

Long-Term Perspective

March 24, 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: The Portfolio did not do too badly last week. Both the stock component and the total portfolio were each down only 0.3%. Compare that performance with the S&P/TSX Composite and the S&P/TSX 60 which declined 2.8% and 3.3% respectively. Overall, the stock component is down 4.4% since inception but, with dividends and trading profits included, the total portfolio is up 1.4%.

The current portfolio is presented below.

TOP TEN		Share Price Information			As at: 23-Mar-18		Inception: 02-Jan-18			
		Purchase	Current	First	Second	Third	% Inc. to	% Inc. to	% Inc. to	
	<u>Company</u>	<u>Symbol</u>	<u>Price</u>	<u>Price</u>	<u>Target</u>	<u>Target</u>	<u>Target</u>	<u>1st Target</u>	<u>2nd Target</u>	<u>3rd Target</u>
1	Algonquin Power & Utilities Corp.	AQN	\$14.03	\$12.89	\$14.07	\$14.27	\$14.47	9.2%	10.7%	12.3%
2	ARC Resources Ltd.	ARX	\$14.96	\$13.61	\$15.60	\$16.40	\$17.20	14.6%	20.5%	26.4%
3	Bank of Montreal	BMO	\$100.59	\$96.87	\$103.13	\$104.70	\$106.25	6.5%	8.1%	9.7%
4	Enbridge Inc.	ENB	\$43.50	\$38.48	\$45.30	\$46.88	\$48.45	17.7%	21.8%	25.9%
5	Goldcorp Inc.	G	\$16.24	\$17.87	\$18.75	\$19.15	\$19.50	4.9%	7.2%	9.1%
6	Keyera Corp.	KEY	\$35.37	\$32.33	\$37.50	\$39.00	\$40.50	16.0%	20.6%	25.3%
7	Manulife Financial Corporation	MFC	\$26.19	\$23.89	\$27.35	\$28.13	\$28.90	14.5%	17.7%	21.0%
8	Parkland Fuel Corporation	PKI	\$26.89	\$29.05	\$28.13	\$29.70	\$31.24	-3.2%	2.2%	7.5%
9	Saputo Inc.	SAP	\$41.35	\$41.15	\$42.20	\$43.00	\$43.75	2.6%	4.5%	6.3%
10	Shawcor Ltd.	SCL	\$27.43	\$24.14	\$28.90	\$29.70	\$30.50	19.7%	23.0%	26.3%

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: 23-Mar-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	\$12.89	\$50,000	\$45,937	-\$4,063	-8.1%
2 ARC Resources Ltd.	ARX	02-Jan-18	3342	\$14.96	\$13.61	\$49,996	\$45,485	-\$4,512	-9.0%
3 Bank of Montreal	BMO	02-Jan-18	497	\$100.59	\$96.87	\$49,993	\$48,144	-\$1,849	-3.7%
4 Enbridge Inc.	ENB	09-Feb-18	1149	\$43.50	\$38.48	\$49,982	\$44,214	-\$5,768	-11.5%
5 Goldcorp Inc.	G	02-Jan-18	3079	\$16.24	\$17.87	\$50,003	\$55,022	\$5,019	10.0%
6 Keyera Corp.	KEY	02-Jan-18	1,414	\$35.37	\$32.33	\$50,013	\$45,715	-\$4,299	-8.6%
7 Manulife Financial Corporation	MFC	02-Jan-18	1,909	\$26.19	\$23.89	\$49,997	\$45,606	-\$4,391	-8.8%
8 Parkland Fuel Corporation	PKI	02-Jan-18	1,860	\$26.89	\$29.05	\$50,015	\$54,033	\$4,018	8.0%
9 Saputo Inc.	SAP	15-Mar-18	1,209	\$41.35	\$41.15	\$49,992	\$49,750	-\$242	-0.5%
10 Shawcor Ltd.	SCL	02-Jan-18	1,823	\$27.43	\$24.14	<u>\$50,005</u>	<u>\$44,007</u>	<u>-\$5,998</u>	<u>-12.0%</u>
Stock Totals						\$499,996	\$477,913	-\$22,084	-4.4%
						Stock Annualized Return:		-19.1%	
Cash						\$4	\$41		
Cumulative Dividend Payments							\$2,791		
Net Trading Profits							<u>\$26,428</u>		
Portfolio Totals						<u>\$500,000</u>	<u>\$507,173</u>	1.4%	
						Portfolio Annualized Return:		6.2%	
S&P/TSX COMPOSITE INDEX						16,209.13	15,223.74	-985.39	-6.1%
						S&P/TSX Comp. Annualized Return:		-26.3%	
S&P/TSX 60 INDEX						959.70	897.35	-62.35	-6.5%
						S&P/TSX 60 Annualized Return:		-28.1%	

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 February 28, 2018:

TOP TEN

Annual Income/Yield

As at: 28-Feb-18

Company	Purchase Price	Current Price	Annual Dividend	Annual Income	Purchase Yield	Current Yield	Payment Fr	Months	Period Payout	Pay-Out To Date
1 Algonquin Power & Utilities Corp.	\$14.03	\$13.03	\$0.60	\$2,137	4.3%	4.6%	Q	M/J/S/D	\$534	\$0
2 ARC Resources Ltd.	\$14.96	\$12.78	\$0.60	\$2,005	4.0%	4.7%	M	28th	\$167	\$334
3 Bank of Montreal	\$100.59	\$98.00	\$3.72	\$1,849	3.7%	3.8%	Q	J/A/J/O	\$462	\$462
4 Enbridge Inc.	\$43.50	\$40.99	\$2.68	\$3,084	6.2%	6.5%	Q	F/M/A/N	\$771	\$771
5 Goldcorp Inc.	\$16.24	\$16.66	\$0.10	\$316	0.6%	0.6%	Q	M/J/S/D	\$79	\$79
6 Keyera Corp.	\$35.37	\$32.65	\$1.68	\$2,376	4.7%	5.1%	M	22nd	\$198	\$396
7 Manulife Financial Corporation	\$26.19	\$24.19	\$0.82	\$1,565	3.1%	3.4%	Q	F/M/A/N	\$391	\$391
8 Parkland Fuel Corporation	\$26.89	\$30.00	\$0.38	\$714	1.4%	1.3%	M	20th	\$179	\$357
9 Shawcor Ltd.	\$27.43	\$24.73	\$0.60	<u>\$1,094</u>	<u>2.2%</u>	<u>2.4%</u>	Q	M/M/A/N	<u>\$273</u>	<u>\$0</u>
Portfolio Totals				\$15,140	3.4%	3.5%				\$2,791
Dividends, Companies Sold										<u>\$0</u>
Total Dividends Received										<u>\$2,791</u>

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