TRIUMPH
ASSET MANAGEMENT

Saving the Best for Last

While the title might remind some of Vanessa Williams' 1991 hit, I chose it for another reason. Despite stocks declining in 4 of the last 5 trading days and with 435 stocks in the S&P 500 underperforming the Index, ***we delivered a +0.4% monthly return, significantly outperforming the Market's -2.7% decline.*** For the year, we achieved over +20%, following up on our +30% in 2023. December was one of our strongest months, showcasing our full range of skills: stock selection, hedging, and trading.

2024 was a remarkable year for our Fund. We generated strong returns, avoided realizing significant capital gains, focused on a concentrated portfolio of high-quality companies, and strategically hedged when necessary. If there's one regret, it's our longstanding approach to remain currency neutral. As stock pickers, not currency traders, this approach led us to miss out on an 8% boost from the Canadian dollar's steep decline—an increase that would have brought our annual return to +30%. That said, we understand this strategy yields wins in some years and losses in others. ***With a new leader and government (hopefully) taking over in 2025, we're optimistic about both our country's prospects and the dollar, potentially making this hedging strategy a profitable decision in the future.***

After two consecutive years of +20% returns, it might seem logical to take a cautious stance. However, the broader context tells a different story: over the past three years, the Market has averaged just an 8% annual return, with nearly a quarter of that gain driven solely by Nvidia. ***Against this backdrop, I remain bullish for 2025 yet maintain a modest cash balance (10%) in the event of a pullback.*** The fundamentals are strong, the tailwinds from this year are intensifying, the incoming administration is encouraging, the Fed's stance is dovish, and the economy appears poised for continued growth.

Our capital remains concentrated in the MAMAANs (Microsoft, Amazon, Meta, Apple, Alphabet, and Nvidia), along with JP Morgan and Berkshire Hathaway, which together represent over 70% of our portfolio. Additional smaller positions include Goldman Sachs, Deckers, Manhattan Associates, and Shopify, while cash levels sit at 10%. We have great confidence in the long-term potential of these investments and believe that the compounding effects of AI and the tailwinds mentioned earlier will drive sustained portfolio gains.

We thank you for your continued support, remain optimistic about the remainder of 2025, and wish you a happy and prosperous new year.

Steven Tuchner
Founder & CIO

130 Adelaide St W., Suite 1010
Toronto, ON, M5H 3P5