

DM Small Cap Fund

4th QUARTER 2018 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

As is often the case, the broad market's steep decline in Q4-18 hit small capitalization stocks especially hard. Though the DM Small Cap Fund outperformed its benchmark in the most recent quarter, it also experienced a meaningful descent. Perhaps not surprisingly, the Fund's worst performing holdings were found in the energy sector, while each of Badger Daylighting, Great Cdn. Gaming, and Element Fleet Mgt. were able to post gains of 5-9% for the quarter. For full year 2018, DM Small Cap outperformed the index by 13%.

PORTFOLIO PERFORMANCE (to 31-Dec-18)

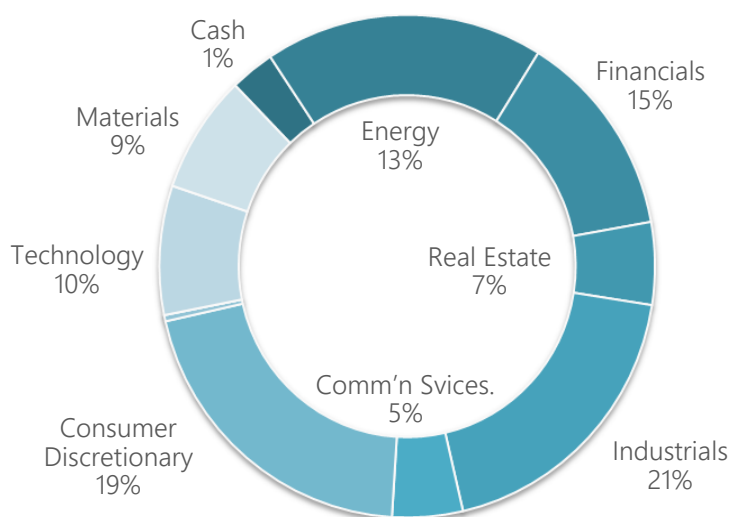
	Q4-18	1 year	3 year	5 year	10 year	Inception*
DM Small Cap Fund	-13.2%	-5.2%	7.0%	4.5%	n/a	7.7%
S&P/TSX Small Cap Index	-14.4%	-18.2%	5.1%	-0.3%	n/a	-2.4%

* 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	1.9%	2.8%
Fwd. P/E Ratio	13.8x	11.1x
# of Holdings	28	
Top 10 Holdings		
Badger Daylighting	Cdn. Western Bank	
Great Cdn. Gaming	ECN Capital Corp.	
Stella-Jones Inc.	Cineplex Inc.	
Kinaxis Inc.	Boyd Income Fund	
Element Fleet Mgmt.	Parkland Fuel Corp.	

Sector Allocation (31-Dec-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.