

Meet the Manager

Noah Blackstein, CFA

A world of difference

Divergent levels of economic growth around the world and variances in monetary policies are leading to a world of difference when it comes to global investment opportunities.

To find out where opportunities lie and how he has positioned his global portfolios to take advantage of them, we sat down with Dynamic Power Team founding member Noah Blackstein.

Q: Is it a good time to be investing in growth stocks?

Noah: I don't really think like that. My job is to try to find the entrepreneur out there who got up before dawn, turned on the lights of his or her business and is building the next Microsoft, the next Google or the next Walmart. Whether some strategist believes it's a good time for growth, a good time for bonds or a good time for whatever they're talking about on television is completely irrelevant to our investment process. What makes money over time is putting your money in a company that can grow its business significantly over the long term. You can talk about value vs. growth, but if you look at the wealthiest people in the world, they invested in their own businesses, grew those businesses over time, and that's how wealth creation is achieved.

Is it a good time to be investing in growth stocks? I think any time is a good time to find the next great company that has the opportunity to go from a billion dollars of revenue to multiples of that.

Q: How do you spend most of your time?

Noah: We spend 95% of our time on research; either looking for new companies or doing research on the ones we already own. Research is important to

us as 85% to 90% of our returns are due to stock selection. We quantitatively screen a universe of over 5,000 companies globally for revenues and earnings growth. The screens are there to narrow down the addressable universe of the companies we invest in. We look for high teens revenue and earnings growth and we try to get the portfolio down to 20 to 25 names as we prefer highly concentrated portfolios.

Q: What's more important to you, the buy or the sell?

Noah: I believe a value manager can make good money when they buy. Buying Citigroup at \$1 versus \$40 makes a big difference if you're a value manager. For growth managers, it's less relevant when you buy. Did it matter if you bought Apple at \$5 or \$10? In retrospect, it really didn't, if you had the growth right. What matters more to a growth investor is when you sell.

Q: How do you determine when to sell?

Noah: Ultimately, it's more art than science. I started in 1994 and after 25 years you begin to see patterns repeat. Names change, cycles come and go but patterns repeat. Recognizing the life cycle of a growth stock – from rapid growth through to

maturity – is what’s important. When trying to determine if it’s time to sell, I ask myself three things: Is all the growth currently reflected in the stock price? Is there too much enthusiasm and over optimism about the prospects for the company? And finally, has it become the consensus trade? I’m also a big believer in the cockroach theory – problems, like cockroaches, don’t come in ones.

Q: What comes first, the stock or the theme?

Noah: Themes are always driven from the bottom up. It’s not like we have some sort of big macro view – and then try to find stocks that fit it. We run screens; we try to find our stocks, and when we find our stocks, if there’s a bunch of companies who are in the XYZ category, then we have a theme.

Q: What’s the secret to your success?

Noah: Our ability to stick to our discipline during the tough years in the markets. I was there for the Long Term Capital Management blow up, the Asian currency crisis, the bursting of the Internet bubble, and 2008. I invested through two of the worst bear markets in history and what got me through it was discipline.

Presenting...

Noah Blackstein, BA, CFA
Vice President and
Senior Portfolio Manager
1832 Asset Management L.P.



Mutual funds

Dynamic Alpha Performance II Fund
Dynamic Power American Growth Fund (Class)
Dynamic Power Global Growth Class
Dynamic Power Global Balanced Class

Hedge fund

Dynamic Alpha Performance Fund

Liquid Alternative

Dynamic Global Growth Opportunities Fund

Noah Blackstein is responsible for the management of over \$10 billion in U.S. and global growth portfolios for Dynamic.

Noah started at Dynamic in 1997 when he became a founding member of the Growth team. Since then, he has established himself as a successful U.S. and global growth fund manager, a reputation that’s strengthened by a 25-year-plus track record of success. In April 2018, he was recognized by Bloomberg News as the top global fund manager with global returns that were more than triple the average performance of his peers for the last five years.*

Throughout his career, Noah has regularly appeared in many well-known publications, including *Barron’s* and *The Wall Street Journal*, and has also been a featured guest on CNBC and other financial news programs. He brings unparalleled market insight and skill to the job, backed by a disciplined investment method. Noah graduated from the University of Toronto in 1992 and received the CFA designation in 1997.

* “Trade Wars Don’t Faze This U.S.-China Investor” – Bloomberg, Matthew A. Winkler April 20, 2018

“My job is to find the entrepreneur out there who got up before dawn, turned on the lights of his or her business and is building the next Microsoft, the next Google or the next Walmart.”

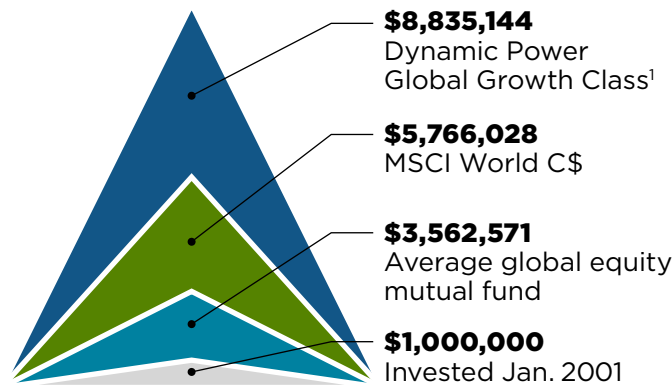
Noah Blackstein

Numbers game

Dynamic Power Global Growth Class

Inception date: January 2001

As the years add up, so does everything else.



Source: Morningstar.

¹ Series F, as at November 30, 2024

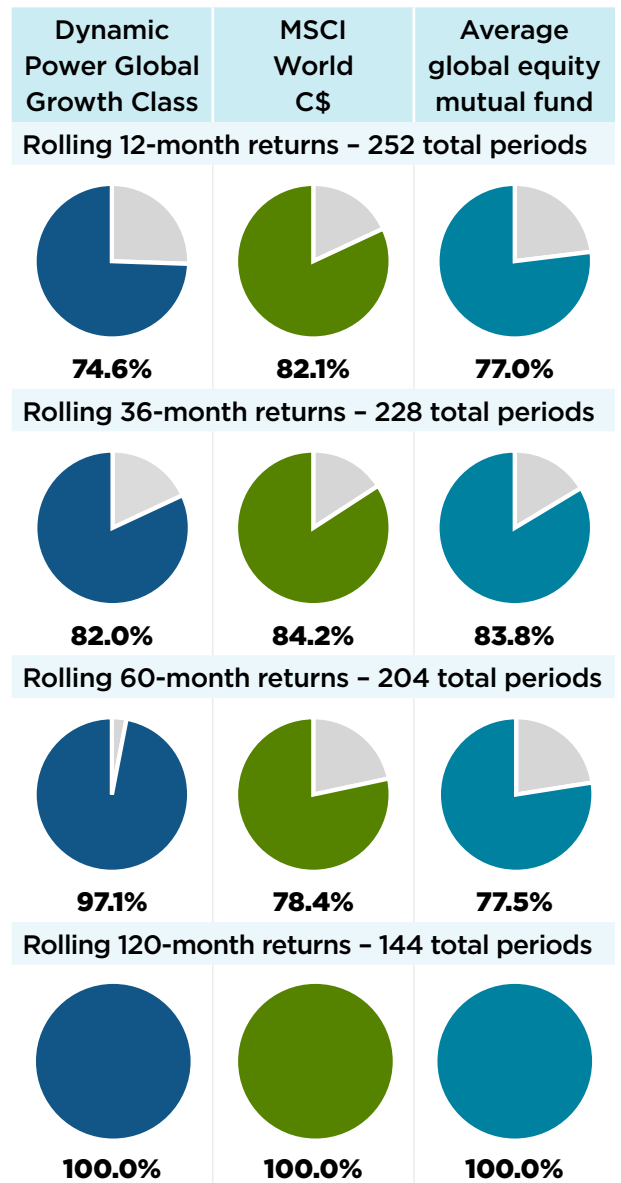
* All performance data in \$CAD

Investment considerations

Performance may be the first thing that comes to mind when one thinks about Dynamic Power Global Growth Class, but alongside the impressive long-term return story is a different way of looking at volatility.

The chart on the right shows that over 204 rolling 60-month (5-year) periods, the Fund earned a positive return 97.1% of the time. In comparison, the MSCI World C\$ and the average global equity fund earned a positive return in approximately 78.4% and 77.5% of those periods. Going further out to 144 rolling 120-month (10-year) periods, Dynamic Power Global Growth Class has never had a negative rolling return.

Positive periods as at November 30, 2024



Performance (Annualized Returns, net of fees) as at November 30, 2024 [*]	1 Year	3 Year	5 Year	10 Year	15 Year
Dynamic Power Global Growth Class (Series F)	34.4%	-8.4%	9.6%	10.3%	12.6%
MSCI World Index (CAD)	32.6%	12.5%	14.2%	12.9%	13.1%
Average Global Equity Mutual Fund ^{**}	38.3%	14.7%	17.0%	15.7%	16.4%
Average number of funds: Global Equity Category	156	1,511	638	150	14

Source: Morningstar, as of November 30, 2024

^{*} All performance data is in \$CAD

^{**} The category averages include all mutual funds in the respective Morningstar category; it excludes segregated funds from its calculation. Indices are not managed and it is not possible to invest directly in an index.

For more insights from Noah Blackstein, visit dynamic.ca/Noah

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