

## 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:** *Even though the Portfolio is up over 24% since inception at the beginning of the year, some of the holdings have been bogged down for a while. I have bemoaned the poor performance of the Energy stocks many times, but I am still reluctant to jettison them at this point when they are "down and out". Given how volatile they are, it would be embarrassing to sell now and watch them explode to the upside on some unknown, unexpected catalyst that emerges in the oil patch. However, to see the Energy sector not respond to the OPEC+ announcement that it will continue to curtail production is not at all encouraging. Holding onto NFI turned out to be the prudent thing to do as it gained almost 3% last week. Canada Goose did well last week, too. AltaGas continues to plod ever higher.*

The portfolio is presented below.

TOP TEN	Share Price Information		As at: 05-Jul-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	\$20.05	\$19.50	\$20.30	\$19.25	\$18.45
2	Baytex Energy Corp.	BTE	\$2.22	\$1.91	\$2.75	\$3.13	\$2.11	\$2.00
3	Canada Goose Holdings Inc.	GOOS	\$45.54	\$53.33	\$50.00	\$56.25	\$51.20	\$49.06
4	Fairfax Financial Holdings Ltd.	FFH	\$600.98	\$642.65	\$625.00	\$687.50	\$623.37	\$597.66
5	NFI Group Inc.	NFI	\$32.11	\$37.78	\$37.50	\$39.05	\$36.27	\$34.76
6	Norbord Inc.	OSB	\$28.98	\$32.74	\$29.70	\$31.25	\$27.82	\$26.66
7	Parex Resources Inc.	PXT	\$17.66	\$20.43	\$23.45	\$25.00	\$19.61	\$18.80
8	Vermilion Energy Inc.	VET	\$28.76	\$28.37	\$31.25	\$34.38	\$27.61	\$26.46
9	Whitecap Resources Inc.	WCP	\$4.55	\$4.26	\$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: 05-Jul-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	\$20.05	\$49,998	\$72,120	\$22,122	44.2%
2 Baytex Energy Corp.	BTE	02-Jan-19	22,000	\$2.22	\$1.91	\$48,820	\$42,020	-\$6,800	-13.9%
3 Canada Goose Holdings Inc.	GOOS	30-May-19	1,098	\$45.54	\$53.33	\$50,003	\$58,556	\$8,553	17.1%
4 Fairfax Financial Holdings Ltd.	FFH	02-Jan-19	83	\$600.98	\$642.65	\$49,944	\$53,407	\$3,463	6.9%
5 NFI Group Inc.	NFI	26-Mar-19	1,557	\$32.11	\$37.78	\$49,995	\$58,823	\$8,828	17.7%
6 Norbord Inc.	OSB	13-Jun-19	1,725	\$28.98	\$32.74	\$49,991	\$56,477	\$6,486	13.0%
7 Parex Resources Inc.	PXT	09-Jan-19	2,063	\$17.66	\$20.43	\$36,424	\$42,137	\$5,713	15.7%
8 Vermilion Energy Inc.	VET	02-Jan-19	1,738	\$28.76	\$28.37	\$49,985	\$49,307	-\$678	-1.4%
9 Whitecap Resources Inc.	WCP	02-Jan-19	11,241	\$4.55	\$4.26	\$51,100	\$47,887	-\$3,213	-6.3%
<b>Stock Totals</b>						<b>\$436,260</b>	<b>\$480,734</b>	<b>\$44,475</b>	<b>10.2%</b>
						Stock Annualized Return:			20.2%

### Portfolio Percentages

			<u>%</u>
Stock Totals		\$480,734	77%
Cash	\$97,903	\$97,903	16%
Cumulative Dividend Payments		\$8,276	1%
Net Trading Profits/(Losses)	\$34,163	\$34,163	6%
Portfolios Totals			100%

### Portfolio Totals

<b>\$500,000</b>	<b>\$621,075</b>	<b>\$121,076</b>	<b>24.2%</b>
Portfolio Annualized Return:			47.9%

### Portfolio Totals (ex Trading Profits)

\$500,000	\$586,913	\$86,913	17.4%
			34.4%

### S&P/TSX Composite Index .....

14,322.86	16,541.99	2,219.13	15.5%
S&P/TSX Comp. Return + Divs			17.1%
Annualized Return, incl. Divs			33.7%

## 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
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
Canadian Gold Miners Bull ETF	13-Jun-19	24-Jun-19	\$11.77	\$14.19	\$49,999	\$60,279	\$10,280	20.6%	4,248	\$34,163

<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 June 28, 2019:

### TOP TEN

### Annual Income/Yield

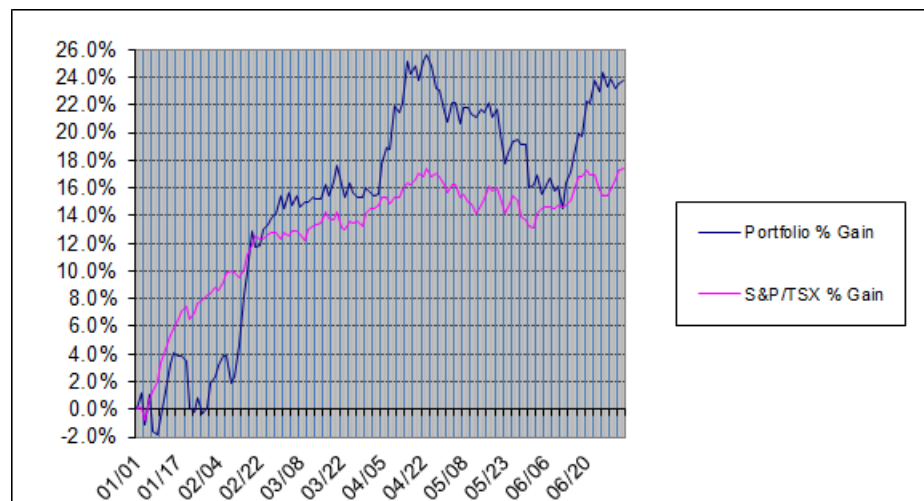
As at: 28-Jun-19

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	\$19.81	\$0.96	\$3,453	6.9%	4.8%	M	15th	\$0.08	\$288	\$1,439
2 Baytex Energy Corp.	\$2.22	\$2.03	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0
3 Canada Goose Holdings Inc.	\$45.54	\$50.69	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0
4 Fairfax Financial Holdings Ltd.	\$600.98	\$642.76	\$10.00	\$831	1.7%	1.6%	A	Jan	\$10.00	\$831	\$831
5 NFI Group Inc.	\$32.11	\$36.90	\$1.70	\$2,647	5.3%	4.6%	Q	MJSD	\$0.425	\$662	\$662
6 Norbord Inc.	\$28.98	\$32.46	\$1.60	\$2,760	5.5%	4.9%	Q	FMAN	\$0.40	\$690	\$0
7 Parex Resources Inc.	\$17.66	\$21.01	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0	\$0
8 Vermilion Energy Inc.	\$28.76	\$28.45	\$2.76	\$4,797	9.6%	9.7%	M	15th	\$0.23	\$400	\$1,999
9 Whitecap Resources Inc.	\$4.55	\$4.25	\$0.32	\$3,642	7.1%	7.6%	M	15th	\$0.027	\$304	\$1,518
<b>Portfolio Totals</b>				<b>\$18,130</b>	<b>4.2%</b>	<b>3.8%</b>					<b>\$6,448</b>
<b>Dividends, Companies Sold</b>											<b>\$1,828</b>
<b>Total Dividends Received</b>											<b>\$8,276</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 = +24.2% (includes dividends and trading profits)  
 S&P/TSX Composite = +17.1% (includes dividends)



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