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EP 110 | Playing the plan: Mawer's Canadian equity portfolio

Disclaimer	**00:25**	This podcast is for informational purposes only. Information relating to investment approaches or individual investments should not be construed as advice or endorsement. Any views expressed in this podcast are based upon the information available at the time and are subject to change.
Andrew Johnson:	**00:40**	All right, welcome back to the podcast and another episode of "Playing the Plan" where we dive a little deeper into one of our portfolios here at Mawer. Today, we're joined by Vijay Viswanathan. Vijay is the lead manager on our Canadian Equity strategy, which we're going to talk about today. Vij, it's great to have you back on the podcast.
Vijay Viswanathan:	**00:58**	Great to be back, Andrew. It's been a long time! Was it something I said last time, why you didn't invite me back? [laughs].
Andrew Johnson:	**01:05**	Might have had a little something to do with your partner in crime, Mark Rutherford, taking the reins on the podcast episodes for the last little while.
	01:12	As I said, we're going to cover all things Canada today.
	01:14	So, let's start with a topic that is nearest to us here in Calgary—that's the energy sector. We've seen a rise in energy prices lately, along with other commodities. This is an area of the market where we tend to be underweight relative to the benchmark, here in Canada, as well as in the rest of the world. Maybe let's just start with taking us through why that's historically been the case.
Vijay Viswanathan:	**01:35**	What it hasn't been, is some top-down decision that, "Hey, we're going to be underweight or overweight energy." Or for any sector, for that matter. It's always been micro, bottom-up analysis, pick wealth-creating companies, great management teams, discount to intrinsic value, and then that's going to roll up into the composition of what the portfolio is going to be. Of course, we're going to layer onto that risk management and make sure that there's no sharp edges from an exposure standpoint.

Vijay Viswanathan:	**02:01**	So really, the underweight energy has been a by-product, Andrew, of just the bottom-up process that we've employed. We've typically have been underweight, as you mentioned, energy compared to the index. And that weight, in absolute terms, has ebbed and flowed over time.
	02:20	It's a little higher now than it has been the last three or four years, but not as high as it was in 2011. We had over 20% of the portfolio in energy. It just depends.
Andrew Johnson:	**02:30**	Of course, I mentioned the rise in energy prices—commodity prices is going to play a big role in our assessment of the wealth creation potential—but it's not the whole story. Obviously, cost is even more important in these cases. But even so, when you do have an increase in energy prices, I assume that can be a catalyst to take a look at the industry. Has that been the case for you and the team more recently?
Vijay Viswanathan:	**02:52**	Well, it hasn't been the case more recently. Actually, if we go back to the last time you had me on the pod, Andrew, I did speak about energy companies and talked about it as—what we thought as—a potential opportunity. And it was a place where we were allocating capital. Mainly around, well, the rationale being that the companies, and companies we had invested in, like Canadian Natural Resources, had brought down cost structures significantly. And what we were seeing was more discipline within the industry around capital expenditure, and just more discipline on how friendly they're being with shareholders—that returning of capital to shareholders—in conjunction with the reduction in cost structure, [which] led to what we talked about being that "wall of cash." So, significant amount of cash flow generation—even at much lower commodity prices. And from our standpoint, valuations looked attractive and that's why we were adding.
	03:41	So, I don't think that answers your question. You're like, "Does the commodity price matter?" Yes. "Does it play a part?" Yes. "Is it the reason why we invested and have invested in energy companies, because we thought that the oil price would go to $110?" No. And I think it's really important for listeners and for clients to know that it's not just the commodity price that matters. What's the most important thing is the margin that you make. So, in the case of an oil company is, how much money do you make, the margin you make per barrel of oil?

Vijay Viswanathan: **04:09** So, if the oil price, hypothetically, was a million dollars, but your cost structure was $1,000,001, that would be a crappy business. So, what we've seen with oil companies across the globe, in Canada, companies in our portfolio, within the energy industry, is cost structures have come down. They've also now benefitted from this tailwind of commodity prices rising. This case, WTI Oil and its derivatives. And that's led to significant cash flow generation.

04:39 You add onto it much more disciplined capital allocation, and that's led to, I think, what has so far, been a very good result for clients and for shareholders. And we're still pretty optimistic that can continue into the future.

Andrew Johnson: **04:52** And on that capital allocation piece—again, another story that usually happens with rising energy prices is that more CapEx takes place and you're looking for more oil and gas. Has that been the case this time around?

Vijay Viswanathan: **05:05** It has not been the case. I mean, that's the old adage, "How do you solve for the problem of a high commodity price?" Well, it's a high commodity price. That's the solution. Because [a] high commodity price...there's incentive to allocate capital, because you can earn a lot of money. That's going to lead to more drilling, to oil sands, expansions, or higher production volumes globally. But we have not seen that. In fact, we've seen the opposite.

05:27 And that really, actually, goes back to 2014, which was the high watermark for capital expenditure to grow production within global energy. And I think since then, and over the course of the last eight years, you've seen there has been capital expenditure, but not enough to keep up with demand growth. And that's been a by-product of many things, but a big one being just opposition to expansion of—especially in this case, we're talking about oil—around oil production and expansion and, to a certain degree, that has provided some discipline.

06:02 Specifically, in Canada, there was issues around getting any product to market, with most of our pipelines being fuller and the inability to build additional pipelines. So, a combination I think, of discipline with management realizing, "Hey, we need to be more disciplined on capital allocation, return more money to shareholders, be more mindful of leverage on the balance sheet..." And also, I think some of that capital discipline has been a by-product of government and regulatory headwinds.

Andrew Johnson: **06:30** Another thing that just came to mind as we were talking about commodity prices is Nutrien. So, that's another commodity that's out there. This is a company that we've held in the past and we've recently reinitiated. Just curious on your thoughts there—does that also fall into the camp of, we've seen a rise prices, a catalyst, to take another look at the business and see the wealth creation potential there?

Vijay Viswanathan: **06:47** Nutrien is one where we did own, you're correct. We did sell it and that was a mistake to sell it. One of the tough things in investing to do, is to admit when you make a mistake—and then change your mind. This is a situation where, "Hey, we made a mistake."

07:00 Andrew, I know you like golf. So I'll give you a golf analogy. If you hook your drive into the trees, what do you do? Well, the answer is, you punch it out. You don't try to be a hero. You don't compound your mistakes. If I look at Nutrien, that's one where I think we made a mistake. We could have compounded on our mistake by not revisiting it, by being afraid that we'd look stupid for reinitiating.

07:23 And the conclusion we came to (Mark and I) was like, "No, this is a wealth-creating business with improving fundamentals." What could be a significant game changer given the conflict in Belarus or in Ukraine with Russia, and the impacts that could have on specifically potash supply in Belarus and Russia and trade flows, as well as natural gas supply, which is key input for ammonia, which would be over two-thirds of Nutrien's revenue. So for us, there are macro factors that changed, but on the micro side, this was actually a better business than maybe we had thought. We changed our mind. We reinitiated. And valuation looked, in our mind, attractive. And so that's the position that we reinitiated, we've added to, we think it's very well positioned.

Andrew Johnson: **08:06** All right. Well, thanks for that. And thanks for the golf tip, of course. I'll try to remember that next time I'm trying to split the uprights between two trees, on my second stroke, on my way to six or seven.

08:16 All right. Another great Canadian market topic is the rail companies. So, CN and CP Rail. We've owned these stocks for a very long time. And throughout most of my history with the firm, it's largely been a boring, steady part of the portfolio. There's obviously some natural cyclicality with rails. They're tied to broader economic activity. And even last year, and from time to time, there's some action centered around the merger with Kansas City Southern in the U.S.

Andrew Johnson:	**08:43**	What I'm curious about is, what's in store for rail companies as we move forward? And what are the risks and opportunities in both the near and the long term?
Vijay Viswanathan:	**08:51**	So, lots to unpack about rails. They definitely would fit into the "Be Boring. Make Money.™" [philosophy]. For those of you who like playing Monopoly, hey, the railroads—they're probably as boring as it comes when you're playing Monopoly. Rails [are] definitely the lifeblood of North American trade and they have been for a long time. I guess, a funny history lesson on rails—they didn't make a lot of money for like, a century. It's really since 1980 that they've become much better businesses through deregulation. It's still the cheapest and most efficient way to transport goods, especially over long distances. And they have been a beneficiary of higher energy costs. It just makes utilizing rail that much more efficient than trucking. They're very well-positioned to continue to move goods, especially for CP and CN, moving goods across Canada, the U.S. We've been very impressed with the management team and culture at CP. And I think we've talked about that in the past.
	09:46	CN has gone through some management changes and we're just getting to know the new CEO, but so far, we've seen some improvements in results, which we think is positive. This is not like it's unknown to the market, Andrew. People know it's a wealth-creating business, has growth above GDP, they've got pricing power, and that's known to the market. So, that's somewhat reflected in valuations, where we think they're okay or fair. And we've actually been trimming slightly, just on that. But overall, they're well-positioned to move goods.
	10:19	As a country, we are blessed. So, Canada...we are blessed with having lots of stuff that the world wants. And the rails are going to move that stuff. So they should benefit from that over the decades to come. The risk—because I've provided one side of the story—the big risk, well, there's two. Regulation. So, that's a big one. Like I said, the rails didn't make money for a hundred years and it was through deregulation that they started making more money, becoming wealth-creating businesses. So, in order to not draw the scrutiny of the regulator, they got to make sure that, as an industry, service is up to standard. That is a risk. And the other would just be mismanagement. And we've seen that. We saw that with CP before Hunter Harrison and Keith Creel took over, that these were great assets that were mismanaged. And so, there is that risk.
	11:05	It is not a "set it and forget it" type business. It is one that needs hands-on operators in the roles within management, and that's really important for that wealth creation over time.

Andrew Johnson:	**11:17**	One of the themes that came up in a discussion with Jim Hall on this podcast, I guess a couple of months ago at this point, was this idea of the reaction that the world has had to the conflict in Ukraine towards Russia, is really bringing to forefront this potential scenario that businesses start bringing manufacturing and assembly closer to home or closer to some friends or allies in the world. My thinking is that, with the rails here in Canada as well, just North America in general, if that happens, then is that a potential tailwind that they're going to be moving even more stuff, as you said?
Vijay Viswanathan:	**11:50**	Yeah, absolutely. That's a very insightful point to bring up, Andrew. We actually saw it with CP. So, you had mentioned that there is a proposed acquisition of Kansas City Southern that's still working its way through the regulatory process. But there is a new line, that new service that they've brought in, that essentially brings goods from Mexico all the way up through into Chicago and from Chicago to go all over the place. And that was a trade route that did not exist. It's just something that's brand new. So, I think the opportunity for rails from reshoring...it's hard to actually imagine what that could look like, but that's an example of something where all of a sudden there could be all kinds of traffic that was on what before did not exist. And so it could invariably be at tailwind for the rails as these new lines of service are needed from reshoring.
Andrew Johnson:	**12:42**	Yeah, I think there'll be a lot of eyes on it to see how that unfolds.
	12:46	Let's turn to financials. Again, another great Canadian topic. There's many different businesses in the market, as well as in our portfolio. A part of the inflation story, of course, is that central banks are aggressively targeting higher interest rates in order to temper that inflation. And on the surface, to me, financials would stand to benefit from rising rates.
	13:07	One, am I accurate with that? And two, what could I be missing, in terms of the risks, to that thinking?
	13:13	So yes, that would be accurate and it would depend how quickly rates move up and why they're moving up. And what are the unintended consequences or second-order impacts of those rates going up? Let's start with just the "yes" part, then we can talk about the "and" part. So the "yes", well, as rates rise—let's say they're rising for good reasons—the economy is still healthy. Essentially, how that benefits banks is, well, they're just going to earn a higher net interest margin.

Vijay Viswanathan: **13:43** Rates are higher, so that difference between how much they lend out money, for example, and how much they pay you as a depositor, well, that in absolute terms goes higher. You multiply that by the asset base and it's like, "Hey, you're going to have higher absolute profitability." So in theory, yes, it works and it should be a positive tailwind.

14:04 The "and" part, or the second-order impact would be well, if rates rise too quickly or they're rising because we have significant inflation; maybe hyperinflation; maybe that sounds familiar to people and those that are listening that maybe going on now; maybe there's talk or [that] leads to a recession… That would be negative for the banks—at least as we work through that part of the cycle.

14:25 But of course, we'd work through that. And then that would set the seeds for recovery, which would be beneficial for banks. So yes/and, Andrew. It should be beneficial, but it also depends if anything breaks along that journey.

Andrew Johnson: **14:37** I think you'd be good in an improv class, I think "yes/and" is the tool of the trade.

Vijay Viswanathan: **14:40** [Laughs] That is! That is, yes/and. That is good. Now, there [are] some other parts to banks that I think are important. So, there are rates that are going up that could be headwinds as long as we don't move into a recession, things don't break. There's lots of other potential headlines or headwinds out there just around housing in Canada.

14:58 I'm sure that our listeners are curious about that. And we're starting to see…I wouldn't say a rollover, but we're starting to see some weakness, especially in Toronto and some other areas where there may have been a lot of froth in the market. It's probably not the worst thing in the world that we're seeing some pullback there. But in our analysis of the loan books, they're still very well-diversified in Canada. Loan to values are still very strong and capital positions are strong for the banks.

15:25 So the banks, they deal with cycles. They have for as long as they've been around and they'll be able to deal with any shift or change in cycle—if we were to move into a recession. Definitely a risk out there that we're worried about but offset like I said by strong capital positions, the strong earning power within the banks, and other indicators that look, still, pretty positive. Like unemployment still looks very low, which is usually a leading indicator of future credit losses. So, that still looks decent.

Vijay Viswanathan: **15:57** Canadians have [a] pretty decent rate of savings. We've seen that through deposit growth. The risk there is that inflation is the ultimate tax for people, and so those savings and deposits could be eroded pretty quickly depending on how long that were to last.

16:12 So, as always, some puts and takes on banks, but we think they're reasonably well-positioned, well-capitalized, they're well run. And valuation-wise, we think they're still reasonably attractive. That's banks. I don't know if you want to talk about other components or other companies within financials?

Andrew Johnson: **16:28** I think banks are obviously a big part of it. And your comments on the housing market are, I think, ringing clear in a lot of listeners ears right now because we have seen some of those benchmark prices come down. I think they're still relatively elevated over the last several years, so there might be some room there or it's just softly moving downward in a healthy way, maybe.

16:48 What about insurance companies? I'm thinking, similar to deposits and lending, they try to benefit from a margin between their products as well. What are you seeing there?

Vijay Viswanathan: **16:57** Insurance companies could also benefit over the medium- long-term from higher rates. I mean, they're able to reinvest on the asset side of their balance sheet at higher rates of return over time. And then, the other piece as well—the liabilities they have to pay out on the protection side of their business will come down because of your discount rate.

17:16 Essentially, the present value of all the claims that they'll have to make out—well, if your denominator increases, that total number comes down over time. So, they may have over-reserved. There may be that release of those reserves over time, which can be beneficial.

17:31 One of the offsets though, is a lot of the insurance companies...they sort of de-risk their business and maybe don't have the same level of upside to rates going up as they once had, because they dealt with a low-rate environment for a long time. So, they may not have as much upside at least in the short term as banks.

17:49 They also have very large wealth management franchises. I've talked about this before, Andrew, that life insurance...they're actually misnamed.

Vijay Viswanathan	**17:55**	Like they shouldn't be called life insurance companies because it's a smaller and smaller component of the overall business. Wealth management is a bigger and bigger component of their business. And so, that could be impacted by higher rates, especially if we move into recession. So, they should benefit.
	18:11	We've become, over the years, a little bit more negative on insurance companies. It is a commodity that they are selling. There is a very good industry structure in Canada, which leads to better profitability and wealth creation. But if I were to stack the industries up, I think, the banks would be in better position than life insurance companies.
Andrew Johnson:	**18:29**	Yeah. Much like your comments on the rails, I mean, management matters here, right? You're going to need strong operators to make good decisions when you're dealing with a commoditized product of any kind.
Vijay Viswanathan:	**18:39**	Well, absolutely. I think we have a blog that went out about life insurance companies from many years ago. But on the protection side of their business, it's like, the business model is weird that way. Like, you know what your revenue is, but you don't know what your cost of good sold is. That can lead to issues. Justin Anderson, who's been on the pod before, he calls it, "snakes in the grass." You're walking on grass, and then all of a sudden, boom. There could be a snake in there at any moment. So, that's the reason it gives us some pause. It's why we have the weights where they are and [why] over the last few years we've been probably a little bit more negative on them.
Andrew Johnson:	**19:10**	Anything else on financials?
Vijay Viswanathan:	**19:11**	I think that covers it. They're sort of diversified. Real estate's been pulled out financials, so I think you've got it covered.
Andrew Johnson:	**19:17**	All right. Well, we have spent, I guess, most of this episode talking about some well-established companies here in Canada. Let's look at a relative newcomer: Shopify. We initiated a position in this company…I think back in 2017, and just recently decided to exit the business. Take us through Shopify and its ultimate exit from the portfolio.
Vijay Viswanathan:	**19:40**	Yeah, you're right. We did initiate in Q3 of 2017. That was one that was maybe a little bit different because I got a lot of questions about that when we did put it in the portfolio.

Vijay Viswanathan: **19:52** But let's just get back to the basics here. Wealth-creating business, in our mind. What did we think about the business model? Wealth-creating over the cycle, well, if a company hasn't been around for 10 years, it's hard to know wealth creation over 10-year time period.

20:04 In our estimation, in our assessment of the business model, here was a business that was essentially a retail operating system for e-commerce businesses. So, subscription business, recurring revenue, much like you would get from, say, your Microsoft Office subscription. That was part of their business. Then the other part of the business is that they essentially would get a percentage of transactions that happened on their platform.

20:33 So for us, we thought, "Hey, this is pretty good business model. One of the better ones we've come across in Canada." We thought that it's, we still think, it's a very well-run business, led by Tobi [Tobias Lütke]. And then valuation—that was the one that was the big conundrum for us at that time. And so we worked through different scenarios and what would need to happen for valuation to make sense. And for us, we thought there were lots of levers for this business to pull on over time. So, just the increase penetration of e-commerce—it was very low at that time—moved up now to probably about 20%. Some of that'd been accelerated by COVID, which we didn't know was going to happen in 2017, obviously. So that was one that was a tailwind that we had identified in 2017, was e-commerce proliferation. Moving into new geographies was another one. Plugging in new pieces into the platform that they had created, optionality around that, which they'd done with offering marketing.

21:27 They've offered Shopify Capital. Now they're moving into fulfillment. So that was a piece for growth. And then geographic expansion was another one. So, all that led to give us comfort around initiating, which we did. And that was, like I said, I mean, Q3 of 2017.

21:44 The stock moved a lot [laughs] in that timeframe and we pretty much spent most of the last four to five years just in risk management mode. Trimming our position over time, with one of the last trims coming in November, December. Trimming all the way from, I think, $500 all the way up to $2,000, and then back down to $600-$700. So, we've been on quite the journey with Shopify and I think it's important for people to know it.

22:15 Why did we exit the position? For us, the big piece was just competitive intensity. We were essentially trimming on valuation for almost four or five years and were wrong [laugh], until we were right on that.

Vijay Viswanathan: **22:28** And the final piece, where we decided to exit, was we were worried about more competition. The Internet's getting crowded. Amazon is making their foray with their "Buy with Prime" piece. We're seeing a slowdown in e-commerce and we're seeing [a] slowdown in the results at Shopify and it became harder in order to justify the valuation. So, ultimately, we thought there were better places to allocate capital.

22:51 They made a pretty expensive acquisition in our estimation. It may work out great for them, but essentially, moving into fulfillment. That probably increases the risk as they have to get that right in order to continue to compete. And like I said, for us, we thought slowing growth, increased competition, some capital allocation decisions that, in our mind were slightly questionable, and we decided to allocate capital elsewhere. And overall, clients made four to five times their money on that investment, which we think we're happy with. You know, in hindsight, we always could do things better. For us, that's one of the learnings is just, "Yeah, maybe we could have been better managing that risk budget." But I think, overall, we did a reasonable job being stewards of capital for our clients.

24:30 And hey, we may change our mind. We still think it's a good business or a very good business that's well run. And one day it may be back in the portfolio.

Andrew Johnson: **23:42** That's a good point. And, also 5x on an investment is pretty good over five years that we had the stock. So, that's a pretty solid return. It does sound as though it was a little bit exhausting along the way.

Vijay Viswanathan: **23:53** Well, there's always learnings and I think it's important that our listeners hear that. We're not infallible as portfolio managers. And between Mark and I, we did a whole post-mortem. That is part of our process. [We] did a postmortem on the journey with this company. We shared that with the team and we had learnings around that. The importance of using a risk budget; maybe we got off that program, or we didn't move as quickly as we should have at the end of 2021 or 2022 as we saw some negative cards. The importance of changing your mind.

24:24 Back to the golf analogy, "The most important shot in golf is the next one." For us, we're in the business of repeatable value-added decisions. And the most important decision is the next decision. So the ability to reset, to turn the page, to work the process, not get caught up in what happened before, but to move forward with the information you have in front of you, right now, and make a decision.

Vijay Viswanathan:	**24:44**	That's something that we're pretty good at, but could be better at. One thing we'll continue to improve on over time. And those are a few for us that came through. And finally, just the importance of process and culture and team, because it can be, like you said, exhausting. It can be very emotional when you see these violent moves of stocks, both up and down. Probably more painful, when down than up. And just to be able to stay patient, to keep your head about you, and that's culture and team and process. And that's something that we do in spades.
	25:15	And it was just reiterated—the importance of that as we went through the journey with Shopify. So ultimately it was a wealth-creating story for clients. There's always things that we could do better. We may own it again one day and lots of learnings that came out of it that we'll learn from and will improve on and we'll get better from, which is such an important part of this industry and this business and being a great portfolio manager.
Andrew Johnson:	**25:39**	I want to come back to one of those learnings. So, talk a little bit more about the value of the risk budget. Because that's something that I've heard you speak to before on—not Shopify in particular—but just generally on the portfolio and thinking about investing. And we are in the business of not avoiding risk, but managing risk.
	25:55	So, speak about the risk budget and what that means for you as a portfolio manager?
Vijay Viswanathan:	**26:00**	There's a few components to it. So, from a risk budget it's, "How much are you willing to lose? How much are you willing to lose in the portfolio if the stock were to halve tomorrow?" is part of it. There's tools we use that have probably been talked about on other pods, like The Matrix. "How does this idea stack up versus all the other ideas? Both in the portfolio or on the inventory list?" We've talked about this idea of 1/Ntelligence™. So, we start out with an equal-weighted portfolio and then you adjust based on the quality and the return potential.
	26:30	So for us, that's what it was. It was like, as we were getting more information, did it make us want to have a higher position, the same position, or a lower position?
	26:39	And for us, what we saw as we saw this runup in the stock over the four or five years, that for us, trying to justify or wrap our heads around valuation was a big one. In some cases it, for us, didn't completely make sense or scenarios where we could see what could happen. But for us, it was a reason for us to keep the position within some guardrails or within some constraints.

Vijay Viswanathan:	**27:02**	So, I hope that helps those that are listening. It's sort of multifaceted when thinking about it. There's sort of an absolute amount. They're stacking it up using tools like The Matrix and that kind of helps, I think, to formulate that risk budget.
Andrew Johnson:	**27:17**	Thanks for sharing that. I think that is insightful for people to hear. My last question is a quick one should be an easy answer on a scale of one to ten, how bad—
Vijay Viswanathan:	**27:25**	—This is like a trap. It's like a trap. Whenever someone says, "Hey, I got a quick question for you," it ends up being like 10 minutes long.
Andrew Johnson:	**27:32**	[Laughing] Well, you stepped on my quick delivery of it. But, on a scale of one to ten, how bad do the Leaf's suck at hockey?
Vijay Viswanathan:	**27:39**	I'm a long-time part of Leaf Nation. It's a nuanced answer. So, I don't think they suck at hockey [laughs]. I should ask you, how much did the Bruins suck, Andrew? I think they played great. They just ran into a team that knows how to win and they haven't figured that out yet. There's a great interview with Wayne Gretzky, where he talks about—I know this has nothing to do with Canadian equity or Playing the Plan, but it kind of does—with just the team and the sacrifice you got to make if you want to win over time.
	28:08	And so there's this interview with Wayne Gretzky and they had just lost to the Islanders, the New York Islanders. This was 1984, 1983, I think. And they lost. And so, Wayne and some other teammates walked to the Islanders' dressing room, they wanted to congratulate them, and they [thought] they'd probably be in there celebrating.
	28:26	And no, they weren't. They were just sitting in there. They weren't saying a word. They had ice packs all over them. And Wayne Gretzky talks about that. That's it. That changed his life when it came to how to compete. Because he realized, hey, he didn't feel that way—he had more in the tank. And that's what it took to win.
	28:44	So, that has nothing to do with what we were talking about. But I think it's a great story. We have used that story and that mantra and that ideology as a Research team. Of like, "Hey, this is what it takes if you want to win, win as a team, and create wealth for clients over time and be able to do that and under different market regimes." And for us, that's what we keep doing day in and day out, is putting in that work and making sure that ultimately, at the end, when you've finished hoisting the Stanley cup or whatever it is, I guess, for us in our industry, Andrew, it's like we got nothing left in the tank.

Andrew Johnson:	**29:15**	I have heard that story before and it is a great lesson and it's similar to—you've heard stories from the NBA of the Pistons finally getting past the Lakers, and then the Bulls finally getting past other teams and making that leap. So, it is a good lesson to learn about what it takes to get to the next level, no matter where you're at.
	29:32	All right Vij, [those were] all the topics that I wanted to cover, including one that I didn't think we were going to talk about for too long, but—
Vijay Viswanathan:	**29:39**	I had a feeling you would get that.
Andrew Johnson:	**29:40**	—was there anything else that you wanted to add before we wrap up?
Vijay Viswanathan:	**29:44**	Well, the only thing I'd add is, as a whole team we continue to adhere to our philosophy. We continue to double down and work and trust the process and ultimately work as a team in this high-trust environment to make the best value-added decisions for clients over the long term. And while we're seeing lots of gyrations in markets now, for us, our eyes [are] on the horizon. We were talking about this yesterday in one of our meetings around, "What decisions should we be making today, that are going to create wealth and pay dividends for clients in 2024 and 2025 and 2026 and beyond?"
Vijay Viswanathan:	**30:22**	And that's what we're focused on. So, I would just want to leave that message for our listeners and for our clients. That's what we're focused on. [The Mawer Canadian Equity team], but that's what we're focused on across the whole platform.
Andrew Johnson:	**30:33**	I think that's a good place to wrap it up. As always, Vij, great conversation. Thanks for sharing your time and your insight into the portfolio.
Vijay Viswanathan:	**30:39**	Anytime! Take care.