

Long-Term Perspective

June 7, 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 did a trade this morning. Sold Goldcorp for a profit of \$6,650, representing a gain of 13.3%. With the proceeds, we bought Extendicare Inc. Goldcorp was yielding 0.6%. Extendicare yields 6.3%. Saputo took a meaningful turn down today, but Enercare has been performing better lately.

The current portfolio is presented below.

TOP TEN		Share Price Information		As at: 07-Jun-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	\$12.36	\$13.70	\$14.00	\$14.30	10.8%	13.3%	15.7%
2 Canadian Tire Corporation	CTC.A	\$163.15	\$167.10	\$168.75	\$172.00	\$175.00	1.0%	2.9%	4.7%
3 Enbridge Inc.	ENB	\$43.50	\$40.63	\$45.30	\$46.88	\$48.45	11.5%	15.4%	19.2%
4 Enercare Inc.	ECI	\$17.21	\$18.02	\$18.00	\$18.75	\$19.50	-0.1%	4.1%	8.2%
5 Extendicare Inc.	EXE	\$7.61	\$7.49	\$8.20	\$8.60	\$9.00	9.5%	14.8%	20.2%
6 Keyera Corp.	KEY	\$35.37	\$36.75	\$37.50	\$39.00	\$40.50	2.0%	6.1%	10.2%
7 Manulife Financial Corporation	MFC	\$26.19	\$24.75	\$27.35	\$28.13	\$28.90	10.5%	13.7%	16.8%
8 Saputo Inc.	SAP	\$41.35	\$42.25	\$44.50	\$45.25	\$46.00	5.3%	7.1%	8.9%
9 Shawcor Ltd.	SCL	\$27.43	\$26.71	\$28.90	\$29.70	\$30.50	8.2%	11.2%	14.2%
10 Vermilion Energy Inc.	VET	\$42.74	\$45.63	\$46.88	\$48.45	\$50.00	2.7%	6.2%	9.6%

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 **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: 07-Jun-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	\$12.36	\$50,000	\$44,048	-\$5,952	-11.9%
2 Canadian Tire Corporation	CTC.A	14-May-18	306	\$163.15	\$167.10	\$49,924	\$51,133	\$1,209	2.4%
3 Enbridge Inc.	ENB	09-Feb-18	1,150	\$43.50	\$40.63	\$50,025	\$46,725	-\$3,301	-6.6%
4 Enercare Inc.	ECI	12-Apr-18	2,905	\$17.21	\$18.02	\$49,995	\$52,348	\$2,353	4.7%
5 Extencicare Inc.	EXE	07-Jun-18	6,576	\$7.61	\$7.49	\$50,043	\$49,254	-\$789	-1.6%
6 Keyera Corp.	KEY	02-Jan-18	1,414	\$35.37	\$36.75	\$50,013	\$51,965	\$1,951	3.9%
7 Manulife Financial Corporation	MFC	02-Jan-18	1,909	\$26.19	\$24.75	\$49,997	\$47,248	-\$2,749	-5.5%
8 Saputo Inc.	SAP	15-Mar-18	1,209	\$41.35	\$42.25	\$49,992	\$51,080	\$1,088	2.2%
9 Shawcor Ltd.	SCL	02-Jan-18	1,823	\$27.43	\$26.71	\$50,005	\$48,692	-\$1,313	-2.6%
10 Vermilion Energy Inc.	VET	17-Apr-18	1,170	\$42.74	\$45.63	<u>\$50,006</u>	<u>\$53,387</u>	<u>\$3,381</u>	<u>6.8%</u>
Stock Totals						\$500,000	\$495,880	-\$4,120	-0.8%
						Stock Annualized Return:		-1.9%	
Cash						\$0	\$0		
Cumulative Dividend Payments							\$6,379		
Net Trading Profits							<u>\$28,652</u>		
Portfolio Totals						\$500,000	\$530,911	6.2%	
						Portfolio Annualized Return:		14.1%	
S&P/TSX COMPOSITE INDEX						16,209.13	16,192.78	-16.35	-0.1%
						S&P/TSX Comp. Annualized Return:		-0.2%	
S&P/TSX 60 INDEX						959.70	956.31	-3.39	-0.4%
						S&P/TSX 60 Annualized Return:		-0.8%	

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
Goldcorp Inc.	02-Jan-18	07-Jun-18	\$16.24	\$18.40	\$50,003	\$56,654	\$6,651	13.3%	3,079	\$28,652

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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 June 7, 2018:

TOP TEN

Annual Income/Yield

As at: 07-Jun-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	\$12.36	\$0.51	\$1,828	3.7%	4.1%	Q	M/J/S/D	\$457	\$415
2 Canadian Tire Corporation	\$163.15	\$167.10	\$3.60	\$1,102	2.2%	2.2%	Q	J/O/J/A	\$275	\$0
3 Enbridge Inc.	\$43.50	\$40.63	\$2.68	\$3,087	6.2%	6.6%	Q	F/M/A/N	\$772	\$1,543
4 Enercare Inc.	\$17.21	\$18.02	\$1.00	\$2,900	5.8%	5.5%	M	15th	\$242	\$483
5 Extencare Inc.	\$7.61	\$7.49	\$0.48	\$3,156	6.3%	6.4%	M	27th	\$263	\$0
6 Keyera Corp.	\$35.37	\$36.75	\$1.68	\$2,376	4.7%	4.6%	M	22nd	\$198	\$990
7 Manulife Financial Corporation	\$26.19	\$24.75	\$0.88	\$1,680	3.4%	3.6%	Q	F/M/A/N	\$420	\$840
8 Saputo Inc.	\$41.35	\$42.25	\$0.64	\$774	1.5%	1.5%	Q	M/J/S/D	\$193	\$193
9 Shawcor Ltd.	\$27.43	\$26.71	\$0.60	\$1,094	2.2%	2.2%	Q	M/M/A/N	\$273	\$547
10 Vermilion Energy Inc.	\$42.74	\$45.63	\$2.76	\$3,229	6.5%	6.0%	M	28th	\$269	\$538
Portfolio Totals				\$17,996	3.6%	3.6%				\$5,012
Dividends, Companies Sold										\$1,367
Total Dividends Received										\$6,379

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).

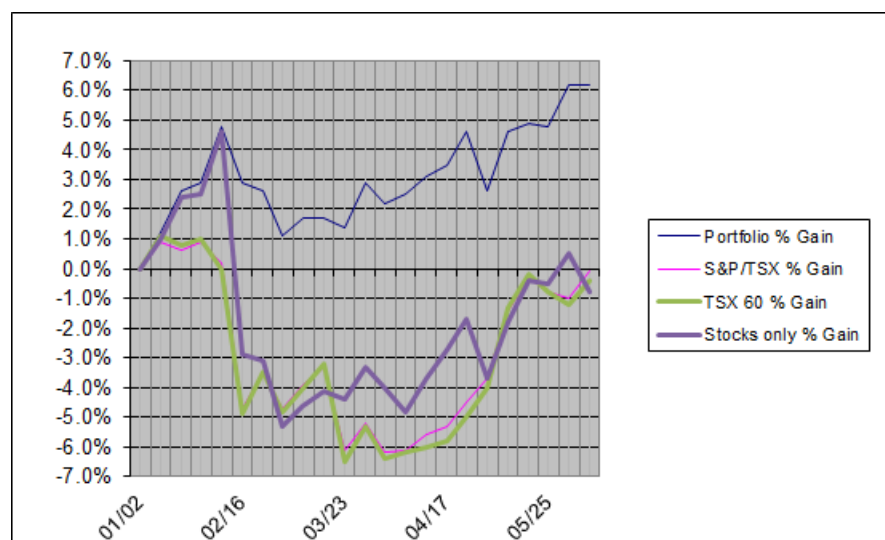
The portfolio is performing much better than either of the market indexes, (trading profits):

Portfolio performance = +6.2%

Stock portion only = -0.8%

S&P/TSX Composite = -0.1%

S&P/TSX 60 = -0.4%



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