



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: *Not a good week for the Portfolio. It dropped 2.6%. The S&P/TSX Composite Index fell 1.2%. Recently-bought Methanex Corporation has not worked out. It is currently down 6.3% although it rebounded somewhat on Friday. However, the stock is well below its First Sell price, and any further deterioration and we will lighten up. The oil stocks also did not do well last week. As mentioned before, Baytex Energy is always volatile, which is why we sold some of the position earlier, as we also did with Whitecap Resources. We will watch carefully for an opportune repurchase price for both stocks. Fairfax Financial continues to struggle, and we may let it go if it does not begin to shine a bit.*

The portfolio is presented below.

TOP TEN	Share Price Information		As at: 24-May-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	\$19.30	\$19.50	\$20.30	\$13.34	\$12.79
2	Baytex Energy Corp.	BTE	\$2.41	\$2.27	\$2.75	\$3.13	\$2.29	\$2.17
3	Fairfax Financial Holdings Ltd.	FFH	\$600.98	\$607.14	\$625.00	\$687.50	\$582.95	\$558.91
4	Methanex Corporation	MX	\$64.73	\$60.63	\$68.75	\$71.88	\$62.79	\$60.20
5	NFI Group Inc.	NFI	\$32.11	\$32.19	\$34.38	\$37.50	\$30.83	\$29.54
6	Parex Resources Inc.	PXT	\$17.66	\$20.85	\$23.45	\$25.00	\$16.95	\$16.25
7	Vermilion Energy Inc.	VET	\$28.76	\$29.19	\$31.25	\$34.38	\$27.61	\$26.46
8	Whitecap Resources Inc.	WCP	\$4.35	\$4.77	\$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 following page.

TOP TEN

Portfolio Performance

As at: 24-May-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	\$19.30	\$49,998	\$69,422	\$19,424	38.8%
2 Baytex Energy Corp.	BTE	02-Jan-19	10,000	\$2.41	\$2.27	\$24,100	\$22,700	-\$1,400	-5.8%
3 Fairfax Financial Holdings Ltd.	FFH	02-Jan-19	83	\$600.98	\$607.14	\$49,944	\$50,456	\$512	1.0%
4 Methanex Corporation	MX	16-May-19	772	\$64.73	\$60.63	\$49,972	\$46,806	-\$3,165	-6.3%
5 NFI Group Inc.	NFI	26-Mar-19	1,557	\$32.11	\$32.19	\$49,995	\$50,120	\$125	0.2%
6 Parex Resources Inc.	PXT	09-Jan-19	2,063	\$17.66	\$20.85	\$36,424	\$43,003	\$6,579	18.1%
7 Vermilion Energy Inc.	VET	02-Jan-19	1,738	\$28.76	\$29.19	\$49,985	\$50,732	\$747	1.5%
8 Whitecap Resources Inc.	WCP	02-Jan-19	6,000	\$4.35	\$4.77	\$26,100	\$28,620	\$2,520	9.7%
Stock Totals						\$336,518	\$361,860	\$25,342	7.5%
						Stock Annualized Return:			19.2%
								<u>%</u>	
Stock Totals							\$361,860		61%
Cash						\$193,903	\$193,903		33%
Cumulative Dividend Payments							\$6,233		1%
Net Trading Profits/(Losses)						\$30,421	\$30,421		5%
Portfolios Totals									100%
Portfolio Totals						\$500,000	\$592,418	\$92,417	18.5%
						Portfolio Annualized Return:			47.1%
Portfolio Totals (ex Trading Profits)						\$500,000	\$561,996	\$61,996	12.4%
									31.6%
S&P/TSX Composite Index						14,322.86	16,230.04	1,907.18	13.3%
						S&P/TSX Comp. Return + Divs			13.6%
						Annualized Return, incl. Divs			34.6%

Portfolio Percentages

Stocks	61.1%
Cash	32.7%
Cumulative Dividends	1.1%
Net Trading Profits	5.1%
TOTAL	100.0%

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
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

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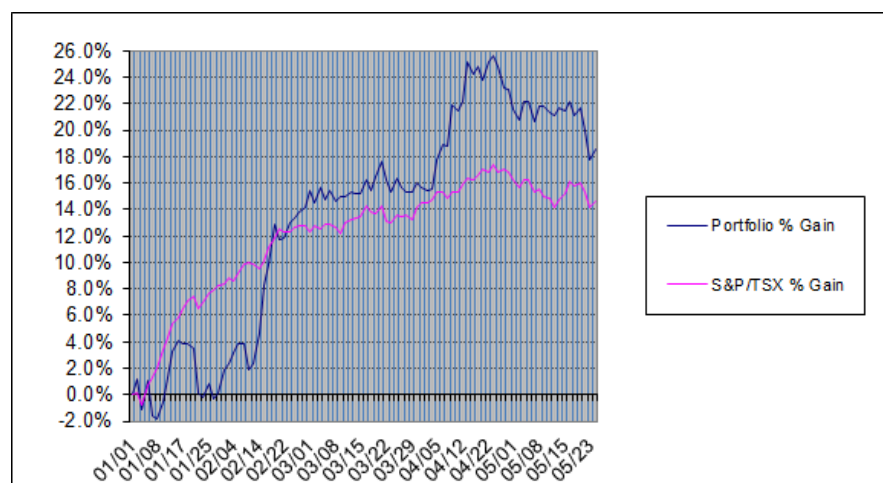
Below, we provide a table that indicates the annual dividend, the corresponding annual income and equity yields, and the dividend pay-outs to date since inception. This table is updated every two weeks, unless there is a change in the portfolio. These totals are as at May 17, 2019:

TOP TEN		Annual Income/Yield				As at: 17-May-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>Payment Fr</u>	<u>Months</u>	<u>Dividend Payout</u>	<u>Period Payout</u>	<u>Pay-Out To Date</u>	
1 AltaGas Ltd.	\$13.90	\$19.25	\$0.96	\$3,453	6.9%	5.0%	M	15th	\$0.08	\$288	\$1,151	
2 Baytex Energy Corp.	\$2.41	\$2.60	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
3 Fairfax Financial Holdings Ltd.	\$600.98	\$611.21	\$10.00	\$831	1.7%	1.6%	A	Jan	\$10.00	\$831	\$831	
4 Methanex Corporation	\$64.73	\$63.56	\$0.66	\$510	1.0%	1.0%	Q	MJSD	\$0.165	\$127	\$0	
5 NFI Group Inc.	\$32.11	\$31.92	\$1.70	\$2,647	5.3%	5.3%	Q	MJSD	\$0.425	\$662	\$662	
6 Parex Resources Inc.	\$17.66	\$22.17	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
7 Vermilion Energy Inc.	\$28.76	\$31.01	\$2.76	\$4,797	9.6%	8.9%	M	15th	\$0.23	\$400	\$1,599	
8 Whitecap Resources Inc.	\$4.35	\$5.08	\$0.32	<u>\$1,944</u>	<u>7.4%</u>	<u>6.4%</u>	M	15th	\$0.027	\$162	<u>\$162</u>	
Portfolio Totals				\$14,181	4.2%	3.8%						\$4,405
Dividends, Companies Sold												<u>\$1,828</u>
Total Dividends Received												<u>\$6,233</u>
					Dividend Yield (annualized)	4.1%						

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 better than that of the broad market index, but the gap is narrowing:
 Portfolio performance = +18.5% (includes dividends and trading profits)
 S&P/TSX Composite = +14.6% (includes dividends)



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