Paterson & Associates

July 2012

Monthly WRAP Fund Report

Prepared August 13, 2012

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

Email: info@paterson-associates.ca
Website: www.paterson-associates.ca

Paterson & Associates - Monthly WRAP Fund Report

July 2012

Back to Contents

Conservative Portfolios

	Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	Correlations				Returns				MER
								TSX	S&P 500	MSCI EAFE	SCMU	3 Month	1 Year	3 Year	5 Year	
1	CI Portfolio Series Income Fund Class A	A	0.36%	1.51%	0.16	0.35%	0.21	0.7241	0.7458	0.8712	0.3127	1.6%	5.5%	7.9%	4.3%	2.00
2	Meritage Conservative Income Portfolio	B	0.41%	1.18%	0.25	0.32%	0.32	0.7756	0.5588	0.7108	0.4435	1.3%	4.9%	6.6%	4.9%	2.02
3	Meritage Moderate Income Portfolio	B	0.37%	1.60%	0.16	0.24%	0.47	0.8639	0.6684	0.7968	0.2484	0.8%	4.6%	7.3%	4.4%	2.11
4	Marquis Balanced Income Portfolio	B	0.36%	1.99%	0.12	0.19%	0.59	0.8997	0.6559	0.7687	0.0709	0.9%	3.5%	8.5%	4.2%	2.36
5	Quotential Diversified Income Portfolio Series T	B	0.28%	1.57%	0.10	0.26%	0.25	0.7995	0.6672	0.7461	0.2237	0.6%	3.1%	7.0%	3.2%	1.97
6	TD Mgd Index Income Portfolio	B	0.24%	1.40%	0.09	0.23%	0.17	0.6236	0.7616	0.8440	0.5398	0.9%	4.2%	5.3%	2.8%	1.50
7	Fidelity Income Portfolio	B	0.27%	1.89%	0.08	0.24%	0.33	0.8918	0.7094	0.8285	0.1890	0.8%	3.5%	6.7%	3.1%	2.27
8	Invesco Intactive Diversified Income Portfolio	B	0.22%	1.67%	0.06	0.20%	0.24	0.7398	0.7988	0.8369	0.2674	0.2%	3.3%	6.5%	2.6%	1.90
9	Fidelity Global Income Portfolio	B	0.24%	2.13%	0.06	0.21%	0.37	0.8759	0.7129	0.8362	0.1487	0.9%	3.6%	6.9%	2.6%	2.26
10	Meritage Conservative Portfolio	C	0.33%	1.13%	0.19	0.25%	0.29	0.7199	0.6754	0.8222	0.4449	1.1%	3.1%	4.9%	4.0%	2.05
11	AGF Elements Yield Portfolio	C	0.35%	1.38%	0.17	0.26%	0.30	0.5922	0.6394	0.7519	0.5158	1.0%	3.5%	5.5%	4.1%	2.03
12	SEI Income 20/80 Class P	C	0.27%	1.32%	0.11	0.18%	0.31	0.6572	0.6473	0.7557	0.5061	1.0%	0.6%	4.7%	3.1%	1.91
13	Meritage Moderate Portfolio	C	0.29%	1.54%	0.11	0.16%	0.44	0.8440	0.7440	0.8792	0.2429	0.2%	1.8%	5.2%	3.3%	2.09
14	BMO Matchmaker Strategic Security Portfolio	C	0.23%	1.19%	0.10	0.15%	0.30	0.7148	0.6953	0.8019	0.5130	1.2%	4.7%	4.9%	2.7%	2.25
15	BMO SelectClass Security Portfolio	D	0.48%	0.90%	0.41	0.48%	0.09	0.5993	0.6660	0.7538	0.4009	1.2%	4.5%	4.9%		2.33
16	TD Mgd Income Portfolio	D	0.17%	1.63%	0.03	0.05%	0.44	0.7898	0.7580	0.8659	0.3176	0.1%	2.4%	4.8%	1.9%	2.09
17	SEI Income 30/70 Class P	D	0.17%	1.62%	0.03	0.05%	0.42	0.7440	0.7159	0.8213	0.3664	0.4%	-1.0%	4.2%	1.9%	2.13
18	BMO FundSelect Security Portfolio	D	0.13%	1.17%	0.01	0.05%	0.28	0.6734	0.7965	0.8486	0.4686	0.3%	2.5%	3.6%	1.4%	2.41
19	SEI Income 100 Class P	Not Rated	0.42%	0.98%	0.31	-0.09%	0.88	0.0498	0.2420	0.3141	0.8971	2.0%	5.1%	5.6%	5.1%	1.94
20	TD Advantage Balanced Income Portfolio	TBD	0.44%	0.89%	0.37	0.40%	0.14	0.6935	0.6465	0.7543	0.0067	0.5%	4.7%			1.96
21	Meritas Income & Growth Portfolio	TBD	0.17%	0.63%	0.08	0.14%	0.10	0.7670	0.7530	0.7886	-0.2773	0.6%	2.8%			2.24
	Category Average		**0.30%**	**1.40%**	**0.14**	**0.21%**	**0.33**	**0.7161**	**0.6790**	**0.7808**	**0.3260**	**0.8%**	**3.4%**	**5.8%**	**3.3%**	**2.09**

Balanced Portfolios

	Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	TSX	S&P 500	MSCI EAFE	SCMU	3 Month	1 Year	3 Year	5 Year	MER
1	BMO SelectClass Balanced Portfolio	C	0.62%	1.76%	0.29	0.60%	0.23	0.8037	0.7346	0.8392	0.0099	0.2%	2.8%	5.4%		2.49
2	Meritage Balanced Income Portfolio	C	0.33%	2.00%	0.11	0.16%	0.60	0.8991	0.7033	0.8107	0.1382	0.2%	3.7%	7.8%	3.8%	2.28
3	CC&L Diversified Income Portfolio	C	0.26%	1.85%	0.08	0.11%	0.53	0.8348	0.7509	0.8084	0.2471	0.7%	7.4%	7.9%	3.0%	2.11
4	Meritage Growth Income Portfolio	C	0.30%	2.43%	0.07	0.09%	0.73	0.9122	0.7265	0.8196	0.0203	-0.5%	3.6%	8.5%	3.3%	2.41
5	Meritage Balanced Portfolio	C	0.23%	2.15%	0.05	0.06%	0.63	0.8734	0.7615	0.8717	0.0857	-1.1%	-0.1%	6.1%	2.6%	2.27
6	CI Portfolio Series Conservative Fund Class A	C	0.18%	2.06%	0.03	0.16%	0.34	0.8443	0.8146	0.9016	0.1428	-0.3%	2.3%	6.5%	2.0%	2.29
7	Fidelity Balanced Portfolio	C	0.15%	2.88%	0.01	0.10%	0.52	0.9254	0.7438	0.8538	0.0795	-0.7%	1.0%	6.8%	1.3%	2.40
8	Marquis Balanced Growth Portfolio	C	0.14%	2.93%	0.01	0.09%	0.51	0.8907	0.7604	0.8763	0.0208	-3.1%	-3.3%	5.5%	1.1%	2.61
9	TD Mgd Index Income & Moderate Growth Portfolio	C	0.13%	1.86%	0.01	0.11%	0.26	0.7165	0.8504	0.9107	0.3378	0.3%	3.0%	5.1%	1.3%	1.55
10	Marquis Balanced Portfolio	C	0.13%	2.57%	0.00	0.09%	0.45	0.8873	0.7474	0.8653	0.1085	-1.9%	-1.4%	5.6%	1.1%	2.54
11	Quotential Balanced Income Portfolio Series A	C	0.12%	2.31%	0.00	0.09%	0.40	0.8927	0.6677	0.8278	0.1675	-1.6%	-1.7%	5.0%	1.2%	2.14
12	CI Portfolio Series Conservative Balanced Fnd Cl A	C	0.12%	2.32%	0.00	0.09%	0.39	0.8526	0.8287	0.9050	0.0936	-0.8%	1.8%	6.1%	1.1%	2.42
13	Invesco Intactive Balanced Income Portfolio Ser A	C	0.12%	2.20%	0.00	0.09%	0.33	0.7584	0.8327	0.8494	0.1739	0.0%	3.3%	7.2%	1.1%	2.10

This analysis is prepared for Advisor Use Only. Past performance does not guarantee future performance. For additional information, your attention is directed to the notes section at the end of this document.

Paterson & Associates - Monthly WRAP Fund Report

July 2012

Back to Contents

	Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	Correlations TSX	Correlations S&P 500	Correlations MSCI EAFE	Correlations SCMU	Returns 3 Month	Returns 1 Year	Returns 3 Year	Returns 5 Year	MER
14	TD Mgd Income & Moderate Growth Portfolio	C	0.07%	2.14%	-0.02	0.04%	0.35	0.8234	0.8141	0.8959	0.2155	-0.5%	1.9%	4.9%	0.6%	2.28
15	AGF Elements Conservative Portfolio	C	0.08%	1.65%	-0.02	0.06%	0.25	0.7809	0.7981	0.8737	0.3389	-0.3%	1.7%	3.8%	0.8%	2.33
16	SEI Income 40/60 Class P	D	0.15%	1.90%	0.02	0.00%	0.54	0.8202	0.7793	0.8719	0.2933	-0.2%	1.2%	5.1%	1.6%	2.44
17	Meritage Growth Portfolio	D	0.14%	2.80%	0.01	-0.09%	0.82	0.8894	0.7589	0.8592	0.0075	-2.3%	-2.1%	6.1%	1.2%	2.30
18	Distinction Prudent Portfolio	D	0.10%	1.70%	-0.01	-0.04%	0.50	0.8933	0.7569	0.8398	0.0134	-0.9%	0.4%	4.1%	1.0%	2.52
19	SEI Balanced 50/50 Class P	D	0.07%	2.32%	-0.02	-0.11%	0.67	0.8569	0.7892	0.8779	0.2145	-0.8%	0.4%	5.0%	0.6%	2.62
20	Invesco Intactive Balanced Growth Portfolio Ser A	D	0.02%	2.68%	-0.04	-0.01%	0.41	0.7723	0.8527	0.8783	0.1020	-0.9%	1.8%	7.0%	-0.2%	2.21
21	AGF Elements Balanced Portfolio	D	0.02%	2.40%	-0.04	-0.01%	0.40	0.8485	0.7995	0.8999	0.1854	-1.2%	0.2%	3.8%	-0.1%	2.33
22	TD Mgd Index Balanced Growth Portfolio	D	0.02%	2.40%	-0.04	-0.01%	0.36	0.7684	0.8732	0.9254	0.2176	-0.5%	1.6%	4.8%	-0.2%	1.60
23	Quotential Balanced Growth Portfolio Series A	D	-0.02%	3.03%	-0.05	-0.07%	0.55	0.9241	0.6943	0.8352	0.0602	-3.1%	-4.5%	4.4%	-0.8%	2.28
24	TD Mgd Balanced Growth Portfolio	D	-0.02%	2.70%	-0.05	-0.06%	0.45	0.8430	0.8292	0.9089	0.1361	-1.8%	-0.5%	4.7%	-0.7%	2.43
25	SEI Balanced 60/40 Fund Class - P	D	-0.03%	2.71%	-0.05	-0.07%	0.48	0.8959	0.7778	0.8739	0.1308	-1.5%	-2.4%	4.1%	-0.8%	2.57
26	BMO FundSelect Balanced Portfolio	D	-0.01%	2.05%	-0.06	-0.03%	0.33	0.8288	0.8413	0.8970	0.2002	-0.8%	1.2%	4.0%	-0.3%	2.57
27	BMO Matchmaker Strategic Balanced Portfolio	F	0.11%	2.11%	0.00	0.08%	0.37	0.8970	0.7373	0.8278	0.1766	0.3%	2.5%	4.9%	1.1%	0.00
28	Distinction Conservative Portfolio	F	0.04%	2.09%	-0.04	-0.14%	0.62	0.9048	0.7550	0.8473	0.0078	-1.8%	-1.8%	3.5%	0.2%	2.81
29	Distinction Balanced Portfolio	F	-0.01%	2.52%	-0.05	-0.22%	0.77	0.9230	0.7344	0.8443	0.0164	-1.5%	-1.5%	4.5%	-0.5%	2.92
30	SEI Balanced Monthly Income - P Class	F	-0.02%	2.73%	-0.05	-0.25%	0.82	0.8956	0.7785	0.8729	0.1416	-1.5%	-1.1%	4.6%	-0.7%	2.63
31	Quotential Global Balanced Portfolio	F	-0.10%	3.08%	-0.07	-0.14%	0.52	0.8657	0.7529	0.8767	0.0933	-2.7%	-2.9%	4.5%	-1.8%	2.38
32	TD Advantage Balanced Portfolio	TBD	0.40%	1.30%	0.22	0.39%	0.15	0.8443	0.7750	0.8096	-0.2652	-0.4%	3.3%			2.07
33	TD Advantage Balanced Growth Portfolio	TBD	0.36%	1.76%	0.14	0.35%	0.22	0.8860	0.8150	0.8181	-0.4018	-1.5%	1.8%			2.19
34	Meritas Growth & Income Portfolio	TBD	0.32%	1.57%	0.13	0.25%	0.27	0.8618	0.7127	0.7295	-0.4780	-0.8%	1.6%			2.74
35	Meritas Growth Portfolio	TBD	0.07%	1.84%	-0.03	-0.02%	0.30	0.8596	0.8551	0.8437	-0.6299	-1.2%	1.4%			2.79
	Category Average		**0.13%**	**2.25%**	**0.02**	**0.05%**	**0.46**	**0.8564**	**0.7772**	**0.8585**	**0.0686**	**-1.0%**	**0.8%**	**5.4%**	**0.8%**	**2.30**

Growth Portfolios

	Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	Correlations TSX	Correlations S&P 500	Correlations MSCI EAFE	Correlations SCMU	Returns 3 Month	Returns 1 Year	Returns 3 Year	Returns 5 Year	MER
1	BMO SelectClass Growth Portfolio	B	0.67%	2.40%	0.23	0.65%	0.34	0.8795	0.7829	0.8327	-0.1756	-1.0%	1.1%	6.1%		2.59
2	Dynamic Diversified Real Asset Fund	C	0.38%	5.32%	0.05	-0.03%	1.49	0.8255	0.2544	0.4793	0.1855	-4.2%	-12.0%	9.2%	2.9%	2.53
3	Meritage Equity Income Portfolio	C	0.22%	3.06%	0.03	-0.04%	0.91	0.9093	0.7288	0.8145	-0.0259	-1.2%	2.3%	8.7%	2.1%	2.68
4	Fidelity Global Balanced Portfolio	C	0.09%	3.00%	-0.01	0.05%	0.52	0.8884	0.7819	0.8846	0.0829	-0.2%	1.6%	7.0%	0.5%	2.39
5	Fidelity Growth Portfolio	C	0.08%	3.55%	-0.01	0.02%	0.63	0.9098	0.7826	0.8633	0.0429	-0.7%	1.7%	7.3%	0.1%	2.47
6	CI Portfolio Series Balanced Fund Class A	C	0.06%	2.63%	-0.02	0.02%	0.44	0.8607	0.8307	0.9037	0.0472	-1.3%	0.9%	5.7%	0.2%	2.43
7	Fidelity Global Growth Portfolio	D	0.01%	3.87%	-0.03	-0.04%	0.67	0.8870	0.7998	0.8804	0.0402	-0.8%	1.8%	7.6%	-0.8%	2.47
8	Marquis Growth Portfolio	D	-0.03%	3.91%	-0.04	-0.09%	0.71	0.9215	0.7281	0.8479	0.0006	-4.2%	-5.4%	5.6%	-1.3%	2.55
9	CI Portfolio Series Balanced Growth Fund Class A	D	0.00%	2.97%	-0.04	-0.04%	0.51	0.8814	0.8141	0.8910	0.0124	-1.9%	-0.2%	5.6%	-0.5%	2.44
10	CI Portfolio Series Growth Fund Class A	D	-0.07%	3.31%	-0.06	-0.12%	0.58	0.8844	0.8099	0.8882	-0.0011	-2.6%	-1.1%	5.3%	-1.5%	2.40
11	BMO Matchmaker Strategic Growth Portfolio	F	-0.02%	3.12%	-0.05	-0.07%	0.55	0.9071	0.7589	0.8482	0.0831	-0.5%	0.7%	5.6%	-0.9%	0.00
12	Invesco Intactive Growth Portfolio Series A	F	-0.07%	3.17%	-0.06	-0.10%	0.48	0.7780	0.8598	0.8868	0.0256	-2.0%	-0.3%	6.5%	-1.4%	2.27
13	CC&L Balanced Growth Portfolio	F	-0.06%	2.82%	-0.06	-0.30%	0.85	0.9149	0.7674	0.8501	0.0577	-1.5%	-0.1%	5.0%	-1.2%	2.14
14	BMO FundSelect Growth Portfolio	F	-0.10%	3.30%	-0.07	-0.14%	0.55	0.8550	0.7954	0.8955	0.1175	-2.3%	-1.9%	4.5%	-1.8%	2.66
15	SEI Growth 70/30 Class P	F	-0.10%	3.14%	-0.07	-0.15%	0.56	0.9141	0.7692	0.8654	0.0860	-2.3%	-3.0%	4.0%	-1.8%	2.69

Paterson & Associates - Monthly WRAP Fund Report

July 2012

Back to Contents

	Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	Correlations: TSX	Correlations: S&P 500	Correlations: MSCI EAFE	Correlations: SCMU	Returns: 3 Month	Returns: 1 Year	Returns: 3 Year	Returns: 5 Year	MER
16	AGF Elements Growth Portfolio	F	-0.11%	3.19%	-0.07	-0.16%	0.57	0.9027	0.7586	0.8809	0.0948	-2.4%	-3.0%	3.2%	-2.0%	2.38
17	TD Mgd Index Aggressive Growth Portfolio	F	-0.16%	3.45%	-0.08	-0.21%	0.57	0.8499	0.8391	0.9071	0.0900	-1.5%	-2.3%	3.7%	-2.5%	1.65
18	TD Mgd Aggressive Growth Portfolio	F	-0.17%	3.51%	-0.08	-0.21%	0.59	0.8519	0.8358	0.9080	0.0739	-3.2%	-2.8%	4.2%	-2.7%	2.52
19	SEI Growth 80/20 Fund Class - P	F	-0.18%	3.59%	-0.08	-0.23%	0.65	0.9157	0.7709	0.8658	0.0592	-2.9%	-3.5%	4.0%	-2.9%	2.71
20	Distinction Growth Portfolio	F	-0.16%	3.32%	-0.08	-0.21%	0.61	0.9362	0.7176	0.8259	-0.0508	-2.9%	-5.0%	3.3%	-2.5%	3.07
21	Quotential Growth Portfolio Series A C$	F	-0.19%	3.66%	-0.08	-0.24%	0.65	0.9039	0.7508	0.8630	-0.0032	-4.4%	-6.3%	3.8%	-3.0%	2.52
22	CC&L Growth Portfolio	F	-0.21%	3.40%	-0.10	-0.50%	1.02	0.9158	0.7850	0.8539	-0.0093	-3.2%	-2.8%	3.7%	-3.2%	2.11
23	Distinction Bold Portfolio	F	-0.25%	3.72%	-0.10	-0.30%	0.68	0.9256	0.7317	0.8384	-0.0737	-3.6%	-6.4%	3.0%	-3.7%	3.25
24	TD Advantage Growth Portfolio	TBD	0.32%	2.38%	0.09	0.30%	0.30	0.9063	0.8337	0.8051	-0.4837	-2.8%	-0.2%			2.25
	Category Average		**0.00%**	**3.32%**	**-0.03**	**-0.09%**	**0.64**	**0.8885**	**0.7620**	**0.8492**	**0.0115**	**-2.2%**	**-1.9%**	**5.3%**	**-1.3%**	**2.38**

Aggressive Growth Portfolios

	Name	Rating	Average Monthly Return	Monthly Standard Deviation	Sharpe Ratio	Alpha	Beta	TSX	S&P 500	MSCI EAFE	SCMU	3 Month	1 Year	3 Year	5 Year	MER
1	BMO SelectClass Aggressive Growth Portfolio	B	0.74%	3.28%	0.19	0.85%	0.66	0.8778	0.7783	0.8353	-0.2474	-2.1%	-0.6%	6.3%		2.69
2	Marquis Equity Portfolio	C	-0.09%	4.50%	-0.05	0.09%	1.01	0.9006	0.7529	0.8656	-0.0576	-5.9%	-8.3%	5.5%	-2.2%	2.77
3	BMO Matchmaker Aggressive Growth Portfolio	C	-0.09%	3.81%	-0.05	0.05%	0.86	0.8980	0.7724	0.8585	-0.0028	-1.6%	-1.9%	5.7%	-1.9%	0.00
4	CI Portfolio Series Maximum Growth Fund Class A	C	-0.19%	3.97%	-0.08	-0.03%	0.91	0.8950	0.8015	0.8746	-0.0393	-3.5%	-2.7%	4.6%	-3.1%	2.45
5	Invesco Intactive Maximum Growth Portfolio Ser A	C	-0.20%	3.82%	-0.08	-0.04%	0.91	0.7714	0.8729	0.8902	-0.0443	-2.5%	-2.0%	5.8%	-3.2%	2.33
6	BMO FundSelect Aggressive Growth Portfolio	C	-0.26%	3.72%	-0.10	-0.11%	0.88	0.8740	0.8210	0.8989	0.0510	-3.0%	-3.7%	4.1%	-3.9%	2.83
7	Quotential Canadian Growth Portfolio	D	-0.12%	5.06%	-0.05	-0.19%	0.96	0.9689	0.5941	0.7095	-0.1064	-5.2%	-10.4%	6.0%	-2.9%	2.74
8	Quotential Maximum Growth Portfolio Series A C$	D	-0.28%	4.30%	-0.09	-0.12%	0.96	0.9017	0.7645	0.8591	-0.0286	-5.1%	-7.6%	4.4%	-4.4%	2.68
9	TD Mgd Index Max Eqty Growth Portfolio	D	-0.27%	3.91%	-0.10	-0.11%	0.96	0.7985	0.8893	0.9269	0.0511	-2.5%	-1.8%	4.0%	-4.1%	1.70
10	TD Mgd Max Equity Growth Portfolio	D	-0.35%	4.35%	-0.11	-0.17%	1.03	0.8571	0.8381	0.9002	0.0363	-4.5%	-4.7%	3.4%	-5.2%	2.67
11	Quotential Global Growth Portfolio Series A C$	D	-0.35%	4.04%	-0.12	-0.19%	0.98	0.7654	0.8430	0.9452	0.0666	-4.4%	-4.5%	3.5%	-5.1%	2.72
12	AGF Elements Global Portfolio	F	-0.40%	4.12%	-0.13	-0.23%	0.98	0.8539	0.8247	0.9193	0.0293	-4.0%	-6.7%	1.7%	-5.7%	2.56
13	SEI Global Growth 100 Fund Class - P	F	-0.42%	4.24%	-0.13	-0.25%	1.01	0.8521	0.8402	0.9081	0.0378	-3.8%	-4.3%	3.5%	-6.0%	2.77
14	TD Advantage Aggressive Growth Portfolio	TBD	0.26%	3.06%	0.05	0.35%	0.51	0.9147	0.8441	0.7953	-0.5258	-4.1%	-2.2%			2.21
	Category Average		**-0.14%**	**4.01%**	**-0.06**	**-0.01%**	**0.90**	**0.8664**	**0.8026**	**0.8705**	**-0.0557**	**-3.7%**	**-4.4%**	**4.5%**	**-4.0%**	**2.37**

Methodology & Ratings Definitions

July 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 WRAP Fund Report

Disclaimer

July 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 patters. 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 advise 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
www.paterson-associates.ca