

Long-Term Perspective

May 25, 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: Very little overall change in the portfolio this past week. Saputo is the only stock to have reached a Target Price. We probably will have to raise them.

The current portfolio is presented below.

TOP TEN		Share Price Information		As at: 25-May-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	\$12.82	\$13.70	\$14.00	\$14.30	6.9%	9.2%	11.5%
2 Canadian Tire Corporation	CTC.A	\$163.15	\$166.17	\$168.75	\$172.00	\$175.00	1.6%	3.5%	5.3%
3 Enbridge Inc.	ENB	\$43.50	\$40.53	\$45.30	\$46.88	\$48.45	11.8%	15.7%	19.5%
4 Enercare Inc.	ECI	\$17.21	\$17.40	\$18.00	\$18.75	\$19.50	3.4%	7.8%	12.1%
5 Goldcorp Inc.	G	\$16.24	\$18.22	\$18.75	\$19.15	\$19.50	2.9%	5.1%	7.0%
6 Keyera Corp.	KEY	\$35.37	\$34.12	\$37.50	\$39.00	\$40.50	9.9%	14.3%	18.7%
7 Manulife Financial Corporation	MFC	\$26.19	\$24.93	\$27.35	\$28.13	\$28.90	9.7%	12.8%	15.9%
8 Saputo Inc.	SAP	\$41.35	\$44.14	\$43.00	\$43.75	\$44.50	-2.6%	-0.9%	0.8%
9 Shawcor Ltd.	SCL	\$27.43	\$25.14	\$28.90	\$29.70	\$30.50	15.0%	18.1%	21.3%
10 Vermilion Energy Inc.	VET	\$42.74	\$45.10	\$46.88	\$48.45	\$50.00	3.9%	7.4%	10.9%

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 **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: 25-May-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	3,564	\$14.03	\$12.82	\$50,000	\$45,688	-\$4,312	-8.6%
2 Canadian Tire Corporation	CTC.A	14-May-18	306	\$163.15	\$166.17	\$49,924	\$50,848	\$924	1.9%
3 Enbridge Inc.	ENB	09-Feb-18	1,150	\$43.50	\$40.53	\$50,025	\$46,610	-\$3,416	-6.8%
4 Enercare Inc.	ECI	12-Apr-18	2,905	\$17.21	\$17.40	\$49,995	\$50,547	\$552	1.1%
5 Goldcorp Inc.	G	02-Jan-18	3,079	\$16.24	\$18.22	\$50,003	\$56,099	\$6,096	12.2%
6 Keyera Corp.	KEY	02-Jan-18	1,414	\$35.37	\$34.12	\$50,013	\$48,246	-\$1,768	-3.5%
7 Manulife Financial Corporation	MFC	02-Jan-18	1,909	\$26.19	\$24.93	\$49,997	\$47,591	-\$2,405	-4.8%
8 Saputo Inc.	SAP	15-Mar-18	1,209	\$41.35	\$44.14	\$49,992	\$53,365	\$3,373	6.7%
9 Shawcor Ltd.	SCL	02-Jan-18	1,823	\$27.43	\$25.14	\$50,005	\$45,830	-\$4,175	-8.3%
10 Vermilion Energy Inc.	VET	17-Apr-18	1,170	\$42.74	\$45.10	<u>\$50,006</u>	<u>\$52,767</u>	<u>\$2,761</u>	<u>5.5%</u>
Stock Totals						\$499,960	\$497,591	-\$2,368	-0.5%
						Stock Annualized Return:		-1.2%	
Cash						\$40	\$40		
Cumulative Dividend Payments							\$4,474		
Net Trading Profits							<u>\$22,001</u>		
Portfolio Totals						<u>\$500,000</u>	<u>\$524,107</u>	4.8%	
						Portfolio Annualized Return:		11.9%	
S&P/TSX COMPOSITE INDEX						16,209.13	16,075.67	-133.46	-0.8%
						S&P/TSX Comp. Annualized Return:		-2.0%	
S&P/TSX 60 INDEX						959.70	952.05	-7.65	-0.8%
						S&P/TSX 60 Annualized Return:		-2.0%	

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%	1,860	\$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
ARC Resources Ltd.	02-Jan-18	14-May-18	\$14.96	\$13.44	\$49,996	\$44,916	-\$5,080	-10.2%	3,342	\$22,001

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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 30, 2018:

TOP TEN

Annual Income/Yield

As at: 30-Apr-18

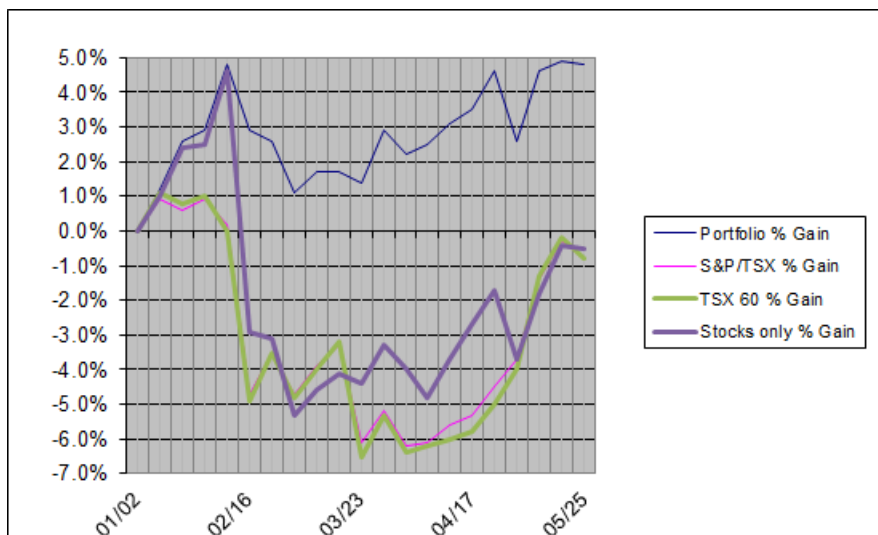
Company	Purchase Price	Current Price	Annual Dividend	Annual Income	Purchase Yield	Current Yield	Payment Fr	Months	Period Payout	Pay-Out To Date
1 Algonquin Power & Utilities Corp.	\$14.03	\$12.50	\$0.60	\$2,147	4.3%	4.8%	Q	M/J/S/D	\$537	\$537
2 ARC Resources Ltd.	\$14.96	\$14.32	\$0.60	\$2,005	4.0%	4.2%	M	28th	\$167	\$668
3 Enbridge Inc.	\$43.50	\$38.89	\$2.68	\$3,084	6.2%	6.9%	Q	F/M/A/N	\$771	\$771
4 Enercare Inc.	\$17.21	\$17.36	\$1.00	\$2,893	5.8%	5.7%	M	15th	\$241	\$241
5 Goldcorp Inc.	\$16.24	\$17.04	\$0.10	\$317	0.6%	0.6%	Q	M/J/S/D	\$79	\$79
6 Keyera Corp.	\$35.37	\$34.57	\$1.68	\$2,376	4.7%	4.9%	M	22nd	\$198	\$792
7 Manulife Financial Corporation	\$26.19	\$24.23	\$0.82	\$1,565	3.1%	3.4%	Q	F/M/A/N	\$391	\$391
8 Saputo Inc.	\$41.35	\$41.63	\$0.64	\$774	1.5%	1.5%	Q	M/J/S/D	\$193	\$193
9 Shawcor Ltd.	\$27.43	\$24.84	\$0.60	\$1,094	2.2%	2.4%	Q	M/M/A/N	\$273	\$273
10 Vermilion Energy Inc.	\$42.74	\$43.40	\$2.76	\$3,229	6.5%	6.4%	M	28th	\$269	\$269
Portfolio Totals				\$16,255	3.3%	3.4%				\$3,947
Dividends, Companies Sold										\$619
Total Dividends Received										\$4,566

Comparison

For comparative purposes, the following graph depicts the performance, since initiation, of the eResearch portfolio (BLUE line) and the stock portion only (heavy PURPLE 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 = +4.8%
 Stock portion only = -0.5%
 S&P/TSX Composite = -0.8%
 S&P/TSX 60 = -0.8%



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