Episode 4: A Measured Approach to Global Equity Amidst AI Mania

John Pagliacci

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Hello and welcome everyone to episode four of Buy the Way. This is Guardian Capital LP's podcast series focused on investment conversations with portfolio managers, thought leaders and industry experts. I'm your host, John Pagliacci, Vice President of Investment Programs and National Accounts here at Guardian, and I'm excited to be joined today by Michael Hughes, our Senior Vice President and Head of Client Services at Guard Cap Asset Management Limited, our fundamental global equity team and affiliated sub advisor that is based in London, England. Michael, great to see you. How are things? You were actually just here in Canada for a week.

Michael Hughes

[00.00.34]

Yes, I was I was sort of touring the western part of the country. We have, as many people know, a partnership with BMO and with my, you know, our colleagues there was traveling around to various cities Regina, Saskatoon, Calgary, Edmonton, Vancouver. So it was a busy week.

John Pagliacci

[00.00.50]

Busy week indeed. And so you're back home now in Geneva, is that right?

Michael Hughes

[00.00.54]

I am yeah a bit of jetlag, otherwise all right.

John Pagliacci

[00.00.57]

Well, appreciate you joining us amidst your busy travel schedule, for those that don't know Michael or haven't had the opportunity to hear from him in the past, he's been with our GuardCap team really since it started in 2014 and has decades of experience in the asset management industry, both as a portfolio manager in his earlier days and now as a client service or sorry, as I should say, a client portfolio manager. I wanted to get your take on that role, Michael, before we kind of get into what's happening in the markets these days. Can you give us a sense of what the role of a client portfolio manager is like what does your day to day actually look like in that role?

Michael Hughes

[00.01.33]

Sure. It's my role to really stand in for the portfolio management team and explaining what they're doing and explaining the portfolios to clients and answering any questions that clients might have. It's a big part of the work of a portfolio manager to do that. And the problem is that if it is done entirely by the portfolio managers, they can end up not actually doing any portfolio managing, which of course is what clients would rather we were doing. So the extent that it's possible and reasonable, I stand in for them in some of the business of keeping our clients up to date with what's going on.

John Pagliacci

[00.02.01]

Right. Gotcha. Okay, so lots of travel involved, I'm sure. Have you hit the Million Miles club yet, or how many days of the year do you think you're away from home?

Michael Hughes

[00.02.09]

Yeah, I think I hit that a long time ago and I think I'm probably away from home about half of my working time. Something like that. It's important to be out there and visiting clients in wherever they may be.

John Pagliacci

[00.02.20]

And that's sort of all four corners of the globe that you head off to.

Michael Hughes

[00.02.23]

Yeah, indeed. In various parts of the world, we have clients as far afield as Australia and Asia and Latin America. So it takes me around a bit. But mostly Canada, Europe and Australia.

John Pagliacci

[00.02.35]

Right. Well, I'm over here just happy if I can get a free checked bag, but you're clearly a more seasoned traveler. So anyway, it's great to have you again with us, Michael. For the discussion today, I did want to spend some time touching on elements of a recent white paper that you've authored on long term global equity investing. Before we do get to that, though, I want to spend a couple of minutes just addressing the fundamental global equity strategy. Those that are familiar know that it is one of Guardian Capital's flagship mandates, has been an absolute success story, having raised billions of dollars over the past decade to become the single largest strategy in the Guardian complex and really, for a long time, this was a pretty easy story to tell clients. Performance across most time periods was really impressive, so much so that you guys were winning mandates, as you said, from clients all across the world. Then, of course, the last couple of years we've seen this so-called AI mania take hold, and it's been a real challenge to outperform the broader global equity market in such an environment. So maybe I wanted to start us there. Get your take on the market dynamics that we're seeing at play, and how these dynamics have really almost necessitated that active managers like yourselves would underperform major indices.

Michael Hughes

[00.03.47]

Sure. Well, firstly, as you say, the practical issue that, the weightings of, let's say the top eight, you know, technology companies building out the AI infrastructure at the moment have gone to such a high level in the indices that it's quite difficult for an active manager to replicate that, even if you wanted to and then the problem is that our strategy, basically, deals in not certainty but predictability. So, we spend our time doing long term forecasts on companies. But of course, there's only a point in doing long term forecasts if you have a reasonable conviction that that's what's going to happen. So we look for companies where we can do five year forecasts and expect them to be right, and we've actually measured the extent to which they're right. Now, when you take some of the AI companies, what you have there is basically a massive build out of infrastructure that necessitates a huge amount of capital investment and an uncertainty as to what the returns of that investment are going to be. You know, AI is a totally new technology. It's in many ways a new technology. And it's unclear the extent to which people are going to use this massive infrastructure that's being built out at the moment. And just to give you a sense of the scale here, uh, the expected total investment in AI infrastructure between now

and about 2030, according to UBS, will be about $7 trillion. Total revenues accruing to AI firms so far, about $50 billion. So, there's an awfully long way to go before we can be certain that this massive upfront capital investment is going to be it's going to achieve decent returns across all of the companies that are making that investment. The problem is, of course, that in the meantime, the market is playing AI through those companies, building out the infrastructure to enable AI to work. Quite apart from anything else, these are mostly household names. We know we use Apple and Google all the time, every day, so these names are quite accessible. It's quite natural that people get excited about what they're doing and what they offer. But the problem is there's a lot of them building out this infrastructure to some extent, it's becoming commoditized. It's not quite clear what their pricing power is going to be. When companies and individuals start to use AI in earnest no doubt there's going to be a huge expansion in the use of AI definitely is going to be an important part of the future, but it's unclear to which companies the benefits are going to accrue. And therefore, in the absence of the kind of predictability and certainty that we look for, we have not invested in those kinds of companies heavily. And of course, they are outperforming the market at the moment.

John Pagliacci

[00.06.09]

Right. You know, it's interesting and I don't necessarily need to go down a rabbit hole on this but one of the things that I'm thinking about is you just brought up the 7 trillion of potential spending on infrastructure. I could be wrong. Of course, from what I'm sort of gathering from commentaries is that it seems like things or people could be getting a little bit out over their skis here. When you talk about $7 trillion for data centers and the like, I'm just not sure where all the power is going to come from. The electrical grid is already kind of coming under strain in the US, and as we know, a lot of these power generation plants, and so on, take years, if not a decade plus to build. So, it's going to be interesting to see how that all unfolds, to your point, how businesses start utilizing it more for sort of their bottom line, but I digress, I digress. We'll carry on with sort of the form of your white paper here. And I want to talk about an important element that you pointed out in that is patience is really sort of out of fashion these days. I think it's such an apt way to encapsulate so much of, you know, what we're seeing in the world today, both within and outside of the investing space. We talk about attention spans, those look like they're getting shorter. Risk tolerance seems like it's getting higher. Investing certainly feels like it's increasingly more of this game, especially for young investors with potentially this get rich quick mentality, you know, I talked to 20 something year old guys. Pretty much anyone that I talked to. They're constantly on sports betting apps or they're, I'm being a bit facetious, but betting on Bitcoin going to the moon so they can retire at 35 and they've really seen nothing but “up and to the right” stock markets for as long as they have been paying attention. You know, for those of us that have been around a little longer and been, sort of, plugged into the markets a while longer, these are not normal markup circumstances. So, I just wanted to get your take on how you see patience falling by the wayside and how that sort of manifests or translates to investor outcomes over the long term.

Michael Hughes

[00.08.04]

Well, yeah, there's some interesting statistics around about how long people invest for on average. Interestingly, and apparently back in the 1960s, the average holding period of a stock on the New York Stock Exchange was about eight years. Roll forward to today and it’s about six months on average. So, you know, clearly something has changed there. And it's to do with the availability of real time information, it's understandable that people have had to make decisions at a faster cadence than they used to. But as you say, the problem is that people are impatient. It appears to be easy make a lot of money very quickly. And you're right. People have ceased to respect the idea of patient investing and of investing in companies where the outcomes are predictable over the longer term. All this short termism, of course, gives rise to an opportunity, which is that if you can find a company, that you have conviction will continue to grow for a very long time then in a market obsessed with what's going to happen, you know, tomorrow or next year as far as it goes, then the market can underestimate the ability of some companies to maintain growth over a very long-term time horizon. Hence all the long termism that we imply. Hence, we do our five-year forecasts. But actually, the average holding period that we have for a

stock is about 12 years. Quite unusual in the markets of today, but it enables you to have an insight that the rest of the market doesn't necessarily have, you know, where these companies are going to be in in five years' time and beyond. Uh, because the markets, you know, doesn't really, when it comes to thinking about the long term future of a company, the market as a whole, not only doesn't know, it doesn't care. And that gives you an opportunity to find mispricing that you can exploit by investing in them and sticking with them. And that's basically what our investment strategy is all about. There are a lot of kind of ways to get rich quickly these days. They bring with them usually an elevated level of risk. But, you know, to each their own. If you're young and you've got a long future in front of you and you've got the ability to take risks in your portfolios, then fine. You know, it's not the case that going out and investing in things that can do well in the short term is always wrong but the key difference that our strategy brings really with most other investment strategies particularly around equities out there is that, because of the predictability that we look for, we look for companies with earnings streams that will not be unduly affected if things go wrong in markets, if you get adverse economic news, if markets start to go down, or as some people fear at the moment, there is some kind of a bubble, particularly around the AI companies. In order to have this predictability, you have to start off by looking at companies whose earnings will not be unduly affected if there's a change of economic or market environment, in fact, that ends up being the key difference between our portfolio and the index or the indices as a whole, is that the earnings of companies and the index as a whole and in general, are highly sensitive to what happens to GDP growth and to other economic and market news, whereas the earnings in our portfolio are much less sensitive. And this is borne out by the long-term track record of the strategy, particularly in times when the market is doing badly. So, it's not to say that, you know, investing in in higher risk things is always wrong. No question about it. But we believe that our strategy has a role in people's portfolios as a lower risk way to have exposure to markets which has, over the long term, generated better returns in the markets and with lower risk.

John Pagliacci

[00.11.20]

Absolutely. Yeah, that's really interesting. I do want to spend a little bit more time there discussing earnings. You mentioned that a couple times there. So you know, certainly over the past couple of years, the market has started to believe that AI is going to be a transformative force. And so people are really betting on the future earnings potential of companies, particularly in the "mag seven" or the "mag ten", however you want to slice them these days. But, let's say in more normal markets, companies demonstrated earnings growth, not their future, but their demonstrated earnings growth is a good predictor of potential returns for the future. But I think what we're seeing now is investors applying or assuming astronomical earnings projections going forward on these tech companies, meaning there's this sort of inherent fragility where anything short of astronomical should bring stock values down. So, I want to get your take on what's going on today with valuations and visibility of future earnings. And maybe more specifically, how can investors think about the importance of, like I said, demonstrated versus projected earnings growth.

Michael Hughes

[00.12.22]

Well, that's interesting question John. I think one way to answer this is to say, that, as you know, some senior and respected commentators in the market, such as Jamie Dimon, the CEO of JP Morgan, believe that we're in a bubble, essentially. And it is true to say that every time there has been some major leap forward or major technological leap forward of one kind or another, whether you're talking about, you know, the railways in the UK in the 1840s or, you know, electric light in the United States in the late 19th century, or the telephone or indeed, the dotcom boom of the late 1990s and early 2000, whenever there's been some big technological leap forward, people's imagination run runs riot, if you like. And, people assume that the best outcomes are possible. And as Jeff Bezos pointed out recently, you could have a good kind of bubble and that it makes it easy for those involved in developing the new technology to raise money. Capital suddenly becomes it's showered at the markets, in pursuit of this great new idea. And the danger is that that can go too far. And usually, as you know, when there's been some kind of a bubble in the past, that tends to be followed by, you know, some people losing a lot of

money and there's a danger that we're entering an environment like that, and hence the warnings that you're seeing from, as I say, very highly respected commentators. The bubble in this case is, revolves around, as we were saying, the fact that you've got a certain number of companies which everybody has heard of who are building out the infrastructure which enable AI to work and the market is making very optimistic assumptions as to how much money, how much return they're going to make on those investments. What I'm not trying to say here is that its not going to happen, or the AI is not a thing. Absolutely. AI is going to sweep the world. It's going to change the way we do things but buying the companies that make the infrastructure, which some people call the same as buying the companies, selling the picks and shovels in the gold rush, may not necessarily be the best way to benefit from that in the long term. So, say essentially, you've got a number of very well-known companies building out the same kind of capability around cloud and data centers and the infrastructure generally to enable AI to work whereas if you think about it, what you really need to make AI work for you as a company is all that storage and processing power that's currently being built out by those companies. But the other thing you need is data and lots of it. And to the extent that you as a company, have a unique proprietary data set that nobody else has, then you are likely to be among the greatest long-term beneficiaries of using AI. Now the thing you know, what I like to say to our clients is, look, this this portfolio that we manage is very AI ready. We haven't invested much in the big infrastructure builders for the reasons I've been setting out there. But what we do have in the portfolio is a series of companies among whose sustainable competitive advantages are the fact that they benefit from massive, unique proprietary data sets that they can then monetize using AI. They can move all their data out of their servers and into these storage facilities being built effectively. They can process it using Nvidia checks and all the rest of it, and then they can generate, you know, competitive advantages versus all their competitors. They can generate savings versus their competitors, and they can really get ahead of their sector if they've got the biggest unique proprietary data set. So that's our focus as investors. It's not to suggest that we don't think AI is going to happen, but we think that the companies that will benefit from it the most in the most sustainable way, are those companies that have unique proprietary data sets that they can exploit using AI. And on the contrary, the companies building out the infrastructure. Some of these may do extremely well as well. It's not absolutely clear that all of them are going to do very well. And of course, you've already got a situation where the markets picked up on them. Their valuations are already very high. There's not really much room for any bad news out there and therefore we're not sure that going after those is necessarily the best way to play the cunning AI boom.

John Pagliacci

[00.16.16]

Interesting. Yeah. That unique data sets a really interesting insight there. So is it fair to say that based on investors preference these days for expected earnings growth or these high growth potential names that the stocks that you guys focus on in the fundamental global equity portfolio can really be bought today at a relative discount.

Michael Hughes

[00.16.35]

Yes indeed. It's depends what you mean by discount that, you know, a lot of people confuse being cheap with having a low PE ratio and, and that, you know, PE ratio is normally referred to, you know, one year ahead, one year of earnings. The way we identify this valuation is, is to think further ahead and think like, where is this company going to be in five years' time. And then to work out in relation to that long-term future, is this company undervalued or overvalued and invest according to what we say. So essentially, we look around for, if you like, greater certainties around, well, the greater predictability of earnings so that we can work out using longer term focus, what is this company really worth? And you see, the problem with the big AI infrastructure builders is that given that we can't do this long-term forecasting with any degree of accuracy, we can't really work out what that company is worth. That doesn't mean that, you know, if you're optimistic about what's going to happen with AI and AI infrastructure, that you shouldn't go out and buy those companies, you could go out and buy, you know, any one of the top eight. It may even double in price early next year. The problem is it may not. And if you're down to that kind of guesswork, we think that you're not really investing, you're speculating. And

that's what we don't do. We are long-term investors, and we look for greater predictability of outcomes than we think it's available with those big AI infrastructure players.

John Pagliacci

[00.17.51]

Okay. Well maybe we'll go a layer deeper. Now I'm curious to get your take on some of the names actually held in the portfolio and then sort of help you or get out of you sort of the conviction that you have in the name. So, I wanted to ask, you know, is there 1 or 2 names that are held right now that you guys think are, let's say, A) particularly undervalued and then B) have sort of a tangible catalyst for potential upside on the horizon. What would you what would you sort of point to if you had to pick a name or two in the portfolio right now meeting those criteria?

Michael Hughes

[00.18.20]

Sure. I mean, just as a as a sort of general statement, John, what are the metrics that we track is the PE ratio of our portfolio versus the index. And here we are talking short term, because it's quite an interesting gauge of how popular, you know, our kind of, you know, safe, steady, predictable kind of company is versus the index. And it's interesting to see how that's developed over time. You know, back in when we started with the start of the strategy with Guardian Capital in mid-2014, that PE ratio premium was about 30 to 35%. And then in the period over the remainder of the of the 20 teens, if you like, right there up to about 2021, that premium went to about as high as nearly 100%. You know, our kind of company became nearly twice as expensive on a short-term PE ratio basis as the index. Because, you know, quality growth companies are kind of proving their worth in difficult years like 2015 or 2018 and a very difficult first quarter of 2020 when the Covid pandemic struck. However, pretty much ever since the end of 2021, you've seen an unwinding of that premium. To the extent that our portfolio is now only around 15% more expensive than the generality of companies in the index. And, you know, for the time being and for the foreseeable future, the earnings growth of our companies are significantly higher. So that suggests that the market has kind of fallen out of love with companies that bring, you know, safe, steady, predictable earnings streams and can hold up well in a recession. And why is that happening, really? Because the market doesn't think there's going to be a recession. You know, why pay a premium for a company which brings quality and predictability and the ability to hold up well if you don't think there's going to be any problem around the corner? So, in a way the market is acting logically, but it is creating an opportunity in our kind of company, particularly if there are any signs of there being a problem with growth, for example, coming out of the United States, or any signs of a problem with the returns accruing to companies building out the AI infrastructure. So, it's a sort of general view. We think that safe, steady, predictable companies are really at extremely attractive valuations because they're unpopular. Nobody wants safe and steady at the moment. People basically want AI and that's going on in the market. But, so as a general message, the valuations of these, predictable steady companies are extremely attractive at the moment compared to the kind of premium that they've commanded over the market throughout the entire time that we've been managing the strategy at Guardian Capital. But just to have to focus in on, you know, 1 or 2 companies that are quite interesting, and perhaps with AI in mind, are going back to what I was saying about having unique proprietary data sets. So, one company that we've held, really since not long after the strategy began its life at a different firm in 1996. We only held this company since 1999, but that's a company called ADP, which stands for Automated Data Processing. It's the leading provider of outsourced human resources and payroll services around the world, and it alone pays about 1 in 6 people in the private sector in the United States. And it's the leader, leading provider of these services in many other countries around the world. Bear in mind, if you're responsible for that amount of payroll and you have that much data on what people get paid in different parts of the world, you have got a data set that is unique and is capable of being monetized in future. And if you like manipulate it and put to the service of companies using AI. So that's one of those companies that we think has a really great future in the AI world. Perhaps another example to give you is Yum China. So, Yum China is the Chinese part of Yum Brands that was spun out from the main company in 2016. That company provides basically KFC Kentucky Fried Chicken, Taco Bell, Pizza Hut fast food services in China, just in China. And now among

the assets this company has is that it has a loyalty scheme with over 500 million members. That's more than the entire population of the United States. And it's capable of monetizing that loyalty scheme already. So, for example, if you're a Yum China loyalty scheme member and you're sitting in a restaurant in, let's say, KFC in downtown Shanghai, you might get a message cropping up on your Yum China app saying, you know, discount on chicken wings, 50% in order in the next hour. And what's happening is that an AI in the back of house in the restaurant noticed that the store of chicken wings isn't going down quickly enough. So, it generates and sends the message to the loyalty scheme members without any need for human intervention, to get that stock of chicken wings to go down so they don't have food waste at the end of the day, which of course is nothing but a loss to a company like that. So, and that's just one of, of many companies that we have in our portfolio, or just two, I suppose many companies we have in our portfolio that have data advantages. Think in terms, as well as the Chicago Mercantile Exchange, Mastercard, Verisk Analytics, which is a leading provider of data and analytics used in the insurance industry, and EssilorLuxottica, Adobe - the list goes on of companies that we have selected, partly because they have this huge data advantage and will benefit from using AI in future.

John Pagliacci

[00.23.25]

Awesome! Okay, great stuff Michael. Clearly it sounds like you guys are not, you know, following the herd and just chasing the AI hype for the sake of it, but you know, seem to be sticking to your knitting and doubling down on your convictions and really what you believe are companies that have steady earnings growth potential and I think which could act as sort of a nice counterbalance to sort of tech heavy portfolios or benchmark like weights that clients might have in portfolios, particularly if we see this AI mania coming off the boil a little bit. I do like to close out each episode of our podcast with a section called, oh, Buy the Way, where we highlight interesting tidbits of information that might be less widely known. We are now recording on October 27th, so Halloween is right around the corner. Last episode, we did of course touch on the fact that 1 million pounds of Reese's Peanut Butter Cups are handed out on Halloween. It turns out that in the UK, where our GuardCap team is located, Haribo gummy bears are the most distributed candy on Halloween, and the most popular costumes this year appeared to be Chappell Roan, Wednesday Addams, Labubu dolls, and KPop Demon Hunters. Boy.

Michael Hughes

[00.24.30]

Fantastic.

John Pagliacci

[00.24.31]

Yes, I digress. However, with Halloween aside, what I wanted to focus on is my sort of tidbit of interest this month was, uh. Turns out, uh, I did land on EssilorLuxottica, a name that you mentioned briefly there as I was looking through the holdings of the portfolio, it's a company that is one of the most vertically integrated players in the consumer goods space. For those that aren't familiar with it, it owns brands like Ray-Ban, Oakley, Persol as well as retail chains like Lens Crafters, Pearle Vision, Sunglass Hut, and they've got exclusive deals, licensing deals with Giorgio Armani, Chanel, Prada, Versace and have actually acquired, I found this one interesting, the lifestyle streetwear brand Supreme. A bit different, but apparently getting into that to spice up their offerings for the young and hip, of which I am clearly not, or maybe never was. But this number is staggering. Apparently, they serve the vision needs of 2.5 billion people worldwide. And when you consider the fact that the average Canadian spends anywhere from $10,000 to $25,000 over the course of their lifetime on eyeglasses, let alone sunglasses and contacts, you can see why this company is such a behemoth. So just the scale of this. I think people think of, you know, Ray-Ban or whatever as a single brand, but no, it's part of a broader entity that is that is quite, quite massive and one of the largest holdings in this portfolio. So anyways, I'll leave it there. Michael, did you have anything that you wanted to share for this go around?

Michael Hughes

[00.25.55]

Yeah. Well, I'm not sure I've got any useful tidbits on Halloween like you had there, but I did have a think around and there are a few things that people don't know about the companies that are in the portfolio. For one thing, now, already more than 50% of Colgate-Palmolive sales come from emerging markets, and that's really where the growth of Colgate-Palmolive comes from. It's from people using, you know, higher quality things that they use every day as their as their income rises you know, Colgate-Palmolive is not going to grow from Americans or Europeans brushing their teeth more often or from gaining market share from other providers, other than to a small extent, it's, it's growth comes from emerging markets. The next one is, do you know what the world's largest independent technology company is? Accenture and of course, the future for Accenture with the build out of AI is incredibly attractive. You know, Accenture is going to be advising a huge swathes, of kind, of fortune 500 companies on getting their data off their servers, getting it into data centers, using AI to manipulate that data. Of course, it does so in a tech agnostic way. And the key thing is here, like the companies with big data lodges, they don't have to invest a massive amount upfront to be players in the technology industry. And so, Accenture is one of the companies we see as a, significant potential beneficiary in the long term of the buildout of AI. Sticking with technology here's another tidbit for you, the number of PDFs that there are in the world now, apparently that number is 3 trillion. And of course, it's Adobe that provides PDFs in some respects. You know that part of its business is a little bit like Microsoft. But of course, the other thing that Adobe does is it provides software used by creatives and marketing people to manipulate images or moving images to send out marketing messages. Some people think that, you know, it's going to get disintermediated from doing that by AI. But the point that they make is that AI is going to lead to a proliferation of images. You can now generate images without having to take a photograph, without having to have a camera or a camera capable of taking moving images. And so, you're going to see many, many more images. And of course, if you want to use that image to put it to good use, you've got to have some kind of a package that enables you to manipulate it, to put the writing over it, to move things around, perhaps improve the image, etc., etc. and that's where Adobe comes into play. And a key advantage of using Adobe's equipment is that you're not going to face a problem with copyright issues. That's something that they guarantee if you use their packages. And of course, you've seen a rash of copyright issues already kind of swirling around the whole use of AI and so Adobe, another long-term beneficiary of AI. Another one Booking Holdings so we all use booking every day but one interesting thing that people don't know is that apparently it only accounts for 12% of its hotel partner's room nights on average. And that means, of course, it's got room to grow, but the time when, of course, it tends to get the most calls from its hotel partners, is if they are in an environment in which they're having trouble achieving full occupancy i.e. if there is some kind of an economic downturn or just a downturn in the amount that people travel and hotels are having difficulty achieving full occupancy, then they tend to allocate more room nights to Booking, which means that Booking is a good thing to be holding if you have a more difficult economic environment around the corner, and that's one of the things that, uh, that we like about it. So, there's a few, uh, a few, uh, tidbits for you.

John Pagliacci

[00.29.23]

Well, I had one. You just had a wealth of tidbits there. You must be great at trivia parties, Michael. That was that was great. Um, want to thank you again. That's going to take us to the end of the episode here, folks. Michael, thank you again for your time and insights, as always if you are enjoying as a listener, if you're enjoying the podcast, please consider following it to get all of our latest episodes. We are very much open to your feedback as well. We'd love to hear, sort of, areas of discussion that you'd like us to focus on in the future. I'd love to get Michael back and share more insights at some future date, so stay tuned for that. In the meantime, you can reach us for feedback or questions at Insights@GuardianCapital.com. Join us again in a couple of weeks for our next edition of Macro Musings, where I'll be joined by David OJ to talk about what's happening on the macro side in and around markets. Thanks, everybody. Take care and thanks again, Michael.

Michael Hughes

[00.30.10]

Thanks! Bye bye.

Disclaimers

[00.30.12]

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