

TRADING ACTIVITY

BARRANTAGH INVESTMENT MANAGEMENT Global Equities

We maintain a constructive view on the durability of economic growth as consumer spending broadens to the service sector of the economy, governments invest more into infrastructure, and corporations reassess their future capital expenditure plans. Input cost inflation and potential complications from COVID variants represent short-term challenges that must be navigated by equity markets which appear to be manageable at this time. We also expect that well run companies exposed to healthy end markets have an opportunity to cement their leadership positions and emerge from this period having taken share from their peers.

Within the portfolio, we continue to focus on companies with unique features at either end of the value / cyclical and structural-growth spectrum, which can benefit from the reopening of the global economy along with an ability to gain market share. Furthermore, industries that are in the early stages of recovery offer potentially greater return opportunities.

The travel industry has been one of the most negatively impacted industries from the pandemic. Pent-up demand combined with high savings rates bode well for a strong consumer-led recovery here. Due to fewer restrictions than international travel, domestic travel has seen the quickest rebound, which benefits companies like Advance Auto Parts

in the shorter term due to growth in vehicle miles driven. An additional opportunity for the stock is management's internal initiatives in place to drive profit margins significantly higher over the longer term. Although international travel has witnessed some improvement this year, it remains significantly lower than pre-pandemic levels. As vaccination rates continue to improve, restrictions on international travel should ease, which ignites the recovery here as well. Our holding in MasterCard is expected to benefit from a rebound in cross border travel spending and remains well positioned as a structural grower within the digital payments industry.

BUYS

Wells Fargo

Wells Fargo provides consumer and commercial banking, investment banking, and wealth management services. They are in the gradual process of emerging out of the Federal Reserve regulatory consent order with stronger risk management and governance. The eventual asset cap lift should lead to better profitability and higher returns to shareholders, as well as a valuation expansion for the stock.

Compass Group

Compass Group is a global leader in outsourced food catering, an industry that was decimated by COVID-19. The company is seeing new wins from first time outsourcing and a shift to quality/cleanliness of catering. The company will leverage its leaner cost base from COVID-19, its scale, and its flexible workforce to gain market share as economies reopen.

Itron

Itron is a technology and services company specializing in metering of electricity, gas, and water. Itron's gem is the software component behind its smart meters that provide valuable data insights to its key utilities' customers.

CRH

CRH manufactures and supplies building and construction materials such as aggregates, asphalt, cement, lime, concrete. They have a strong exposure to U.S. and European construction. Government spending on infrastructure provides upside for the stock.

SELLS

These positions were funded through the sale of Air Liquide and Terminix.

The information contained in this report is intended for investment advisors as a supplement to describe activity in defined investment mandates. It is not a recommendation on the suitability of any investment to an individual's specific situation. While every effort is made to fairly and accurately describe the information provided herein, Barrantagh Investment Management accepts no responsibility for loss or liability related to the receipt of this information.

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