



BCV Asset Management Inc.

The Dividend Growth Story

June 2019



BCV Asset Management Inc.

The Dividend Growth Story- Canadian Equity Model Portfolio June 2019

Dividend Changes in Most Recent Twelve Months:

Increases: 21
Unchanged: 0
Decreases: 0

Portfolio Characteristics (As of June 30th 2019):

Dividend Yield: 3.89%

Dividend Growth Rate:
One Year: +9.9%
Five Years: +10.1%

The BCV Asset Management Canadian Equity Model Portfolio consisted of twenty-one companies at the end of June 2019. In the twelve months ending June 30th 2019, all twenty-one companies increased their dividend.

The Canadian Equity Model Portfolio was changed during the second quarter of 2019 with an increase to the position in Suncor Energy Inc. and the deletion of the position in TELUS Corporation.

Ten companies paid an increased dividend in the second quarter of 2019, continuing their trend of year-over-year increases. These companies were Bank of Nova Scotia, Canadian Imperial Bank of Commerce, Canadian Natural Resources Ltd., OpenText Corporation, Power Financial Corporation, Royal Bank of Canada, Sun Life Financial Inc., Stantec Inc., Toronto-Dominion Bank, and TransCanada Corporation. Two other companies have announced dividend increases that will be paid starting in the third quarter of 2019. These companies are Algonquin Power & Utilities Corporation and National Bank of Canada.

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 June 30 th						Growth Rate	
	2019	2018	2017	2016	2015	2014	1 Year	5 Year
Algonquin Power & Utilities Corporation (AQN) ⁴	0.5128	0.4660	0.4342	0.3852	0.3475	0.3400	10.0%	8.6%
Bank of Montreal (BMO)	3.9200	3.6600	3.4800	3.3200	3.1600	3.0000	7.1%	5.5%
Bank of Nova Scotia (BNS)	3.3900	3.1600	2.9600	2.8000	2.6400	2.4800	7.3%	6.5%
Brookfield Asset Management Inc. (BAM.A) ^{1,2,4}	0.6200	0.5800	0.5400	0.4200	0.4067	0.4400	6.9%	7.1%
Brookfield Property Partners LP (BPY.UN) ⁴	1.2900	1.2200	1.1500	1.0900	1.0300	1.0000	5.7%	5.2%
Canadian Imperial Bank of Commerce (CM)	5.4500	5.2000	4.9300	4.5400	4.0900	3.8600	4.8%	7.1%
Canadian National Railway Company (CNR)	1.9850	1.7350	1.5750	1.3750	1.1250	0.9300	14.4%	16.4%
Canadian Natural Resources Ltd. (CNQ) ³	1.3800	1.1600	0.9850	0.9200	0.9050	0.6750	19.0%	15.4%
Canadian Western Bank (CWB)	1.0600	0.9800	0.9200	0.9100	0.8400	0.7600	8.2%	6.9%
Enbridge Inc. (ENB)	2.8180	2.5620	2.2530	1.9900	1.6300	1.3300	10.0%	16.2%
Intact Financial Corporation (IFC)	2.9200	2.6800	2.4400	2.2200	2.0200	1.8400	9.0%	9.7%
Manulife Financial Corporation (MFC)	0.9700	0.8500	0.7800	0.7100	0.6350	0.5200	14.1%	13.3%
National Bank of Canada (NA)	2.5400	2.3600	2.2200	2.1200	1.9600	1.7900	7.6%	7.2%
OpenText Corporation (OTEX) ⁴	0.6300	0.5478	0.4770	0.4150	0.3588	0.3113	15.0%	15.1%
Power Financial Corporation (PWF)	1.7545	1.6705	1.5900	1.5100	1.4225	1.4000	5.0%	4.6%
Royal Bank of Canada (RY)	3.9200	3.6300	3.3400	3.1600	2.9800	2.6800	8.0%	7.9%
Stantec Inc. (STN)	0.5575	0.5125	0.4625	0.4275	0.3825	0.3400	8.8%	10.4%
Sun Life Financial Inc. (SLF)	2.0000	1.8200	1.6800	1.5650	1.4600	1.4400	9.9%	6.8%
Suncor Energy Inc. (SU)	1.5600	1.3600	1.2200	1.1600	1.1200	0.8600	14.7%	12.6%
Toronto-Dominion Bank (TD)	2.7500	2.4700	2.2500	2.0800	1.9200	1.7300	11.3%	9.7%
TransCanada Corporation (TRP)	2.8200	2.5650	2.3200	2.1250	1.9600	1.8600	9.9%	8.7%

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

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)

Fourth Quarter 2018:

Bank of Nova Scotia: 85 cents (82 cents)
Canadian Imperial Bank of Commerce: 136 cents (133 cents)
Manulife Financial Corporation: 25 cents (22 cents)
Royal Bank of Canada: 98 cents (94 cents)
Sun Life Financial Inc.: 50 cents (47.5 cents)

First Quarter 2019:

Bank of Montreal: 100 cents (96 cents)
Brookfield Asset Management Inc.: 16 cents (15 cents) *
Brookfield Property Partners LP: 33 cents (31.5 cents) *
Canadian National Railway Company: 53.75 cents (45.5 cents)
Canadian Western Bank: 27 cents (26 cents)
Enbridge Inc.: 73.8 cents (67.1 cents)
Intact Financial Corporation: 76 cents (70 cents)
National Bank of Canada: 65 cents (62 cents)
Suncor Energy Inc.: 42 cents (36 cents)

Second Quarter 2019:

Bank of Nova Scotia: 87 cents (85 cents)
Canadian Imperial Bank of Commerce: 140 cents (136 cents)
Canadian Natural Resources Ltd.: 37.5 cents (33.5 cents)
OpenText Corporation: 17.46 cents (15.18 cents)*
Power Financial Corporation: 45.55 cents (43.3 cents)
Royal Bank of Canada: 102 cents (98 cents)
Sun Life Financial Inc.: 52.5 cents (50 cents)
Stantec Inc.: 14.5 cents (13.75 cents)
Toronto-Dominion Bank: 74 cents (67 cents)
TransCanada Corporation: 75 cents (69 cents)

Third Quarter 2019 (Pending):

Algonquin Power & Utilities Corporation: 14.10 cents (12.82 cents)*
National Bank of Canada: 68 cents (65 cents)

* Dividend paid in USD.



BCV Asset Management Inc.

The Dividend Growth Story- United States Equity Model Portfolio June 2019

Dividend Changes in Most Recent Twelve Months:

Increases: 18
Unchanged: 1
Decreases: 0

Portfolio Characteristics (As of June 30th 2019):

Dividend Yield: 2.26%

Dividend Growth Rate:
One Year: +13.4%
Five Years: +11.8%

The BCV Asset Management United States Equity Model Portfolio consisted of nineteen companies at the end of June 2019. In the twelve months ending June 30th 2019, eighteen companies increased their dividend and one company maintained its dividend at the same level.

The United States Equity Model Portfolio was changed during the second quarter of 2019 with increases to the positions in FedEx Corporation and UnitedHealth Group Inc. and the deletion of the positions in Bank of New York Mellon Corporation and Qualcomm Inc.

Four companies paid an increased dividend in the second quarter of 2019, continuing their trend of year-over-year increases. These companies were Apple Inc., International Business Machines Corporation, Johnson & Johnson, and UnitedHealth Group Inc. No companies have yet announced a dividend increase that will be paid starting in the third quarter of 2019.

CVS Health Corporation has not had a recent dividend increase. The company has elected to hold dividends at current levels until balance sheet leverage, which has increased because of the recent acquisition of Aetna Inc., is reduced.

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 June 30 th						Growth Rate	
	2019	2018	2017	2016	2015	2014	1 Year	5 Year
Analog Devices Inc. (ADI)	2.0400	1.8600	1.7400	1.6400	1.5400	1.4200	9.7%	7.5%
Apple Inc. (AAPL)	2.9600	2.6200	2.3400	2.1300	1.9300	1.7771	13.0%	10.7%
AT&T Inc. (T)	2.0200	1.9800	1.9400	1.9000	1.8600	1.8200	2.0%	2.1%
Bank of America Corporation (BAC)	0.6000	0.4800	0.3000	0.2000	0.2000	0.0400	25.0%	71.9%
Becton Dickinson & Company (BDX)	3.0600	2.9800	2.8500	2.5800	2.3450	2.1300	2.7%	7.5%
CVS Health Corporation (CVS)	2.0000	2.0000	1.8500	1.5500	1.2500	1.0000	0.0%	14.9%
FedEx Corporation (FDX)	2.6000	2.0000	1.6000	1.0000	0.8000	0.6000	30.0%	34.1%
Home Depot Inc. (HD)	4.7800	3.8400	3.1600	2.5600	2.1200	1.7200	24.5%	22.7%
Honeywell International Inc. (HON) ¹	3.2050	2.9000	2.5900	2.3025	2.0025	1.7600	10.5%	12.7%
International Business Machines Corporation (IBM)	6.3300	6.0700	5.7000	5.3000	4.6000	3.9500	4.3%	9.9%
Johnson & Johnson (JNJ)	3.6500	3.4200	3.2400	3.0500	2.8500	2.6800	6.7%	6.4%
Johnson Controls International plc (JCI) ²	1.0400	1.0200	0.9555	0.8586	0.7801	0.6911	2.0%	8.5%
JPMorgan Chase & Company (JPM)	2.9600	2.1800	1.9400	1.7600	1.6000	1.5200	35.8%	14.3%
Medtronic Inc. (MDT)	2.0000	1.8400	1.7200	1.5200	1.2200	1.1200	8.7%	12.3%
Microsoft Corporation (MSFT)	1.8000	1.6500	1.5300	1.3900	1.2100	1.0700	9.1%	11.0%
U.S. Bancorp (USB)	1.4100	1.1800	1.0950	1.0200	0.9800	0.9200	19.5%	8.9%
United Technologies Corporation (UTX)	2.9050	2.8000	2.6400	2.5800	2.4600	2.3050	3.8%	4.7%
UnitedHealth Group Inc. (UNH)	3.7800	3.1500	2.6250	2.1250	1.6250	1.2150	20.0%	25.5%
Wells Fargo & Company (WFC)	1.7600	1.5600	1.5200	1.5050	1.4250	1.2500	12.8%	7.1%

1. Cash dividends only. Company has also distributed shares of AdvanSix Inc. in 2016 and shares of Garrett Motion Inc. and Resideo Technologies Inc. in 2018.

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

Third Quarter 2018:

Bank of America Corporation: 15 cents (12 cents)

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

Wells Fargo & Company: 43 cents (39 cents)

Fourth Quarter 2018:

Becton Dickinson & Company: 77 cents (75 cents)

Honeywell International Inc.: 82 cents (74.5 cents)

JPMorgan Chase & Company: 80 cents (56 cents)

Microsoft Corporation: 46 cents (42 cents)

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

United Technologies Corporation: 73.5 cents (70 cents)

First Quarter 2019:

Analog Devices Inc.: 54 cents (48 cents)

AT&T Inc.: 51 cents (50 cents)

Home Depot Inc.: 136 cents (103 cents)

Wells Fargo & Company: 45 cents (43 cents)

Second Quarter 2019:

Apple Inc.: 77 cents (73 cents)

International Business Machines Corporation: 162 cents (157 cents)

Johnson & Johnson: 95 cents (90 cents)

UnitedHealth Group Inc.: 108 cents (90 cents)

Third Quarter 2019 (Pending):

None



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 Financial Analyst & Securities Trader

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.