



BCV Asset Management Inc.

The Dividend Growth Story

September 2018



BCV Asset Management Inc.

The Dividend Growth Story- Canadian Equity Model Portfolio September 2018

Dividend Changes in Most Recent Twelve Months:

Increases: 23
Unchanged: 2
Decreases: 0

Portfolio Characteristics (As of September 30th 2018):

Dividend Yield: 3.66%

Dividend Growth Rate:
One Year: +8.2%
Five Years: +9.9%

The BCV Asset Management Canadian Equity Model Portfolio consisted of twenty-five companies at the end of September 2018. In the twelve months ending September 30th 2018, twenty-three companies increased their dividend and two companies maintained their dividend at the same level.

The Canadian Equity Model Portfolio was unchanged during the third quarter of 2018.

Six companies paid an increased dividend in the third quarter of 2018, continuing their trend of year-over-year increases. These companies were Algonquin Power & Utilities Corporation, Bank of Montreal, Canadian Western Bank, National Bank of Canada, Saputo Inc., and TELUS Corporation. One other company has announced a dividend increase that will be paid starting in the fourth quarter of 2018. This company is Canadian Imperial Bank of Commerce.

Rogers Communications Inc. and ShawCor Ltd. have not had a recent dividend increase. Both companies have maintained the level of their dividend as they work to reduce their balance sheet leverage.

A full outline of the five year dividend history of the companies in the BCV Asset Management Canadian Equity Model Portfolio is provided on the following pages.

The Dividend Growth Story- Canadian Equity Model Portfolio

Summary of Dividends Paid

	Twelve Month Period Ending September 30 th						Growth Rate	
	2018	2017	2016	2015	2014	2013	1 Year	5 Year
Algonquin Power & Utilities Corporation (AQN) ⁴	0.4894	0.4554	0.4044	0.3676	0.3425	0.3250	7.5%	8.5%
Bank of Montreal (BMO)	3.7200	3.5200	3.3600	3.2000	3.0400	2.9200	5.7%	5.0%
Bank of Nova Scotia (BNS)	3.2200	3.0000	2.8400	2.6800	2.5200	2.3400	7.3%	6.6%
BCE Inc. (BCE)	2.9450	2.8000	2.6650	2.5350	2.4000	2.3000	5.2%	5.1%
Brookfield Asset Management Inc. (BAM.A) ^{1,2,4}	0.5900	0.5500	0.5100	0.4600	0.4467	0.3867	7.3%	8.8%
Brookfield Property Partners LP (BPY.UN) ⁴	1.2400	1.1650	1.1050	1.0450	1.0000	0.3777	6.4%	N/A
Canadian Imperial Bank of Commerce (CM)	5.2600	4.9900	4.6600	4.1800	3.9000	3.7800	5.4%	6.8%
Canadian National Railway Company (CNR)	1.7775	1.6125	1.4375	1.1875	0.9650	0.8325	10.2%	16.4%
Canadian Natural Resources Ltd. (CNQ) ³	1.2200	1.0300	0.9200	0.9100	0.7750	0.4600	18.4%	21.5%
Canadian Western Bank (CWB)	1.0000	0.9300	0.9200	0.8600	0.7800	0.7000	7.5%	7.4%
Enbridge Inc. (ENB)	2.6230	2.3330	2.0550	1.7450	1.3650	1.2275	12.4%	16.4%
Intact Financial Corporation (IFC)	2.7400	2.5000	2.2700	2.0700	1.8800	1.7200	9.6%	9.8%
Manulife Financial Corporation (MFC)	0.8650	0.8000	0.7250	0.6500	0.5450	0.5200	8.1%	10.7%
National Bank of Canada (NA)	2.4000	2.2500	2.1500	2.0000	1.8350	1.6600	6.7%	7.7%
Power Financial Corporation (PWF)	1.6910	1.6100	1.5300	1.4450	1.4000	1.4000	5.0%	3.8%
Rogers Communications Inc. (RCI.B)	1.9200	1.9200	1.9200	1.8750	1.7850	1.6600	0.0%	3.0%
Royal Bank of Canada (RY)	3.7000	3.4000	3.2000	3.0400	2.7600	2.4600	8.8%	8.5%
Saputo Inc. (SAP)	0.6450	0.6100	0.5550	0.5250	0.4750	0.4300	5.7%	8.4%
ShawCor Ltd. (SCL)	0.6000	0.6000	0.6000	0.6000	0.5500	1.4500	0.0%	-16.2%
Stantec Inc. (STN)	0.5250	0.4750	0.4350	0.3950	0.3500	0.3150	10.5%	10.8%
Sun Life Financial Inc. (SLF)	1.8600	1.7100	1.5900	1.4800	1.4400	1.4400	8.8%	5.3%
Suncor Energy Inc. (SU)	1.4000	1.2500	1.1600	1.1300	0.9400	0.6600	12.0%	16.2%
TELUS Corporation (T)	2.0275	1.9125	1.7600	1.6000	1.4400	1.2850	6.0%	9.5%
Toronto-Dominion Bank (TD)	2.5400	2.3000	2.1200	1.9600	1.7950	1.5800	10.4%	10.0%
TransCanada Corporation (T)	2.6300	2.3800	2.1700	2.0000	1.8800	1.8000	10.5%	7.9%

1 Cash dividends only. Company has also distributed shares of Brookfield Property Partners LP in 2013, Brookfield Business Partners LP in 2016, and Trisura Group Ltd. in 2017.

2 Company changed dividend payment dates in 2014, creating one dividend that covered a four month period. This represents an additional payment of 0.0333 USD in the 2014 period.

3 Cash dividends only. Company has also distributed shares of PrairieSky Royalty Ltd. in 2016.

4 Dividend paid in USD.

The Dividend Growth Story- Canadian Equity Model Portfolio

Summary of Dividend Increases

Fourth Quarter 2017:

Bank of Nova Scotia: 79 cents (76 cents)
Canadian Imperial Bank of Commerce: 130 cents (127 cents)
Royal Bank of Canada: 91 cents (87 cents)
Sun Life Financial Inc.: 45.5 cents (43.5 cents)

First Quarter 2018

Brookfield Asset Management Inc.: 15 cents (14 cents)*
Bank of Montreal: 93 cents (90 cents)
Brookfield Property Partners LP: 31.5 cents (29.5 cents)*
Canadian National Railway Company: 45.5 cents (41.25 cents)
Canadian Western Bank: 25 cents (24 cents)
Enbridge Inc.: 67.1 cents (61 cents)
Intact Financial Corporation: 70 cents (64 cents)
Magna International Inc.: 33 cents (27.5 cents)*
Manulife Financial Corporation: 22 cents (20.5 cents)
National Bank of Canada: 60 cents (58 cents)
Suncor Energy Inc.: 36 cents (32 cents)
TELUS Corporation: 50.5 cents (49.25 cents)

Second Quarter 2018:

BCE Inc.: 75.5 cents (71.75 cents)
Bank of Nova Scotia: 82 cents (79 cents)
Canadian Imperial Bank of Commerce: 133 cents (130 cents)
Canadian Natural Resources Ltd.: 33.5 cents (27.5 cents)
Power Financial Corporation: 43.3 cents (41.25 cents)
Royal Bank of Canada: 94 cents (91 cents)
Stantec Inc.: 13.75 cents (12.5 cents)
Sun Life Financial Inc.: 47.5 cents (45.5 cents)
Toronto-Dominion Bank: 67 cents (60 cents)
TransCanada Corporation: 69 cents (62.5 cents)

Third Quarter 2018:

Algonquin Power & Utilities Corporation: 12.82 cents
(11.65 cents)*
Bank of Montreal: 96 cents (93 cents)
Canadian Western Bank: 26 cents (25 cents)
National Bank of Canada: 62 cents (60 cents)
Saputo Inc.: 16.5 cents (16 cents)
TELUS Corporation: 52.5 cents (50.5 cents)

Fourth Quarter 2018 (Pending):

Canadian Imperial Bank of Commerce: 136 cents (133 cents)

* Dividend paid in USD.



BCV Asset Management Inc.

The Dividend Growth Story- United States Equity Model Portfolio September 2018

Dividend Changes in Most Recent Twelve Months:

Increases: 22
Unchanged: 0
Decreases: 0

Portfolio Characteristics (As of September 30th 2018):

Dividend Yield: 2.06%

Dividend Growth Rate:
One Year: +10.2%
Five Years: +11.7%

The BCV Asset Management United States Equity Model Portfolio consisted of twenty-two companies at the end of September 2018. In the twelve months ending September 30th 2018, all twenty-two companies increased their dividend.

The United States Equity Model Portfolio was unchanged during the third quarter of 2018.

Six companies paid an increased dividend in the third quarter of 2018, continuing their trend of year-over-year increases. These companies were Bank of America Corporation, Bank of New York Mellon Corporation, FedEx Corporation, Medtronic plc, Starbucks Corporation, and Wells Fargo & Company. One company has announced a dividend increase that will be paid starting in the fourth quarter of 2018. This company is U.S. Bancorp.

A full outline of the five year dividend history of the companies in the BCV Asset Management United States Equity Model Portfolio is provided on the following pages.

The Dividend Growth Story- United States Equity Model Portfolio

Summary of Dividends Paid

	Twelve Month Period Ending September 30 th						Growth Rate	
	2018	2017	2016	2015	2014	2013	1 Year	5 Year
Analog Devices Inc. (ADI)	1.8900	1.7700	1.6600	1.5700	1.4500	1.3200	6.8%	7.4%
Apple Inc. (AAPL)	2.7200	2.4000	2.1800	1.9800	1.8114	1.6286	13.3%	10.8%
AT&T Inc. (T)	1.9900	1.9500	1.9100	1.8700	1.8300	1.7900	2.1%	2.1%
Bank of America Corporation (BAC)	0.5100	0.3450	0.2250	0.2000	0.0800	0.0400	47.8%	66.4%
Bank of New York Mellon Corporation (BK)	1.0000	0.8100	0.7000	0.6800	0.6400	0.5600	23.5%	12.3%
Becton Dickinson & Company (BDX)	3.0000	2.9200	2.6400	2.4000	2.1800	1.9800	2.7%	8.7%
CVS Health Corporation (CVS)	2.0000	1.9250	1.6250	1.3250	1.0500	0.8375	3.9%	19.0%
FedEx Corporation (FDX)	2.1500	1.7000	1.1500	0.8500	0.6500	0.5700	26.5%	30.4%
Home Depot Inc. (HD)	3.9800	3.3600	2.6600	2.2400	1.8000	1.4600	18.5%	22.2%
Honeywell International Inc. (HON) ¹	2.9800	2.6600	2.3800	2.0700	1.8000	1.6400	12.0%	12.7%
International Business Machines Corporation (IBM)	6.1400	5.8000	5.4000	4.8000	4.1000	3.6000	5.9%	11.3%
Johnson & Johnson (JNJ)	3.4800	3.2800	3.1000	2.9000	2.7200	2.5400	6.1%	6.5%
Johnson Controls International plc (JCI) ²	1.0300	0.9908	0.8586	0.8063	0.7120	0.6492	4.0%	9.7%
JPMorgan Chase & Company (JPM)	2.2400	1.9600	1.8000	1.6400	1.5400	1.2800	14.3%	11.8%
Medtronic Inc. (MDT)	1.8800	1.7500	1.5700	1.2950	1.1450	1.0600	7.4%	12.1%
Microsoft Corporation (MSFT)	1.6800	1.5600	1.4400	1.2400	1.1200	0.9200	7.7%	12.8%
Qualcomm Inc. (QCOM)	2.3800	2.2000	2.0200	1.8000	1.5400	1.2000	8.2%	14.7%
Starbucks Corporation (SBUX)	1.2600	1.0000	0.8000	0.6400	0.5200	0.4200	26.0%	24.6%
U.S. Bancorp (USB)	1.2000	1.1200	1.0200	0.9900	0.9350	0.8150	7.1%	8.0%
United Technologies Corporation (UTX)	2.8000	2.6800	2.6000	2.5100	2.3600	2.1400	4.5%	5.5%
UnitedHealth Group Inc. (UNH)	3.3000	2.7500	2.2500	1.7500	1.3100	0.9850	20.0%	27.4%
Wells Fargo & Company (WFC)	1.6000	1.5300	1.5100	1.4500	1.3000	1.0700	4.6%	8.4%

1 Cash dividends only. Company has also distributed shares of AdvanSix Inc. in 2016.

2. Cash dividends only. Company has also distributed shares of Adient plc in 2016.

The Dividend Growth Story- United States Equity Model Portfolio

Summary of Dividend Increases

Fourth Quarter 2016:

Bank of America Corporation: 12 cents (7.5 cents)
Bank of New York Mellon Corporation: 24 cents (19 cents)
Medtronic plc: 46 cents (43 cents)
United Technologies Corporation: 70 cents (66 cents)
Wells Fargo & Company: 39 cents (38 cents)

First Quarter 2018:

AT&T Inc.: 50 cents (49 cents)
Analog Devices Inc.: 48 cents (45 cents)
Home Depot Inc.: 103 cents (89 cents)
Johnson Controls International plc: 26 cents (25 cents)
VISA Inc.: 21 cents (19.5 cents)

Second Quarter 2018:

Apple Inc.: 73 cents (63 cents)
International Business Machines Corporation: 157 cents (150 cents)
Johnson & Johnson: 90 cents (84 cents)
Qualcomm Inc.: 62 cents (57 cents)
UnitedHealth Group Inc.: 90 cents (75 cents)

Third Quarter 2018:

Bank of America Corporation: 15 cents (12 cents)
Bank of New York Mellon Corporation: 28 cents (24 cents)
FedEx Corporation: 65 cents (50 cents)
Medtronic plc: 50 cents (46 cents)
Starbucks Corporation: 36 cents (30 cents)
Wells Fargo & Co.: 43 cents (39 cents)

Fourth Quarter 2018 (Pending):

U.S. Bancorp: 37 cents (30 cents)



BCV Asset Management Inc.

Tuxedo Business Park
1325 Kenaston Boulevard
Winnipeg, MB R3P 2P2

phone (204) 284-2583
fax (204) 284-2584
toll free (888) 645-2583

www.bcvassetmanagement.com

Tony Demarin, MBA, CFA, CIM, FCSI President & Chief Investment Officer

phone (204) 284-2583
fax (204) 284-2584
toll free (888) 645-2583
cell (204) 471-6300
email tdemarin@bcvfinancial.com

James McInnis, CFA Portfolio Manager

phone (204) 284-2583
fax (204) 284-2584
toll free (888) 645-2583
cell (204) 296-3426
email jmcinnis@bcvfinancial.com

Michelle Smith, CFA Portfolio Manager

phone (204) 284-2583
fax (204) 284-2584
toll free (888) 645-2583
email msmith@bcvfinancial.com

Todd Johnson, CFA, CIM Portfolio Manager

phone (204) 284-2583
fax (204) 284-2584
toll free (888) 645-2583
cell (204) 471-0232
email tjohnson@bcvfinancial.com

Chris Richard, CFA Portfolio Manager

phone (204) 284-2583
fax (204) 284-2584
toll free (888) 645-2583
cell (204) 791-1758
email crichard@bcvfinancial.com

Cory Lang, CFA, CPA, CA Associate Portfolio Manager

phone (204) 284-2583
fax (204) 284-2584
toll free (888) 645-2583
cell (204) 996-3729
email clang@bcvfinancial.com

Notice to Readers: The Dividend Growth Story is prepared for general informational purposes only, without reference to the investment objectives, financial profile, or risk tolerance of any specific person or entity who may receive it. Investors should seek professional financial advice regarding the appropriateness of investing in any investment strategy or security and no financial decisions should be made on the basis of the information provided in this newsletter. Statements regarding future performance may not be realized and past performance is not a guarantee of future performance. This newsletter and its contents do not constitute a recommendation or solicitation to buy or sell securities of any kind. Investors should note that income, if any, from any investment strategy or security may fluctuate and that portfolio values may rise or fall. BCV Asset Management Inc. does not guarantee the accuracy or completeness of the information contained herein, nor does BCV Asset Management Inc. assume any liability for any loss that may result from the reliance by any person upon any such information or opinions. The information and opinions contained herein are subject to change without notice.