

January 9, 2018

Hello everyone,

This is the monthly advisor update of the **AlphaDelta Growth of Dividend Income Class** (“GoDI” or the “Fund”) from SciVest Capital Management Inc. (the sub-advisor to the Fund).

The Current Portfolio:

Attached is the GoDI Portfolio Disclosure. The first page of the Portfolio Disclosure shows all of the current stock holdings of the GoDI, as well as some descriptive, dividend and valuation characteristics for each portfolio holding – plus overall portfolio averages. The second page of the Portfolio Disclosure shows a number of relevant pie charts depicting overall GoDI portfolio exposures and characteristics such as sector, market capitalization, dividend yield and dividend growth “bucket” exposures.

As shown in the Portfolio Disclosure, **across the Fund’s current holdings, the weighted average gross dividend yield is 3.5% per annum with impressive double-digit trailing 1, 3 and 5-year dividend growth rates of 17.1%, 18.2% and 20.0%, respectively.** The 3.5% average dividend yield compares to a portfolio weighted average forward earnings per share yield of 8.1% (**231% dividend coverage**) and forward cashflow yield of 11.8% (**336% dividend coverage**). With regard to valuation, the portfolio weighted **average 12-month forward price-to-earnings ratio is 14.4x** (versus 18.7x for the Russell 1000 Index and 17.2x for the MSCI World Index) and the **average 12-month forward price-to-cash-flow ratio is 9.9x** (versus 13.2x for the Russell 1000 Index and 11.7x for the MSCI World Index).

As always, the GoDI portfolio is well diversified across sectors and industry groups with **the largest sector allocation (Financials) currently at 25.8%**. In order of size, we have the following exposures to the Bloomberg defined sectors (plus REITs): 25.8% Financials, 24.4% Consumer Discretionary, 11.4% Technology, 8.2% Energy, 5.9% Industrials, 5.4% Consumer Staples, 4.8% REITs, 4.5% Communications, 3.9% Health Care, 2.5% Materials, and 0.8% Utilities.

On an individual stock holding basis, we currently hold a **diversified portfolio of 92 equity positions**. The top 10 holdings represent 29.9% of the Fund’s assets and are in descending order of size: CVS Health Corp (CVS, 3.9%), Enbridge Inc (ENB, 3.2%), Whirlpool Corp (WHR, 3.1%), Broadcom Ltd (AVGO, 3.1%), Macquarie Infrastructure Corp (MIC, 3.1%), Macy’s Inc (M, 3.1%), Manulife Financial Corp (MFC, 2.8%), Foot Locker Inc (FL, 2.8%), AmTrust Financial Services (AFSI, 2.5%), and Metlife Inc (MET, 2.2%). (See entire GoDI portfolio attached hereto.)

Portfolio Changes and Movers:

During December, we **initiated no new positions**; however, we **increased (by at least 0.5%) our existing positions** in Broadcom Ltd (AVGO) and CVS Health Corp (CVS). During December, we **eliminated our position** in DowDuPont Inc (DWD). We **also decreased (by at least 0.5%) our existing positions** in Foot Locker Inc (FL) and Macy’s Inc (M).

Amongst the month-end GoDI holdings, the five (5) **highest returns during December** (in descending order) were: Best Buy Co Inc (BBY), Steel Dynamics Inc (STLD), Lowe’s Cos Inc (LOW), Foot Locker Inc (FL) and Discover Financial Services (DFS). Amongst the month-end holdings, the five (5) **lowest returns during December** were: Skyworks Solutions Inc (SWKS), Nippon Telegraph & Telephone (NTTY), Broadcom Ltd (AVGO), Colony Northstar Inc (CLNS) and Grupo Financiero Bantore (GBOOY).

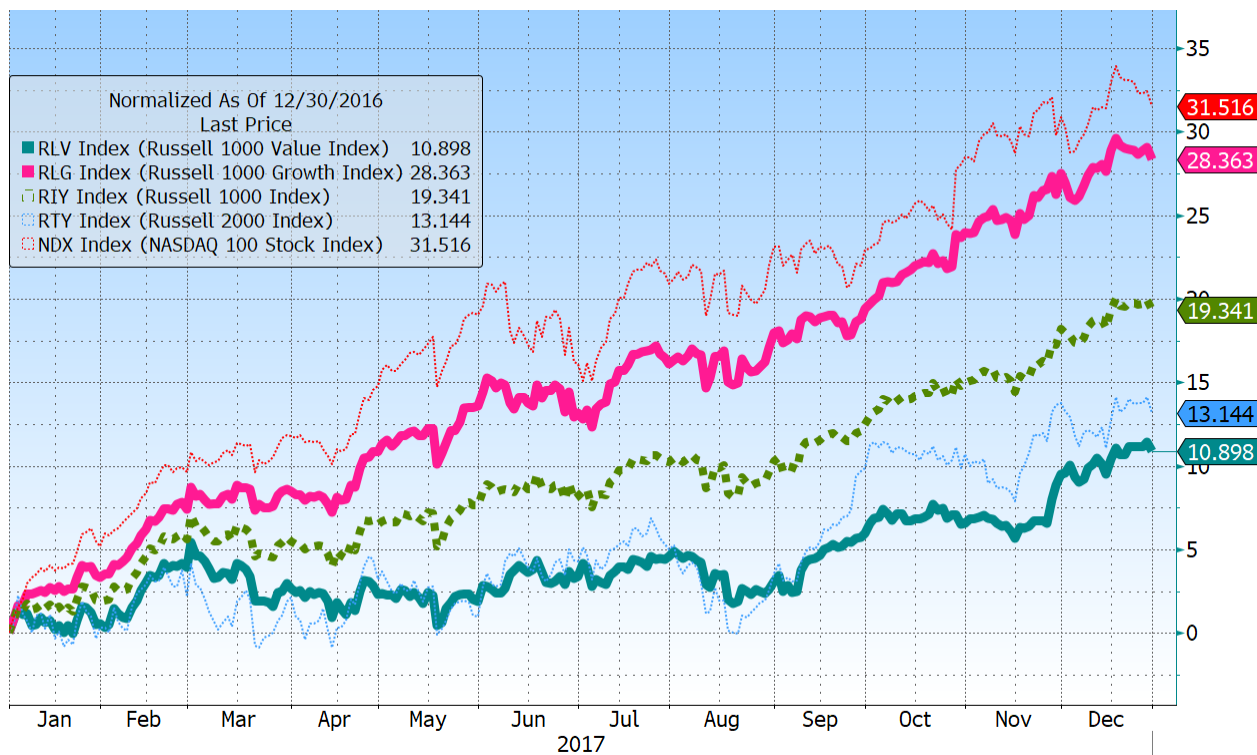
Market Commentary:

In the current market environment, we are **finding very little relative value amongst mega-capitalization dividend-paying stocks**. Amongst sectors, we are finding **good dividend-growth-at-a-reasonable-price (“DGARP”) within Financials and Consumer Discretionary**, which combined currently represent approximately half of the portfolio. **We are now also finding value in select higher dividend paying stocks.**

Additionally, we believe that the market prices of many profitable, US, small-to-mid capitalization stocks do not currently fully incorporate the large and permanent EPS increases that they will experience in 2018 as a result of the recent US corporate tax cuts (from a 35% to 21% base federal rate). This is likely because analysts have not incorporated the tax cuts into their EPS estimates yet – which is partially because the companies themselves have not provided analysts guidance to the effects of the tax cuts. **As Q4 2017 earnings season begins and progresses in the weeks to come, we expect that companies and analysts will begin to incorporate these tax-induced EPS increases, and thus that many of the stocks of the companies most rewarded by the tax cuts will adjust in price (upwards) to reflect these permanent EPS increases.** The stock price effects will, of course, be most pronounced amongst the subset of small-to-mid capitalization companies that have the highest percentage of US-based revenue, that are the most profitable, and that are trading at the cheapest valuation levels – i.e., value stocks with many of the characteristics our DGARP strategy seeks.

It is important to note that these US tax cuts are “real” and permanent – that is, companies receiving large tax rate cuts will experience large increases in “real” cash-flow on a permanent go-forward basis. This new “real” cash-flow will be used by companies to increase investment in their businesses thereby increasing productivity and future profitability, and spurring overall economic growth – as well as increasing share buy-backs and, **importantly for our DGARP strategy, permanently increasing dividends per share by larger amount than previously possible.**

Since we have discussed the concentrated nature of stock “market” returns (e.g., the FANG stocks) as well as the huge underperformance of value versus growth stocks a number of times in during 2017, we thought that we would provide the full 2017 calendar year graph and statistics. Specifically, the graph below shows the cumulative 2017 returns (not including dividends) for the Russell 1000 Index (large-cap overall US stock index), Russell 1000 Growth Index (large-cap growth stock index), Russell 1000 Value Index (large-cap value stock index), Russell 2000 Index (small-cap overall US stock index) and the NASDAQ 100 Index (primarily a large-cap technology index).



The cumulative 2017 calendar year return of the Russell 1000 Growth Index (comprising 552 of the largest US growth stocks represented by the thick pink line) is +28.4%, while the Russell 1000 Value Index (comprising 717 of the largest US value stocks represented by the thick teal line) is only +10.9%. The overall Russell 1000 Index (comprising of 979 of the largest US stocks represented by the thick dotted green line) is by construction the mid-point between the growth and value indexes at a +19.3% calendar 2017 return. The spread between the large-cap Russell 1000 Value Index and Russell 1000 Growth Index for the 2017 calendar year is an astonishing -17.5%.

As noted in prior commentaries, some of this value-growth spread is due to the **concentrated nature of US stock market returns in 2017**, with a select small number of predominantly US technology companies having an undue upward influence on US stock “market” gains. For example, for the 2017 calendar year, **the FANG stocks (Facebook, Amazon, Netflix and Google) had an average return of 49.3%** (note that none of these stocks pay dividends and are thus ineligible for the Fund). If we add in Apple with a 46.1% return and Microsoft with a 37.7% return to the FANG stocks, then these six (6) stocks accounted for almost one-third (>30%) of the entire US stock market’s 2017 return – that is, six (6) stocks in the Russell 1000 Index, or approximately 0.6% of the Russell 1000 Index’s constituents accounted for over 30% of its return.

Many might believe that within such a strong market as we appeared to have in 2017 that smaller-cap stocks would have outperformed. On the contrary, **the Russell 2000 Index** (comprising of the next 1,978 stocks by market capitalization after those in the Russell 1000 Index, represented by the thin dotted blue line in the graph) **generated a 2017 calendar year return of only 13.1% – which is 6.2% less than the large-cap Russell 1000 large-cap index.** Segmenting the Russell 2000 Index into growth and value subcomponents, the Russell 2000 Value Index generated a 2017 return of only 5.8% relative to the Russell 2000 Growth Index which generated a return of 21.3% – thereby demonstrating that the value-

growth effect was also found amongst smaller-cap stocks, with an overall small-cap value-growth spread of -15.4% for calendar year 2017. [Incorporating both the small-versus-large and value-versus-growth effects, the spread between the Russell 2000 Value Index \(small-cap value at 5.8% return\) and the Russell 1000 Growth Index \(large-cap growth at 28.4% return\) was an incredible -22.6% in 2017.](#)

These various facts imply [that the vast majority of US stocks underperformed the US stock “market” indexes for the 2017 calendar year.](#)

Surprisingly, we have not seen any signs of value-growth mean reversion yet in early 2018, as the Russell 1000 Value Index has underperformed the Russell 1000 Growth Index by another 1.7% (in just five (5) trading days through January 8th). [Nevertheless, we continue to believe that the successful passage of the US tax reform package and resulting upward EPS adjustments that we should begin to see during the forthcoming Q4 2017 earnings announcement season in the weeks ahead could be the catalyst to finally see a sustained and meaningful outperformance of value versus growth stocks.](#)

[Last Month’s Dividend Announcements:](#)

Since our objective within the GoDI is income/distribution growth, our monthly commentaries generally focus on growth of dividends amongst Fund holdings as opposed to short-term capital returns. In particular, each month we report those Fund holdings which declared dividend changes during the prior calendar month, as well as those holdings we expect to declare dividend changes in the next calendar month. Recall that one of our fundamental beliefs is that, if we can select stocks which consistently increase their dividends into the future, then price appreciation must eventually follow – that is, **long-term price appreciation is a consequence of consistent earnings and dividend growth.**

Amongst our current GoDI holdings, [during the month of December 2017 we received seven \(7\) declared dividend increases averaging an announced increase of 18.9% quarter-over-quarter \(“QoQ”\) and 22.9% year-over-year \(“YoY”\),](#) relative to those already known at the end of the prior calendar month. (And, as usual, no dividend decreases.)

No.	Company Name	Ticker Symbol	Current Ind Div Yld (% p.a.)	QoQ Div Increase (%)	YoY Div Increase (%)	Relative to Expected
1	American Tower Corp	AMT	2.0	6.1	20.7	😊😊
2	Amgen Inc	AMGN	2.9	14.8	14.8	😊😊😊
3	Boeing Co	BA	2.2	20.4	20.4	😊😊😊
4	Broadcom Ltd	AVGO	2.6	71.6	71.6	😊😊😊
5	CoreSite Realty Corp	COR	3.5	8.9	22.5	😊😊
6	Johnson Controls Int’l	JCI	2.7	4.0	4.0	😞
7	Pfizer Inc	PFE	3.7	6.2	6.2	😊
Average			2.8	18.9	22.9	

We had another terrific dividend growth month in the Fund. Impressively, of the seven (7) dividend increases, more than half were greater than 20% year-over-year. Even more importantly, the 22.9% annual dividend growth rate was achieved on stocks that on average are currently yielding 2.8% per annum – a sizable yield-growth combination, the primary goal we attempt to achieve in the Fund.

American Tower Corp, a large REIT which leases wireless communication towers in the US (40,000 towers), India (57,000 towers) and the rest of the world (43,000 towers), provided its usual quarterly dividend increase – however, this quarterly increase was larger than recent ones at 6.1% bringing its year-over-year dividend increase to 20.7%. We really like American Tower’s overall business and its international mix, which has led to 25% cash-flow (funds-from-operations) growth in each of the past two (2) years and is expected to yield another 15% in cash-flow growth in 2018.

Amgen Inc, the mega-cap bio-tech company, provided a 14.8% dividend increase which was slightly higher than the high-end of our expected range of 8% to 14%. While less than the average 23.5% p.a. dividend increases over the past three (3) years, this upside surprise is a welcome signal from management given that analysts expect Amgen’s EPS growth to slow materially in the next couple of years. Amgen needs to continue to develop and test new drugs and/or make a large acquisition to fuel its next wave of growth. In the meantime, this moderate positive dividend increase surprise (and reasonable valuations with no net debt) ensures Amgen’s place as a small position in the portfolio for the foreseeable future.

The Boeing Co has been an absolute dividend growth champion over past five years with an average dividend per share growth rate of 26.4% per annum. We had expected a slightly more moderate dividend increase this year of 14% to 18%, which Boeing beat with a 20.4% dividend increase. Boeing’s stock price has doubled in the past year, taking its yield down dramatically and also pushing up its valuation to 27.5x forward expected EPS. Despite really liking the company, its future prospects and its dividend growth, due to its stretched valuation we have allowed the weight of Boeing in the Fund to fall such that it is now only a small position.

On the other hand, Broadcom, the mega-cap semiconductor and integrated circuit maker is a top-five GoDI holding. We had expected a very large 30% to 50% dividend increase, and Broadcom delivered a massive 72% dividend increase (if we could give it a four 😊😊😊😊 we would!). And, this 72% dividend increase follows a 100% dividend increase last year. Broadcom has been growing at a high rate through a combination of organic growth and acquisitions. Broadcom recently announced a bid for another GoDI top 20 position, Qualcomm Inc, in what would be, if successful, one of the largest technology company take-overs in history (at approximately \$100B). Broadcom grew EPS by 40% in its recently completed fiscal year, and is expected by analysts to grow EPS by 22% in 2018. Surprisingly, despite this growth, Broadcom trades at very reasonable valuation of 13.9x forward analyst expected EPS. Needless to say, we really like Broadcom and feel that it is a terrific DGARP position.

CoreSite Realty Corp is a mid-cap US data center REIT. Growing cash-flow quickly, CoreSite has also been increasing its dividend quickly – 29.4% per annum on average over the past five (5) years. This quarter’s dividend increase of 8.9% takes CoreSite’s annual dividend increase to 22.5% – moderately lower than the past five (5) years, but still extremely attractive for a stock with a 3.4% dividend yield.

For Pfizer Inc, the US\$220B mega-capitalization pharmaceutical company, we expected a “boring” 6% to 9% dividend increase and that is indeed what we received. In-line with Pfizer’s current and expected EPS growth, as well as its dividend increases the past five (5) years – wonderfully “boring” with an equally “boring” valuation (i.e., reasonable) of 13.7x forward analyst expected EPS. Pfizer is now our go-to “boring” pharmaceutical company producing a solid 3.8% per annum dividend yield.

Finally, we had hoped for a dividend increase from CVS Health Corp, but are not surprised by the fact that CVS decided (prudently) not to increase its dividend this year. CVS is the second largest drugstore chain in the US with more than 9,600 stores, has become a major pharmacy benefits manager (“PBM”), and

now also operates 1,000 walk-in medical clinics. CVS Health recently announced, on December 3, 2017, that it will acquire Aetna Inc, a very large (\$58B market capitalization) healthcare insurance and benefits company, in one of the largest healthcare acquisitions of the past decade. The acquisition will be paid for with approximately 75% cash and 25% stock. Much of the cash component will be financed with debt, for which CVS recently obtained commitments. Due to the pending large increase in company debt level, CVS has prudently decided to suspend their share repurchase program and not to increase their dividend this year.

We believe that this vertical merger does make a lot of sense strategically for CVS Health as it pushes them further from being a drugstore chain to becoming a dominant, fully integrated, healthcare company. Despite their corporate ambitions, CVS’s management have historically been extremely shareholder friendly. For example, in the past five (5) years CVS has bought back approximately 18% of its outstanding shares and also provided an average 25.2% per year in dividend increases – few companies globally have provided shareholders such large payouts for so long. With its share price weakness over the past two (2) years (-8.1% in 2017 and -18.9% in 2016), CVS has become very reasonably priced at 12.3x forward analyst expected EPS with analysts further expecting 12% per annum long-term EPS growth. We believe that current analyst estimates do not fully incorporate the large tax benefits that CVS will receive from the US corporate tax rate cut (CVS’s average effective tax rate is approximately 39%), and that CVS’s long-term EPS growth rates may be higher due to its continued broadening of its healthcare platform against the backdrop of very favourable US demographics (i.e., an aging and larger older population). With the recent price weakness around the time of the Aetna purchase due to merger arbitrage hedge funds selling CVS shares, CVS has become the top holding in the Fund.

Next Month’s Expected Dividend Announcements:

During January 2018, we are expecting at least two (2) annual dividend increase announcements from our current holdings:

No.	Name	Ticker Symbol	Current Ind Div Yld (% p.a.)	Est. Announce Date	Est. Div Increase (%)
1	HanesBrands Inc	HBI	2.8	January 23	6-14
2	Valero Energy Corp	VLO	3.0	January 25	11-22

Both expected annual dividend increases in January are “risky” in the sense that the each have a wide range of potential outcomes.

HanesBrands is an apparel manufacturer known for their lower-priced underwear, socks, and athletic wear with brands such as Bali, Champion, Hanes, L’eggs, Playtex and Wonderbra. HanesBrands sells their products through major retailers such as Wal-Mart, Target and Kohls. After several years of strong EPS growth, HanesBrands’ EPS growth is expected to slow to 5% for 2017 and 8% for 2018. In addition, we do not expect HanesBrands to benefit from the tax rate change in the US – on the contrary, HanesBrands is one of the few companies that will likely face a higher global effective tax rate. As a result, we do not expect HanesBrands to deliver anywhere near the 26% average annual dividend growth it has over the past three (3) years. Nevertheless, HanesBrands’ dividend payout ratio is currently only 29% of expected 2018 EPS, and HanesBrands management have been very shareholder friendly – for example, in addition

to a quickly growing dividend, HanesBrands has bought back almost 10% of their shares outstanding in the past three (3) years.

Valero Energy is a large, independent, petroleum refining and marketing company that owns and operates refineries in the US, Canada and Aruba. Refining is a terrific business in that there is very limited North American capacity and thus limited competition for refining outputs; however, refining is a risky business in that that earnings can be highly variable and unpredictable depending upon various input and output commodity pricing spreads. Currently, analysts expect Valero's 2017 earnings to be 33% higher than last year's very poor earnings, but significantly below the banner 2015 earnings. Analyst's further expect that EPS will grow another 36% in 2018. Due to the high amount of capital equipment used in refining, Valero's cash-flow tends to be much higher than its earnings (in fact, more than double) – thus, payout ratios to EPS are not as informative as payout ratios to cash-flow. And, in Valero's case, there is plenty of dividend coverage. This is further evidenced by the fact that Valero has repurchased 18% of their shares outstanding in the past four (4) years (valued at \$9.2B at current stock price). Overall, we expect a dividend increase of 11% to 22% this year, but do see the possibility for an upside surprise to even this strong of forecast.






























































































































Always remember our primary message: [“Growing income”, as opposed to “fixed income”, is the only means of maintaining the purchasing power of your \(or your client’s\) income stream over the years to come.](#)

If you would like more information regarding the [AlphaDelta Growth of Dividend Income Class](#) and its current portfolio (including the up-to-date presentation piece), please feel free to contact me directly or alternatively contact AlphaDelta Management Corp. (www.AlphaDelta.com).

Thank you for your continued interest in the Fund,

John J. Schmitz

John J. Schmitz, Ph.D., CFA

No.	Ticker	List Type	Company Name	Portfolio Weight	Country of Domicile	BICS Sector	BICS Industry	Market Cap (\$B CAD)	Div Yld Indicated (% p.a.)	Ind Div PS 1 Year Growth (% p.a.)	Ind Div PS 1 Year Time Series	Ind Div PS 3 Year Growth (% p.a.)	Ind Div PS 3 Year Time Series	Ind Div PS 5 Year Growth (% p.a.)	Ind Div PS 5 Year Time Series	SciVest GDI Score	12-Mth Forward EPS Yld (% p.a.)	12-Mth Forward CF Yld (% p.a.)	12-Mth Forward P/E	12-Mth Forward P/CF			
				97.5%																			
1	CVS	US	CVS HEALTH CORP	3.9%	US	Consumer Staples	Food & Drug Stores	92	2.8	17.6		22.1		25.2		36.2	8.7	11.9	11.5	8.4			
2	ENB	CA	ENBRIDGE INC	3.2%	CA	Energy	Midstream - Oil & Gas	83	5.5	26.6		24.2		18.9		40.0	4.7	11.3	21.1	8.8			
3	WHR	US	WHIRLPOOL CORP	3.1%	US	Consumer Discretionary	Home Improvement	15	2.6	10.0		13.6		17.1		29.6	9.2	13.2	10.8	7.6			
4	AVGO	US	BROADCOM LTD	3.1%	US	Technology	Semiconductor Devices	132	2.7	71.6		76.2		61.4		33.3	7.7	9.9	13.0	10.1			
5	MIC	US	MACQUARIE INFRASTRUCTURE COR	3.1%	US	Industrials	Transport Support Services	7	8.8	10.1		13.2		15.6		40.0	4.0	8.8	24.7	11.3			
6	M	US	MACY'S INC	3.1%	US	Consumer Discretionary	Department Stores	10	6.0	0.0		6.5		13.5		19.5	10.6	24.6	9.4	4.1			
7	MFC	CA	MANULIFE FINANCIAL CORP	2.8%	CA	Financials	Life Insurance	52	3.1	10.8		9.8		9.5		28.2	9.4	9.3	10.7	10.8			
8	FL	US	FOOT LOCKER INC	2.8%	US	Consumer Discretionary	Specialty Apparel Stores	7	2.6	12.7		12.1		11.5		18.3	8.7	11.6	11.5	8.6			
9	AFSI	US	AMTRUST FINANCIAL SERVICES	2.5%	US	Financials	P&C Insurance	2	6.8	0.0		10.8		30.2		22.3	13.9	n/a	7.2	n/a			
10	MET	US	METLIFE INC	2.2%	US	Financials	Life Insurance	67	3.2	0.0		4.6		16.7		21.4	9.3	n/a	10.7	n/a			
11	JCOM	US	J2 GLOBAL INC	2.0%	US	Technology	Infrastructure Software	5	2.1	11.3		11.5		11.9		23.4	8.1	n/a	12.4	n/a			
12	BX	US	BLACKSTONE GROUP LP/THE	2.0%	US	Financials	Private Equity	48	5.5	7.3		0.0		34.5		31.2	9.7	n/a	10.3	n/a			
13	HBI	US	HANESBRANDS INC	1.9%	US	Consumer Discretionary	Apparel, Footwear & Acc Design	10	2.9	36.4		26.0		n/a		22.2	10.0	10.9	10.0	9.2			
14	QCOM	US	QUALCOMM INC	1.8%	US	Technology	Semiconductor Devices	119	3.6	7.5		10.7		17.9		37.1	5.7	6.6	17.4	15.2			
15	LOW	US	LOWE'S COS INC	1.8%	US	Consumer Discretionary	Home Products Stores	97	1.8	17.1		21.3		20.7		33.2	5.6	7.7	18.0	12.9			
16	CSCO	US	CISCO SYSTEMS INC	1.7%	US	Technology	Communications Equipment	238	3.0	11.5		15.1		15.7		28.2	6.5	7.7	15.3	13.0			
17	MG	CA	MAGNA INTERNATIONAL INC	1.7%	CA	Consumer Discretionary	Auto Parts	26	2.0	10.0		13.1		14.9		25.6	11.7	20.9	8.5	4.8			
18	MS	US	MORGAN STANLEY	1.6%	US	Financials	Institutional Brokerage	119	1.9	25.0		35.7		38.0		31.5	7.8	8.0	12.9	12.5			
19	LM	US	LEGG MASON INC	1.6%	US	Financials	Investment Management	5	2.7	27.3		20.5		20.5		34.0	8.2	13.9	12.2	7.2			
20	DFS	US	DISCOVER FINANCIAL SERVICES	1.6%	US	Financials	Consumer Finance	35	1.8	16.7		13.4		28.5		28.1	8.8	n/a	11.4	n/a			
21	IVZ	US	INVESCO LTD	1.6%	US	Financials	Investment Management	19	3.2	3.6		5.1		10.9		30.4	8.0	7.9	12.6	12.6			
22	WPP	ADR	WPP PLC-SPONSORED ADR	1.5%	GB	Communications	Advertising & Marketing	29	4.5	5.6		19.2		18.2		34.9	9.4	11.6	10.7	8.6			
23	GM	US	GENERAL MOTORS CO	1.5%	US	Consumer Discretionary	Automobiles	73	3.7	0.0		8.2		n/a		9.4	14.3	22.5	7.0	4.5			
24	RCL	US	ROYAL CARIBBEAN CRUISES LTD	1.5%	US	Consumer Discretionary	Cruise Lines	32	2.0	25.0		26.0		38.0		38.3	7.2	11.3	13.9	8.8			
25	LAZ	US	LAZARD LTD-CL A	1.5%	US	Financials	Institutional Brokerage	9	3.1	7.9		11.0		15.4		34.2	7.2	8.0	13.9	12.5			
26	DAL	US	DELTA AIR LINES INC	1.4%	US	Consumer Discretionary	Airlines	50	2.2	50.6		50.2		n/a		18.1	10.0	18.6	10.0	5.4			
27	AMP	US	AMERIPRISE FINANCIAL INC	1.4%	US	Financials	Wealth Management	32	2.0	10.7		12.7		13.0		27.5	7.7	n/a	12.9	n/a			
28	PRU	US	PRUDENTIAL FINANCIAL INC	1.4%	US	Financials	Life Insurance	61	2.6	7.1		8.9		13.4		28.8	10.0	n/a	10.0	n/a			
29	ABBV	US	ABBVIE INC	1.4%	US	Health Care	Large Pharma	194	2.9	10.9		13.2		n/a		24.2	6.8	6.9	14.7	14.6			
30	NWL	US	NEWELL BRANDS INC	1.4%	US	Consumer Discretionary	Home & Office Furnishings	19	3.0	21.1		10.6		8.9		22.0	9.6	9.7	10.5	10.3			
31	EAT	US	BRINKER INTERNATIONAL INC	1.3%	US	Consumer Discretionary	Restaurants	2	3.9	11.8		10.7		13.7		35.5	8.5	17.8	11.7	5.6			
32	NTTY	ADR	NIPPON TELEGRAPH & TELE-ADR	1.2%	JP	Communications	Telecom Carriers	124	2.5	12.5		14.5		12.5		29.2	8.6	23.3	11.6	4.3			
33	BG	US	BUNGE LTD	1.2%	US	Consumer Staples	Agricultural Products Whslrs	12	2.7	9.5		10.6		11.2		28.8	7.0	9.0	14.2	11.1			
34	ENF	CA	ENBRIDGE INCOME FUND HOLDING	1.2%	CA	Energy	Midstream - Oil & Gas	5	7.6	21.1		13.6		12.8		40.0	7.8	8.1	12.8	12.4			
35	PUK	ADR	PRUDENTIAL PLC-ADR	1.1%	GB	Financials	Life Insurance	83	2.4	3.6		8.8		11.9		21.8	7.9	n/a	12.7	n/a			
36	PFE	US	PFIZER INC	1.1%	US	Health Care	Large Pharma	271	3.8	6.2		9.4		9.1		26.5	7.6	8.2	13.1	12.2			
37	VLO	US	VALERO ENERGY CORP	1.1%	US	Energy	Refining & Marketing	51	3.0	16.7		36.5		32.0		38.3	7.2	12.9	13.9	7.8			
38	JPM	US	JPMORGAN CHASE & CO	1.1%	US	Financials	Diversified Banks	466	2.1	16.7		11.9		13.3		25.7	7.3	7.2	13.6	13.9			
39	JCI	US	JOHNSON CONTROLS INTERNATION	1.0%	US	Industrials	Comm'l & Res Bldg Equip & Sys	44	2.7	4.0		11.3		10.6		24.7	7.6	9.6	13.2	10.4			
40	LRX	US	LAM RESEARCH CORP	0.9%	US	Technology	Semiconductor Mfg	37	1.1	11.1		40.6		n/a		13.5	8.1	8.7	12.3	11.5			
41	WYN	US	WYNDHAM WORLDWIDE CORP	0.9%	US	Consumer Discretionary	Lodging	15	2.0	16.0		18.3		20.3		34.5	6.0	n/a	16.6	n/a			
42	WDC	US	WESTERN DIGITAL CORP	0.9%	US	Technology	Computer Hardware & Storage	30	2.5	0.0		7.7		14.9									

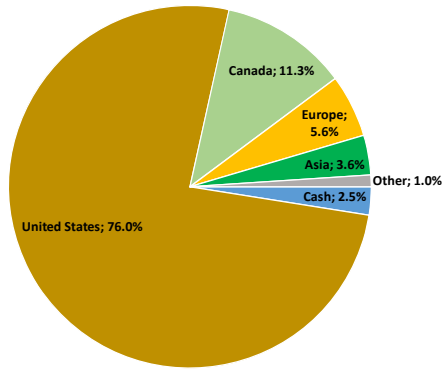
No.	Ticker	List Type	Company Name	Portfolio Weight	Country of Domicile	BICS Sector	BICS Industry	Market Cap (\$B CAD)	Div Yld Indicated (% p.a.)	Ind Div PS 1 Year Growth (% p.a.)	Ind Div PS 1 Year Time Series	Ind Div PS 3 Year Growth (% p.a.)	Ind Div PS 3 Year Time Series	Ind Div PS 5 Year Growth (% p.a.)	Ind Div PS 5 Year Time Series	SciVest GDI Score	12-Mth Forward EPS Yld (% p.a.)	12-Mth Forward CF Yld (% p.a.)	12-Mth Forward P/E	12-Mth Forward P/CF				
				97.5%																				
61	COR	US	CORESITE REALTY CORP	0.5%	US	Financials	REIT	7	3.4	22.5		40.9		29.4		33.3	1.9	5.3	53.8	19.0				
62	SU	CA	SUNCOR ENERGY INC	0.5%	CA	Energy	Integrated Oils	76	2.8	10.3		4.6		19.7		28.3	3.4	12.0	29.5	8.3				
63	AMT	US	AMERICAN TOWER CORP	0.5%	US	Financials	REIT	77	2.0	20.7		24.8		24.9		33.1	2.5	5.4	39.3	18.4				
64	STLD	US	STEEL DYNAMICS INC	0.5%	US	Materials	Steel Producers	13	1.4	10.7		10.5		9.2		17.8	7.0	9.8	14.3	10.2				
65	SPG	US	SIMON PROPERTY GROUP INC	0.5%	US	Financials	REIT	67	4.3	12.1		12.5		11.0		37.7	4.0	6.4	25.1	15.7				
66	CONE	US	CYRUSONE INC	0.5%	US	Financials	REIT	7	2.8	10.5		26.0		n/a		25.0	0.0	6.2	n/a	16.1				
67	BA	US	BOEING CO/THE	0.5%	US	Industrials	Aircraft & Parts	221	2.3	20.4		32.8		31.2		39.6	3.8	7.3	26.4	13.8				
68	HDELY	ADR	HEIDELBERGCEMENT AG-UNSP ADR	0.4%	DE	Materials	Cement & Aggregates	27	1.8	23.1		38.7		35.5		32.5	8.0	15.0	12.6	6.7				
69	KAR	US	KAR AUCTION SERVICES INC	0.4%	US	Consumer Discretionary	Other Commercial Services	9	2.8	9.4		9.0		13.0		25.8	5.1	5.5	19.7	18.1				
70	INTC	US	INTEL CORP	0.4%	US	Technology	Semiconductor Devices	272	2.4	4.8		4.3		3.9		16.0	7.1	10.9	14.2	9.2				
71	SCGLY	ADR	SOCIETE GENERALE-SPONS ADR	0.4%	FR	Financials	Diversified Banks	53	5.1	10.0		30.1		n/a		19.1	11.0	12.9	9.1	7.8				
72	CE	US	CELANESE CORP-SERIES A	0.4%	US	Materials	Basic & Diversified Chemicals	18	1.7	27.8		22.5		43.7		33.5	7.7	9.0	13.0	11.1				
73	AMX	ADR	AMERICA MOVIL-SPN ADR CL L	0.4%	MX	Communications	Telecom Carriers	71	1.8	7.1		7.7		8.4		18.2	5.8	16.1	17.2	6.2				
74	BIP-U	CA	BROOKFIELD INFRASTRUCTURE PA	0.4%	CA	Utilities	Utility Networks	22	4.0	11.5		10.8		11.7		30.0	5.6	7.5	17.9	13.4				
75	CAH	US	CARDINAL HEALTH INC	0.4%	US	Health Care	Health Care Supply Chain	24	3.0	3.0		10.5		11.0		26.7	8.5	12.2	11.8	8.2				
76	SMFKY	ADR	SMURFIT KAPPA GROUP PLC-ADR	0.4%	IE	Materials	Containers & Packaging	10	2.9	15.3		20.5		16.6		30.5	8.1	14.5	12.4	6.9				
77	NEE	US	NEXTERA ENERGY INC	0.3%	US	Utilities	Integrated Utilities	92	2.5	12.9		10.7		10.4		26.1	4.6	10.1	21.6	9.9				
78	SWKS	US	SKYWORKS SOLUTIONS INC	0.3%	US	Technology	Semiconductor Devices	22	1.3	14.3		35.0		n/a		17.6	7.8	8.8	12.8	11.3				
79	EXR	US	EXTRA SPACE STORAGE INC	0.3%	US	Financials	REIT	14	3.6	0.0		18.4		25.6		24.1	3.3	5.2	30.6	19.3				
80	DEO	ADR	DIAGEO PLC-SPONSORED ADR	0.3%	GB	Consumer Staples	Beverages	114	2.3	3.2		6.4		7.4		15.9	4.4	5.1	22.5	19.5				
81	BBY	US	BEST BUY CO INC	0.3%	US	Consumer Discretionary	Consumer Elec & Applc Stores	25	2.0	21.4		21.4		14.9		29.7	6.2	9.9	16.2	10.1				
82	DLR	US	DIGITAL REALTY TRUST INC	0.3%	US	Financials	REIT	30	3.3	5.7		3.9		5.0		24.8	1.6	6.0	62.6	16.8				
83	JNJ	US	JOHNSON & JOHNSON	0.2%	US	Health Care	Large Pharma	472	2.4	5.0		6.3		6.6		17.6	5.6	6.5	17.8	15.3				
84	ADI	US	ANALOG DEVICES INC	0.2%	US	Technology	Semiconductor Devices	41	2.0	7.1		6.7		8.4		17.1	5.9	6.7	17.0	14.9				
85	IP	US	INTERNATIONAL PAPER CO	0.2%	US	Materials	Containers & Packaging	30	3.3	2.7		5.9		9.6		24.2	7.5	14.0	13.4	7.2				
86	SRC	US	SPIRIT REALTY CAPITAL INC	0.2%	US	Financials	REIT	5	8.4	2.9		2.7		n/a		21.1	4.1	15.0	24.4	6.7				
87	IPL	CA	INTER PIPELINE LTD	0.2%	CA	Energy	Midstream - Oil & Gas	10	6.5	3.7		4.6		8.6		35.5	5.9	9.9	17.0	10.1				
88	BAYRY	ADR	BAYER AG-SPONSORED ADR	0.1%	DE	Health Care	Large Pharma	129	2.6	8.0		8.7		10.4		19.5	6.8	10.1	14.8	9.9				
89	EQIX	US	EQUINIX INC	0.1%	US	Financials	REIT	45	1.8	14.3		n/a		n/a		17.5	1.4	5.4	70.7	18.4				
90	NHI	US	NATL HEALTH INVESTORS INC	0.1%	US	Financials	REIT	4	5.0	5.6		7.3		7.2		26.4	5.0	6.6	20.1	15.3				
91	BEP-U	CA	BROOKFIELD RENEWABLE PARTNER	0.1%	CA	Utilities	Power Generation	14	5.5	5.1		6.5		6.3		31.3	1.7	5.8	58.9	17.2				
92	CLNS	US	COLONY NORTHSTAR INC-CLASS A	0.1%	US	Financials	REIT	8	9.5	170.0		39.2		n/a		16.7	11.0	10.6	9.1	9.4				
Invested Portfolio Equal Weighted Average				1.06%																26.7	7.2	10.9	17.6	10.8
Invested Portfolio Weighted Average				1.75%																28.1	8.1	11.8	14.4	9.9

* Data as of date = December 29, 2017

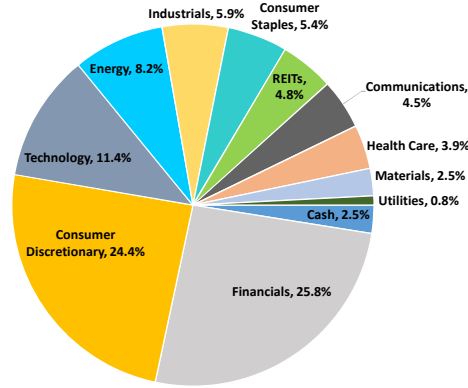
Dividend Coverage = **231%** **336%**

** All data is captured just prior to publication. Data is sourced and derived from Bloomberg and SciVest Capital Management Inc. "BICS Sector" and "BICS Industry" definitions are from the Bloomberg Industry Classification System. "Market Cap" is the current market capitalization of equity. "Div Yld Indicated" is the most recent indicated annualized dividend yield. "Ind Div PS" is the annualized gross amount of the most recent indicated dividend per share. The "Ind Div PS Times Series" charts show the annualize indicated dividend per share on a monthly basis as of each calendar month-end for the stated time period. The "SciVest GDI Score" is SciVest Capital Management Inc.'s proprietary Growth of Dividend Income Score. The SciVest GDI Score ranges from 0 to 40 (higher is better) and captures the magnitude of the combination of current dividend yield and dividend per share growth for each company stock (i.e., the higher the SciVest GDI Score, the higher the companies relative combined dividend yield and dividend growth). "12-Mth Forward P/E" is the ratio of current stock price to Bloomberg's blended 12-month forward aggregate analyst estimate of earnings per share from continuing operations, while "12-Mth Forward EPS Yld" is the inverse of this ratio. "12-Mth Forward P/CF" is the ratio of current stock price to Bloomberg's blended 12-month forward aggregate analyst estimate of cash flow per share, while "12-Mth Forward Cashflow Yld" is the inverse of this ratio. "Portfolio Equal Weighted Average" is the simple arithmetic mean of each data item across all portfolio holdings, and "Portfolio Weighted Average" is the weighted average of each data item where each data point within the average is weighted by the percentage held of each portfolio holding (not including cash). Within the each average calculation, missing values are assigned the average of the remaining data items.

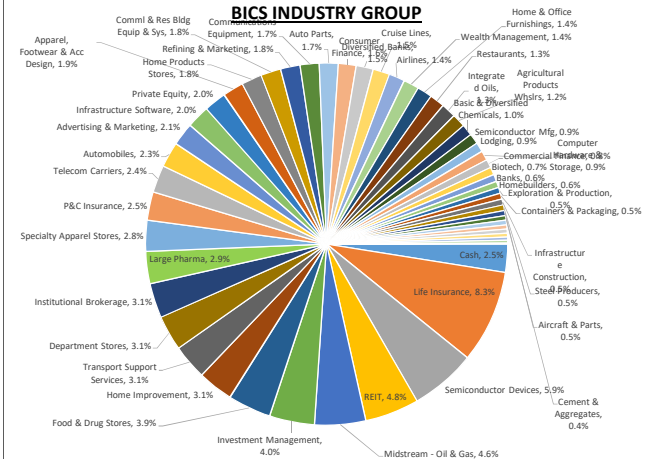
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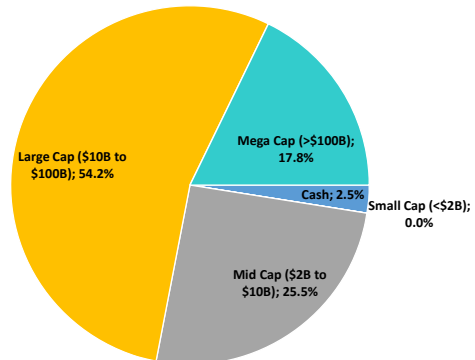
BICS SECTOR



BICS INDUSTRY GROUP

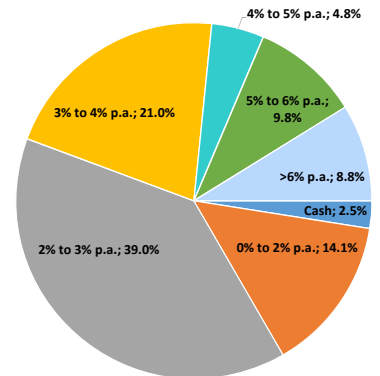


MARKET CAP BUCKETS (CA\$)



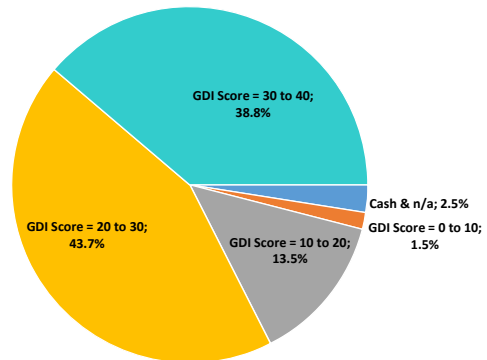
Average = \$64.9 Billion

DIVIDEND YIELD BUCKETS



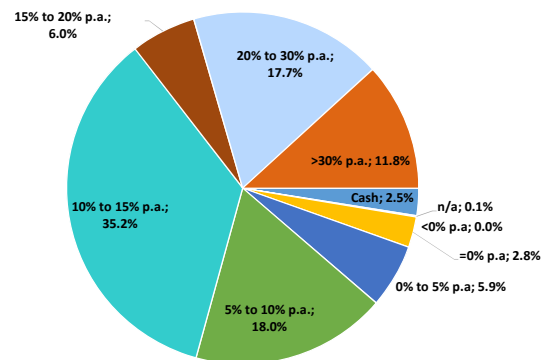
Average = 3.51% p.a.

SCIVEST GDI SCORE BUCKETS



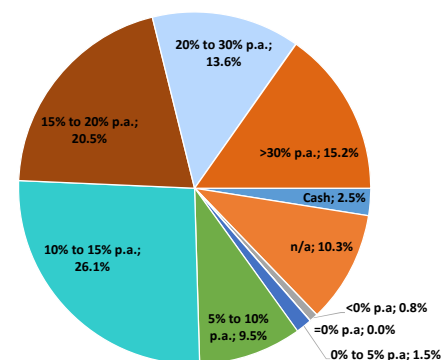
Average = 28.1

3 YEAR DIVIDEND GROWTH BUCKETS



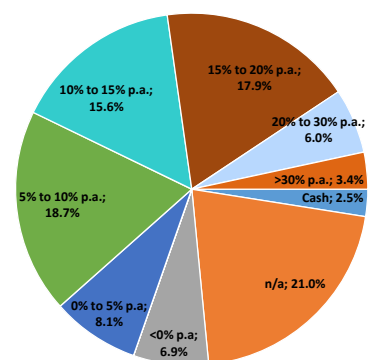
Average = 17.1% p.a.

5 YEAR DIVIDEND GROWTH BUCKETS



Average = 18.2% p.a.

10 YEAR DIVIDEND GROWTH BUCKETS



Average = 13.2% p.a.