

Dividend-Income Portfolio

We have created a portfolio of quality stocks with the focus being on providing an attractive income return.

NOTE: *The Dividend-Income Portfolio has a long-term perspective. It comprises essentially a Buy-and-Hold strategy, with minimal trading. 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. From a comprehensive (but not exhaustive) list of 28 high dividend-paying stocks, we have chosen 10 stocks with yields exceeding 4.0%. To serve as benchmarks for our Portfolio's performance, we also have included a list of 5 ETF comparables (which also are actively traded and, so, could have been included in the Portfolio) and the S&P/TSX Composite Index.*

TODAY'S COMMENT: *Friday, February 21 was a cruel day for our Dividend-Income Portfolio. After reaching an all-time high on Thursday, the value of the Portfolio dropped 2.3% on the last day of the week. As a result, three stocks tipped into negative territory, although all by less than 2.0%. On a comparative basis, as shown in the accompanying chart below, our Portfolio continues to perform well. The Portfolio remains fully invested.*

DIVIDEND INCOME PORTFOLIO

Share Price Information

As at: 21-Feb-20
Inception 01-Dec-19
(Nov 29/19 closing prices)

<u>Company</u>	<u>Symbol</u>	<u>Purchase Price</u>	<u>Current Price</u>	<u>Change</u>	<u>Current Yield</u>	<u>First Target</u>	<u>Second Target</u>
1 ChemTrade Logistics Income Fund	CHE.UN	\$11.11	\$8.93	-19.6%	13.4%	\$11.72	\$12.10
2 Emera Inc.	EMA	\$54.62	\$60.58	10.9%	4.0%	\$57.80	\$59.35
3 Fortis Inc.	FTS	\$52.04	\$58.45	12.3%	3.3%	\$57.80	\$59.35
4 Inter Pipeline Ltd.	IPL	\$22.00	\$21.60	-1.8%	7.9%	\$23.45	\$24.25
5 Keyera Corp.	KEY	\$32.41	\$36.19	11.7%	5.3%	\$36.00	\$36.80
6 Pason Systems Inc.	PSI	\$12.90	\$12.77	-1.0%	6.0%	\$14.00	\$14.85
7 Pembina Pipeline Corporation	PPL	\$46.38	\$53.10	14.5%	4.5%	\$52.45	\$53.25
8 Polaris Infrastructure Inc.	PIF	\$11.72	\$16.67	42.2%	0.1%	\$17.25	\$18.00
9 Superior Plus Inc.	SPB	\$12.57	\$10.79	-14.2%	6.7%	\$13.30	\$13.70
10 Vermilion Energy Inc.	VET	\$19.10	\$18.94	-0.8%	14.6%	\$20.30	\$21.87

NB: Orange numbers denote the stock price exceeds the Price Target.

COMPARABLE ETFs and COMPOSITE INDEX

	<u>Symbol</u>	<u>Inception Price</u>	<u>Current Price</u>	<u>Change</u>	<u>Current Yield</u>
Dividend Aristocrats ETF	CDZ	\$28.31	\$29.93	5.7%	3.6%
Dividend Growth Split Corp.	DGS	\$5.26	\$6.02	14.4%	19.9%
iShares Cdn. Dividend ETF	XDV	\$25.89	\$26.66	3.0%	4.2%
BMO Cdn. Dividend ETF	ZDV	\$17.72	\$18.48	4.3%	4.2%
Horizons Active Cdn. Dividend ETF	HAL	\$18.25	\$19.36	6.1%	2.9%
S&P/TSX Composite Index		17,040.20	17,843.53	4.7%	2.9%

DIVIDEND INCOME PORTFLIO

Portfolio Performance

As at: 21-Feb-20

Initiation: 01-Dec-19

<u>Company</u>	<u>Purchase Date</u>	<u>Number of Shares</u>	<u>Purchase Cost</u>	<u>Current Value</u>	<u>Inherent Value*</u>	<u>\$ Gain or (Loss)</u>	<u>% Gain or (Loss)</u>
1 ChemTrade Logistics Income Fund	01-Dec-19	4,500	\$49,995	\$40,185	\$40,635	-\$9,360	-18.7%
2 Emera Inc.	01-Dec-19	915	\$49,977	\$55,431	\$55,991	\$6,014	12.0%
3 Fortis Inc.	01-Dec-19	961	\$50,010	\$56,170	\$56,170	\$6,160	12.3%
4 Inter Pipeline Ltd.	01-Dec-19	2,273	\$50,006	\$49,097	\$49,745	-\$261	-0.5%
5 Keyera Corp.	01-Dec-19	1,543	\$50,009	\$55,841	\$56,335	\$6,326	12.7%
6 Pason Systems Inc.	01-Dec-19	3,876	\$50,000	\$49,497	\$50,233	\$233	0.5%
7 Pembina Pipeline Corporation	01-Dec-19	1,078	\$49,998	\$57,242	\$57,673	\$7,675	15.4%
8 Polaris Infrastructure Inc.	01-Dec-19	4,266	\$49,998	\$71,114	\$71,797	\$21,799	43.6%
9 Superior Plus Inc.	01-Dec-19	3,978	\$50,003	\$42,923	\$43,400	-\$6,603	-13.2%
10 Vermilion Energy Inc.	01-Dec-19	2,618	\$50,004	\$49,585	\$50,789	\$785	1.6%
Stock Totals			\$500,000	\$527,084	\$532,768	\$32,768	6.6%
* Note: Inherent Value includes dividends received					Stock Annualized Return:		29.8%

Portfolio Percentages

		<u>%</u>
Stock Totals	\$527,084	99%
Cash	\$0	0%
Cum. Dividend Payments	\$5,684	1%
Net Trading Profits/(Losses)	\$0	0%
Portfolios Totals		100%

Portfolio Totals

\$500,000	\$532,768	\$32,768	6.6%
Portfolio Annualized Return:			29.8%

Portfolio Totals

(ex Trading Profits)

\$500,000	\$532,768	\$32,768	6.6%
Portfolio Annualized Return:			29.8%

COMPARABLES

We compare the performance of the Portfolio against selected higher-yield ETFs as well as the S&P/TSX Composite Index.

The Portfolio is up 5.0%, while the comparables range between 3.4% and 11.2%.e. The S&P/TSX Composite Index is ahead by 4.1% since the Portfolio's inception.

<u>COMPARISON</u>	<u>Inception</u>	<u>Inherent*</u>	<u>Change</u>	<u>% Chge</u>
Portfolio	\$500,000	\$532,768	\$32,768	6.6%
Dividend Aristocrats ETF	\$28.31	\$30.11	\$1.80	6.4%
Dividend Growth Split Corp.	\$5.26	\$6.22	\$0.96	18.3%
iShares Cdn. Dividend ETF	\$25.89	\$26.85	\$0.96	3.7%
BMO Cdn. Dividend ETF	\$17.72	\$18.61	\$0.89	5.0%
Horizons Cdn. Dividend ETF	\$18.25	\$19.64	\$1.39	7.6%
S&P/TSX Composite Index	17,040.20	17,928.67	888.47	5.2%

* Note: **Inherent (Value)** includes dividends received

DIVIDENDS and YIELDS

The following table shows the current yield for the stocks in the Portfolio as well as other pertinent information regarding payout, ex-dividend and payment dates etc.

DIVIDEND INCOME PORTFOLIO

Annual Income/Yield

As at: 21-Feb-20 Inception: 01-Dec-19

Company	Annual	Annual	Current	Fr	Payment Months	Dividend Payout	Period Payout	Pay-Out		
	Dividend	Income	Yield					To Date	Ex-Div	Pav-Day
1 ChemTrade Logistics Income Fund	\$1.20	\$5,400	13.4%	M	M	\$0.10	\$450	\$450	30th	30th
2 Emera Inc.	\$2.45	\$2,242	4.0%	Q	JAJO	\$0.61	\$560	\$560	30th	15th
3 Fortis Inc.	\$1.91	\$1,836	3.3%	Q	FMAN	\$0.48	\$459	\$0	15th	1st
4 Inter Pipeline Ltd.	\$1.71	\$3,887	7.9%	M	M	\$0.14	\$324	\$648	21st	15th
5 Keyera Corp.	\$1.92	\$2,963	5.3%	M	M	\$0.16	\$247	\$494	21st	15th
6 Pason Systems Inc.	\$0.76	\$2,946	6.0%	Q	MJSD	\$0.19	\$736	\$736	14th	28th
7 Pembina Pipeline Corporation	\$2.40	\$2,587	4.5%	M	M	\$0.20	\$216	\$431	24th	15th
8 Polaris Infrastructure Inc.	\$0.960	\$4,095	5.8%	M	M	\$0.08	\$341	\$683	24th	15th
9 Superior Plus Inc.	\$0.72	\$2,864	6.7%	M	M	\$0.06	\$239	\$477	30th	15th
10 Vermilion Energy Inc.	\$2.76	\$7,226	14.6%	M	M	\$0.23	\$602	\$1,204	27th	15th
Portfolio Totals		\$28,819	5.4%					\$5,684		
Dividends, Companies Sold								\$0		
Total Dividends Received								\$5,684		

Here is the associated table for the comparables.

COMPARABLES

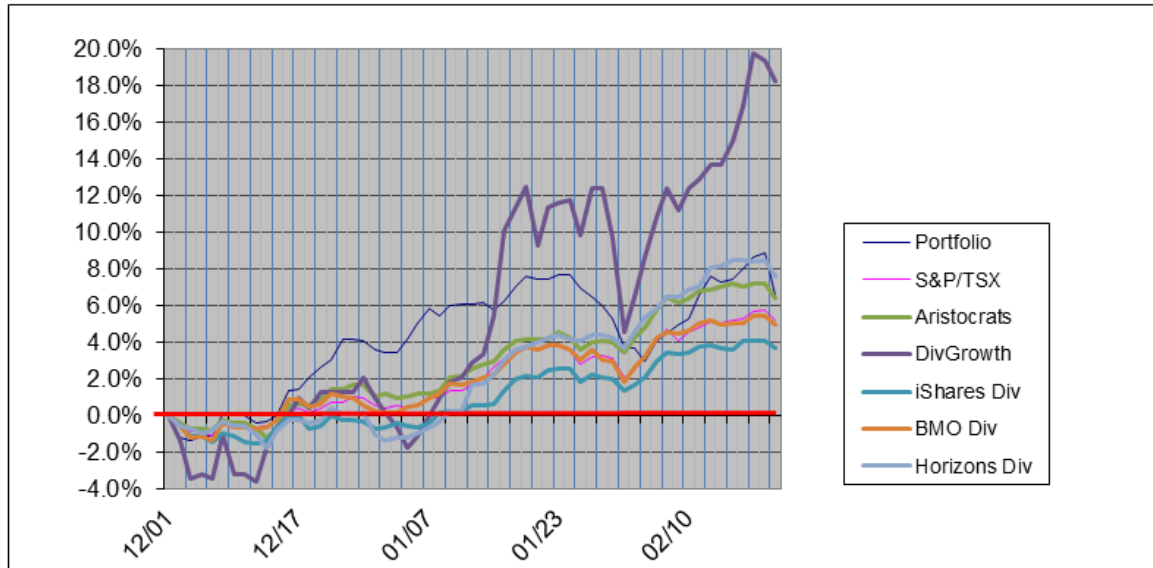
Comparable	Annual Dividend	Current Yield	Fr	Payment Months	Dividend Payout	Pay-Out		
						To Date	Ex-Div	Pav-Day
Dividend Aristocrats ETF	\$1.08	3.6%	M	M	\$0.09	\$318	24th	30th
Dividend Growth Split Corp.	\$1.20	19.9%	M	M	\$0.10	\$951	30th	15th
iShares Cdn. Dividend ETF	\$1.13	4.2%	M	M	\$0.094	\$363	26th	30th
BMO Cdn. Dividend ETF	\$0.78	4.2%	M	M	\$0.065	\$367	29th	3rd
Horizons Cdn. Dividend ETF	\$0.57	2.9%	Q	MJSD	\$0.14142	\$387	28th	12th

Note: Pay-Out To Date is based on theoretical \$50,000 investment

<continued>

As at: 21-Feb-20 Since: 01-Dec-19
Includes Reinvested Dividends

GRAPHICAL COMPARISON



Observation: The Dividend Growth Split Corp. has performed exceptionally since Inception and is up 18.3%, far out-stripping all-comers. Horizons Canadian Dividend ETF still holds second place with a gain of 7.6%. The Portfolio is up 6.6% while the S&P/TSX Composite Index is up 5.2%.

#####

Contributing Analyst/Portfolio Manager: Bob Weir, CFA

DISCLAIMER

eResearch Corporation

eResearch was established in 2000 as Canada's first equity issuer-sponsored research organization. As a primary source for professional investment research, our Subscribers (*subscription is free!!!*) benefit by having written research on a variety of small- and mid-cap, under-covered companies. We also provide unsponsored research reports on middle and larger-sized companies, using a combination of fundamental and technical analysis. We complement our corporate research coverage with a diversified selection of informative, insightful, and thought-provoking research publications from a wide variety of investment professionals. We provide our professional investment research and analysis directly to our extensive subscriber network of discerning investors, and electronically through our website: www.eresearch.com.

eResearch Disclosure Statement

eResearch is engaged solely in the provision of equity research to the investment community. eResearch provides published research and analysis to its Subscribers on its website (www.eresearch.com), and to the general investing public through its extensive electronic distribution network and through newswire agencies.

With regards to distribution of its research material, eResearch makes all reasonable efforts to provide its publications, via e-mail, simultaneously to all of its Subscribers.

eResearch does not manage money or trade with the general public, provides full disclosure of all fee arrangements, and adheres to the strict application of its Best Practices Guidelines.