THE MOVER

Why this money manager is buying more Microsoft and repurchasing Alimentation Couche-Tard

BRENDA BOUW
SPECIAL TO THE GLOBE AND MAIL
PUBLISHED AUGUST 7, 2026

Michelle Head Kim, vice-president and portfolio manager at Toronto-based Lorne Steinberg Wealth Management Inc. Illustration by Joel Kimmel

THE GLOBE AND MAIL

Listen to this article

Learn more about audio

05:11 1X

Money manager Michelle Head Kim doesn't invest based on the latest market trends such as artificial intelligence, energy or gold.

Instead, the vice-president and portfolio manager at Toronto-based Lorne Steinberg Wealth Management Inc. looks to hold "good, high-functioning companies" with strong balance sheets and cash flow that generate returns over the long term.

"What happens with these solid-growth, brilliant companies is that they do get out of favour, but that doesn't stop us from buying them because we have a long-term horizon and we know that things change," says Ms. Head Kim, whose firm oversees about $1.2-billion in assets.

"How we manage money may not be exciting, but it works over time," she adds.

The firm's Canadian dividend growth portfolio has returned 17.1 per cent year to date. It's up 32.8 per cent over the past year and has a three-year annualized return of 20.1 per cent. The global portfolio has returned 11.4 per cent year to date, 18.2 per cent over the past year and has a three-year annualized return of 16.2 per cent. The performance is as of July 31, gross of fees, which range from 0.5 per cent to 1.5 per cent based on a client's assets.

Ms. Head Kim says investors with a diversified portfolio of strong companies will likely have done well over the past several years and may want to consider rebalancing, on their own terms.

"An important aspect of portfolio management is to review your asset mix regularly and rebalance from time to time," she says. "This also forces one to sell high and buy low before the market rebalances things on your behalf."

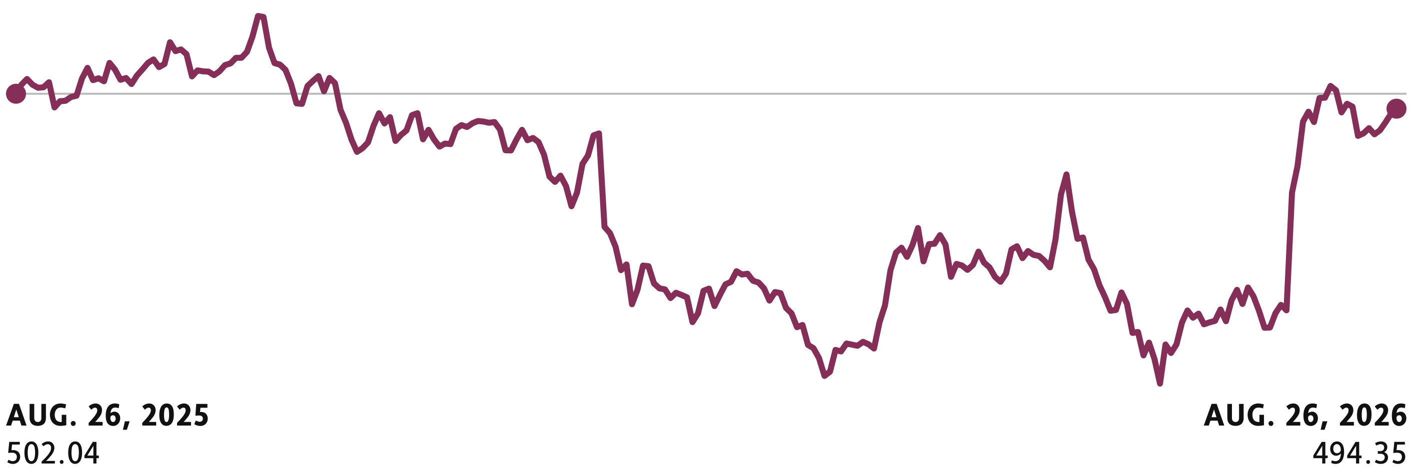
The Globe spoke with Ms. Head Kim recently about what she's been buying and selling.

Name three stocks you've been buying and why.

Microsoft Corp. MSFT-Q (/investing/markets/stocks/MSFT-Q/) +0.58% ▲ is a long-term holding that we added to earlier this year on a downturn. We had the confidence to invest more in the stock after seeing the growth in its cloud business and its Copilot AI platform.

MICROSOFT CORP 494.35 -7.69 (-1.53%)

PAST YEAR



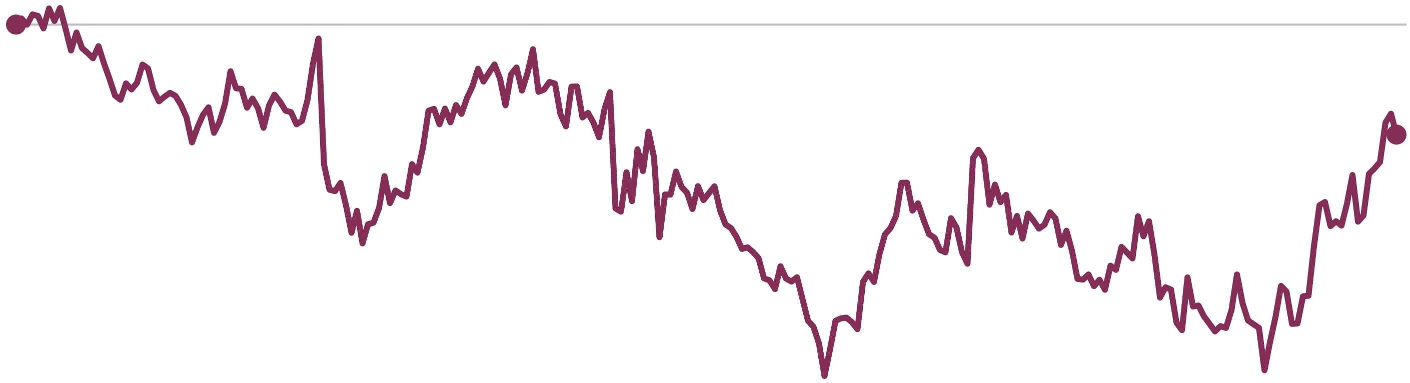
SOURCE: BARCHART

The company has changed considerably over the past several years, shifting from a product vendor to a service provider, resulting in both a higher-quality revenue stream and the reignition of growth. It generates cash flow to fund its spending and such investment should underpin annual revenue and profit growth well into double-digit territory for a few years yet.

Walt Disney Co. DIS-N (/investing/markets/stocks/DIS-N/) -1.37% ▼ is another long-term holding that we like, even though it's been out of favour in recent years. We first bought it in March, 2020 and last added to it in June, 2025.

WALT DISNEY COMPANY 109.75 -7.90 (-6.71%)

PAST YEAR



AUG. 26, 2025
117.65

AUG. 26, 2026
109.75

SOURCE: BARCHART

It's a well-diversified name, which includes everything from its core theme parks and cruises to movies and streaming services. Its pivot to streaming has been painful, but now the division is profitable. We expect earnings to be on a strong upward trajectory.

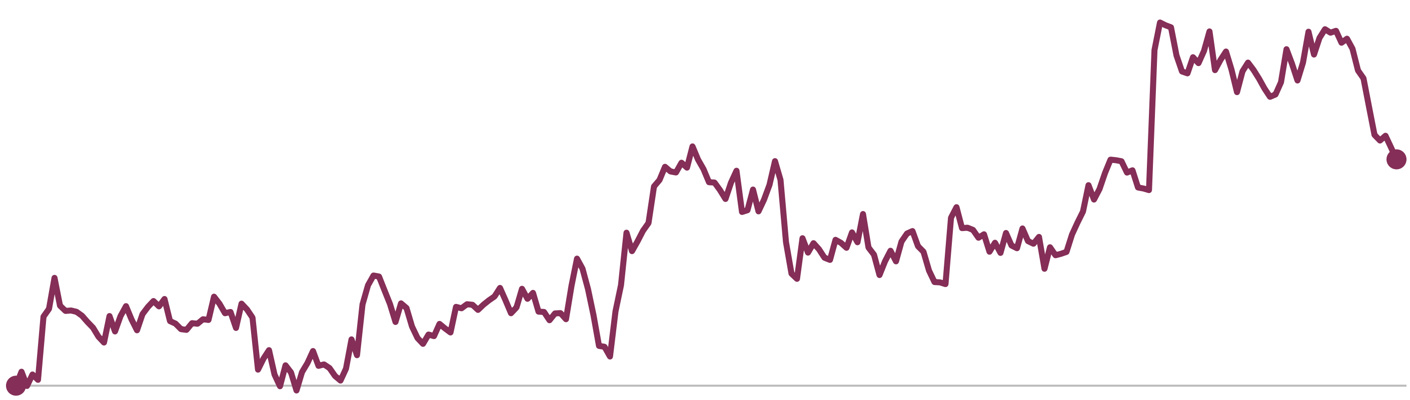
The company also recently named a new chief executive [Josh D'Amaro], who's focused on improving profitability. We think Disney is in a better position for growth than it has been in a few years. We also like that it's not an AI company, which helps to keep our portfolio diversified. It's a good long-term stock.

Alimentation Couche-Tard Inc.

ATD-T (/investing/markets/stocks/ATD-T/) -1.07% ▼ is a stock we sold last year after its proposed acquisition of Seven & i Holdings. We made a lot of money on the stock, but we didn't think the acquisition would work out well for the company. After the acquisition failed, we bought it back late last year and added to our position this year.

ALIMENTATION COUCHE-TARD INC 84.37 +15.53 (22.56%)

PAST YEAR



AUG. 26, 2025
68.84

AUG. 26, 2026
84.37

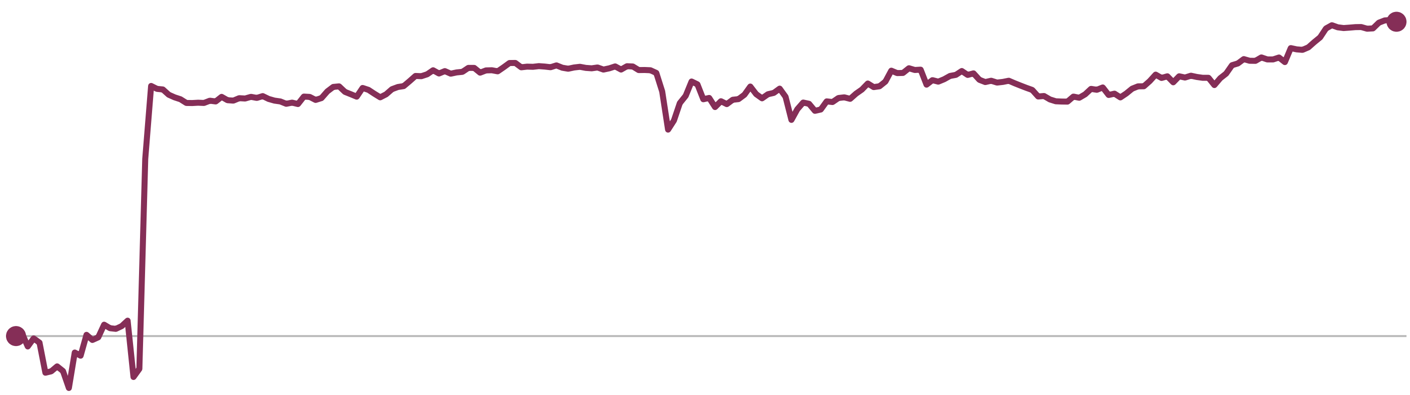
SOURCE: BARCHART

Although some investors question whether the company's exceptional growth can continue, we believe it can. Despite being one of the largest independents in the U.S., Couche-Tard has only a few percentage points of market share in that country, which means it has a long runway for growth.

Name a stock you recently sold.

Electronic Arts Inc. EA-Q (/investing/markets/stocks/EA-Q/) -0.10% ▼ is a stock we sold on July 24 [a few days before it went private]. We first purchased the stock in late 2020.

ELECTRONIC ARTS INC 209.70 +37.47 (21.76%)
PAST YEAR



AUG. 26, 2025
172.23

AUG. 4, 2026
209.70

SOURCE: BARCHART

We liked its diverse portfolio of titles and its valuation, which looked attractive both in absolute terms and relative to the price Microsoft paid for Activision Blizzard [in 2022]. That discount was eventually not lost on potential acquirers: Last September, the company received an all-cash offer at roughly a 70-per-cent premium to the price we first paid for it. The deal closed on Aug. 4.

This interview has been edited and condensed.