

October 3, 2018

The Fiera Global Equity strategy was up in absolute performance and outperformed the MSCI World Index in the 3rd quarter of 2018. Our relative outperformance was mainly driven by stock selection in the Information Technology, Consumer Discretionary, and Materials sectors, as well as by our lack of exposure to the Energy sector. Partially offsetting these positives was our stock selection in the Health Care sector.

Among the top contributing stocks for the quarter were Taiwan Semiconductor and Middleby. Taiwan Semiconductor, the largest contract manufacturer for semiconductor chips, has a dominant position due to its leading-edge technology, manufacturing capabilities, and compelling customer care. Throughout the quarter, a number of TSMC's competitors suggested that they were unable to keep up with TSMC on critical technology, resulting in expected additional market share gains. We believe the numerous news flows have positively contributed to the stock's outperformance and are a testament to TSMC's competitive advantages.

Middleby's second quarter results showed good signs of progress, particularly in their Commercial Food Services and Residential divisions. Within Commercial Food Services, Middleby's largest division, the company gained several new customers and reported sales growth amongst its major restaurant chain accounts. Furthermore, the company anticipates improving sales trends for the remainder of the year. As for the Residential division, it experienced positive organic growth with the Viking brand leading the way.

Among the largest detractors over the quarter were Intertek and HDFC Bank (HDB). We believe the market was anticipating strong results for Intertek but the actual results did not match the elevated expectations.

Indian banks were under pressure over the last week of September after Infrastructure Leasing & Financial Services (IL&FS), a leading Non-Bank Finance Company/Infrastructure player defaulted on their loans. While HDB's stock underperformed alongside other Indian banks due to subsequent higher funding costs, we believe the impact on HDB will be mitigated given its ability to manage through pricing. In addition, the Indian Rupee was down over the quarter, further contributing to the stock's underperformance.

Our sector and regional weights are driven by bottom-up stock selection. As we enter the fourth quarter of 2018, we remain underweight in the Euro zone and Japan as we continue to find more attractive opportunities in other parts of the world, such as Switzerland and Emerging Markets. We are currently overweight Industrials, Consumer Staples, and Health Care while underweight Energy, Real Estate, and Utilities.

	3Q18	YTD18
Global Equity Strategy Composite*		
Gross	6.50%	8.16%
Net	6.27%	7.48%
MSCI World	4.98%	5.43%

	Avg. Wt.	Contrib. to Perf.
<b>Top Detractors</b>		
Intertek Group plc	2.87	-0.47
HDFC Bank Ltd	2.12	-0.29
Moody's Corp	5.95	-0.18
Fanuc Corp	1.71	-0.10
Richemont (CIE FIN)	1.89	-0.06

<b>Top Contributors</b>		
Mastercard Inc	5.10	0.57
TJX Companies Inc	3.35	0.51
Johnson & Johnson	3.96	0.47
Taiwan Semiconduct	2.70	0.43
Middleby Corp	1.89	0.38

The holdings identified do not represent all of the securities purchased, sold or recommended. Information on the calculation methodology and a listing of every holding's contribution to the composite's performance during the period is available upon request.

\*For information about the composite, see disclosures.

**Past performance is no guarantee of future results. Inherent in any investment is the potential for loss.** Please refer to Important Disclosures on the back of this performance overview regarding performance, the Participating Affiliate Arrangement, Index Comparisons and other important information.

## IMPORTANT DISCLOSURES

### Performance and Fees

**Past performance is not an indication of future performance. Inherent in any investment is the potential for loss.** Gross Performance results do not reflect the deduction of management fees or other expenses. Net performance results are calculated using the highest total fees and expenses currently charged to any US investor account, fund, or other investment vehicle using this strategy (collectively, the “accounts”), including management fees and all other expenses but excluding custody fees. The actual management fee and expenses paid by an account may be higher or lower. The performance results include the reinvestment of all dividends and capital gains. Performance of the composite is provided for illustration purposes only and should not be construed as performance of a particular account. None of the accounts in the composite use leverage. The accounts included in the Global Equity composite reflect all accounts managed using this strategy, which includes accounts managed by Fiera Capital Corporation (“FCC”) itself and by Fiera Capital Inc. (“FCI”) with the use of FCC’s resources acting in its capacity as a “participating affiliate” of FCI.

### Attribution

Attribution is based on a representative portfolio, which is the most representative of the unrestricted strategy shown.

## FIERA GROUP OF COMPANIES

Each member of the Fiera Group of companies only provides investment advisory services or offers investment funds in the jurisdictions where such member and/or the relevant product is registered or authorized to provide such services pursuant to an exemption from such registration. These include the entities listed below. Where an entity operates under an exemption from registration (the “Exempt Entities”), only its jurisdiction of incorporation is listed. Details on the particular registration and offering exemptions for the Exempt Entities’ activities are available upon request.

- Fiera Capital Corporation – Canada, registered: (i) in the categories of exempt market dealer and portfolio manager in all Provinces and Territories of Canada (ii) in the category of investment fund manager in the Provinces of Ontario, Québec, Newfoundland and Labrador; (iii) as a commodity trading manager pursuant to the Commodity Futures Act (Ontario), (iv) as an adviser under the Commodity Futures Act (Manitoba) and, (v) in Québec, as derivatives portfolio manager pursuant to the Derivatives Act (Québec);
- Fiera Capital Inc. – United States, registered as (i) an investment adviser with the U.S. Securities and Exchange Commission (the “SEC”)\* and (ii) a commodity pool operator with the U.S. Commodity Futures Trading Commission.

\*Registration with the SEC does not imply a certain level of skill or training.

## GENERAL DISCLOSURES

This material is confidential and not to be reproduced or redistributed without the prior written consent of Fiera Capital Inc. (“FCI”). This document is intended for information purposes only. Some information contained herein has been obtained from third-party sources, including those specifically referenced, and such information has not been independently verified by FCI. No representation, warranty, or undertaking, express or implied, is given as to the accuracy or completeness of such information by FCI or any other person; no reliance may be placed for any purpose on such information; and no liability is accepted by any person for the accuracy and completeness of any such information.

These materials are not intended as investment advice or a recommendation of any security or investment strategy for a specific recipient, investments or strategies described herein are provided as general market commentary, and there may be no account or fund managed by FCI for which investments or strategies described herein are suitable due to the various types of accounts or funds that are managed by FCI. Nothing herein constitutes an offer to sell, or solicitation of an offer to purchase, any securities, nor does it constitute an endorsement with respect to any investment area or vehicle.

Any charts, graphs, and descriptions of investment and market history and performance contained herein are not representation that such history or performance will continue in the future or that any investment scenario or performance will even be similar to such chart, graph, or description. Any investment described herein is an example only and is not a representation that the same or even similar investment scenario will arise in the future or that investments made will be as profitable as this example or will not result in a loss to such any investment vehicles. All returns are purely historical, are no indication of future performance and are subject to adjustment.

## FORWARD-LOOKING STATEMENTS

Discussions regarding potential future events and their impact on the markets are based solely on historic information and FCI’s estimates and/or opinions, and are provided for illustrative purposes only. A number of the comments in this document are based on current expectations and are considered “forward-looking statements”. Actual future results, however, may prove to be different from expectations. The opinions expressed are a reflection of FCI’s best judgment at the time this document is compiled, are subject to change at any time without prior notice, cannot be guaranteed as being accurate, and any obligation to update or alter forward-looking statements as a result of new information, future events, or otherwise is disclaimed. Furthermore, these views are not intended to predict or guarantee the future performance of any individual investment strategy/style, security, asset class, markets generally, nor are they intended to predict the future performance of any FCI Vehicle or portfolio.

## INDEX COMPARISONS

Benchmark indices are provided so that a strategy’s performance can be compared with the performance of well-known and widely recognized indices. A strategy’s holdings may differ significantly from the securities that comprise the index. It is not possible to invest directly in an index. Investors pursuing a strategy similar to an index may experience higher or lower returns and will bear the cost of fees and expenses that will reduce returns.

MSCI World – The MSCI World Index is a stock market index made up of approximately 1,600 global stocks. It is often used as a common benchmark for ‘world’ or ‘global’ stock funds. The index comprises a collection of stocks of all the developed markets in the world, as defined by MSCI. The index includes stocks from 23 countries but excludes stocks from emerging and frontier economies. Index results assume the re-investment of all dividends and capital gains.