



Long-Term Perspective

June 21, 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, with discretion.*

**TODAY'S COMMENT:** *Our Energy stocks recovered a bit this past week. Only one of the three Energy stocks is in the **red**, which is Whitecap Resources. We are still looking to reducing our exposure to the Energy sector but will continue the ride that is currently underway. We raised the Target Prices of the Gold Miners ETF and NFI Group. However, given the strong advance in both of these stocks recently, we are going to sell both come Monday morning (unless extenuating circumstances dictate otherwise). The Portfolio is now up 22.2% since inception compared to 16.9% for the S&P/TSX Composite Index.*

The portfolio is presented below.

TOP TEN	Share Price Information		As at: 21-Jun-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	\$19.81	\$19.50	\$20.30	\$19.02	\$18.23
2	Baytex Energy Corp.	BTE	\$2.22	\$2.12	\$2.75	\$3.13	\$2.11	\$2.00
3	Canada Goose Holdings Inc.	GOOS	\$45.54	\$49.25	\$50.00	\$56.25	\$47.28	\$45.31
4	Canadian Gold Miners Bull ETF	HGU	\$11.77	\$14.00	\$13.25	\$14.05	\$13.44	\$12.88
5	Fairfax Financial Holdings Ltd.	FFH	\$600.98	\$655.00	\$625.00	\$687.50	\$635.35	\$609.15
6	NFI Group Inc.	NFI	\$32.11	\$38.68	\$37.50	\$39.05	\$37.13	\$35.59
7	Norbord Inc.	OSB	\$28.98	\$31.48	\$29.70	\$31.25	\$27.82	\$26.66
8	Parex Resources Inc.	PXT	\$17.66	\$21.31	\$23.45	\$25.00	\$20.46	\$19.61
9	Vermilion Energy Inc.	VET	\$28.76	\$28.44	\$31.25	\$34.38	\$27.61	\$26.46
10	Whitecap Resources Inc.	WCP	\$4.55	\$4.30	\$5.50	\$6.25	\$4.32	\$4.09

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: **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: 21-Jun-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	\$19.81	\$49,998	\$71,257	\$21,258	42.5%
2 Baytex Energy Corp.	BTE	02-Jan-19	22,000	\$2.22	\$2.12	\$48,820	\$46,640	-\$2,180	-4.5%
3 Canada Goose Holdings Inc.	GOOS	30-May-19	1,098	\$45.54	\$49.25	\$50,003	\$54,077	\$4,074	8.1%
4 Canadian Gold Miners Bull ETF	HGU	13-Jun-19	4,248	\$11.77	\$14.00	\$49,999	\$59,472	\$9,473	18.9%
5 Fairfax Financial Holdings Ltd.	FFH	02-Jan-19	83	\$600.98	\$655.00	\$49,944	\$54,434	\$4,489	9.0%
6 NFI Group Inc.	NFI	26-Mar-19	1,557	\$32.11	\$38.68	\$49,995	\$60,225	\$10,229	20.5%
7 Norbord Inc.	OSB	13-Jun-19	1,725	\$28.98	\$31.48	\$49,991	\$54,303	\$4,313	8.6%
8 Parex Resources Inc.	PXT	09-Jan-19	2,063	\$17.66	\$21.31	\$36,424	\$43,952	\$7,528	20.7%
9 Vermilion Energy Inc.	VET	02-Jan-19	1,738	\$28.76	\$28.44	\$49,985	\$49,429	-\$556	-1.1%
10 Whitecap Resources Inc.	WCP	02-Jan-19	11,241	\$4.55	\$4.30	\$51,100	\$48,336	-\$2,763	-5.4%

**Stock Totals** **\$486,259      \$542,124      \$55,865      11.5%**

Stock Annualized Return: 24.4%

			<u>%</u>
Stock Totals		\$542,124	89%
Cash	\$37,624	\$37,624	6%
Cumulative Dividend Payments		\$7,365	1%
Net Trading Profits/(Losses)	\$23,883	\$23,883	4%
Portfolios Totals			100%

**Portfolio Totals** **\$500,000      \$610,995      \$110,995      22.2%**

Portfolio Annualized Return: 47.2%

**Portfolio Totals (ex Trading Profits)** **\$500,000      \$587,112      \$87,113      17.4%**

37.0%

**S&P/TSX Composite Index .....** **14,322.86      16,525.43      2,202.57      15.4%**

S&P/TSX Comp. Return + Divs 15.6%

Annualized Return, incl. Divs 33.2%

**Portfolio Percentages**

Stocks	88.7%
Cash	6.2%
Cumulative Dividends	1.2%
Net Trading Profits	<u>3.9%</u>
<b>TOTAL</b>	<b>100.0%</b>

**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
Methanex Corporation	16-May-19	31-May-19	\$64.73	\$56.26	\$49,972	\$43,433	-\$6,539	-13.1%	772	\$23,883

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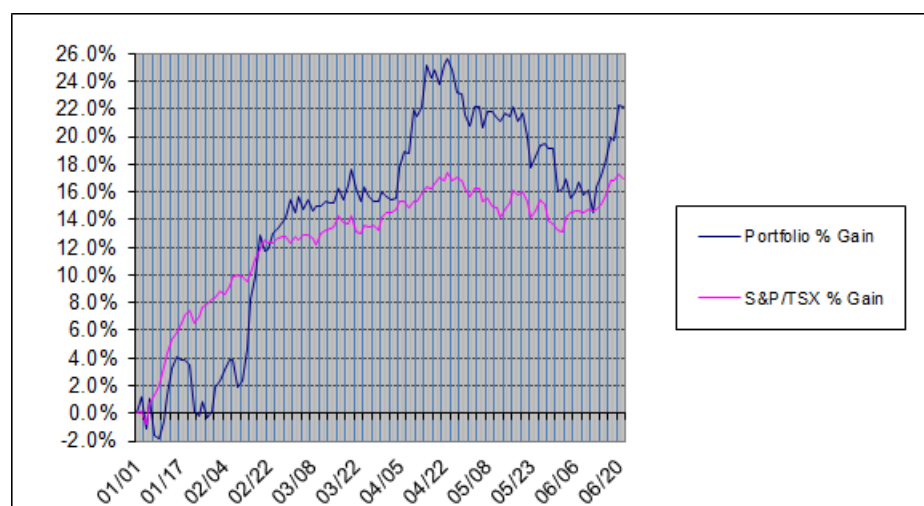
Below, we provide a table that indicates the annual dividend, the corresponding annual income and equity yields, and the dividend pay-outs to date since inception. This table is updated every two weeks, unless there is a change in the portfolio. These totals are as at June 14, 2019:

<b>TOP TEN</b>		<b>Annual Income/Yield</b>				<b>As at: 14-Jun-19</b>						
<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>Payment Months</u>	<u>Dividend Payout</u>	<u>Period Payout</u>	<u>Pay-Out To Date</u>	
1 AltaGas Ltd.	\$13.90	\$19.18	\$0.96	\$3,453	6.9%	5.0%	M	15th	\$0.08	\$288	\$1,151	
2 Baytex Energy Corp.	\$2.22	\$1.95	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
3 Canada Goose Holdings Inc.	\$45.54	\$49.18	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
4 Canadian Gold Miners Bull ETF	\$11.77	\$12.06	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
5 Fairfax Financial Holdings Ltd.	\$600.98	\$633.33	\$10.00	\$831	1.7%	1.6%	A	Jan	\$10.00	\$831	\$831	
6 NFI Group Inc.	\$32.11	\$37.90	\$1.70	\$2,647	5.3%	4.5%	Q	MJSD	\$0.425	\$662	\$662	
7 Norbord Inc.	\$28.98	\$31.38	\$1.60	\$2,760	5.5%	5.1%	Q	FMAN	\$0.40	\$690	\$0	
8 Parex Resources Inc.	\$17.66	\$20.51	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0	
9 Vermilion Energy Inc.	\$28.76	\$26.78	\$2.76	\$4,797	9.6%	10.3%	M	15th	\$0.23	\$400	\$1,599	
10 Whitecap Resources Inc.	\$4.55	\$4.14	\$0.32	<u>\$3,642</u>	<u>7.1%</u>	<u>7.8%</u>	M	15th	\$0.027	\$304	<u>\$304</u>	
<b>Portfolio Totals</b>				<b>\$18,130</b>	<b>3.7%</b>	<b>3.5%</b>						<b>\$4,546</b>
<b>Dividends, Companies Sold</b>												<b><u>\$1,828</u></b>
<b>Total Dividends Received</b>												<b><u>\$6,374</u></b>

## 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 still performing much better than that of the broad market index:  
 Portfolio performance = +22.2% (includes dividends and trading profits)  
 S&P/TSX Composite = +16.9% (includes dividends)



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