



INVESTING IN YOURSELF

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We are a wealth management team and naturally we want to create as much wealth as possible for you and your family. You pay us to accomplish this on your behalf and this is our top priority. However, we are also acutely aware that growing dollars may not be enough.

In 2010, two Princeton Professors, Daniel Kahneman and Angus Deaton, studied the relationship between income and wellbeing. They discovered a strong correlation between the two up to ~\$75,000 and then the correlation broke down.

We have witnessed this firsthand. In our opinion there's another dimension to the relationship. Those who have more money than they will ever be able to spend in their lifetime are at a higher risk of struggling to find purpose over time. Perhaps this is what Warren Buffett is alluding to when he says:

"The most important investment you can make is in yourself."

THE MOST VALUABLE ASSETS

FAMILY HEALTH FRIENDS

FREE TIME MEANINGFUL WORK SELF CONFIDENCE

HILLSIDE
WEALTH MANAGEMENT

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We recognize there's another layer which will play a crucial role in you being able to enjoy life as much as possible. It's all about recognizing the actions we take today will have an impact on our future self. Whose job description does this fall under? Pretty sure you can't rely on your Doctor, Accountant or Lawyer for this. As such, we're going to step up and have the conversation.

Promoting physical, mental, and family well-being is a core commitment at Hillside. To highlight this, I'm going to share a part of my story with you. While growing up I was always bigger than most kids. I also had a short fuse. When other kids teased me about my weight, curly hair or anything really, it generally didn't end well- lots of visits to the principal's office.

When the transition to High School took place, Football and Rugby were a welcomed new part of life. My size finally became an advantage. And I had an outlet in somewhat of a controlled environment. I was also pretty good at both sports, becoming team captains in both sports, which helped build confidence. Both ingredients are keys for mental well-being.

Playing both games took its physical toll. Broken bones, torn cartilage and damaged meniscus were all part of the deal. Not a huge deal at the time, a few missed games/practices and I was always healed up in time for ski season- good to go. And after University, life got more serious, I had to find a way to make enough money to support my future family. This became my top priority.

As I focused on my career, my physical health was still okay. I was getting heavier, but I was still able to enjoy all the activities which I love. My mental and physical well-being were fine. Then came my early forties, and financially I was trending in the right direction- we were able to provide a great life for our kids, renovate our home and enjoy some travel. Physically things weren't fine. The old injuries reappeared and weren't healing the way they used to. And to no surprise my mental well-being was also suffering.

Finally, I realized I had to act. I'm happy to report I'm on the right track- I'm roughly 50lbs lighter than I was at my heaviest. My body still needs more work, but it's so much better than it was. My mind is in a better place and I'm more excited about life than ever.

HILLSIDE WEALTH MANAGEMENT | FREEDOM | FAMILY | PERFORMANCE



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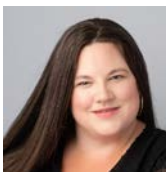
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There are more challenges waiting for me, at some point it's going to be more complicated than losing weight and staying fit. Everyone's challenges will be unique to them, including yours. The trick is to be able to deal with them efficiently and come out the other end in a better place.

We're determined to find solutions. Earlier this month we brought in Tammy Vigue to speak to the Hillside Family. She helps people with the non-financial side of the transition into retirement. I believe we can all benefit from her work, regardless of where we're at relative to our career timeline.

At the end of the day, retirement is one of many life transitions we're all going to face. And the process for dealing with each transition will be similar. Other transitions will include, losing a loved one, career change, divorce, marriage, kids, empty nest and so on... If many transitions await, learning how to deal with them successfully seems like a great opportunity we should all jump on.

Another example of how we're committed to looking beyond the numbers is our Dreamscaping process, where we try to find what will bring you joy and fulfillment in life. Tammy's work will complement your [Dreamscaping process](#) - this is powerful. [Send us a message](#) to find out more about Hillside's collaboration with **The Curated Retirement™ Program**.

So let's all recognize we will need more than money moving forward. Being aware of this today will make our future brighter.

PORTFOLIO UPDATE

Jason Del Vicario, CFA®

After spending most of 2023 waiting for better value to emerge and allowing our cash balances to drift upwards, we have finally been able to deploy capital at, or below, levels that excite us. We have taken the opportunity to add to Kakaku.com, Evolution Gaming and Bouvet while also adding a small new position in South African based Karooooo. We have a number of open orders on the books (orders where we specify the price we are willing to pay for a stock) and have cash ready to deploy should further attractive opportunities present themselves.

We wish to re-iterate we have no idea where the markets, interest rates or inflation are headed in the short term. We spend the vast majority of our time focusing on the businesses we own or would like to own if/when valuations are to our liking. This takes us around the planet, and we continue to meet and engage with operators of high-quality businesses. Frankly, the quality of the businesses we own right now (aka [HillsideCo](#)) is very strong and we are generally finding the best use of excess cash is to re-invest in existing holdings while being mindful of price/value. The bar is set very high for a new business to pique our interest and join the club. If anything, our jobs are becoming more difficult, and we relish the challenge. If I had to guess, moving forward, we will spend more time increasing the knowledge of our existing holdings than trying to find new targets.

"I think we should have just one portfolio and something like 25 names in it and be very focused on finding the best opportunities out there; the top 25 ideas and just focus on those. I think the more names, the less likely you are to out-perform the averages." - Francois Rochon

I am particularly looking forward to Steven and his family moving to Vancouver early November. It has been over 3 years since we met online and 2.5 years since he joined Hillside which is a long time to have such a close working relationship with someone you've only met over a screen! So, very much looking forward to meeting him, his wife and their little boy in person!

JOIN THE CURATED RETIREMENT™ PROGRAM

We are incredibly excited to offer our clients the exclusive opportunity to take part in **The Curated Retirement™ Program**.

[Send us an email](#) for more information or [sign up HERE](#) with your Hillside client coupon code.

I'm also excited for our upcoming 'State of the Union' which we will be holding on November 9th. As always, this will be a great opportunity for us to update you on all things Hillside as well as for you to also meet Steven and fire questions at us.

THE HILLSIDE FACTOR^(Y) FOCUS: SIGNS OF A MOAT



In explaining the importance of a moat (or economic moat), probably nobody can do better than Warren Buffett, who said the following –

“Capitalism is all about somebody coming and trying to take the castle... A good business is like a strong castle with a deep moat around it. I want sharks in the moat. I want it untouchable.”

At the same time, the Oracle of Omaha acknowledged the difficulty of gauging one –

“No formula in finance tells you that the moat is 28 feet wide and 16 feet deep. That’s what drives the academics crazy.”

Fortunately, investing is not only a science but also an art, which means precision thinking would not help much. When it comes to finding a truly durable moat, our approach is to look for the obvious signs to start with. Below are a few examples –

1. Consistent market dominance;
2. Consistent market-share gains;
3. Consistent superiority in business financials (e.g., profitability, return on capital, per-employee revenue, maintenance capital intensity).



UPCOMING EVENTS

Our Annual 'State of the Union' client reception will take place the evening of November 9th - [Click Here to save the date in your calendar.](#)

This client reception takes place in Vancouver and will also be available to stream online.

TO JOIN US VIRTUALLY ONLINE, PLEASE RSVP [HERE](#)

Online: 6:30-7:30 pm PT | Links to be provided.

TO JOIN US IN PERSON, PLEASE [RSVP HERE](#)

Time: 6:00-8:30 pm
Location: Vancouver Lawn & Tennis Club, Appetizers and refreshments will be served.



If you have any questions, please feel free to [get in touch.](#)

As you may have noticed, the keyword here is “consistent.” We look back over multiple years (sometime, more than a decade or two) when researching an interesting business. Luck is unlikely to keep a business winning over its competitors (both current and potential).

How many signs do we prefer to see? The more, the merrier (think margin of safety). For example, Evolution Gaming has been the market dominator in the Live Casino space in Europe and the US; the company has a track record of high-performing financial results for at least a decade (since it ever became public); it also increased its competitive gap almost every year since the IPO.

It’s worth mentioning that it’s not hard for one (even a professional) to talk oneself into the existence of moat - hence, the importance of hard evidence. Traditional textbooks (and business schools) would often point to various sources such as brand, scale, IP, network effect. In our view, categorization may not be that simple in the real world as a moat is a mix of everything underlying (e.g., customer, supplier, competitor, regulator, culture).

CREAMY MAPLE BACON PUMPKIN RISOTTO



Serves 8 side dishes

- 4 thick slices bacon, diced
- 2 cups apple cider or juice (not spiced)
- 4 cups chicken or vegetable stock
- 1 ½ c leeks white and green part only, diced
- 4 garlic cloves, minced
- 2 cups Arborio rice
- 1 cup dry white wine
- ¼ tsp freshly grated nutmeg
- ½-1 tsp sea salt
- ½ tsp ground black pepper
- 1 ½ c pumpkin puree (fresh or canned, not pumpkin pie filling)
- 2 Tbsp pure maple syrup
- Italian flat leaf parsley
- Grated parmesan cheese



Directions:

- In a medium saucepan combine the chicken or vegetable stock and apple cider and set over very low heat.
- In a stock pot or deep sided sauté pan cook the bacon over medium heat until crispy, about 10 minutes, being careful not to burn. Remove with a slotted spoon to paper towels to drain. Drain off all but 2 tbsp of the bacon fat and add the leeks and sauté until caramelized, about 8 minutes.
- Add in the garlic and nutmeg and sauté until fragrant, another 30 seconds.
- Add in the rice and the wine and stir well until the wine is cooked down. Turn the heat under the chicken stock to medium.
- Add in ½ cup of chicken stock mixture to the rice mixture and stir until absorbed.
- Repeat with ½ a cup at a time until the rice is al-dente, stirring well after each addition. You may not end up using all the chicken stock mixture.
- Mix in the pumpkin puree and maple syrup and stir. Taste and season with salt and pepper. If the rice is chewier than desired add more chicken stock in and stir.
- Stir in the bacon and serve immediately. Top with chopped Italian parsley and a little grated parmesan cheese.

HEIDI'S TIPS:

I sometimes add cooked chicken at the end to up the protein content. This can also be made vegan very easily by omitting the bacon and using a plant-based butter instead of the bacon drippings and some nutritional yeast in place of the cheese.

I like to toast the rice a bit before I add in the wine, but it's not 100% necessary.

I add the pumpkin and maple syrup with the last bits of stock, it gives it time to warm up and infuse the flavours.

Risotto has a reputation of being difficult to make, but it really isn't, it just takes a bit of time and lots of stirring. I personally don't stir continuously, but some people say you need to. Some people think it should be runnyish and others think it should be more dry, some people like the rice to have more of a tooth feel etc. Its your dinner, so cook it to the doneness/consistency that appeals to you!

Risotto is so versatile, you can make really any flavour combinations, some of our favorite are asparagus and mushrooms, or chicken and mushrooms, all you have to do is cook the veggies/proteins first and add them in at the end of cooking the rice. The only things I feel are musts are onions/leeks, garlic and wine.

[Download a print-friendly version](#) of this recipe and [send us a photo](#) when you get a chance to make this dish!



MORE FROM THE HILLSIDE FACTOR^(Y)

Learn more about [Evolution Gaming](#) and other companies with our collection of [Hillside Factor^y videos](#) online!





SEPTEMBER 2023 PERFORMANCE RESULTS

An overview of our three portfolios to date.

Performance to September 29, 2023	YTD	1 Mo	6 Mo	1 Yr	3 Yr**	5 Yr**	Inception**
Hillside Conservative Growth*	7.98%	-3.09%	-0.64%	12.52%	3.34%	5.33%	6.48%
HCG Benchmark ¹	2.26%	-2.66%	-1.55%	5.06%	0.01%	2.63%	3.24%
Hillside Balanced Growth*	11.37%	-3.48%	0.18%	18.39%	6.10%	6.65%	8.71%
HBG Benchmark ²	4.24%	-3.18%	-0.65%	8.70%	2.68%	4.19%	4.43%
Hillside Focused Growth*	17.64%	-3.53%	2.90%	30.32%	10.36%	7.35%	9.22%
HFG Benchmark ³	7.69%	-3.76%	1.68%	15.59%	8.13%	6.70%	6.88%

Past performance is not an indication of future returns.

* Performance is presented gross of fees. **Inception: Sept 2, 2014. Results beyond 1 year are annualized.

¹ Hillside Conservative Growth Benchmark: 100% Vanguard Conservative ETF

² Hillside Balanced Growth Benchmark: 100% Vanguard Balanced ETF

³ Hillside Focused Growth Benchmark: 100% Vanguard All-Equity ETF

Source: SIACHarts.com

The performance presented in this portfolio report is hypothetical and does not represent a specific client account. Details regarding actual returns of an investment account are available from the client's advisor.

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Performance is calculated using month-end market values of the model portfolio. Since we use a model portfolio to calculate performance there are no client-initiated cash flows (deposits/withdrawals) to account for.

Performance is calculated by dividing the change in the model portfolio's market value by the model portfolio's market value at the beginning of the performance period. Also, all income generated by the portfolio's holdings are held within the model portfolio in cash and is accounted for in the portfolio's month-end market value - this results in a total return measure of the model's performance.

Returns for periods less than 1 year are shown as periodic returns while returns for periods greater than 1 year are annualized. Returns do not include fees and actual returns experienced by an investor may differ from those shown. Past performance is not a guarantee of future results.