

Long-Term Perspective

April 20, 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:** *Not much to say since the last update was just three days ago. However, I can say that the newest stock, Vermilion Energy, continues to out-perform. Happy days. The Portfolio and both indexes all rose in the last three days.*

The current portfolio is presented below.

TOP TEN	Share Price Information			As at: 20-Apr-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	\$12.59	\$14.07	\$14.27	\$14.47	11.8%	13.3%	14.9%
2	ARC Resources Ltd.	ARX	\$14.96	\$14.01	\$15.60	\$16.40	\$17.20	11.3%	17.1%	22.8%
3	Enbridge Inc.	ENB	\$43.50	\$39.77	\$45.30	\$46.88	\$48.45	13.9%	17.9%	21.8%
4	Enercare Inc.	ECI	\$17.21	\$17.50	\$18.00	\$18.75	\$19.50	2.9%	7.1%	11.4%
5	Goldcorp Inc.	G	\$16.24	\$18.24	\$18.75	\$19.15	\$19.50	2.8%	5.0%	6.9%
6	Keyera Corp.	KEY	\$35.37	\$35.30	\$37.50	\$39.00	\$40.50	6.2%	10.5%	14.7%
7	Manulife Financial Corporation	MFC	\$26.19	\$23.99	\$27.35	\$28.13	\$28.90	14.0%	17.3%	20.5%
8	Saputo Inc.	SAP	\$41.35	\$41.04	\$42.20	\$43.00	\$43.75	2.8%	4.8%	6.6%
9	Shawcor Ltd.	SCL	\$27.43	\$26.50	\$28.90	\$29.70	\$30.50	9.1%	12.1%	15.1%
10	Vermilion Energy Inc.	VET	\$42.74	\$45.90	\$45.30	\$46.88	\$48.45	-1.3%	2.1%	5.6%

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.

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→ TOP TEN		Portfolio Performance				As at: 20-Apr-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	\$12.59	\$50,000	\$44,868	-\$5,132	-10.3%
2 ARC Resources Ltd.	ARX	02-Jan-18	3342	\$14.96	\$14.01	\$49,996	\$46,821	-\$3,175	-6.4%
3 Enbridge Inc.	ENB	09-Feb-18	1149	\$43.50	\$39.77	\$49,982	\$45,696	-\$4,286	-8.6%
4 Enerecare Inc.	ECI	12-Apr-18	2,905	\$17.21	\$17.50	\$49,995	\$50,838	\$842	1.7%
5 Golcorp Inc.	G	02-Jan-18	3079	\$16.24	\$18.24	\$50,003	\$56,161	\$6,158	12.3%
6 Keyera Corp.	KEY	02-Jan-18	1,414	\$35.37	\$35.30	\$50,013	\$49,914	-\$99	-0.2%
7 Manulife Financial Corporation	MFC	02-Jan-18	1,909	\$26.19	\$23.99	\$49,997	\$45,797	-\$4,200	-8.4%
8 Saputo Inc.	SAP	15-Mar-18	1,209	\$41.35	\$41.04	\$49,992	\$49,617	-\$375	-0.7%
9 Shawcor Ltd.	SCL	02-Jan-18	1,823	\$27.43	\$26.50	\$50,005	\$48,310	-\$1,695	-3.4%
10 Vermilion Energy Inc.	VET	17-Apr-18	1,170	\$42.74	\$45.90	\$50,006	\$53,703	\$3,697	7.4%
<b>Stock Totals</b>						<b>\$499,989</b>	<b>\$491,725</b>	<b>-\$8,264</b>	<b>-1.7%</b>
						Stock Annualized Return:			<b>-5.4%</b>
Cash						\$11	\$11		
Cumulative Dividend Payments							\$3,954		
Net Trading Profits							\$27,081		
<b>Portfolio Totals</b>						<b>\$500,000</b>	<b>\$522,771</b>		<b>4.6%</b>
						Portfolio Annualized Return:			<b>14.9%</b>
<b>S&amp;P/TSX COMPOSITE INDEX .....</b>						16,209.13	15,484.32	-724.81	<b>-4.5%</b>
						S&P/TSX Comp. Annualized Return:			<b>-14.6%</b>
<b>S&amp;P/TSX 60 INDEX .....</b>						959.70	911.68	-48.02	<b>-5.0%</b>
						S&P/TSX 60 Annualized Return:			<b>-16.4%</b>

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
Parkland Fuel Corporation	02-Jan-18	09-Apr-18	\$26.89	\$28.62	\$50,015	\$53,233	\$3,218	6.4%	1860	\$29,646
Bank of Montreal	02-Jan-18	17-Apr-18	\$100.59	\$95.43	\$49,993	\$47,429	-\$2,565	-5.1%	497	\$27,081

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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 April 17, 2018:

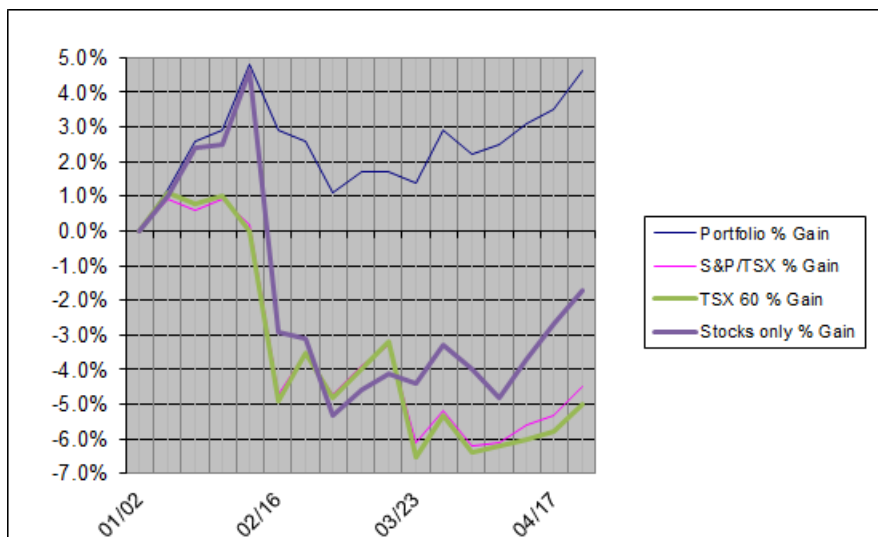
<b>TOP TEN</b>		<b>Annual Income/Yield</b>						<b>As at: 17-Apr-18</b>			
<u>Company</u>	<u>Purchase Price</u>	<u>Current Price</u>	<u>Annual Dividend</u>	<u>Annual Income</u>	<u>Purchase Yield</u>	<u>Current Yield</u>	<u>Payment Fr</u>	<u>Months</u>	<u>Period Payout</u>	<u>Pay-Out To Date</u>	
1 Algonquin Power & Utilities Corp.	\$14.03	\$12.52	\$0.59	\$2,097	4.2%	4.7%	Q	M/J/S/D	\$524	\$524	
2 ARC Resources Ltd.	\$14.96	\$13.92	\$0.60	\$2,005	4.0%	4.3%	M	28th	\$167	\$501	
3 Enbridge Inc.	\$43.50	\$41.38	\$2.68	\$3,084	6.2%	6.5%	Q	F/M/A/N	\$771	\$771	
4 Enercare Inc.	\$17.21	\$17.44	\$1.00	\$2,893	5.8%	5.7%	M	15th	\$241	\$0	
5 Goldcorp Inc.	\$16.24	\$18.00	\$0.10	\$310	0.6%	0.6%	Q	M/J/S/D	\$77	\$77	
6 Keyera Corp.	\$35.37	\$35.45	\$1.68	\$2,376	4.7%	4.7%	M	22nd	\$198	\$594	
7 Manulife Financial Corporation	\$26.19	\$23.42	\$0.82	\$1,565	3.1%	3.5%	Q	F/M/A/N	\$391	\$391	
8 Saputo Inc.	\$41.35	\$41.08	\$0.64	\$774	1.5%	1.6%	Q	M/J/S/D	\$193	\$193	
9 Shawcor Ltd.	\$27.43	\$25.37	\$0.60	\$1,094	2.2%	2.4%	Q	M/M/A/N	\$273	\$273	
10 Vermilion Energy Inc.	\$42.74	\$43.36	\$2.76	<u>\$3,229</u>	<u>6.5%</u>	<u>6.4%</u>	M	28th	\$269	<u>\$0</u>	
<b>Portfolio Totals</b>				<b>\$16,197</b>	<b>3.2%</b>	<b>3.3%</b>					
<b>Dividends, Companies Sold</b>								<b><u>\$619</u></b>			
<b>Total Dividends Received</b>								<b><u>\$3,945</u></b>			

## Comparison

For comparative purposes, the following graph depicts the performance, since initiation, of the eResearch portfolio (**LIGHT BLUE** line) and the stock portion only (heavy **DARK BLUE** line) against the S&P/TSX Composite Index (**PINK** line) and the S&P/TSX 60 (**GREEN** line).

The portfolio is performing much better than either of the market indexes, (trading profits):

Portfolio performance = +4.6%  
 Stock portion only = -1.7%  
 S&P/TSX Composite = -4.5%  
 S&P/TSX 60 = -5.0%



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