

Long-Term Perspective

August 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, if appropriate.

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 an amount close to \$50,000.

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

THIS WEEK'S COMMENT: We added two stocks today: ATCO Ltd. and Nemaska Lithium.

The current portfolio is presented below.

TOP TEN		Share Price Information					As at: 20-Aug-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 ATCO Ltd.	ACO.X	\$39.90	\$40.06	\$40.63	\$41.40	\$42.17	1.4%	3.3%	5.3%			
2 Boralex Inc.	BLX	\$19.22	\$18.91	\$20.35	\$21.10	\$21.88	7.6%	11.6%	15.7%			
3 HudBay Minerals Inc.	HBM	\$6.79	\$6.20	\$7.03	\$7.80	\$8.60	13.4%	25.8%	38.7%			
4 Keyera Corp.	KEY	\$35.37	\$37.22	\$37.50	\$39.00	\$40.50	0.8%	4.8%	8.8%			
5 Manulife Financial Corporation	MFC	\$26.19	\$24.19	\$27.35	\$28.13	\$28.90	13.1%	16.3%	19.5%			
6 Maxar Technologies	MAXR	\$48.67	\$47.20	\$50.00	\$53.13	\$56.25	5.9%	12.6%	19.2%			
7 Nemaska Lithium	NMX	\$0.75	\$0.77	\$0.88	\$0.98	\$1.08	14.3%	27.3%	40.3%			
8 Shawcor Ltd.	SCL	\$27.43	\$28.19	\$28.90	\$29.70	\$30.50	2.5%	5.4%	8.2%			
9 Thomson Reuters Inc.	TRI	\$52.12	\$56.40	\$56.25	\$59.38	\$62.50	-0.3%	5.3%	10.8%			
10 Vermilion Energy Inc.	VET	\$42.74	\$39.79	\$46.88	\$48.45	\$50.00	17.8%	21.8%	25.7%			

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 **HudBay Minerals**, **Keyera Corporation**, and **Shawcor Ltd.**

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

<continued>

TOP TEN

Portfolio Performance

As at: 20-Aug-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 ATCO Ltd.	ACO.X	20-Aug-18	1,253	\$39.90	\$40.06	\$49,995	\$50,195	\$200	0.4%
2 Boralex Inc.	BLX	13-Aug-18	2,601	\$19.22	\$18.91	\$49,991	\$49,185	-\$806	-1.6%
3 HudBay Minerals Inc.	HBM	16-Jul-18	7,364	\$6.79	\$6.20	\$50,002	\$45,657	-\$4,345	-8.7%
4 Keyera Corp.	KEY	02-Jan-18	1,414	\$35.37	\$37.22	\$50,013	\$52,629	\$2,616	5.2%
5 Manulife Financial Corporation	MFC	02-Jan-18	1,909	\$26.19	\$24.19	\$49,997	\$46,179	-\$3,818	-7.6%
6 Maxar Technologies	MAXR	13-Aug-18	1,027	\$48.67	\$47.20	\$49,984	\$48,474	-\$1,510	-3.0%
7 Nemaska Lithium	NMX	13-Aug-18	66,667	\$0.75	\$0.77	\$50,000	\$51,334	\$1,333	2.7%
8 Shawcor Ltd.	SCL	02-Jan-18	1,823	\$27.43	\$28.19	\$50,005	\$51,390	\$1,385	2.8%
9 Thomson Reuters Inc.	TRI	08-Jun-18	959	\$52.12	\$56.40	\$49,983	\$54,088	\$4,105	8.2%
10 Vermilion Energy Inc.	VET	17-Apr-18	1,170	\$42.74	\$39.79	\$50,006	\$46,554	-\$3,452	-6.9%
Stock Totals						\$499,975	\$495,685	-\$4,291	-0.9%
						Stock Annualized Return:		-1.4%	
Cash						\$25	\$25	0.0%	
Cumulative Dividend Payments							\$7,780		
Net Trading Profits							<u>\$64,585</u>		
Portfolio Totals						\$500,000	\$568,074	\$68,074	13.6%
						Portfolio Annualized Return:		21.4%	
S&P/TSX COMPOSITE INDEX						16,209.13	16,331.03	121.90	0.8%
						S&P/TSX Comp. Annualized Return:		1.2%	
S&P/TSX 60 INDEX						959.70	972.96	13.26	1.4%
						S&P/TSX 60 Annualized Return:		2.2%	

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
Saputo Inc.	02-Jan-18	08-Jun-18	\$41.35	\$41.53	\$49,992	\$50,210	\$218	0.4%	1,209	\$28,870
Canadian Tire Corporation	14-May-18	18-Jun-18	\$163.15	\$176.00	\$49,924	\$53,856	\$3,932	7.9%	306	\$32,802
Enbridge Inc.	09-Feb-18	05-Jul-18	\$43.50	\$47.10	\$50,025	\$54,165	\$4,140	8.3%	1,150	\$36,942
Extencare Inc.	07-Jun-18	16-Jul-18	\$7.61	\$7.22	\$50,043	\$47,479	-\$2,565	-5.1%	6,576	\$34,377
Algonquin Power & Utilities Corp.	02-Jan-18	20-Jul-18	\$14.03	\$13.01	\$50,003	\$46,368	-\$3,635	-7.3%	3,564	\$30,742
Enercare Inc.	12-Apr-18	03-Aug-18	\$17.21	\$28.86	\$49,995	\$83,838	\$33,843	67.7%	2,905	\$64,585

<continued>

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, unless there is a change in the portfolio. These totals are as at August 20, 2018:

TOP TEN

Annual Income/Yield

As at: 20-Aug-18

<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>Fr</u>	<u>Months</u>	<u>Period Payout</u>	<u>Pay-Out To Date</u>
1 ATCO Ltd.	\$39.90	\$40.06	\$1.51	\$1,888	3.8%	3.8%	Q	S/D/M/J	\$472	\$0
2 Borelex Inc.	\$19.22	\$18.91	\$0.63	\$1,639	3.3%	3.3%	Q	A/N/F/M	\$410	\$0
3 HudBay Minerals Inc.	\$6.79	\$6.20	\$0.12	\$884	1.8%	1.9%	SA	Mar/Sep	\$74	\$0
4 Keyera Corp.	\$35.37	\$37.22	\$1.80	\$2,545	5.1%	4.8%	M	22nd	\$212	\$1,188
5 Manulife Financial Corporation	\$26.19	\$24.19	\$0.88	\$1,680	3.4%	3.6%	Q	F/M/A/N	\$420	\$840
6 Maxar Technologies	\$48.67	\$47.20	\$1.48	\$1,520	3.0%	3.1%	Q	S/D/M/J	\$380	\$0
7 Nemaska Lithium	\$0.75	\$0.77	\$0.00	\$0	0.0%	0.0%	--	-----	\$0	\$0
8 Shawcor Ltd.	\$27.43	\$28.19	\$0.60	\$1,094	2.2%	2.1%	Q	M/M/A/N	\$273	\$547
9 Thomson Reuters Inc.	\$52.12	\$56.40	\$1.80	\$1,726	3.5%	3.2%	Q	F/M/A/N	\$431	\$0
10 Vermilion Energy Inc.	\$42.74	\$39.79	\$2.76	<u>\$3,229</u>	<u>6.5%</u>	<u>6.9%</u>	M	28th	\$269	<u>\$807</u>
Portfolio Totals				\$7,723	1.5%	1.6%				\$2,575
Dividends, Companies Sold										<u>\$5,205</u>
Total Dividends Received										<u>\$7,780</u>

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).

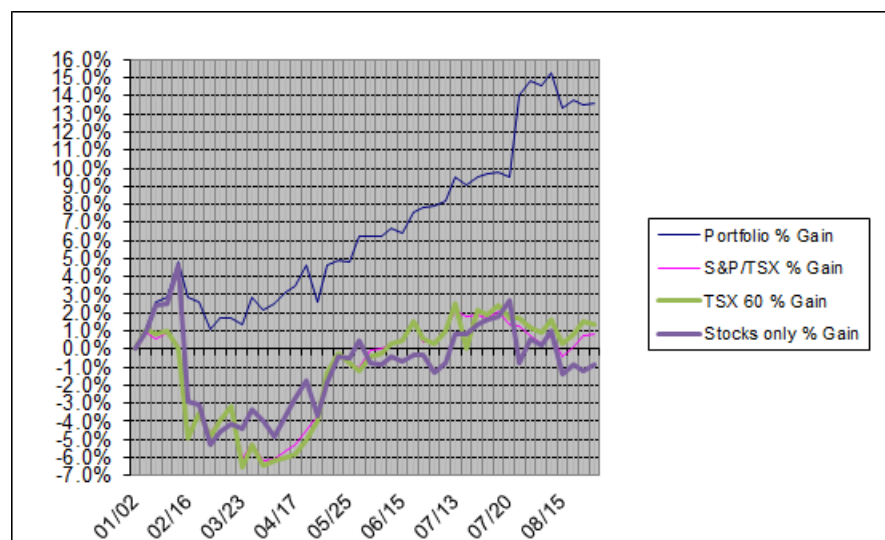
The portfolio is performing much better than either of the market indexes, (trading profits!):

Portfolio performance = +13.6% (includes dividends and trading profits)

Stock portion only = -0.9% (current stocks in the portfolio)

S&P/TSX Composite = +0.8%

S&P/TSX 60 = +1.4%



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