

DIVIDEND SEASON 2023

Reduce volatility with dividends

When markets are rough, a good
dividend portfolio can smooth out
your returns.

Are you open?

NCM
Investments

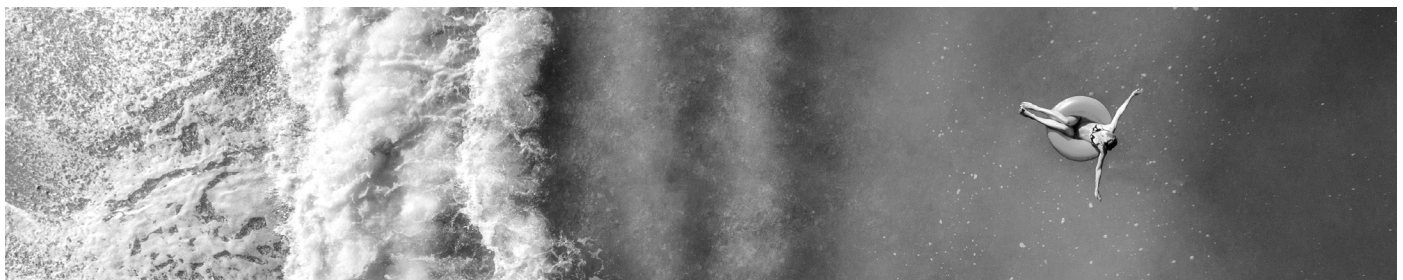


Dividends have been less risky

Since 2013, dividend-paying stocks have consistently been one of the least volatile equity sectors. The following table compares 12 sectors of the S&P/TSX stock index using a common measure of risk called standard deviation. A lower number means less deviation from the mean return, and less uncertainty for investors.

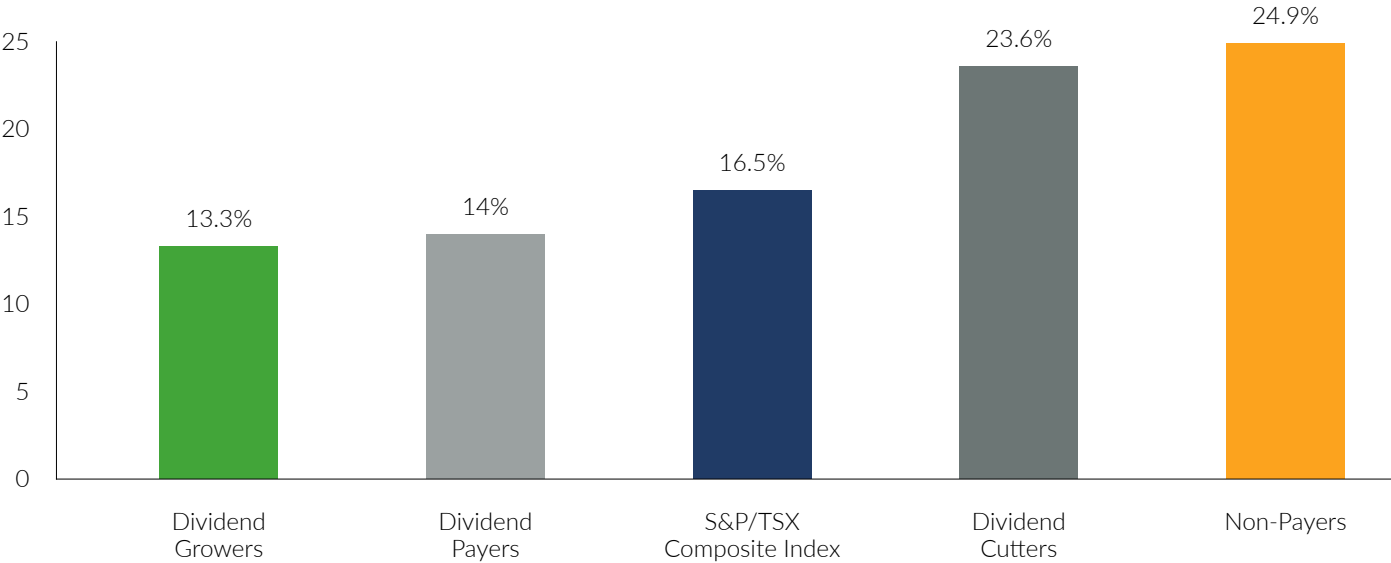
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
LOWER RISK ↑	Dividends 9.8%	Real Estate 9.7%	Dividends 15.3%	Communications 12.8%	Utilities 7.5%	Dividends 10.9%	Utilities 7.2%	Staples 32.2%	Utilities 9.5%	Dividends 16.6%
	Financials 11.1%	Dividends 9.8%	Real Estate 16.1%	Real Estate 14.3%	Real Estate 7.9%	Real Estate 11.1%	Dividends 7.8%	Industrials 35.5%	Dividends 10.3%	Utilities 16.6%
	Discretionary 11.4%	Utilities 10.9%	Communications 16.3%	Dividends 15.2%	Dividends 8.5%	Utilities 11.5%	Real Estate 10.3%	Communications 38.6%	Financials 12.5%	Communications 16.6%
	Real Estate 12.9%	Financials 11.5%	Financials 17.2%	Staples 15.9%	Communications 9.2%	Financials 12.0%	Financials 10.4%	Dividends 42.6%	Communications 13.0%	Staples 18.7%
	Industrials 14.4%	Communications 12.5%	Discretionary 17.6%	Discretionary 16.3%	Financials 9.8%	Communications 12.1%	Communications 11.8%	Technology 43.3%	Real Estate 13.5%	Financials 19.7%
	Staples 14.8%	Discretionary 13.3%	Staples 18.7%	Financials 16.6%	Staples 10.7%	Staples 14.6%	Staples 12.1%	Utilities 45.3%	Staples 14.7%	Industrials 21.5%
HIGHER RISK ↓	Communications 15.1%	Staples 14.6%	Industrials 19.5%	Utilities 16.9%	Discretionary 10.8%	Industrials 17.2%	Industrials 13.5%	Real Estate 45.6%	Industrials 16.1%	Real Estate 23.7%
	Utilities 15.6%	Industrials 17.2%	Technology 20.5%	Industrials 17.7%	Industrials 11.2%	Discretionary 18.2%	Discretionary 16.0%	Financials 46.7%	Discretionary 18.4%	Discretionary 25.7%
	Energy 16.6%	Technology 19.3%	Utilities 22.1%	Technology 19.1%	Technology 15.9%	Materials 22.1%	Materials 19.3%	Materials 47.0%	Materials 26.3%	Materials 35.7%
	Technology 25.2%	Health Care 24.9%	Materials 34.1%	Energy 36.7%	Materials 21.0%	Technology 26.7%	Technology 22.1%	Discretionary 47.7%	Technology 27.2%	Technology 44.6%
	Health Care 25.6%	Materials 26.9%	Health Care 36.5%	Materials 37.3%	Energy 24.2%	Energy 29.7%	Energy 29.5%	Health Care 62.8%	Energy 37.8%	Energy 44.8%
	Materials 34.7%	Energy 28.5%	Energy 37.6%	Health Care 39.9%	Health Care 29.3%	Health Care 58.4%	Health Care 42.2%	Energy 80.8%	Health Care 55.9%	Health Care 59.5%

Source: Bloomberg; S&P/TSX Composite Total Return Index, S&P/TSX Canadian Dividend Aristocrats Total Return Index



Evidence of 40% Less Volatility

Since 1986, compared to Dividend Non-Payers and Cutters in the S&P/TSX index, Dividend Payers and Growers have been roughly **40% less volatile**.

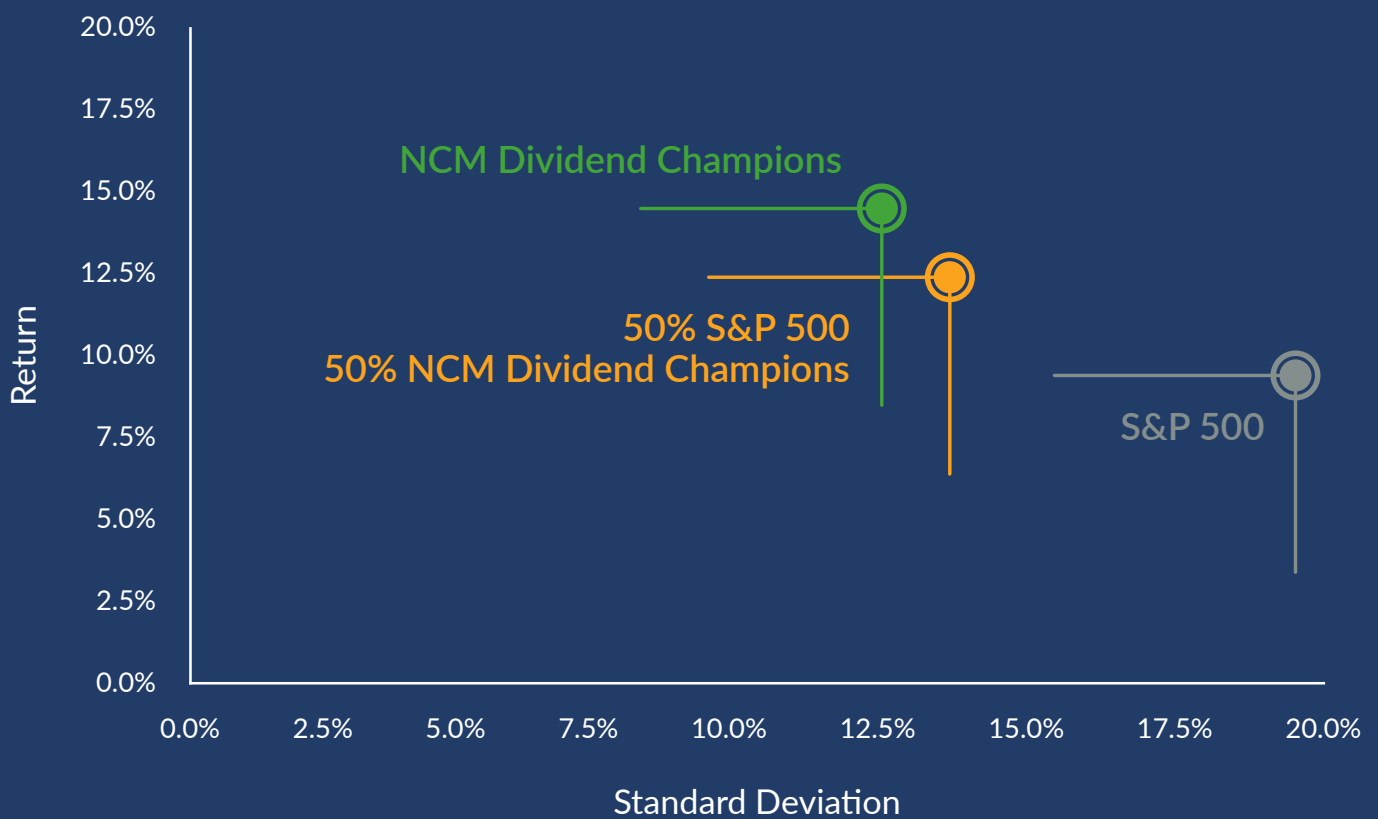


Standard deviation/annualized volatility is a commonly used measure of risk and is applied to the annual rate of return of an investment to measure the investment's volatility. Standard deviation shows how much the return on an investment is deviating from expected normal returns. A high standard deviation indicates a greater variability in investment performance.

Source: RBC Capital Markets Quantitative Research. Annualized volatility is calculated on an equal weighted basis, S&P/TSX Composite Total Return Index, December 1986 - December 2020.

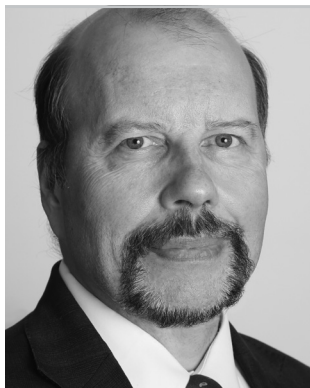
NCM Dividend Champions cut volatility by 31%

Since Michael Simpson began managing NCM Dividend Champions in November 2020, it has delivered significantly higher returns than the S&P 500 with almost a third less volatility. This makes it an excellent complement to North American indexes and index-like funds.





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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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.

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



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