

Galibier Capital Management

Galibier Capital Management Ltd. is the portfolio adviser for the Steadyhand Small-Cap Equity Fund.

About

Galibier is an independent employee-owned money manager based in Toronto. The firm, named after a mountain pass in the Tour de France, was founded in 2012 by three industry veterans and is led by its well-respected CEO, Joe Sirdevan. Joe has built a team of six Investment Partners, all of whom hold the Chartered Financial Analyst (CFA) designation and share a like-minded investment philosophy.

Joe Sirdevan



Joe is a former partner and lead manager of North American Equities at Jarislowsky Fraser (JF). He also held the role of Director of Research at JF. Joe holds an MBA from the Richard Ivey School of Business at the University of Western Ontario and has over

20 years of experience managing money at Ontario Teachers' Pension Plan, JF and Galibier. Joe is the lead manager of the Steadyhand Small-Cap Equity Fund.

Philosophy & Approach

The firm's philosophy is centered around valuation driven, bottom-up stock selection. Central to Galibier's investment approach is the view that a stock's price doesn't always reflect the true value of the company – particularly in the small-cap arena – leading to attractive investment opportunities when identified.

"To paraphrase Warren Buffett, price is what you pay. [Intrinsic] Value is what you get."

Galibier has a high level of conviction in its process and investment ideas, and this is reflected in the concentrated nature of its portfolios, which hold 20-30 stocks.

Investment Criteria:

Joe and his team have five criteria that a company must meet to be considered for inclusion in the fund:

1. An enduring, sustainable competitive advantage.
2. A management team with a record of success.
3. A strong record of earnings.
4. A clean balance sheet.
5. Good long-term growth prospects.

Portfolio Composition

The firm diversifies its portfolios across industries, with average stock weights typically ranging between 3% – 7%. The size of an investment is driven by the attractiveness of the valuation of a particular stock relative to the other holdings in the portfolio.

Risk Management

Galibier defines risk as a permanent loss of capital and/or underperforming an acceptable rate of return - not underperformance relative to an index. Their two major sources of risk control are business selection and price paid. At the stock level, risk is controlled by investing in companies that meet their five investment criteria. In addition, there is a large 'margin of safety' in determining a stock's transaction price. Each holding is continuously monitored for changes in fundamentals, management action and valuation.

Core Beliefs

Galibier has a set of beliefs about how an investment company should be run. We love this about them.

- Investment companies should be independent and investor led.
- The success of an investment company should be measured by the success of its clients.
- An essential element towards investment success is to have a contrarian mindset.
- i.e., to be sanguine when others are discouraged and to be cautious when others are exuberant.

