



## Long-Term Perspective

March 15, 2019

# 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:** Very little change in the Portfolio's value this past week. As mentioned in a Subscriber Alert, we added a gold security: Sprott Physical Gold & Silver Trust. It is up slightly since inclusion. Baytex Energy continues to struggle and remains the only stock in the **Red**. Although it is below the first Sell Price, the stock is so volatile that I do not want to get whip-lashed, but I must say that I am losing some patience, particularly as the price of crude oil has been trending upwards. The other disappointing stock is Fairfax Financial Holdings. Its chart patterns are not looking good. I am still short-term cautious at the moment, so there are only seven stocks in the Portfolio. Nothing has caught my eye for consideration, but I keep looking.

The portfolio is presented below.

TOP TEN		Share Price Information		As at: 15-Mar-19		Inception: 01-Jan-19 (Dec 31/18 closing prices)	
<u>Company</u>	<u>Symbol</u>	<u>Purchase Price</u>	<u>Current Price</u>	<u>First Target</u>	<u>Second Target</u>	<u>First Sell (First 50%)</u>	<u>Second Sell (Second 50%)</u>
1 AltaGas Ltd.	ALA	\$13.90	\$17.78	\$15.63	\$18.75	\$13.34	\$12.79
2 Baytex Energy Corp.	BTE	\$2.41	\$2.25	\$2.75	\$3.13	\$2.29	\$2.17
3 Fairfax Financial Holdings Ltd.	FFH	\$600.98	\$609.04	\$625.00	\$687.50	\$582.95	\$558.91
4 Parex Resources Inc.	PXT	\$17.66	\$21.16	\$20.30	\$21.90	\$16.95	\$16.25
5 Sprott Physical Gold & Silver Trust	CEF	\$16.99	\$17.03	\$17.20	\$17.60	\$16.31	\$15.63
6 Vermilion Energy Inc.	VET	\$28.76	\$33.22	\$31.25	\$34.38	\$27.61	\$26.46
7 Whitecap Resources Inc.	WCP	\$4.35	\$4.53	\$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: 15-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	\$17.78	\$49,998	\$63,955	\$13,956	27.9%
2 Baytex Energy Corp.	BTE	02-Jan-19	20,747	\$2.41	\$2.25	\$50,000	\$46,681	-\$3,320	-6.6%
3 Fairfax Financial Holdings Ltd.	FFH	02-Jan-19	83	\$600.98	\$609.04	\$49,944	\$50,614	\$670	1.3%
4 Parex Resources Inc.	PXT	09-Jan-19	2,063	\$17.66	\$21.16	\$36,424	\$43,643	\$7,219	19.8%
5 Sprott Physical Gold & Silver Trust	CEF	11-Mar-19	2,943	\$16.99	\$17.03	\$50,002	\$50,119	\$118	0.2%
6 Vermilion Energy Inc.	VET	02-Jan-19	1,738	\$28.76	\$33.22	\$49,985	\$57,736	\$7,751	15.5%
7 Whitecap Resources Inc.	WCP	02-Jan-19	11,494	\$4.35	\$4.53	\$49,999	\$52,068	\$2,069	4.1%
<b>Stock Totals</b>						<b>\$336,352</b>	<b>\$364,816</b>	<b>\$28,464</b>	<b>8.5%</b>
						Stock Annualized Return:			41.5%
Cash						\$185,507	\$185,507		
Cumulative Dividend Payments							\$3,725		
Net Trading Profits							\$21,859		
Net Trading Losses							\$0		
<b>Portfolio Totals</b>						<b>\$500,000</b>	<b>\$575,907</b>	<b>\$75,907</b>	<b>15.2%</b>
						Portfolio Annualized Return:			74.4%
<b>Portfolio Totals (ex Trading Profits)</b>						<b>\$500,000</b>	<b>\$554,048</b>	<b>\$54,047</b>	<b>10.8%</b>
									53.0%
<b>S&amp;P/TSX COMPOSITE INDEX .....</b>						14,322.86	16,140.35	1,817.49	12.7%
						S&P/TSX Comp. Return + Divs			15.0%
						Annualized Return, incl. Divs			73.7%

## 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
Goldcorp 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
Shopify Inc.	02-Jan-19	05-Mar-19	\$188.79	\$252.20	\$18,879	\$25,220	\$6,341	33.6%	100	\$16,385
Parkland Fuel Corporation	02-Jan-19	07-Mar-19	\$35.34	\$37.89	\$50,006	\$53,614	\$3,608	7.2%	1,415	\$19,994
Surge Energy Inc.	25-Jan-19	07-Mar-19	\$1.34	\$1.39	\$50,001	\$51,866	\$1,866	3.7%	37,314	\$21,859

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