

### KEY TAKEAWAYS

- Semiconductor investments, the AI-enhanced iPhone, and hyperscaler capex benefited the return.
- The portfolio invested in Marvell and Apple, and exited highly valued Vistra, Vertiv, and First Solar.
- We are positioned for growth with dominant firms in AI, automation, and reshoring.

### PORTFOLIO MANAGER



#### Maxime Houde CFA

Director, Portfolio Manager,  
Thematic Investing

### PERFORMANCE ANALYSIS

#### Strong performance in the second quarter

During the quarter, our semiconductor investments in Nvidia, Broadcom, and SiTime again paid off, with these firms thriving in the AI proliferation through their specialized products.

Apple made waves at the WWDC conference with a slew of iPhone AI enhancements that is likely to drive a multiyear upgrade cycle.

Our investments in First Solar and Vistra, key beneficiaries of hyperscaler capex, also proved fruitful because they address AI's large energy needs.

#### PERCENTILE RANKING (GROSS RETURNS)

Period	Percentile ranking	Nb of funds in category
1 year	17	242
3 years	47	217
5 years	17	193

Source: Morningstar ratings, US Equity

#### TOP 5 CONTRIBUTORS (% QTD)

Issuer	Return	Weight	Contribution
Nvidia	38.27	6.77	2.40
Apple	23.50	6.29	1.59
Alphabet	21.49	5.32	1.08
Microsoft	7.46	8.25	0.62
Broadcom	23.14	2.16	0.54

#### TOP 5 DETRACTORS (% QTD)

Issuer	Return	Weight	Contribution
Salesforce	-27.47	1.01	-0.43
Atkore	-28.92	0.65	-0.24
Advanced Micro Devices	-19.39	0.33	-0.22
Walt Disney Co	-13.26	0.53	-0.17
Lowe's	-12.20	0.99	-0.15

#### 3-YEAR RISK-RETURN ANALYSIS

Indicator	Fund	Index*
Beta	1.01	1.00
Volatility	15.05	15.01
Information ratio	-0.53	-
Upside capture	97.53	-
Downside capture	108.23	-

#### FUND CHARACTERISTICS

Characteristic	Fund	Index*
Number of holdings	82	503
Dividend yield	1.02	1.57
Top 10 holdings weight	43%	
1-year trailing turnover	198%	

\* Index: S&P 500 Total Return (\$CA)

## Thematic Innovation (iA)

### PORTFOLIO ACTIVITY

#### Exiting overvalued, entering undervalued

We initiated a position in Marvell Technology. We are attracted to its cloud networking business, which we think will be accelerated meaningfully by breakthroughs in generative AI.

We eliminated Vistra, Vertiv, and First Solar. The rationale for selling these positions was mainly rich valuations that had already priced in much of the opportunity from AI investment.

We greatly increased our exposure to Apple, because we expect AI integration into the new iPhone to drive an upgrade cycle that will accelerate growth.

Lastly, we initiated multiple positions in software names that have opportunities emerging from AI adoption and are trading at attractive relative valuations.

### PORTFOLIO POSITIONING

#### Barbell approach with exposure to thematic innovators and dominant firms

The fund is positioned to deliver long-term capital growth through its exposure to U.S. companies that have dominant market positions and are poised to benefit from innovation trends. Our base-case scenario remains a soft landing, but we saw some softening of economic data in the second quarter and, therefore, increased our exposure to more defensive and thematic names.

Even though we expect an increasingly volatile environment driven by the U.S. presidential election and a slowing economy, we think industries benefiting from AI, automation, and reshoring should do well and we expect them to maintain their market leadership.

### MARKET OUTLOOK

#### We see opportunities in small- and mid-cap innovators

As we look toward the second half of 2024, structural growth stocks are likely to remain in favour, underpinned by stabilized long-term interest rates and consistently below-average potential GDP growth.

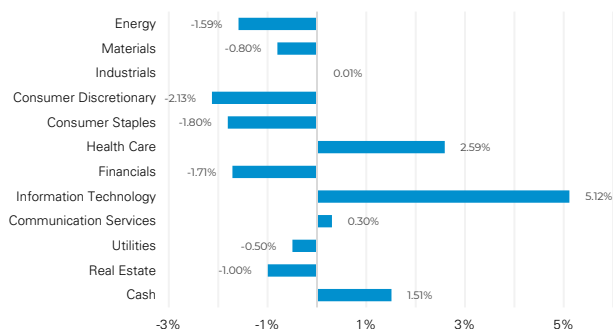
Technology shifts usually usher in new market cycles and regimes, and we see artificial intelligence becoming the defining technological turning point of our generation. Using the data-era framework as a guide, we expect to witness a significant shift from the semiconductor industry to infrastructure and software layers, as use cases emerge and are commercialized/monetized.

In line with our barbell investment approach, we will persist in identifying potential market leaders of tomorrow amongst innovative firms, while ensuring our capital is allocated to dominant market players that stand to gain from the widespread permeation of innovation within the economy.

### SIGNIFICANT TRANSACTIONS (Q2 2024)

Positions initiated	Sector
Marvell Technology	Information Technology
Adobe	Information Technology
Samsara	Information Technology
Walmart	Consumer Staples
MSCI	Financials
Positions exited	Sector
Vistra	Utilities
Vertiv	Industrials
First Solar	Information Technology
Domino's Pizza	Consumer Discretionary
Walt Disney	Communication Services

### SECTOR DEVIATIONS VS. INDEX



### TOP 5 HOLDINGS

Holding	Sector	Weight (%)
Microsoft	Information Technology	8.17
Apple	Information Technology	7.63
Nvidia	Information Technology	7.36
Amazon	Information Technology	5.05
Alphabet	Information Technology	5.04

## About iA Global Asset Management (iAGAM)

### ROOTED IN HISTORY, INNOVATING FOR THE FUTURE.

A magnet for top investment talent, iA Global Asset Management is one of Canada's largest asset managers, with over \$100 billion under management across institutional and retail mandates. We help investors achieve their long-term wealth creation goals through innovative investment solutions designed for today's complex markets. We are building upon our historic success, supporting the growth of our core strengths, and exploring innovative ways to meet investor needs. We are rooted in history and innovating for the future. Our experienced portfolio managers use a proprietary investment methodology, rooted in iAGAM's unifying commitment to strong risk management, analytical rigor and a disciplined, process-driven approach to asset allocation and security selection.

#### General Disclosures

The portfolio managers' comments on the fund's relative performance are based on gross returns (before fees). The information and opinions contained in this report were prepared by iA Global Asset Management ("iAGAM"). The opinions, estimates and projections contained in this report are those of iAGAM as of the date of this report and are subject to change without notice. iAGAM endeavours to ensure that the contents have been compiled or derived from sources that we believe to be reliable and contain information and opinions that are accurate and complete. However, iAGAM makes no representations or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions contained herein and accepts no liability whatsoever for any loss arising from any use of, or reliance on, this report or its contents. There is no representation, warranty, or other assurance that any projections contained in this report will be realized. There is no representation, warranty, or other assurance that any projections contained in this report will be realized. The pro forma and estimated financial information contained in this report, if any, is based on certain assumptions and analysis of information available at the time that this information was prepared, which assumptions and analysis may or may not be correct. This report is not to be construed as an offer or solicitation to buy or sell any security. The reader should not rely solely on this report in evaluating whether or not to buy or sell securities of the subject company. The reader should consider whether it is suitable for your particular circumstances and talk to your financial advisor.