

# Monthly Socially Responsible Investment Fund Ranking Report

Prepared May 11, 2012

Prepared By:  
David Paterson, CFA  
(416) 706-5087

# Paterson & Associates - Monthly SRI Fund Ranking Report

April 2012

## [Back to Contents](#)

Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	Correlations				Returns					
							TSX	S&P 500	MSCI EAFE	SCMU	3 Month	1 Year	3 Year	5 Year	MER	
<b>Fixed Income Funds</b>																
1	PH&N Community Values Bond	Not Rated	0.46%	0.95%	0.35	0.01%	0.89	0.0924	0.1610	0.3341	0.9493	-0.5%	7.6%	6.9%	5.6%	0.61
2	NEI Canadian Bond Class A	Not Rated	0.37%	0.95%	0.25	-0.09%	0.92	0.0054	0.1093	0.2487	0.9722	-0.7%	7.5%	5.2%	4.5%	1.60
3	Meritas Canadian Bond Fund	Not Rated	0.31%	0.87%	0.21	-0.09%	0.81	-0.1240	0.0272	0.1324	0.9374	-0.9%	6.2%	4.7%	3.8%	2.04
	<b>Benchmark (SCMU)</b>		<b>0.50%</b>	<b>0.99%</b>	<b>0.37</b>			<b>-0.0767</b>	<b>0.0585</b>	<b>0.1930</b>	<b>1.0000</b>	<b>-0.6%</b>	<b>9.0%</b>	<b>6.7%</b>	<b>6.1%</b>	
	<b>Category Average</b>		<b>0.38%</b>	<b>0.93%</b>	<b>0.27</b>			<b>-0.0087</b>	<b>0.0992</b>	<b>0.2384</b>	<b>0.9530</b>	<b>-0.7%</b>	<b>7.1%</b>	<b>5.6%</b>	<b>4.6%</b>	<b>1.42</b>

## **Balanced Funds**

1	Meritas Monthly Dividend and Income	D	0.04%	3.44%	-0.03	-0.10%	0.64	0.9370	0.6540	0.6852	-0.1221	5.2%	-4.0%	8.9%	-0.3%	2.58
2	RBC Jantzi Balanced	D	-0.04%	2.29%	-0.08	-0.13%	0.41	0.8889	0.8053	0.8650	0.1274	1.3%	0.0%	6.3%		2.34
3	Ethical Select Conservative Portfolio Class A	F	0.15%	1.54%	0.01	0.01%	0.43	0.8054	0.7854	0.8645	0.3376	0.5%	2.3%	6.1%	1.7%	2.18
4	PH&N Community Values Balanced	F	0.07%	2.68%	-0.02	-0.19%	0.78	0.8721	0.7959	0.8492	0.0785	0.8%	-2.2%	7.4%	0.4%	1.08
5	AGF Social Values Balanced Fund	F	0.01%	3.81%	-0.03	-0.39%	1.19	0.9445	0.5078	0.6770	0.0247	-3.7%	-7.8%	8.9%	-0.8%	3.02
6	Ethical Balanced Fund Class A	F	0.01%	2.36%	-0.05	-0.23%	0.74	0.9353	0.7106	0.8142	0.0832	0.5%	-3.5%	6.3%	-0.2%	2.28
7	Meritas Balanced Portfolio	F	0.01%	1.96%	-0.06	-0.19%	0.58	0.8753	0.7969	0.8543	0.1322	0.9%	0.2%	5.9%	-0.2%	2.67
8	IA Clarington Inhance Monthly Inc SRI Pt.	TBD	0.66%	1.54%	0.34	0.58%	0.25	0.7756	0.6992	0.6834	-0.2762	1.9%	1.9%			2.50
9	IA Clarington Inhance Conservative SRI Pt.	TBD	0.31%	0.91%	0.20	0.27%	0.14	0.6877	0.6692	0.7721	-0.0024	0.3%	2.4%			2.56
10	Meritas Growth & Income Portfolio	TBD	0.39%	1.54%	0.17	0.31%	0.26	0.8411	0.7073	0.6892	-0.3970	1.3%	-0.8%			2.83
11	Ethical Select Canadian Balanced Port.	TBD	0.33%	1.45%	0.14	0.25%	0.24	0.7858	0.8485	0.8784	-0.3900	1.5%	0.4%			2.48
12	IA Clarington Inhance Balanced SRI Pt.	TBD	0.30%	1.44%	0.12	0.22%	0.26	0.8503	0.8024	0.8273	-0.3383	0.8%	0.3%			2.60
13	Ethical Select Canadian Growth	TBD	0.31%	2.11%	0.09	0.19%	0.37	0.8579	0.8880	0.8536	-0.5283	2.4%	-1.5%			2.69
14	IA Clarington Inhance Growth SRI Pt.	TBD	0.28%	1.94%	0.08	0.17%	0.35	0.8916	0.8253	0.8144	-0.4536	1.1%	-1.5%			2.66
15	Ethical Select Global Growth	TBD	0.30%	2.30%	0.07	0.25%	0.24	0.7564	0.8818	0.9189	-0.4543	2.5%	-1.1%			2.67
16	Meritas Income & Growth Portfolio	TBD	0.17%	0.65%	0.06	0.14%	0.10	0.7478	0.7477	0.7880	-0.1848	0.5%	1.6%			2.35
17	Ethical Select Global Balanced	TBD	0.21%	1.82%	0.04	0.18%	0.16	0.6533	0.7569	0.6482	-0.3736	1.4%	0.0%			2.47
18	Meritas Growth Portfolio	TBD	0.14%	1.79%	0.00	0.04%	0.29	0.8356	0.8565	0.8163	-0.5545	2.0%	-1.7%			2.97
	<b>Benchmark (40% SCMU / 60% TSX)</b>		<b>0.33%</b>	<b>2.99%</b>	<b>0.07</b>			<b>0.9911</b>	<b>0.5379</b>	<b>0.6634</b>	<b>0.0565</b>	<b>-0.6%</b>	<b>-2.2%</b>	<b>10.5%</b>	<b>3.3%</b>	
	<b>Category Average</b>		<b>0.20%</b>	<b>1.98%</b>	<b>0.06</b>			<b>0.8301</b>	<b>0.7633</b>	<b>0.7944</b>	<b>-0.1829</b>	<b>1.2%</b>	<b>-0.8%</b>	<b>7.1%</b>	<b>0.1%</b>	<b>2.50</b>

## **Canadian Equity**

1	Desjardins Environment	C	0.18%	5.39%	0.01	-0.04%	1.04	0.9736	0.5190	0.6242	-0.1355	-0.5%	-16.1%	7.4%	0.4%	2.32
2	RBC Jantzi Canadian Equity	C	0.10%	4.52%	-0.01	-0.10%	0.90	0.9929	0.5625	0.6655	-0.0525	0.3%	-8.7%	11.2%		2.11
3	Ethical Canadian Dividend Fund Class A	D	0.04%	3.78%	-0.03	-0.11%	0.67	0.8980	0.6500	0.6591	-0.2069	4.5%	-2.4%	11.7%	-0.4%	2.55
4	PH&N Community Values Cdn Equity	F	0.01%	4.87%	-0.03	-0.19%	0.91	0.9493	0.6242	0.6612	-0.1901	1.5%	-9.5%	9.4%	-1.3%	1.22
5	Meritas Jantzi Social Index Fund	F	0.00%	5.00%	-0.03	-0.21%	0.95	0.9683	0.5977	0.6708	-0.1410	1.7%	-10.0%	8.9%	-1.5%	2.03

# Paterson & Associates - Monthly SRI Fund Ranking Report

April 2012

## Back to Contents

Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	Correlations				Returns				
							TSX	S&P 500	MSCI EAFE	SCMU	3 Month	1 Year	3 Year	5 Year	MER
6 AGF Social Values Equity Fund	F	-0.21%	5.78%	-0.06	-0.45%	1.10	0.9637	0.4959	0.6517	-0.0567	-6.0%	-15.0%	9.8%	-4.5%	3.06
7 Ethical Growth Fund Class A	F	-0.17%	4.30%	-0.07	-0.35%	0.81	0.9611	0.6853	0.7537	-0.0429	0.4%	-9.9%	6.8%	-3.1%	2.34
8 Acuity Alpha Social Values Portfolio	F	-0.26%	4.73%	-0.08	-0.46%	0.91	0.9523	0.6248	0.7642	0.0004	-1.7%	-10.3%	8.6%		3.05
9 IA Clarington Inhance Canadian Equity SRI Pt.	TBD	0.29%	3.66%	0.04	0.19%	0.47	0.9595	0.7711	0.6915	-0.5956	1.5%	-9.6%			2.65
<b>Benchmark (S&amp;P/TSX Composite)</b>		<b>0.22%</b>	<b>4.98%</b>	<b>0.02</b>			<b>1.0000</b>	<b>0.5294</b>	<b>0.6369</b>	<b>-0.0767</b>	<b>-0.6%</b>	<b>-9.4%</b>	<b>12.7%</b>	<b>1.1%</b>	
<b>Category Average</b>		<b>0.00%</b>	<b>4.67%</b>	<b>-0.03</b>			<b>0.9576</b>	<b>0.6145</b>	<b>0.6824</b>	<b>-0.1579</b>	<b>0.2%</b>	<b>-10.2%</b>	<b>9.2%</b>	<b>-1.7%</b>	<b>2.37</b>

## Canadian Small / Mid Cap Equity

1 Ethical Special Equity Fund Class A	C	0.25%	4.58%	0.03	0.09%	0.74	0.8178	0.5910	0.6985	-0.1028	5.3%	4.4%	16.3%	1.8%	2.76
2 AGF Clean Environment Equity Fund	F	-0.36%	6.06%	-0.08	-0.59%	1.05	0.8805	0.5793	0.7583	-0.0596	3.2%	-12.2%	7.5%	-6.4%	3.06
3 Matrix Sierra Equity Fund	F	-0.94%	8.02%	-0.13	-1.23%	1.35	0.8498	0.4054	0.5924	0.0528	1.4%	-15.5%	1.4%	-14.6%	3.27
<b>Benchmark (S&amp;P/TSX Composite)</b>		<b>0.22%</b>	<b>4.98%</b>	<b>0.02</b>			<b>1.0000</b>	<b>0.5294</b>	<b>0.6369</b>	<b>-0.0767</b>	<b>-0.6%</b>	<b>-9.4%</b>	<b>12.7%</b>	<b>1.1%</b>	
<b>Category Average</b>		<b>-0.35%</b>	<b>6.22%</b>	<b>-0.06</b>			<b>0.8494</b>	<b>0.5252</b>	<b>0.6831</b>	<b>-0.0366</b>	<b>3.3%</b>	<b>-7.8%</b>	<b>8.4%</b>	<b>-6.4%</b>	<b>3.03</b>

## U.S. Equity

1 Ethical American Multi-Strategy Fund Class A	C	-0.11%	4.35%	-0.06	-0.07%	1.07	0.4780	0.9281	0.6974	-0.0098	4.4%	3.0%	7.7%	-2.5%	2.50
2 Meritas U.S. Equity Fund	F	-0.43%	3.89%	-0.14	-0.39%	0.98	0.5278	0.9547	0.7483	0.0517	3.7%	6.3%	7.7%	-5.9%	2.93
<b>Benchmark (S&amp;P 500 C\$)</b>		<b>-0.04%</b>	<b>3.71%</b>	<b>-0.05</b>			<b>0.5294</b>	<b>1.0000</b>	<b>0.8024</b>	<b>0.0585</b>	<b>5.5%</b>	<b>9.6%</b>	<b>12.2%</b>	<b>-1.3%</b>	
<b>Category Average</b>		<b>-0.27%</b>	<b>4.12%</b>	<b>-0.10</b>			<b>0.5029</b>	<b>0.9414</b>	<b>0.7228</b>	<b>0.0210</b>	<b>4.0%</b>	<b>4.6%</b>	<b>7.7%</b>	<b>-4.2%</b>	<b>2.72</b>

## Global / International Equity

1 Ethical Global Dividend	C	0.13%	4.89%	0.00	0.39%	1.18	0.5771	0.8304	0.8762	0.1962	3.7%	2.5%	10.4%		2.56
2 Ethical International Equity Fund Class A	C	-0.48%	4.53%	-0.13	-0.06%	0.94	0.6962	0.6755	0.9244	0.2134	3.5%	-8.7%	5.5%	-6.7%	2.98
3 Ethical Global Equity Fund Class A	D	-0.34%	4.12%	-0.11	-0.12%	1.00	0.5964	0.9287	0.8640	0.0626	3.6%	-5.9%	4.6%	-5.0%	2.65
4 Mac Universal Sustainable Opportunities Class A	D	-0.40%	4.43%	-0.12	-0.17%	1.07	0.6996	0.8370	0.9278	0.1545	2.3%	-3.2%	7.3%	-5.8%	2.54
5 Acuity Social Values Global Equity Fund	D	-0.35%	3.69%	-0.13	-0.16%	0.90	0.6920	0.8753	0.9005	0.0973	6.6%	0.2%	7.3%	-4.9%	3.09
6 BMO Sustainable Opportunities Class	F	0.37%	3.64%	0.07	0.55%	0.82	0.5319	0.8714	0.9256	-0.0132	5.3%	-1.6%	6.6%		2.72
7 BMO Sustainable Climate Class	F	0.28%	4.88%	0.03	0.47%	0.91	0.7258	0.6809	0.7802	-0.1401	1.2%	-18.6%	0.4%		2.67
8 PH&N Community Values Global Equity	F	-0.40%	4.51%	-0.12	-0.16%	1.11	0.6377	0.8939	0.9101	0.1634	1.9%	-4.9%	5.8%	-5.9%	1.28
9 Scotia Global Climate Change	F	-0.48%	5.08%	-0.12	-0.20%	1.28	0.7668	0.8257	0.9234	0.1359	3.8%	-9.8%	3.0%		2.76
10 RBC Jantzi Global Equity	F	-0.35%	3.57%	-0.13	-0.15%	0.90	0.7702	0.8830	0.9105	0.0114	3.5%	-1.9%	6.8%		2.29
11 TD Global Sustainability	F	-0.67%	4.48%	-0.18	-0.43%	1.10	0.7246	0.7949	0.9172	0.2554	2.7%	-7.7%	-0.6%		2.56
12 IA Clarington Inhance Global Equity SRI Pt.	TBD	0.12%	3.33%	0.00	0.25%	0.60	0.7460	0.8392	0.8594	-0.4528	3.4%	-1.8%			2.77

# Paterson & Associates—Monthly SRI Fund Ranking Report

## Methodology & Ratings Definitions

April 2012

### Methodology:

Fund Ratings which are highlighted in Green indicate an upgraded rating from the previous month. Fund Ratings highlighted in Red indicate a downgraded rating from the previous month.

The period under review is the most recent 60 month period, or the inception date of the fund, whichever is shorter.

To determine our rankings, fund returns are analyzed both on an absolute and a relative basis. We study such factors as the average return, the average relative return, the average monthly volatility, the average relative volatility, the risk adjusted return, expected future returns, and the greatest upside and downside movements in the past 60 months. We then put these quantitative factors into our proprietary model which ranks the funds based on our criteria. We combine this quantitative ranking with qualitative factors to determine a fund's final monthly ranking.

Only funds with greater than 36 months of data are eligible to receive a rating. We do not generate a rating on Fixed Income Funds.

### Ranking Definitions:

Effective January 1, 2011, we switched to a letter grade rating system. A brief explanation of our ratings follows:

**F** - Over the most recent 60 month period, the fund did not generate a rate of return in excess of its benchmark on either a net of fees or gross of fees basis. The Fund will also have an expected return which is lower than its benchmark. A fund rated F may still have a place within a portfolio for risk reduction purposes, depending on individual circumstances.

**D** - Over the most recent 60 month period, the fund did not generate a rate of return in excess of its benchmark on a net of fees basis. It did generate excess return on a gross of fees basis.

**C** - A fund which is rated a **C** added some level of value to the benchmark. However, the consistency in returns and the consistency with which the fund beat the benchmark is lacking.

**B** - A fund that is rated a **B** has a strong track record of steady returns and has consistently added value to the benchmark.

**A** - A fund rated **A** has delivered stellar risk adjusted returns for the period under review.

# Paterson & Associates—Monthly SRI Fund Ranking Report

## Disclaimer

April 2012

Information is from sources believed to be reliable. Every effort is made to ensure its accuracy, however, we cannot be responsible for inaccuracies or omissions in any of the data.

Information used in this analysis is historic in nature. Past performance is no guarantee of future performance.

Monthly Standard Deviation is the most recent 60 month historical standard deviation of returns.

Sharpe Ratio is a measure of risk adjusted returns. The higher the ratio, the better the manager has been at delivering more return for less risk.

Alpha represents the excess return which the manager has been able to deliver over and above the applicable benchmark.

Beta represents the volatility of the fund relative to its applicable benchmark. A beta of one means that there is a level of volatility equal that of the benchmark. A beta in excess of one indicates that the volatility is greater than the benchmark, while a beta of less than one indicates that volatility is less than the benchmark.

Correlation measures the similarity in return patterns between the fund and a benchmark. The correlation will range between  $-1$  and  $+1$ . A correlation close to  $+1$  indicates that the fund and the index have very similar return patterns. A correlation close to  $-1$  indicates that the returns are almost opposite, while a correlation close to zero indicates no relationship.

Historic returns are calculated using the monthly return data in our database. Slight variations in return results will be attributable to decimal rounding and number truncation. Past performance does not guarantee future performance.

This publication does not constitute an offer to sell or the solicitation of an offer to buy any securities. The information provided in this publication is not intended to constitute legal, accounting, financial, tax or investment advice. Many factors unknown to us may affect the applicability of any statement or comment found in this report to your particular circumstances. Those seeking specific investment advice should consider a qualified investment professional.

## About Us:

Paterson & Associates is an independent consulting firm specializing in providing research and due diligence on a number of different investment products including mutual funds, hedge funds and other exempt market products. In addition Paterson & Associates offers fully customized portfolio optimization solutions to independent financial planners.

D.A Paterson & Associates Inc.  
2255b Queen Street East, Suite 115  
Toronto, Ontario  
M4E 1G3  
(416) 706-5087  
[info@paterson-associates.ca](mailto:info@paterson-associates.ca)  
[www.paterson-associates.ca](http://www.paterson-associates.ca)