

Long-Term Perspective

August 31, 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:** Our Portfolio, as well as the two Indexes that we track, have essentially been flat-lining over the past week. To date, and thanks to our Trading Profits, the Portfolio is ahead by 13.4%, or 20.6% on annualized basis. At the moment, we are fully invested, this after we added ATCO Ltd. and Nemaska Lithium earlier this past week.

The current portfolio is presented below.

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TOP TEN		Share Price Information		As at: 31-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	\$39.01	\$40.63	\$41.40	\$42.17	4.2%	6.1%	8.1%
2 Boralex Inc.	BLX	\$19.22	\$19.21	\$20.35	\$21.10	\$21.88	5.9%	9.8%	13.9%
3 HudBay Minerals Inc.	HBM	\$6.79	\$6.10	\$7.03	\$7.80	\$8.60	15.2%	27.9%	41.0%
4 Keyera Corp.	KEY	\$35.37	\$35.96	\$37.50	\$39.00	\$40.50	4.3%	8.5%	12.6%
5 Manulife Financial Corporation	MFC	\$26.19	\$23.88	\$27.35	\$28.13	\$28.90	14.5%	17.8%	21.0%
6 Maxar Technologies	MAXR	\$48.67	\$40.45	\$50.00	\$53.13	\$56.25	23.6%	31.3%	39.1%
7 Nemaska Lithium	NMX	\$0.75	\$0.80	\$0.88	\$0.98	\$1.08	10.0%	22.5%	35.0%
8 Shawcor Ltd.	SCL	\$27.43	\$27.44	\$28.90	\$29.70	\$30.50	5.3%	8.2%	11.2%
9 Thomson Reuters Inc.	TRI	\$52.12	\$58.04	\$56.25	\$59.38	\$62.50	-3.1%	2.3%	7.7%
10 Vermilion Energy Inc.	VET	\$42.74	\$41.44	\$46.88	\$48.45	\$50.00	13.1%	16.9%	20.7%

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.

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## TOP TEN

## Portfolio Performance

As at: 31-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	\$39.01	\$49,995	\$48,880	-\$1,115	-2.2%
2 Boralex Inc.	BLX	13-Aug-18	2,601	\$19.22	\$19.21	\$49,991	\$49,965	-\$26	-0.1%
3 HudBay Minerals Inc.	HBM	16-Jul-18	7,364	\$6.79	\$6.10	\$50,002	\$44,920	-\$5,081	-10.2%
4 Keyera Corp.	KEY	02-Jan-18	1,414	\$35.37	\$35.96	\$50,013	\$50,847	\$834	1.7%
5 Manulife Financial Corporation	MFC	02-Jan-18	1,909	\$26.19	\$23.88	\$49,997	\$45,587	-\$4,410	-8.8%
6 Maxar Technologies	MAXR	13-Aug-18	1,027	\$48.67	\$40.45	\$49,984	\$41,542	-\$8,442	-16.9%
7 Nemaska Lithium	NMX	13-Aug-18	66,667	\$0.75	\$0.80	\$50,000	\$53,334	\$3,333	6.7%
8 Shawcor Ltd.	SCL	02-Jan-18	1,823	\$27.43	\$27.44	\$50,005	\$50,023	\$18	0.0%
9 Thomson Reuters Inc.	TRI	08-Jun-18	959	\$52.12	\$58.04	\$49,983	\$55,660	\$5,677	11.4%
10 Vermilion Energy Inc.	VET	17-Apr-18	1,170	\$42.74	\$41.44	\$50,006	\$48,485	-\$1,521	-3.0%
<b>Stock Totals</b>						<b>\$499,975</b>	<b>\$489,244</b>	<b>-\$10,732</b>	<b>-2.1%</b>
						Stock Annualized Return:			<b>-3.2%</b>
Cash						\$25	\$25		0.0%
Cumulative Dividend Payments							\$9,065		
Net Trading Profits							\$64,585		
<b>Portfolio Totals</b>						<b>\$500,000</b>	<b>\$562,918</b>	<b>\$62,918</b>	<b>12.6%</b>
						Portfolio Annualized Return:			<b>18.8%</b>
<b>S&amp;P/TSX COMPOSITE INDEX .....</b>						16,209.13	16,262.88	<b>53.75</b>	<b>0.3%</b>
						S&P/TSX Comp. Annualized Return:			<b>0.5%</b>
<b>S&amp;P/TSX 60 INDEX .....</b>						959.70	965.73	<b>6.03</b>	<b>0.6%</b>
						S&P/TSX 60 Annualized Return:			<b>0.9%</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%	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
Extendicare 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 31, 2018:

TOP TEN		Annual Income/Yield					As at: 31-Aug-18				
		Purchase	Current	Annual	Annual	Purchase	Current	Payment	Period	Pay-Out	
	<u>Company</u>	<u>Price</u>	<u>Price</u>	<u>Dividend</u>	<u>Income</u>	<u>Yield</u>	<u>Yield</u>	Fr	<u>Months</u>	<u>Payout</u>	<u>To Date</u>
1	ATCO Ltd.	\$39.90	\$39.01	\$1.51	\$1,888	3.8%	3.9%	Q	S/D/M/J	\$472	\$0
2	Boralex Inc.	\$19.22	\$19.21	\$0.63	\$1,639	3.3%	3.3%	Q	A/N/F/M	\$410	\$410
3	HudBay Minerals Inc.	\$6.79	\$6.10	\$0.12	\$884	1.8%	2.0%	SA	Mar/Sep	\$74	\$0
4	Keyera Corp.	\$35.37	\$35.96	\$1.80	\$2,545	5.1%	5.0%	M	22nd	\$212	\$1,400
5	Manulife Financial Corporation	\$26.19	\$23.88	\$0.88	\$1,680	3.4%	3.7%	Q	F/M/A/N	\$420	\$1,260
6	Maxar Technologies	\$48.67	\$40.45	\$1.48	\$1,520	3.0%	3.7%	Q	S/D/M/J	\$380	\$380
7	Nemaska Lithium	\$0.75	\$0.80	\$0.00	\$0	0.0%	0.0%	--	-----	\$0	\$0
8	Shawcor Ltd.	\$27.43	\$27.44	\$0.60	\$1,094	2.2%	2.2%	Q	M/M/A/N	\$273	\$820
9	Thomson Reuters Inc.	\$52.12	\$58.04	\$1.80	\$1,725	3.5%	3.1%	Q	F/M/A/N	\$431	\$431
10	Vermilion Energy Inc.	\$42.74	\$41.44	\$2.76	<u>\$3,229</u>	<u>6.5%</u>	<u>6.7%</u>	M	28th	\$269	<u>\$1,346</u>
Portfolio Totals					\$7,723	1.5%	1.6%				
Dividends, Companies Sold									<u>\$5,205</u>		
Total Dividends Received									<u>\$9,065</u>		
									Dividend Yield 1.8%		

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