

Top-Ten Portfolio

We have created a 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. We also utilize "trigger" sell prices as a systematic discipline.

THIS WEEK'S COMMENT: *This past week the S&P 500 Index marked time, ending pretty much where it started. The S&P/TSX Composite Index did likewise. We are not anxious to get back to a ten-stock portfolio until the market makes up its mind as to which direction it is heading. So, we are still sitting on more than \$100,000 of cash. Baytex Energy is out of the **Red**, so now the portfolio is all **Green**. Shopify continues to move higher. It looks like we will have to raise our Target Prices yet again. The Portfolio is now nicely out-performing the S&P/TSX Composite.*

The portfolio is presented below.

TOP TEN	Share Price Information		As at: 01-Mar-19		Inception: 01-Jan-19 (Dec 31/18 closing prices)			
	Company	Symbol	Purchase Price	Current Price	First Target	Second Target	First Sell (First 50%)	Second Sell (Second 50%)
1	AltaGas Ltd.	ALA	\$13.90	\$17.76	\$15.63	\$18.75	\$13.34	\$12.79
2	Baytex Energy Corp.	BTE	\$2.41	\$2.42	\$2.75	\$3.13	\$2.29	\$2.17
3	Fairfax Financial Holdings Ltd.	FFH	\$600.98	\$646.45	\$625.00	\$687.50	\$582.95	\$558.91
4	Parex Resources Inc.	PXT	\$17.66	\$20.60	\$20.30	\$21.90	\$16.95	\$16.25
5	Parkland Fuel Corporation	PKI	\$35.34	\$40.07	\$37.50	\$40.63	\$33.93	\$32.51
6	Shopify Inc.	SHOP	\$188.79	\$254.71	\$237.50	\$250.00	\$183.13	\$175.57
7	Surge Energy Inc.	SGY	\$1.34	\$1.49	\$1.55	\$1.95	\$1.27	\$1.21
8	Vermilion Energy Inc.	VET	\$28.76	\$33.90	\$31.25	\$34.38	\$27.61	\$26.46
9	Whitecap Resources Inc.	WCP	\$4.35	\$4.61	\$5.50	\$6.25	\$4.13	\$3.92

NB: Sell Price for stocks under \$10 is -5% and -10%; between \$10 and \$50, it is -4% and -8%; over \$50, it is -3% and -7%.

NB: If a stock reaches its First Sell but not its Second Sell, the holding is repurchased if it recovers to the original Purchase Price.

NB: **Green** numbers denote a stock price that has exceeded the Price Target.

NB: The Analyst, either **directly** or **indirectly**, currently owns shares in **AltaGas** and **Vermilion Energy**.

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

TOP TEN

Portfolio Performance

As at: 01-Mar-19

Initiation: 01-Jan-19

<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 AltaGas Ltd.	ALA	02-Jan-19	3,597	\$13.90	\$17.76	\$49,998	\$63,883	\$13,884	27.8%
2 Baytex Energy Corp.	BTE	02-Jan-19	20,747	\$2.41	\$2.42	\$50,000	\$50,208	\$207	0.4%
3 Fairfax Financial Holdings Ltd.	FFH	02-Jan-19	83	\$600.98	\$646.45	\$49,944	\$53,723	\$3,779	7.6%
4 Parex Resources Inc.	PXT	09-Jan-19	2,063	\$17.66	\$20.60	\$36,424	\$42,488	\$6,064	16.6%
5 Parkland Fuel Corporation	PKI	02-Jan-19	1,415	\$35.34	\$40.07	\$50,006	\$56,699	\$6,693	13.4%
6 Shopify Inc.	SHOP	02-Jan-19	100	\$188.79	\$254.71	\$18,879	\$25,471	\$6,592	34.9%
7 Surge Energy Inc.	SGY	25-Jan-19	37,314	\$1.34	\$1.49	\$50,001	\$55,598	\$5,597	11.2%
8 Vermilion Energy Inc.	VET	02-Jan-19	1,738	\$28.76	\$33.90	\$49,985	\$58,918	\$8,933	17.9%
9 Whitecap Resources Inc.	WCP	02-Jan-19	11,494	\$4.35	\$4.61	\$49,999	\$52,987	\$2,988	6.0%
Stock Totals						\$405,236	\$459,975	\$54,738	13.5%
						Stock Annualized Return:			82.0%
Cash						\$104,808	\$104,808		
Cumulative Dividend Payments							\$2,278		
Net Trading Profits							\$10,044		
Net Trading Losses							\$0		
Portfolio Totals						\$500,000	\$577,105	\$77,105	15.4%
						Portfolio Annualized Return:			93.6%
Portfolio Totals (ex Trading Profits)						\$500,000	\$567,060	\$67,061	13.4%
									81.4%
S&P/TSX COMPOSITE INDEX						14,322.86	16,068.25	1,745.39	12.2%
						S&P/TSX Comp. Annualized Return:			74.0%

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>
Maxar Technologies Ltd.	02-Jan-19	07-Jan-19	\$16.31	\$14.11	\$25,003	\$21,631	-\$3,373	-13.5%	1,533	-\$3,373
Maxar Technologies Ltd.	02-Jan-19	08-Jan-19	\$16.31	\$9.65	\$25,003	\$14,793	-\$10,210	-40.8%	1,533	-\$13,582
Goldecorp Inc.	02-Jan-19	14-Jan-19	\$13.37	\$13.87	\$50,004	\$51,874	\$1,870	3.7%	3,740	-\$11,712
Shopify Inc.	02-Jan-19	05-Feb-19	\$188.79	\$229.42	\$12,271	\$14,912	\$2,641	21.5%	65	-\$9,071
Shopify Inc.	02-Jan-19	19-Feb-19	\$188.79	\$242.20	\$18,879	\$24,220	\$5,341	28.3%	100	-\$3,730
Toromont Industries Ltd.	02-Jan-19	19-Feb-19	\$54.26	\$69.20	\$50,028	\$63,802	\$13,775	27.5%	922	\$10,044

<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 every two weeks, unless there is a change in the portfolio. These totals are as at February 22, 2019:

TOP TEN		Annual Income/Yield					As at: 01-Mar-19					
<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>Payment Months</u>	<u>Dividend Payout</u>	<u>Period Payout</u>	<u>Pay-Out To Date</u>	
1 AltaGas Ltd.	\$13.90	\$17.76	\$0.96	\$3,453	6.9%	5.4%	M	15th	\$0.08	\$288	\$288	
2 Baytex Energy Corp.	\$2.41	\$2.42	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
3 Fairfax Financial Holdings Ltd.	\$600.98	\$646.45	\$10.00	\$831	1.7%	1.5%	A	Jan	\$10.00	\$831	\$831	
4 Parex Resources Inc.	\$17.66	\$20.60	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
5 Parkland Fuel Corporation	\$35.34	\$40.07	\$1.17	\$1,661	3.3%	2.9%	M	15th	\$0.0978	\$138	\$138	
6 Shopify Inc.	\$188.79	\$254.71	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
7 Surge Energy Inc.	\$1.34	\$1.49	\$0.10	\$3,731	7.5%	6.7%	M	15th	\$0.0083	\$311	\$311	
8 Vermilion Energy Inc.	\$28.76	\$33.90	\$2.76	\$4,797	9.6%	8.1%	M	15th	\$0.23	\$400	\$400	
9 Whitecap Resources Inc.	\$4.35	\$4.61	\$0.32	<u>\$3,724</u>	<u>7.4%</u>	<u>7.0%</u>	M	15th	\$0.03	\$310	<u>\$310</u>	
Portfolio Totals				\$18,197	3.6%	3.2%						\$2,278
Dividends, Companies Sold												\$0
Total Dividends Received												<u>\$2,278</u>
											Dividend Yield (annualized)	4.7%

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