

DM Canadian Equity Portfolio

4th QUARTER 2018 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

Though the TSX had remained in positive territory for the first nine months of 2018, a sharp selloff in Q4 resulted in a significant loss for the year, with the energy group standing out as the market's worst performing sector. Not surprisingly, the biggest decliners in DM Canadian Equity were oil and gas producers and companies linked to that part of the economy. Positive contributions in the fourth quarter were made by Alimentation Couche-Tard, Badger Daylighting, and Saputo Inc., each of which rose against the market's steep downward trend.

PORTFOLIO PERFORMANCE (to 31-Dec-18)

	Q4-18	1 year	3 year	5 year	10 year	Inception*
DM Canadian Equity	-10.5%	-8.9%	5.8%	3.4%	8.0%	8.6%
S&P/TSX Total Return	-10.1%	-8.9%	6.3%	4.0%	7.9%	4.5%

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

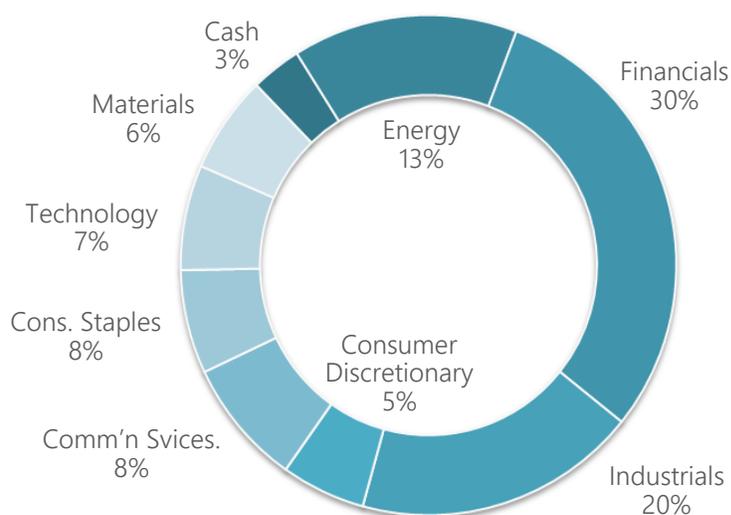
PORTFOLIO ATTRIBUTES

	DM Cdn Equity	S&P/TSX
Dividend Yield	3.1%	3.4%
Fwd. P/E Ratio	12.0x	12.2x
# of Holdings	36	

Top 10 Holdings

Royal Bank	Manulife Financial
Bank of Nova Scotia	CP Rail
TD Bank	Badger Daylighting
CN Rail	Saputo Inc.
Alimen. Couche Tard	Enbridge Inc.

Sector Allocation (31-Dec-18)



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.