

# RENAISSANCE GLOBAL HEALTH CARE FUND

\*As at June 30, 2023

## Investment objective

Renaissance Global Health Care Fund seeks to obtain long-term capital appreciation by investing primarily in U.S. companies and global companies with U.S. operations, or exposure to U.S. markets, or whose securities are traded on a U.S. exchange, which are engaged in the design, development, manufacturing, and distribution of products or services in the health care sectors. The Fund will invest in a diversified portfolio, which will mainly include securities in the medical technology, biotechnology, health care, and pharmaceutical sectors.

## Profile

<b>Fund category</b>	Sector equity
<b>Inception date</b>	January 2, 2001 (Series O)
<b>Investment style</b>	Bottom-up, quality
<b>Risk tolerance</b>	Medium
<b>Strategy AUM</b>	\$760.1 M

## Why invest in this fund?

- Capitalize on growing global health care expenditure and innovation
- Aims to significantly outperform over the long term
- Uses an informational edge to invest in innovative high-quality companies
- Expertise in scientific research, clinical medicine, and finance

## Investment philosophy

A bottom-up, fundamental approach that uses and informational edge to invest in innovative, high-quality companies over the long term, underpinned by strong risk management capabilities.

<b>High-quality companies</b>	<ul style="list-style-type: none"> <li>• Global innovation leaders</li> <li>• Measuring return on invested capital, leverage and volatility</li> <li>• Seeking management teams with strong track records</li> </ul>
<b>Long-term focus</b>	<ul style="list-style-type: none"> <li>• Strategic holdings based on a 3-to-5-year outlook</li> <li>• Tactical holdings based on 12-to-18-month outlook</li> </ul>
<b>Informational edge</b>	<ul style="list-style-type: none"> <li>• Understanding key scientific, medical, regulator and economic trends affecting the global healthcare industry</li> </ul>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>• A “capital preservation first” approach</li> <li>• Multivariate scenario analysis</li> </ul>

## Performance (%) \*As at June 30, 2023

Trailing returns	3 MO	YTD	1 YR	3 YR	5 YR	10 YR	Since inception
<b>Renaissance Global Health Care Fund - Series O</b>	0.9	0.6	9.6	4.6	8.3	13.7	10.3
<b>MSCI World Health Care Index</b>	0.3	(1.3)	9.6	8.0	10.7	13.4	(4.1)

Calendar year returns	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Renaissance Global Health Care Fund - Series O</b>	(4.1)	11.5	12.4	19.9	10.0	8.5	(10.8)	35.2	38.5

CIBC portfolio manager inception: September 2022

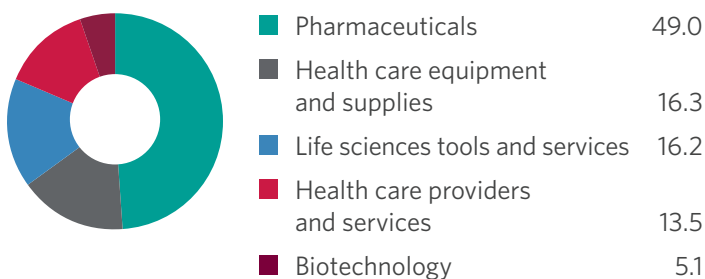
## Top ten holdings

Holding	%
Johnson & Johnson	9.5
Roche Holdings	7.9
UnitedHealth Group	7.3
Novartis	6.8
Thermo Fisher Scientific	6.4
Medtronic	6.0
Pfizer	5.8
Sanofi	5.5
IQVIA Holdings	5.3
CVS Health	5.0

## Equity characteristics

Characteristic	Portfolio	Benchmark
Price-to-Book	3.1	4.3
Price/Equity Trailing 12 month	38.0	26.5
Price/Equity Forecast 12 month	18.2	17.8
Return on Equity (Annual)	11.1	17.1
Earnings Per Share (3 year annual growth)	0.2	11.8
Earnings Per Share (Historical 5 year)	9.1	12.0
Active share	63.5%	N/A
Dividend yield	2.4	1.8

## Sector allocation (% of assets)\*



## Portfolio management



**Michal Marszal, CFA**

*Portfolio Manager, Equities — Global Healthcare*

Michal Marszal is a Portfolio Manager with Equities – Global Healthcare at CIBC Asset Management and is responsible for research coverage and stock selection within the global healthcare sector. Prior to joining CIBC in 2017, Mr. Marszal was a consultant in healthcare equity research for Caisse de dépôt et placement du Québec. Previously, he was a senior analyst focusing on healthcare therapeutics at Lombard Odier Investment Managers. Mr. Marszal began his investment career as an analyst covering medical technology, and subsequently biotechnology companies at Sectoral Asset Management.

Mr. Marszal holds a Doctor of Medicine and Master of Surgery degree from McGill University. Upon graduating from medical school, he joined the Neurological Surgery Residency training program at Stanford University Medical Center as a resident physician. Mr. Marszal also holds an MBA degree in Finance from McGill University and a Bachelor of Arts degree in Molecular Biology from Bard College. He is a CFA charterholder and member of the CFA Society of Toronto.

### Portfolio positioning

- The Renaissance Global Health Care Fund outperformed its benchmark over 3-months
- The Fund outperforms over all major timeframes since our PM inception date in September 2022, including 3-months and YTD
- Portfolio turnover remains at historical norms with one new buy, and three outright liquidations from the portfolio
- Intuitive Surgical and IQVIA were the top contributors to performance throughout the most recent quarter
- Thermo Fisher Scientific and Merck were the largest detractors from Fund performance
- Within the health care sector, we continue to remain defensive and cautiously optimistic
- The portfolio has fairly balanced exposure across the three major health care sub-sectors in pharmaceuticals, medical technology, and health care services
- Within each of the major sub-sectors, we've shifted our exposures to the least economically sensitive areas, and towards ones that are durable, long-term oriented and have less interest rate risk

\*Totals may not equal 100% due to rounding.

Source: CIBC Asset Management, Refinitiv Eikon. Series O performance is presented gross of fees.

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