

## Top-Ten Portfolio

We have created a portfolio of stocks with a primary focus being on recovery and growth and, secondarily, on attractive dividend yields.

**NOTE:** *The Top-Ten Portfolio has a long-term perspective. It comprises essentially a Buy-and-Hold strategy, with minimal trading. The portfolio will be appropriately invested but, if circumstances warrant, there could be a sizable cash component. The initial investment will be a total of \$500,000. It is intended that each of the stocks in the Portfolio will have an equal weighting.*

**TODAY'S COMMENT:** *The Portfolio has performed much better since our last update on October 24. At that time, the Portfolio's value was \$572,000 and now it is \$602,000. Its all-time high of \$628,000 was recorded on April 23 but there have been a few runs at that level since then, as the graph at the end of this report shows. Our initial investment was \$500,000, so the Portfolio is ahead by 20.4%, which includes dividends received and trading profits. As it so happens, the S&P/TSX Composite Index is up an identical 20.4% since the beginning of the year and this includes dividends as well. Only 2 of 9 stocks in the Portfolio, being NFI Group and Vermilion Energy, are "under water". The best performers are AltaGas up 43.3% and Kinaxis up 23.8%. Canada Goose has gone into another tail-spin. The stock has been up and down like a yo-yo all year. Fairfax Financial Holdings rallied strongly recently and is now back in positive territory. We will watch this one closely and will take advantage of any suitable opportunity for an exit.*

The portfolio is presented below.

### TOP TEN

### Share Price Information

As at: 08-Nov-19  
Inception 01-Jan-19  
(Dec 31/18 closing prices)

<u>Company</u>	<u>Symbol</u>	<u>Purchase Price</u>	<u>Current Price</u>	<u>First Target</u>	<u>Second Target</u>
1 AltaGas Ltd.	ALA	\$13.90	\$19.92	\$19.50	\$20.30
2 Canada Goose Holdings Inc.	GOOS	\$45.54	\$49.80	\$50.00	\$56.25
3 Domtar Corporation	UFS	\$47.07	\$51.27	\$50.00	\$56.25
4 Fairfax Financial Holdings Ltd.	FFH	\$600.98	\$610.60	\$625.00	\$687.50
5 Kinaxis Inc.	KXS	\$79.61	\$98.56	\$84.38	\$87.50
6 NFI Group Inc.	NFI	\$32.11	\$29.60	\$37.50	\$39.05
7 Parex Resources Inc.	PXT	\$17.66	\$20.65	\$23.45	\$25.00
8 Parkland Fuel Corporation	PKI	\$42.64	\$46.96	\$43.75	\$44.50
9 Vermilion Energy Inc.	VET	\$28.76	\$19.85	\$31.25	\$34.38

NB: **Green** numbers denote the stock price exceeds the Price Target.

NB: The Analyst, either **directly** or **indirectly**, currently owns shares in **ALA**, **NFI**, and **VET**

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

## TOP TEN

## Portfolio Performance

As at: 08-Nov-19

Initiation: 01-Jan-19

<u>Company</u>	<u>Purchase Date</u>	<u>Number of Shares</u>	<u>Purchase Cost</u>	<u>Current Value</u>	<u>\$ Gain or (Loss)</u>	<u>% Gain or (Loss)</u>
1 AltaGas Ltd.	02-Jan-19	3,597	\$49,998	\$71,652	\$21,654	43.3%
2 Canada Goose Holdings Inc.	30-May-19	1,098	\$50,003	\$54,680	\$4,677	9.4%
3 Domtar Corporation	30-Sep-19	1,062	\$49,988	\$54,449	\$4,460	8.9%
4 Fairfax Financial Holdings Ltd.	02-Jan-19	83	\$49,944	\$50,744	\$799	1.6%
5 Kinaxis Inc.	05-Sep-19	628	\$49,995	\$61,896	\$11,901	23.8%
6 NFI Group Inc.	26-Mar-19	1,557	\$49,995	\$46,087	-\$3,908	-7.8%
7 Parex Resources Inc.	09-Jan-19	2,063	\$36,424	\$42,591	\$6,167	16.9%
8 Parkland Fuel Corporation	05-Sep-19	1,173	\$50,017	\$55,084	\$5,067	10.1%
9 Vermilion Energy Inc.	02-Jan-19	1,738	\$49,985	\$34,499	-\$15,486	-31.0%
<b>Stock Totals</b>			<b>\$436,350</b>	<b>\$471,682</b>	<b>\$35,332</b>	<b>8.1%</b>
				Stock Annualized Return:		9.6%

## Portfolio Percentages

			<u>%%</u>
Stock Totals		\$471,682	78%
Cash	\$89,725	\$89,725	15%
Cum. Dividend Payments		\$14,706	2%
Net Trading Profits/(Losses)	\$26,075	\$26,075	4%
Portfolios Totals			100%

## Portfolio Totals

<b>\$500,000</b>	<b>\$602,187</b>	<b>\$102,188</b>	<b>20.4%</b>
	Portfolio Annualized Return:		24.1%

## Portfolio Totals

(ex Trading Profits)

\$500,000	\$576,113	\$76,113	15.2%
	Portfolio Annualized Return:		18.0%

## S&P/TSX Composite Index

14,322.86	16,877.42	2,554.56	17.8%
	S&P/TSX Comp. Return + Divs		20.4%
	Annualized Return, incl. Divs		24.1%

## 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
Norbord Inc.	13-Jun-19	29-Aug-19	\$28.98	\$33.20	\$49,991	\$57,270	\$7,280	14.6%	1,725	\$41,442
Baytex Energy Corp.	02-Jan-19	05-Sep-19	\$2.22	\$1.73	\$48,821	\$38,060	-\$10,761	-22.0%	22,000	\$30,681
Whitecap Resources Inc.	02-Jan-19	05-Sep-19	\$4.55	\$3.91	\$51,100	\$43,952	-\$7,147	-14.0%	11,241	\$23,534
Canadian Gold Miners Bull ETF	06-Aug-19	09-Sep-19	\$17.91	\$18.82	\$50,005	\$52,545	\$2,541	5.1%	2,792	\$26,075

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. These totals are as at November 8, 2019:

TOP TEN		Annual Income/Yield			As at: 08-Nov-19						
<u>Company</u>	<u>Annual Dividend</u>	<u>Annual Income</u>	<u>Current Yield</u>	<u>Fr</u>	<u>Months</u>	<u>Dividend Payout</u>	<u>Period Payout</u>	<u>Pay-Out To Date</u>	<u>Purchase Date</u>	<u>Number of Shares</u>	
1 AltaGas Ltd.	\$0.96	\$3,453	4.8%	M	15th	\$0.08	\$288	\$2,590	02-Jan-19	3,597	
2 Canada Goose Holdings Inc.	\$0.00	\$0	0.0%	--	---	\$0.00	\$0	\$0	30-May-19	1,098	
3 Domtar Corporation	\$2.41	\$2,557	5.1%	Q	JAJO	\$0.60	\$639	\$639	30-Sep-19	1,062	
4 Fairfax Financial Holdings Ltd.	\$10.00	\$831	1.6%	A	Jan	\$10.00	\$831	\$831	02-Jan-19	83	
5 Kinaxis Inc.	\$0.00	\$0	0.0%	--	---	\$0.00	\$0	\$0	05-Sep-19	628	
6 NFI Group Inc.	\$1.70	\$2,647	1.7%	Q	MJSD	\$0.425	\$662	\$1,985	26-Mar-19	1,557	
7 Parex Resources Inc.	\$0.00	\$0	0.0%	--	---	\$0.00	\$0	\$0	09-Jan-19	2,063	
8 Parkland Fuel Corporation	\$0.398	\$467	1.9%	M	13th	\$0.0995	\$117	\$117	05-Sep-19	1,173	
9 Vermilion Energy Inc.	\$2.76	\$4,797	13.4%	M	15th	\$0.23	\$400	\$3,598	02-Jan-19	1,738	
<b>Portfolio Totals</b>		<b>\$14,751</b>	<b>3.1%</b>					<b>\$9,760</b>			
<b>Dividends, Companies Sold</b>								<b>\$4,946</b>			
<b>Total Dividends Received</b>								<b>\$14,706</b>			

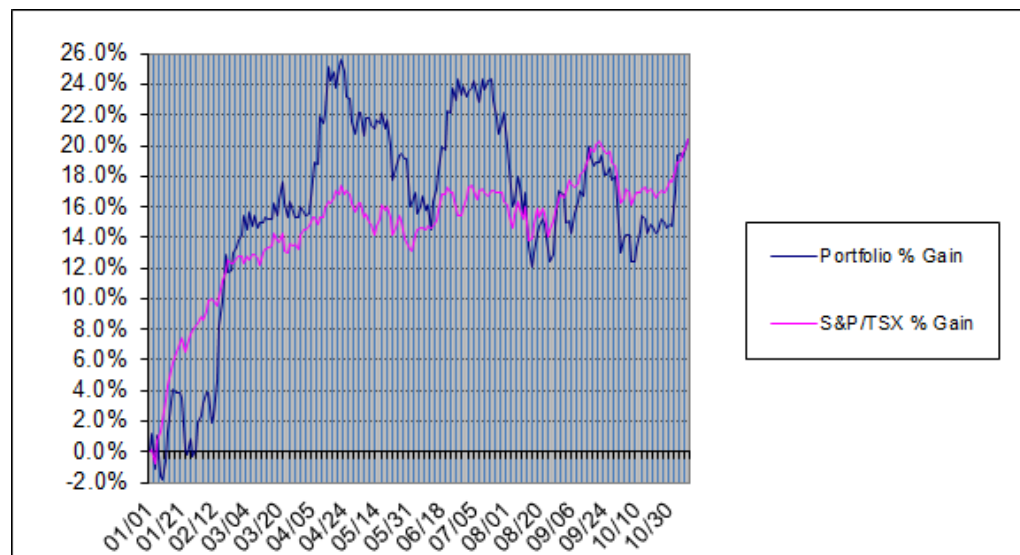
### Comparison

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 and the broad market index have identical price gains to date in 2019:

Portfolio performance = +20.4% (includes dividends and trading profits)

S&P/TSX Composite = +20.4% (includes dividends)



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