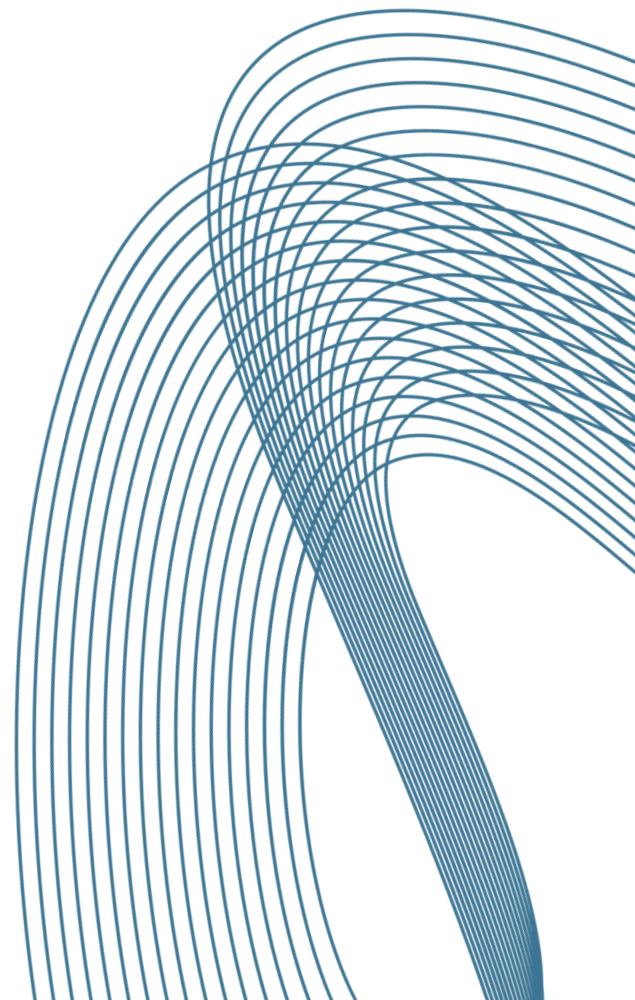


Mount Royal University

Student Investment Fund Performance Report

First and Second Quarter 2024



October 2024,

Dear Stakeholders,

The 2024/2025 Student Investment Fund (SIF or Fund) team is pleased to present the results for the first and second quarters of the 2024 fiscal year. As a reminder, the SIF employs a bottom-up, value-based approach to security selection. The Fund targets stocks with attractive valuations that consistently increase dividends, repurchase shares, and enhance cash flow. Unique positioning and effective management are also key factors in security selection. The SIF's current investment universe is primarily limited to the S&P/TSX 60 and is benchmarked against the S&P/TSX 60 Total Return Index.

Tensions in the Middle East and the ongoing war in Ukraine remain significant concerns for world economies, threatening to destabilize equities worldwide. As the second quarter ends, following recent interest rate cuts by Canada's central bank, investors are eager to see whether the U.S. Federal Reserve will take similar action. From a macroeconomic point of view, CPI figures will remain a focal point, while the unemployment rate will become an increasingly important factor in the second half of the year. Although inflation continues to decline towards the central bank's 2% target, unemployment will determine whether rate cuts lead to a recession or if a soft landing is achievable.

The objective of the Fund is to:

- (1) Provide students with hands-on experience in the valuation of securities, portfolio management, and associated risks with real-world investment management;
- (2) Enhance participants' research and analytical skills in security and portfolio analysis;
- (3) Support experiential learning by applying financial theory in a professional setting, with actual dollars in a live market environment;
- (4) Foster professionalism, empowerment, independence, teamwork, ethics, and confidence in portfolio management techniques; and
- (5) Provide Mount Royal University (MRU) with superior risk-adjusted returns, enabling continued support for the education of BBA Finance students.

The Fund began the year with a balance of \$294,289 and concluded the second quarter with a value of \$388,936. During the first half of the year, contributions from generous donors significantly boosted the portfolio's value. This growth highlights the continued generosity of our donors, including Fred and Cheryl Pynn.

Looking ahead, the Fund remains confident in its investment strategy and is deeply grateful for the ongoing support of Mount Royal University and our valued community of supporters.

Sincerely,

Cole Besler Chalcroft, Goc Goc, Emily Kiist, Jose Mesias Ruiz
Nolan Pearce, Shasi Sengainathan, Shane Van Aalst



Mount Royal University
Student Investment Fund

H1 Overview

Exhibits 1 and 2 below highlight the Fund's performance on a quarterly, annual, and year-to-date (YTD) basis. The Fund's YTD return can be attributed to strong Q1 performance, primarily driven by the Materials and Energy sectors. Although the second quarter results negatively affected half-year returns, we are proud to report that the Fund generated alpha of approximately 0.9% on a YTD basis.

Exhibit 1

Period	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24
MRU SIF	2.1%	2.7%	0.7%	(0.7%)	5.7%	7.3%	(1.2%)
TSX60 Total Return	5.6%	4.1%	1.5%	(2.5%)	8.8%	6.3%	(1.4%)

The second quarter witnessed a weaker market, but our portfolio weathered the retracement well, squeaking out a return of ~20 basis points (bp) over the benchmark. The first quarter, on the other hand, was quite strong, ranking as one of the MRU SIF's best-performing quarters and contributing to a solid YTD return. The Fund's return figures are calculated using the Modified Dietz formula, while the S&P/TSX 60 Total Return ("Index") serves as the Fund's benchmark.

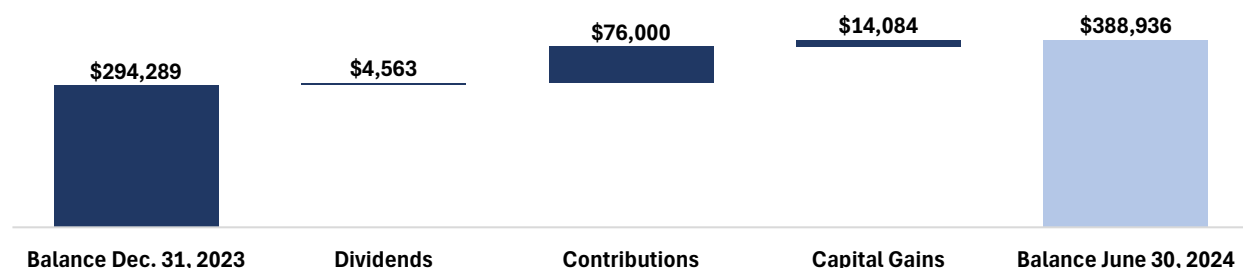
On an annualized basis, the Fund is on track to outperform its historic average returns.

Exhibit 2

Period	2022	2023	YTD
MRU SIF	3.8%	8.7%	5.8%
TSX60 Total Return	(6.2%)	12.1%	4.9%

As highlighted in Exhibit 3, assets under management (AUM) increased by \$94,647 during the first half of 2024. Generous donors continue to support portfolio growth, with the Fund receiving \$76,000 in donations during this period. These funds were invested in the best interest of our shareholder. The inflow of capital prompted a review of our holdings to ensure prudent investment. This review led to adjustments within the portfolio, as illustrated in Exhibit 9. Total dividends received for the half accounted for roughly 25% of the Fund's investment return.

Exhibit 3



SIF H1 2024 Performance

H1 Investment Environment

Banking

The first half of the year saw the Fund's Bay Street holdings retaining some of the momentum from Q4/23. The 25-bps BoC interest rate cut this past June provided banks a strong tailwind after an already promising start to the year. Our largest holding, Royal Bank (TSX: RY) was our strongest performer, surging over 8.5%YTD, followed by National Bank (TSX: NA) with just under 8%. Scotiabank (TSX: BNS) has been the laggard among our bank holdings, losing (-1.2%) over the period, leading the fund to cease our position and acquire shares in the Bank of Montreal (TSX: BMO). Management at the Bank of Nova Scotia has not appeared to be particularly impressive, and their global growth strategy has not panned out as investors have expected. At the present time however, the Fund remain optimistic in the Canadian banking sector. Future interest rate cuts by either the BoC or US federal reserve will afford the SIF opportunities to re-evaluate and potentially close existing positions at better multiples.

Other Financials

In the first half of 2024, the company and Canadian insurers were lucky in the sense that there were no major catastrophic losses. Within our non-bank financial sector, Intact Financial (TSX: IFC), is Canada's premier insurance company and our main exposure to the insurance industry. Pair this with increased interest rates and a rallying stock market, insurance companies made substantial profits in the first half of the year. Intact beat earnings estimate in both the first and second quarters of the year by ~25% and ~7% respectively, rallying ~12% in the process.

Energy

Natural gas saw a tough start to the year. In February, futures prices fell below \$1.5/MMBtu for the first time since June 2020. Natural gas prices have been volatile since the war in Ukraine started in early 2022. Prices have mostly stabilized since, but at a lower median ~ \$2.10-\$2.90/MMBtu. Consequently, our main exposure to natural gas; Tourmaline Oil (TSX: TOU) has been largely underperforming. On the other hand, supply within the global oil market has been on the decline, driving bullish momentum. Russian refinery outages and OPEC+ production cuts have been driving up Brent crude prices and WTI along with them. Canadian Natural Resources Limited (TSX: CNQ) continues to outpace the market as a result. CNQ continues to boast strong Q/Q earnings as they absorb increased margins. We remain confident in our Canadian energy holdings. The LNG Canada project is expected to decrease the basis on natural gas within the Western Canadian Sedimentary Basin, where Tourmaline operates. In addition, winter and autumn are approaching and historically the Fund expects North American natural gas demand to rise. Finally, with geopolitical tensions in the Middle East continuing to escalate, we anticipate supply may be further threatened.

Basic Materials

World copper demand is being supported by China in the first half of the year, with the EU, Japan, and the US exhibiting weaker demand. Chinese copper usage suffered late 2023 on the back of a crumbling housing market but has since rebounded. Copper hit record highs of \$5.20/lb on the COMEX on May 20, lending tailwind to our miners and royalty companies. The combination of anticipated Federal Reserve interest rate cuts, Chinese refinery production cuts and lower production from some of the world's largest miners afforded investors record copper prices. Gold has a similar story with a different backdrop. Gold prices have only been going up since the beginning of the year, the haven continues to be enticing to investors under the current geopolitical landscape. As anticipation mounts surrounding Fed interest rate cuts, the yellow metal has rallied almost 13% in the first half of the year. One of our loss leaders last year, First Quantum Minerals (TSX: FM) has clawed back losses this half from commodity price rallies, the copper miner rallying just over 50% YTD. Teck Resources (TSX: TECKb) has been a strong performer in the first half of the year. The sale of the company's steelmaking coal segment, a multi-billion-dollar cash transaction, is a catalyst for the stock's return this half. Finally, Nutrien Ltd. (TSX: NTR) is on the blunt end of commodity price performance. The stock has struggled over the past few quarters as shrinking margins continue strangling earnings growth.

Information Technologies

The SIF holdings consist of Constellation Software (TSX: CSU) and CGI Inc. (GIB.A). This sector's growth was primarily driven by the 0.25% interest rate cut June 5th and the overall appetite for AI innovations, which is what CSU has capitulated on with its partnership with Boosted.ai. We foresee growth headed into the next quarter with US and Canada interest rate cuts, AI development and tech titans within the US environment that creates a spillover effect that increases investor appetite within the Canadian environment.

Industrials

The SIF holdings consist of Canadian National Railway (TSX: CNR) and Thomson Reuters (TSX: TRI). Sector's increase in the SIF's portfolio has grown primarily from CNR's strategic management by increasing margins as well as the overall sector benefiting from interest rate cuts. We forecast a slight dip in this sector due to decreased commodities traffic in the overall sector. We will however continue monitoring CNR on its progress with UNIFOR labour issues.

Utilities

The utilities sector has struggled in the first half of the year, TSX60 utilities returned just above breakeven at 0.2%. Our portfolio however has fared quite well in comparison, our recent classification of Enbridge (TSX: ENB) as a Utilities holding skews the comparison in our favour, but Waste Connections Inc (TSX: WCN), is having a fantastic first half after a relatively quiet FY23. A leader in the portfolio, WCN has returned 21.6% this half after consecutively surpassing earnings estimates.



Communication Services

The SIF current holdings in this sector are BCE Inc. (TSX: BCE). The stock saw huge rises through COVID but as of Q1 and Q2 2024 saw significant decrease due to rising competition of cable and wirelines as well as monopolies by largest communication providers. However, in tandem with expanding housing starts, we can predict increased communication network demand.

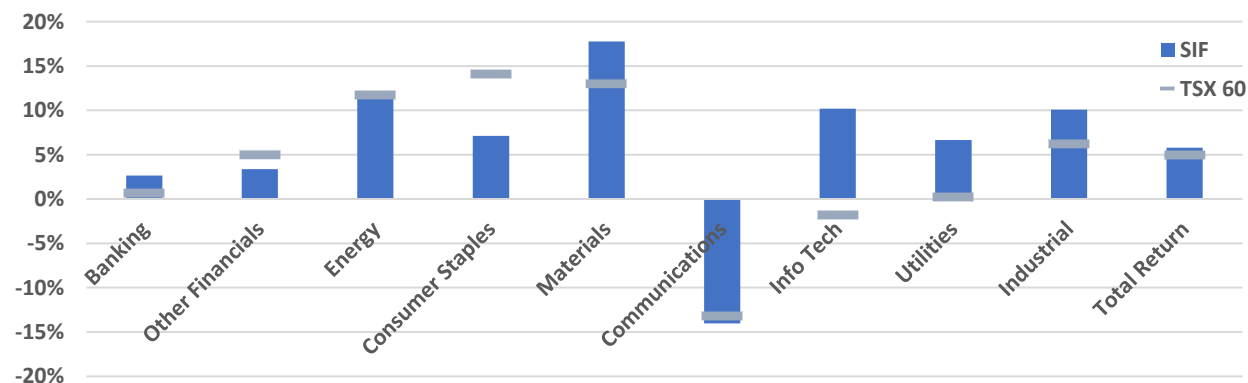
Consumer Staples

The SIF current holdings in this sector are Alimentation Couche-Tard Inc. (TSX: ATD). The stock saw positive uptrends due to capital investments to increase its Free Cash Flow and M&A in foreign investments which allowed it to stave the interest rate hikes. However, because topline profitability and same-store sales are key factors to these operations, incoming inflations headed into Q3 foresees a dull stall in this sector of operation.

Summary

The Fund remains optimistic with our security selection. Although Canada experienced a 25bps rate cut this June, the US Federal Reserve is yet to follow suit. The Fund forecasts interest rate cuts in the US later this year and further cuts in Canada as well. Interest rates aside, stocks continue to rally in both countries unabated. The rallying of equities pre-emptive to interest rate cuts lends credence to the idea that US Federal Reserve interest rate cuts are to be anticipated.

Exhibit 4



The Fund's portfolio is outpacing the index by ~ 0.9% in total return after the first half. Alpha can be attributed partially to our holdings within information technology staying afloat above a struggling sector. The banking sector was another example of the Fund's selection outperforming the broader sector.

Exhibit 5

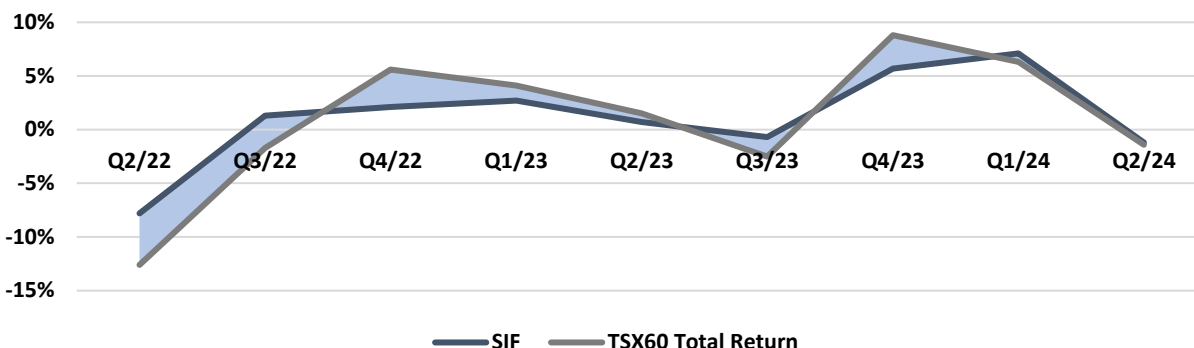
H1 2024 Leaders	Total Return	H1 2024 Laggards	Total Return
First Quantum Minerals Ltd	50.1%	BCE Inc	(14.3%)
Waste Connections Inc	21.6%	Bank of Montreal	(9.9%)
Constellation Software Inc	21.3%	Brookfield Infrastructure Partners LP	(9.3%)
Thomson Reuters Corp	20.9%	Nutrien Ltd	(6.5%)
Teck Resources Ltd	20.5%	CGI Inc	(3.8%)

*The values displayed reflect the share price % change from January 2nd to June 28th, 2024, via Refinitiv.

The Fund's leader in the first half of 2024 was First Quantum Minerals. The return is somewhat deceiving, the stock has been recovering from extreme shocks saw last year with the conflict surrounding their premier Panamanian asset leading to the subsequent drop in share price by over 50%. Although the situation in Panama hasn't been completely settled, the company still maintains lucrative assets around the world, particularly in Africa. Waste Connections Inc. has had a strong first half as well. The stock has been rallying since the beginning of the year, after being range bound for the majority of 2023. Waste Connections is expected to outperform historical growth over the next couple of years as they expand E&P waste treatment and disposal in the basins they operate. Constellation Software Inc. is a unique company in our portfolio and one of our more successful holdings. The company provides mission-critical software solutions for companies in every continent in a variety of industries. Constellation's unique market position makes it one of the index's top performers over the past couple of years. Thomson Reuters Corp is a similar stock in terms of uniqueness and performance. Thomson Reuters continues to experience revenue growth in its legal, corporate, and tax segments, growing 8% in Q2 over the 3 segments. The company recently completed a \$1 billion share buyback, including \$287 million in the second quarter. Finally, Teck Resources has been a leader in the mining sector since the completion of the expansion of their Quebrada Blanca mine in Chile. Alongside the expansion of production, the company is finalizing the sale of their steelmaking coal segment for ~\$7.3B to become a primarily copper miner.

Telecommunication stocks have been problematic for the past few quarters, with BCE being a sub-performer. Earnings growth for BCE has been trending downwards for the past few years, net income is down 42% in their most recent quarter. BCE has been trading at its lowest prices since 2013. Bank of Montreal is also a major loser in the portfolio. Banks spent the majority of last year struggling due to high interest rates and anticipated increases in default. Since highs in December, BMO has fallen almost 10%, while banking sector returns are flat over the same period. Brookfield Infrastructure Partners experienced a tough first half, interest rates have stressed Brookfield's debt capital structure, particularly in the infrastructure space as the firm is involved in construction and development, which is quite capital-intensive. Nutrien's stock continues to struggle. Although potash demand is strong in North America, realized margins continue to fall with the price of the commodity, and investors have been negatively reacting since. Nutrien continues growing dividends and retains its spot as one of the largest agriculture firms in the world, hence the Fund's continued ownership despite these setbacks. CGI Inc is a case where the company can't keep up with its own growth and revenue expectations. Historically the company's revenue has grown at a CAGR of 4%, but analysts are anticipating 2.9% in 2024. The company's forward expectations are based on the growth of AI, and institutional investors so far haven't been impressed.

Exhibit 6



The MRU SIF initiated operations in October of 2021. Since then, the Fund has been able to outpace the TSX60, our benchmark, during several periods. The conservative approach the Fund has adopted impedes the potential for investing in high volatility securities such as Shopify Inc (TSX: SHOP). In recent years the security has at times returned significant but volatile gains, granting the TSX 60 periods of dominance.

Exhibit 7

We have classified Enbridge, (TSX: ENB) one of our larger positions in the utility sector rather than energy which is why we appear heavily overweight utilities and underweight energy.

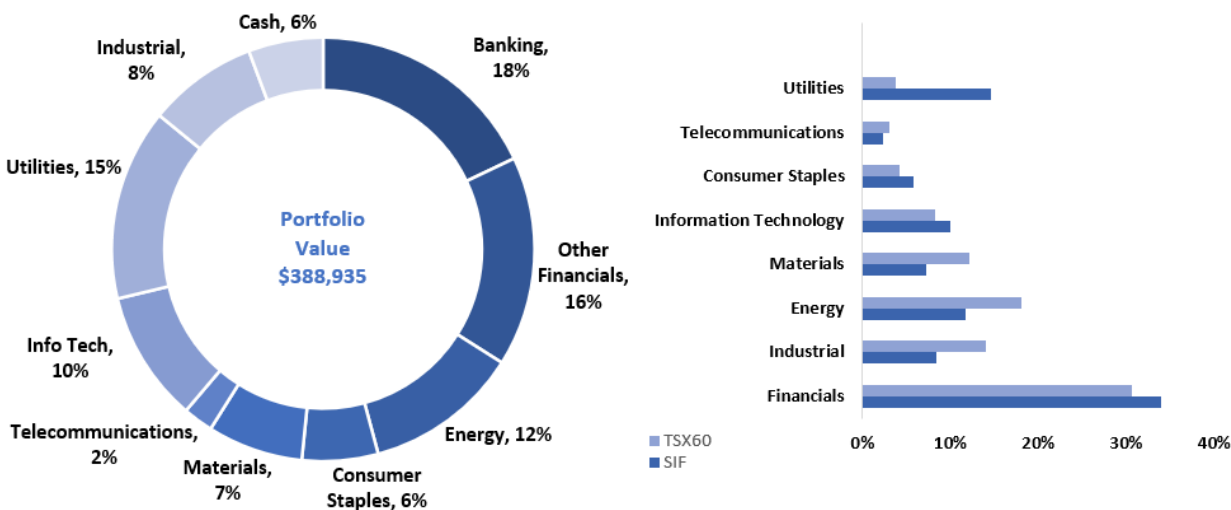


Exhibit 8

Sector	Weight		
	Q4/23	Q2/24	Change
Cash & Equivalents	11.1%	5.7%	(5.4%)
Financial Services	33.3%	33.9%	(0.6%)
Energy	18.3%	11.8%	(6.5%)
Materials	6.7%	7.3%	0.6%
Information Technology	7.5%	10.0%	2.5%
Industrials	11.9%	11.6%	(0.3%)
Consumer Staples	6.2%	5.8%	(0.4%)
Communication Services	1.6%	2.3%	0.7%
Utilities	3.2%	11.4%	8.2%

The most significant change in portfolio weighting is the reduction in the Fund's cash position. In Q4/23 the Fund held 11.1% in cash which has been reduced to 5.7% by strategically broadened equity positions. Through this prudent deployment of capital, the Fund seeks to generate maximum value for our shareholder. Another notable change is the reclassification of Enbridge within our portfolio. The Fund has decided to reclassify Enbridge (TSX: ENB), from the energy sector to the utilities sector. The Fund believes the Enbridge reclassification is a more accurate reflection of the nature of the company's operations. The Fund is confident the change will be beneficial in the long term, covering midstream and pipelines within a subset of Utilities may prove useful as the Fund grows.

Respectfully
Submitted by 2024/25 SIF Team

Cole Besler Chalcroft, Goc Goc, Emily Kiist, Jose Mesias Ruiz

Nolan Pearce, Shasi Sengainathan, Shane Van Aalst

Exhibit 9

Holdings									
Company	Symbol	Sector	Quantity	Closing Price	Book Value	Market Value	% Gain (Loss) H1	Weight of Portfolio	Weight Within Sector
CANADIAN NATIONAL RAILWAY	CNR.TO	Industrials	93	\$161.66	\$14,920	\$15,034	(2)%	4%	47%
THOMSON REUTERS CORP	TRI.TO	Industrials	79	\$230.61	\$12,578	\$18,218	21%	4%	53%
Industrials					\$27,498	\$33,253		8%	
BANK OF MONTREAL	BMO.TO	Banking	133	\$114.83	\$17,613	\$15,272	(10)%	4%	12%
NATIONAL BANK OF CDA	NA.TO	Banking	235	\$108.51	\$23,982	\$25,500	10%	7%	19%
ROYAL BANK OF CANADA	RY.TO	Banking	197	\$145.65	\$26,096	\$28,693	8%	7%	22%
Banking					\$67,691	\$69,465		18%	
BROOKFIELD AST MGMT	BAM.TO	Other Financials	378	\$44.31	\$17,950	\$19,686	0%	5%	15%
BROOKFIELD CORP	BN.TO	Other Financials	332	\$56.90	\$18,486	\$18,891	7%	5%	14%
INTACT FINANCIAL CORP	IFC.TO	Other Financials	103	\$228.01	\$20,752	\$23,485	7%	6%	18%
Other Financials					\$57,188	\$62,062		16%	
TOURMALINE OIL CORP	TOU.TO	Energy Production	328	\$62.05	\$21,060	\$20,352	9%	5%	44%
CDN NATURAL RESOURCES LTD	CNQ.TO	Energy Production	530	\$48.73	\$17,770	\$25,827	11%	7%	56%
Energy Production					\$38,831	\$46,179		12%	
ALIMENTATION COUCHE-TARD	ATD.TO	Consumer Staples	180	\$76.77	\$11,672	\$13,819	(1)%	4%	60%
WESTON GEORGE LIMITED	WN.TO	Consumer Staples	45	\$196.70	\$7,067	\$8,856	20%	2%	40%
Consumer Staples					\$18,739	\$22,674		6%	
TECK RESOURCES LTD	TECKb.TO	Basic Materials	179	\$65.56	\$8,014	\$11,735	20%	3%	41%
FIRST QUANTUM MINERALS LTD	FM.TO	Basic Materials	376	\$17.97	\$8,954	\$6,757	50%	2%	23%
NUTRIEN LTD	NTR.TO	Basic Materials	147	\$69.55	\$11,822	\$10,239	(6)%	3%	36%
Basic Materials					\$28,790	\$28,731		7%	
BCE INC	BCE.TO	Telecommunications	200	\$44.31	\$9,969	\$8,862	(14)%	2%	100%
Telecommunications					\$9,969	\$8,862		2%	
CGI INC CL-A SUB VTG	GIBa.TO	Info Tech	139	\$136.55	\$17,687	\$18,980	(4)%	5%	49%
CONSTELLATION SOFTWARE	CSU.TO	Info Tech	5	\$3,941.88	\$16,428	\$19,709	21%	5%	51%
Information Technology					\$34,115	\$38,690		10%	
WASTE CONNECTIONS	WCN.TO	Utilities	71	\$240.03	\$13,303	\$17,042	22%	4%	30%
ENBRIDGE INC	ENB.TO	Utilities	563	\$48.67	\$28,811	\$27,401	3%	7%	48%
BROOKFIELD INFRASTRUCTURE	BIP.UN	Utilities	329	\$37.58	\$12,652	\$12,364	(9)%	3%	22%
Utilities					\$54,766	\$56,807		15%	
Total Equities and Equity Funds					\$337,587	\$366,723	5.8%		
Cash						\$1,493		0.4%	
NBI ALTAMIRA CASHPERFORMER...	NBC200	HYSA				\$20,720		5.3%	
Total Cash						\$22,213		5.7%	
Total Portfolio Value						\$388,936			

See above the Mount Royal University Student Investment Fund Portfolio snapshot as of June 30th, 2024. Closing prices as of June 28th, 2024. % Gain (Loss) is the total return achieved by the respective security during the period of Jan 2, 2024 – June 28, 2024, via Refinitiv. Portfolio return of 5.8% was calculated by the Dietz formula for YTD ended June 30, 2024.

Exhibit 10

Settlement Date	Activity	Description	Symbol	Quantity	Price (\$)	Net Amount (\$)
02/16/2024	Inflow	Donation				51000
03/21/2024	Inflow	Donation				25000
04/02/2024	Buy	ALIMENTATION COUCHE-TARD	ATD.TO	38	77.63	(2950)
04/02/2024	Buy	BANK OF MONTREAL	BMO.TO	133	132.43	(17613)
04/02/2024	Sell	BANK OF NOVA SCOTIA	BNS.TO	-192	70.23	13484
04/02/2024	Buy	BCE INC	BCE.TO	106	46.37	(4915)
04/02/2024	Buy	BROOKFIELD INFRA PTNR LPU	BIP.UN	102	41.60	(4243)
04/02/2024	Buy	BROOKFIELD AST MGMT-A LVS	BAM.TO	92	56.78	(5224)
04/02/2024	Buy	BROOKFIELD CORP CL-A LVS	BN.TO	56	56.44	(3161)
04/02/2024	Sell	CCL INDS INCL-CL-B NV	CCLb.TO	-74	69.02	5129
04/02/2024	Buy	CDN NATURAL RESOURCES LTD	CNQ.TO	29	102.84	(2982)
04/02/2024	Buy	CANADIAN NATIONAL RAILWAY	CNR.TO	14	179.17	(2442)
04/02/2024	Buy	CONSTELLATION SOFTWARE	CSU.TO	3	3,735.28	(11206)
04/02/2024	Buy	ENBRIDGE INC	ENB.TO	73	48.89	(3569)
04/02/2024	Buy	FIRST QUANTUM MINERALS LTD	FM.TO	39	14.64	(571)
04/02/2024	Buy	CGI INC CL-A SUB WTG	GIBa.TO	29	148.97	(4320)
04/02/2024	Buy	INTACT FINANCIAL CORP	IFC.TO	24	220.86	(5301)
04/02/2024	Buy	NATIONAL BANK OF CDA	NA.TO	40	114.76	(4590)
04/02/2024	Buy	NUTRIEN LTD	NTR.TO	81	73.92	(5988)
04/02/2024	Buy	ROYAL BANK OF CANADA	RY.TO	44	136.67	(6013)
04/02/2024	Buy	TECK RESOURCES LTD-B-SV	TECKb,TO	56	61.92	(3452)
04/02/2024	Buy	THOMSON REUTERS CORP-NEW	TRI.TO	32	210.11	(6724)
04/02/2024	Buy	TOURMALINE OIL CORP	TOU.TO	140	62.99	(8819)
04/02/2024	Buy	WASTE CONNECTIONS INC-NEW	WCN.TO	6	232.88	(1397)
04/02/2024	Buy	WESTON GEORGE LIMITED	WN.TO	2	182.79	(366)