

*"Be fearful when others are greedy and greedy when others are fearful."
– Warren Buffett*

Fourth Quarter 2018 Commentary

Good Opportunities Fund

The Fund generated a return of negative 12.9% over the fourth quarter of 2018, and declined 5.7% over the full year.

As you are likely aware, we tend to quote Warren Buffett regularly in our writing. This quarter's quote was easy to select. Understanding the cycle of fear and greed is quite simple, conceptually, but it's quite another thing to keep a level head when all those around you are losing theirs. GFI was founded in 2007, and we were actively managing money during the credit crisis of 2008/2009. We have been here before. And we know from experience that the emotional roller coaster swooning markets cause can truly be the greatest impediment to successful investing.

The fourth quarter tested every investor's ability to keep a level head, as markets dropped significantly in October, rose in November and then fell materially once again in December. While timing the markets accurately would be ideal, it is not possible in the long term. We thus continue to invest in the most responsible manner by buying businesses that can withstand periods of recession, and do not require access to the debt and equity markets for fresh capital.

Including the decrease in the fourth quarter of 2018, the Fund has a five-year annualized return of 9.6% and a 10-year annualized return of 15.0%.

We are partners and our ability to achieve strong long-term returns for you is predicated on your ability to withstand the volatility inherent in a daily traded market, while maintaining your investment plan despite that volatility. Withstanding volatility and purchasing highly cash-generative businesses is the best approach to investing that can be regularly repeated. We will therefore continue to invest your funds in this manner.

If you have been invested with us for some time, know we are proud that this market weakness has not materially impacted your long-term returns. If you're just starting your relationship with us, we are confident that with the passing of time, this will be discussed as a volatile beginning in the start of a beneficial long-term relationship. It will be looked at as a brief moment in time along the path to achieving your financial objectives.

Thank you for believing in our common-sense approach to investing. We are always available if you have any questions or concerns.



Daniel Goodman, CFA
President and Chief Executive Officer



Effie Wolle, CFA
Chief Investment Officer

A redemption charge may be charged on units tendered for redemption within the first year following their purchase at the rate of 2.5% during the first 90 days, 2% during days 91-180 and 1% during days 181-365. See "Redeeming Units - Short Term Trading Fee" in the Fund's Offering Memorandum.

The above performance figures are net of management fees and performance fees. Please review the Good Opportunities Fund Offering Memorandum for detailed descriptions of strategies, objectives, and risk factors. The above is provided for informational purposes only and is qualified in its entirety by the Fund's Offering Memorandum. Past performance may not be indicative of future results and there is no assurance that any of the Fund's investment objectives will be met.

We have cited a common index used in Canada for general comparison with our fund. However, our fund may not necessarily be representative of the index used and the volatility of our portfolio may vary substantially compared to this index for reasons which include, but are not limited to: (i) our fund may hold or have held a larger percentage of small cap securities and a higher concentration in specific securities and industries; (ii) our fund may use short selling and leverage strategies and hold private investments.

The S&P 500 (CAD) Index measures the total Canadian Dollar return of the broader U.S. economy through changes in the aggregate market value of 500 stocks representing all major industries and assumes reinvestment of dividends.

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