

# Cidel Dividend & Income

[cidel.com](http://cidel.com)

The Dividend and Income Portfolio is designed for Canadian income-driven investors seeking expertise in both domestic and international equity. Investors benefit from exposure to global markets while maintaining a Canadian dividend tax advantage.

## Overview

**The Investment** is a portfolio of 30 to 40 quality Canadian and global dividend-paying equities.

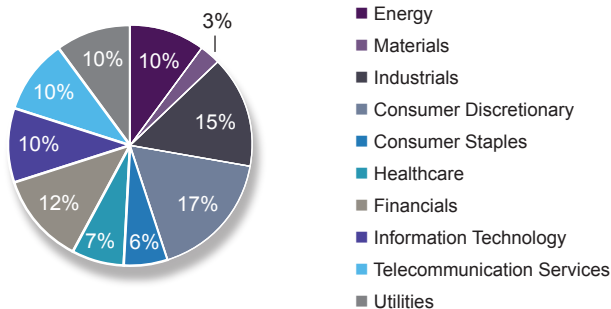
**The Objective** is to provide income above the rate of inflation and lower volatility compared to the market.

**The Investment Philosophy** is founded in our belief that by investing globally in companies with outstanding financial characteristics, strong fundamentals and stable cash flow generation, we can achieve superior performance with lower volatility than the market.

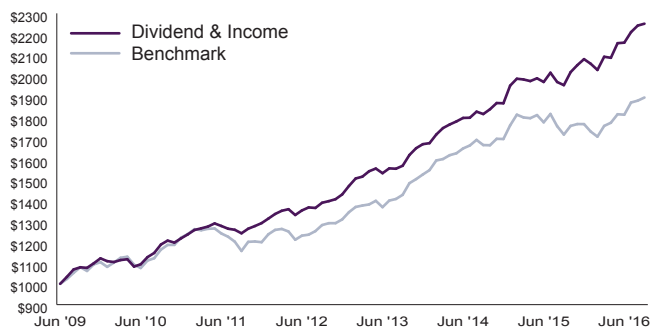
## Market Commentary

The S&P/TSX Composite continued its winning streak, returning 1.2% in September while the MSCI World put in a solid 0.7% return. Corporate bonds returned 0.4% in the month. As a result, the blended benchmark returned 0.8% for September. In Canada the returns were led by the Energy sector (+3.9%), followed by Materials (+2.6%) and Information Technology (+1.2%); while the largest losses were in the Health Care sector (-10.0%) and Consumer Staples (-3.8%). The Dividend & Income portfolio returned +0.4% in the month to trail the blended benchmark. Year-to-date, the portfolio has outperformed with a return of 8.2% compared to the 7.2% return of the benchmark.

## SECTOR ALLOCATION



## GROWTH OF \$1,000 VS. BENCHMARK



ANNUAL PERFORMANCE (%)	YTD	2015	2014	2013	2012	2011	2010	Inception
Toron AMI	8.2%	11.4%	11.8%	16.9%	10.7%	6.0%	8.6%	11.8%
Benchmark	7.2%	4.2%	11.2%	16.5%	9.1%	-1.8%	10.7%	9.2%

\*Note: The above data is compiled from a composite of actual client portfolio returns. The Dividend & Income Portfolio is not a pooled fund. Toron AMI's Annualized Returns represent the account size-weighted return of Toron AMI's equity only clients (client mandates that are 100% equity, and whose accounts are at least 90% invested during the month). Historic performance should not be interpreted as a guarantee of future results. Performance figures are based on total returns which are time-weighted and geometrically linked (meaning that performance is not influenced by the timing of portfolio additions or withdrawals and is calculated on a compounded basis). Toron AMI and Benchmark performance is gross of applicable management fees. The benchmark depicted is a composite of the S&P/TSX Composite Index, MSCI World Index and FTSE/TMX Corporate Bond Index. Toron Asset Management International and Cidel Financial Group are operating names of Cidel Asset Management Inc.

## The Process

**Quantitative Screening** Quantitative metrics to identify stocks with attractive valuations and competitive advantages.

**Fundamental Research** Thorough company analysis and management interviews to assess return and future growth opportunities.

**Portfolio Construction.** Allocate optimal sector and credit quality weightings, actively managed throughout the business cycle.

KEY CHARACTERISTICS	Toron AMI	Benchmark
1 Month Return	0.4%	0.8%
YTD	8.2%	7.2%
1 Year Return	15.1%	10.4%
3 Year Return (Annualized)	12.8%	9.9%
5 Year Return (Annualized)	12.6%	10.4%
Return Since Inception (Annualized)	11.8%	9.2%
Standard Deviation (5 year annualized)	4.7%	6.1%
Maximum Losing Month (Since Inception)	-3.2%	-3.7%
Maximum Monthly Gain (Since Inception)	4.5%	3.9%

## NOTABLE HOLDINGS

WHISTLER BLACKCOMB	4.7%
NEW FLYER INDUSTRIES INC	4.5%
KDDI CORP	3.7%
TAIWAN SEMICONDUCTOR	3.6%
MICROSOFT CORP	3.5%
TELENOVA ASA	3.3%
PARKLAND FUEL CORP	3.2%
ALIMENTATION COUCHE TARD INC	3.2%
3M CO	3.2%
HEINEKEN NV	3.2%