

12 February 2020

Dear fellow investor

24 dividend increases and counting

In January we again saw the power of the DivGro philosophy in action. More of our holdings continued to announce material dividend increases as anticipated by the DivGro system:

MTY Food Group +12.1%

YUM! Brands +11.9%

MarketAxess +17.7%

S&P Global +17.5%

Charles Schwab +5.9%

From inception on 15 August 2019 we now have a record of 24 dividend increases, a significant number. Taken as a group the average increase is tracking at about 14%

This highlights the essence of the DivGro system:

Step 1: identify those companies we believe will raise their dividends (necessary condition).

Step 2: dynamically curate from this special set of those privileged business models and cultures that enable meaningful dividend increases to be sustained for many years (extremely advantageous value add).

Step 3: encourage patience and fortitude via our 90 day cash distribution feedback loop. This enables us to benefit from sustained dividend increase that power the growth in cash flow which we believe will ultimately drive the capital value upwards over time.

By way of interest, here is the key section of the MarketAxess press release announcing the significant dividend increase:



**MARKETAXESS REPORTS FOURTH QUARTER 2019 REVENUES
OF \$129.8 MILLION, OPERATING INCOME OF \$60.9 MILLION AND
DILUTED EPS OF \$1.32**

11 Consecutive Years of Record Volume, Revenue and Earnings

Company Announces 18% Increase in Regular Quarterly Dividend to \$0.60 per Share, up from \$0.51

We look forward to updating you next with more dividend increases.

Sincerely,
Jonathan & Barney

DivGro Fund dividend increases¹

Increase Number	Declaration Date	Company Ticker	Dividend Increase %
1	14-Sep-19	AMT	20.25%
2	18-Sep-19	MSFT	10.87%
3	19-Sep-19	MCD*	7.76%
4	19-Sep-19	TXN	16.88%
5	22-Oct-19	V	20.00%
6	29-Oct-19	CTAS	24.39%
7	30-Oct-19	SBUX	13.89%
8	31-Oct-19	CDW	28.81%
9	01-Nov-19	ABBV	10.28%
10	07-Nov-19	AL	15.38%
11	14-Nov-19	NKE	11.36%
12	15-Nov-19	ROP	10.81%
13	25-Nov-19	BDX*	2.60%
14	03-Dec-19	MA	21.21%
15	04-Dec-19	SYK	10.58%
16	04-Dec-19	ECL	2.17%
17	11-Dec-19	ZTS	21.95%
18	12-Dec-19	AMT	20.24%
19	13-Dec-19	ABT	12.50%
20	20-Jan-20	MTY.TO	12.12%
21	24-Jan-20	YUM	11.90%
22	29-Jan-20	MKTX	17.65%
23	29-Jan-20	SPGI	17.54%
24	29-Jan-20	SCHW*	5.88%
Average			14.46%

¹ * represents companies no longer in the DivGro Fund portfolio.

Important disclaimer

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