

A group of dolphins swimming in clear blue water, viewed from above. The dolphins are scattered across the frame, with some in the foreground and others further back. The water is a vibrant turquoise color, and the dolphins' sleek bodies are clearly visible as they move through the water.

LONG EQUITY

The Linear
Compounders

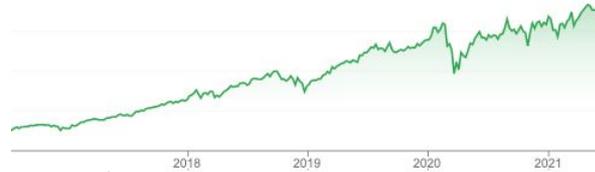
Long Equity Fund

2023

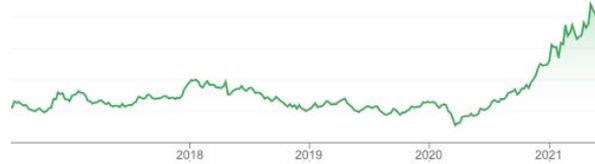
What is linearity?

Knowing that a company grew its share price by 100% over the last 5 years doesn't tell you whether the growth was incremental or occurred rapidly in a short burst. In investing, returns can either be consistent or erratic. We prefer consistent incremental growth.

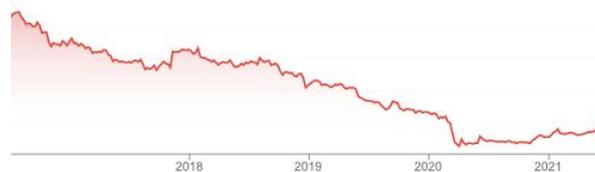
Filtering for linearity helps find companies that look like this ($R^2 = 0.98$):



and avoid companies that look like this ($R^2 = 0.27$):



and especially this ($R^2 = -0.97$):



What about valuation?

Any share price growth over any time period can be understood by the growth of earnings or the change in valuation.

We seek to understand what has driven share price growth and whether the balance leans more towards earnings growth (good) or towards an increased valuation (less good).

US - Large cap (S&P 500)

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
MNST	Monster Beverage	25.2%	0.97
V	Visa Inc.	19.8%	0.97
BKNG	Booking Holdings	27.9%	0.94
MA	Mastercard	22.6%	0.95
DPZ	Domino's	25.6%	0.94
TYL	Tyler Technologies	23.9%	0.94
HD	The Home Depot	18.4%	0.95
VRTX	Vertex Pharmaceuticals	18.8%	0.95
TJX	TJX Companies	17.7%	0.96
TDG	TransDigm Group	23.8%	0.93
BR	Broadridge Financial Solutions	17.8%	0.95
HUM	Humana	17.4%	0.96
ROL	Rollins, Inc.	17.1%	0.96
SBUX	Starbucks	18.3%	0.95
CNC	Centene Corporation	18.7%	0.94
EQIX	Equinix	17.0%	0.96
UNH	UnitedHealth Group	21.7%	0.93
REGN	Regeneron	27.8%	0.92
SHW	Sherwin-Williams	18.8%	0.94

US - Mid cap (S&P 400)

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
NBIX	Neurocrine Biosciences	23.1%	0.93
AZPN	Aspen Technology	20.3%	0.92
CHE	Chemed Corp.	17.9%	0.95
MANH	Manhattan Associates	27.3%	0.89
COKE	Coca-Cola Consolidated	20.6%	0.90
CASY	Casey's General Stores	16.5%	0.96
NOVT	Novanta	19.3%	0.92
LII	Lennox International	16.6%	0.95
FICO	FICO	27.4%	0.87
CRUS	Cirrus Logic	19.2%	0.91
TXRH	Texas Roadhouse	17.7%	0.92
CHDN	Churchill Downs Inc	19.9%	0.88
MMS	Maximus Inc.	15.6%	0.93
AXON	Axon Enterprise	26.4%	0.85
EXLS	EXL Service	20.2%	0.87
LFUS	Littelfuse	15.2%	0.93
ASGN	ASGN	15.4%	0.89
OLED	Universal Display	17.7%	0.85
SNX	TD Synnex	16.1%	0.88

US - Small cap (S&P 600)

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
AAON	AAON, Inc.	20.7%	0.94
ENSG	Ensign Group, Inc.	23.2%	0.90
PLUS	ePlus, Inc.	22.8%	0.93
JBSS	John B. Sanfilippo & Son, Inc.	17.5%	0.96
MGPI	MGP Ingredients, Inc.	25.1%	0.87
AX	Axos Financial, Inc.	24.4%	0.89
DORM	Dorman Products, Inc.	18.2%	0.94
PATK	Patrick Industries, Inc.	24.1%	0.88
CORT	Corcept Therapeutics Incorporated	22.3%	0.90
EXPO	Exponent, Inc.	17.6%	0.93
ALG	Alamo Group	16.6%	0.95
IOSP	Innospec, Inc.	16.0%	0.96
SLP	Simulations Plus, Inc.	25.0%	0.86
ABG	Asbury Automotive Group	21.6%	0.86
CCOI	Cogent Communications Holdings, Inc.	15.6%	0.93
CRVL	CorVel Corporation	20.1%	0.86
UFPI	Universal Forest Products, Inc.	15.9%	0.89
PGTI	PGT Innovations, Inc.	15.5%	0.90
IPAR	Inter Parfums, Inc.	17.1%	0.85

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
TSE:ATD	Alimentation Couche-Tard Inc	25.7%	0.96
TSE:BYD	Boyd Group Services Inc	34.5%	0.95
TSE:GIB.A	CGI Group Inc Cl A Sv	19.0%	0.97
TSE:CSU	Constellation Software Inc	36.6%	0.93
TSE:CP	Canadian Pacific Railway Ltd	15.9%	0.95
TSE:CIGI	Colliers International Group Inc	23.1%	0.93
TSE:DSG	Descartes Systems	23.7%	0.93
TSE:FNV	Franco-Nevada Corp	17.1%	0.94
TSE:CNR	Canadian National Railway Co.	12.2%	0.98
TSE:TIH	Toromont Ind	13.4%	0.94
TSE:CCL.B	Ccl Industries Inc Cl B NV	16.0%	0.92
TSE:RCH	Richelieu Hardware Ltd	13.3%	0.93
TSE:X	Tmx Group Ltd	10.5%	0.94
TSE:WFG	West Fraser Timber CO Ltd	17.1%	0.90
TSE:OTEX	Open Text Corp	13.2%	0.92
TSE:PRMW	Primo Water Corp	19.3%	0.87
TSE:QBR.B	Quebecor Inc Cl B Sv	10.2%	0.94
TSE:SJ	Stella Jones Inc	16.0%	0.88
TSE:EIF	Exchange Income Corp	10.5%	0.92

Austria

LONG EQUITY

VIE:DOC	Do & Co Ag	13.2%	0.81
VIE:FLU	Flughafen Wien Ag	9.8%	0.86
VIE:CAI	Ca Immobilien Anlagen Ag	7.8%	0.90
VIE:MMK	Mayr Melnhof Karton Ag	6.3%	0.89

Belgium

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
EBR:LOTB	Lotus Bakeries	24.7%	0.92
EBR:MELE	Melexis	14.4%	0.93
EBR:BREB	Brederode	11.2%	0.92
EBR:BAR	Barco	10.7%	0.92
EBR:KIN	Kinepolis Group	16.2%	0.84
EBR:JEN	Jensen-Group	9.9%	0.80

Denmark

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
CPH:TOP	Topdanmark	10.70%	0.95
CPH:COLO-B	Coloplast B	16.80%	0.95
CPH:UIE	United Int. Enterprises	10.60%	0.95
CPH:RBREW	Royal UNIBREW	17.50%	0.93
CPH:GMAB	Genmab	15.50%	0.92
CPH:PAAL-B	Per Aarsleff Holding B	12.70%	0.91
CPH:SIM	SimCorp	17.20%	0.89
CPH:RILBA	Ringkjøbing Landbobank	15.20%	0.89
CPH:DSV	DSV	19.80%	0.88
CPH:DEMANT	Demant	13.00%	0.87
CPH:AOJ-B	Brdr. A & O Johansen B	15.90%	0.83
CPH:NOVO-B	Novo Nordisk B	23.80%	0.83

Finland

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
HEL:EQVIV	eQ Oyj	12.8%	0.87
HEL:METSA	Metsä Board Oyj A	11.8%	0.93
HEL:NESTE	Neste Oyj	14.0%	0.88
HEL:HUHIV	Huhtamäki Oyj	10.9%	0.85
HEL:ACGIV	Aspocomp Group Oyj	13.5%	0.85
HEL:DIGIA	Digia Oyj	10.4%	0.85
HEL:REGIV	Revenio Group Oyj	21.5%	0.81

France

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
EPA:CDI	CHRISTIAN DIOR	18.10%	0.92
EPA:SAF	SAFRAN	17.80%	0.91
EPA:WAVE	WAVESTONE	18.00%	0.91
EPA:DSY	DASSAULT SYSTEMES	15.80%	0.92
EPA:PERR	PERRIER (GERARD)	14.40%	0.94
EPA:RBT	ROBERTET	15.50%	0.93
EPA:AIR	AIRBUS	15.90%	0.91
EPA:ITP	INTERPARFUMS	17.30%	0.91
EPA:NRO	NEURONES	13.90%	0.94
EPA:LR	LEGRAND	12.20%	0.95
EPA:MC	LVMH	17.60%	0.90
EPA:OR	L'OREAL	12.10%	0.95
EPA:INF	INFOTEL	13.20%	0.93
EPA:AUB	AUBAY	15.20%	0.91
EPA:ATE	ALTEN	12.90%	0.93
EPA:KER	KERING	13.40%	0.92
EPA:LSS	LECTRA	15.30%	0.90
EPA:EL	ESSILORLUXOTTICA	11.40%	0.95
EPA:RMS	HERMES INTL	21.70%	0.86

Germany

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
ETR:HNRI	Hannover Re	15.5%	0.97
ETR:EVD	CTS Eventim AG & Co KGaA	14.8%	0.96
ETR:NEM	Nemetschek SE	29.4%	0.89
ETR:AIR	Airbus SE	15.9%	0.91
ETR:NXU	Nexus AG	23.5%	0.89
ETR:SY1	Symrise	14.2%	0.95
ETR:BC8	Bechtle AG	20.3%	0.89
ETR:SRT3	Sartorius	34.7%	0.87
ETR:IVU	IVU Traffic Technologies	20.7%	0.88
ETR:SIX2	Sixt SE	17.2%	0.90
ETR:SIS	First Sensor	15.1%	0.90
ETR:SIX3	Sixt SE Preference Shares	13.9%	0.91
ETR:MTX	MTU Aero Engines AG	14.6%	0.90
ETR:AAD	Amadeus FiRe AG	14.2%	0.90
ETR:IFX	Infineon Technologies AG	13.2%	0.90
ETR:EVT	Evotec SE	21.3%	0.83
ETR:OHB	OHB SE	11.5%	0.91
ETR:COK	Cancom SE	19.9%	0.83
ETR:MBB	MBB SE	17.2%	0.83

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
BIT:ELN	EL.En. S.p.A	12.7%	0.85
BIT:SOL	SOL S.p.A	14.1%	0.86
BIT:AMP	Amplifon SpA	18.0%	0.89
BIT:REY	Reply S.p.A	20.7%	0.85
BIT:CPR	Davide Campari-Milano S.p.A	14.4%	0.95
BIT:REC	Recordati Industria Chimica e Farmaceutica S.p.A	17.2%	0.95
BIT:DIA	DiaSorin S.p.A	13.4%	0.85
BIT:TIP	Tamburi Investment Partners S.p.A	11.8%	0.95
BIT:IP	Interpump Group S.p.A	14.8%	0.91
BIT:DLG	De'Longhi S.p.A	15.4%	0.80
BIT:BRE	Brembo S.p.A	15.2%	0.87
BIT:DIB	Digital Bros S.p.A	10.2%	0.80
BIT:BGN	Banca Generali S.p.A	14.3%	0.89

Netherlands

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
AMS:WKL	Wolters Kluwer NV	14.2%	0.93
AMS:ASML	ASML Holding NV	25.5%	0.84
AMS:REN	Relx PLC	10.7%	0.96
AMS:BESI	BE Semiconductor Industries NV	31.3%	0.85
AMS:ACOMO	Acomo NV	11.1%	0.81

Sweden

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
STO:SCA-A	Svenska Cellulosa SCA AB	18.3%	0.93
STO:MCAP	MedCap AB	27.8%	0.90
STO:HPOL-B	HEXPOL AB	22.0%	0.90
STO:AAK	AAK AB	16.4%	0.96
STO:BIOG-B	BioGaia AB	17.7%	0.93
STO:LAGR-B	Lagercrantz Group AB	27.3%	0.88
STO:ASSA-B	ASSA ABLOY AB	15.0%	0.97
STO:ATCO-A	Atlas Copco AB Class A	16.6%	0.92
STO:NMAN	Nederman Holding AB	14.3%	0.96
STO:CTT	CTT Systems AB	16.0%	0.92
STO:LUND-B	L E Lundbergforetagen AB	13.2%	0.96
STO:INDT	Indutrade AB	20.3%	0.87
STO:BOL	Boliden AB	16.0%	0.92
STO:AQ	AQ Group AB	17.6%	0.89
STO:BILI-A	Bilia AB	17.4%	0.89
STO:VIT-B	Vitec Software Group AB	37.5%	0.85
STO:HMS	HMS Networks AB	23.1%	0.86
STO:ADDT-B	Addtech AB	22.0%	0.87
STO:SECT-B	Sectra AB	20.1%	0.87

Switzerland

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
SWX:BEAN	BELIMO	15.2%	0.92
SWX:SIKA	Sika	17.1%	0.90
SWX:EMMN	Emmi	13.9%	0.96
SWX:VZN	VZ Holding AG	13.6%	0.95
SWX:IFCN	INFICON	14.5%	0.89
SWX:LEHN	LEM	14.0%	0.92
SWX:COTN	Comet Holding AG	19.1%	0.83
SWX:PGHN	Partners Group	14.1%	0.87
SWX:EMSN	Ems-Chemie	11.0%	0.92
SWX:INRN	Interroll	14.0%	0.86
SWX:SFZN	Siegfried	11.9%	0.90
SWX:TECN	Tecan Group	12.1%	0.88
SWX:BOSN	Bossard	13.1%	0.86
SWX:STMN	Straumann Holding AG	10.0%	0.84

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
LON:RMV	Rightmove plc	21.4%	0.96
LON:LSEG	London Stock Exchange Group plc	18.0%	0.95
LON:TFW	Thorpe (F.W) plc	15.2%	0.94
LON:HWDN	Howden Joinery Group Plc	25.2%	0.93
LON:DPLM	Diploma plc	22.3%	0.93
LON:PCT	Polar Capital Technology Trust plc	18.5%	0.93
LON:RTO	Rentokil Initial Plc	15.0%	0.94
LON:EXPN	Experian Plc	13.9%	0.94
LON:HLMA	Halma plc	17.1%	0.93
LON:FOUR	4imprint Group plc	26.6%	0.92
LON:JAM	JPMorgan American Investment Trust plc	13.2%	0.95
LON:WWH	Worldwide Healthcare Trust plc	12.7%	0.96
LON:RNWH	Renew Holdings Plc	15.2%	0.93
LON:JDG	Judges Scientific plc	34.8%	0.90
LON:JET2	Jet2 plc	26.7%	0.91
LON:JGGI	JPMorgan Global Growth & Income plc	12.1%	0.96
LON:SKG	Smurfit Kappa Group Plc	14.9%	0.92
LON:AHT	Ashtead Group plc	32.7%	0.89
LON:PRV	Porvair plc	12.4%	0.95

Australia

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
ASX:APE	EAGERS AUTOMOTIVE LIMITED	14.5%	0.86
ASX:RHC	RAMSAY HEALTH CARE LIMITED	11.0%	0.84
ASX:REA	REA GROUP	26.0%	0.96
ASX:BRG	BREVILLE GROUP	21.6%	0.89
ASX:CSL	CSL	13.5%	0.95
ASX:FPH	FISHER & PAYKEL HEALTHCARE	14.3%	0.87
ASX:COH	COCHLEAR	10.5%	0.94
ASX:JHX	JAMES HARDIE INDUSTRIES	15.3%	0.86
ASX:ARB	ARB CORPORATION .	15.8%	0.86
ASX:AUB	AUB GROUP LIMITED	14.8%	0.89
ASX:QUB	QUBE HOLDINGS LIMITED	10.6%	0.92
ASX:NAN	NANOSONICS LIMITED	22.0%	0.88
ASX:CQE	CHARTER HALL SOCIAL INFRASTRUCTURE REIT	12.9%	0.90
ASX:NHF	NIB HOLDINGS LIMITED	15.8%	0.93

New Zealand

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
NZE:EBO	Ebos Group	15.8%	0.94
NZE:IFT	Infratil	11.0%	0.88
NZE:MFT	Mainfreight	16.0%	0.87
NZE:FPH	Fisher & Paykel Healthcare Corporation	13.5%	0.88
NZE:SKL	Skellerup Holdings	12.3%	0.83
NZE:POT	Port of Tauranga	10.2%	0.94

Hong Kong

LONG EQUITY

Ticker	Company	15yr CAGR (%)	15yr Linearity (Rsq)
HKG:2020	Anta Sports	21.8%	0.83
HKG:2688	XinAo Gas	12.2%	0.86
HKG:0856	VSTECS	13.2%	0.84
HKG:0669	Techtronic Industries	16.8%	0.82
HKG:2313	Shenzhou International Group Holdings	28.1%	0.80
HKG:1109	China Resources Land Ltd	10.7%	0.92
HKG:3331	Vinda International Holdings Ltd	14.8%	0.88
HKG:0981	Semiconductor Manufacturing	13.6%	0.85
HKG:0700	Tencent Holdings Ltd	25.7%	0.86
HKG:1193	China Resources Gas	15.2%	0.82
HKG:1093	China Pharmaceutical Group Ltd	11.0%	0.88