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# Canadian Stock Focus List

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If you want to build a diversified portfolio of individual stocks, consider starting with those on the Edward Jones Canadian Stock Focus List.

## Focus on the long term

At Edward Jones, we have a long-term investment philosophy, and we recommend investors should buy a mix of quality investments when building a portfolio. Your portfolio objective will determine the appropriate proportion of equity investments to help you achieve your long-term goals.

The Edward Jones Canadian Stock Focus List (CSFL) represents a collection of stock ideas from a variety of industries. So if you want the potential for long-term growth with some current dividend income, you can pattern the stocks you own after this list. This list contains only Buy recommendations and is designed using our industry recommendations as well as our focus on growth-and-income investments.

## A Diversified portfolio of our buy ideas

Our Canadian Stock Focus List is a good starting place for selecting stocks when building a well-diversified portfolio. If you only want to own individual stocks in the equity portion of your portfolio, we believe you should own at least 25. If you are supplementing your mutual fund holdings with individual stocks, we recommend adding a minimum of 15.

The Canadian Stock Focus List is a mixture of Canadian and U.S. stocks to improve its diversification by industry and geographically. The S&P/TSX Composite (TSX) is currently



very concentrated in three industries – financials, energy and materials – so we add foreign stocks in other industries, such as health care and technology, to more evenly balance industry weights. This diversified approach also means the Canadian Stock Focus List should benefit from global trends as well as Canadian market performance.

## How we select quality companies for the list

We believe identifying attractive stocks begins by finding quality companies in Canada and the U.S. Although past performance is not a guarantee of future results, investing in quality companies at attractive prices has historically been a successful way for individual investors to own stocks over time. We look for the following characteristics:

### Attractive Industries – We believe certain industries are more attractive than others.

**Strong competitive position** – If a company doesn't command a leadership position within its industry, it should offer other competitive strengths that could help it sustain long-term profitability.

### Please see important disclosures and analyst certification on Page 4 of the report.

Individuals can obtain the full research report with full disclosures on any of the companies mentioned in this report by contacting a local Edward Jones advisor, or write to: Edward Jones, 90 Burnhamthorpe Road West, Sussex Centre, Mississauga, Ontario L5B 3C3.

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**Experienced management teams** – We prefer companies that are led by strong management teams who have a track record of success.

**Solid financial positions** – The majority of the companies on our list have historically demonstrated consistent growth in sales and earnings.

**Attractive price** – We only recommend what we believe are quality companies that are also trading at good prices.

### Adding and removing stocks from the buy list

Consistent with our investment philosophy, we take a long-term perspective when selecting stocks for the Canadian Stock Focus List. However, we will periodically add or remove stocks to:

- Maintain proper industry weightings
- Ensure proper diversification within industries
- Adjust the foreign content
- Reflect rating changes
- Highlight opportunities

We don't make frequent changes, and we don't make them based on short-term setbacks or expectations. Instead, when we make a change, it is based on our long-term outlook for the company and the valuation of the stock, consistent with our overall investment philosophy.

### Sector Weights

Our sector weights are within 2% of the sector guidance from the Investment Policy Committee and will usually be within a few percent of a blend of the U.S. S&P 500 and the TSX. This blend is our benchmark. If an individual sector appears expensive based on our top down and bottom up analysis, or appears attractive, our sector weights may be higher or lower than our benchmark.

### Setting realistic expectations

We believe our approach has the potential for long-term growth over time, but the performance of the CSFL is not designed to match or outperform the TSX, in part because the TSX is not well diversified. Financial services, materials and energy alone represent over 65% of the TSX, while these industries make up only 40% of the CSFL. The following table shows how the Edward Jones Canadian Stock Focus List has performed in the past.

Our goal is to have a list of stocks that provides a competitive return while managing downside risk. While we believe our approach should lead to the potential for long-term growth



### Return Performance as of December 31, 2024

	CSFL	S&P 500	TSX Composite
Since Inception	8.5%	11.4%	9.5%
10 Years	11.1%	13.1%	8.6%
5 Years	11.8%	14.5%	11.1%
3 Years	10.5%	8.9%	8.6%
1 Year	24.1%	24.9%	21.7%

Source: Morningstar. All periods show annualized returns. All data is for the period ending as of 12/31/2024. Inception date as of April 1, 2003. Past performance is not a guarantee of future results. Total returns assume reinvestment of dividends, capital appreciation and a transaction fee of 1%. The investment return and principal value of an investment will fluctuate. An investor's equity, when liquidated, may be worth more or less than the original cost. Performance results do not represent actual trading and may not reflect the impact that material economic and market factors might have on our decision making if we were actually managing clients' money. The S&P/TSX Composite and the S&P 500 are unmanaged indexes and are not meant to depict an actual investment.

Our goal is to have a list of stocks that provides a competitive return while managing downside risk. While we believe our approach should lead to the potential for long-term growth over time, in some years our performance will trail the major market averages, and in others our performance may be better. Given our focus on larger, attractively valued, quality growth companies, we historically have performed better during down markets.

Conversely, we tend to trail the market during low-quality speculative rallies or momentum-driven markets that are led by a narrow sector of the markets.

### Actions for Investors

If you're thinking about owning individual stocks, consider the diversification and value of the Canadian Stock focus list. Talk to your Edward Jones advisor today about which stocks may be appropriate for you and your long-term financial goals.



**Canadian Stock Focus List – Quick Overview**

A collection of stock ideas from various industries.

Buy Rated Companies	List Weight	Price as of 11/3/2025	52-week Price Range (\$)	Earnings Per Share 2026 (Est.) (\$)	P/E 2026 (Est.)	PEGY 2026 (Est.)	Div.	Div. Yield (%)	Inv. Cat.	Price Movement
<b>Communications Services (6.5%)</b>										
Alphabet Inc. (GOOGL)	2.71%	283.72	291.59 - 140.53	11.60	24.5	1.8	0.84	0.3	G/I	A
Rogers Communications Inc. (RCI.B.T)*	1.90%	54.05	56.15 - 32.42	5.02	10.8	1.4	2.00	3.7	G/I	BA
Telus Corp. (T.T)*	1.90%	20.50	23.29 - 19.10	1.10	18.6	1.4	1.67	8.1	G/I	BA
<b>Consumer Discretionary (7.5%)</b>										
Amazon (AMZN)	3.75%	254.00	258.60 - 161.38	8.85	28.7	1.0	0.00	0.0	G/I	AA
Ross Stores (ROST)	1.88%	161.20	161.95 - 122.36	6.80	23.7	2.0	1.62	1.0	G/I	A
Ulta Beauty (ULTA)	1.88%	517.43	572.23 - 309.01	26.80	19.3	1.9	0.00	0.0	G	AA
<b>Consumer Staples (5%)</b>										
Mondelez International (MDLZ)	2.50%	56.65	71.15 - 53.95	3.25	17.4	1.5	2.00	3.5	G/I	BA
PepsiCo (PEP)	2.50%	143.60	167.96 - 127.60	8.35	17.2	1.4	5.69	4.0	G/I	BA
<b>Energy (8.5%)</b>										
Chevron (CVX)	2.83%	154.04	168.96 - 132.04	20.09	7.7	0.8	6.84	4.4	G/I	A
Suncor Energy (SU.T)*	2.83%	55.68	60.48 - 43.59	9.69	5.7	0.7	2.28	4.1	G/I	A
TC Energy (TRP.T)*	2.83%	70.33	77.26 - 62.17	7.31	9.6	0.9	3.40	4.8	G/I	BA
<b>Financials (21.5%)</b>										
RBC Financial Group (RY.T)*	3.84%	207.22	208.34 - 151.25	14.60	14.2	1.4	6.16	3.0	G/I	BA
Bank of America (BAC)	2.94%	53.56	53.64 - 33.07	4.40	12.2	1.3	1.12	2.1	G/I	A
Bank of Montreal (BMO.T)*	2.94%	175.49	182.90 - 121.31	13.40	13.1	1.2	6.52	3.7	G/I	BA
Intact Financial Corp. (IFC.T)*	2.94%	263.40	317.35 - 250.28	17.50	15.1	1.5	5.32	2.0	G/I	BA
Manulife Financial (MFC.T)*	2.94%	46.42	46.44 - 36.93	4.40	10.6	0.8	1.76	3.8	G/I	A
TD Bank Financial Group (TD.T)*	2.94%	115.18	116.49 - 73.22	8.75	13.2	1.2	4.20	3.6	G/I	BA
Visa Inc. (V)	2.94%	336.90	375.51 - 287.19	12.90	26.1	2.0	2.68	0.8	G/I	A
<b>Health Care (7.5%)</b>										
Eli Lilly (LLY)	1.88%	896.53	935.63 - 623.78	31.15	28.8	1.8	6.00	0.7	G/I	A
Johnson & Johnson (JNJ)	1.88%	186.26	194.48 - 140.68	11.50	16.2	1.7	5.20	2.8	G/I	BA
Medtronic PLC (MDT)	1.88%	90.20	99.37 - 79.29	5.65	16.0	1.4	2.84	3.1	G/I	BA
Thermo Fisher Scientific (TMO)	1.88%	564.88	610.97 - 385.46	25.10	22.5	1.8	1.72	0.3	G/I	A
<b>Industrials (10%)</b>										
CAE (CAE.T)*	2.50%	38.84	41.38 - 24.57	1.35	28.8	3.6	0.00	0.0	G	AA
Canadian Pacific Kansas City (CP.T)*	2.50%	99.36	118.80 - 94.60	5.35	18.6	2.1	0.91	0.9	G/I	A
Honeywell Intl (HON)	2.50%	197.77	228.73 - 168.99	11.45	17.3	1.7	4.76	2.4	G/I	BA
Toromont Industries Ltd. (TIH.T)*	2.50%	165.91	168.56 - 107.32	6.56	25.3	2.2	2.08	1.3	G	A
<b>Real Estate (2.5%)</b>										
RioCan REIT (REI.UT)	2.50%	18.64	20.08 - 15.46	1.85	10.1	0.9	1.16	6.2	G	A
<b>Materials (5.5%)</b>										
CCL Industries Inc. (CCL.B.T)*	2.75%	77.42	84.69 - 64.93	4.85	16.0	1.5	1.16	1.5	G	A
Linde PLC (LIN)	2.75%	412.18	486.38 - 408.65	17.98	22.9	1.8	6.00	1.5	G/I	BA
<b>Technology (22.5%)</b>										
Apple Inc. (AAPL)	5.63%	269.05	277.32 - 169.21	8.21	32.8	2.6	1.04	0.4	G/I	A
Microsoft (MSFT)	4.82%	517.03	555.45 - 344.79	15.58	33.2	2.4	3.64	0.7	G/I	A
Analog Devices (ADI)	2.41%	233.61	258.13 - 158.65	10.64	22.0	2.1	3.96	1.7	G/I	A
Fortinet (FTNT)	2.41%	87.52	114.82 - 70.12	2.95	29.7	2.0	0.00	0.0	G/I	AA
Salesforce (CRM)	2.41%	261.34	369.00 - 226.48	11.18	23.4	2.0	1.68	0.6	G/I	A
ServiceNow (NOW)	2.41%	913.84	1198.09 - 678.66	20.51	44.6	2.0	0.00	0.0	G/I	AA
Synopsys Inc. (SNPS)	2.41%	445.72	651.73 - 365.74	14.31	31.1	2.1	0.00	0.0	G/I	A
<b>Utilities (3%)</b>										
NiSource (NI)	3.00%	42.58	44.88 - 34.23	2.05	20.8	2.0	1.12	2.6	G	BA

Please see the individual research reports for additional information, including disclosures, analyst certifications, valuation and risks specific to each company.

#### Analyst Certification

I certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers; and no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report. David Heger, CFA, John Boylan, CFA, Faisal Hersi, CFA.

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Dividends can be increased, decreased or eliminated at any time without notice.

An index is not managed and is unavailable for direct investment.

#### Opinion Rating Definition

Buy (B) - We believe the valuation is attractive and total return potential is above average over the next 3-5 years compared with industry peers.

#### Investment Category

Growth & Income (G/I) - Stocks of large-sized companies; Growth (G) - Stocks of small- or medium-sized companies; Aggressive - Micro-cap companies, companies with share prices below \$4, and emerging market equity.

#### Price Movement

Above Average (AA) – This stock will likely be more volatile than the average stock in the S&P 500 Index. These companies are often growing faster than the average company and/or are in industries that are more sensitive to the economy. Average (A) – This stock will likely experience volatility similar to the average stock in the S&P 500 Index. Below Average (BA) – This stock will likely be less volatile than the average stock in the S&P 500 Index. These companies are often more mature, grow more slowly than the average company, and/or are in industries that are less sensitive to the economy.