

DM Canadian Equity Portfolio

1st QUARTER 2019 REPORT

MANDATE

The DM Canadian Equity Portfolio comprises shares of TSX-listed stocks selected on the basis of valuation, consistent free cash flow generation, and management strength. Particular attention is paid to each management team's history of capital deployment.

REVIEW & OUTLOOK

The TSX enjoyed a strong rebound in the first quarter of the year, after a very difficult end to 2018. DM Canadian Equity lagged the market slightly during the interval, owing principally to the portfolio's cash drag and our absence from the health care (i.e. cannabis) sector, which gained nearly 50%. Portfolio leaders included Element Fleet Mgmt. (up 23%), Badger Daylighting (up 26%), and Constellation Software (up 33%). In January, we trimmed some of our profit from both Badger and Alimentation Couche-Tard and purchased Brookfield Asset Mgmt.

PORTFOLIO PERFORMANCE (to 31-Mar-19)

	Q1-19	1 year	3 year	5 year	10 year	Inception*
DM Canadian Equity	12.0%	8.0%	8.4%	4.8%	9.5%	9.2%
S&P/TSX Total Return	13.3%	8.1%	9.2%	5.4%	9.5%	5.1%

* inception date is 30-Jun-00; returns are annualized for periods > one year.

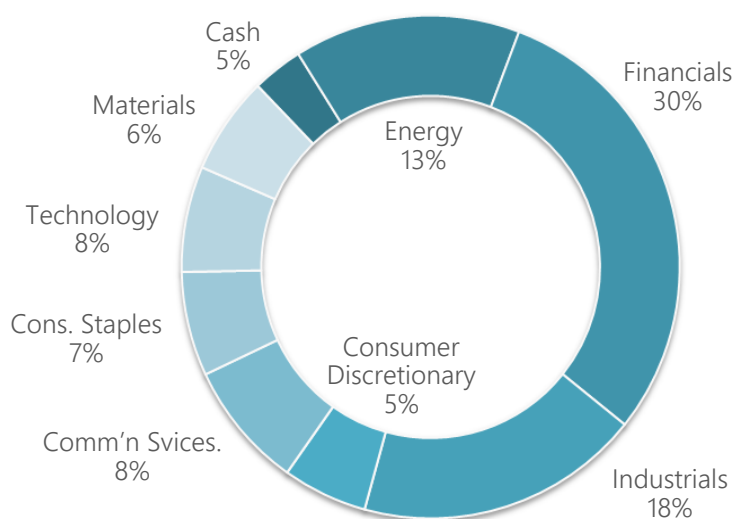
PORTFOLIO ATTRIBUTES

	DM Cdn Equity	S&P/TSX
Dividend Yield	2.8%	3.1%
Fwd. P/E Ratio	13.4x	13.8x
# of Holdings	36	

Top 10 Holdings

Royal Bank	CP Rail
TD Bank	Saputo Inc.
Bank of Nova Scotia	Enbridge Inc.
CN Rail	Constellation Software
Manulife Financial	Open Text Corp.

Sector Allocation (31-Mar-19)



The information above compares the performance of the DM Canadian Equity Portfolio ("the Composite") with the S&P/TSX Total Return Index. Composite and benchmark performance is calculated using time-weighted rates of return. Composite performance is calculated prior to the deduction of investment management fees, but after the deduction of all trading costs. The performance presented above is historical and may vary from account to account. DM does not guarantee any rates of return and past returns do not indicate future performance. Certain non fee paying accounts may be included in this composite. Future rates of return could be positive or negative.