

DM Small Cap Fund

1st QUARTER 2019 REPORT

MANDATE

The DM Small Cap Fund is designed to provide investors with superior long term rates of return by investing in Cdn. companies with market capitalizations below \$2bn. Stocks are selected on the basis of valuation, cash flow generation, and management strength.

REVIEW & OUTLOOK

Though Canadian small cap stocks didn't surge quite as strongly as the broad TSX in the first quarter, they nonetheless posted a great start to 2019. The DM Small Cap Fund kept pace with this rise, helped by the acquisition of two of its holdings: ZCL Composites was taken out by Shawcor Ltd., while Morgan Stanley bought Solium Capital, generating gains of 58% and 62%, respectively. Elsewhere in the portfolio, each of Boyd Group, Element Fleet Management, and Colliers International provided returns of more than 20%.

PORTFOLIO PERFORMANCE (to 31-Mar-19)

	Q1-19	1 year	3 year	5 year	10 year	Inception*
DM Small Cap Fund	11.0%	8.8%	10.2%	5.6%	n/a	8.8%
S&P/TSX Small Cap Index	10.7%	-1.9%	5.8%	0.2%	n/a	-1.1%

* inception date is 31-Mar-11; returns are annualized for periods > one year.

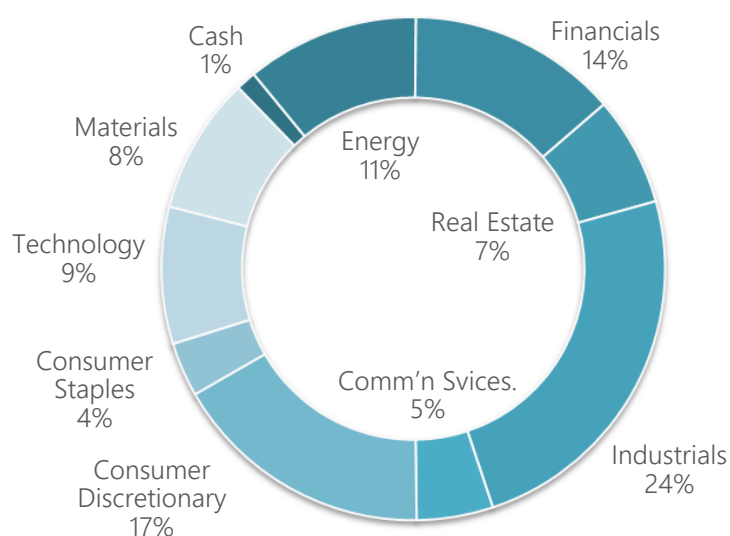
PORTFOLIO ATTRIBUTES

	DM Small Cap Fund	S&P/TSX Sm. Cap
Dividend Yield	1.7%	2.5%
Fwd. P/E Ratio	15.7x	11.8x
# of Holdings	28	

Top 10 Holdings

Kinaxis Inc.	Parkland Fuel Corp.
Stella-Jones Inc.	Cineplex Inc.
Element Fleet Mgmt.	Boyd Group Inc. Fund
MTY Food Group Inc.	Cdn. Western Bank
Badger Daylighting	Secure Energy Svices.

Sector Allocation (31-Mar-18)



The information above compares the performance of the DM Small Cap Fund ("the Fund") with the S&P/TSX Small Cap 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.