



Portland  
Investment Counsel®  
Buy. Hold. And Prosper.®

# NEWS HIGHLIGHTS

EST. 2007

OUR VIEWS ON ECONOMIC AND OTHER EVENTS AND THEIR EXPECTED IMPACT ON INVESTMENTS

**AUGUST 18, 2025**

*The views of the Portfolio Management Team contained in this report are as of August 18, 2025, and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date. This research and information, including any opinion, is compiled from various sources believed to be reliable but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice. The contents of this Newsletter reflect the different assumptions, views and analytical methods of the analysts who prepared them. For Advisor Use Only.*



## OWNER OPERATED COMPANIES



GO TO  
PORTLAND 15 OF 15  
ALTERNATIVE FUND



PORTLAND 15 OF 15  
ALTERNATIVE FUND  
COMPANY NEWS

**Berkshire Hathaway Inc. (Berkshire)** – disclosed a new investment in UnitedHealth Group Incorporated (UnitedHealth) after the insurer became a target for many Americans upset over the direction of the nation's healthcare. Berkshire said it owned US\$5.04 million UnitedHealth shares worth about \$1.57 billion as of June 30. The company also said it sold 20 million shares of iPhone maker Apple Computer, Inc. (Apple) in the second quarter (Q2), reducing its largest stock holding to 280 million shares, and cut back another major holding, Bank of America Corporation (Bank of America). Berkshire also boosted its bet on home builders, revealing a new stake in DR Horton, Inc. (DR Horton) and significantly larger stake in Lennar Corporation (Lennar). The filing also disclosed new Berkshire investments in security products provider Allegion plc (Allegion), outdoor advertiser Lamar Advertising Company (Lamar Advertising) and steel maker Nucor Corporation (Nucor). Despite the new purchases, Berkshire sold \$3 billion more stocks than it bought between April and June, the 11th straight quarter it was a net seller of stocks. It ended June with \$344.1 billion of cash and equivalents. Buffett turns 95 on August 30. He is expected to remain Berkshire's chairman after Abel, 63, becomes chief executive on January 1, 2026.

**Reliance Industries Limited (RIL)** – is likely to shift back to its traditional Middle Eastern sources for oil if India yields to pressure from U.S. President Donald Trump to cut Russian imports, trade sources said.

India became the biggest buyer of seaborne Russian crude in the aftermath of Moscow's 2022 invasion of Ukraine and is under heavy pressure from Washington to cut its energy ties with Russia. India's biggest buyer, RIL, operates the world's largest refining complex at Jamnagar in Gujarat where it can process about 1.4 million barrels per day (bpd). RIL did not immediately respond to a Reuters' request for comments. Indian state refiners paused Russian purchases in late July, Reuters reported, though RIL continues to buy under a 500,000 bpd deal signed with Russia's Rosneft last year. The port of Sikka in western India, which handles RIL imports, is scheduled to receive 22 cargoes from Russia this month, London Stock Exchange Group (LSEG) data shows. The state refiners were responding to threatened tariffs from Trump. Last week the United States imposed an additional 25% tariff on imports from India, citing its continued purchases of Russian oil. That was to take effect in 21 days and would raise duties on some Indian imports to as high as 50%.



## LIFE SCIENCES



GO TO  
PORTLAND LIFE  
SCIENCES  
ALTERNATIVE FUND

**ICON plc (ICON)** – announced that its large-scale next-generation COVID 19 vaccine study has been halted after receiving a stop work notice from Biomedical Advanced Research and Development Authority (BARDA) on August 12, 2025. This suspension will impact new subject screening and dosing, potentially affecting revenue in the second half of 2025. However, ICON has maintained its full-year financial guidance, noting ongoing discussions with BARDA and continued follow-up with current participants.

**Perspective Therapeutics Inc.**— provided updates on its business and reported its Q2 2025 results. Key highlights include the progress of its Phase 1/2a study of [212Pb(lead)] Viewpoint Molecular Targeting VMT-α-NET (neuroendocrine tumors) for neuroendocrine tumors, with promising interim results presented at the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting. With approximately US\$192 million (M) in cash, the company expects to fund clinical milestones into late 2026.



## NUCLEAR ENERGY

**Centrus Energy Corp. (Centrus)**— announced a proposed private offering of US\$650 million in Convertible Senior Notes due 2032, aimed at qualified institutional buyers. The notes will bear interest semi-annually starting in 2026 and are convertible under certain conditions. Centrus expects to use the proceeds for general corporate purposes. The offering is subject to market conditions, and the terms, including conversion rates and interest, will be finalized at the time of pricing.

**ITM Power Plc (ITM)**— has signed a supply agreement and binding heads of terms for a long-term services agreement with MorGen Energy AG (MorGen Energy for the 20 Megawatt (MW) West Wales Hydrogen project in Milford Haven, UK. This project, under the UK Government's Hydrogen Allocation Round 1 (HAR1), will use ITM's POSEIDON 20MW modular electrolyser platform to produce green hydrogen. The project is set to break ground by year-end, with funding from the Department for Energy Security & Net Zero (DESNZ). It will support industrial clusters and green transport across Wales. Both ITM and MorGen Energy leaders emphasized the project's role in advancing the green hydrogen economy and creating jobs.



## ECONOMIC CONDITIONS

**Ukrainian President Zelenskyy** heads to the White House for a meeting with President Donald Trump, as the US considers security guarantees for Kyiv and debate intensifies over whether land concessions to Russia could end the war. Zelenskyy will be joined by key European allies at the White House, a diplomatic overture that signals Europe's determination to rally behind Ukraine. The Ukrainian leader acknowledged his last White House visit – cut short by a shouting match between Trump and Vice President JD Vance and told reporters in Brussels he hopes Monday's meeting “will be productive” rather than a repeat of February's encounter.

**The U.S. Consumer Price Index (CPI)** rose a consensus-matching 0.2% in July. This came in the wake of +0.3% print the prior month. Prices in the energy segment cooled 1.1% on declines for gasoline (-2.2%) and utility gas services (-0.9%). The fuel oil category, on the other hand, recorded a 1.8% gain. The cost of food, for its part, came in flat month on month. The core CPI, which excludes food and energy, rose 0.3% (0.32% at the second decimal, the most in 6 months), a result also in line with consensus expectations. The price of core goods advanced 0.2% on gains for used vehicles (+0.5%), tobacco/smoking products (+0.3%) and alcoholic beverages.

**U.S. producer prices** increased 0.9% in July alone, which is about 4x consensus and the most since March 2022. The three major components also felt stronger pressures brewing at the producer level... goods +0.7% (food +1.4%, energy +0.9%); services +1.1% (trade services +2.0%, transportation/warehousing +1.0%) and construction +0.6%. Prices excluding typically volatile food, energy and trade services jumped 0.6%. From a year ago, headline Producer Price Index (PPI) is up at a 5-month high of 3.3%, with components including food and services up over 4%. This series is volatile during the best of times, but captures the costs at the producer level, which could theoretically flow through to the consumer, unless producers are willing to eat all of the costs (tariffs), which is doubtful in our view. Though there will be questions raised about the validity of the data, this emboldens those who are less dovish on the Federal Reserve System (Fed) that a September cut is not a done deal.

**UK labour data** came in largely as expected, with a broad slowdown across all wage growth measures. Total earnings pay growth surprised slightly to the downside, coming in at 4.6% 3 month over year (m/y) (market (mkt): 4.7%), while the ex-bonus measure and private earnings growth were right in line with expectations at 5.0% 3m/y and 4.8% 3m/y, respectively. Unemployment was also on top of consensus at 4.7%. This data is in continuation with the slack that we've been seeing open up in the labour market over the past few months. Though with the Monetary Policy Committee (MPC) leaning more heavily on inflation risks at their last meeting, this is unlikely to majorly shift monetary policy consideration.

**UK Gross Domestic Product (GDP)** in the month of June and a revision of April's monthly GDP growth up to -0.1% month over month (m/m) (from -0.3%) brings Q2 to a healthy 0.3% quarter over quarter (q/q) (mkt: 0.1%). After two negative months in March and April, June GDP growth was 0.4% m/m (mkt: 0.2%), with both services and manufacturing sector in the positives at 0.3% m/m (/mkt: 0.2%) and 0.5% m/m (mkt: 0.4%), respectively. Wholesale and retail trade, as well as professional services, were the biggest drivers this month bringing the services sector up from an otherwise rather even split between growing and contracting subsectors. Ultimately, this is a welcome number for the UK economy, showing fair resilience in Q2 to external shocks and ending second half of the year (H2) in a cheery spirit.

**Australia's labour market** shows headline employment gains of +24.5k(thousand) (consensus (cons): 25k) after 2 poor consecutive prints. Investors took comfort from the big rebound in full-time employment at +60.5k (prior: -36.6k) and likely viewed the June numbers as an aberration. Part-time employment, however, fell by 35.9k. Participation rate held steady at 67.0, unchanged from June which nudged the unemployment rate lower to 4.2% (prior: 4.3%).



## FINANCIAL CONDITIONS

The Reserve Bank of Australia (RBA) cut the target cash rate 25 basis points (bps) to 3.60% in a 9-0 vote, statement was not significantly different from that delivered in July but was marginally dovish. Downside risks were discussed first and the language around the labour market was softened. There were no wholesale changes to the forecasts. There were cuts to GDP across the forecast horizon and

the RBA's Dec'27 headline and trimmed mean forecasts hit 2.50% for the first time in a long time. Given the RBA's increasing confidence for underlying inflation to remain sustainably at the mid-point of the 2-3 per cent range, the Bank's and the markets' focus is likely to shift to labour market outcomes.

The U.S. 2 year/10 year treasury spread is now 0.56% and the U.K.'s 2 year/10 year treasury spread is 0.77%. A narrowing gap between yields on the 2 year and 10 year Treasuries is of concern given its historical track record that when shorter term rates exceed longer dated ones, such inversion is usually an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate is now 6.58%. Existing U.S. housing inventory is at 4.7 months supply of existing houses as of July 23, 2025 - well off its peak during the Great Recession of 11.1 months and we consider a more normal range of 4-7 months.

The VIX (volatility index) is 15.50 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

**Portland Investment Counsel Inc. currently offers Mutual Funds & Private/Alternative Products - visit [www.portlandic.com](http://www.portlandic.com)**

**Individual Discretionary Managed Account Models - [SMA](#)**

**Net Asset Value:**

The Net Asset Values (NAV) of our investment funds are published on our Portland website at [www.portlandic.com/prices](http://www.portlandic.com/prices)

We want to share our insights with you and welcome your feedback. Our website has the latest, as well as archived videos, company profiles, and press articles. Please visit us at [www.portlandic.com](http://www.portlandic.com)



**Glossary of Terms:** 'CET' core equity tier, 'EBITDA' earnings before interest, taxes, depreciation and amortization, 'EPS' earnings per share, 'FCF' free cash flow, 'GDP' gross domestic product, 'GAAP' Generally Accepted Accounting Principles, 'ROE' return on equity, 'ROTE' return on common equity, 'ROTCE' return on tangible common equity, 'conjugate' a substance formed by the reversible combination of two or more others, 'SG&A' Selling, General, and Administrative expense ratio.

1. Not all of the funds shown are necessarily invested in the companies listed.

This research and information, including any opinion, is based on various sources including corporate press releases, annual reports, public news articles and broker research reports and is believed to be reliable but it cannot be guaranteed to be current accurate or complete. It is for information only, and is subject to change without notice. This Newsletter is not an offer to sell or a solicitation of an offer to buy any security nor is it necessarily an indication of how the portfolio of any Portland Fund is invested. The securities discussed in the Newsletter may not be eligible for sale in some jurisdictions. The views expressed by any external links and subsequent media, including but not limited to videos, are not necessarily those of Portland Investment Counsel Inc. (Portland) and are provided for general information purposes only. Portland Investment Counsel Inc. assumes no responsibility for the information provided by external sources.

Use of any third party quotations does not in any way suggest that person endorses Portland and/or its products. Use of any third party material may not reflect the views and opinions of Portland. Portland makes no representation or warranty, express or implied, in respect thereof, takes no responsibilities for errors and omissions contained herein and accepts no liability whatsoever for any loss arising from any use of, or reliance on this material or its content which is being provided for informational purposes only and should not be construed as investment, tax or financial advice.

Certain statements may contain forward-looking statements which can be identified by the use of words such as "may", "should", "will", "anticipate", "believe", "plan", "estimate", "expect", "intend", "scheduled" or "continue" or similar expressions to the extent they relate to a security. The forward-looking statements are not historical facts. These forward-looking statements are subject to a number of significant risks, uncertainties assumptions, contingencies and other factors (many of which are outside the control of, and unknown to Portland Investment Counsel Inc. ("Portland") and its directors, officers, employees, agents or associates), that could cause actual results or performance to be materially different from any future result so performed, expressed or implied by such forward-looking statements. Portland has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.

#### RISK TOLERANCE

Risk tolerance measures the degree of uncertainty that an investor can handle regarding fluctuations in the value of their portfolio. The amount of risk associated with any particular investment depends largely on your own personal circumstances including your time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Investors should consult their financial advisor before making a decision as to whether this Fund is a suitable investment for them.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. The indicated rates of return are the historical annual compounded total returns including changes in units [share] value and reinvestment of all distributions [dividends] and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. The rates of return are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values of the mutual fund or returns on investment in the mutual fund. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated.

Information presented in this Newsletter should be considered for background information only and should not be construed as investment or financial advice. As each individual's situation is different, you should consult with your own professional investment, accounting, legal and/or tax advisers prior to acting on the basis of the material in the Newsletter. Commissions, management fees and expenses may be associated with investment funds. Investment funds are not guaranteed, their values change frequently, and past performance may not be repeated. Please read the prospectus or offering document before investing.

Consent is required for any reproduction, in whole or in part, of this piece and/or of its images and concepts. Portland Investment Counsel is a registered trademark of Portland Holdings Inc. The Unicorn Design is a trademark of Portland Holdings Inc. Used under license by Portland Investment Counsel Inc. Buy. Hold. And Prosper. is a registered trademark of AIC Global Holdings Inc. used under license by Portland Investment Counsel Inc.

Portland Investment Counsel Inc., 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7 Tel.: 1-888-710-4242 • [www.portlandic.com](http://www.portlandic.com) • [info@portlandic.com](mailto:info@portlandic.com)

PIC25-047-E(08/25)