

DIVIDEND SEASON 2023

Fight inflation with dividends

When inflation is high, a good
dividend portfolio can help you
stay above water.

Are you open?

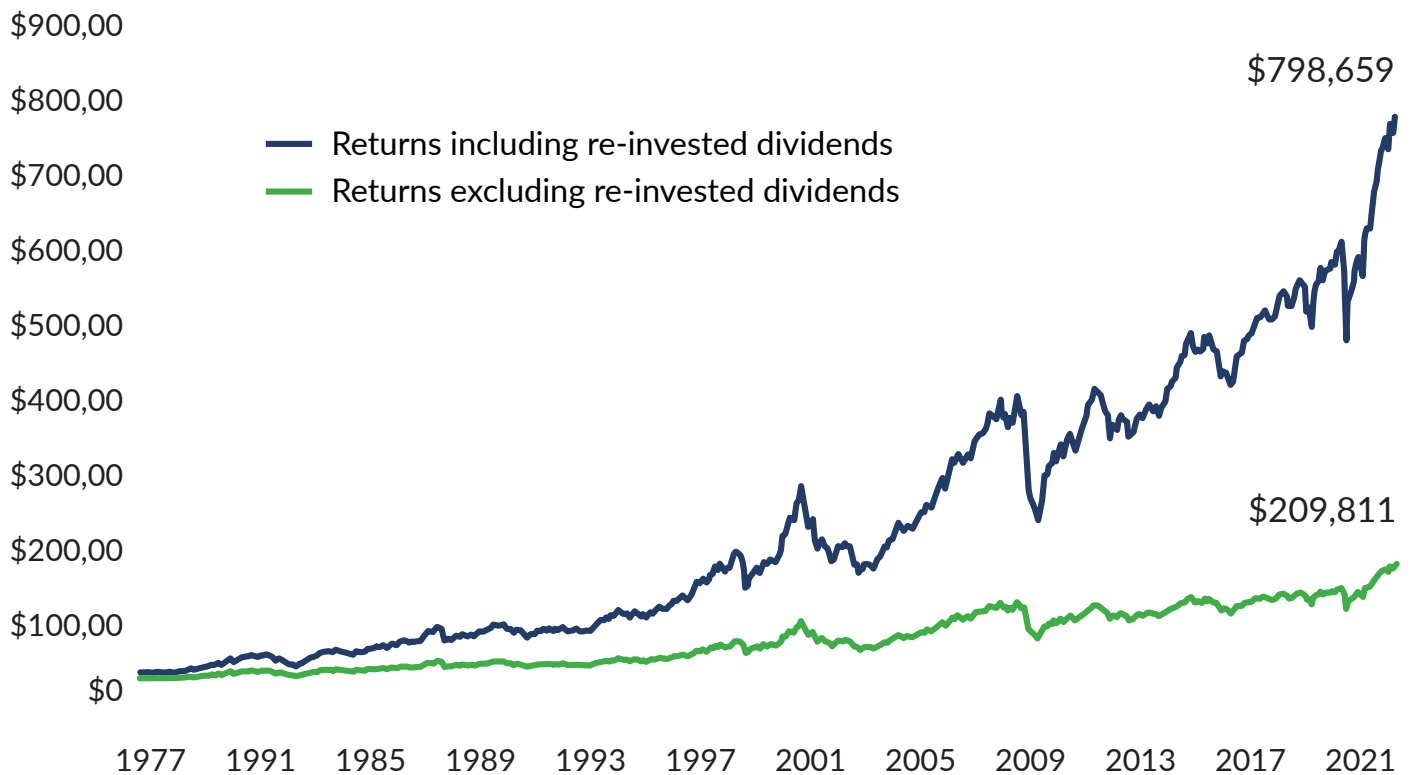
NCM
Investments

Dividends make a major contribution to returns

Since 1930, 40% of all U.S. stock market returns have been in the form of dividends. In periods of high inflation, that number jumps all the way up to 54%.¹

In Canada, an investor who reinvested their dividends since 1977 could have accumulated almost 4x more wealth than one who didn't. This compounding effect is a major way that dividends can help fight inflation.

Growth of \$10,000 invested in S&P/TSX Composite Index²



1. Source: <https://www.fidelity.com/learning-center/trading-investing/inflation-and-dividend-stocks>

2. Source: Morningstar Direct: January 1977 - December 2021

Returns include re-invested dividends = S&P/TSX Composite Total Return;

Returns excluding re-invested dividends = S&P/TSX Composite Price Appreciation

Dividends have outperformed in inflationary times

The following table¹ ranks the past 10 decades from highest to lowest rates of inflation. The data show that dividend-paying stocks outperformed the broad index by 0.9% annually on average, but by 3.7% annually on average during the highest inflation of the 40s, 70s and 80s.

DECADE	INFLATION RATE	RELATIVE PERFORMANCE OF DIVIDENDS
1970s	7.4%	+3.2%
1940s	5.4%	+5.6%
1980s	5.1%	+2.4%
2020s	5.1%	-1.5%
1990s	2.9%	-5.2%
1960s	2.5%	+0.7%
2000s	2.5%	+4.8%
1950s	2.2%	+0.1%
2010s	1.8%	-0.4%
1930s	-2.0%	-0.9%

1. Source: Robert Shiller, historical CPI: http://www.econ.yale.edu/~shiller/data/ie_data.xls; Kenneth French, portfolios formed on dividend yield: http://mba.tuck.dartmouth.edu/pages/faculty/ken.french/data_library.html

The time advantage of Dividend Champions

Inflation makes it harder to predict what a dollar of corporate earnings will be worth in the future. That's the time advantage of dividends: you get the certainty of cash in your pocket today.

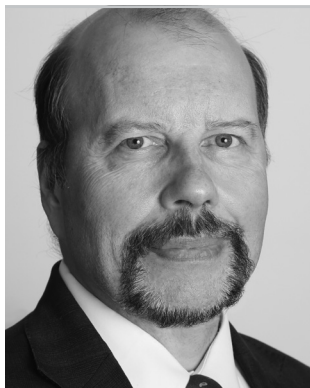
NCM Dividend Champions selects North American companies of various market caps with a focus on Dividend Growers and Dividend Payers. These businesses have strong cash flow that makes them more resilient in challenging markets, and enables them to share their profits with shareholders. Most Dividend Champions are household names.



We believe that Dividend Champions belong in every equity portfolio.



Income Solutions



NCM Dividend Champions

Managed by Michael Simpson, CFA

Highly concentrated portfolio of some of the strongest dividend payers and growers in North America.

Add it to your North American equity strategy to enhance returns and reduce volatility

FUND CODES
NRP 100 (F)
NRP 101 (A-FE)
NRP 110 (AA)
NRP 111 (FF)



NCM Income Growth Class

Managed by Alex Sasso, CFA

Canadian equity balanced fund with over 15 years of exceptional performance from dividend stocks of all sizes.

Make it a core Canadian holding for strong returns and a steady distribution

FUND CODES
NRP 500 (F)
NRP 503 (AA-FE)
NRP 506 (T6)
NRP 509 (F6)



NCM Global Income Growth Class

Managed by Jason Isaac, CAIA, CFA

Global equity balanced fund that taps the superior cash flow and risk/reward profile of dividend-paying equities.

Use it as a core global holding for superior growth and tax-efficient income

FUND CODES
NRP 1000 (F)
NRP 1001 (A-FE)
NRP 1006 (T6)
NRP 1009 (F6)



Disclosures

Except where indicated otherwise, F Series data as of December 31, 2022, net of fees, annualized.

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Mutual fund shares or units of the NCM Investments are offered for sale by way of prospectus in all provinces of Canada.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments.

Please read the NCM Investments prospectus before investing.

The indicated rates of return are the historical annual compounded total returns including changes in share or unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns.

Mutual fund securities are not guaranteed, their values change frequently and past performance may not be repeated.

If we have included a rate of return or mathematical table to illustrate the potential effects of a compound rate of return, it is not intended to reflect future values of the mutual fund or returns on investment in the mutual fund.

Each series of the Fund has a different management fee, and accordingly the performance of each series will differ.

Performance data for other series can be found at www.ncminvestments.com.

NCM Asset Management Ltd. as manager and portfolio manager of the NCM Investments may engage one or more sub advisors to provide investment management services to certain Funds, including its affiliate, Cumberland Investment Counsel Inc.

Please refer to the NCM Investments prospectus and annual information form for more information.



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