PORTLAND GLOBAL DIVIDEND FUND

PORTLAND INVESTMENT COUNSEL®
OWNERS. OPERATORS. AND INVESTORS.

(as at October 31, 2018)

	Series Start Date	MER (after absorptions as at March 31, 2018)[4]	Net Asset Value Per Unit (as at October 31, 2018)	PERFORMANCE (as at October 31, 2018)					
				3 Months	6 Months	Calendar Year-to-Date	1 Year	3 Year[4]	Since Inception[4]
Portland Global Dividend Fund - Series F	May 29, 2014	1.69%	$9.0300	(7.6%)	(6.7%)	(7.4%)	(6.4%)	4.8%	3.5%
MSCI World Total Return Index	-	-	-	(4.6%)	0.4%	2.6%	3.2%	8.1%	10.5%

FUND FACTS

Fund Net Assets	$4.8 million
CIFSC* Asset Class	Global Equity
Risk Tolerance	Medium

HOW THE FUND IS MANAGED

- Focused primarily on a portfolio of global dividend paying equities
- Common shares of large global companies with attractive dividend-paying ratios and a strong pedigree of increasing dividends over the long term; selection includes from the members of the S&P Europe 350 Dividend Aristocrats, the S&P 500® Dividend Aristocrats, the S&P Pan Asia Dividend Aristocrats and the S&P /TSX Dividend Aristocrats
- Selective use of options to generate additional returns towards distributions
- Currency hedging of the Fund's non-Canadian Dollar exposure

KEY REASONS TO INVEST

- Income generation and capital growth
- The power of dividend investing combined with the benefits of global investing and sector diversification for reduced volatility
- Monthly distributions targeting 5.0%** per annum which are intended to be funded and characterized as mostly return of capital
- Tax-efficient structure, currently housing tax losses of approximately $27 million

PORTFOLIO MANAGER

Chris Wain-Lowe, BA, MBA
Chief Investment Officer, Executive Vice President and Portfolio Manager

Geographic Mix

United Kingdom	40.6%
Switzerland	16.6%
United States	11.1%
Australia	8.7%
France	5.5%
Bermuda	4.8%
Germany	4.6%
Other Net Assets (Liabilities)[1]	4.4%
Netherlands	3.6%
Canada	0.5%
Jersey	(0.1%)
Currency Forwards	(0.3%)

Sector Mix

Consumer Discretionary	19.5%
Financials	16.0%
Materials	14.0%
Consumer Staples	12.6%
Energy	12.2%
Industrials	7.9%
Health Care	5.0%
Real Estate	4.8%
Other Net Assets (Liabilities)[1]	4.4%
Utilities	4.0%
Exchange Traded Funds	0.1%
Short Positions - Derivatives	(0.2%)
Currency Forwards	(0.3%)

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Top Holdings[2]

BHP Billiton PLC	9.3%
Dufry AG	8.1%
Royal Dutch Shell PLC	7.9%
Dignity PLC	5.8%
Brookfield Property Partners L.P.	4.8%
GEA Group AG	4.6%
Mondelez International Inc.	4.6%
Barclays PLC	4.4%
AusNet Services	4.0%
Cash	3.9%
Prudential PLC	3.9%
Total SA	3.8%
Amcor Limited	3.6%
NN Group NV	3.6%
Novartis AG	3.6%
Rentokil Initial PLC	3.3%
Compass Group PLC	3.0%
Oaktree Strategic Income Corporation	2.7%
Aryzta AG	2.3%
LVMH Moet Hennessy Louis Vuitton SE	1.7%
Roche Holding AG	1.4%
The Kraft Heinz Company	1.2%
Nestlé SA	1.2%
HSBC Holdings PLC	1.1%
Reckitt Benckiser Group PLC	1.1%

Option Positions

Newell Brands, Inc., Put 18, 16/11/2018	(0.1%)
WPP PLC, Put 70, 16/11/2018	(0.1%)
JPMorgan Chase & Co., Put 95, 16/11/2018	0.0%
Bank of America Corporation, Put 24.5, 16/11/2018	0.0%
Novartis AG, Call 92.5, 21/12/2018	0.0%
BHP Billiton PLC, Call 50, 21/12/2018	0.0%
Walgreens Boots Alliance, Inc., Call 80, 16/11/2018	0.0%

FUND COMMENTARY (as at September 30, 2018)

For the period September 30, 2017 to September 30, 2018, while the Series F units of the Fund had a return of 2.7%, the Fund's benchmark index, the MSCI World Total Return Index rose 15.3%. For the full period since the launch of the Fund on May 29, 2014 to September 30, 2018, the benchmark had an annualized return of 12.3%. For the same period the Fund's Series F units had an annualized return of 4.6%. Unlike the benchmark, the Fund's return is after the deduction of its fees and expenses.

During the period, the Fund's exposure to energy and materials were the top contributing sectors (notably BHP Billiton PLC, Royal Dutch Shell PLC and Total SA) whereas being significantly underweight in Information Technology (a low dividend paying sector) and exposure to consumer discretionary and staples caused the Fund's underperformance (notably Dufry AG, Dignity PLC and Aryzta AG). Currently, the Fund hedges approximately 49% of its non-Canadian dollar exposure, predominantly reflecting its exposure to the Australian dollar, Swiss franc, Euro, British pound, and U.S. dollar.

The Fund has a target of approximately 5% distribution per annum per unit which it has met since inception. The Fund's earnings from dividends, derivatives and net realized gains exceed the paid distributions. An indicator that the Fund may continue to meet its 5% distribution target includes the dividend yield (a financial ratio that shows how much a company pays out in dividends relative to its share price) of the equities of the Fund. Sourced from Thomson Reuters, the equity component's trailing weighted average dividend yield as at September 30, 2018 was 3.7%, compared to the benchmark's 2.3%.

During the period the Fund profitably sold its positions in ABB Ltd., BP PLC, Canfor Corporation, Johnson Matthey PLC and The Walt Disney Company and profitably reduced its positions in: Compass Group plc (global leader in food services); GEA Group AG (provider of food processing equipment); JPMorgan Chase & Co., (large U.S.-based universal bank); LVMH Moet Hennessy Louis Vuitton SE (diversified luxury goods); Nestlé SA (the world's largest food company); Rentokil Initial PLC (pest control and hygiene), Roche Holding AG (Swiss-based biopharmaceutical company); Royal Dutch Shell PLC (energy); South 32 Limited (diversified metals and mining company); Technology Select Sector SPDR Fund ETF; Total SA (energy) and Wal-Mart Stores, Inc. (world's largest retailer).

These divestments accommodated new positions in Brookfield Property Partners LP, Dignity PLC, HSBC Holdings PLC, The Kraft Heinz Company, Reckitt Benckiser Group PLC, Walgreens Boots Alliance, Inc. and increased stakes in Aryzta AG and Dufry AG.

RECENT DEVELOPMENTS

This period since the Great Recession is one of the longest ever stretches of rising markets. U.S. Stocks have recorded the longest-ever bull run, making the post-financial crisis rally the longest stretch of rising prices without a 20% drop, the level typically associated with a bear market. Cyclically and inflationary adjusted earnings over the last ten years compared to prices suggests in our view that the current market is fully valued. In addition, the US Treasury Yield curve, reflecting the difference between 2-year and 10-year Treasury yields has flattened to levels not seen in a decade. A negative yield is ordinarily an indicator of recession and therefore while we do not see a near -term catalyst to initiate a market correction, such as recession or weakening confidence, such a correction is, at least statistically, due in our view and vulnerable to geopolitical events, not least trade protectionism and a tightening credit policy in China.

In the near term while strengthening economies trump the shenanigans of popularity politics across Europe and the Americas, bond markets face rising rates for the first time in some four decades, which is likely to create significant asset reallocations and liquidity issues leading to increased periods of volatility. Despite, the political turmoil, central bankers have steered the global economy away from the Great Recession. While increased volatility may be unsettling, it is to be expected as rates rise and quantitative easing (i.e. bond purchasing) is replaced with quantitative firming (i.e. bonds sales by Central Banks) as Central Banks wean their country's off support mechanisms and towards more normal rates and markets. Also as the U.S. proceeds towards trade 'wars' rather than an infrastructure agenda and the U.K.'s 'Brexit' negotiations with the E.U. remain protracted there is plenty of scope for turmoil. And markets remind us from time to time that they can veer from complacency to panic over a weekend.

At such times, we believe a pivot towards 'value' rather than 'growth' criteria is likely to predominate as investors seek businesses that are priced reasonably, particularly in a reflationary environment. Overall, we believe that the Fund is currently well positioned to meet its investment objective for the medium to long term. We will continue to evaluate opportunities that we believe may generate income, enhance returns and/or reduce risk wherever possible.

POTENTIAL RISKS

The Manager believes the following risks may impact the performance of the Fund: active management risk, concentration risk, currency risk, equity risk, derivatives risk and credit risk. Please read the "Risk Factors" section in the Simplified Prospectus for a more detailed description of all the relevant risks.

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	CANADIAN DOLLAR			
	SERIES A		SERIES A2	SERIES F[3]
Fund Name	DSC	LL	Initial Sales Charge	
Portland Global Dividend Fund	PTL522	PTL523	PTL521	PTL009

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* Canadian Investment Funds Standards Committee

**The portfolio is expected to generate income from dividends, interest and option writing income , which after deduction of expenses, will be distributed by the Fund to unitholders. The targeted monthly distribution amount is reset at the beginning of each calendar year to provide an approximate yield of 5% per annum based on the NAV per Series A Unit as at December 31 of the prior year. Assuming the expected level of income is received, the portfolio would not be required to appreciate. If the level of income is less than the amount necessary to meet the target distribution, the Manager may either pay out a lower distribution or supplement the amount needed through net realized capital gains from the portfolio or may return a portion of the capital of the Fund to unitholders in which case the distribution would not have been fully funded as the net asset value would be reduced. Distributions are reinvested automatically in additional units of the Fund. No commissions are payable upon automatic reinvestment of distributions.

1. Other Net Assets (Liabilities) refers to all other assets and liabilities in the Fund excluding portfolio investments.
2. Where the Fund holds less than 25 long and short holdings, all investments have been disclosed. There may be other assets and liabilities which are not included, and therefore the summary does not add up to 100%.
3. Generally available through dealers who have entered into a Portland Series F Dealer Agreement.
4. Annualized.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions [dividends] and does not take into account sales, redemptions, distributions or optional charges or income taxes payable by any securityholder in respect of a participating fund that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Risk tolerance measures the degree of uncertainly that an investor can handle regarding fluctuations in the value of their portfolio. The amount of risk associated with any particular investment depends largely on your own personal circumstances including your time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Investors should consult their Financial Advisor before making a decision as to whether this Fund is a suitable investment for them.

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