

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: *The Portfolio dropped 2.6% last week compared to "no change" for the S&P/TSX Composite Index, and it was only a relatively strong performance on Friday that prevented the Portfolio from even further embarrassment. AltaGas went technically negative this week and we were already to sell it if on Friday it continued to show weakness. It stayed stable so it is still in the Portfolio but is "on watch". It is a broken record but the energy stocks continue to under-perform. We still intend to "purge" them from this Portfolio if the group can show any strength. The problem is we are having some difficulty finding stocks that are at attractive prices in this over-valued market. Some of our stocks are really bogged down: Fairfax and Parex, for instance. We also are considering jettisoning NFI.*

The portfolio is presented below.

TOP TEN	Share Price Information		As at: 19-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	\$19.62	\$19.50	\$20.30	\$18.84	\$18.05
2	Baytex Energy Corp.	BTE	\$2.22	\$1.88	\$2.75	\$3.13	\$2.11	\$2.00
3	Canada Goose Holdings Inc.	GOOS	\$45.54	\$57.72	\$50.00	\$56.25	\$55.41	\$53.10
4	Fairfax Financial Holdings Ltd.	FFH	\$600.98	\$620.00	\$625.00	\$687.50	\$601.40	\$576.60
5	NFI Group Inc.	NFI	\$32.11	\$31.00	\$37.50	\$39.05	\$29.76	\$28.52
6	Norbord Inc.	OSB	\$28.98	\$30.87	\$29.70	\$31.25	\$27.82	\$26.66
7	Parex Resources Inc.	PXT	\$17.66	\$21.91	\$23.45	\$25.00	\$21.03	\$20.16
8	Vermilion Energy Inc.	VET	\$28.76	\$26.08	\$31.25	\$34.38	\$27.61	\$26.46
9	Whitecap Resources Inc.	WCP	\$4.55	\$4.20	\$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: 19-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	\$19.62	\$49,998	\$70,573	\$20,575	41.2%
2 Baytex Energy Corp.	BTE	02-Jan-19	22,000	\$2.22	\$1.88	\$48,820	\$41,360	-\$7,460	-15.3%
3 Canada Goose Holdings Inc.	GOOS	30-May-19	1,098	\$45.54	\$57.72	\$50,003	\$63,377	\$13,374	26.7%
4 Fairfax Financial Holdings Ltd.	FFH	02-Jan-19	83	\$600.98	\$620.00	\$49,944	\$51,525	\$1,581	3.2%
5 NFI Group Inc.	NFI	26-Mar-19	1,557	\$32.11	\$31.00	\$49,995	\$48,267	-\$1,728	-3.5%
6 Norbord Inc.	OSB	13-Jun-19	1,725	\$28.98	\$30.87	\$49,991	\$53,251	\$3,260	6.5%
7 Parex Resources Inc.	PXT	09-Jan-19	2,063	\$17.66	\$21.91	\$36,424	\$45,189	\$8,766	24.1%
8 Vermilion Energy Inc.	VET	02-Jan-19	1,738	\$28.76	\$26.08	\$49,985	\$45,327	-\$4,658	-9.3%
9 Whitecap Resources Inc.	WCP	02-Jan-19	11,241	\$4.55	\$4.20	\$51,100	\$47,212	-\$3,887	-7.6%
Stock Totals						\$436,260	\$466,081	\$29,822	6.8%
						Stock Annualized Return:		12.5%	

Portfolio Percentages

		<u>%</u>
Stock Totals	\$466,081	77%
Cash	\$97,903	16%
Cumulative Dividend Payments	\$9,929	2%
Net Trading Profits/(Losses)	\$34,163	6%
Portfolios Totals		100%

Portfolio Totals

\$500,000	\$608,075	\$108,076	21.6%
Portfolio Annualized Return:		39.7%	

Portfolio Totals (ex Trading Profits)

\$500,000	\$573,912	\$73,913	14.8%
		27.1%	

S&P/TSX Composite Index

14,322.86	16,485.94	2,163.08	15.1%
S&P/TSX Comp. Return + Divs		16.7%	
Annualized Return, incl. Divs		30.6%	

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

There has been no change in Stocks Sold since June 24.

<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 July 19, 2019:

TOP TEN

Annual Income/Yield

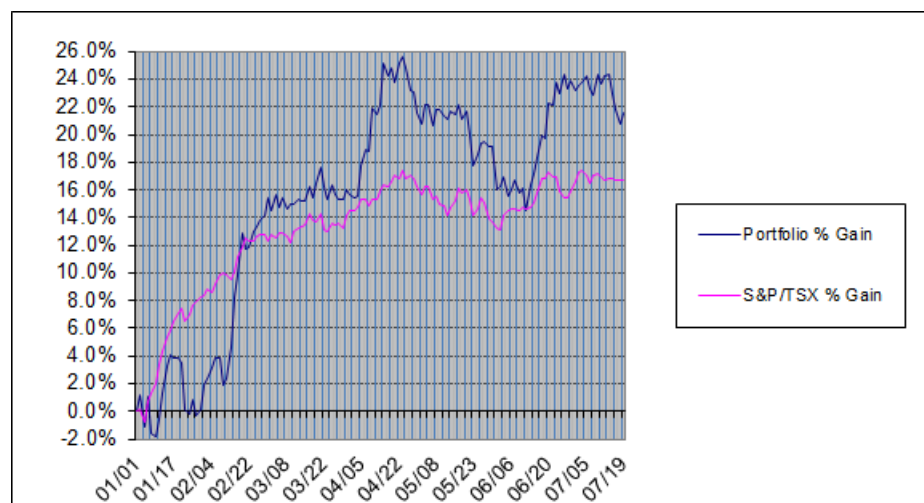
As at: 19-Jul-19

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	\$19.62	\$0.96	\$3,453	6.9%	4.9%	M	15th	\$0.08	\$288
2 Baytex Energy Corp.	\$2.22	\$1.88	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0
3 Canada Goose Holdings Inc.	\$45.54	\$57.72	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0
4 Fairfax Financial Holdings Ltd.	\$600.98	\$620.00	\$10.00	\$831	1.7%	1.6%	A	Jan	\$10.00	\$831
5 NFI Group Inc.	\$32.11	\$31.00	\$1.70	\$2,647	5.3%	5.5%	Q	MJSD	\$0.425	\$662
6 Norbord Inc.	\$28.98	\$30.87	\$1.60	\$2,760	5.5%	5.2%	Q	FMAN	\$0.40	\$690
7 Parex Resources Inc.	\$17.66	\$21.91	\$0.00	\$0	0.0%	0.0%	--	---	\$0.00	\$0
8 Vermilion Energy Inc.	\$28.76	\$26.08	\$2.76	\$4,797	9.6%	10.6%	M	15th	\$0.23	\$400
9 Whitecap Resources Inc.	\$4.55	\$4.20	\$0.32	\$3,642	7.1%	7.7%	M	15th	\$0.027	\$304
Portfolio Totals				\$18,130	4.2%	3.9%				\$8,101
Dividends, Companies Sold										\$1,828
Total Dividends Received										\$9,929

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 better than that of the broad market index:
 Portfolio performance = +21.6% (includes dividends and trading profits)
 S&P/TSX Composite = +16.7% (includes dividends)



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Contributing Analyst/Portfolio Manager: Bob Weir, CFA



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