Mastercard Inc.	2.7
Verisk Analytics	2.7
Abbott Laboratories	2.6
Boston Scientific Corp.	2.5
Booking Holdings	2.5
Total for Top 10	31.8

GEOGRAPHICAL BREAKDOWN



MARKET & ECONOMIC REVIEW

The second quarter of the year continued to build on the positive momentum shown by financial markets in the previous quarter. The more dovish stance taken by the world's key central banks implied that the next move in administered rates is likely to be downward. Confronted by weaker data, stubbornly low inflation and further risks to trade, the European Central Bank (ECB), the U.S. Federal Reserve (Fed) and the Bank of Canada all pointed towards further monetary stimulus. Relatively bad economic news, therefore, ended up being good news for the markets.

The one area of concern that remains is the apparent weakness in the manufacturing industry in the U.S., Germany, China and Japan. The fear is that this will lead to job losses and falling consumer confidence, which explains the reversal in central bank sentiment. The trade picture improved somewhat near the end of the quarter, with China and the U.S. at least agreeing to resume talks, although the possibility of the U.S. shifting focus to the eurozone may still be enough to induce volatility. During the quarter, we witnessed increasing tariffs and protectionism rhetoric not only between China and the U.S., but also between the U.S. and Europe relating to automobiles and agricultural products. The G20 meeting seemed to result in a modest de-escalation of tensions, although a deal remains elusive. In the U.K., the Brexit drama continued to unfold as Prime Minister Theresa May was unable to pass her Brexit agreement and, as such, has stepped aside. Geopolitical tensions escalated in the Middle East between the U.S. and Iran, which raised energy prices, reversing their previous decline.

PORTFOLIO REVIEW

Global indexes ended the first half of 2019 with impressive strength across many geographies and industry sectors. Growth stocks continued to be in favour, and despite a somewhat uncertain economic backdrop, the markets could be characterized as optimistic with a dovish tilt from key central banks providing momentum. This provides a good backdrop to our portfolio positioning as our investments have attribute characteristics of both secular growth and quality. The Global Equity portfolio achieved strong results in June to cap off outperformance in the quarter ahead of the MSCI World Net Index.

Top performing sectors which also outperformed the index in the quarter included Health Care (+3.4%) and Information Technology (+7.4%). Stock selection was key to our outperformance with especially strong returns from **Boston Scientific** (+18%), **Microsoft** (+12%), **Mastercard** (+10%) and newly initiated **Copart** (+21%).

Detractors to performance include names in the Communication Services and Energy sectors. Specific weakness could be found in **Alphabet** (-10%), **Noble Energy** (-11%) and **Schlumberger** (-10%).

INVESTMENT STRATEGY

The remainder of 2019 should provide many points for discussion and debate that will have a meaningful impact on how capital markets perform over the coming years. The Federal election in Canada and the U.S. Presidential election in November 2020 will likely cause some volatility in stock markets. Trade will also be a key driver or sticking point.

In uncertain times we rely on investment principles that have been tested through many cycles. We focus on companies with sustainable business plans and defensible positions in their industries. Our analysts and portfolio managers use their experience to uncover the true drivers of good long-term performance. And then they vigorously debate all of their theses. What can go wrong? What if scenario B happens? The end result is a portfolio that is diversified from an industry and geographic standpoint that is expected to provide excess returns over a full cycle.

INVESTMENT TEAM

Jarislowsky Fraser has a team-based approach that anchors a culture of collaborative decision-making. The Investment Strategy Committee (ISC), our central risk and investment oversight body, oversees the entire investment process to ensure that investment decisions adhere to the firm's long-standing philosophy and process.

¹ Prior to 01/01/2016, the benchmark was MSCI World C\$ gross.

Returns for the JF Pooled Funds have been calculated using the net asset value (NAV), are gross of management fees and in Canadian dollars. C\$ Index returns and NAV values have been calculated using the London 4PM closing FX rates. Complete Investment Policy guidelines are available upon request.

JF Pooled Funds are only available to Canadian residents. Past performance is not a guide to future performance. Future returns are not guaranteed. Investment return and principal value of an investment in the fund will fluctuate so that an investor's shares when redeemed may be worth more or less than their original cost. This document is prepared by Jarislowsky, Fraser Limited (JFL) and is provided for information purposes only, it is not intended to convey investment, legal, tax or individually tailored investment advice. All opinions and estimates contained in this report constitute JFL's judgment as of the time of writing and are provided in good faith. All data, facts and opinions presented in this document may change without notification. No use of the Jarislowsky, Fraser Limited name or any information contained in this report may be copied or redistributed without the prior written approval of JFL.

Source: TD Securities, S&P, Bloomberg, eVestment Alliance, MSCI Inc., FTSE TMX Global Debt Capital Markets Inc.