

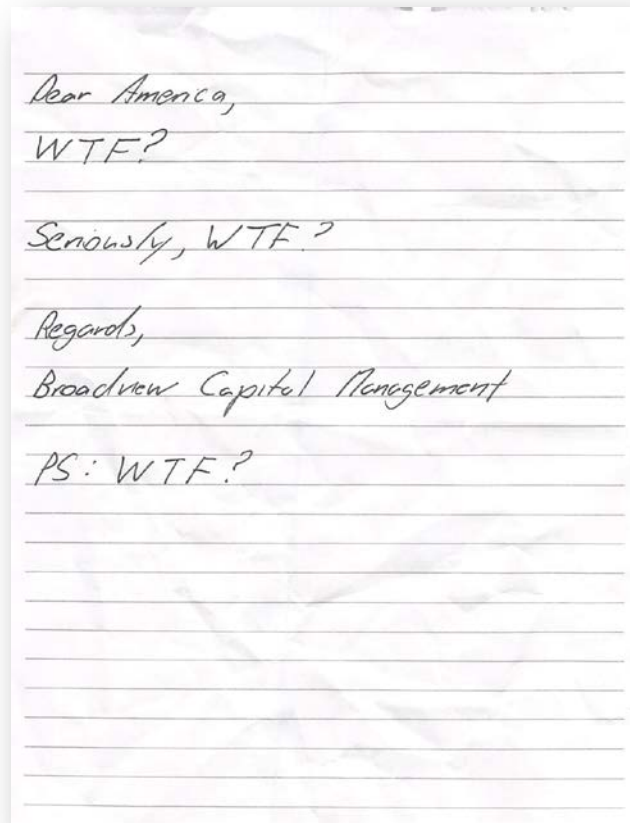


BROADVIEW
Capital Management Inc.

November 15th, 2016

October was an extremely quiet month for the Dark Horse LP as the fund was up a whopping 5 basis points, or 0.05%. October, however, is not what anyone is talking about, is it?

Unfortunately Anthony's Internet was down last night so he had to start the letter in the old-fashioned way with paper and pen. We apologize for his poor handwriting.



So, you've gone and done it. Let us know how that works out for you.

So far it appears to be working out wonderfully, at least for the equity markets. Stocks had one of their best weeks in more than two years. It all kicked off on the Monday just before the election with a

massive rally. This was precipitated by the news over the preceding weekend that the FBI was no longer investigating Democratic nominee Hillary Clinton.

As such, her chances of being elected President suddenly looked far better. “Hurray”, exclaimed the markets. The expectations were now set for more of the same, as this known (though fairly disliked) commodity would be in charge for the next four years. As unpopular as Mrs. Clinton was, consensus had her as the preferred candidate of the stock buying class, particularly when compared to her wildly unpredictable and inexperienced opponent. In the form of Mrs. Clinton, the market was gifted a huge serving of certainty – the supposed oxygen of a bull market.

The rally continued on Wednesday with the relief that Clinton had.... *Lost?* Earlier in the week the market had cheered Mrs. Clinton’s looming coronation. Two days later and apparently, the fact that she lost, was even better news. Sure, why not?

It is very difficult for many of us parents to explain how a man who brags about sexual assault, maligns entire races of people and has made multiple appearances on WWE could be elected President. It is even harder for us parents who work in the stock market to find any semblance of logic or truth in terms of what happened afterwards.

As much as we may enjoy ranting about Mr. Trump, our job at Broadview is not to admonish countries for electing buffoons. Our job is to protect and grow our investors’ capital. In extreme cases, however, politics does (or at least should) enter the investment realm. This is clearly one of those cases.

It is our belief that Mr. Trump’s term in office (much like his campaign and professional life) will be rife with absurdity and chaos, ranging from the amusing to something far, far less so. Given his preference for catch phrases and broad sweeping statements, we know nothing of his policies or agenda. Will he promote policies that benefit the 1% or the desperate, rust-belt working class who brought him to power? Will he tear up all the trade and defense agreements he bad-mouthed during the campaign or maintain the status quo? Will someone hack Cher’s twitter account and start World War III?

Some of you will remind us that President-elect Trump’s acceptance speech indicated everything would be alright. Fair point. We should always take the prepared and Ambien-ed comments of a man at 3:00 in the morning as truly reflective of who he is. That’s a much more appropriate sample size than a campaign full of demonstrated batshit nonsense, following decades of corporate mediocrity and personal malfeasance.

The term “cognitive dissonance” was invented for this very period we are currently living through. While there is so much about the Trump rally that doesn’t make sense, let’s just start with one of the most popular rallying cries of the “buy-buy” enthusiasts – Infrastructure. Infrastructure is to Wall Street cheerleaders what #MAGA was to Trump’s vapid surrogates. It sounds great but doesn’t actually mean anything. How is he going to pay for this supposed trillion dollar project? Perhaps more pertinently, how will he get approval from the Republican House and Senate? These are not the sorts who typically provide blank cheques for government spending. It is a monumental leap to assume that this “promise” will conclude any differently than all the promises made on the campaign that Mr. Trump has already backtracked on.

In short, we know absolutely nothing of what Mr. Trump’s plans are to make America Great Again or how he could possibly achieve them. Here is what we do know about Mr. Trump with certainty. He is impulsive, prone to jealousy, petulant, inexperienced, vengeful and petty. He is short of temper, attention span, grace, judgment and finger length. Basically, if you did a thesaurus search for “crappy” you could write this paragraph yourself. One thing his pending administration is absolutely not short on is uncertainty. There is virtually nothing that can be ruled out in terms of what this man or his inner

circle of whackjobs and has-beens will say or do. He is an entirely unhinged wild card and is now the most powerful man in the world. But hey, go buy stocks.

A steaming pile of uncertainty, in the form of President-elect Trump, has just been heaped on an already expensive stock market. At least according to the totality of financial history, uncertainty is bad for stocks. In the past week, the markets are saying something different. Just as we don't believe Mr. Trump's brief moment of non-insanity should be accepted as the new normal, we don't buy that the market has found a way to thrive on a lack of certainty. As market participants we look at Trump's reign, however long it may be, as an extreme risk to global equity markets and beyond. The enthusiasm we see from the markets is baffling, perhaps even more so than the fact that Mr. Trump actually won. Ultimately, those who buy into the "Trump rally" will likely end up as disappointed as those who invested in his casinos, attended his University or voted for him.

Until next month,

Anthony Hammill

Lee Matheson

Series	September 30, 2016	October 31, 2016	Monthly Return	YTD Return	Annualized Return Since Inception (April 3, 2009)
Master – Class A	\$247.89	\$248.02	0.05%	3.11%	12.7%
Series 5 - June 2015 – Class A	\$247.72	\$247.86	0.05%	3.14%	
Series 1 - Feb 2016 – Class A	\$245.29	\$245.42	0.05%	6.64%	
Series 2 – Mar 2016 – Class A	\$245.53	\$245.66	0.05%	6.03%	
Series 3 – Apr 2016 – Class A	\$247.64	\$247.77	0.05%	2.71%	
Series 4 – May 2016 – Class A	\$247.90	\$248.03	0.05%	1.96%	
Series 5 – June 2016 – Class A	\$247.71	\$247.84	0.05%	2.11%	
Series 6 – July 2016 – Class A	\$247.91	\$248.05	0.05%	1.15%	
Series 7 – Aug 2016 – Class A	\$247.89	\$247.91	0.05%	0.54%	

**From inception return used for series launched during the year*

All numbers reported after fees and expenses. See subscription confirmations for your Series.

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About Broadview Capital Management Inc. and the Broadview Dark Horse LP:

Broadview is the manager of the Broadview Dark Horse LP (“The Dark Horse”), a fundamental-based long/short investment partnership. Broadview utilizes its relatively small size, contrarian nature and willingness to perform extensive due diligence to deliver strong risk-adjusted returns for its investors. The managers concentrate on going where others can’t or won’t to find investment opportunities.

The firm is run with the philosophy that it will manage “as much money as it deserves to manage” and that a dedication to working hard for existing clients is the best way to grow the business in a sustainable fashion. It is not Broadview’s intention to take on additional investment mandates for the foreseeable future beyond the Dark Horse LP. Broadview was founded in October of 2008 and the Dark Horse was launched in April of 2009.

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