

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.

TODAY'S COMMENT: *After out-performing the S&P/TSX Composite Index for more than two weeks, on Friday, the Portfolio dropped below that Index. We gave up on our latest purchase, that being Cascades Inc., and the holding was sold on Friday. The stock started off well after purchase but soon succumbed and the chart looked increasingly distraught. So, gone! At a loss of 7.5%. The reduction in two energy stocks, namely Baytex Energy Corp. and Whitecap Resources Inc., now looks good, as both are quite a bit below their sale prices. This after marching to recent highs earlier in the week. An increase in U.S. oil supplies negated the change in U.S. sanctions on buyers of Iranian oil. Still, overall, the outlook for the energy sector continues to look good, as evidenced by Occidental Petroleum out-bidding, at least for now, Chevron for Anadarko Petroleum. More M&A could be coming in this sector.*

The portfolio is presented below.

TOP TEN	Share Price Information		As at: 26-Apr-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	\$17.75	\$15.63	\$18.75	\$13.34	\$12.79
2	Baytex Energy Corp.	BTE	\$2.41	\$2.74	\$2.75	\$3.13	\$2.29	\$2.17
3	Fairfax Financial Holdings Ltd.	FFH	\$600.98	\$632.78	\$625.00	\$687.50	\$582.95	\$558.91
4	NFI Group Inc.	NFI	\$32.11	\$33.29	\$34.38	\$37.50	\$30.83	\$29.54
5	Parex Resources Inc.	PXT	\$17.66	\$22.73	\$20.30	\$21.90	\$16.95	\$16.25
6	Vermilion Energy Inc.	VET	\$28.76	\$35.15	\$31.25	\$34.38	\$27.61	\$26.46
7	Whitecap Resources Inc.	WCP	\$4.35	\$5.46	\$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: **Red** numbers denote the stock price is below the Sell Price; **Green** numbers denote the stock price exceeds the Price Target.

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

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

TOP TEN

Portfolio Performance

As at: 26-Apr-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	\$17.75	\$49,998	\$63,847	\$13,848	27.7%
2 Baytex Energy Corp.	BTE	02-Jan-19	10,000	\$2.41	\$2.74	\$24,100	\$27,400	\$3,300	13.7%
3 Fairfax Financial Holdings Ltd.	FFH	02-Jan-19	83	\$600.98	\$632.78	\$49,944	\$52,587	\$2,643	5.3%
4 NFI Group Inc.	NFI	26-Mar-19	1,557	\$32.11	\$33.29	\$49,995	\$51,833	\$1,837	3.7%
5 Parex Resources Inc.	PXT	09-Jan-19	2,063	\$17.66	\$22.73	\$36,424	\$46,881	\$10,457	28.7%
6 Vermilion Energy Inc.	VET	02-Jan-19	1,738	\$28.76	\$35.15	\$49,985	\$61,091	\$11,106	22.2%
7 Whitecap Resources Inc.	WCP	02-Jan-19	6,000	\$4.35	\$5.46	\$26,100	\$32,760	\$6,660	25.5%
Stock Totals						\$286,547	\$336,398	\$49,851	17.4%
						Stock Annualized Return:		54.8%	
Cash						\$197,650	\$197,650		
Cumulative Dividend Payments								\$5,383	
Net Trading Profits								\$34,195	
Net Trading Losses								\$0	
Portfolio Totals						\$450,001	\$573,626	\$123,624	27.5%
						Portfolio Annualized Return:		86.5%	
Portfolio Totals (ex Trading Profits)						\$450,001	\$539,431	\$89,429	19.9%
								62.6%	
S&P/TSX COMPOSITE INDEX						14,322.86	16,613.46	2,290.60	16.0%
						S&P/TSX Comp. Return + Divs		23.8%	
						Annualized Return, incl. Divs		74.9%	

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
Sprott Physical Gold & Silver Trust	11-Mar-19	01-Apr-19	\$16.99	\$16.76	\$50,002	\$49,325	-\$677	-1.4%	2,943	\$21,182
Whitecap Resources Inc.	02-Jan-19	15-Apr-19	\$4.35	\$5.76	\$23,899	\$31,645	\$7,747	32.4%	5,494	\$28,929
Baytex Energy Corp.	02-Jan-19	15-Apr-19	\$2.41	\$2.90	\$25,900	\$31,166	\$5,266	20.3%	10,747	\$34,195
Cascades Inc.	08-Apr-19	26-Apr-19	\$8.48	\$7.84	\$49,998	\$46,225	-\$3,773	-7.5%	5,896	\$30,421

<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 April 26, 2019:

TOP TEN

Annual Income/Yield

As at: 26-Apr-19

Company	Purchase	Current	Annual	Annual	Purchase	Current	Payment	Dividend	Period	Pay-Out
	Price	Price	Dividend	Income	Yield	Yield	Fr	Months	Payout	To Date
1 AltaGas Ltd.	\$13.90	\$17.75	\$0.96	\$3,453	6.9%	5.4%	M	15th	\$0.08	\$288
2 Baytex Energy Corp.	\$2.41	\$2.74	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0
3 Fairfax Financial Holdings Ltd.	\$600.98	\$632.78	\$10.00	\$831	1.7%	1.6%	A	Jan	\$10.00	\$831
4 NFI Group Inc.	\$32.11	\$33.29	\$1.70	\$2,647	5.3%	5.1%	Q	MJSD	\$0.425	\$662
5 Parex Resources Inc.	\$17.66	\$22.73	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0
6 Vermilion Energy Inc.	\$28.76	\$35.15	\$2.76	\$4,797	9.6%	7.9%	M	15th	\$0.23	\$400
7 Whitecap Resources Inc.	\$4.35	\$5.46	\$0.32	<u>\$1,944</u>	<u>7.4%</u>	<u>5.9%</u>	M	15th	\$0.03	\$162
Portfolio Totals				\$13,672	4.8%	4.1%				\$3,555
Dividends, Companies Sold										<u>\$1,828</u>
Total Dividends Received										<u>\$5,383</u>
				Dividend Yield (annualized)	5.6%					

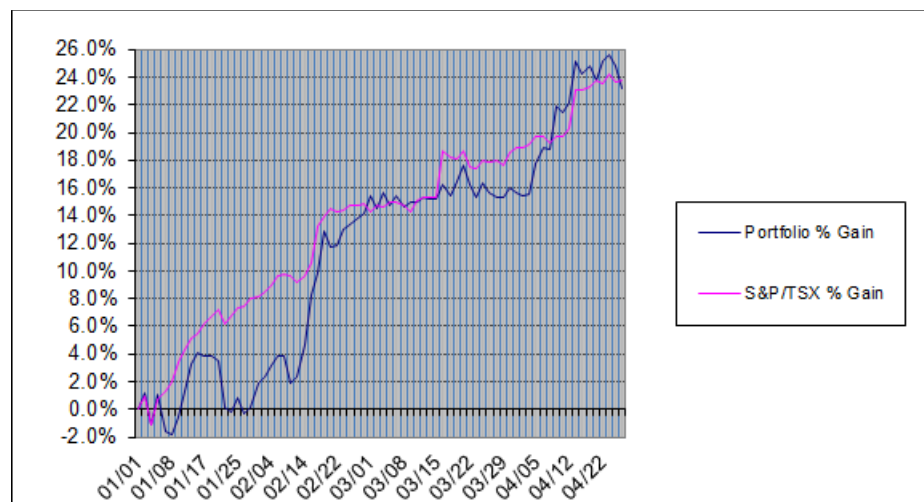
Comparison

For comparative purposes, the following graph depicts the performance, since initiation, of the eResearch portfolio (**BLUE** line) against the S&P/TSX Composite Index (**PINK** line). Both indexes include reinvested dividends, and the portfolio includes trading profits/losses.

The portfolio is performing slightly better than that of the broad market index:

Portfolio performance = +23.2% (includes dividends and trading profits)

S&P/TSX Composite = +23.8% (includes dividends)



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Contributing Analyst/Portfolio Manager: Bob Weir, CFA



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