

Long-Term Perspective

February 16, 2018

Top-Ten Portfolio

We have created a high-quality portfolio of stocks with a focus on growth and attractive yields.

NOTE: The Top-Ten Portfolio has a long-term perspective. As such, we will update it once a week, using Friday's closing prices. Also, it will be essentially a Buy-and-Hold portfolio, with minimal trading involved. The portfolio will always be fully invested.

The initial investment will be a total of \$500,000. To begin with, each of the ten stocks has an equal weighting, meaning the dollar amount of each holding will be approximately \$50,000. If a stock is sold, the replacement stock will begin with the amount of the closing proceeds of the stock sold.

We will conduct a portfolio assessment on a regular basis to determine whether changes should be made.

THIS WEEK'S COMMENT: We have been IN and OUT of Shopify twice recently. The first Sell decision provided a gain of 25.7%, and the second was 17.2%. We also took advantage of Thomson Reuters Corporation making a big move and made a gain of 7.8%. Trading Profits total \$26,428, which more than makes up for the current portfolio holdings showing a net loss of \$12,900. With the second Shopify sale, we added Enbridge Inc., which we considered over-sold. The company still has major challenges, but the Street should soon start to recognize its inherent strengths. After the sharp sell-off in early February, the general consensus is that the market should continue to recover and challenge its all-time highs over the next few months.

The current portfolio is presented below.

TOP TEN		Share Price Information		As at: 16-Feb-18			Inception: 02-Jan-18		
Company	Symbol	Purchase Price	Current Price	First Target	Second Target	Third Target	% Inc. to 1st Target	% Inc. to 2nd Target	% Inc. to 3rd Target
1 Algonquin Power & Utilities Corp.	AQN	\$14.03	\$12.92	\$14.07	\$14.27	\$14.47	8.9%	10.4%	12.0%
2 ARC Resources Ltd.	ARX	\$14.96	\$12.84	\$15.60	\$16.40	\$17.20	21.5%	27.7%	34.0%
3 Bank of Montreal	BMO	\$100.59	\$97.61	\$103.13	\$104.70	\$106.25	5.7%	7.3%	8.9%
4 Enbridge Inc.	ENB	\$43.50	\$42.95	\$45.30	\$46.88	\$48.45	5.5%	9.2%	12.8%
5 Goldcorp Inc.	G	\$16.24	\$16.94	\$18.75	\$19.15	\$19.50	10.7%	13.0%	15.1%
6 Keyera Corp.	KEY	\$35.37	\$33.88	\$37.50	\$39.00	\$40.50	10.7%	15.1%	19.5%
7 Manulife Financial Corporation	MFC	\$26.19	\$24.94	\$27.35	\$28.13	\$28.90	9.7%	12.8%	15.9%
8 Parkland Fuel Corporation	PKI	\$26.89	\$28.95	\$28.13	\$29.70	\$31.24	-2.8%	2.6%	7.9%
9 Shawcor Ltd.	SCL	\$27.43	\$26.75	\$28.90	\$29.70	\$30.50	8.0%	11.0%	14.0%

NB: Green negative percentage numbers denote a stock price that has exceeded the Price Target.

NB: The Analyst, either directly or indirectly, currently owns shares in ARC Resources Ltd., Keyera Corporation, and Shawcor Ltd.

The performance of these stocks is provided in the table on the next page.

<continued>

TOP TEN

Portfolio Performance

As at: 16-Feb-18

Initiation: 02-Jan-18

<u>Company</u>	<u>Symbol</u>	<u>Purchase Date</u>	<u>Number of Shares</u>	<u>Purchase Price</u>	<u>Current Price</u>	<u>Purchase Cost</u>	<u>Current Value</u>	<u>\$ Gain or (Loss)</u>	<u>% Gain or (Loss)</u>
1 Algonquin Power & Utilities Corp.	AQN	02-Jan-18	3564	\$14.03	\$12.92	\$50,000	\$46,044	-\$3,956	-7.9%
2 ARC Resources Ltd.	ARX	02-Jan-18	3342	\$14.96	\$12.84	\$49,996	\$42,911	-\$7,085	-14.2%
3 Bank of Montreal	BMO	02-Jan-18	497	\$100.59	\$97.61	\$49,993	\$48,512	-\$1,481	-3.0%
4 Enbridge Inc.	ENB	09-Feb-18	1149	\$43.50	\$42.95	\$49,982	\$49,350	-\$632	-1.3%
5 Goldcorp Inc.	G	02-Jan-18	3079	\$16.24	\$16.94	\$50,003	\$52,158	\$2,155	4.3%
6 Keyera Corp.	KEY	02-Jan-18	1,414	\$35.37	\$33.88	\$50,013	\$47,906	-\$2,107	-4.2%
7 Manulife Financial Corporation	MFC	02-Jan-18	1,909	\$26.19	\$24.94	\$49,997	\$47,610	-\$2,386	-4.8%
8 Parkland Fuel Corporation	PKI	02-Jan-18	1,860	\$26.89	\$28.95	\$50,015	\$53,847	\$3,832	7.7%
9 Shawcor Ltd.	SCL	02-Jan-18	1,823	\$27.43	\$26.75	\$50,005	\$48,765	-\$1,240	-2.5%
Stock Totals						\$450,004	\$437,104	-\$12,900	-2.9%
						Stock Annualized Return:		-21.5%	
Cash						\$49,996	\$50,033		
Cumulative Dividend Payments							\$827		
Net Trading Profits							\$26,428		
Portfolio Totals						\$500,000	\$514,393	2.9%	
						Portfolio Annualized Return:		21.6%	
S&P/TSX COMPOSITE INDEX						16,209.13	15,452.64	-756.49	-4.7%
						S&P/TSX Comp. Annualized Return:		-35.0%	
S&P/TSX 60 INDEX						959.70	913.02	-46.68	-4.9%
						S&P/TSX 60 Annualized Return:		-36.5%	

Here is a list of the stocks sold to date, since inception on January 2, 2018:

Stocks Sold

<u>Company</u>	<u>Purchase Date</u>	<u>Selling Date</u>	<u>Purchase Price</u>	<u>Selling Price</u>	<u>Purchase Cost</u>	<u>Selling Value</u>	<u>\$ Gain or (Loss)</u>	<u>% Gain or (Loss)</u>	<u>Number of Shares</u>	<u>Cum. Gain or (Loss)</u>
Thomson Reuters Corporation	02-Jan-18	30-Jan-18	\$54.80	\$59.05	\$49,978	\$53,851	\$3,874	7.8%	912	\$3,874
Shopify Inc.	02-Jan-18	30-Jan-18	\$127.32	\$159.99	\$50,037	\$62,876	\$12,839	25.7%	393	\$16,713
Shopify Inc.	02-Feb-18	15-Feb-18	\$143.79	\$168.51	\$56,509	\$66,224	\$9,715	17.2%	393	\$26,428

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Below, we provide a table that indicates the annual dividend, the corresponding annual income and equity yields, and the dividend pay-outs to date since inception. This table is updated at the end of each month. These totals are as at January 31, 2018:

TOP TEN

Annual Income/Yield

As at: 31-Jan-18

<u>Company</u>	<u>Purchase Date</u>	<u>Number of Shares</u>	<u>Purchase Price</u>	<u>Current Price</u>	<u>Annual Dividend</u>	<u>Annual Income</u>	<u>Purchase Yield</u>	<u>Current Yield</u>	<u>Pay-Out To Date</u>
1 Algonquin Power & Utilities Corp.	02-Jan-18	3,564	\$14.03	\$12.92	\$0.59	\$2,093	4.2%	4.5%	\$0
2 ARC Resources Ltd.	02-Jan-18	3,342	\$14.96	\$12.84	\$0.60	\$2,005	4.0%	4.7%	\$167
3 Bank of Montreal	02-Jan-18	497	\$100.59	\$97.61	\$3.72	\$1,849	3.7%	3.8%	\$462
4 Enbridge Inc.	09-Feb-18	1,149	\$43.50	\$42.95	\$2.68	\$3,084	6.2%	6.2%	\$0
5 Goldcorp Inc.	02-Jan-18	3,079	\$16.24	\$16.94	\$0.10	\$309	0.6%	0.6%	\$0
6 Keyera Corp.	02-Jan-18	1,414	\$35.37	\$33.88	\$1.68	\$2,376	4.7%	5.0%	\$198
7 Manulife Financial Corporation	02-Jan-18	1,909	\$26.19	\$24.94	\$0.82	\$1,565	3.1%	3.3%	\$0
8 Parkland Fuel Corporation	02-Jan-18	1,860	\$26.89	\$28.95	\$2.18	\$4,062	8.1%	7.5%	\$0
9 Shawcor Ltd.	02-Jan-18	1,823	\$27.43	\$26.75	\$1.48	<u>\$2,700</u>	<u>5.4%</u>	<u>5.5%</u>	<u>\$0</u>
Portfolio Totals						\$20,043	4.0%	3.9%	\$827
Dividends, Companies Sold									<u>\$0</u>
Total Dividends Received									<u>\$827</u>

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