

Quality and Value Above all Else

Looking to build a portfolio which will generate income and grow? Then this list of Top Ranked companies is the place to start.

Top Ranked represents stocks that are of the highest quality and undervalued. These stocks **have met all of the 9 quantitative rules** of Simply Investing (see the 12 Rules on page 9). In the long-term these stocks have the highest potential for capital appreciation and dividend growth. Stocks are ordered from highest Dividend Growth to lowest Dividend Growth.

If you already own the Top Ranked, or are looking for additional stocks for consideration, check the next page for The Five

This SI Report tracks mature market leading companies, typically the fundamentals for these companies changes infrequently. The Top Ranked list will change very little from one month to the next, for additional stocks to consider check the next page for **The Five**

TOP RANKED - US and Canadian Stocks

Company Name	Symbol	Dividend Growth	P/E Ratio	Current Div Yield	Share Price	Annual Div	Consecutive Years of Dividend Increases	Dividends Paid Since	Industry	Market
Intel	INTC	20.10%	11	2.67%	47.14	1.26	3	1991	Semiconductors	US
Aflac	AFL	14.30%	8	2.17%	48	1.04	35	1973	Insurance - Life	US
Franklin Resources	BEN	14.00%	21	3.52%	29.57	1.04	36	1981	Asset Management	US
Eaton Corporation	ETN	8.60%	16	3.46%	76.33	2.64	8	1923	Diversified Industrials	US
Genworth MI Canada Inc.	MIC	60.10%	8	4.56%	44.71	2.04	6	2009	Insurance - Specialty	CAD
Suncor Energy Inc.	SU	35.10%	14	3.40%	42.38	1.44	14	1992	Oil & Gas Integrated	CAD
Royal Bank of Canada	RY	11.80%	12	3.92%	100.02	3.92	7	1870	Banks - Global	CAD

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For new subscribers, and those starting a portfolio, begin with the **Top Ranked** stocks (listed on page 1). **The Five** list provides more options for your consideration.

The Five represents stocks that are also of high quality and undervalued. These are stocks that have met all or most of the 9 quantitative rules of Simply Investing (see the 12 Rules on page 9). In the long-term these stocks also have the potential for capital appreciation and dividend growth.

The Five are ordered from highest Dividend Growth to lowest Dividend Growth. More information on how to use this report is listed on page 9.

THE FIVE - US and Canadian Stocks

Company Name	Symbol	Dividend Growth	P/E Ratio	Current Div Yield	Share Price	Annual Div	Consecutive Years of Dividend Increases	Dividends Paid Since	Industry	Market
Cintas	CTAS	14.30%	22	1.09%	187.5	2.05	34	1984	Business Services	US
A. O. Smith Corporation	AOS	9.90%	19	1.84%	47.87	0.88	25	1983	Diversified Industrials	US
Air Products and Chemicals	APD	9.40%	21	2.82%	164.44	4.64	35	1954	Chemicals	US
JPMorgan Chase	JPM	8.20%	12	3.10%	103.3	3.2	7	1827	Banks - Global	US
Exxon Mobil	XOM	7.30%	13	4.48%	73.28	3.28	34	1882	Oil & Gas Integrated	US
Saputo Inc.	SAP	37.50%	20	1.71%	38.52	0.66	18	1997	Packaged Foods	CAD
Sun Life Financial Inc.	SLF	25.90%	13	4.22%	47.4	2	3	2000	Insurance - Diversified	CAD
Intact Financial Corporation	IFC	12.70%	22	2.70%	103.86	2.8	12	2004	Insurance - Property & Casualty	CAD
Great-West Life	GWO	11.80%	11	5.53%	28.2	1.56	3	2000	Insurance - Life	CAD
Bank of Nova Scotia	BNS	11.70%	11	4.55%	74.8	3.4	7	1833	Banks - Global	CAD

Market Data date: January 31, 2019



Undervalued US Stocks

These are stocks which are trading at historically low prices, and can be considered for purchase; start with those which have the highest SI Criteria grade out of 9. An Excel version of this table is available from your [Subscriber page](#).

Company Name	Symbol	EPS Growth	Dividend Growth	Payout Ratio	LT Debt/Equity Ratio	S&P Credit Rating	Consistent Share Buyback?	P/E Ratio	Current Div Yield	Avg Div Yield	Avg Low Div Yield	Avg High Div Yield	High Stock Price	Low Stock Price	P/B Ratio	Book Value Per Share	SI Criteria (out of 9)	Share Price	Annual Div	Graham Price	%Difference Graham Price vs Current Price	Consecutive Years of Dividend Increases	Dividends Paid Since	Industry	Undervalued Overvalued	EPS	Consecutive Years of EPS Increases
3M	MMM	9.90%	7.00%	61.10%	142.60%	A-	yes	23	2.72%	2.43%	2.08%	2.96%	62.99	183.98	11.4	17.6	6	200.34	5.44	55.9	-72.10%	59	1916	Diversified Industrials	U	2.58	0
A. O. Smith Corporation	AOS	20.00%	9.90%	34.10%	0.00%	n/a	yes	19	1.84%	1.77%	1.41%	2.41%	261.95	16.54	4.7	10.23	7	47.87	0.88	19.84	-58.60%	25	1983	Diversified Industrials	U	8.9	0
Aflac	AFL	16.20%	14.30%	16.50%	22.70%	A-	yes	8	2.17%	1.72%	1.41%	2.41%	73.92	43.1	1.6	30.45	9	48	1.04	52.14	8.60%	35	1973	Insurance - Life	U	6.32	2
Air Products and Chemicals	APD	33.50%	9.40%	60.60%	34.60%	A	no	21	2.82%	2.37%	2.01%	2.97%	231.39	156.17	3.3	49.55	7	164.44	4.64	91.28	-44.50%	35	1954	Chemicals	U	7.66	1
American Express	AXP	8.30%	6.00%	19.70%	277.30%	BBB+	yes	13	1.52%	1.32%	1.07%	1.91%	145.53	81.73	4	25.75	6	102.79	1.56	51.38	-50.00%	2	1977	Credit Services	U	7.9	0
Apple	AAPL	70.80%	10.20%	24.00%	97.30%	AA+	yes	14	1.75%	1.71%	1.42%	2.14%	205.31	136.26	6.7	24.93	7	166.5	2.92	70.71	-57.50%	5	1987	Consumer Electronics	U	12.17	1
Archer-Daniels-Midland	ADM	10.80%	11.50%	33.30%	41.30%	A	no	11	2.98%	1.73%	1.43%	2.25%	93.61	59.55	1.3	33.91	8	44.92	1.34	48.37	7.70%	41	1927	Farm Products	U	4.02	0
AT&T	T	19.30%	4.00%	71.10%	95.90%	BBB+	yes	10	6.79%	4.52%	3.92%	5.42%	52.01	37.62	1.2	25.28	7	30.04	2.04	41.83	39.30%	14	1984	Telecom Services	U	2.87	1
Autodesk Data Processing	ADP	7.00%	12.30%	76.50%	42.00%	AA	yes	34	2.26%	2.13%	1.84%	2.57%	172.12	123.05	12.8	10.92	5	139.84	3.16	28.83	-79.40%	42	1974	Business Services	U	4.13	2
Balchem Corporation	BCFC	20.30%	22.30%	15.20%	26.00%	n/a	yes	27	0.57%	0.47%	0.38%	0.48%	172.1	123.88	3.9	10.93	8	82.87	0.47	27.88	-61.40%	8	1985	Chemicals	U	3.1	1
Boeing	BA	30.90%	11.20%	46.00%	0.00%	A	no	22	2.14%	2.03%	1.65%	2.71%	496.81	302.86	-17.0	-2.265	8	384.88	8.22	#NUM!	#NUM!	6	1942	Aerospace & Defense	U	17.88	5
Cardinal Health	CAH	15.70%	19.20%	80.30%	152.20%	BBB+	yes	21	3.82%	1.03%	0.88%	1.27%	217.38	149.93	2.5	19.71	7	49.96	1.91	42.07	-15.80%	31	1983	Medical Distribution	U	2.38	0
Caterpillar	CAT	16.90%	10.30%	55.20%	225.70%	A	yes	21	2.58%	2.50%	2.00%	3.46%	172.4	99.56	5	26.86	7	133.16	3.44	32.77	-75.40%	4	1914	Farm & Construction Equipment	U	6.23	1
Chevron	CVX	37.80%	7.10%	60.30%	23.40%	AA-	yes	15	3.89%	3.40%	2.92%	4.08%	153.32	109.74	1.4	80.37	8	115.15	4.48	65.1	-43.50%	31	1926	Oil & Gas Integrated	U	7.43	1
Church & Dwight	CHD	19.10%	14.10%	26.50%	89.50%	BBB+	yes	20	1.35%	1.21%	1.05%	1.45%	83.3	60.6	6.8	9.566	7	64.59	0.87	21.07	-67.40%	19	1901	Household & Personal Products	U	3.28	17
Cintas	CTAS	11.20%	14.30%	24.30%	89.50%	BBB+	yes	22	1.09%	0.97%	0.82%	1.21%	249.27	169.34	6.5	28.87	7	187.5	2.05	55.42	-70.40%	34	1984	Business Services	U	8.44	0
Cisco	CSCO	18.90%	52.80%	400.00%	58.30%	AA-	yes	144	2.78%	2.49%	2.16%	2.94%	61.14	44.83	4.9	9.708	6	47.4	1.32	20.48	-56.80%	6	2011	Communication Equipment	U	0.33	0
Clorox	CLX	9.90%	8.30%	59.80%	378.90%	A-	yes	23	2.59%	2.37%	2.08%	2.78%	184.36	137.97	28	5.305	7	148.43	3.84	24.12	-83.80%	39	1968	Household & Personal Products	U	6.42	3
Coca-Cola	KO	3.50%	8.80%	240.00%	245.60%	AA-	yes	75	3.21%	2.36%	2.09%	2.75%	74.99	56.81	11.3	4.291	4	48.62	1.56	10.54	-78.30%	54	1893	Beverages - Soft Drinks	U	0.65	0
Colgate-Palmolive	CL	8.20%	9.20%	61.10%	-6241.20%	AA-	yes	24	2.60%	1.97%	1.73%	2.32%	97.39	72.46	-55.0	-0.1176	9	64.67	1.68	#NUM!	#NUM!	53	1895	Household & Personal Products	U	2.75	0
Consolidated Water Co.	CWCW	7.80%	10.10%	49.30%	0.70%	n/a	no	19	2.60%	2.58%	2.07%	3.58%	16.46	9.5	1.3	10.25	6	13.08	0.34	9.56	-26.90%	1	1985	Utilities - Regulated Water	U	0.69	1
Cracker Barrel Old Country Store	CBRL	13.10%	20.30%	48.40%	66.60%	n/a	no	16	2.99%	1.48%	1.20%	2.07%	417.1	241.19	6.7	24.97	6	167.33	5	65.7	-60.70%	7	1972	Restaurants	U	10.33	6
Cummins Inc.	CMII	36.00%	13.80%	57.50%	34.30%	A+	yes	19	3.10%	2.15%	1.66%	3.19%	274.61	142.73	3.3	44.79	8	147.17	4.56	86.05	-41.50%	12	1948	Diversified Industrials	U	7.93	0
CVS Health Corp	CVS	17.40%	14.80%	66.20%	171.70%	BBB+	yes	22	3.05%	1.01%	0.85%	1.28%	236.15	156.02	1.8	35.94	8	65.55	2	65.61	0.10%	14	1916	Healthcare Plans	U	3.02	7
Disney	DIS	14.50%	11.60%	21.10%	42.80%	A	yes	13	1.58%	1.04%	0.86%	1.32%	203.53	133.33	3.4	32.52	8	111.5	1.76	63.09	-43.40%	1	1957	Media - Diversified	U	8.36	0
Dover Corporation	DOV	14.70%	8.50%	51.10%	114.30%	A-	yes	23	2.19%	2.14%	1.77%	2.74%	108.64	69.95	4.6	18.92	7	87.77	1.92	44.35	-49.50%	62	1947	Diversified Industrials	U	3.76	1
Eaton Corporation	ETN	16.50%	8.60%	54.10%	43.30%	A-	yes	16	3.46%	2.71%	2.22%	3.54%	118.75	74.63	2	38.66	9	76.33	2.64	66.17	-13.30%	8	1923	Diversified Industrials	U	4.88	1
Ecolab Inc.	ECL	14.30%	12.60%	33.80%	89.60%	A-	yes	29	1.16%	1.11%	0.96%	1.33%	192.47	138.24	5.8	27.45	6	158.4	1.84	50.48	-68.10%	26	1996	Specialty Chemicals	U	5.45	1
Emerson Electric	EMR	5.50%	6.60%	56.60%	53.20%	A	yes	19	2.99%	2.71%	2.30%	3.36%	85.26	58.41	4.6	14.22	6	65.48	1.96	30.74	-53.10%	60	1947	Diversified Industrials	U	3.46	0
Exxon Mobil	XOM	13.50%	7.30%	60.30%	21.00%	AA+	yes	13	4.48%	2.55%	2.24%	2.89%	146.61	109.86	1.6	44.96	8	73.28	3.28	59.1	-19.30%	34	1882	Oil & Gas Integrated	U	5.44	1
Fastenal Company	FAST	17.30%	32.10%	65.40%	21.70%	n/a	yes	23	2.84%	1.20%	1.01%	1.49%	170.99	115.58	7.5	8.054	7	60.49	1.72	17.24	-69.80%	19	1991	Industrial Distribution	U	2.63	1
Franklin Resources	BEN	7.70%	14.00%	73.80%	7.40%	A+	yes	21	3.52%	0.86%	0.70%	1.15%	148.19	90.79	1.6	19.07	9	29.57	1.04	36.35	22.90%	36	1981	Asset Management	U	1.41	1
General Mills	GIS	8.10%	6.50%	57.10%	229.40%	BBB+	yes	13	4.41%	2.78%	2.47%	3.20%	79.35	61.35	4	11.15	6	44.45	1.96	25.06	-43.60%	13	1898	Packaged Foods	U	3.43	0
Goldman Sachs	GS	33.30%	17.00%	12.70%	294.40%	A+	yes	8	1.62%	0.98%	0.79%	1.38%	404.23	232.23	0.8	241.95	8	398.01	3.2	260.65	31.60%	6	1999	Capital Markets	U	25.25	0
Harris Corporation	HRS	54.50%	14.60%	38.60%	111.90%	BBB-	yes	22	1.79%	1.73%	1.40%	2.32%	195.56	118.03	5.3	28.97	6	153.15	2.74	46.94	-69.40%	15	1941	Communication Equipment	U	7.09	1
Home Depot	HD	18.70%	20.90%	44.90%	1953.00%	A	yes	20	2.24%	1.46%	1.21%	1.88%	340.87	219.68	157.3	1.167	7	383.56	4.12	12.06	-93.40%	7	1987	Home Improvement Stores	U	9.17	8
Hormel Foods Corporation	HRL	12.70%	11.00%	44.90%	11.20%	A	no	23	1.99%	1.80%	1.55%	2.17%	54.12	38.72	4	10.49	7	42.3	0.84	18.77	-55.60%	52	1928	Packaged Foods	U	1.87	0
IBM	IBM	7.20%	14.20%	66.00%	272.70%	AA-	yes	14	4.67%	1.57%	1.34%	1.91%	467.23	328.4	7.3	18.48	6	134.5	6.28	66.53	-50.50%	22	1913	Information Technology Services	U	9.51	0
Illinois Tool Works Inc.	ITW	10.80%	14.00%	72.10%	209.00%	A+	yes	25	2.91%	1.88%	1.58%	2.34%	252.5	171.12	12.9	10.68	7	137.27	4	35.45	-74.20%	43	1993	Diversified Industrials	U	5.55	0
Intel	INTC	17.70%	20.10%	28.10%	35.90%	A+	yes	11	2.67%	1.86%	1.54%	2.38%	81.59	52.91	2.9	16.34	9	47.14	1.26	28.09	-40.40%	3	1991	Semiconductors	U	4.48	0
Jack Henry & Associates	JKHY	16.30%	16.30%	29.00%	0.00%	n/a	yes	26	1.11%	1.03%	0.85%	1.35%	173.85	109.71	7.5	17.71	6	133.49	1.48	34.29	-74.30%	24	1990	Business Services	U	5.11	14
John Wiley & Sons Inc.	JWA	9.80%	13.80%	39.60%	46.00%	n/a	no	16	2.55%	1.27%	1.06%	1.62%	123.96	81.71	2.5	20.42	7	51.81	1.32	33.66	-35.00%	16	1982	Publishing	U	3.33	0
Johnson & Johnson	JNJ	8.70%	11.00%	64.20%	0.00%	AAA	no	24	2.68%	2.39%	2.12%	2.75%	170.15	130.89	5.6	24.09	7	134.25	3.6	46.33	-65.50%	55	1944	Drug Manufacturers - Major	U	5.61	0
JPMorgan Chase	JPM	14.80%	8.20%	35.60%	137.00%	A-	yes	12	3.10%	2.87%	2.33%	3.91%	137.53	81.88	1.5	70.35	8	103.3	3.2	98.8	-4.40%	7	1827	Banks - Global	U	8.98	4
Kellogg Company	K	11.60%	4.30%	42.20%	292.70%	BBB	yes	11	3.80%	2.86%	2.52%	3.32%	88.99	67.42	6.7	8.784	5	59.02	2.24	21.93	-62.80%	13	1923	Packaged Foods	U	5.31	2
Kimberly-Clark	KMB	5.00%	6.80%	102.20%	-2597.60%	A	yes	28	3.70%	3.05%	2.69%	3.54%	153.16	116.48	-134	-0.8319	5	111.39	4.12	#NUM!	#NUM!	44	1935	Household & Personal Products	U	4.03	2
L Brands	LB	8.90%	12.30%	44.80%	-446.70%	BB+	no	10	4.31%	2.26%	1.74%	3.40%	68.95	35.26	-5.8	-4.777	7	27.84	1.2	#NUM!	#NUM!	6	1970	Apparel Stores	U	2.68	0
Lowe's	LOW	17.20%	20.80%	42.70%	288.80%	A-	yes	21	1.99%	0.88%	0.73%	1.12%	264.05	171.75	14.5	6.674	7	96.46	1.92	21.12	-78.10%	54	1961	Home Improvement Stores	U	4.5	7
McDonald's	MCD	11.60%	16.00%	61.50%	-496.60%	BBB+	yes	24	2.59%	2.23%	1.93%	2.67%	240.13	174	-22.1	-8.118	9	179.18	4.64	#NUM!	#NUM!	40	1976	Restaurants	U	7.54	2
Medtronic	MDT	9.10%	16.20%																								



Overvalued US Stocks

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Company Name	Symbol	EPS Growth	Dividend Growth	Payout Ratio	LT Debt/ Equity Ratio	S&P Credit Rating	Consistent Share Buyback?	P/E Ratio	Current Div Yield	Avg Div Yield	Avg Low Div Yield	Avg High Div Yield	High Stock Price	Low Stock Price	P/B Ratio	Book Value per Share	SI Criteria (out of 9)	Share Price	Annual Div	Graham Price	%difference Graham Price vs Current Price	Consecutive Years of Dividend Increases	Dividends Paid Since	Industry	U=undervalued O=overvalued	EPS	Consecutive Years of EPS Increases
Abbott Laboratories	ABT	3.90%	9.10%	96.20%	0.00%	BBB	yes	55	1.75%	4.41%	3.81%	5.28%	33.59	24.23	4.2	17.48	3	73	1.28	23.27	-68.10%	4	1926	Medical Devices	O	1.33	0
American Financial Group	AFG	37.40%	6.50%	20.00%	25.20%	BBB+	yes	12	1.68%	2.17%	1.81%	2.78%	88.5	57.62	1.6	57.9	7	95.42	1.6	84.78	-11.20%	12	1987	Insurance - Property & Casualty	O	8.01	0
Becton, Dickinson and Company	BDX	9.90%	11.90%	770.00%	102.40%	BBB	no	624	1.23%	1.48%	1.29%	1.77%	239.55	173.73	3.2	78.26	2	249.58	3.08	85.45	-65.80%	45	1926	Medical Instruments & Supplies	O	0.4	2
Black Hills Corporation	BKH	18.10%	3.20%	49.40%	183.10%	BBB	no	17	2.97%	3.94%	3.31%	5.00%	61.1	40.44	2	33.84	4	67.92	2.02	31.34	-53.90%	47	1942	Utilities - Diversified	O	4.09	2
Cass Information Systems	CASS	8.00%	8.90%	45.60%	0.00%	n/a	yes	26	1.77%	1.99%	1.68%	2.45%	51.78	35.56	3.2	15.54	5	49.24	0.87	25.96	-47.30%	16	1983	Business Services	O	1.908	2
Cincinnati Financial Corporation	CINF	14.70%	7.40%	25.30%	10.30%	BBB+	no	10	2.62%	3.32%	2.83%	4.09%	74.79	51.8	1.6	51.22	6	81.01	2.12	72.47	-10.50%	56	1954	Insurance - Property & Casualty	O	8.38	1
Consolidated Edison	ED	3.80%	1.30%	59.30%	113.00%	A-	no	16	3.81%	4.96%	4.35%	5.80%	68.11	51.08	1.5	51.08	4	77.7	2.96	70.87	-8.80%	43	1885	Utilities - Regulated Electric	O	4.99	4
DowDuPont	DWDP	39.20%	6.90%	475.00%	35.90%	A-	no	169	2.82%	3.58%	2.91%	4.97%	52.21	30.6	1.3	42.76	4	53.95	1.52	58.25	8.00%	0	1904	Chemicals	O	0.32	0
Federal Realty Investment Trust	FRT	10.10%	4.10%	130.40%	137.80%	A-	no	42	3.08%	4.78%	4.13%	5.75%	98.77	71	4.6	29.13	2	132.57	4.08	47.9	-63.90%	31	1962	REIT - Retail	O	3.13	3
General Electric	GE	-2.20%	8.20%	-1.10%	365.50%	AA-	yes	-3	0.39%	2.84%	2.34%	3.86%	1.71	1.04	2.8	3.616	6	10.21	0.04	#NUM!	#NUM!	0	1899	Diversified Industrials	O	-3.65	0
Genuine Parts Company	GPC	4.50%	5.40%	57.90%	80.70%	n/a	yes	20	2.88%	3.37%	2.92%	4.01%	98.66	71.86	4.1	24.61	3	99.88	2.88	49.73	-50.20%	61	1948	Specialty Retail	O	4.97	0
Lancaster Colony Corporation	LANC	4.60%	7.90%	49.30%	0.00%	n/a	no	30	1.63%	2.09%	1.78%	2.54%	145.82	102.18	6.5	24.52	2	159.1	2.6	47.68	-70.00%	54	1963	Packaged Foods	O	5.27	0
McCormick	MKC	10.50%	9.10%	32.60%	148.10%	A-	no	18	1.84%	2.13%	1.87%	2.47%	121.61	92.28	5.2	24	5	123.66	2.28	43.52	-64.80%	31	1925	Packaged Foods	O	7	2
Merck	MRK	25.50%	4.20%	176.00%	72.80%	AA	yes	60	2.94%	3.24%	2.70%	4.12%	81.34	53.41	6.1	12.19	3	74.73	2.2	18.74	-74.90%	7	1970	Drug Manufacturers - Major	O	1.25	0
Microsoft	MSFT	17.40%	26.30%	42.70%	79.40%	AAA	yes	24	1.76%	1.83%	1.56%	2.26%	118.12	81.46	8.7	11.99	6	104.5	1.84	23.78	-77.20%	14	2003	Software - Infrastructure	O	4.31	2
Nike	NKE	14.50%	15.00%	67.20%	39.90%	AA-	yes	63	1.07%	1.15%	0.95%	1.48%	92.92	59.45	14.8	5.535	6	81.99	0.88	16.45	-79.90%	15	1984	Footwear & Accessories	O	1.31	8
Nordson Corporation	NDSN	16.10%	9.00%	21.80%	90.60%	n/a	yes	20	1.08%	1.47%	1.19%	2.00%	117.51	69.9	5.2	25	5	129.66	1.4	49.86	-61.50%	28	1969	Diversified Industrials	O	6.41	2
Pentair plc	PNR	20.40%	5.40%	36.70%	41.90%	BBB-	no	21	1.75%	2.53%	2.05%	3.37%	35.13	21.38	3.8	10.83	4	41.18	0.72	22.19	-46.10%	42	1976	Diversified Industrials	O	1.96	2
PPG Industries	PPG	19.60%	4.80%	35.10%	0.00%	A-	yes	19	1.82%	2.65%	2.20%	3.38%	87.21	56.79	5.1	20.76	6	105.45	1.92	47.66	-54.80%	44	1899	Specialty Chemicals	O	5.47	1
Rollins	ROL	16.70%	13.90%	58.90%	0.00%	n/a	yes	52	1.13%	1.35%	1.15%	1.66%	36.38	25.3	17.1	2.175	5	37.28	0.42	5.92	-84.10%	14	1961	Business Services	O	0.713	17
Roper Technologies Inc.	ROP	16.70%	10.60%	17.00%	69.00%	BBB+	no	26	0.65%	0.69%	0.56%	0.91%	330.08	202.71	3.9	73.1	5	283.4	1.85	111.48	-60.70%	25	1999	Diversified Industrials	O	10.87	1
RPM International Inc.	RPM	27.80%	5.70%	76.90%	154.80%	BBB	no	31	2.45%	3.39%	2.81%	4.41%	49.9	31.73	5	11.51	1	57.17	1.4	22.32	-61.00%	44	1969	Specialty Chemicals	O	1.82	0
S&P Global Inc.	SPGI	18.80%	8.00%	29.70%	404.50%	n/a	yes	28	1.04%	1.85%	1.52%	2.42%	131.46	82.56	53.2	3.607	3	191.76	2	22.02	-88.50%	43	1937	Capital Markets	O	6.73	0
Sherwin-Williams Company	SHW	21.00%	11.50%	17.20%	243.30%	BBB	yes	21	0.82%	1.77%	1.48%	2.20%	231.77	156.31	9.9	42.45	5	421.73	3.44	115.37	-72.60%	40	1979	Specialty Chemicals	O	20.03	6
SIW Group	SIW	8.70%	4.20%	49.30%	106.80%	n/a	no	26	1.87%	2.68%	2.29%	3.30%	48.91	33.9	2.6	23.02	3	59.98	1.12	35.45	-40.90%	50	1932	Utilities - Regulated Water	O	2.27	2
Sonoco Products Company	SON	2.30%	4.70%	68.60%	76.60%	BBB+	yes	24	2.85%	3.32%	2.83%	4.05%	57.92	40.54	3.2	18.17	4	57.57	1.64	30.86	-46.40%	35	1925	Packaging & Containers	O	2.39	0
Stanley Black & Decker	SWK	24.30%	5.20%	62.30%	53.30%	A	yes	30	2.09%	2.56%	2.09%	3.38%	126.2	78.22	2.4	52.14	6	126.55	2.64	89.18	-29.50%	50	1876	Tools & Accessories	O	4.24	4
The York Water Company	YORW	5.40%	3.70%	67.60%	73.50%	A-	no	32	2.10%	3.27%	2.81%	3.95%	24.57	17.47	3.4	9.612	2	32.9	0.69	14.46	-56.10%	21	1816	Utilities - Regulated Water	O	1.02	1
Travelers Companies Inc.	TRV	67.10%	6.80%	33.90%	28.70%	A	yes	14	2.45%	2.61%	2.20%	3.31%	140.03	93.04	1.4	86.85	7	125.59	3.08	136.23	8.50%	12	2004	Insurance - Property & Casualty	O	9.09	0
V.F. Corporation	VFC	2.40%	9.30%	59.10%	67.40%	A	yes	24	2.42%	2.48%	2.06%	3.18%	99.17	64.08	8	10.52	6	84.17	2.04	23.35	-72.30%	44	1941	Apparel Manufacturing	O	3.45	0
Verizon	VZ	73.80%	2.20%	63.90%	0.00%	BBB+	no	15	4.37%	4.64%	3.98%	5.61%	60.5	42.96	4.2	13.19	5	55.18	2.41	38.44	-30.30%	11	1984	Telecom Services	O	3.77	1
VSE Corporation	VSEC	25.10%	10.20%	8.10%	54.60%	n/a	no	8	0.98%	1.06%	0.81%	1.58%	39.41	20.21	1.1	29.46	6	32.68	0.32	43.03	31.70%	14	1973	Engineering & Construction	O	3.97	3
WEC Energy Group Inc.	WEC	11.00%	7.50%	58.10%	115.00%	A-	no	18	3.23%	3.56%	3.12%	4.15%	75.53	56.8	2.4	31.08	5	73.06	2.36	46.03	-37.00%	14	1941	Utilities - Regulated Electric	O	4.06	2



Undervalued Canadian Stocks

These are stocks which are trading at historically low prices, and can be considered for purchase; start with those which have the highest SI Criteria grade out of 9. An Excel version of this table is available from your [Subscriber page](#).

Company Name	Symbol	EPS Growth	Dividend Growth	Payout Ratio	L/ Debt/ Equity Ratio	S&P Credit Rating	Consistent Share Buyback?	P/E Ratio	Current Div Yield	Avg Div Yield	Avg Low Div Yield	Avg High Div Yield	High Stock Price	Low Stock Price	P/B Ratio	Book Value per Share	SI Criteria (out of 9)	Share Price	Annual Div	Graham Price	%Difference Graham Price vs Current Price	Consecutive Years of Dividend Increases	Dividends Paid Since	Industry	U=undervalued O=overvalued	EPS	Consecutive Years of EPS Increases
Alimentation Couche-Tard Inc.	ATD.B	28.70%	34.00%	9.70%	95.40%	BBB	yes	17	0.56%	0.54%	0.44%	0.71%	90.7	56.61	3.7	19.24	6	71.38	0.4	32.72	-54.20%	11	1999	Grocery Stores	U	4.105	9
ATCO	ACO.X	3.60%	13.10%	89.00%	295.30%	A	yes	23	3.90%	2.21%	1.90%	2.66%	85.42	60.84	1.3	31.65	6	41.55	1.62	37.93	-8.70%	25	1973	Utilities - Diversified	U	1.82	0
Aecon Group Incorporated	ARE	4.60%	28.70%	65.80%	100.00%	n/a	yes	24	2.74%	2.17%	1.73%	3.04%	28.92	16.46	1.4	13.24	6	18.27	0.5	14.98	-18.00%	6	2000	Engineering & Construction	U	0.76	0
AltaGas Ltd.	ALA	67.50%	24.50%	-37.60%	160.10%	BBB	no	-5	7.14%	7.00%	5.94%	8.65%	16.16	11.1	0.7	19.35	6	13.45	0.96	13.41	-0.30%	6	2004	Oil & Gas Midstream	U	-2.55	0
Bank of Montreal	BMO	7.10%	7.60%	48.90%	14.80%	A+	no	12	4.16%	3.96%	3.39%	4.90%	118.04	81.57	1.5	64.74	6	96.18	4	101.96	6.00%	6	1829	Banks - Global	U	8.18	8
Bank of Nova Scotia	BNS	10.40%	11.70%	49.80%	8.70%	A+	no	11	4.55%	3.60%	3.11%	4.37%	109.43	77.79	1.5	49.75	8	74.8	3.4	81.79	9.30%	7	1833	Banks - Global	U	6.83	4
BCE Inc.	BCE	24.90%	13.90%	99.00%	117.50%	BBB+	yes	19	5.29%	3.84%	3.41%	4.55%	88.55	66.37	3.1	18.72	6	57.13	3.02	36.37	-36.30%	9	1880	Telecom Services	U	3.05	0
Canadian National Railways	CNR	13.10%	16.50%	36.60%	71.30%	A	yes	19	1.96%	1.55%	1.32%	1.88%	162.83	114.16	4.5	24.32	7	109.65	2.15	54.53	-50.30%	22	1995	Railroads	U	5.87	8
Canadian Natural Resources	CNQ	44.80%	22.10%	43.80%	59.10%	BBB+	no	12	3.80%	1.29%	1.04%	1.74%	128.47	76.86	1.3	27.34	8	35.27	1.34	16.07	-54.40%	17	2001	Oil & Gas E&P	U	3.06	2
Canadian Tire Corporation	CTC.A	10.20%	9.00%	38.60%	147.10%	BBB+	yes	14	2.78%	1.42%	1.20%	1.77%	344.7	234.06	2.2	67.05	8	149.45	4.15	119.72	-19.90%	7	1944	Specialty Retail	U	10.76	8
Canadian Utilities	CU	6.60%	7.50%	119.90%	163.90%	A	no	24	5.00%	3.33%	2.92%	3.87%	57.82	43.64	1.9	17.48	4	33.78	1.69	24.85	-26.40%	47	1972	Utilities - Diversified	U	1.41	0
Canadian Western Bank	CWB	12.50%	8.90%	37.30%	77.60%	n/a	no	11	3.54%	2.29%	1.85%	3.12%	56.22	33.34	1.1	26.1	6	29.42	1.04	40.84	38.80%	27	1993	Banks - Regional - Canada	U	2.79	1
CIBC	CM	30.10%	8.30%	46.70%	11.70%	A+	no	10	4.88%	4.05%	3.44%	5.03%	157.94	108.06	1.5	73.83	8	111.41	5.44	130.61	17.20%	7	1868	Banks - Global	U	11.65	3
Cineplex Inc.	CGX	37.10%	3.10%	141.50%	90.10%	n/a	no	23	6.12%	4.15%	3.69%	4.77%	47.18	36.47	2.6	10.78	4	28.44	1.74	19.03	-33.10%	7	2004	Media - Diversified	U	1.23	0
Cogeco Communications Inc.	CCA	29.20%	28.20%	30.70%	193.90%	BB+	no	11	2.80%	1.56%	1.33%	1.89%	157.65	110.82	1.8	41.41	6	74.91	2.1	47.88	-36.10%	12	1993	Telecom Services	U	6.85	1
Cogeco Inc.	CGO	54.10%	10.00%	23.20%	553.60%	n/a	yes	9	2.55%	1.25%	1.02%	1.67%	168.54	102.83	1.5	44.62	7	67.4	1.72	58.11	-13.80%	12	1986	Telecom Services	U	7.41	1
Domtar Corporation	UFS	-47.60%	25.60%	-60.70%	43.30%	BBB-	no	-16	3.75%	2.52%	2.14%	3.07%	107.86	75.22	1.2	52.42	6	61.68	2.31	9.61	-94.40%	7	2010	Paper & Paper Products	U	-3.806	0
Emera	EMA	2.80%	5.80%	239.80%	202.50%	BBB+	no	47	5.11%	4.70%	4.18%	5.41%	56.2	43.41	1.6	28.8	3	46	2.35	33.74	-26.70%	11	1992	Utilities - Diversified	U	0.98	0
Enbridge	ENB	14.80%	11.20%	317.20%	104.40%	BBB+	no	52	6.14%	3.53%	3.05%	4.22%	96.58	69.99	1.6	29.57	5	48.01	2.95	28.02	-41.60%	23	1953	Oil & Gas Midstream	U	0.93	0
Enflex Ltd.	EFX	32.50%	24.00%	39.30%	35.60%	n/a	no	16	2.42%	2.01%	1.66%	2.26%	25.32	16.06	1.3	13.54	7	17.36	0.42	6.68	-61.50%	1	2011	Oil & Gas Equipment & Services	U	1.07	1
Enghouse Systems Limited	ENGH	20.50%	30.00%	68.60%	0.50%	n/a	no	34	2.00%	1.26%	1.02%	1.67%	70.36	43.18	5.6	6.415	5	35.96	0.72	15.17	-57.80%	10	n/a	Software - Application	U	1.05	5
Ensign Energy Services	ESI	12.70%	17.10%	-154.80%	50.20%	n/a	yes	-16	9.52%	3.06%	2.39%	4.34%	20.07	11.06	0.5	9.812	8	5.04	0.48	#NUM!	#NUM!	0	1995	Oil & Gas Drilling	U	-0.31	1
Equitable Bank	EQB	18.70%	20.60%	11.60%	13.80%	n/a	no	7	1.68%	1.59%	1.28%	2.24%	87.49	49.94	0.9	71.87	7	66.69	1.12	117.49	76.20%	7	2004	Specialty Finance	U	9.69	14
Exco Technologies Limited	TXO	15.90%	16.80%	34.00%	10.30%	n/a	no	10	3.41%	2.04%	1.57%	3.15%	21.65	10.79	1.3	7.891	7	9.97	0.34	13.48	35.20%	11	2003	Auto Parts	U	1	0
Finning International Inc.	FTT	40.60%	9.10%	54.80%	72.80%	BBB+	yes	17	3.21%	1.91%	1.57%	2.49%	51.08	32.17	2	12.57	8	24.9	0.8	8.41	-66.20%	16	1990	Industrial Distribution	U	1.46	2
Genworth MI Canada Inc.	MIC	10.80%	60.10%	36.80%	10.80%	BBB+	yes	8	4.56%	4.42%	3.72%	5.45%	54.84	37.42	1	44.88	9	44.71	2.04	69.91	56.40%	6	2009	Insurance - Specialty	U	5.54	4
George Weston Limited	WN	42.10%	5.60%	92.80%	221.10%	BBB	yes	43	2.16%	1.92%	1.65%	2.33%	124.89	88.26	1.8	54.22	4	95.44	2.06	72.85	-23.70%	6	1930	Grocery Stores	U	2.22	3
Gildan Activewear Inc.	GIL	22.60%	25.70%	28.80%	44.70%	n/a	no	21	1.35%	0.70%	0.58%	0.87%	102.64	68.62	3.7	12.08	6	44.47	0.6	22.59	-49.20%	5	2010	Apparel Manufacturing	U	2.086	3
Great-West Life	GWO	9.60%	11.80%	58.40%	25.00%	A+	no	11	5.53%	3.92%	3.38%	4.81%	46.14	32.43	1.3	21.25	8	28.2	1.56	34.81	23.40%	3	2000	Insurance - Life	U	2.671	0
High Liner Foods Incorporated	HLF	45.30%	33.90%	47.90%	131.30%	B+	yes	6	7.75%	2.31%	1.89%	3.08%	30.76	18.86	0.7	10.66	7	7.48	0.58	17.61	135.40%	9	2003	Packaged Foods	U	1.212	0
Husky Energy Inc.	HSE	12.80%	0.00%	26.70%	29.10%	BBB+	no	8	3.21%	2.79%	2.31%	3.60%	21.66	13.89	0.9	18.13	7	15.59	0.5	#NUM!	#NUM!	0	2001	Oil & Gas Integrated	U	1.87	0
IGM Financial Inc.	IGM	7.70%	8.90%	84.90%	202.30%	A+	yes	13	6.66%	4.64%	3.92%	5.76%	57.34	39.08	1.8	18.27	6	33.78	2.25	34.72	2.80%	0	2002	Asset Management	U	2.65	0
Imperial Oil	IMO	7.80%	5.00%	46.30%	19.40%	AA+	yes	23	2.04%	1.49%	1.26%	1.83%	60.12	41.62	1.2	30.25	7	37.28	0.76	31.77	-14.80%	24	1891	Oil & Gas Integrated	U	1.64	0
Intact Financial Corporation	IFC	40.20%	12.70%	59.20%	27.80%	n/a	yes	22	2.70%	2.68%	2.34%	3.16%	119.77	88.53	2.1	49.27	8	103.86	2.8	74.25	-28.50%	12	2004	Insurance - Property & Casualty	U	4.73	1
Inter Pipeline Ltd.	ITP	125.60%	4.20%	111.00%	145.40%	BBB+	no	14	8.10%	8.08%	6.75%	10.14%	25.33	16.86	2.3	9.381	5	21.12	1.71	16.78	-20.60%	9	1998	Oil & Gas Midstream	U	1.54	4
Intertape Polymer Group Inc.	ITP	-11.70%	34.20%	58.50%	202.90%	n/a	yes	15	3.86%	2.41%	1.92%	3.31%	39.56	22.99	3.6	5.429	5	19.71	0.76	12.3	-37.60%	5	2012	Packaging & Containers	U	1.299	1
Laurentian Bank	LB	9.70%	5.50%	50.90%	326.00%	BBB	no	9	5.89%	3.89%	3.34%	4.73%	77.94	55	0.8	53.53	5	44.17	2.6	72.69	64.60%	10	1871	Banks - Regional - Canada	U	5.11	2
Loibl Companies Limited	L	27.10%	10.00%	81.90%	120.10%	BBB	no	44	1.85%	1.51%	1.31%	1.80%	89.87	65.39	1.9	32.92	4	63.63	1.18	43.15	-32.20%	6	1979	Grocery Stores	U	1.44	3
Magna International	MG	6.90%	15.10%	20.30%	42.10%	A-	yes	8	2.55%	1.89%	1.57%	2.47%	112.96	71.71	1.6	42.24	8	69.54	1.77	81.03	16.50%	8	1992	Auto Parts	U	8.71	6
Manulife Financial Corporation	MFC	244.40%	10.10%	82.60%	30.10%	A	no	17	4.74%	2.70%	2.21%	3.66%	45.29	27.29	1	20.43	7	21.11	1	22.96	8.80%	4	2000	Insurance - Life	U	1.21	0
Methanex Corporation	MX	473.10%	18.30%	24.30%	100.30%	BB+	no	10	2.51%	2.39%	1.86%	3.50%	96.78	51.4	3	24.09	6	71.6	1.8	35.83	-50.00%	7	2002	Chemicals	U	7.416	1
Metro Inc.	MRU	15.80%	16.40%	29.90%	46.60%	BBB	yes	20	1.51%	1.40%	1.21%	1.70%	59.73	42.38	2.1	22.51	8	47.77	0.72	34.3	-28.20%	23	1995	Grocery Stores	U	2.41	3
National Bank of Canada	NA	12.00%	11.00%	43.80%	12.70%	A	no	10	4.21%	3.76%	3.18%	4.72%	81.77	55.08	1.8	34.4	8	61.8	2.6	58.31	-5.60%	7	1980	Banks - Global	U	5.94	1
Pizza Pizza Royalty Corp.	PZA	90.80%	13.10%	100.00%	16.40%	n/a	no	12	8.61%	8.15%	7.06%	9.71%	12.17	8.86	0.9	11.6	6	9.99	0.86	14.89	49.10%	0	2005	Restaurants	U	0.86	2
Plaza Retail REIT	PLZ.UN	99.50%	7.70%	140.30%	123.80%	n/a	no	20	7.07%	5.38%	4.56%	6.65%	6.14	4.21	0.9	4.409	4	3.96	0.28	5.66	43.00%	14	2003	REIT - Retail	U	0.2	0
Power Corporation	POW	13.70%	10.10%	56.50%	62.80%	A	no	10	5.86%	3.16%	2.72%	3.87%	56.35	39.57	0.8	33.58	8	26.12	1.53	47.4	81.50%	3	1972	Insurance - Life	U	2.71	1
Ritchie Bros. Auctioneers Incorporated	RBA	10.50%	14.70%	66.90%	93.50%	BB	no	33	2.05%	1.86%	1.57%	2.28%	61.72	42.49	4.9	9.698	4	47.23	0.97	16.28	-65.50%	14	2003	Business Services	U	1.451	0
Rogers Communications Inc.	RCI.B	9.10%	39.60%	50.50%	202.20%	BBB+	yes	18	2.81%	2.59%	2.26%	3.05%	88.31	65.48	4.5	15.89	7	71.08	2	29.96	-57.90%	0	2003	Telecom Services	U	3.96	1
Royal Bank of Canada	RY	11.50%	11.80%	46.80%	11.40%	AA-	yes	12	3.92%	3.47%	3.00%	4.20%	130.88	93.31	2	51.12	9	100.02	3.92	89.88	-10.10%	7	1870	Banks - Global	U	8.37	8
Russel Metals Inc.	RUS	41.60%																									



Overvalued Canadian Stocks

These are stocks which are trading at historically high prices, and should not be considered for purchase at this time. If you already own these stocks, they can be considered for sale after a complete analysis, [click here](#) for more information; start with those which have the lowest SI Criteria grade out of 9. An Excel version of this table is available from your [Subscriber page](#).

Company Name	Symbol	EPS Growth	Dividend Growth	Payout Ratio	LT Debt/Equity Ratio	S&P Credit Rating	Consistent Share Buyback?	P/E Ratio	Current Div Yield	Avg Div Yield	Avg Low Div Yield	Avg High Div Yield	High Stock Price	Low Stock Price	P/B Ratio	Book Value per Share	SI Criteria (out of 9)	Share Price	Annual Div	Graham Price	%Difference Graham Price vs Current Price	Consecutive Years of Dividend Increases	Dividends Paid Since	Industry	U=undervalued O=overvalued	EPS	Consecutive Years of EPS Increases
Algonquin Power & Utilities Corp	AQN	29.50%	6.20%	127.70%	115.80%	BBB	no	27	4.69%	6.31%	5.00%	10.17%	13.59	6.69	1.8	7.876	2	14.51	0.68	8.86	-38.90%	7	2007	Utilities - Independent Power Producers	O	0.533	4
Allied Properties Real Estate Investment Trust	AP.UN	59.70%	3.60%	33.30%	40.90%	n/a	no	10	3.39%	6.06%	5.18%	7.42%	30.88	21.55	1.1	41.18	5	47.2	1.6	59.21	25.40%	6	2003	REIT - Office	O	4.8	3
Andrew Peller Limited	ADW.A	11.10%	3.00%	31.30%	68.50%	n/a	no	22	1.43%	3.19%	2.74%	3.88%	7.67	5.42	2.7	5.343	5	14.67	0.21	7.66	-47.80%	0	1979	Beverages - Wineries & Distilleries	O	0.67	3
Brookfield Asset Management	BAM.A	46.00%	15.20%	24.80%	365.50%	A-	no	17	1.45%	1.92%	1.52%	2.70%	53.99	30.42	1.9	30.56	6	56.54	0.82	38.07	-32.70%	6	1997	Asset Management	O	3.302	0
Canadian Pacific Railway	CP	13.00%	7.90%	19.10%	131.00%	BBB+	no	20	0.97%	1.43%	1.19%	1.83%	218.95	142.15	5.7	47.23	4	269.31	2.6	112.09	-58.40%	2	2002	Railroads	O	13.63	2
CCL Industries Inc	CCL.B	23.60%	9.40%	17.80%	102.00%	BBB	no	19	0.94%	1.78%	1.46%	2.31%	35.64	22.5	4	13.73	4	55.4	0.52	25.45	-54.10%	15	1990	Packaging & Containers	O	2.92	8
Cenovus Energy Inc.	CVE	33.50%	26.90%	-32.80%	52.80%	BBB	no	-17	1.95%	2.45%	2.03%	3.13%	9.83	6.39	0.7	15.16	6	10.26	0.2	18.92	84.50%	0	2009	Oil & Gas Integrated	O	-0.61	1
Choice Properties Real Estate Inv Trust	CHP.UN	13.80%	7.00%	12.20%	779.30%	BBB	no	2	5.78%	6.89%	5.82%	8.51%	12.72	8.7	1.1	11.7	4	12.81	0.74	23.12	80.50%	2	2014	REIT - Retail	O	6.069	0
CI Financial Corp	CIX	19.10%	-0.10%	33.80%	100.40%	A-	yes	8	4.07%	4.90%	4.16%	6.19%	17.3	11.63	3.1	5.712	5	17.69	0.72	15.65	-11.50%	8	1994	Asset Management	O	2.13	1
Dollarama Inc.	DOL	84.30%	23.00%	9.90%	-877.30%	n/a	yes	22	0.45%	1.81%	1.47%	2.35%	10.86	6.81	-52.3	-0.677	7	35.37	0.16	#NUM!	#NUM!	6	2011	Discount Stores	O	1.623	8
Empire	EMP.A	24.70%	7.60%	36.70%	42.60%	n/a	no	25	1.49%	1.90%	1.59%	2.38%	27.65	18.47	2.1	14.17	5	29.54	0.44	#NUM!	#NUM!	24	1982	Grocery Stores	O	1.2	1
Encana	ECA	-2296.90%	6.00%	-31.10%	64.60%	BBB	yes	-35	0.89%	1.83%	1.47%	2.58%	5.45	3.1	1	8.806	5	9.02	0.08	#NUM!	#NUM!	0	2002	Oil & Gas E&P	O	-0.257	2
First Capital Realty Inc.	FCR	8.10%	2.60%	60.60%	85.50%	n/a	no	14	4.19%	5.66%	4.99%	6.60%	17.23	13.03	1	19.55	4	20.52	0.86	27.21	32.60%	0	1994	Real Estate Services	O	1.42	2
Fortis	FTS	6.50%	6.20%	78.60%	140.80%	A-	no	20	3.84%	4.02%	3.53%	4.69%	50.97	38.4	1.4	33.66	3	46.86	1.8	41.4	-11.60%	45	1972	Utilities - Regulated Electric	O	2.29	1
Franco-Nevada Corporation	FNV	276.80%	20.40%	87.50%	0.00%	n/a	no	69	1.27%	1.31%	1.06%	1.74%	121.9	74.25	3.1	32.88	3	101.93	1.29	24.8	-75.70%	9	2008	Gold	O	1.475	2
H&R Real Estate Investment	HR.UN	167.60%	6.00%	66.10%	88.30%	n/a	no	11	6.22%	7.16%	6.16%	9.42%	22.4	14.66	0.9	24.85	4	22.19	1.38	30.28	36.50%	2	2009	REIT - Diversified	O	2.087	2
Home Capital Group	HCG	26.50%	25.50%	0.00%	162.70%	BBB-	no	10	0.00%	1.52%	1.18%	2.41%	0	0	0.7	23.82	5	16.82	0	37.57	123.40%	0	1990	Specialty Finance	O	1.64	0
Lassonde Industries	LAS.A	13.60%	12.60%	25.80%	55.10%	n/a	no	16	1.58%	1.70%	1.47%	2.04%	219.81	158.83	2.3	91.02	6	205.5	3.24	144.93	-29.50%	10	1991	Beverages - Soft Drinks	O	12.56	11
Logistec Corporation	LGT.B	7.80%	5.90%	20.70%	73.40%	n/a	no	22	0.95%	1.96%	1.64%	2.51%	24.39	15.93	2.2	19.15	3	42	0.4	28.56	-32.00%	8	1996	Shipping & Ports	O	1.93	1
Premium Brands Holdings Corporation	PBH	21.70%	14.10%	62.50%	136.60%	n/a	no	25	2.45%	6.74%	5.59%	8.70%	33.99	21.84	3.2	23.92	3	77.41	1.9	31.55	-59.20%	4	2009	Packaged Foods	O	3.04	2
Richelieu Hardware	RCH	15.80%	23.00%	20.80%	0.20%	n/a	yes	20	1.06%	1.14%	0.97%	1.39%	25.72	17.97	2.9	8.067	7	23.51	0.25	13.94	-40.70%	8	2002	Home Furnishings & Fixtures	O	1.201	8
RioCan Real Estate Investment	REI.UN	37.60%	2.30%	78.70%	78.20%	BBB	no	14	5.78%	11.18%	9.81%	13.11%	14.68	10.99	1	25.03	3	24.93	1.44	30.91	24.00%	0	1994	REIT - Retail	O	1.83	0
Stella-Jones Incorporated	SJ	63.10%	26.60%	19.80%	40.30%	n/a	no	18	1.13%	1.29%	1.04%	1.75%	46.32	27.4	2.4	17.85	6	42.4	0.48	29.9	-29.50%	12	1995	Lumber & Wood Production	O	2.42	7
Teck Resources	TECK.B	55.70%	10.00%	3.40%	23.40%	BB	yes	5	0.63%	1.63%	1.20%	3.18%	16.6	6.3	0.8	38.87	7	32	0.2	22.72	-29.00%	1	1977	Industrial Metals & Minerals	O	5.94	2
TFI International Inc.	TFII	47.40%	12.70%	26.20%	95.50%	n/a	no	11	2.48%	6.61%	5.29%	9.32%	18.16	10.3	2.2	17.56	5	38.68	0.96	36.29	-6.20%	7	1996	Trucking	O	3.67	0
The North West Company Inc.	NWC	10.30%	12.70%	70.70%	97.80%	n/a	no	17	4.11%	5.77%	4.97%	7.61%	25.75	16.82	3.8	8.308	4	31.17	1.28	16.35	-47.50%	5	1990	Grocery Stores	O	1.81	2
Thomson Reuters Corporation	TRI	34.40%	3.80%	91.60%	58.90%	BBB+	yes	31	3.00%	3.36%	2.96%	3.90%	69.59	52.81	2.8	24.43	5	68.71	2.06	42.88	-37.60%	24	1978	Capital Markets	O	2.25	0
Toromont Industries	TIH	12.60%	13.10%	33.10%	50.30%	n/a	no	21	1.58%	1.83%	1.55%	2.28%	59.46	40.37	3.7	15.79	5	58.39	0.92	26.74	-54.20%	5	1968	Industrial Distribution	O	2.78	5
Nutrien Ltd.	NTR	6.70%	14.70%	177.60%	60.60%	n/a	no	53	3.38%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	1.5	46.49	3	68.07	2.3	50.73	-25.50%	0	2018	Agricultural Inputs	n/a	1.295	1

This Month in Perspective

New Updates this Month

There are three new changes to the SI Report starting this month:

- Top Ranked Stocks
- The Five Stocks (moved to page 2)
- Expanded Frequently Asked Questions

Top Ranked Stocks are listed on page one, these stocks have met **all of the 9 quantitative rules** of Simply Investing (see the 12 Rules on page 9).

The Five Stocks are listed on page two, these are stocks that have met all or most of the 9 quantitative rules of Simply Investing.

For new subscribers, and those starting a portfolio, begin with the Top Ranked stocks (listed on page 1). The Five list provides more options for your consideration.

The expanded Frequently Asked Questions section can be found in pages 13, and 14.

Want to know how I select stocks for The Five list? Have a look at question 13 in the Frequently Asked Section.

When it Comes to Investing Stay on Track

Undervalue is just one component to consider before you invest in a stock, don't forget the other 11 Rules. Stephen Jarislowsky shares his similar wisdom in his book *The Investment Zoo* (page 89):

"Some may say that anything is worth buying if the price is low enough. However, my rule is to invest in top-quality, largely non-cyclical growth stocks that have predictable high rate of earnings and, hopefully, dividend growth. I believe that if you keep this in mind, you will stay on track. Then there is no reason to be confused and overwhelmed by all the stocks (like stars) that are out there."

Remember to focus on each of the 12 Rules of Simply Investing, they are designed to keep you out of trouble and help you succeed.

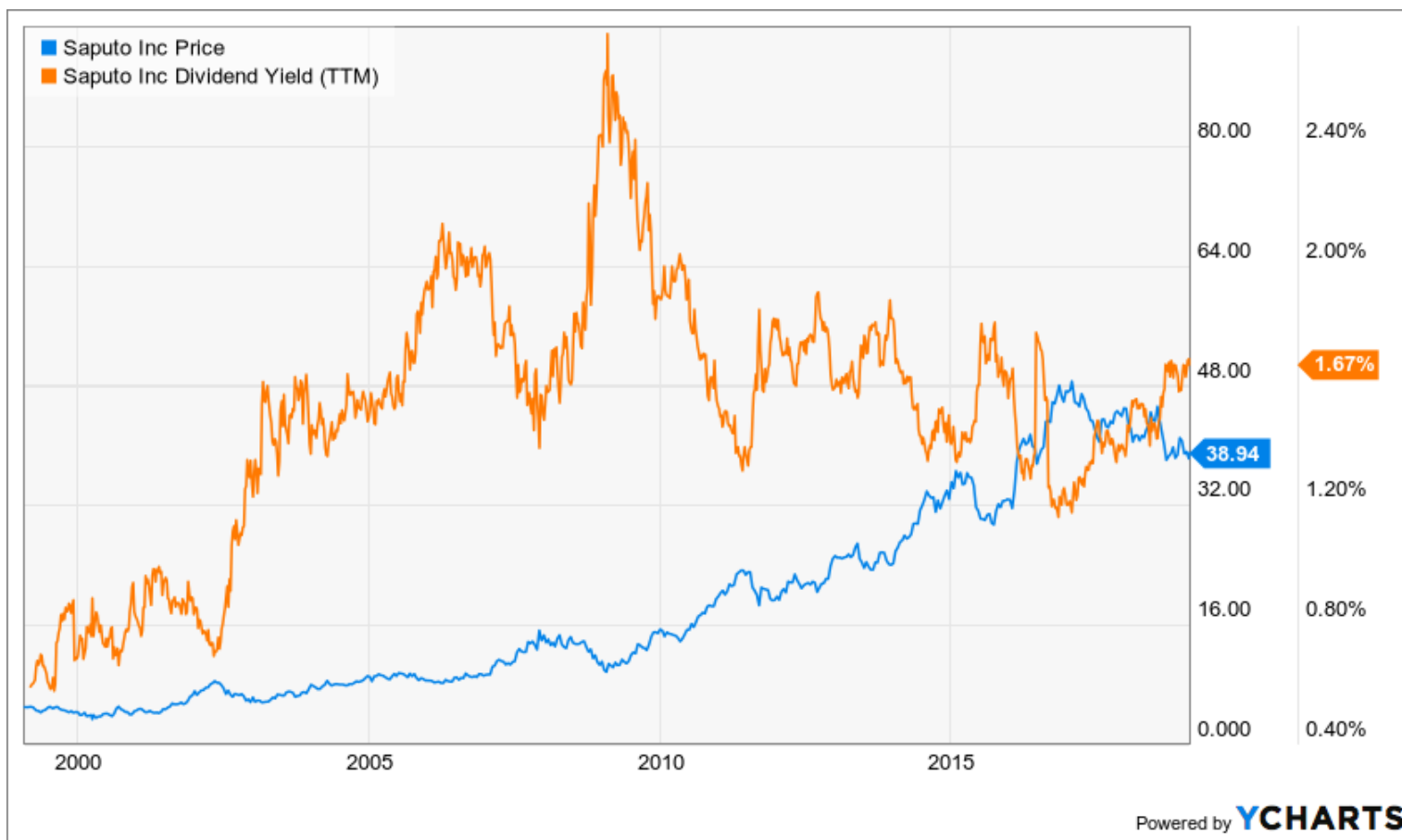
"Historically, stocks have proven to offer as good a return as any other investment vehicle – and nothing I've seen over the past 50 years of investing has shaken my faith in stocks."

- Stephen Jarislowsky

Next Issue: March 2, 2019

Building Your Portfolio

1. Start with **Top Ranked** companies listed on the first page each month. These represent stocks that are of the highest quality and undervalued. These are stocks that have met all of the 9 quantitative rules of Simply Investing (see the 12 Rules on page 9). In the long-term these stocks have the highest potential for capital appreciation and dividend growth. For other stocks to consider move to **The Five** list on page 2.
2. Build a portfolio across the following sectors:
 - a. Basic Materials
 - b. Consumer Goods
 - c. Consumer Services
 - d. Financial
 - e. Health Care
 - f. Industrials
 - g. Oil & Gas
 - h. Technology
 - i. Telecommunications
 - j. Utilities
 - k. Real Estate
 - l. TransportationOver time certain sectors will be out of favor, this provides a great buying opportunity to acquire quality companies when they are undervalued.
3. It does take time to build a portfolio do not rush into buying companies when they are overvalued. Remain patient and disciplined. Do not jump from one investment strategy to the next. Focus on this strategy, avoid the noise in the media, and do not panic when markets decline. Remain patient and continue to collect your dividends thru good times and the bad.
4. Use the 12 Rules of Simply Investing as your guiding principles throughout your investing career.
5. For those of you looking to learn how to calculate the important stock values for yourself, or expand your investing knowledge, consider taking our online [Simply Investing Course](#).



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Dividend/Share	0.0063	0.03	0.03	0.0413	0.0594	0.0887	0.115	0.1425	0.1725	0.195	0.23	0.27	0.2875	0.3125	0.365	0.41	0.45	0.505	0.535	0.585	0.63
EPS	0.1163	0.1988	0.2487	0.2675	0.385	0.415	0.5075	0.55	0.455	0.57	0.69	0.67	0.915	1.075	0.93	1.205	1.35	1.53	1.51	1.84	2.18

Current Dividend Yield: 1.67%

Average Dividend Yield: 1.35%

Saputo Inc. produces, markets, and distributes dairy products in Canada, the United States, Argentina, Australia, and internationally. It offers cheese products, specialty cheese, and processed cheese, and butter. The company also provides fluid milk, cream, yogurt, sour cream, cottage cheese, and ice cream mixes, as well as other dairy and non-dairy products, including flavored creams, dips, and coffee whiteners. It serves customers in the retail, foodservice, and industrial segments. Saputo Inc. was founded in 1954 has 13,200 employees, and is headquartered in Montreal, Canada.

How to Use This Report

1. Start with the cover page, **Top Ranked** represents stocks that are of the highest quality and undervalued. These are stocks that have met all the 9 quantitative rules of Simply Investing. The stocks are ranked from highest dividend growth to lowest dividend growth.
2. See the **Top Five** list for a list of additional stocks for consideration.
3. The “Undervalued” tables provide additional stocks for consideration; remember to apply the 12 Rules of Simply Investing.
4. The 12 Rules of Simply Investing are listed on the right.
5. The table headings are listed on the next page.
6. Watch our [video](#) on how to use the Simply Investing Report.
7. Confirm your numbers, values may have changed since this issue was published.
8. Scan the stock headlines to ensure there is no catastrophic news related to your stock. Stock conditions may have changed since this issue was published.

Want to Learn More?

Watch a video on how to use the Simply Investing Report:

<http://www.simplyinvesting.com/use/>

Take the Simply Investing online course and learn more about the 12 Rules of Simply Investing and how to apply them. Also learn how to calculate the important values for yourself:

<http://www.simplyinvesting.com/course/>

Want Access to the Data?

Log in to your [Subscriber page](#) to download the complete tables (Excel Spreadsheet) each month, which allow you to custom sort and filter the data. You also have access to our complete archive.

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The 12 Rules of Simply Investing

The Rules in **bold** are quantitative, therefore these 9 criteria are listed in the column heading “SI Criteria (out of 9)”. A stock that passes all the criteria listed in bold achieves a maximum grade of 9 out of 9.

1. Do you understand the product or service offered by the company?
2. Will people still be using this product or service in 20 years?
3. Does the company have a low-cost durable (lasting) competitive advantage?
4. Is the company recession proof?
- 5. Has the company had consistent earnings growth?**
Generally, the EPS growth must be at least 8%
- 6. Has the company had consistent dividend growth?**
Generally, the dividend growth must be at least 8%
- 7. Does the company have a low payout ratio?**
Payout ratio must be 75% or less.
- 8. Does the company have low debt?**
Debt must be 70% or less.
- 9. Does the company have a good credit rating?**
Company must have a minimum S&P Credit Rating of “BBB+”.
- 10. Does the company actively buy back its shares?**
11. Is the stock undervalued?
 - a. The P/E Ratio must be 25 or below.**
 - b. The current dividend yield must be higher than the avg dividend yield.**
 - c. The P/B Ratio should be 3 or less.**
12. Keep emotion out of investing.
A reminder to keep emotion out of the selection process. Discipline and patience are the keys to successful investing.

Share the Knowledge

If you know a friend or colleague that could benefit from our Report, please [send them this link](#). They can save 65% off their first issue.

Table Headings

Company Name: Name of the corporation

Symbol: Stock ticker symbol

EPS Growth: Average earnings per share growth, over the last 20 years

Dividend Growth: Average dividend per share growth, over the last 20 years

Payout Ratio: Payout Ratio is the amount of earnings paid out in dividends to shareholders. $\text{Payout Ratio} = (\text{Dividends per Share}) / (\text{Earnings per Share})$

LT Debt/Equity Ratio: Long-term debt which are loans and financial obligations lasting over one year or more. $\text{Ratio} = (\text{Long-term debt}) / (\text{Shareholder's Equity})$

S&P Credit Rating: Credit ratings are forward-looking opinions about credit risk. Standard & Poor's credit ratings express the agency's opinion about the ability and willingness of a corporation to meet its financial obligations in full and on time. Ratings range from AAA to D. A rating of "n/a" indicates the company has not requested S&P to rate it.

Consistent Share Buyback: A share buyback occurs when a company repurchases some of its own stock either through purchasing shares on the open market or by buying shares directly from shareholders.

P/E Ratio: The Price-to-Earnings Ratio is a ratio used to compare a stock's market value to its earnings per share. $\text{P/E Ratio} = (\text{Share Price}) / (\text{Earnings per Share})$

Current Div Yield: A stock's current dividend yield = $(\text{Annual Dividend per share}) / (\text{Share Price})$

Avg Div Yield: Average dividend yield, over the last 20 years

Avg Low Div Yield: Average low dividend yield, over the last 20 years

Avg High Div Yield: Average high dividend yield, over the last 20 years

High Stock Price: High stock price based on the stock's average low dividend yield, if the current annual dividend is \$0 the high stock price value will appear as 0.

Low Stock Price: Low stock price based on the stock's average high dividend yield, if the current annual dividend is \$0 the low stock price value will appear as 0.

P/B Ratio: The Price-to-Book Ratio is a ratio used to compare a stock's market value to its book value per share. $\text{P/B Ratio} = (\text{Share Price}) / (\text{Book Value per Share})$

Book Value Per Share: Book value is the total value of the company's assets if a company were liquidated.

SI Criteria (out of 9): The 9 quantitative criteria taken from the 12 Rules of Simply Investing. A stock that passes all the criteria listed on the previous page achieves a maximum grade of 9 out of 9.

Share Price: The stock share price

Annual Div: The annual dividend

Graham Price: $\text{Graham Price} = \text{square root of } (\text{average of 3 years of EPS} \times \text{Book Value per share} \times 22.5)$ Note: "#NUM!" will be displayed when 3yr EPS average is negative

% Difference Graham Price vs Current Price: The percent difference between the Graham Price and the current stock price. Note: "#NUM!" will be displayed when 3yr EPS average or Book Value is negative

Consecutive Years of Dividend Increases: List the most recent number of years of consecutive dividend increases.

Dividends Paid Since: The first year in which the company started to pay dividends.

Industry: The industry in which the company primarily operates in.

Undervalued/Overvalued: A stock is undervalued when it's current dividend yield is greater than it's average dividend yield, and overvalued when the reverse is true.

EPS: Earnings per share

Consecutive Years of EPS Increases: List the most recent number of years of consecutive EPS increases.

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Frequently Asked Questions Part 1

1. Why are the stock prices listed in this report different than the prices I checked today?

Stock prices change every day, even every minute, it is impossible to provide real-time prices in a Report format. Subscribers are advised to confirm prices before making any investment decisions.

The types of stocks we follow do not fluctuate too much, but sometimes there can be large variances in prices in a short period of time. The important thing to remember is to confirm that the stock is still undervalued and a quality stock, you can easily verify the current dividend yield and compare it to the average dividend yield list in this report. Remember a stock is undervalued when its current dividend yield is higher than it's the average dividend yield.

2. How long does it take a stock to go from undervalued to overvalued?

It can sometimes take anywhere from 5-6 years on average for a stock to move from undervalued to overvalued. However, if you purchased a stock with growing dividends, you'll be earning dividend income while you hold.

3. Should I sell when a stock becomes overvalued?

Here are the following things to consider before you decide to sell a stock:

- is the stock overvalued?
- is it no longer a quality stock?
- is there a better opportunity elsewhere?
- do you need to spend the money on something else?

Selling a stock is based on many factors, including your own personal situation.

Is the stock overvalued?

A stock is overvalued when it's current dividend yield lower than its average dividend yield.

Is it no longer a quality stock?

A stock may not be a quality stock if it has stopped growing its dividend, is no longer profitable, has increased debt, or has payout ratio of over 100%. The SI Criteria column in the Simply Investing Report can be used as a general guideline, any stock with a low grade (out of 9) may indicate a company that is no longer a quality company.

Is there a better opportunity elsewhere?

Perhaps you are only earning 1.5% dividend yield on your stock, but you could be earning 4% in another undervalued quality company, then you may want to consider selling your current stock.

Do you need to spend the money on something else?

Perhaps you need to spend the money on your child's education, a renovation, new home/car, a vacation, or any other reason. At the end of the day you are investing so that you can enjoy the fruits of your labor, if you need the money for something that's important to you then you may consider selling some of your stocks. However, remember the opportunity costs, you will be forgoing any future dividends or capital appreciation for any stocks that you do sell.

4. What is the Graham Price?

The Graham Price was created by Benjamin Graham (Warren Buffett's mentor and teacher at Columbia University). Here is the formula for calculating the Graham Price:

Graham Price = square root of (average of 3 years of EPS x Book Value per share x 22.5)

The Graham Price is a figure that measures a stock's fundamental value by taking into account the company's earnings per share and book value per share. The Graham number is the upper bound of the price range that Graham thought an investor should pay for the stock. But this formula only works when the EPS is positive. In reality you will find that the majority of stocks trade higher than the Graham Price. There is much debate on the use of this formula. In my opinion, all things considered equal choose the stock that is trading close to or below the Graham Price.

5. When is the Simply Investing Report published?

The Report is published on the first of every month.

6. As a subscriber, how do I receive my issue every month?

When you subscribe to the Simply Investing (SI) Report you create your own username and password. Using your username and password you can access the SI subscriber only site and download the latest issue of the SI Report. You will also have access to all previous issues, and the Excel files.

The SI Report is not mailed or emailed to subscribers. You will receive a reminder email each month when the latest issue is posted to the SI subscriber only site.

Frequently Asked Questions Part 2

7. Why is the P/B ratio negative, should I avoid these companies?

For a P/B ratio to be negative, the book value must be negative, it can be negative for a few reasons:

- the book value can become negative because of a long series of negative earnings
- companies write off a large amount of goodwill and the resulting loss wiped out the book value of the company
- companies have been buying their shares back

A long series of negative earnings is not good, and these companies should be avoided. You can easily confirm the EPS numbers for the last 5 years and see if these are negative.

Large amount of goodwill or buying back shares isn't so bad, again you can confirm this by looking at the last 5 years and viewing the "Number of Shares Outstanding".

Just to be safe, all things considered equal I would prefer to buy a company with low debt, and a low positive P/B ratio.

8. Why is LT Debt/Equity ratio negative?

Long-term Debt / Equity will be negative if either the numerator or denominator are negative.

Equity could be negative, if the business has more cumulative losses than equity. This is rare, as it's tough for businesses to survive on negative equity. But it does happen!

The other is that net debt is negative. Which means the business has net cash, this is a pretty nice scenario. Though again, not a regular occurrence.

This situation has to be considered on a case-by-case basis for each company you are evaluating.

9. Should I avoid companies with very high LT Debt/Equity?

Short answer: Yes.

You have to look at the Long-term Debt to Equity Ratio on a case-by-case basis.

Traditionally companies like GE relied on a lot of debt to finance their business, so their debt ratio would always be higher than 70%. I am willing to consider stocks with debt higher than 70%, only because some industries require much more capital in order to operate. But generally, all things considered equal I would prefer to invest in a company with lower debt. When you are considering a stock for purchase take a look at their competitors and their industry, what is their average debt? If your stock is within that average you should be fine.

10. What is the High Stock Price and Low Stock Price?

Click here to see my video explanation: <http://www.simplyinvesting.com/use/>

- a. Start the video at 5:00 minutes to see the overview of average dividend yield (this was covered in the course), you can stop at 6:42 minutes.
- b. Now watch the video from 7:32 minutes to 9:24 minutes, I explain the Average Low Dividend Yield and Average High Dividend Yield.
- c. Remember the formula for Dividend Yield:

$$\text{Dividend Yield} = (\text{Annual Dividend per Share}) / (\text{Stock Price})$$

Using this formula, I can solve for Stock Price:

$$\text{Stock Price} = (\text{Annual Dividend per Share}) / (\text{Dividend Yield})$$

After watching the above video, you can see that I have the Average Low Dividend Yield and Average High Dividend Yield values, using these I can solve for the following formulas:

$$\begin{aligned} \text{High Stock Price} &= (\text{Annual Dividend per Share}) / (\text{Avg Low Dividend Yield}) \\ \text{Low Stock Price} &= (\text{Annual Dividend per Share}) / (\text{Avg High Dividend Yield}) \end{aligned}$$

Using the Average Low Dividend Yield and Average High Dividend Yield values, I can calculate the High Stock Price and Low Stock Price. This gives you a good understanding of where the current stock price falls in its High and Low Average range.

Frequently Asked Questions Part 3

11. How do you decide which companies to include in the “Top Ranked”?

Only stocks that have met all of the 9 quantitative rules of Simply Investing are included in the Top Ranked list.

12. Why does the Top Ranked list not change very much from month to month?

This SI Report tracks mature market leading companies, typically the fundamentals for these companies change infrequently. The Top Ranked list will change very little from one month to the next, for additional stocks to consider check page two for **The Five** list of companies.

13. How do you decide “The Five” list, why are some companies on the list one month and then gone the next month?

The Five list is designed to provide subscribers with additional stocks to consider for investing. The Five list may include stocks that meet 7 or more of the qualitative rules of Simply Investing. Here are the other criteria I use to decide what to include in the list:

- Stocks must meet Simply Investing Rules #1, 2, 3, 4, 11b, 12, these rules are non-negotiable
- The remaining Rules #5, 6, 7, 8, 9, 10, 11a, 11c are looked at on a case-by-case basis. Typically, failure of these rules might be a “one off” and a temporary condition for some companies, and in some cases the deviation from the rule is not too far off. For example:
 - Sometime even great companies may temporarily hit a speed-bump causing their EPS/dividend growth to slow down. Even though our rules require at least 8% growth, a company with 6% or 7% growth may be considered if it’s other fundamentals are strong
 - Rule #10 is nice to have, but again if all other fundamentals are strong, a company might be considered even if it fails this rule
- In any given month I will typically have more than 5 companies to consider for **The Five** list, therefore each month I may alternate between some companies. This allows me to provide more options to you. If a company was on **The Five** list in the previous month, and is not on the list in the current month, but it’s fundamentals have not changed you may still consider it for purchase. My goal is to provide options to new and existing subscribers. Feel free to browse the

archives to see which companies have been on the list in previous months.

14. I have \$5000 to invest, how do I invest, and which stocks can I pick from?

Every investor is different, I cannot provide specific details on what to buy.

Your investor profile is unique to you:

- your age
- your health
- your investing time horizon
- your current income
- what other sources of income you have
- your personal investing goals
- what other investments you currently own
- your investing experience
- your personal risk tolerance
- your tax situation

With \$5000 you could buy one stock, or you could buy 2 stocks with \$2500 invested in each.

Remember this is a long-term strategy, the goal is to build for yourself a passive stream of growing income.

Here's a suggestion, but the final decision is yours:

- select one stock from "Top Ranked" list with the highest dividend growth
- select one stock from "Top Ranked" list with the highest dividend yield

this way you will maximize your returns today with the highest yield, but also take advantage of high dividend growth in the long-term with the other stock. If you already own the companies listed in the “Top Ranked”, you can select from the “The Five” list of companies using the same approach.

Frequently Asked Questions Part 4

15. Why do some of the values differ from what I see online?

This question comes from a subscriber who noticed that the EPS numbers for ATD.B (class B shares) were shown as \$3.51, \$4.22 on some websites and shown as \$4.105 in the SI Report. I contacted my data provider and here is their explanation:

We took a look at ATD.B.TO and the way that we are coming up with 4.105 for EPS diluted (TTM) is by taking the summation of the last four quarters of EPS diluted values, which are $1.095 + 1.057 + 0.9167 + 1.037$, and this is where 4.105 comes from. The EPS diluted values are pulled directly from the quarterly and annual reports released by the company.

Different platforms are going to gather their data from various sources, and especially since this company reports in CAD, the value used for the conversion rate from USD (which the quarterly and annual reports are in) to CAD might differ.

16. Given a list of good solid companies, what is more important in choosing to buy one over the other (more undervalued vs. higher dividend)?

I would say purchase a mix of both, for example if you were going to buy 4 companies. You could buy 2 high yielding ones, and then purchase the next 2 that were more undervalued (but try and look for those that have a track record of increasing dividends). This way your portfolio starts generating a higher stream of income from the beginning, but you are also picking up some really undervalued companies too.

17. What is your opinion on automatically reinvesting dividends (using DRIPS)?

Once a DRIP (Dividend Re-Investment Plans) is started the company will automatically re-invest your dividends back into their shares instead of paying you the cash dividend. DRIPs allow you to accumulate more shares over time without investing any new money.

I don't use DRIPs, and I don't advocate using DRIPs. The biggest problem with DRIPs is that you end up inadvertently buying stocks when they are overvalued. Stock prices go up and down all the time. For example, if I bought shares in MCD for \$50 because it was undervalued, do I really want to be

buying more shares when they are overvalued at \$100? I would prefer that the company gave me the dividends in cash, then once a year or twice a year I can take that money (plus dividends from other companies) and invest it into another stock that is undervalued. There is no harm in sitting on cash for a while. Some people put the money into a Money Market fund as a temporary parking spot while they wait to accumulate enough cash to buy more stocks.

DRIPs are good for people who:

- do not want to review their portfolio at least twice a year
- want an automatic investing system that they can forget about
- want an automatic system of forced savings

This SI Report shows you exactly when a stock is undervalued and overvalued. With this knowledge you should never purchase stocks that are overvalued. I believe any benefits of dollar cost averaging are lost when you buy stocks that are overvalued. It is always better to buy quality stocks when they are undervalued.

18. Why are you using 20-year averages and not 5 or 10 years?

The 10-year time period is fine but not ideal, the average market cycle is about 5-6 years. When I evaluate a stock, I need to make sure the company has gone thru at least 3 market cycles. 3 market cycles provide us with a sufficient pattern of high-low yields. During those cycles a company will experience: market downturns, industry troubles, tax/legislative changes. A company will need time to adjust to those changes, a 20-year time period ensures that a company that can survive adversity for that long also has the capacity to survive future adversity.

The 20-year time frame is considered ideal. We are long-term investors, history has a way of repeating itself, we cannot predict the future but we can analyze past results and make good decisions today. A company that can be profitable and increase its dividend for 20 years has a high probability of continued success over the next few decades. Our goal is to minimize risk, and one way to do that is to use history as our guide.