

Recommended List of Investment Funds

Prepared April 30, 2013

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Methodology & Ratings Definitions

March 2013

Methodology:

Fund Ratings highlighted in Green indicate an upgrade from the previous report. Fund Ratings highlighted in Red indicate a downgrade from the previous report.

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 up and down returns 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. We then undertake a detailed qualitative review of each of the funds for consideration on the Recommended List.

Only funds with greater than 36 months of data are eligible to be included in our Recommended List.

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.

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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.

This is not a solicitation from Paterson & Associates to sell mutual funds or any financial product. For additional information, please contact your advisor or refer to the important information found in the mutual fund prospectus. - All Information is for Broker Use Only

About Us:

D. A. Paterson and Associates Inc. is an independent consulting firm specializing in Asset Allocation and Mutual Fund Research. We are not affiliated with any Mutual Fund Company, Mutual Fund Distributor or any other firm. Our Asset Allocation models are based on the Nobel Prize winning techniques developed by Harry Markowitz.

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Name	Quantitative Rating	Returns				Correlations							
		3 Month	1 Year	3 Year	5 Year	Sharpe Ratio	Alpha	Beta	TSX	S&P 500	MSCI EAFE	SCMU	MER A Series
Fixed Income - Core													
1 PH&N Bond Fund	Not Rated	0.7%	4.1%	5.9%	5.9%	0.41	0.04%	0.92	0.1408	0.1605	0.2770	0.9280	0.61
2 TD Canadian Bond Fund	Not Rated	0.6%	4.2%	5.7%	5.6%	0.40	0.02%	0.92	0.0858	0.0794	0.1887	0.9484	1.11
3 Dynamic Advantage Bond Fund - NEW	Not Rated	1.0%	4.6%	5.6%	5.2%	0.36	0.18%	0.52	0.5753	0.4318	0.5684	0.5316	1.55
Fixed Income - Specialty													
1 RBC Global Corporate Bond	Not Rated	0.4%	6.8%	6.7%	6.7%	0.41	0.21%	0.71	0.3532	0.2936	0.5127	0.6233	1.74
2 Manulife Strategic Income Fund	Not Rated	2.8%	8.8%	6.9%	8.9%	0.33	0.58%	0.32	-0.1305	0.2966	0.2808	0.1620	2.10
Canadian Equity - Core													
1 Fidelity Canadian Large Cap Fund	B	11.1%	11.9%	14.4%	8.2%	0.15	0.52%	0.82	0.9196	0.6900	0.7136	-0.0249	2.46
2 RBC North American Value Fund	B	7.0%	11.0%	8.5%	6.5%	0.14	0.39%	0.71	0.9393	0.7743	0.7992	-0.1321	2.10
3 IA Clarington Canadian Conservative Equity Fund	B	4.0%	6.9%	7.7%	4.9%	0.12	0.28%	0.61	0.9224	0.6101	0.6676	-0.1857	2.42
4 Signature Select Canadian Fund	C	5.7%	6.8%	4.3%	2.6%	0.05	0.07%	0.80	0.9428	0.7417	0.8167	-0.1400	2.43
5 Harbour Fund	C	4.6%	5.1%	3.9%	2.0%	0.04	0.02%	0.84	0.9389	0.6992	0.7566	-0.1522	2.43
Canadian Equity - Small Cap													
1 Sentry Small Cap Income Fund	A	9.1%	12.7%	16.6%	13.6%	0.27	0.96%	0.64	0.8112	0.6886	0.7261	-0.0608	2.79
2 CI Can-Am Small Cap Corporate Class	B	10.8%	17.0%	11.0%	7.7%	0.18	0.52%	0.56	0.8065	0.7731	0.7897	-0.1137	2.42
3 Trimark Canadian Small Companies Fund	B	9.6%	1.6%	9.7%	7.6%	0.13	0.54%	0.73	0.6883	0.7347	0.7363	-0.2145	2.70
4 BMO GDN Enterprise Classic	CAPPED	8.1%	16.2%	14.0%	9.8%	0.16	0.65%	0.92	0.8961	0.6564	0.7716	-0.0295	2.22
US Equity - Core													
1 Mackenzie Universal U.S. Blue Chip - NEW	C	10.9%	12.7%	11.5%	5.2%	0.11	0.01%	0.91	0.5834	0.9407	0.7498	-0.1291	2.55
2 Trimark U.S. Companies Fund	C	13.0%	11.5%	12.0%	5.5%	0.11	-0.01%	1.02	0.5930	0.9413	0.7266	-0.0767	2.98
3 Franklin U.S. Rising Dividends - NEW	C	13.1%	14.2%	10.8%	4.6%	0.11	0.00%	0.81	0.3684	0.9072	0.6446	0.1737	2.53
4 RBC O'Shaughnessy U.S. Value Fund	C	12.5%	14.8%	13.2%	4.0%	0.07	-0.15%	1.31	0.7843	0.7735	0.7846	0.0007	1.53
5 CI American Value Fund	UNDER REVIEW	11.8%	9.5%	7.7%	2.6%	0.06	-0.20%	0.92	0.6810	0.9519	0.8417	-0.0358	2.42
6 Dynamic American Value Fund	UNDER REVIEW	8.5%	5.4%	4.5%	2.4%	0.05	-0.06%	0.62	0.7361	0.6303	0.6581	-0.0236	2.45

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Name	Quantitative Rating	Returns				Sharpe Ratio	Alpha	Beta	Correlations				
		3 Month	1 Year	3 Year	5 Year				TSX	S&P 500	MSCI EAFE	SCMU	MER A Series
US Small and Mid Cap Equity													
1 Trimark U.S. Small Companies Class	A	12.2%	13.4%	14.8%	12.7%	0.21	0.53%	1.15	0.5849	0.8248	0.7052	-0.0838	2.91
2 TD U.S. Mid - Cap Growth Fund	B	13.9%	12.9%	12.4%	7.6%	0.14	0.15%	1.07	0.7319	0.8832	0.7750	-0.0273	2.55
3 Fidelity Small Cap America - NEW	B	16.2%	27.9%	19.6%	10.6%	0.18	0.35%	1.19	0.7560	0.8634	0.7262	-0.0180	2.54
Global / International Equity - Core													
1 Mac Ivy Foreign Equity Fund	C	9.5%	10.4%	8.3%	4.3%	0.12	0.24%	0.48	0.2693	0.7822	0.6402	0.1968	2.55
2 Mutual Global Discovery Fund	C	8.8%	14.5%	7.2%	2.9%	0.07	0.08%	0.72	0.7382	0.7436	0.8639	-0.1646	2.62
3 Renaissance Global Markets Fund	C	9.3%	12.2%	9.5%	1.6%	0.03	-0.04%	0.84	0.8127	0.7597	0.8332	0.0066	2.68
4 Invesco International Growth Class	C	6.5%	11.0%	6.7%	-0.4%	-0.01	0.00%	0.83	0.7251	0.7680	0.9527	0.1377	2.90
5 Trimark Fund	D	8.7%	13.7%	9.4%	1.3%	0.03	-0.09%	0.93	0.6193	0.8731	0.8663	0.2083	1.73
Global Small/Mid Cap Equity													
1 Trimark Global Endeavour - NEW	B	5.3%	8.1%	12.5%	6.8%	0.11	0.34%	1.27	0.6684	0.7786	0.8400	0.1413	2.67
2 CI Global Small Companies Fund Class	C	11.2%	9.6%	9.4%	3.5%	0.07	0.09%	0.92	0.7190	0.8512	0.8750	-0.0534	2.44
3 Mac Cundill Recovery Fund	D	4.0%	5.5%	2.1%	-1.6%	0.01	-0.26%	1.40	0.8414	0.5704	0.7621	-0.1039	2.60
4 Templeton Global Smaller Companies	UNDER REVIEW	10.8%	8.7%	2.5%	2.1%	0.05	-0.04%	1.34	0.7764	0.7552	0.8770	-0.0202	2.69
Specialty / Sector Funds													
1 CI Global Health Sciences Corporate Class	B	19.5%	43.5%	18.7%	12.0%	0.21	0.58%	0.92	0.5160	0.7252	0.7131	0.1310	2.44
2 BMO GDN Asian Growth & Income Fund	B	6.1%	19.6%	9.0%	5.2%	0.11	0.45%	0.61	0.7315	0.5769	0.7851	0.2744	2.85
3 Dynamic Global Real Estate Fund	B	3.2%	13.7%	11.2%	5.2%	0.11	0.28%	0.77	0.8305	0.6514	0.7343	0.0419	2.44
4 Brandes Emerging Markets - NEW	B	5.1%	2.9%	1.2%	3.4%	0.06	0.41%	1.17	0.7492	0.6604	0.8460	0.0751	2.70
5 Dynamic Power Global Growth Class	C	3.1%	-2.0%	9.1%	1.2%	0.04	-0.06%	1.19	0.7325	0.7116	0.7066	0.0016	1.42
6 CI Signature Canadian Resource Fund	F	0.5%	-3.2%	-0.8%	-1.5%	0.00	-0.27%	1.13	0.9218	0.4566	0.6053	-0.1056	2.41
7 AGF Emerging Markets Fund	UNDER REVIEW	0.2%	3.1%	4.7%	4.4%	0.08	0.46%	0.93	0.7935	0.5776	0.7826	0.1729	3.06

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		3 Month	1 Year	3 Year	5 Year				TSX	S&P 500	MSCI EAFE	SCMU	
Canadian Balanced / Income													
1 CI Signature High Income Fund	B	2.9%	11.2%	10.4%	7.4%	0.20	0.50%	0.48	0.8324	0.6215	0.7241	0.0080	1.60
2 AGF Monthly High Income Fund	B	3.7%	7.0%	7.9%	6.6%	0.13	0.15%	1.29	0.9142	0.6446	0.7264	0.0509	2.39
3 Fidelity Canadian Balanced Fund	C	2.9%	5.9%	5.8%	4.1%	0.11	0.04%	0.89	0.9766	0.5981	0.6993	0.0515	2.27
4 CI Signature Canadian Balanced Fund	C	4.0%	6.2%	4.7%	4.0%	0.11	0.05%	0.85	0.9365	0.7461	0.8252	-0.0620	2.42
Income Options													
1 TD Mortgage Fund	Not Rated	0.6%	1.8%	2.0%	3.1%	0.36	0.18%	0.16	0.0729	-0.0236	0.0185	0.3168	1.82
2 RBC Monthly Income Fund	C	2.2%	6.3%	6.3%	4.8%	0.17	0.17%	0.65	0.9466	0.7042	0.7567	0.1469	1.20
3 Sentry Canadian Income Fund A	B	5.1%	10.0%	12.2%	8.6%	0.19	0.57%	0.61	0.8743	0.6861	0.7078	-0.0872	2.70
4 BMO GDN Monthly High Income Fund II	B	4.4%	10.8%	12.6%	7.7%	0.15	0.49%	0.74	0.8870	0.6007	0.6503	-0.0402	2.37
Passive Options													
1 TD Canadian Bond Index Fund	Not Rated	0.5%	3.7%	5.6%	5.0%	0.33	-0.07%	0.99	-0.0819	0.0218	0.0827	0.9981	0.83
2 TD Canadian Index Fund	D	3.1%	5.2%	3.9%	1.2%	0.03	-0.06%	0.98	1.0000	0.6104	0.6903	-0.0891	0.88
3 TD U.S. Index Fund	F	12.7%	15.1%	11.7%	4.7%	0.10	-0.06%	0.99	0.5976	0.9953	0.8120	0.0463	0.54
4 TD International Index Fund	F	5.9%	12.0%	3.8%	-2.2%	-0.03	-0.13%	0.99	0.6879	0.7982	0.9778	0.1014	1.38

Model Portfolios

To assist in the portfolio construction process, we have created a series of model portfolios. The asset mixes were created using our proprietary Portfolio Optimization Model which strives to create an asset mix which delivers the highest level of expected return for each level of expected risk. Our asset mixes are outlined below:

Suggested Portfolio Weighting by Investor Type

	Conservative	Moderate Balanced	Balanced	Balanced Growth	Growth
Fixed Income (Total)	70% to 100%	50% to 70%	40% to 50%	20% to 40%	0% to 20%
Core Fixed Income	50%	30%	20%	10%	0%
Specialty Fixed Income	20%	20%	20%	10%	0%
Balanced / Income (Total)	0%	0% to 10%	0% to 10%	0% to 10%	0% to 10%
Canadian Equity (Total)	0% to 5%	0% to 5%	5% to 10%	10% to 20%	20% to 25%
Large Cap	5%	5%	10%	20%	15%
Small / Mid Cap	0%	0%	0%	0%	7.5%
US Equity (Total)	0% to 5%	5% to 10%	5% to 10%	10% to 20%	20% to 30%
Large Cap	5%	10%	10%	20%	20%
Small / Mid Cap	0%	0%	0%	0%	10%
Global / Int'l Equity (Total)	0% to 15%	15% to 20%	15% to 20%	15% to 20%	15% to 20%
Large Cap	15%	20%	20%	20%	20%
Small / Mid Cap	0%	0%	0%	0%	0%
Specialty / Sector (Total)	0% to 5%	0% to 5%	5% to 10%	5% to 10%	10% to 20%
Healthcare	5%	5%	7.5%	7.5%	7.5%
Real Estate	0%	0%	0%	0%	5%
Resources	0%	0%	2.5%	2.5%	5%
Emerging Markets	0%	0%	0%	0%	0%
Science & Tech.	0%	0%	0%	0%	0%
Aggressive / Tactical	0%	0%	0%	0%	0%

Fixed Income Funds

Index Performance Details							
	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
DEX Universe Bond Index	0.4%	0.7%	4.5%	7.1%	6.4%	5.9%	6.1%

Funds

The Fixed Income Category is broken down into two sub categories; Core Fixed Income and Specialty Fixed Income. The Core Fixed Income Group is made up solely of traditional bond funds. These funds will generally be funds that have posted performance numbers which are comparable to their respective index with a comparable or lower level of portfolio volatility, and will also tend to be fairly low in cost. Core Fixed Income Funds are used in a portfolio mainly to preserve capital and earn a very modest level of return over the long term for investors. The more Conservative an investor, the higher their exposure to Core Fixed Income Funds.

The Specialty Fixed Income Group includes a wide range of Fixed Income Categories including High Yield Fixed Income, Inflation Protected Fixed Income, Global Fixed Income as well as other specialty products. Funds on our recommended list in this category will typically be the top performing fund, on a risk adjusted basis in the category. Specialty Fixed Income Funds are used in a portfolio to help preserve capital, but also to provide a modest level of return for investors over the long term. Depending on the circumstances, investors may consider using the specialty funds to take advantages of anomalies in the marketplace.

Additions and Deletions

- Dynamic Advantage Bond Fund** - During the quarter we removed the **Dynamic Canadian Bond** and replaced it with the **Dynamic Advantage Bond Fund**. In reviewing the two funds, it is our opinion that the Dynamic Advantage Bond Fund is better positioned for the current environment. First, it has significantly higher exposure to corporate bonds, and some exposure to high yield bonds will increase the yield. This will allow for better potential returns in a flat rate environment and better downside protection when rates do begin moving higher. Second, it has some foreign holdings, which lessen the interest rate sensitivity to Canadian rates. Third, the manager is actively working to manage duration, which will provide downside protection when rates rise. To do this, they use a number of strategies including selling long bonds, selling bond futures short and the use of floating rate notes. Finally, they are managed by the same management team. The duration of the fund is approximately 4.8 years which is lower than the index, and the Dynamic Canadian Bond Fund. Based on these factors, it is our opinion that the Dynamic Advantage Bond offers a more compelling risk reward profile for the current and expected rate environment.

Fixed Income Commentary and Outlook

- The Bank of Canada kept overnight rates at 1%. In Canada, yields fell across all maturities, except for long bonds. High yield and corporates outperformed.
- In this type of environment, bonds which offer a higher yield than governments are likely to outperform. In a flat rate environment, they will provide additional yield to investors, and in a rising rate environment, they will provide better downside protection.
- With the knowledge that rates will move higher and bonds will drop in value, the temptation is to sell bond holdings and move into equities. We still believe that some exposure to fixed income is necessary given their safe haven appeal in times of crisis, and their ability to dampen overall portfolio volatility.

Suggested Portfolio Weighting by Investor Type

	Conservative	Moderate Balanced	Balanced	Balanced Growth	Growth
Fixed Income (Total)	70% to 100%	50% to 70%	40% to 50%	20% to 40%	0% to 20%
Core Fixed Income	50%	30%	20%	10%	0%
Specialty Fixed Income	20%	20%	20%	10%	0%

This analysis is provided for advisor use only. Past results do not guarantee future returns. Mutual funds may lose money over time. Although data is gathered from sources believed to be reliable, Paterson & Associates cannot guarantee completeness and accuracy. Important information about these funds is found in the fund's simplified prospectus. Obtain a copy and read it before investing.

PH&N Bond

Fund Codes

Front End	PHN 6110
DSC	PHN 4110 (Low Load)
Min Purchase	\$1,000

Investment Objective

The fundamental investment objectives of the fund are to provide relatively high yields and stability of capital by investing primarily in a well-diversified portfolio of fixed income securities issued by Canadian governments and corporations.

Strategy

To achieve the fund's investment objectives, the manager will invest in high quality Canadian corporate bonds and government bonds issued in Canadian or U.S. dollars. The average term to maturity of the portfolio is managed within strict guidelines, typically between seven and twelve years. In addition to the standard investment restrictions imposed by securities legislation, the value of any one investment at month-end must not exceed 15% of the fund's net assets at market value.

Analysis

- In the next few quarters we will likely be dropping this fund in favour of the PH&N Total Return Bond Fund, which affords the managers additional tools to manage the threat of rising rates.
- The fund remains defensively positioned with a duration that is shorter than the index. Still, it remains around 6.2 years, which can result in losses should rates move higher quickly.
- They have taken profits in corporates as spreads have narrowed.
- Provincials are now a big part of the fund, as they appear to be attractively valued relative to corporates and governments.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.5%	0.7%	4.1%	6.3%	5.9%	5.9%	5.9%
DEX Bond	0.4%	0.7%	4.5%	7.1%	6.4%	5.9%	6.1%
Quartile	2	2	2	2	1	1	1

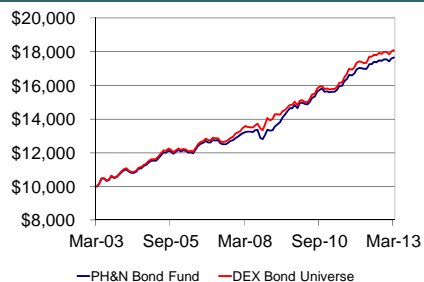
Fund Facts

Fund Sponsor	PH&N Investment Mgmt	
Fund Manager	PH&N Fixed Income Team (Dec 70)	
Inception Date	November 30, 1970	
Total Assets	\$8,830.80 Million	
Management Fee / MER	0.50%	0.61%
Risk Rating	Low	
Objective	Income	
Time Horizon	Short	

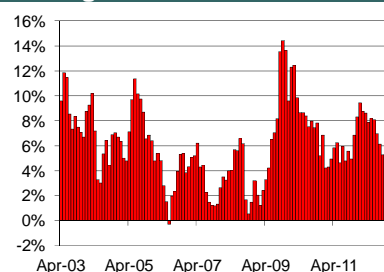
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.50%	6.18%
Standard Deviation	1.00%	3.45%
Sharpe Ratio	0.43	1.52
Alpha (5 Year)		0.04%
Beta (5 Year)		0.92
Worst Drawdown	-4.26% (Sep 08 to Mar 09)	
Time to Recover	7 Months	

Growth of Investment



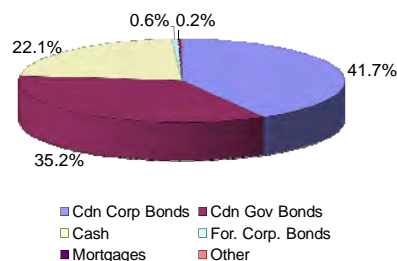
Rolling 12 Month Returns



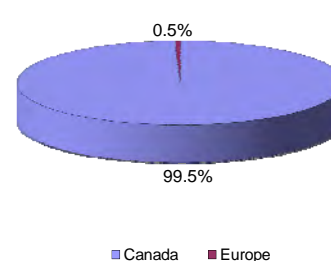
Top 10 Holdings (Mar 31/13)

Ontario 7.60% 02-Jun-27	8.4%
Ontario 5.60% 02-Jun-35	3.6%
Ontario 4.65% 02-Jun-41	2.6%
Canada 4.00% 01-Jun-17	2.3%
Canada Housing Trust 15-Dec-22	2.0%
Cash	1.7%
Ontario 4.60% 02-Jun-29	1.6%
RBC 2.68% 08-Dec-16	1.6%
Ontario 6.50% 08-Mar-29	1.5%
Canada 4.00% 01-Jun-41	1.5%
Total	26.8%

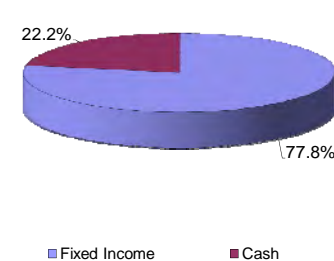
Asset Mix



Geographic Breakdown



Sector Breakdown



TD Canadian Bond

Fund Codes

Front End	TDB 306
DSC	TDB 336
Min Purchase	\$100

Investment Objective

The fundamental investment objective is to earn a high rate of interest income through investments in high-quality bonds and debentures issued principally by Canadian borrowers in Canadian dollars. These securities may consist of debt obligations of, or guaranteed by, Canadian federal, provincial or municipal governments, Canadian chartered banks, Canadian loan or trust companies or Canadian corporations.

Strategy

The manager will focus on the Canadian corporate debt market as well as global macroeconomic trends. The portfolio advisor believes a strategy using rigorous bottom-up security selection in regard to the macro environment will add value and enhance long term performance while at the same time reducing risk. Generally, the Fund employs a "buy-and-hold" strategy.

Analysis

- Bonds were modestly higher during the quarter, with corporates outperforming governments.
- Spreads have narrowed, but the managers believe that corporates continue to offer a yield advantage over government bonds.
- The portfolio is heavily weighted towards corporate bonds, which will provide better returns in flat markets & better downside protection when rates move higher.
- Duration is slightly shorter than the benchmark. This defensive positioning will be beneficial in a rising rate environment.

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Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.5%	0.6%	4.2%	6.4%	5.7%	5.6%	5.6%
DEX Bond	0.4%	0.7%	4.5%	7.1%	6.4%	5.9%	6.1%
Quartile	1	2	2	2	1	1	1

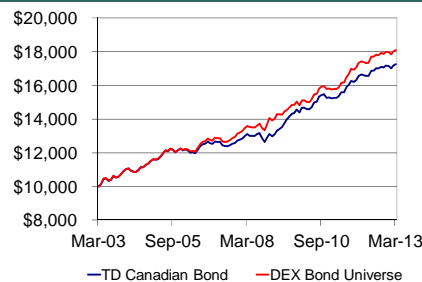
Fund Facts

Fund Sponsor	TD Asset Management	
Fund Manager	Satish Rai (Jun 88) Geoff Wilson (Feb 02)	
Inception Date	June 29, 1988	
Total Assets	\$11,249.00 Million	
Management Fee / MER	1.25%	1.11%
Risk Rating	Low	
Objective	Income	
Time Horizon	Short	

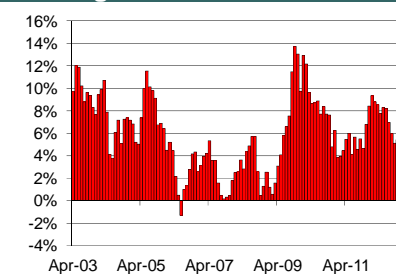
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.48%	5.91%
Standard Deviation	0.97%	3.37%
Sharpe Ratio	0.41	1.48
Alpha (5 Year)	0.02%	
Beta (5 Year)	0.92	
Worst Drawdown	-4.00% (Sep 08 - Mar 09)	
Time to Recover	7 Months	

Growth of Investment



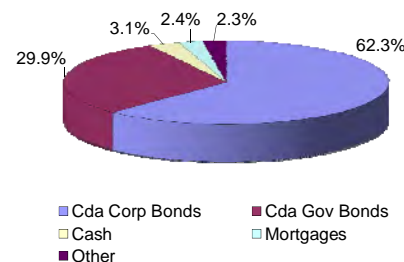
Rolling 12 Month Returns



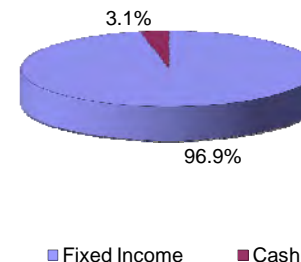
Top 10 Holdings (Mar 31/13)

Canada 5.00% 01-Jun-37	3.6%
Canada 4.00% 01-Jun-41	3.6%
Ontario 0.00% 02-Jun-27	3.5%
Cash	3.1%
Canada 2.75% 01-Jun-22	2.2%
TD Bank FRN 14-Dec-2105	2.0%
BC 4.30% 18-Jun-42	1.4%
CIBC FRN 30-Jun-2108	1.2%
TD FRN 31-Dec-2304	1.2%
TD Bank FRN 18-Dec-2106	1.1%
Total	23.0%

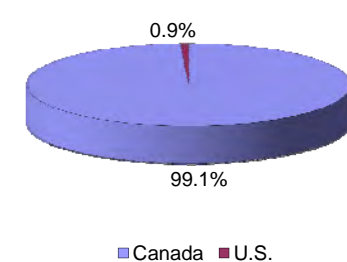
Asset Mix



Geographic Breakdown



Sector Breakdown



Dynamic Advantage Bond Fund

Fund Codes

Front End	DYN 258
DSC	DYN 688
Min Purchase	\$500

Investment Objective

Dynamic Advantage Bond Fund seeks to provide maximum income and capital returns from an actively managed diversified portfolio of primarily Canadian fixed-income securities.

Strategy

Using a disciplined approach to assist in managing risk, fixed income securities are actively traded to take advantage of movements in the level of bond yields, the shape of the yield curve and the level of both real yields and credit spreads. An active asset allocation strategy will be utilized based on the Manager's outlook for interest rates, the credit cycle and general economic conditions

Analysis

- We are replacing the Dynamic Canadian Bond with this fund effective immediately.
- Our reason is that we believe this fund is better positioned for both a flat and and rising interest rate environment.
- The manager is very committed to managing the potential downside risk. He has taken steps to shorten the effective duration by selling short bond futures, selling long duration governments and buying floating rate notes.
- He has been very effective, as the downside capture is much lower than for the Dynamic Canadian Bond Fund.
- However, because of this emphasis on the downside, we expect that this fund will lag in a bond rally. Given the interest rate outlook, we are comfortable with this risk.
- It is managed by the same manager as the Dynamic Canadian Bond Fund.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.3%	1.0%	4.6%	5.6%	5.6%	5.2%	4.6%
DEX Bond	0.4%	0.7%	4.5%	7.1%	6.4%	5.9%	6.1%
Quartile	3	1	1	3	1	1	2

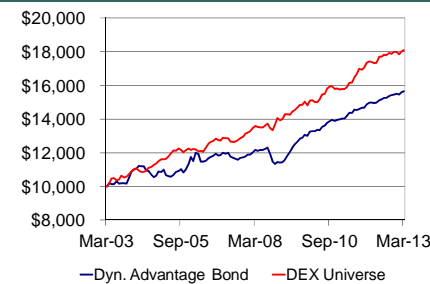
Fund Facts

Fund Sponsor	Dynamic Funds	
Fund Manager	Michael McHugh Jul 06)	
Inception Date	November 8, 2000	
Total Assets	\$1,133.60 Million	
Management Fee / MER	1.25%	1.55%
Risk Rating	Low	
Objective	Income	
Time Horizon	Short	

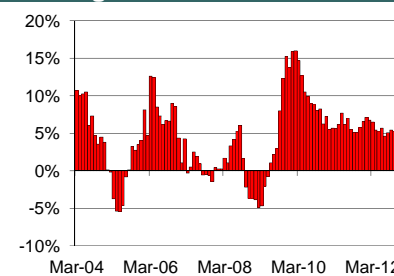
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.42%	5.21%
Standard Deviation	0.98%	3.41%
Sharpe Ratio	0.35	1.26
Alpha (5 Year)	0.18%	
Beta (5 Year)	0.52	
Worst Drawdown	-7.80% (Sep 08 - Jun 09)	
Time to Recover	10 Months	

Growth of Investment



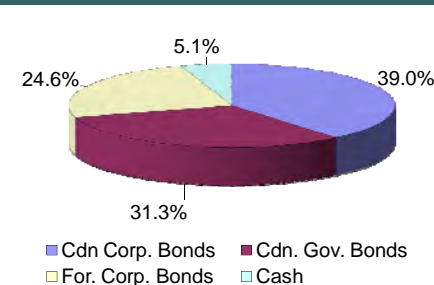
Rolling 12 Month Returns



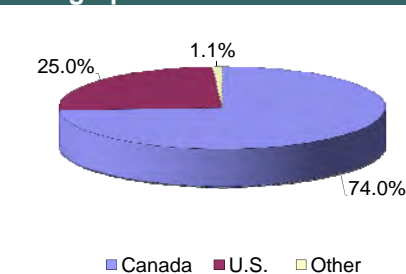
Top 10 Holdings (Jan 31/13)

Dynamic High Yield Bond	9.6%
Canada 1.50% 01-Sep-17	4.4%
Canada 1.0% 01-Feb-15	3.2%
Cash	3.2%
Ontario 4.0% 02-Jun-21	2.3%
Hydro Quebec FRN Feb-15	2.1%
Canada 4.25% 01-Dec-26	2.0%
Ontario 3.15% 02-Jun-22	1.7%
Canada 4.25% 01-Dec-21	1.5%
Canada 2.25% 01-Aug-14	1.5%
Total	31.4%

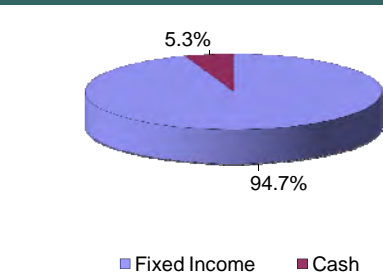
Asset Mix



Geographic Breakdown



Sector Breakdown



RBC Global Corporate Bond Fund

Fund Codes

Front End	RBF 753
DSC	RBF 853
Min Purchase	\$500

Investment Objective

To provide a high level of interest income with the potential for modest capital growth by investing primarily in global corporate bonds. The fund invests primarily in investment grade corporate debt securities from anywhere around the world. It may also invest in high yield debt securities and emerging market sovereign and corporate bonds.

Strategy

The portfolio manager invests primarily in investment grade debt securities rated BBB(-) and above by Standard & Poor's (or equivalent rating agency) from anywhere around the world; maintains a minimum portfolio average credit quality rating of BBB(-); employs a value-focused philosophy for corporate bonds, primarily investing in quality companies having stable to improving credit profiles which are undervalued given current market sentiment.

Analysis

- Fixed income returns were mixed, with high yield outperforming.
- Managers remain positive on corporate bonds given solid company and country fundamentals.
- Expect returns to moderate going forward given that yields are near record lows.
- The fund is overweight Canadian corporates and high yield, is neutral the U.S. and underweight Europe.
- Duration remains shorter than the benchmark at 5.8 years.
- This remains a great pick for investors looking for conservatively managed corporate bond exposure.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.2%	0.4%	6.8%	7.5%	6.7%	6.7%	N/A
DEX Bond	0.4%	0.7%	4.5%	7.1%	6.4%	5.9%	N/A
Quartile	1	3	1	1	1	1	N/A

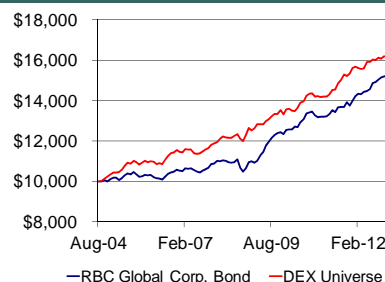
Fund Facts

Fund Sponsor	RBC Global Asset Management	
Fund Manager	Frank Gambino (Aug 04) Marty Balch (Jun 09)	
Inception Date	August 23, 2004	
Total Assets	\$1,323.10 Million	
Management Fee / MER	1.50%	1.74%
Risk Rating	Low	
Objective	Income	
Time Horizon	Medium to Long	

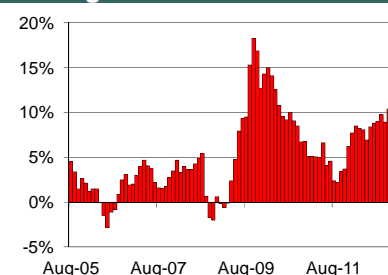
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.55%	6.78%
Standard Deviation	1.15%	3.99%
Sharpe Ratio	0.41	1.47
Alpha (5 Year)		0.21%
Beta (5 Year)		0.71
Worst Drawdown	-5.57% (Sep 08 - Apr 09)	
Time to Recover	8 Months	

Growth of Investment



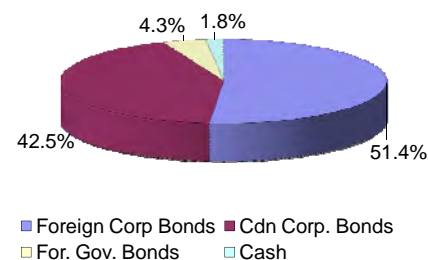
Rolling 12 Month Returns



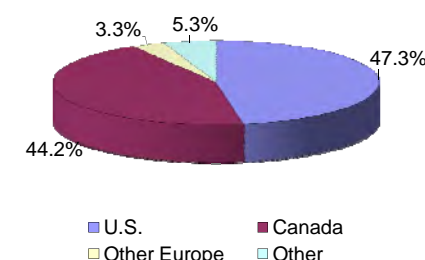
Top 10 Holdings (Dec 31/12)

RBC Emerg. Mkts. Bond	7.1%
BlueBay EM Bond Fund	2.7%
Citigroup 3.95% 15-Jun-16	0.8%
Cash	0.8%
Royal Bank of Scotland 5.38% 30-Sep-19	0.8%
WellsFargo 2.1% 08-May-17	0.8%
HSBC 3.88% 24-Oct-18	0.7%
RBC 3.66% 25-Jan-17	0.6%
JPMorgan Chase 3.45% 01-Mar-16	0.6%
BofA 3.63% 17-Mar-16	0.6%
Total	15.7%

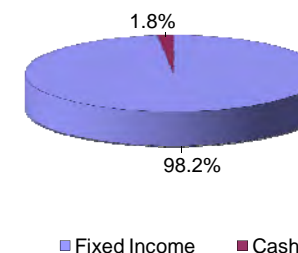
Asset Mix



Geographic Breakdown



Sector Breakdown



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Manulife Strategic Income Fund

Fund Codes

Front End	MMF 559
DSC	MMF 459
Min Purchase	\$500

Investment Objective

The investment objective of the fund is to provide income generation with an emphasis on capital preservation. This Fund invests primarily in government and corporate debt securities from developed and emerging markets. It also invests in U.S. Government and agency securities and high yield bonds.

Strategy

In managing the Fund, the portfolio sub-advisor allocates assets based on analyses of economic factors such as projected international interest rate movements, industry cycles and political trends. However, the portfolio sub-advisor may invest up to 100% of the Fund's assets in any one sector.

Analysis

- The fund is tactically managed across multiple fixed income sectors including global government bonds, investment grade and high yield corporate bonds. It also uses dynamic currency management to help add additional return and provide downside protection.
- Asset mix and geographic exposure remained fairly constant over the quarter. At March 31, it held 57% in Corporates and 27% in global government debt. Geographically, its largest position was the US with 48%, then by Canada at 7%.
- Duration shortened slightly over the quarter to 4.11 yrs from 4.2 yrs.
- Within a portfolio, this fund can be a good diversifier. It offers strong downside protection and a favourable correlation profile with the major asset classes.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.0%	2.8%	8.8%	6.0%	6.9%	8.9%	N/A
DEX Bond	0.4%	0.7%	4.5%	7.1%	6.4%	5.9%	N/A
Quartile	4	1	2	3	3	1	N/A

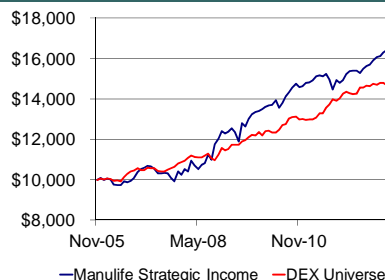
Fund Facts

Fund Sponsor	Manulife Mutual Funds
Fund Manager	Dan Janis (Feb 06)
Inception Date	November 28, 2005
Total Assets	\$2,891.90 Million
Management Fee / MER	1.70% 2.10%
Risk Rating	Low to Moderate
Objective	Income
Time Horizon	Medium

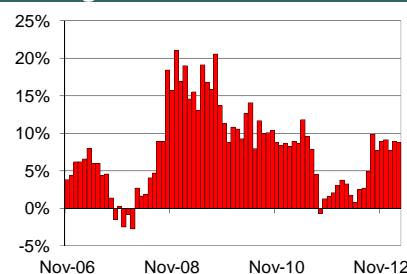
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.70%	8.79%
Standard Deviation	1.99%	6.88%
Sharpe Ratio	0.32	1.14
Alpha (5 Year)		0.58%
Beta (5 Year)		0.32
Worst Drawdown	-7.20% (Mar 07 - Mar 08)	
Time to Recover	13 Months	

Growth of Investment



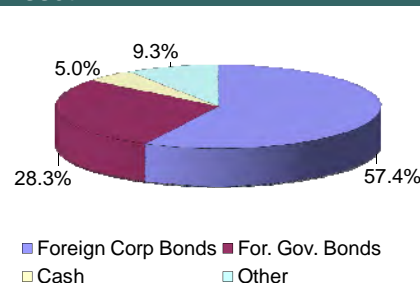
Rolling 12 Month Returns



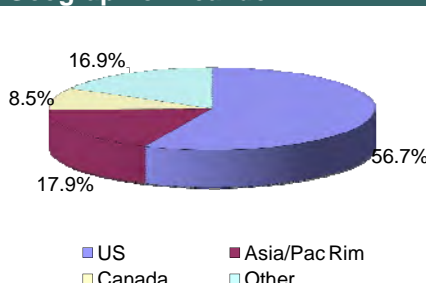
Top 10 Holdings (Mar 31/13)

Ireland 5.40% Mar-25	1.7%
New Zealand 6.0% Dec-17	1.3%
NwSth Wales 6.00 May-20%	1.3%
New Zealand 6.00% Apr 15	1.0%
Sweden 3.75% Aug-17	1.0%
Thailand 3.25% Jun-17	0.9%
Bnk of Thailand 3.2% Oct-14	0.9%
Korea 4.25% Jun-21	0.9%
Korea 3.25% Jun-15	0.8%
New Zealand 6.0% May-21	0.8%
Total	10.6%

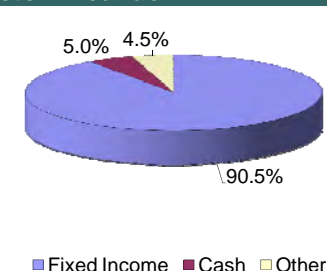
Asset Mix



Geographic Breakdown



Sector Breakdown



Canadian Equity Funds

Index Performance Details							
	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
S&P/TSX Composite	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
BMO Cdn Small Cap Index	0.9%	1.2%	-3.6%	-7.4%	4.7%	3.9%	11.1%

Funds

The Canadian Equity Category is broken into two groups; Canadian Large Cap and Canadian Small / Mid Cap. In the Canadian Equity space we look for funds which are managed by very strong management teams which have exhibited a long history of delivering strong risk adjusted returns to investors. We are also looking for managers which have disciplined processes in place which lead us to believe that there is a high probability that they will continue to deliver strong risk adjusted returns for investors going forward.

The Canadian Large Cap Funds are used as a core holding for investors. Within the portfolio the goal of the Canadian Large Cap Funds is to deliver capital growth potential for investors with moderate levels of portfolio volatility. For the small cap funds, the goal is to deliver an even higher level of capital growth over the long term for investors. However, within the small cap holdings investors must be willing to accept high levels of volatility within the funds.

Additions and Deletions

- **BMO Guardian Enterprise Fund** - During the quarter, it was announced that BMO would be capping the fund effective March 28. This move was done because Mawer, the fund's managers believe they are approaching their capacity. As a result, we will be removing it from the list going forward. We do not have any concerns regarding the management or the quality of the fund. Those who hold it should continue to do so. However, since it is no longer available for new purchases, we will be removing it from our Recommended List. We will monitor this fund, and should it reopen, we will reconsider adding it back.
- **Trimark Canadian Small Companies Fund** – We added this fund to replace the BMO offering that is being capped. We believe that this fund offers investors a compelling small cap offering. It is managed using the Trimark discipline of building a concentrated portfolio of industry leaders with strong growth potential and stable financial structures, while ensuring they do not overpay. While we like the style, we do have a couple of minor concerns. First is that it is a bit pricey with an MER of 2.70%. Second, because the managers are disciplined around valuation, there may be times when the cash balance in the fund rises quite significantly. It is currently nearly 14% of the fund. Still, on balance, we believe that this is a great small cap offering for most investors.

Canadian Equity Commentary and Outlook

- Canadian equities posted a modest gain in the quarter despite the significant losses from the gold sector. Financials and energy were also laggards.
- We expect that the Canadian market will underperform in the near term for a couple of reasons. First, economic growth in Canada is moderating, which is likely to be reflected in share prices. Second, we expect continued pressure on commodities as economic activity in China lags. Finally, we expect that many headwinds remain for gold, namely worries that the U.S. Fed may slow its bond buying program sooner than expected,

Suggested Portfolio Weighting by Investor Type

	Conservative	Moderate Balanced	Balanced	Balanced Growth	Growth
Canadian Equity (Total)	0% to 5%	0% to 5%	5% to 10%	10% to 20%	20% to 25%
Large Cap	5%	5%	10%	20%	15%
Small / Mid Cap	0%	0%	0%	0%	7.5%

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Fidelity Canadian Large Cap

Fund Codes

Front End	FID 231
DSC	FID 531
Min Purchase	\$500

Investment Objective

This fund aims to achieve long-term capital growth. It invests primarily in equity securities of Canadian companies and tends to focus on large companies.

Strategy

When buying and selling securities for the fund, the manager examines each company's potential for success in light of its current financial condition, its industry position, and economic and market conditions. The manager considers factors like growth potential, earnings estimates and quality of management.

Analysis

- The fund is managed using a very value focused approach with an emphasis on preserving capital. The manager looks for high quality companies that are trading at a very attractive valuation.
- Holds nearly half of the fund in foreign equities, with the U.S. and the UK making up most of that exposure.
- During the quarter, the manager sold out of a few names, bringing the number of holdings down to 37 from 42. The top 10 made up about 49% of the fund.
- They reduced their cash and industrial holdings, and added to technology names.
- The fund outpaced the Index in Q1 due to its foreign exposure and overweight in consumer staples and technology and lack of materials exposure.
- Volatility has remained below that of the index, and given the portfolio's positioning, we expect that to continue going forward.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	2.8%	11.1%	11.9%	11.9%	14.4%	8.2%	12.8%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	1	1	1	1	1	1	1

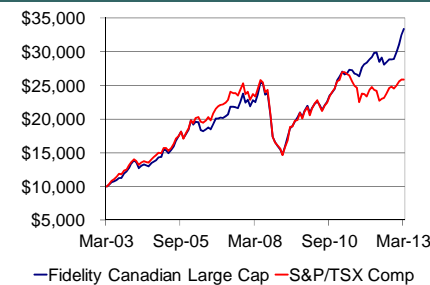
Fund Facts

Fund Sponsor	Fidelity Investments Canada	
Fund Manager	Daniel Dupont (Apr 11)	
Inception Date	February 1, 1998	
Total Assets	\$1,898.60 Million	
Management Fee / MER	2.00%	2.46%
Risk Rating	Moderate	
Objective	Growth	
Time Horizon	Long	

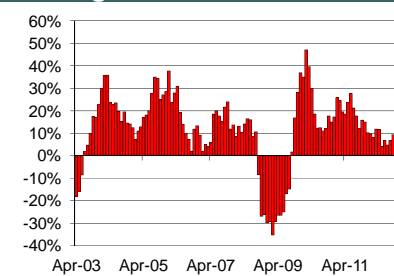
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.62%	7.66%
Standard Deviation	4.44%	15.38%
Sharpe Ratio	0.12	0.44
Alpha (5 Year)		0.52%
Beta (5 Year)		0.82
Worst Drawdown	-41.96% (Jun 08 - Dec 10)	
Time to Recover	31 Months	

Growth of Investment



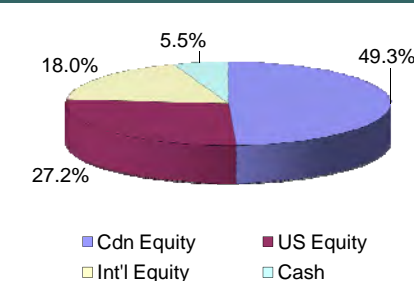
Rolling 12 Month Returns



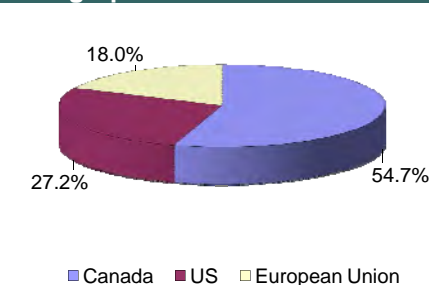
Top 10 Holdings (Dec 31/12)

Shoppers Drug Mart	7.1%
Loblaws	5.2%
Fairfax Financial Holdings	4.4%
Industrial Alliance	4.1%
Astral Media Inc.	3.7%
Metro	3.1%
AIMIA Inc.	3.1%
Manulife Financial	2.6%
Nexen Inc.	2.3%
Open Text	2.2%
Total	37.7%

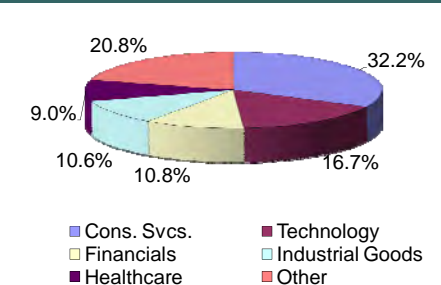
Asset Mix



Geographic Breakdown



Sector Breakdown



RBC North American Value Fund

Fund Codes

Front End	RBF 766
DSC	RBF 857
Min Purchase	\$500

Investment Objective

The objective of the fund is to provide long-term capital growth. The fund invests primarily in equity securities of Canadian and/or U.S. companies priced below their true value and offering long-term opportunities for growth.

Strategy

To achieve the fund's objectives, the manager applies a bottom-up stock selection process to identify quality companies that are undervalued based on criteria such as assets, earnings and cash flow, reviews the financial statistics of each company to determine if the stock is priced below its fundamental value or relative to similar companies and uses a value investment approach which focuses on buying undervalued securities and therefore should provide a lower level of volatility.

Analysis

- The fund posted a very strong 7.0% gain in the first quarter, handily outpacing the S&P/TSX Composite Index and its peer group.
- The fund's underweight in materials and overweight positions in financials and industrials helped to boost its relative returns.
- While the fund has historically favoured Canadian equities, that has now changed, as the managers have begun to favour U.S. equities.
- This remains one of our favourites for its above average return profile and its below average volatility profile.
- This can be a great core holding for most investors.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.7%	7.0%	11.0%	4.2%	8.5%	6.5%	10.4%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	1	1	1	1	1	1	1

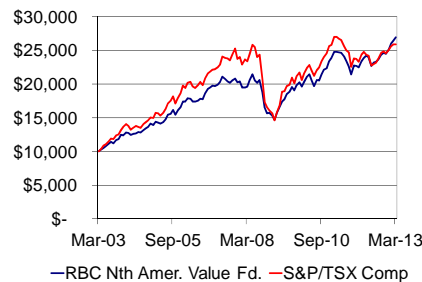
Fund Facts

Fund Sponsor	RBC Global Asset Management
Fund Manager	Doug Raymond (Dec 05) Stuart Kedwell (Dec 05)
Inception Date	March 3, 1998
Total Assets	\$909.30 Million
Management Fee / MER	1.75% 2.10%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

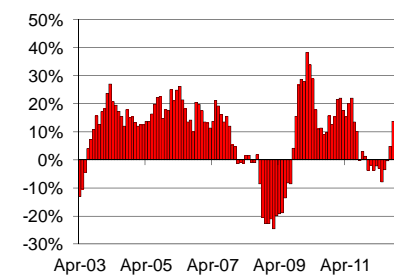
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.38%	4.64%
Standard Deviation	3.75%	12.99%
Sharpe Ratio	0.08	0.29
Alpha (5 Year)		0.39%
Beta (5 Year)		0.71
Worst Drawdown	-31.38% (Jun 08 - Sep 10)	
Time to Recover	28 Months	

Growth of Investment



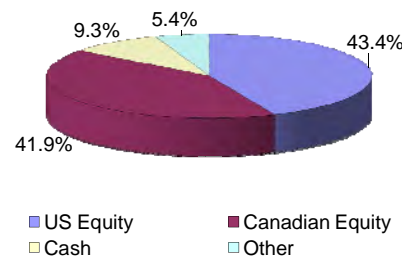
Rolling 12 Month Returns



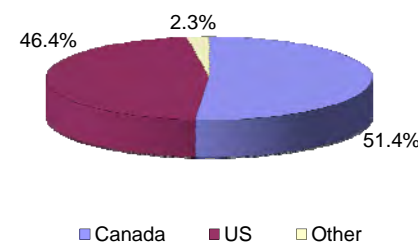
Top 10 Holdings (Dec 31/12)

Suncor Energy	3.1%
National Bank 0.00 Jan-13	3.1%
Market Vectors ETF Trust	2.9%
Bank of Nova Scotia	2.8%
Berkshire Hathaway Inc.	2.5%
TD Bank	2.4%
National Bank 15-Jan-13	2.2%
Canadian Natural Resources	2.1%
Brookfield Asset Mgmt.	2.0%
Royal Bank of Canada	2.0%
Total	25.1%

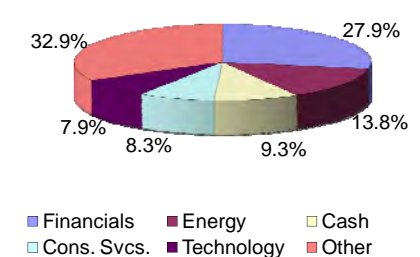
Asset Mix



Geographic Breakdown



Sector Breakdown



IA Clarington Canadian Conservative Equity Fund

Fund Codes

Front End	CCM 1300
DSC	CCM 1400
Min Purchase	\$500

Investment Objective

The Fund's objective is to seek to achieve long-term capital growth and maintain value by investing primarily in equity securities of Canadian companies.

Strategy

The fund emphasizes investment in Canadian preferred and common shares, diversifies through investment in securities of companies of many industries, invests primarily in securities that derive income and provide the Fund with the ability to pay quarterly distributions, protect value of investment and achieve long term capital appreciation, may invest in foreign securities; such investments will generally be less than 30% of the cost amount of the fund.

Analysis

- Longtime manager George Frazer passed away in February. While he advised on the fund, the day to day operations had been tended to by Doug Kee in recent years. There are no immediate changes to the fund, or the investment process as a result of Mr. Frazer's passing.
- The managers believe that we are in a slow and choppy economic environment. They also expect that stock prices, particularly dividend payers, will be supported by investors moving money into equities from bonds.
- Given the conservative nature of this fund, it remains one of our top picks for the current environment. However, investors should be aware that we expect it to lag in sharply rising markets.

This analysis is provided for advisor use only. Past results do not guarantee future returns. Mutual funds may lose money over time. Although data is gathered from sources believed to be reliable, Paterson & Associates cannot guarantee completeness and accuracy. Important information about these funds is found in the fund's simplified prospectus. Obtain a copy and read it before investing.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.2%	4.0%	6.9%	3.0%	7.7%	4.9%	8.4%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	3	4	3	2	1	2	1

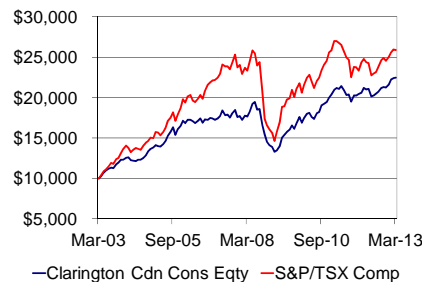
Fund Facts

Fund Sponsor	IA Clarington Investments Inc.
Fund Manager	Doug Kee (May 06) Ryan Bushell (Feb 10)
Inception Date	October 13, 1950
Total Assets	\$904.70 Million
Management Fee / MER	2.00% 2.42%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

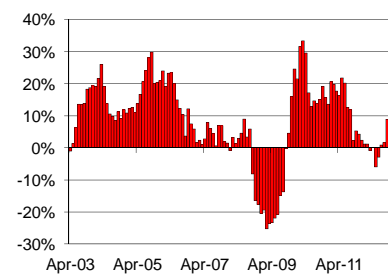
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.34%	4.11%
Standard Deviation	3.27%	11.32%
Sharpe Ratio	0.08	0.28
Alpha (5 Year)		0.28%
Beta (5 Year)		0.61
Worst Drawdown	-31.64% (Jul 08 - Dec 10)	
Time to Recover	30 Months	

Growth of Investment



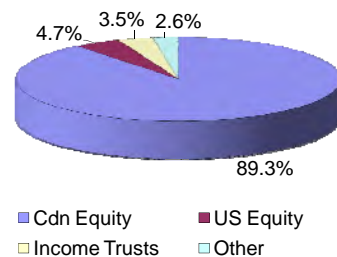
Rolling 12 Month Returns



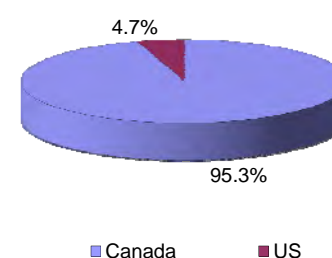
Top 10 Holdings (Dec 31/12)

Enbridge Inc.	4.7%
BCE Inc.	4.7%
Thomson Reuters	4.7%
Bank of Montreal	4.6%
Bank of Nova Scotia	4.3%
Canadian National Railway	4.2%
TransCanada Corp.	4.1%
TD Bank	3.9%
Cenovus Energy	3.9%
Royal Bank of Canada	3.8%
Total	42.9%

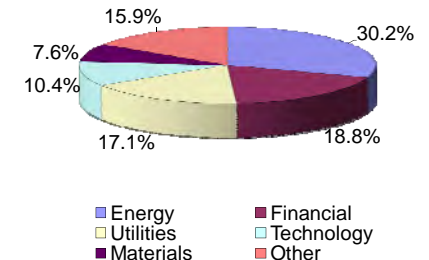
Asset Mix



Geographic Breakdown



Sector Breakdown



CI Signature Select Canadian

Fund Codes

Front End	CIG 677
DSC	CIG 777
Min Purchase	\$500

Investment Objective

This fund's objective is to seek capital appreciation over the long-term coupled with dividend income. It invests primarily in common shares and convertible securities of Canadian companies and preferred shares that pay regular income. The fund's investments are diversified across industry sectors.

Strategy

The portfolio adviser identifies companies that offer good value and the potential for growth in their industry and then considers the impact of economic trends. The portfolio adviser may use techniques such as fundamental analysis to assess growth and value potential. This means evaluating the financial condition and management of each company.

Analysis

- They believe that the recovery in U.S. and other global economies will pull markets higher. However, the pace of these gains will be muted by the headwinds caused by deleveraging and austerity measures.
- Equity exposure is roughly equally split between Canadian equity and global equity, with the U.S. making up the lion's share of the global exposure.
- It is defensively positioned with overweight positions in consumer staples and healthcare. It is underweight in the more volatile materials and energy sectors.
- We expect that the fund will provide index like returns with comparable levels of volatility over the long term.
- We remain positive on the fund.

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Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-0.4%	5.7%	6.8%	0.4%	4.3%	2.6%	9.2%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	4	3	2	2	2	1	1

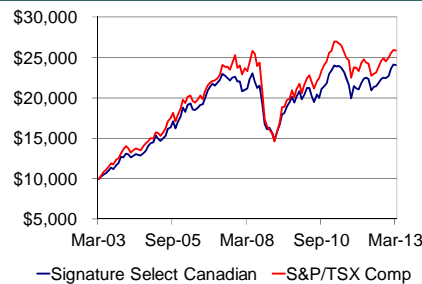
Fund Facts

Fund Sponsor	CI Investments
Fund Manager	Eric Bushell (May 98)
Inception Date	May 25, 1998
Total Assets	\$2,318.80 Million
Management Fee / MER	2.00% / 2.43%
Risk Rating	Moderate
Objective	Income
Time Horizon	Medium to Long

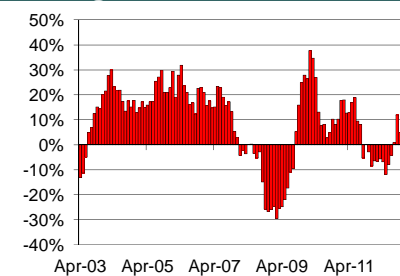
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.08%	0.97%
Standard Deviation	4.22%	14.61%
Sharpe Ratio	0.00	0.00
Alpha (5 Year)		0.07%
Beta (5 Year)		0.80
Worst Drawdown	-35.76% (Jun 08 - Jan 11)	
Time to Recover	32 Months	

Growth of Investment



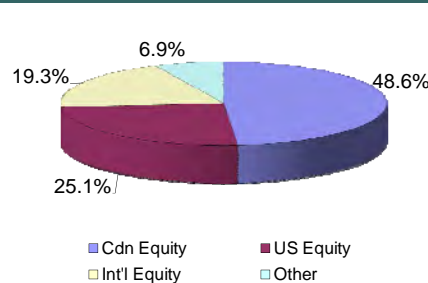
Rolling 12 Month Returns



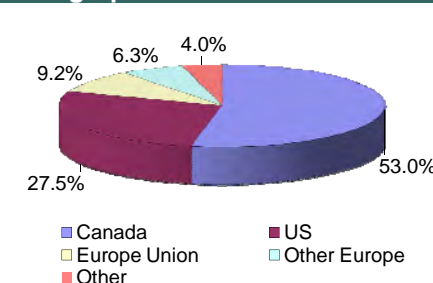
Top 10 Holdings (Mar 31/13)

TD Bank	7.1%
CIBC	4.8%
ABN Amro 1.0% 02-Apr-13	3.4%
Royal Bank of Canada	3.3%
Canadian Natural Resources	3.2%
Suncor Energy Inc.	3.1%
Roche Holding AG	2.6%
Canadian National Railway	2.6%
Bank of Nova Scotia	2.3%
Baxter International	2.1%
Total	34.6%

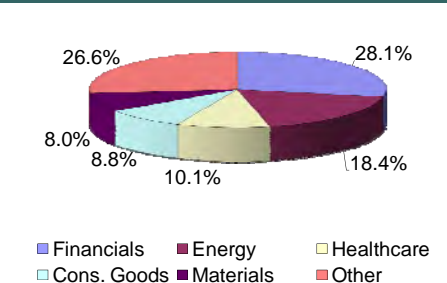
Asset Mix



Geographic Breakdown



Sector Breakdown



CI Harbour Fund

Fund Codes

Front End	CIG 690
DSC	CIG 890
Min Purchase	\$500

Investment Objective

This fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of high quality, large and mid-capitalization Canadian companies that the portfolio adviser believes have good potential for future growth.

Strategy

This fund invests primarily in equity and equity-related securities of high-quality, large and mid-capitalization Canadian companies. The fund may invest up to 49% of its assets in foreign market investments. The portfolio adviser may use techniques such as fundamental analysis to assess growth potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio adviser analyzes financial data and other information sources assesses the quality of management conducts company interviews, where possible.

Analysis

- In the last quarter of 2012, Stephen Jenkins assumed the lead manager role on this fund from Gerry Coleman, who remains as the fund's backup manager.
- Thus far, there haven't been significant changes to the fund or the process that is used. It will remain a value tilted, concentrated, bottom up approach.
- The portfolio remains somewhat defensively positioned with 16% cash, and overweights in consumer staples, and healthcare.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.4%	4.6%	5.1%	-0.2%	3.9%	2.0%	8.3%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	2	3	3	2	2	1	1

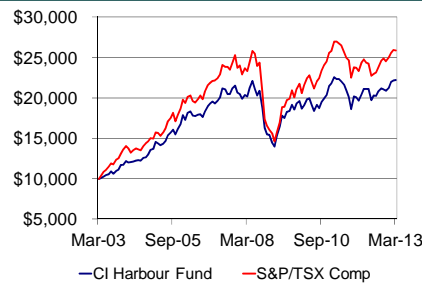
Fund Facts

Fund Sponsor	CI Investments
Fund Manager	Stephen Jenkins (Jun 97) Gerry Coleman (Jun 97)
Inception Date	June 27, 1997
Total Assets	\$4,186.00 Million
Management Fee / MER	2.00% 2.43%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Medium to Long

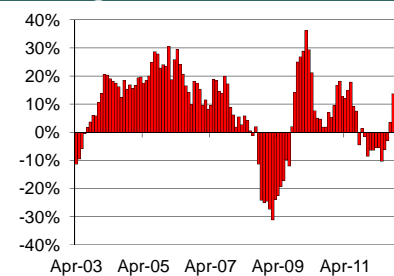
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.08%	0.97%
Standard Deviation	4.41%	15.28%
Sharpe Ratio	0.00	0.00
Alpha (5 Year)		0.02%
Beta (5 Year)		0.84
Worst Drawdown	-36.61% (Jun 08 - Feb 11)	
Time to Recover	33 Months	

Growth of Investment



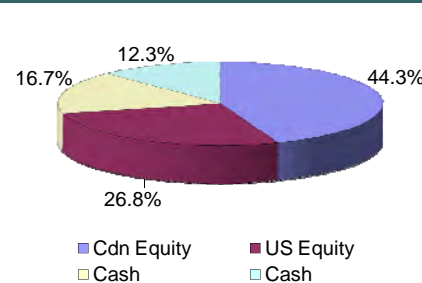
Rolling 12 Month Returns



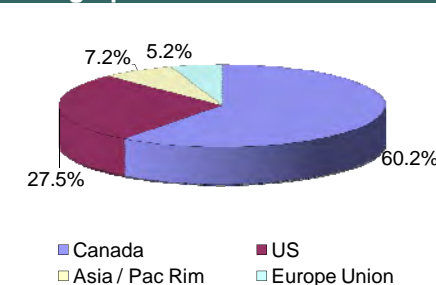
Top 10 Holdings (Mar 31/13)

Cash	5.5%
Microsoft Corp.	4.8%
Suncor Energy	4.7%
Discover Financial Services	4.5%
CIBC	4.4%
Bank of Nova Scotia	4.2%
Dundee Corporation	4.2%
Bank of NY Mellon	4.1%
Diageo PLC	4.0%
Canadian National Railway	3.6%
Total	44.0%

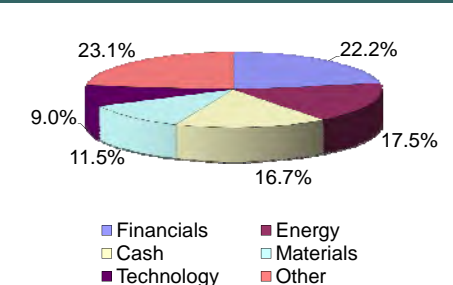
Asset Mix



Geographic Breakdown



Sector Breakdown



Sentry Small Mid Cap Income

Fund Codes

Front End	NCE 721
DSC	NCE 321
Min Purchase	\$500

Investment Objective

The Fund's investment objective is to provide consistent monthly income and capital appreciation by investing in equity securities of small and medium capitalization companies, as well as preferred securities and convertible debentures and to a lesser extent other interest bearing securities, such as bonds, bills or banker's acceptances.

Strategy

The Manager will employ a value oriented investment approach, utilizing fundamental analysis to identify stocks that have high returns on invested capital, generate free cash flow, and have modest capital expenditure requirements. In addition, the Fund may hold preferred securities and convertible debentures.

Analysis

- The Fund pays a distribution is \$0.05 per month distribution which works out to an annualized yield of approximately 3.8%
- Manager utilizes a value oriented process focusing on stocks that generate a high return on invested capital, generate free cash flow and have modest capital expenditure requirements
- The fund continues to be one of the least volatile funds in the category.
- They continue with their disciplined investment style that looks to find quality companies with solid balance sheet and a history of increasing dividends.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	2.0%	9.1%	12.7%	12.6%	16.6%	13.6%	N/A%
BMO Sm Cap	0.9%	1.2%	-3.6%	-7.4%	4.7%	3.9%	11.1%
Quartile	1	2	1	1	1	1	N/A

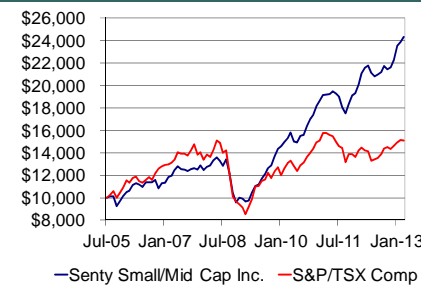
Fund Facts

Fund Sponsor	Sentry Investments	
Fund Manager	Michael Simpson (Jul 05) Aubrey Hearn (Jul 05)	
Inception Date	July 27, 2005	
Total Assets	\$519.20 Million	
Management Fee / MER	2.25%	2.79%
Risk Rating	Moderate	
Objective	Growth	
Time Horizon	Long	

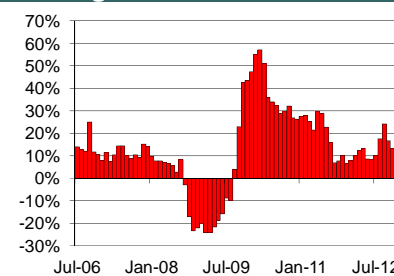
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.96%	12.21%
Standard Deviation	3.92%	13.57%
Sharpe Ratio	0.23	0.83
Alpha (5 Year)	0.96%	
Beta (5 Year)	0.64	
Worst Drawdown	-29.51% (Jun 08 - Nov 09)	
Time to Recover	18 Months	

Growth of Investment



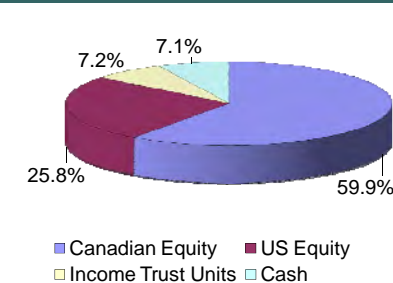
Rolling 12 Month Returns



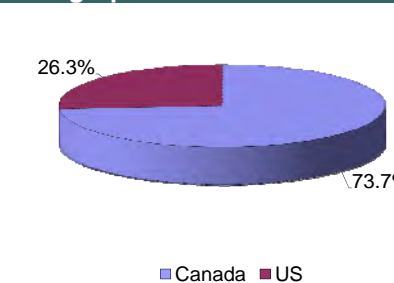
Top 10 Holdings (Dec 31/12)

Cash	6.3%
Stantec	4.5%
Republic Services	4.2%
TransForce Inc.	3.8%
Badger Daylighting Ltd.	3.6%
Towers Watson & Co.	3.5%
Progressive Waste Solutions	3.4%
Newalta Corporation	3.3%
AmerisourceBergen Corp.	3.3%
Chemtrade Logistics Inc. Fd.	3.3%
Total	39.3%

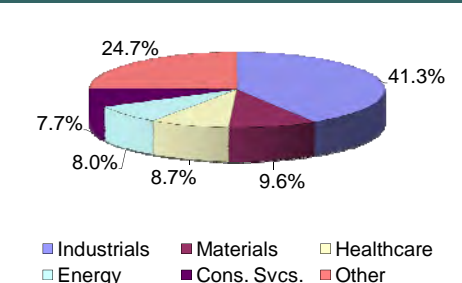
Asset Mix



Geographic Breakdown



Sector Breakdown



CI Can-Am Small Cap Capital Class

Fund Codes

Front End	CIG 6104
DSC	CIG 6154
Min Purchase	\$500

Investment Objective

The fund seeks long-term capital growth by investing primarily in equity and equity-related securities of Canadian small capitalization companies. The fund may also invest in foreign securities.

Strategy

The manager will employ a disciplined management style designed to capture the returns and the diversification benefits of a broad crosssection of North American small cap companies. The manager will pursue this objective by participating in the investment performance of a broad range of readily marketable North American common share securities.

Analysis

- It handily outperformed its benchmark during the quarter largely due to the significant non Canadian holdings and its underweight in commodity focused sectors.
- While the economic recovery gains steam in the U.S., it is moderating at home, as the high Canadian dollar slows manufacturers and high consumer debt levels slow consumer spending growth.
- Looking ahead, they are concerned about the higher levels of equity valuations, lingering issues in Europe, and reliance on low interest rates will likely act as headwinds against further gains.
- We like this fund because of the manager, their investment process and emphasis on yield.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.1%	10.8%	17.0%	8.2%	11.0%	7.8%	14.3%
BMO Sm Cap	0.9%	1.2%	-3.6%	-7.4%	4.7%	3.9%	11.1%
Quartile	3	1	1	1	1	1	1

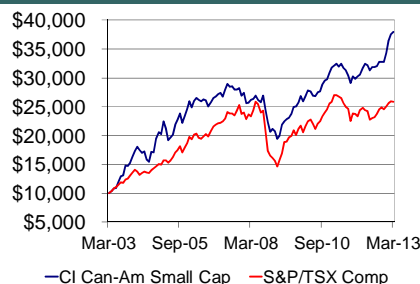
Fund Facts

Fund Sponsor	CI Investments
Fund Manager	Joe Jugovic (Dec 05) Ian Cooke
Inception Date	December 29, 1997
Total Assets	\$142.20 Million
Management Fee / MER	2.00% 2.42%
Risk Rating	Moderate to High
Objective	Growth
Time Horizon	Medium to Long

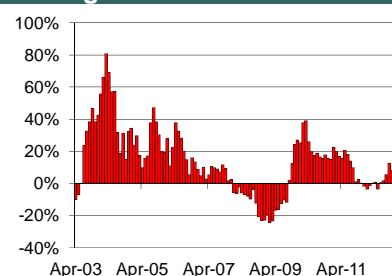
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.42%	5.15%
Standard Deviation	3.44%	11.93%
Sharpe Ratio	0.10	0.35
Alpha (5 Year)		0.52%
Beta (5 Year)		0.56
Worst Drawdown	-32.60% (Jun 07 - Oct 10)	
Time to Recover	41 Months	

Growth of Investment



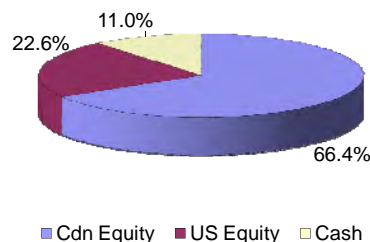
Rolling 12 Month Returns



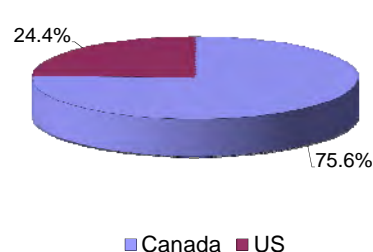
Top 10 Holdings (Mar 31/13)

Empire Company Ltd.	6.0%
Atco Ltd.	5.1%
T-Bills	4.7%
NY Community Bancorp.	4.6%
CCL Industries	4.3%
E-L Financial Corp.	4.2%
AltaGas Ltd.	4.1%
Pason Systems Inc.	4.0%
Varian Medical Systems Inc.	3.8%
WGL Holdings Inc.	3.7%
Total	44.4%

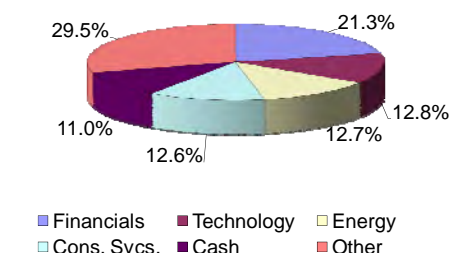
Asset Mix



Geographic Breakdown



Sector Breakdown



Trimark Canadian Small Companies

Fund Codes

Front End	AIM 1683
DSC	AIM 1681
Min Purchase	\$500

Investment Objective

Seeks to provide strong capital growth over the long term. The Fund invests mainly in common shares of a diversified group of Canadian companies with small market capitalizations.

Strategy

To achieve these objectives, the portfolio management team applies a rigorous bottom-up fundamental investment approach to analyze the quality and value of individual companies to determine whether or not to invest in them. There is no attempt to mirror the composition of the Fund's benchmark index.

Analysis

- We added this fund to our Recommended List in March 2013.
- Managed using the Trimark process, they look for industry leaders with strong growth potential and stable financial structures.
- They also look to buy companies when they are trading at a significant discount to their estimate of its true worth.
- They take a long term time horizon, typically three to five years.
- The portfolio is concentrated, holding 40 names with the top ten making up 46% of the fund.
- The process is benchmark agnostic.
- Cash is sitting at just over 15% of the fund. While this will help protect capital in the event of a market selloff, it will also result in the fund underperforming in rising markets.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.6%	9.6%	1.6%	6.2%	9.7%	7.6%	9.7%
BMO Sm Cap	0.9%	1.2%	-3.6%	-7.4%	4.7%	3.9%	11.1%
Quartile	4	1	2	2	1	1	1

Fund Facts

Fund Sponsor	Invesco Trimark
Fund Manager	Rob Mikalachki (Dec 00) Jason Whiting (Apr 11)
Inception Date	May 15, 1998
Total Assets	\$440.80 Million
Management Fee / MER	2.00% 2.70%
Risk Rating	Moderate to High
Objective	Growth
Time Horizon	Medium to Long

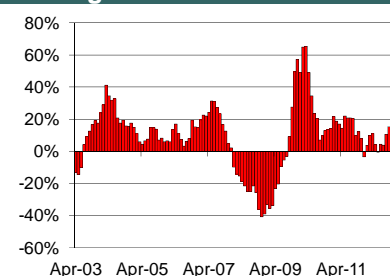
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.23%	2.85%
Standard Deviation	5.27%	18.26%
Sharpe Ratio	0.03	0.11
Alpha (5 Year)		0.54%
Beta (5 Year)		0.73
Worst Drawdown	-49.54% (Jun 07 - Mar 11)	
Time to Recover	46 Months	

Growth of Investment



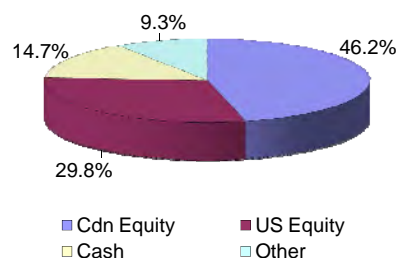
Rolling 12 Month Returns



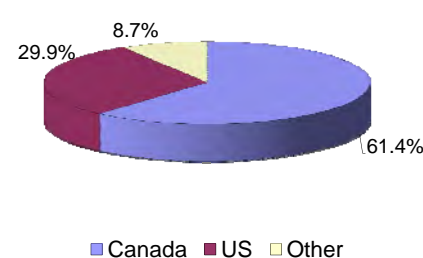
Top 10 Holdings (Mar 31/13)

Money Market	14.1%
Rovi Corporation	6.6%
Lender Processing Svcs.	5.8%
Rocky Mountain Dealerships	5.4%
Martinrea International Inc.	5.0%
FirstService Corp.	4.5%
Federated Investors	4.3%
Interval Leisure Group Inc.	4.1%
5N Plus Inc.	4.0%
Howden Joinery Group	3.5%
Total	57.3%

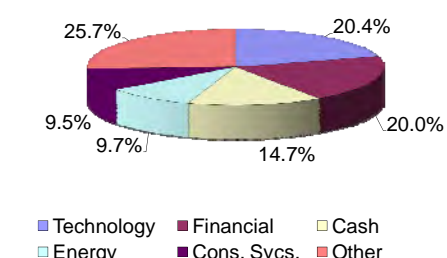
Asset Mix



Geographic Breakdown



Sector Breakdown



BMO Enterprise Fund

Fund Codes

Front End	GGF 464
DSC	GGF 179
Min Purchase	\$500

Investment Objective

This fund's objective is to provide long-term growth through capital appreciation, by investing primarily in a portfolio of Canadian equities and equity-related securities issued by companies with small to medium market capitalization.

Strategy

The manager invests in equity holdings chosen through a bottom-up selection process which emphasizes growth in earnings and sales, while also taking into account the valuations of the companies so chosen; invests primarily in Canadian companies selected from the BMO Blended Small Cap Index, and the companies comprising the 175 smallest members by market capitalization of the S&P/TSX Composite Index.

Analysis

- This fund was closed to new investments on March 28, after fund manager Mawer capped a number of Canadian focused mandates due to capacity constraints.
- Because of this, it will be removed from our Recommended List immediately.
- For those who hold this fund, we would suggest that they continue to do so. There is absolutely no issue with the quality of the portfolio, the investment process or the investment management team.
- It remains a high quality, well managed, Canadian small cap fund.
- We will continue to follow this fund. In the event that it re-opens to investors, we will conduct a review, and if appropriate, will reinstate it on our Recommended List.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.6%	8.1%	16.2%	7.6%	14.0%	9.8%	12.1%
BMO Sm Cap	0.9%	1.2%	-3.6%	-7.4%	4.7%	3.9%	11.1%
Quartile	1	1	1	1	1	1	1

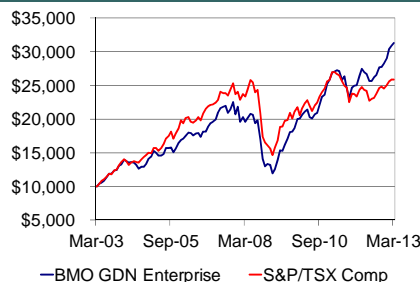
Fund Facts

Fund Sponsor	BMO GDN Funds
Fund Manager	Martin Ferguson (Aug 04)
Inception Date	August 15, 1972
Total Assets	\$277.50 Million
Management Fee / MER	1.75% 2.22%
Risk Rating	High
Objective	Growth
Time Horizon	Long

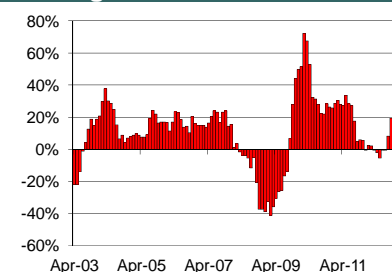
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.53%	6.49%
Standard Deviation	5.07%	17.57%
Sharpe Ratio	0.09	0.32
Alpha (5 Year)		0.65%
Beta (5 Year)		0.92
Worst Drawdown	-46.91% (Nov 07 - Oct 10)	
Time to Recover	36 Months	

Growth of Investment



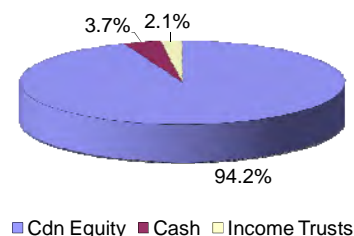
Rolling 12 Month Returns



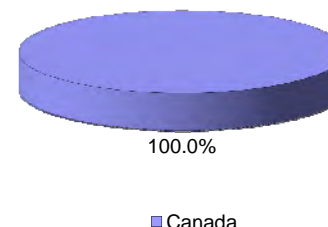
Top 10 Holdings (Mar 31/13)

Stantec	5.5%
Home Capital Group Inc.	5.3%
Constellation Software Inc.	5.3%
Stella-Jones Inc.	4.9%
Cdn Energy Svcs & Tech.	4.5%
Paladin Labs Inc.	4.3%
Winpak Ltd.	3.9%
Equitable Group Inc.	3.9%
AltaGas Ltd.	3.8%
New Flyer Industries Inc.	3.5%
Total	45.0%

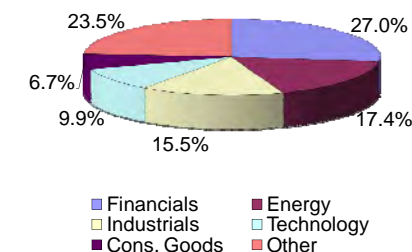
Asset Mix



Geographic Breakdown



Sector Breakdown



US Equity Funds

Index Performance Details							
	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
S&P 500 (C\$)	2.4%	13.4%	16.2%	13.9%	12.7%	5.6%	4.5%
Russell 2000 (C\$)	3.4%	14.7%	18.2%	10.1%	13.5%	8.0%	7.5%

Funds

The US Equity Category is broken into two groups; US Large Cap and US Small / Mid Cap. In the US Equity space we look for funds which are managed by very strong management teams which have exhibited a long history of delivering strong risk adjusted returns to investors. We are also looking for managers which have disciplined processes in place which lead us to believe that there is a high probability that they will continue to deliver strong risk adjusted returns for investors going forward.

The US Large Cap Funds are used as a core holding for investors. Within the portfolio the goal of the US Large Cap Funds is to deliver capital growth potential for investors with moderate levels of portfolio volatility. For the small cap funds, the goal is to deliver an even higher level of capital growth over the long term for investors. However, within the small cap holdings investors must be willing to accept high levels of volatility within the funds. Another risk which may be present in the US Equity space is currency risk. With the underlying investments being denominated in US dollars, the fluctuation in the value between the US and Canadian dollar can impact fund values. Some of the funds we have selected implement currency hedging either on a full or tactical basis, while other funds do not hedge currency.

Addition and Deletions

- **Dynamic American Value Fund** – We placed the fund **UNDER REVIEW** due to concerns about its performance. It has lagged with no sign of a turnaround.
- **Mackenzie Universal U.S. Blue Chip** – We added this fund to our list this quarter. The managers use a process that combines top down thematic investing with bottom up, company specific opportunities. Compared to other funds on our list, it is more growth focused, yet the managers have done a great job in keeping volatility in check. It is our view that this can be a good core holding for investors looking for U.S. large cap exposure.
- **Franklin Rising Dividends Fund** – Another new addition, it focuses on companies that have a demonstrated history of increasing dividends. To be considered, a company must have at least doubled its dividends in the past ten years, but cannot have had any cuts to dividends during that time. They also focus on sustainability of the dividends and will only consider companies that have a payout ratio of less than 65%. We view it the same way we view the IA Clarington Conservative Canadian Equity - we don't expect it to shoot the lights out, rather, it should provide strong risk adjusted returns over the long term.
- **Fidelity Small Cap America** – Since taking over the fund in May 2011, Steve MacMillan had done a great job, outpacing not only the benchmark but also the peer group. He made some changes to the fund, namely dramatically reducing the number of holdings, and increasing the average market capitalization of the names in the fund. This is expected to bring volatility down, without negatively impacting returns. To date, he has done just that.

Suggested Portfolio Weighting by Investor Type

	Conservative	Moderate Balanced	Balanced	Balanced Growth	Growth
US Equity (Total)	0% to 5%	5% to 10%	5% to 10%	10% to 20%	20% to 30%
Large Cap	5%	10%	10%	15%	20%
Small / Mid Cap	0%	0%	0%	5%	10%

Mackenzie Universal U.S. Blue Chip

Fund Codes

Front End	MFC 1022
DSC	MFC 1172
Min Purchase	\$500

Investment Objective

The Fund pursues long-term capital growth by investing primarily in equity securities of large capitalization, blue chip U.S. companies.

Strategy

The Fund looks to invest in a concentrated portfolio of large U.S. companies. Such companies are ones that have a leadership position in its industry, solid management, strong financial positions and superior earnings potential. While the portfolio remains diversified, it will provide the investor with some concentration within broad investment themes and industry sectors that are believed to provide compelling market performance over the foreseeable future.

Analysis

- We added this fund to our Recommended List in March 2013.
- Managed using a two pronged growth focused approach that combines top down thematic investing with company specific opportunities.
- They look for companies with a sustainable competitive and a positive earnings story.
- Portfolio is reasonably diversified, holding 50 names with the top ten representing a third of the fund.
- Managers are emphasizing three themes in the portfolio; global consumer brands, the return of North American manufacturing, and the mobile internet.
- We like this as a core holding. We expect that it will deliver index like returns with comparable volatility.

This analysis is provided for advisor use only. Past results do not guarantee future returns. Mutual funds may lose money over time. Although data is gathered from sources believed to be reliable, Paterson & Associates cannot guarantee completeness and accuracy. Important information about these funds is found in the fund's simplified prospectus. Obtain a copy and read it before investing.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.7%	10.9%	12.7%	10.3%	11.5%	5.2%	3.6%
S&P 500	2.4%	13.4%	16.2%	13.9%	12.7%	5.6%	4.5%
Quartile	3	3	2	2	1	1	1

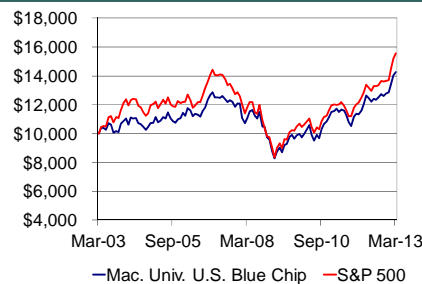
Fund Facts

Fund Sponsor	Mackenzie Financial
Fund Manager	Gustaf Zinn (Jul 06) Erik Becker (Jul 06)
Inception Date	October 27, 2000
Total Assets	\$196.00 Million
Management Fee / MER	2.00% 2.55%
Risk Rating	
Objective	
Time Horizon	

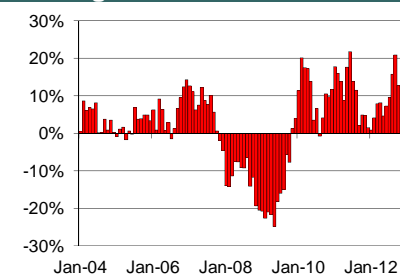
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.20%	2.48%
Standard Deviation	3.57%	12.35%
Sharpe Ratio	0.04	0.13
Alpha (5 Year)		0.01%
Beta (5 Year)		0.91
Worst Drawdown	-35.61% (Feb 07 -Jan 13)	
Time to Recover	72 Months	

Growth of Investment



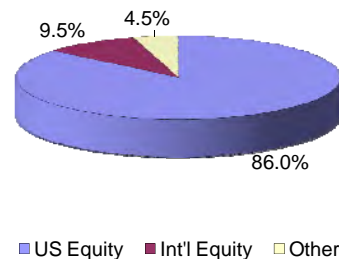
Rolling 12 Month Returns



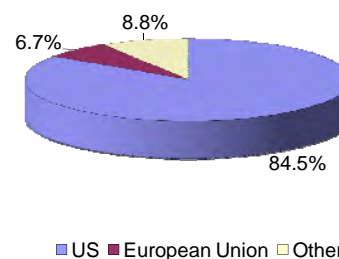
Top 10 Holdings (Jan 31/13)

JPMorgan Chase & Co. WT	3.8%
Capital One Financial Co WT	3.6%
Pall Corp.	3.4%
Harley Davidson Inc.	3.4%
Union Pacific Corp.	3.3%
CBS	3.2%
Anheuser-Busch Inbev	3.0%
Monsanto Corp.	2.9%
Pfizer Inc.	2.8%
Pentair Ltd.	2.8%
Total	32.3%

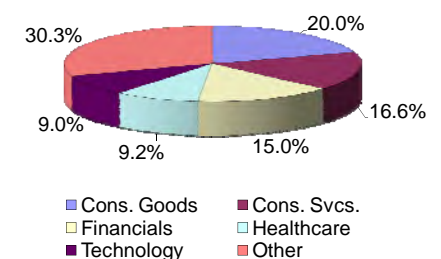
Asset Mix



Geographic Breakdown



Sector Breakdown



Trimark U.S. Companies

Fund Codes

Front End	AIM 1743
DSC	AIM 1741
Min Purchase	\$500

Investment Objective

Trimark U.S. Companies Fund seeks to provide strong capital growth over the long term. The Fund invests primarily in equities of American companies.

Strategy

To achieve these objectives, the portfolio management team applies a rigorous bottom-up fundamental investment approach to analyze the quality and value of individual companies to determine whether or not to invest in them. The portfolio management team looks for companies that exhibit strong cash flows and that invest significantly to obtain a competitive advantage. There is no attempt to mirror the composition of the Fund's benchmark index.

Analysis

- Looks for companies that have strong management, are leaders in their industry, reinvest heavily back into their business and offer a proprietary advantage.
- The fund started the year off right, with a very strong 13.0% gain in the first quarter.
- Outperformance was driven by the fund's healthcare holdings. Strong relative gains in the industrial holdings also contributed.;
- Apple, one of the fund's largest holdings continued to get punished by the market, muting overall gains in the fund.
- Short term, they believe that the U.S. recovery is on track, but the pace may moderate slightly as uncertainty is worked out.
- Long term outlook remains very favorable for U.S. equities.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.3%	13.0%	11.5%	10.1%	12.0%	5.5%	2.4%
S&P 500	2.4%	13.4%	16.2%	13.9%	12.7%	5.6%	4.5%
Quartile	4	1	2	2	1	1	2

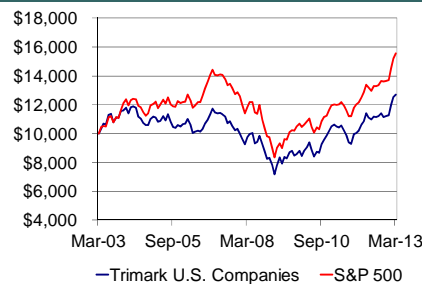
Fund Facts

Fund Sponsor	Invesco Trimark
Fund Manager	Jim Young (Oct 99) Ashley Misquitta (Feb 12)
Inception Date	October 22, 1999
Total Assets	\$268.70 Million
Management Fee / MER	2.00% 2.98%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

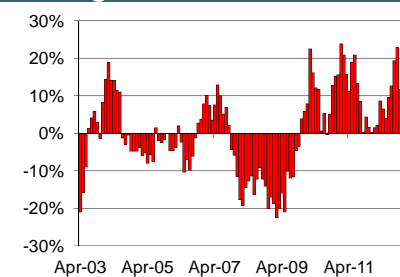
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.19%	2.29%
Standard Deviation	4.02%	13.92%
Sharpe Ratio	0.03	0.10
Alpha (5 Year)		-0.01%
Beta (5 Year)		1.02
Worst Drawdown	-48.66% (Apr 02 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



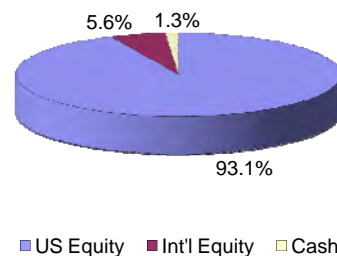
Rolling 12 Month Returns



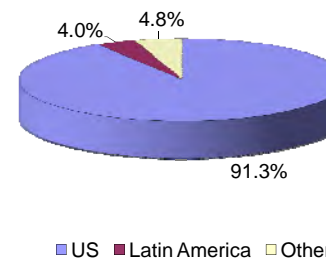
Top 10 Holdings (Mar 31/13)

Celgene Corporation	4.5%
ACE Ltd.	4.0%
Wells Fargo & Co.	3.9%
Johnson & Johnson	3.9%
PNC Financial Services	3.8%
Apple Inc.	3.7%
KLA-Tencor Corp.	3.5%
Analog Devices Inc.	3.3%
Google Inc.	3.1%
Occidental Petroleum Corp.	3.1%
Total	%

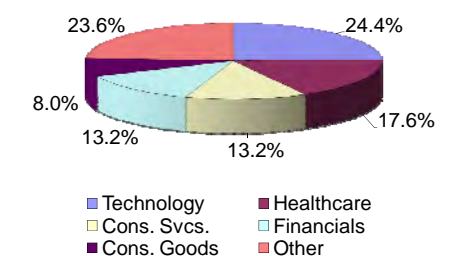
Asset Mix



Geographic Breakdown



Sector Breakdown



Franklin U.S. Rising Dividends Fund

Fund Codes

Front End	TML 201
DSC	TML 301
Min Purchase	\$500

Investment Objective

This Fund seeks to achieve long-term capital appreciation by investing primarily in American equities, with at least 80% of net assets in companies that have paid consistently rising dividends.

Strategy

Under normal market conditions, the Fund invests at least 80% of its net assets in companies that have paid consistently rising dividends. Companies that have paid consistently rising dividends include those companies that pay dividends on their common stocks and have maintained or increased their most recent dividend payment at some point during the last four consecutive years

Analysis

- Looks for companies that have at least doubled dividends in the past ten years with no cuts to dividends at any time.
- They look for companies with a payout ratio that is less than 65%.
- It also must be trading at the low end of its historic valuation range, based on its P/E and the S&P 500.
- Portfolio is significantly underweight in financials and overweight in materials.
- Investor demand for yield will help this fund provide stronger downside protection than the broader markets. However, it will likely lag in a sharply rising market.
- We see this as a good core holding for more conservative investors looking for some U.S. equity exposure.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.9%	13.1%	14.2%	12.3%	10.8%	4.6%	1.7%
S&P 500	2.4%	13.4%	16.2%	13.9%	12.7%	5.6%	4.5%
Quartile	3	1	1	1	1	1	3

Fund Facts

Fund Sponsor	Franklin Templeton Inv.
Fund Manager	Donald Taylor (Oct 05) Margaret McGee (Oct 05)
Inception Date	November 24, 2000
Total Assets	\$691.00 Million
Management Fee / MER	2.00% 2.53%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

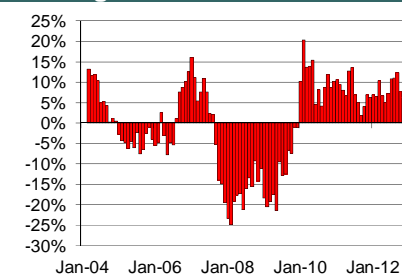
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.07%	0.88%
Standard Deviation	3.30%	11.42%
Sharpe Ratio	0.00	0.00
Alpha (5 Year)		0.00%
Beta (5 Year)		0.81
Worst Drawdown	-41.89% (Feb 07 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



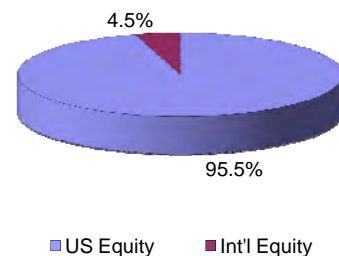
Rolling 12 Month Returns



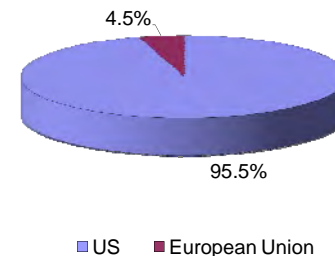
Top 10 Holdings (Dec 31/12)

Chevron	4.9%
IBM	4.7%
Pentair Ltd.	4.5%
Johnson & Johnson	4.4%
Air Products & Chemicals	4.0%
Dover Corp.	3.7%
United Technologies Corp.	3.6%
Albermarle Corp.	3.6%
Wal-Mart Stores	3.5%
Medtronic Inc.	3.5%
Total	40.4%

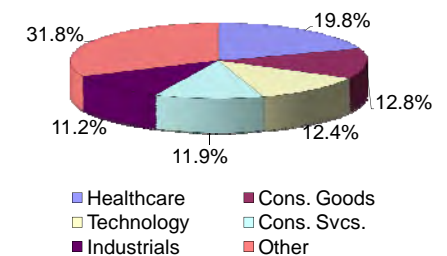
Asset Mix



Geographic Breakdown



Sector Breakdown



RBC O'Shaughnessy US Value

Fund Codes

Front End	RBF 776
DSC	RBF 134 (Low Load)
Min Purchase	\$500

Investment Objective

This fund's objective is to provide a long-term total return, consisting of capital growth and current income. The fund invests primarily in equity securities of U.S. companies based on Strategy Indexing, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

Strategy

To achieve the fund's objectives, the portfolio manager employs a proprietary quantitative approach to stock selection based on research and analysis of historical data. The manager invests the fund's assets in securities selected through the US Value Strategy. The US Value Strategy selects the 50 highest shareholder yielding securities which meet the following criteria; above average market capitalization, sales over the past 12 months, trading volume and cash flow.

Analysis

- The fund is managed using a quantitatively driven process that rates and ranks the S&P 500 stock universe based on a number of criteria including price/sales, price/earnings, enterprise value/EBITDA and shareholder yield.
- Long term results for the model are strong, however, it does tend to be more volatile than an actively managed fund and the downside can be harsh.
- While we like this as a core equity fund, we believe that it is only suitable for those investors with higher risk tolerances, given the higher volatility profile of the fund.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	6.7%	12.5%	14.8%	12.5%	13.2%	4.0%	6.7%
S&P 500	2.4%	13.4%	16.2%	13.9%	12.7%	5.6%	4.5%
Quartile	1	2	1	1	1	1	1

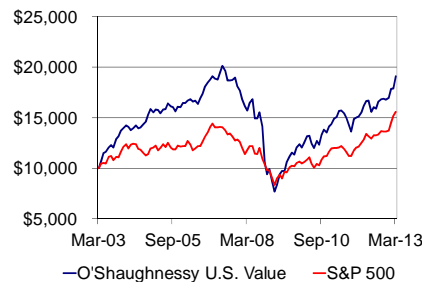
Fund Facts

Fund Sponsor	RBC Global Asset Management
Fund Manager	Jim O'Shaughnessy (Sep 97)
Inception Date	September 23, 1997
Total Assets	\$1,157.10 Million
Management Fee / MER	1.25% 1.53%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

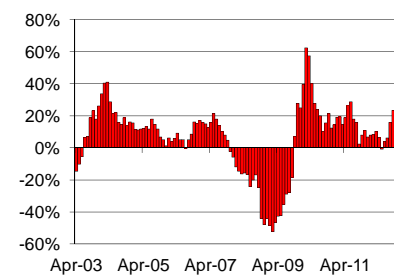
Portfolio Characteristics

	Monthly	Annualized
Average Return	-0.04%	-0.52%
Standard Deviation	6.24%	21.60%
Sharpe Ratio	-0.02	-0.07
Alpha (5 Year)		-0.15%
Beta (5 Year)		1.31
Worst Drawdown	-61.78% (Jun 07 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



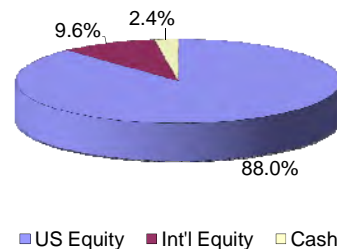
Rolling 12 Month Returns



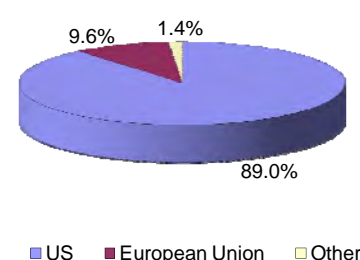
Top 10 Holdings (Dec 31/12)

Ameriprise Financial	4.5%
Viacom Inc.	3.9%
Conoco Phillips	3.8%
Wynn Resorts Limited	3.7%
Northrup Grunman Corp.	3.7%
Travelers Cos Inc.	3.7%
DirectTV	3.6%
AstraZeneca PLC	3.6%
Gap Inc.	3.5%
Aetna Inc.	3.4%
Total	37.5%

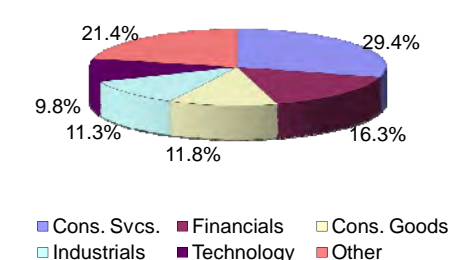
Asset Mix



Geographic Breakdown



Sector Breakdown



CI American Value

Fund Codes

Front End	CIG 7500
DSC	CIG 7505
Min Purchase	\$500

Investment Objective

This fund's objective is to provide superior returns with a limited level of risk by investing in a diversified portfolio of high quality undervalued companies. It invests primarily in equity and equity-related securities of companies in the United States.

Strategy

The portfolio advisor utilizes a bottom-up approach to identify companies whose prospects are not fully appreciated by the marketplace. As these companies exceed market expectations, the fund expects to capture excess returns over the course of a two to five year investment time frame. The manager focuses on companies that are considered undervalued in relation to their future prospects. The stocks will also offer good absolute and relative value as characterized by measures which should include a lower than average price/book and price/earnings ratio and higher than-average dividend yield as compared to the over all market.

Analysis

- The sector mix of the fund is fairly neutral to the benchmark, with slight overweights in financials while being underweight in consumer staples.
- With this mix, we don't expect returns that will be much different than the index.
- We continue to be concerned about the performance of this fund. While recent performance has improved, it has failed to live up to our expectations and we are monitoring it closely.

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Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.8%	11.8%	9.5%	7.7%	7.7%	2.6%	4.8%
S&P 500	2.4%	13.4%	16.2%	13.9%	12.7%	5.6%	4.5%
Quartile	3	2	3	3	3	2	1

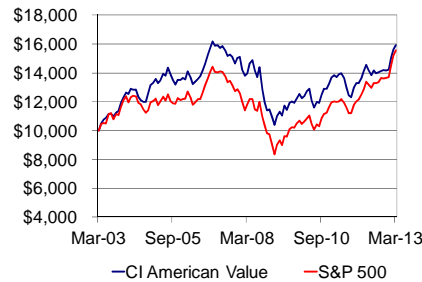
Fund Facts

Fund Sponsor	CI Investments
Fund Manager	William Priest (Oct 02) David Pearl (Oct 02)
Inception Date	May 27, 1957
Total Assets	\$409.30 Million
Management Fee / MER	2.00% 2.42%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Medium to Long

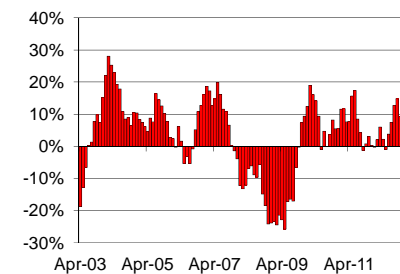
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.03%	0.39%
Standard Deviation	3.58%	12.40%
Sharpe Ratio	-0.01	-0.04
Alpha (5 Year)		-0.20%
Beta (5 Year)		0.92
Worst Drawdown	-51.48% (Sep 00 to Present)	
Time to Recover	Still Recovering	

Growth of Investment



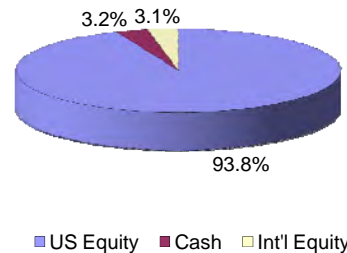
Rolling 12 Month Returns



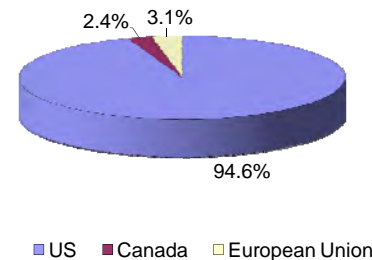
Top 10 Holdings (Mar 31/13)

Microsoft Corp.	3.0%
Blackrock Inv. Qu. Municipal	2.8%
Apple Inc.	2.7%
Exxon Mobil Corp.	2.6%
Boeing Co.	2.4%
Cash	2.4%
Visa	2.3%
Davita Healthcare Partners	2.3%
Danaher Corp.	2.3%
Time Warner Inc.	2.2%
Total	24.9%

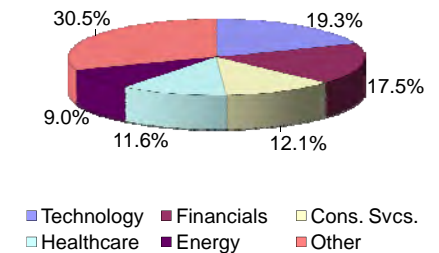
Asset Mix



Geographic Breakdown



Sector Breakdown



Dynamic American Value

Fund Codes

Front End	DYN 041
DSC	DYN 741
Min Purchase	\$500

Investment Objective

The Dynamic American Value Fund seeks to achieve long-term capital growth by investing primarily in equity securities of United States businesses.

Strategy

The Fund will invest primarily in United States companies. From time-to-time and to a lesser extent, this Fund may also invest in companies in other countries in the Americas. Investment analysis for this Fund follows a bottom-up approach, which emphasizes careful company specific analysis. Using a value investment approach, this Fund invests in companies that represent good value based on current stock price relative to the company's intrinsic value.

Analysis

- The string of underperformance continued, lagging the S&P 500 by nearly 500 basis points in Q1 2012.
- They are very active in managing the fund, not afraid to take profits after a runup and to cut losses if they occur.
- He has taken significant profits in the technology holdings, bringing its weighting to 10% from 23% at the end of Q4.
- Much of the proceeds from the technology sale has gone into high quality cyclicals.
- The portfolio appears to be positioned for an uptick in growth, holding overweight positions in economically sensitive names.
- Given the chronic underperformance, we have placed the fund UNDER REVIEW pending a more detailed review in the coming weeks.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.7%	8.5%	5.4%	1.0%	4.5%	2.4%	6.6%
S&P 500	2.4%	13.4%	16.2%	13.9%	12.7%	5.6%	4.5%
Quartile	3	4	4	4	4	2	1

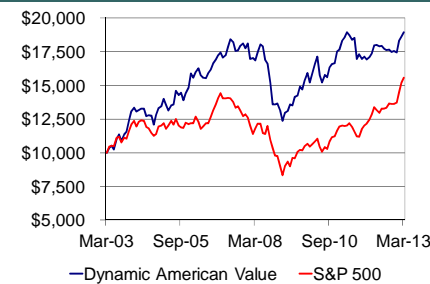
Fund Facts

Fund Sponsor	Dynamic Funds
Fund Manager	David Fingood (May 05) Izet Elmazi (Mar 12)
Inception Date	August 31, 1979
Total Assets	\$558.40 Million
Management Fee / MER	2.00% 2.45%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

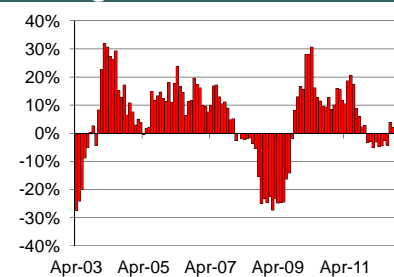
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.06%	0.68%
Standard Deviation	3.63%	12.57%
Sharpe Ratio	-0.01	-0.02
Alpha (5 Year)		-0.06%
Beta (5 Year)		0.62
Worst Drawdown	-33.65% (Apr 02 - Jan 06)	
Time to Recover	46 Months	

Growth of Investment



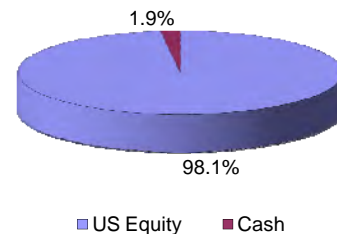
Rolling 12 Month Returns



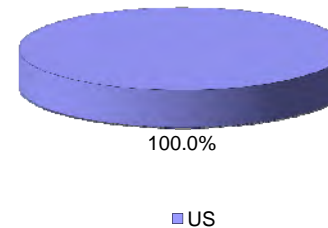
Top 10 Holdings (Jan 31/13)

Berkshire Hathaway Inc.	6.0%
Noble Energy Inc.	5.4%
Oracle Corporation	5.3%
Costco Wholesale Corp.	5.2%
Allergan Inc.	4.4%
CBS	4.4%
Devon Energy Corp.	4.3%
Nike Inc.	4.3%
Google Inc.	4.3%
PartnerRe Ltd.	3.3%
Total	46.9%

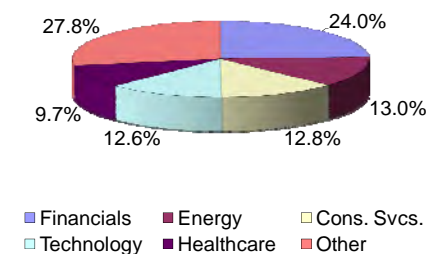
Asset Mix



Geographic Breakdown



Sector Breakdown



Trimark US Small Companies

Fund Codes

Front End	AIM 5523
DSC	AIM 5521
Min Purchase	\$500

Investment Objective

Trimark U.S. Small Companies Class seeks to provide strong capital growth over the long term. The Fund invests mainly in common shares of a diversified group of U.S. companies with small-market capitalizations.

Strategy

To achieve these objectives, the portfolio management team looks for high-quality small-cap U.S. stocks with demonstrated growth potential that are attractively priced relative to their prospective earnings and cash flow to achieve long-term capital growth.

Analysis

- Despite strong absolute gains during the quarter, it failed to keep pace with the benchmark and its peer group. Healthcare & tech added, while consumer discretionary and financials detracted.
- Also helping to drag performance is the fund's high cash balance. At the end of the year, it was sitting at 20%, which held it back in the market rally.
- Because of acquisitions and profit taking, cash has increased to 24%. While this high cash weighting will help smooth volatility, it can, as it did in Q1, drag performance in a market rally.
- They continue to focus solely on the fundamental outlook for each company, rather than the short term macro factors.
- Despite our concerns regarding the high cash weighting, this remains our top pick in the U.S. small cap space because of its management, concentrated portfolio and favourable risk reward characteristics.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	2.7%	12.2%	13.4%	11.6%	14.8%	12.7%	8.9%
Russell 2000C\$	3.4%	14.7%	18.2%	10.1%	13.5%	8.0%	7.5%
Quartile	3	3	3	1	1	1	1

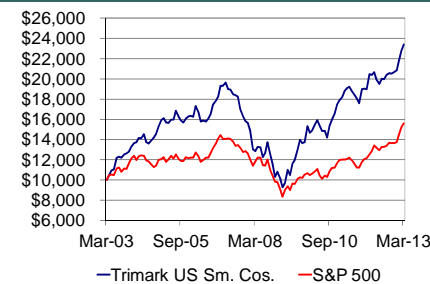
Fund Facts

Fund Sponsor	Invesco Trimark
Fund Manager	Rob Mikalachki (Aug 02) Virginia Au (Apr 10)
Inception Date	August 29, 2002
Total Assets	\$140.90 Million
Management Fee / MER	2.00% 2.91%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

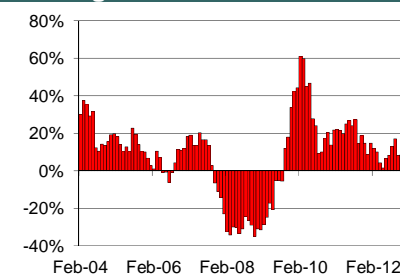
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.34%	4.22%
Standard Deviation	5.13%	17.78%
Sharpe Ratio	0.05	0.19
Alpha (5 Year)		0.53%
Beta (5 Year)		1.15
Worst Drawdown	-52.85% (Apr 07 - Jan 12)	
Time to Recover	58 Months	

Growth of Investment



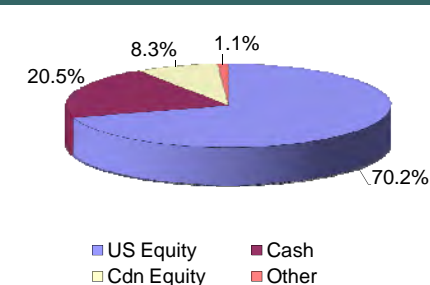
Rolling 12 Month Returns



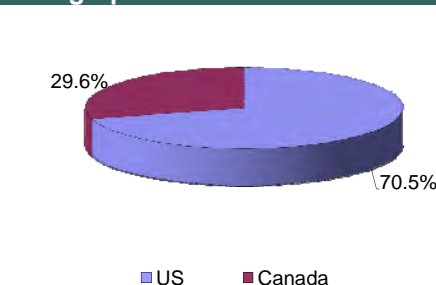
Top 10 Holdings (Mar 31/13)

Invesco US\$ Cash Mgmt	20.0%
Alliance Data Systems	7.7%
International Rectifier Corp.	6.4%
Rovi Corporation	5.0%
Charles River Laboratories	4.3%
Inverness Medical Innovation	3.8%
Booz Allen Hamilton	3.6%
FirstService Corp.	3.6%
Ultra Petroleum Corp.	3.6%
MEGA Brands	3.6%
Total	61.6%

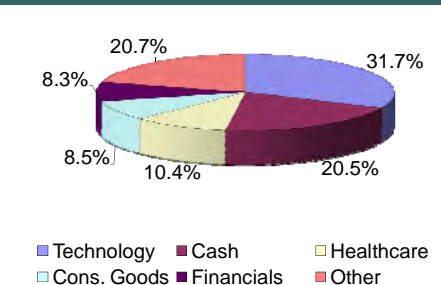
Asset Mix



Geographic Breakdown



Sector Breakdown



TD US Mid - Cap Growth Fund

Fund Codes

Front End	TDB 312
DSC	TDB 342
Min Purchase	\$100

Investment Objective

The fundamental investment objective is to seek to achieve long-term capital growth by investing primarily in equity securities of medium sized issuers in the United States.

Strategy

The portfolio adviser seeks to achieve the fundamental investment objective of the Fund by investing at least 65% of the Fund's total assets in a diversified portfolio of common stocks of medium-sized U.S. companies whose earnings the portfolio adviser expects to grow at a faster rate than the average company. Individual companies and industries with a high potential for price and earnings growth are selected.

Analysis

- It is very well diversified, holding more than 130 names and the top 10 holdings make up approximately 17% of the fund.
- The biggest reason for underperformance was that its healthcare names failed to keep pace with those in the benchmark.
- Over the long term, they believe that their strategy of avoiding momentum stocks and instead focusing on high quality management teams that are focusing on long term growth will help to deliver strong risk adjusted returns over the long term.
- It appears to be positioned for growth with an overweighting in industrials, technology and healthcare and is underweight the more cyclical names.
- the manager has done a good job in managing volatility, which has consistently rated in the lower half of the category.

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Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	2.4%	13.9%	12.9%	8.3%	12.4%	7.6%	7.1%
Russell 2000C\$	3.4%	14.7%	18.2%	10.1%	13.5%	8.0%	7.5%
Quartile	3	2	3	3	2	2	2

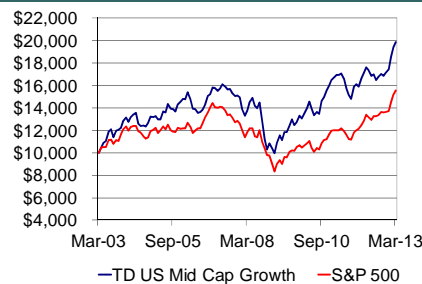
Fund Facts

Fund Sponsor	TD Asset Management
Fund Manager	Brian Berghuis (Nov 00) John Wakeman (Nov 00)
Inception Date	January 4, 1994
Total Assets	\$488.20 Million
Management Fee / MER	2.00% 2.55%
Risk Rating	Moderate to High
Objective	Growth
Time Horizon	Long

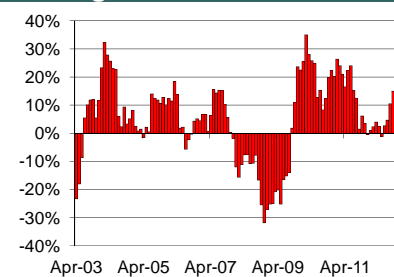
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.32%	3.95%
Standard Deviation	4.46%	15.44%
Sharpe Ratio	0.06	0.20
Alpha (5 Year)		0.15%
Beta (5 Year)		1.07
Worst Drawdown	-38.10% (Jun 07 - Jan 11)	
Time to Recover	44 Months	

Growth of Investment



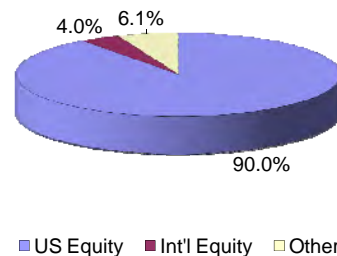
Rolling 12 Month Returns



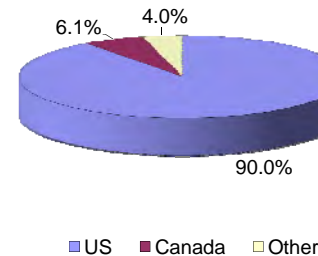
Top 10 Holdings (Mar 31/13)

Cash	2.2%
Ametek Inc.	1.8%
HIS Cl. A	1.7%
Gartner	1.7%
Roper Industries Inc.	1.6%
DENTSPLY International	1.6%
Fiserv Inc.	1.6%
CarMax Inc.	1.6%
Textron Inc.	1.5%
Calpine	1.5%
Total	16.7%

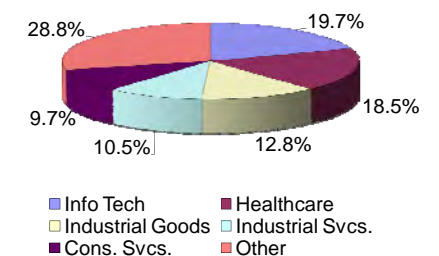
Asset Mix



Geographic Breakdown



Sector Breakdown



Fidelity Small Cap America

Fund Codes

Front End	FID 261
DSC	FID 561
Min Purchase	\$500

Investment Objective

The objective of the fund is to achieve long-term capital growth by investing primarily in small-cap stocks of U.S. companies.

Strategy

The fund may invest in medium and large companies and in securities of companies outside the U.S. It may hold cash and fixed-income securities. It may also enter into repurchase agreements, reverse repurchase agreements, and securities lending transactions. Upon implementation of the New Fund of Fund Rules, the fund may also invest a portion of its assets in securities of other funds, which may be managed by Fidelity.

Analysis

- We added this fund to our Recommended List in March 2013.
- Since taking the reins of this fund in May 2011, Steve MacMillan has done a good job for investors, outpacing not only the benchmark but most of its peer group.
- Mr. MacMillan has reduced the number of holdings considerably, and increased the average market capitalization.
- This has improved the overall quality of the portfolio and has reduced its volatility.
- Stock selection is a fundamentally driven and bottom up process. Portfolio turnover is expected to be modest.
- While small caps may currently not be as attractively valued as their large cap brethren, those with higher risk tolerances and long term time horizons looking for small/mid cap U.S. exposure may want to consider this offering.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	3.9%	16.2%	27.9%	20.8%	19.6%	10.6%	7.0%
Russell 2000C\$	3.4%	14.7%	18.2%	10.1%	13.5%	8.0%	7.5%
Quartile	1	1	1	1	1	1	1

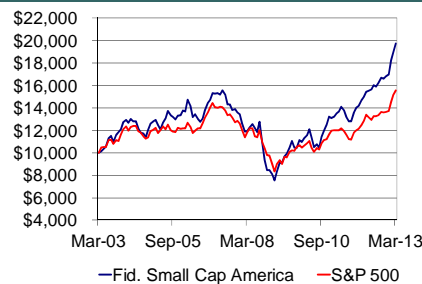
Fund Facts

Fund Sponsor	Fidelity Investments Canada
Fund Manager	Steve MacMillan (May 11)
Inception Date	April 5, 1994
Total Assets	\$552.50 Million
Management Fee / MER	2.00% 2.54%
Risk Rating	Moderate to High
Objective	Growth
Time Horizon	Long

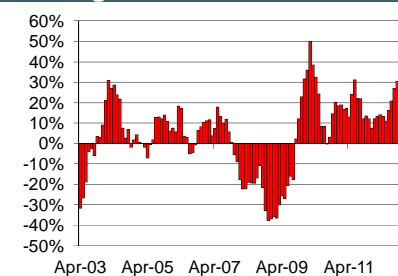
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.38%	4.66%
Standard Deviation	5.08%	17.60%
Sharpe Ratio	0.06	0.21
Alpha (5 Year)		0.35%
Beta (5 Year)		1.19
Worst Drawdown	-51.49% (Jun 07 - May 12)	
Time to Recover	60 Months	

Growth of Investment



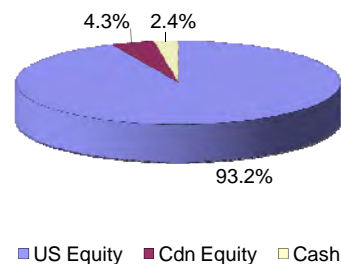
Rolling 12 Month Returns



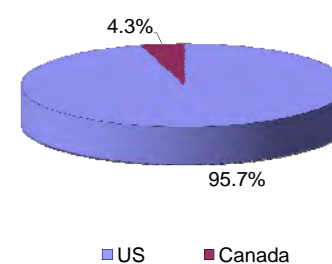
Top 10 Holdings (Feb 28/13)

Jarden Corp.	8.6%
Charles River Laboratories	6.0%
Signa Holdings	4.5%
Interval Leisure Group	4.3%
Ingram Micro	4.2%
Cooper Companies	4.2%
Snap On	4.0%
El Paso Electric	3.9%
Encore Capital	3.8%
Maximus	3.6%
Total	47.2%

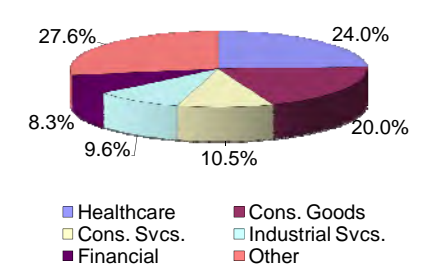
Asset Mix



Geographic Breakdown



Sector Breakdown



Global / International Equity Funds

Index Performance Details							
	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
MSCI World Index (C\$)	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
MSCI EAFE (C\$)	-0.4%	7.4%	13.7%	5.4%	5.6%	-0.5%	6.3%

Funds

The Global / International Equity Category is broken into two groups; Global / International Large Cap and Global / International Small / Mid Cap. In the Global / International Equity space we look for funds which are managed by very strong management teams which have exhibited a long history of delivering strong risk adjusted returns to investors. We are also looking for managers which have disciplined processes in place which lead us to believe that there is a high probability that they will continue to deliver strong risk adjusted returns for investors going forward.

The Global / International Large Cap Funds are used as a core holding for investors. Within the portfolio the goal of the Global / International Large Cap Funds is to deliver capital growth potential for investors with moderate levels of portfolio volatility. For the small cap funds, the goal is to deliver an even higher level of capital growth over the long term for investors. However, within the small cap holdings investors must be willing to accept high levels of volatility within the funds. Another risk which may be present in the Global / International Equity space is currency risk. With the underlying investments being denominated in foreign currencies, the fluctuation in the value between these foreign currencies and the Canadian dollar can impact fund values. Some of the funds we have selected implement currency hedging either on a full or tactical basis, while other funds do not hedge currency.

Additions and Deletions

- **Templeton Global Smaller Companies** – We remain concerned about the performance of the fund, and are keeping it **UNDER REVIEW** for the near term.
- **Trimark Global Endeavour Fund** – This fund was added to our Recommended List during the quarter. We believe it offers a compelling risk reward profile. Managed using the Trimark discipline, it offers a concentrated portfolio of industry leaders with strong growth potential and stable financial structures. Further, they are very disciplined with respect to valuation, and will only buy a company when it is trading well below their estimate of its true worth. The managers stick to their style and as a result, there are times when cash can make up a significant portion of the portfolio. For example, the fund currently sits at around 17% cash after taking profits in a number of names that are approaching full valuation, but are unable to find a suitable home for the proceeds. Still, on balance, we believe that this is a very compelling mid cap focused offering for most investors.

Global / International Equity Commentary and Outlook

- Global equities were higher across the board with defensive plays including healthcare and consumer staples leading the way. From a country perspective, it was Japan leading the way for the second quarter in a row. Emerging markets continue to struggle due to weakness in commodity prices.

Suggested Portfolio Weighting by Investor Type

	Conservative	Moderate Balanced	Balanced	Balanced Growth	Growth
Global / Int'l Equity (Total)	0% to 15%	15% to 20%	15% to 20%	15% to 20%	15% to 20%
Large Cap	15%	20%	20%	20%	20%
Small / Mid Cap	0%	0%	0%	0%	0%

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Mackenzie Ivy Foreign Equity

Fund Codes

Front End	MFC 081
DSC	MFC 611
Min Purchase	\$500

Investment Objective

Ivy Foreign Equity Fund pursues long-term growth consistent with preservation of capital through investments in international businesses-predominantly U.S. companies with significant international operations. The Fund's portfolio may include companies from anywhere in the world, but generally avoids direct participation in emerging markets.

Strategy

The Ivy Fund's management team follows a blended value and growth investment style. While the team's focus is on companies which appear likely to have superior and relatively consistent longer term growth prospects, strong consideration is placed on assessing the investment's true worth relative to its stock price. The disciplined review process included analysis of the company's competitive position, management strengths, expected profitability and financial position.

Analysis

- During the quarter, the managers took profits in a number of names, and fully exited T. Rowe Price on valuation.
- It remains very conservatively positioned with 12% cash, and a substantial overweight in consumer focused names.
- This is our top pick in the global equity category for more conservative investors. We expect it to deliver strong risk adjusted returns over the long term, providing strong downside protection, but will underperform in rising markets.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.4%	9.5%	10.4%	11.1%	8.3%	4.3%	5.0%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	2	1	2	1	1	1	1

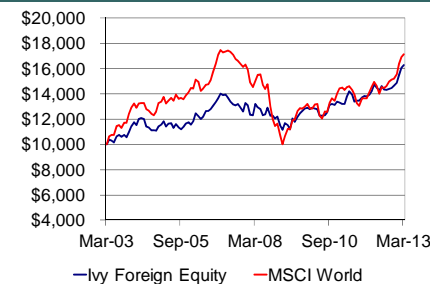
Fund Facts

Fund Sponsor	Mackenzie Financial
Fund Manager	Paul Musson (Apr 99) Matt Moody (Jan 09)
Inception Date	October 13, 1992
Total Assets	\$2,383.10 Million
Management Fee / MER	2.00% 2.55%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Medium to Long

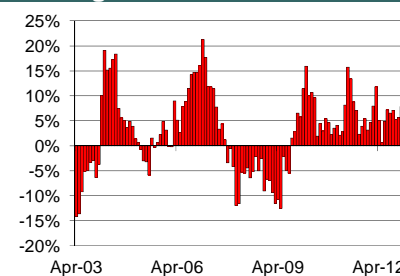
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.31%	3.77%
Standard Deviation	2.57%	8.91%
Sharpe Ratio	0.09	0.32
Alpha (5 Year)		0.24%
Beta (5 Year)		0.48
Worst Drawdown	-20.48% (Feb 07 - May 11)	
Time to Recover	52 Months	

Growth of Investment



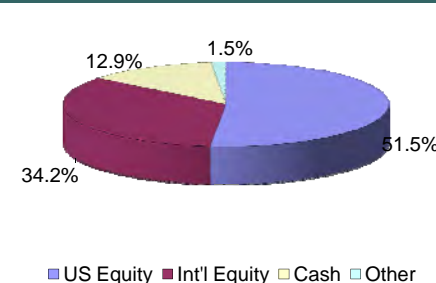
Rolling 12 Month Returns



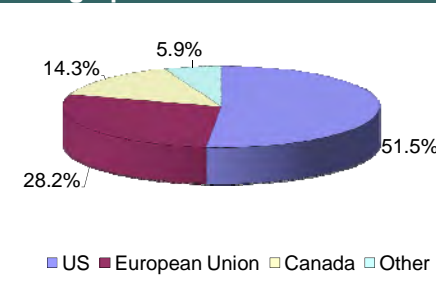
Top 10 Holdings (Jan 31/13)

Cash	12.9%
Groupe Danone	5.3%
Admiral Group PLC	4.7%
Omnicom Group	4.3%
Pearson PLC	4.3%
Unilever NV	4.1%
Becton Dickinson & Co.	4.0%
Etn Fr Colruyt NV	4.0%
Sonova Holding AG	3.9%
PepsiCo Inc.	3.8%
Total	51.3%

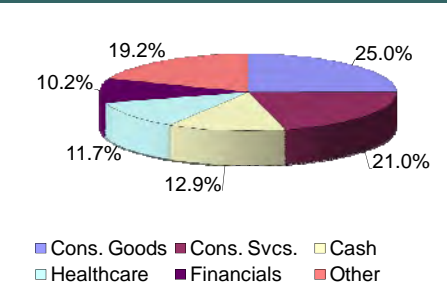
Asset Mix



Geographic Breakdown



Sector Breakdown



Mutual Global Discovery Fund

Fund Codes

Front End	TML 180
DSC	TML 182
Min Purchase	\$500

Investment Objective

The Fund's objective is long term capital appreciation by investing primarily in equity and debt securities of issuers around the world.

Strategy

The Fund may hold equities, debt or money market securities in any proportion, provided that in normal market conditions not less than 65% of its assets (excluding cash and cash equivalents, such as money market securities and direct or indirect US government obligations) are invested in common stock, preferred stock, and debt securities convertible or expected to be rated or unrated and if rated, such rating may range from the very highest to the very lowest.

Analysis

- This is a go anywhere global equity fund that invests in undervalued stocks, merger arbitrage opportunities and distressed securities.
- The portfolio is built on a bottom up basis.
- During the quarter, the fund gained 8.8%, which lagged the benchmark, but did place it in the upper half of the category.
- The underperformance was largely attributed to its holdings in ING, ThyssenKrupp and Royal Dutch Shell.
- Despite the recent underperformance, we believe this is a great core equity fund for investors looking for long term capital growth with a modest level of volatility.
- Given the investment process and positioning, we would expect that it will lag the index in a "hot market".

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	2.1%	8.8%	14.5%	7.4%	7.2%	2.9%	6.7%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	1	2	1	2	2	1	1

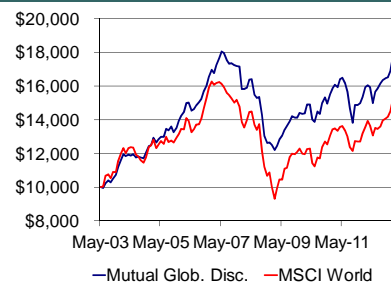
Fund Facts

Fund Sponsor	Franklin Templeton Inv.
Fund Manager	Peter Langerman (Dec 09) Philippe Brugere-Trelat (Dec 09)
Inception Date	February 17, 2003
Total Assets	\$994.20 Million
Management Fee / MER	2.00% 2.62%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Medium to Long

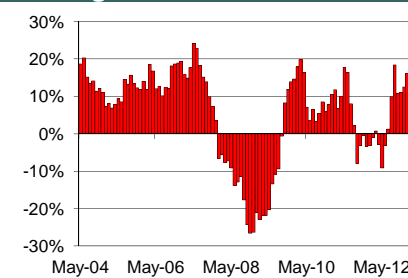
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.03%	0.38%
Standard Deviation	3.26%	11.28%
Sharpe Ratio	-0.01	-0.05
Alpha (5 Year)		0.08%
Beta (5 Year)		0.72
Worst Drawdown	-32.45% (Jun 07 - Mar 13)	
Time to Recover	70 Months	

Growth of Investment



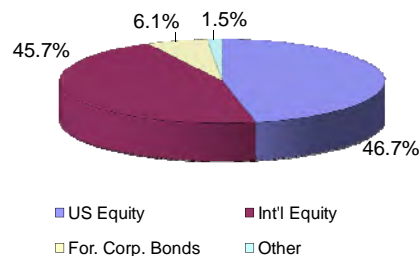
Rolling 12 Month Returns



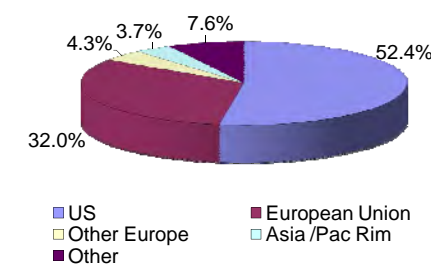
Top 10 Holdings (Dec 31/12)

Royal Dutch Shell	2.2%
ACE Inc.	2.2%
Vodafone Group PLC	2.1%
Imperial Tobacco Group	1.9%
American International Grp.	1.8%
Hightower Holding LLC	1.8%
British American Tobacco	1.7%
Jardine Strategic Holding	1.6%
Wells Fargo & Co.	1.6%
HSBC Holdings PLC	1.5%
Total	18.4%

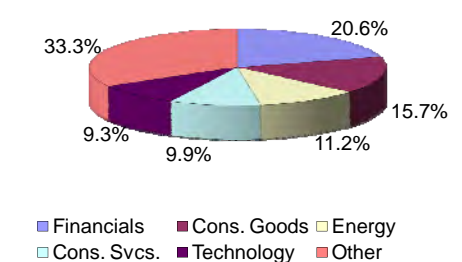
Asset Mix



Geographic Breakdown



Sector Breakdown



Renaissance Global Markets Fund

Fund Codes

Front End	ATL 1029
DSC	ATL 1873
Min Purchase	\$500

Investment Objective

The Fund's objective is to obtain long-term growth of capital and income by investing primarily in equity and debt securities on a worldwide basis.

Strategy

The fund invests in equity securities of companies located around the world that are priced below their intrinsic value as determined by the portfolio sub-advisor. Investments will be focused in areas the portfolio sub-advisor finds the most compelling at any given time and could result in a concentrated portfolio and relatively high exposure to individual countries and/or sectors.

Analysis

- During the quarter, the manager deployed some of the cash holdings into some of the fund names that have been out of favour with investors.
- The manager is quite concerned about inflation given that amount of liquidity that has been injected into the economy in the West and Japan.
- Recent rallies have made finding opportunities more challenging, but believes that opportunities are available if you look off the beaten track.
- He likes businesses with pricing power, for example companies involved in the jewelry business.
- Continues to be a great core global equity fund for most investors, but like other concentrated funds, it will have periods where the performance is out of sync with the broader market.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.6%	9.3%	12.2%	7.3%	9.5%	1.6%	4.8%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	1	2	2	2	1	1	2

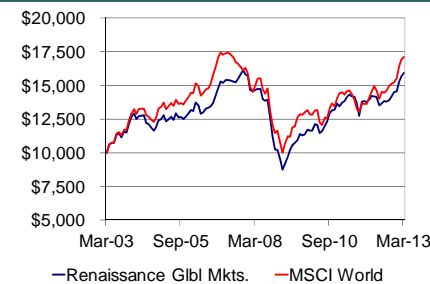
Fund Facts

Fund Sponsor	CIBC Asset Management
Fund Manager	David Winters (Oct 06)
Inception Date	January 11, 1993
Total Assets	\$256.40 Million
Management Fee / MER	2.00% 2.68%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

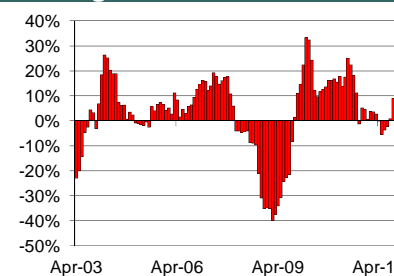
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.06%	0.69%
Standard Deviation	3.84%	13.31%
Sharpe Ratio	-0.01	-0.02
Alpha (5 Year)		-0.04%
Beta (5 Year)		0.84
Worst Drawdown	-45.82% (Nov 07 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



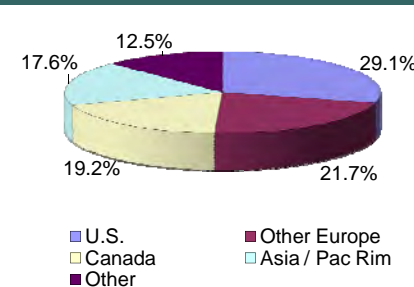
Rolling 12 Month Returns



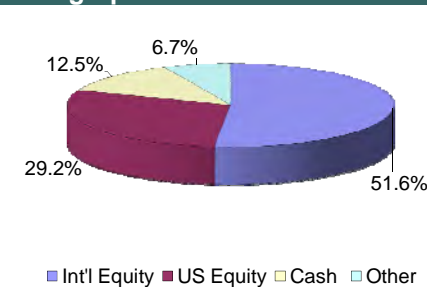
Top 10 Holdings (Sep 30/12)

Jardine Matheson Holdings	10.0%
Swatch Group AG	5.7%
Berkshire Hathaway Inc.	5.6%
British American Tobacco	5.5%
Richemont SA	5.4%
Schindler Holding Ltd.	4.3%
Franklin Resources	4.2%
Nestle SA	4.0%
Canadian Natural Resources	3.8%
Imperial Tobacco Group	3.7%
Total	52.1%

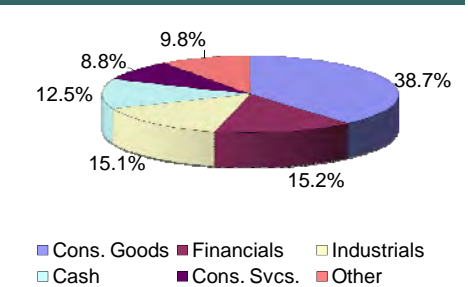
Asset Mix



Geographic Breakdown



Sector Breakdown



Invesco International Growth Class

Fund Codes

Front End	AIM 633
DSC	AIM 631
Min Purchase	\$500

Investment Objective

Invesco International Growth Class seeks to provide long-term capital growth by primarily investing in mid- and large-cap stocks of companies located outside of Canada and the United States. The Fund will generally not invest more than 10 per cent of its total assets in Canadian and U.S. companies.

Strategy

Based on the principle that corporate earnings drive stock prices, the Fund targets those companies demonstrating constant and improving growth. Growth not yet reflected in the price of the stock. Manager follows their EQV approach, identifying companies with strong and consistent earnings growth, quality and sustainable earnings, trading at a reasonable valuation.

Analysis

- The managers look for high quality companies with the potential for above sustainable, average earnings growth that are trading at a reasonable valuation.
- They remain cautious about the underlying economic growth and market fundamentals.
- They believe that the strong gains in the first quarter were driven more by monetary policy rather than fundamentals.
- The fund has had a pretty solid run out of the February 2009 lows. We are beginning to monitor for any erosion to the risk reward parameters of the fund.
- We would suggest that investors rebalance their position in this fund after its run-up over the past year.

This analysis is provided for advisor use only. Past results do not guarantee future returns. Mutual funds may lose money over time. Although data is gathered from sources believed to be reliable, Paterson & Associates cannot guarantee completeness and accuracy. Important information about these funds is found in the fund's simplified prospectus. Obtain a copy and read it before investing.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-0.3%	6.5%	11.0%	6.3%	6.7%	-0.4%	6.9%
MSCI EAFE	-0.4%	7.4%	13.7%	5.4%	5.6%	-0.5%	6.3%
Quartile	2	1	2	1	1	1	1

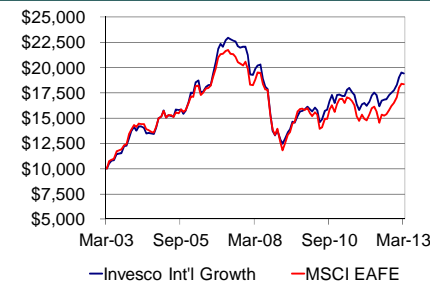
Fund Facts

Fund Sponsor	Invesco Trimark
Fund Manager	Jason Holzer (Jul 00) Class Olsson (Jul 00)
Inception Date	July 10, 2000
Total Assets	\$229.30 Million
Management Fee / MER	2.00% 2.90%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

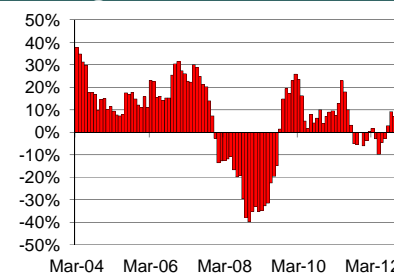
Portfolio Characteristics

	Monthly	Annualized
Average Return	-0.22%	-2.66%
Standard Deviation	3.98%	13.79%
Sharpe Ratio	-0.08	-0.26
Alpha (5 Year)		0.00%
Beta (5 Year)		0.83
Worst Drawdown	-45.65% (May 07 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



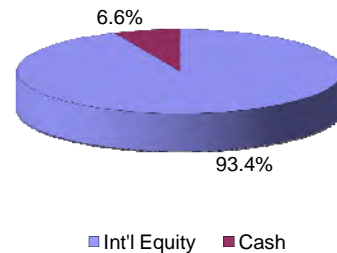
Rolling 12 Month Returns



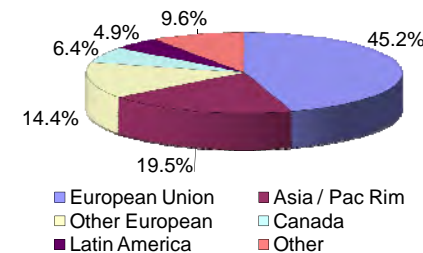
Top 10 Holdings (Mar 31/13)

Invesco Cdn \$ Cash Mgmt	6.3%
Aryzta AG	3.2%
Compass Group	2.4%
SAP AG	2.2%
DCC PLC	2.2%
Anheuser-Busch InBev	2.2%
Banco Bradesco SA	2.1%
IG Group Holding PLC	1.9%
First Pacific Co. Ltd.	1.9%
Informa PLC	1.8%
Total	26.2%

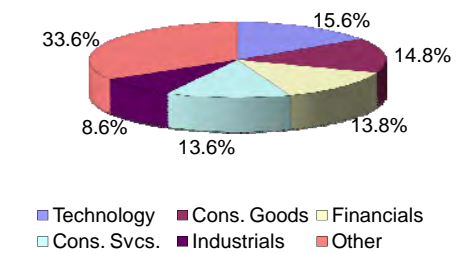
Asset Mix



Geographic Breakdown



Sector Breakdown



Trimark Fund

Fund Codes

Front End	AIM 1513
DSC	AIM 1511
Min Purchase	\$500

Investment Objective

Trimark Fund seeks to achieve strong capital growth with a high degree of reliability over the long term. The Fund invests primarily in equities of companies anywhere in the world.

Strategy

The portfolio management team focuses on companies with sustainable competitive advantages, barriers to entry, strong growth prospects and good management teams. Companies tend to be purchased at prices below their long-term intrinsic value as determined by anticipated earnings and cash flow growth over the next 5 to 10 years. This helps to create a margin of safety to minimize the possibility of a permanent loss of capital. There is no attempt to mirror the composition of the Fund's benchmark index.

Analysis

- The fund lagged the index over the quarter, largely due to the 10% cash weighting, which dragged performance relative to the benchmark.
- The fund was also hurt by its exposure to Apple and some energy names.
- The fund looks very different than its benchmark, which will likely result in a return stream that is also quite different.
- The high cash position will allow the manages to pick up high quality names at attractive valuations in periods of volatility, but it will also drag returns in a run-up.
- We believe that this is a good pick for the long term, but may have some short term concerns regarding performance. We will continue to monitor this going forward.

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Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.4%	8.7%	13.7%	12.9%	9.4%	1.3%	4.6%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	2	2	1	1	1	2	2

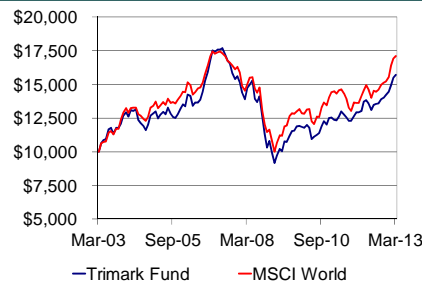
Fund Facts

Fund Sponsor	Invesco Trimark	
Fund Manager	Michael Hatcher (Apr 11) Jeff Feng (Apr 11)	
Inception Date	September 1, 1981	
Total Assets	\$2,819.90 Million	
Management Fee / MER	1.75%	1.73%
Risk Rating	Moderate	
Objective	Growth	
Time Horizon	Long	

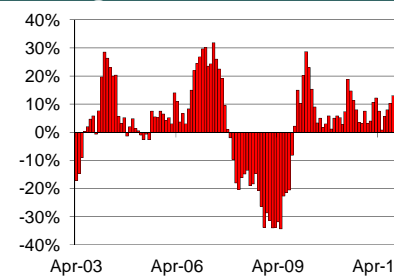
Portfolio Characteristics

	Monthly	Annualized
Average Return	-0.13%	-1.57%
Standard Deviation	3.99%	13.84%
Sharpe Ratio	-0.05	-0.18
Alpha (5 Year)	-0.09%	
Beta (5 Year)	0.93	
Worst Drawdown	-48.25% (Jun 07 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



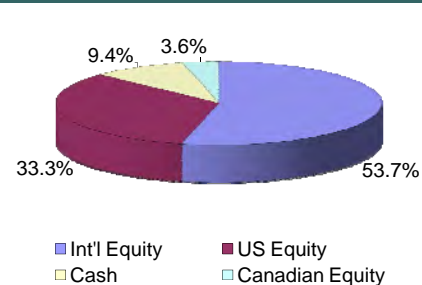
Rolling 12 Month Returns



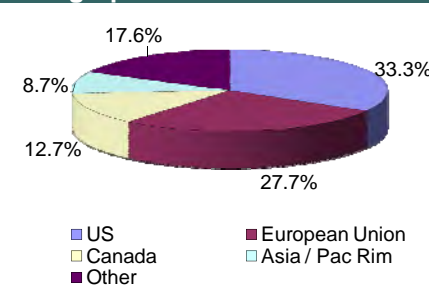
Top 10 Holdings (Mar 31/13)

Invesco Cdn \$ Cash Mgmt	9.0%
Henkel KGaA	3.7%
Nestle SA	3.6%
Becton Dickinson & Co.	3.5%
Google Inc.	3.4%
Walt Disney	3.3%
Adidas AG	3.1%
Novartis AG	3.1%
Visa	3.0%
British American Tobacco	3.0%
Total	38.6%

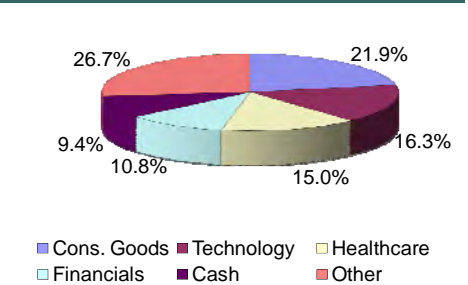
Asset Mix



Geographic Breakdown



Sector Breakdown



Trimark Global Endeavour

Fund Codes

Front End	AIM 1593
DSC	AIM 1591
Min Purchase	\$500

Investment Objective

The Fund seeks to generate long term capital growth by investing primarily in mid-cap equity securities from anywhere in the world.

Strategy

To achieve these objectives, the manager applies a rigorous bottom-up fundamental investment approach to analyze the quality and value of individual companies to determine whether or not to invest in them. There is no attempt to mirror the composition of the Fund's benchmark index.

Analysis

- We added this fund to our Recommended List in March 2013.
- Managed using the Trimark process, they look for industry leaders with strong growth potential and stable financial structures.
- They also look to buy companies when they are trading at a significant discount to their estimate of its true worth.
- They take a long term time horizon, typically three to five years.
- The portfolio is concentrated, holding 26 names with the top ten making up nearly 44% of the fund.
- The process is benchmark agnostic.
- Cash is currently sitting at 17%, resulting from recent profit taking in a number of names that are approaching full valuation. The team is having difficulty finding opportunities trading at the right valuation.
- This positioning will hurt performance in a rally, but will help to lower volatility and will help protect in a selloff.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.2%	5.3%	8.1%	8.2%	12.5%	6.8%	7.5%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	3	4	4	1	1	1	1

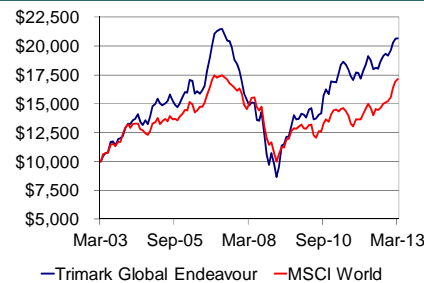
Fund Facts

Fund Sponsor	Invesco Trimark
Fund Manager	Jeff Hyrich (Dec 01) Erin Greenfield (Dec 08)
Inception Date	June 8, 1993
Total Assets	\$747.20 Million
Management Fee / MER	2.00% 2.67%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

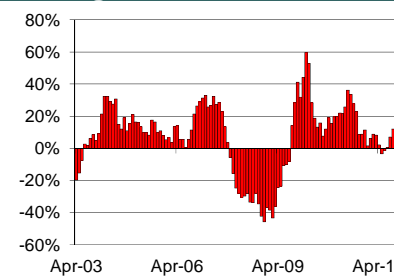
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.01%	0.17%
Standard Deviation	5.79%	20.05%
Sharpe Ratio	-0.01	-0.04
Alpha (5 Year)		0.34%
Beta (5 Year)		1.27
Worst Drawdown	-59.74% (May 07 to Present)	
Time to Recover	Still Recovering	

Growth of Investment



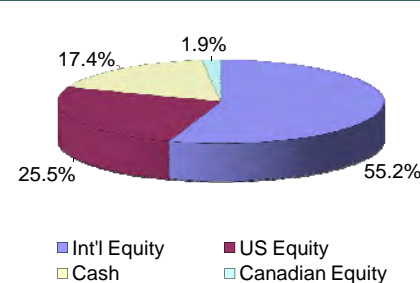
Rolling 12 Month Returns



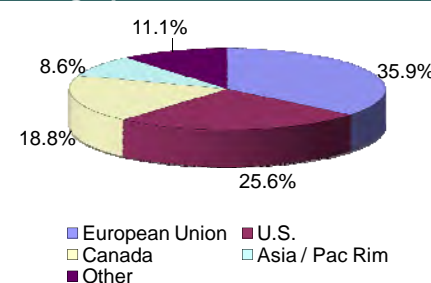
Top 10 Holdings (Mar 31/13)

Invesco Cdn \$ Cash Mgmt	10.3%
Ross Stores Inc.	6.8%
Invesco US \$ Cash Mgmt	6.6%
DCC PLC	5.6%
Hyundai Mobis	5.2%
WellPoint Inc.	4.7%
McGraw-Hill Cos.	3.9%
Ryanair Holdings PLC	3.7%
Wiener Staeditsche	3.7%
Versicherung	
Kingspan Group PLC	3.6%
Total	54.3%

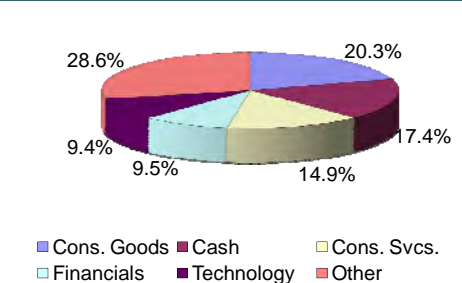
Asset Mix



Geographic Breakdown



Sector Breakdown



CI Global Small Companies

Fund Codes

Front End	CIG 215
DSC	CIG 815
Min Purchase	\$500

Investment Objective

This fund's objective is to seek maximum long-term capital growth. It invests primarily in equity and equity-related securities of small to mid-capitalization companies around the world. The fund may make large investments in any country including developed and emerging markets and emerging industries of any market.

Strategy

The portfolio adviser identifies companies that have the potential for strong growth in their industry and then considers the impact of economic trends. The portfolio adviser may use techniques such as fundamental analysis to assess growth potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio adviser analyzes financial data and other information sources assesses the quality of management.

Analysis

- Given that many central banks, have hinted that some stimulus may be removed earlier than previously thought, the managers do not believe that multiple expansion can continue.
- They believe that only companies with strong management and the ability to generate significant shareholder yield can grow their businesses.
- They have done a great job keeping volatility in check. It is lower than both the index and the category average.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.6%	11.2%	9.6%	4.4%	9.4%	3.5%	7.3%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	3	3	3	2	1	1	1

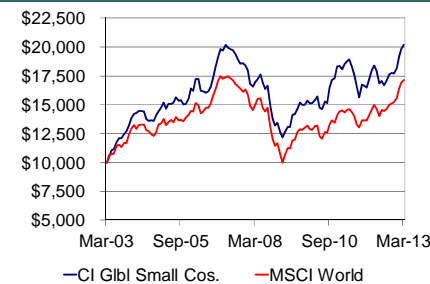
Fund Facts

Fund Sponsor	CI Investments
Fund Manager	Bill Priest (Aug 02)
Inception Date	April 7, 1993
Total Assets	\$123.80 Million
Management Fee / MER	2.00% 2.44%
Risk Rating	Moderate to High
Objective	Growth
Time Horizon	Medium to Long

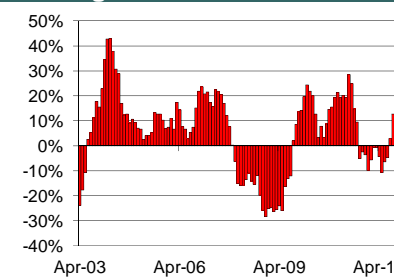
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.04%	0.43%
Standard Deviation	3.93%	13.60%
Sharpe Ratio	-0.01	-0.04
Alpha (5 Year)		0.09%
Beta (5 Year)		0.92
Worst Drawdown	-39.65% (Apr 07 to Present)	
Time to Recover	Still Recovering	

Growth of Investment



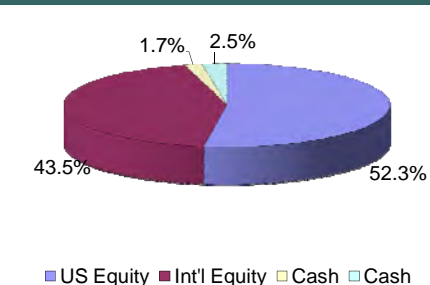
Rolling 12 Month Returns



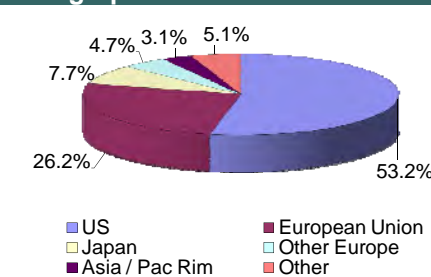
Top 10 Holdings (Mar 31/13)

Ashtead Group PLC	1.3%
Canadian dollars	1.3%
Arthur J. Gallagher & Co.	1.3%
Subsea 7 SA	1.2%
Hexcel Corp.	1.1%
Prosiebensat 1 Media	1.1%
Woodward Inc.	1.1%
Oil States International	1.0%
Alkermes PLC	1.0%
Ryland Group Inc.	0.9%
Total	11.4%

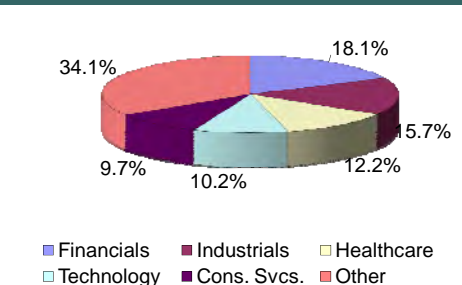
Asset Mix



Geographic Breakdown



Sector Breakdown



Mackenzie Cundill Recovery

Fund Codes

Front End	MFC 742
DSC	MFC 842
Min Purchase	\$500

Investment Objective

The Fund pursues long-term capital growth primarily from investment, on a worldwide basis, in equity securities of companies which are recently under-performing, companies in turnaround situations and companies with lower credit ratings.

Strategy

The Fund invests in securities which are expected to generate a higher return, or yield, but with a higher level of risk at the individual company level. Often the companies do not have investment-grade credit ratings, but may be lower rated or unrated. The Fund seeks out investments in companies which are recently underperforming or are pursuing a turnaround strategy after encountering financial difficulties, but which offer the potential for significant future gains when analyzed.

Analysis

- It dramatically underperformed the benchmark largely due to its holdings in Chinese property stocks, which were hit very hard during the quarter.
- This highlights the risk of a fund such as this. They can take concentrated bets on sectors that may look good over the long term, but may result in higher volatility.
- Despite the selloff, the manager remains committed to China, which may result in heightened volatility in the short term.
- We continue to believe that this is a good fund for high risk investors looking for deep value exposure to recovery situations. Those who cannot take the risk associated with this fund should avoid it.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-5.3%	4.0%	5.5%	-5.1%	2.1%	-1.6%	10.3%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	4	4	3	4	4	4	1

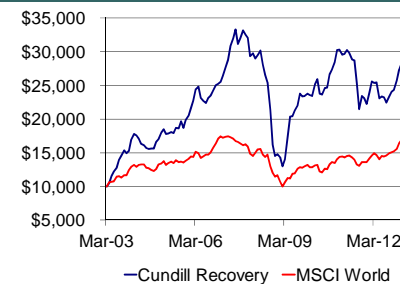
Fund Facts

Fund Sponsor	Mackenzie Financial	
Fund Manager	James Morton (Jun 03)	
Inception Date	October 7, 1998	
Total Assets	\$1,176.80 Million	
Management Fee / MER	2.00%	2.60%
Risk Rating	High	
Objective	Growth	
Time Horizon	Long	

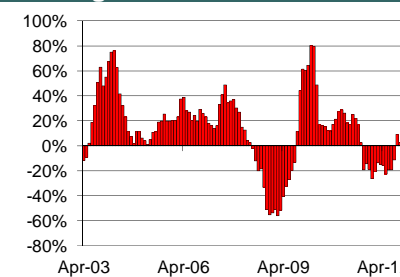
Portfolio Characteristics

	Monthly	Annualized
Average Return	-0.26%	-3.06%
Standard Deviation	7.46%	25.86%
Sharpe Ratio	-0.04	-0.15
Alpha (5 Year)		-0.26%
Beta (5 Year)		1.40
Worst Drawdown	-60.91% (Aug 07 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



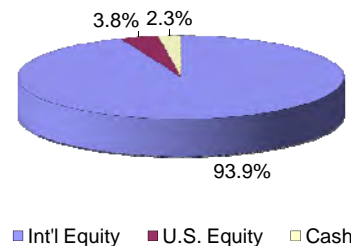
Rolling 12 Month Returns



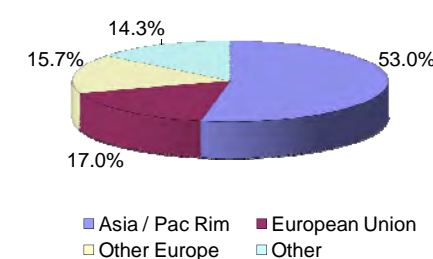
Top 10 Holdings (Jan 31/13)

Guangzhou Investment Co.	7.5%
Nizhnekamskneftekhim OAO	4.6%
Motor Sich	4.2%
Tian An China Investments	4.2%
HeidelbergCement AG	3.7%
Raven Russia Ltd.	3.7%
KWG Property Holding Ltd.	3.5%
Road King Infrastructure Ltd.	3.1%
Poly (Hong Kong) Inv.	3.1%
First Pacific Co. Ltd.	2.9%
Total	40.5%

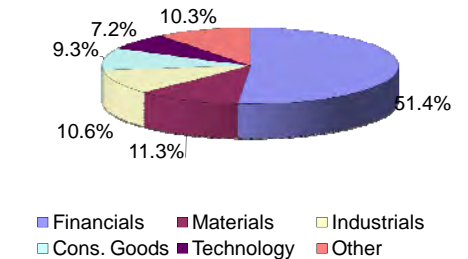
Asset Mix



Geographic Breakdown



Sector Breakdown



Templeton Global Smaller Companies

Fund Codes

Front End	TML 707
DSC	TML 737
Min Purchase	\$500

Investment Objective

Long-term capital appreciation by investing primarily in equity securities of smaller companies around the world.

Strategy

The Fund will primarily hold equity securities of smaller companies in developed countries, as well as in emerging markets; may hold a portion of its assets in cash, money market securities or money market mutual funds while seeking investment opportunities or for defensive purposes; may invest in any country or industry in any proportion; selects investments from many different industries and countries to enhance returns and reduce risks.

Analysis

- We have been concerned about this fund for the past couple of quarters, particularly from a volatility perspective. It remains **UNDER REVIEW** and we are monitoring its risk reward profile for further erosion.
- The investment approach is a value focused, bottom up approach that looks to identify names that are undervalued relative to their assets or earnings.
- The fund gained 10.8% in the quarter, underperforming its benchmark.
- The fund's financial and consumer names added to performance, while underperformance in its healthcare names dragged performance.
- Trading activity was higher than normal as the manager took profits in many of the names which had strong gains of late.
- We will continue to monitor the risk reward profile of this fund.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.4%	10.8%	8.7%	-2.4%	2.5%	2.2%	6.7%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	3	3	3	3	3	2	2

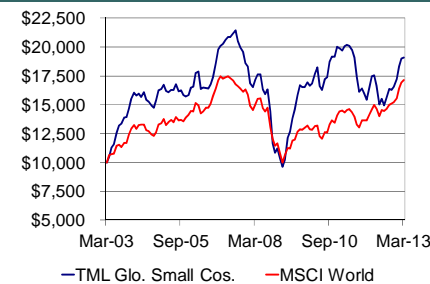
Fund Facts

Fund Sponsor	Franklin Templeton Inv.
Fund Manager	Martin Cobb (Mar 11)
Inception Date	January 31, 1989
Total Assets	\$740.30 Million
Management Fee / MER	2.00% 2.69%
Risk Rating	Moderate to High
Objective	Growth
Time Horizon	Long

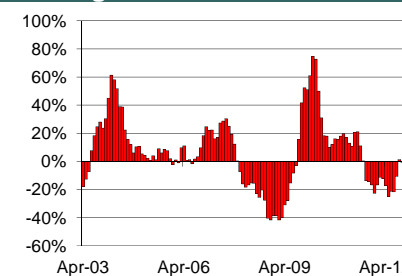
Portfolio Characteristics

	Monthly	Annualized
Average Return	-0.15%	-1.82%
Standard Deviation	5.97%	20.70%
Sharpe Ratio	-0.04	-0.13
Alpha (5 Year)		-0.04%
Beta (5 Year)		1.34
Worst Drawdown	-55.11% (Aug 07 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



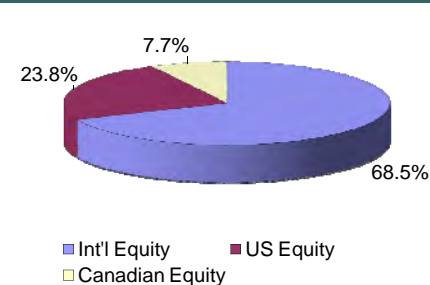
Rolling 12 Month Returns



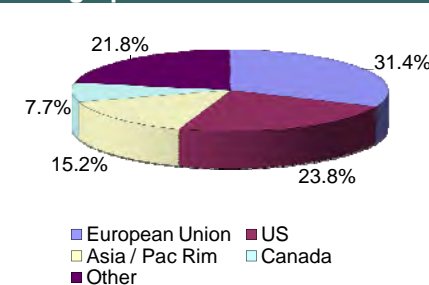
Top 10 Holdings (Dec 31/12)

AllianceBernstein Holding	2.9%
Popular Inc.	2.9%
HudBay Minerals Inc.	2.8%
BS Financial Group	2.6%
Ensign Energy Services	2.5%
Tutor Perini	2.4%
Techtronic Industries	2.3%
Hajime Construction Co.	2.2%
Callaway Gold Co.	2.1%
Kobayashi Pharmaceuticals	2.0%
Total	24.6%

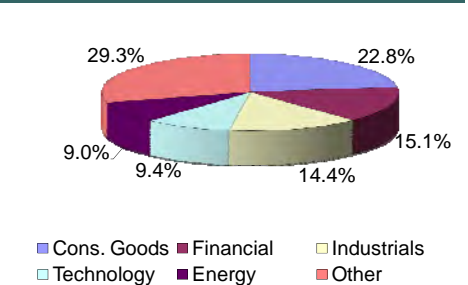
Asset Mix



Geographic Breakdown



Sector Breakdown



Specialty / Sector Funds

Funds

The Specialty / Sector Funds is a category that will include many sector funds such as emerging markets, healthcare, resources, science and technology, and real estate funds. In addition, this category may also contain more traditional core type mutual funds which are considerably more risky and volatile than a traditional core fund. We look for funds managed by strong management teams which have a demonstrated history of delivering strong risk adjusted returns to investors. We are also looking for managers who are not afraid to make tactical calls within their funds where the opportunities are supported by the risk / reward tradeoff.

Within the context of a well diversified portfolio, these funds are used for two main purposes; increasing returns, and risk reduction benefits because of the lower correlation profile of these funds to the more traditional core funds. Because of the higher volatility or the narrower focus of these funds, investors should exercise caution when using these funds. Investors will want to make sure that they limit exposure to these funds to no more than 15% to 20% of their overall portfolio, with individual holdings being capped in the 5% to 7.5% range.

Additions and Deletions

- **AGF Emerging Markets** – While we have been impressed with the job that the management team led by Stephen Way have been doing with this fund, we continue to keep it **UNDER REVIEW** for the near term. We note that the fund has outperformed the Westwood Emerging Markets Fund, which former manager Patricia Perez-Coutts is currently managing. We continue to watch the AGF offering for any erosion in the risk reward profile of the fund.
- **Brandes Emerging Markets** – For those looking for an alternative to the AGF fund, this deep value offering from Brandes might just do the trick. Managed using the Graham and Dodds style of value investing, they look for companies that are out of favour with investors and whose share prices have been beaten down by the market. It is a very diversified portfolio, holding more than 70 names. In looking at the EM category, this is the next best thing to the AGF offering in terms of both absolute and risk adjusted performance. Although, you will find that it is considerably more volatile, this may be a consideration for those investors with more moderate risk tolerances. Like any sector type fund, portfolio exposure should be based on how comfortable the investor is with risk.

Suggested Portfolio Weighting by Investor Type

	Conservative	Moderate Balanced	Balanced	Balanced Growth	Growth
Specialty / Sector (Total)	0% to 5%	0% to 5%	5% to 10%	5% to 10%	10% to 20%
Healthcare	5%	5%	7.5%	7.5%	7.5%
Real Estate	0%	0%	0%	0%	5%
Resources	0%	0%	2.5%	2.5%	5%
Emerging Markets	0%	0%	0%	0%	0%
Science & Tech.	0%	0%	0%	0%	0%
Aggressive / Tactical	0%	0%	0%	0%	0%

CI Global Health Sciences

Fund Codes

Front End	CIG 201
DSC	CIG 701
Min Purchase	\$500

Investment Objective

The fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of companies around the world that specialize in the care or medical industry. This includes companies that provide goods and services to these companies and companies that the portfolio adviser believes would benefit from developments in the health sciences industry.

Strategy

The portfolio adviser identifies companies that have the potential for strong growth in their industry and then considers the impact of economic trends. The portfolio adviser may use techniques such as fundamental analysis to assess growth potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio adviser analyzes financial data and other information sources assesses the quality of management.

Analysis

- It has been the best performing healthcare fund in the past three years.
- Pharmaceutical stocks have been on a nice run since last year as investors seeking yield moved into defensive sectors.
- Since this is a sector play, portfolio exposure should be limited to no more than 10% of the portfolio.
- Given the sharp run-up in value, investors may want to consider rebalancing their portfolios to take some profits off the table.

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Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	4.3%	19.5%	43.5%	23.9%	18.7%	12.0%	9.5%
MSCI Wrld Healthcare	4.4%	16.8%	27.7%	21.9%	14.8%	9.5%	5.1%
Quartile	2	1	1	1	1	1	1

Fund Facts

Fund Sponsor	CI Investments
Fund Manager	Andrew Waight (Jun 00)
Inception Date	July 23, 1996
Total Assets	\$165.30 Million
Management Fee / MER	2.00% 2.44%
Risk Rating	High
Objective	Growth
Time Horizon	Long

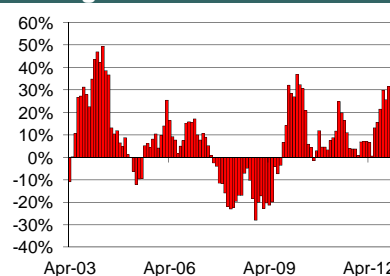
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.59%	7.33%
Standard Deviation	4.67%	16.17%
Sharpe Ratio	0.11	0.40
Alpha (5 Year)		0.58%
Beta (5 Year)		0.92
Worst Drawdown	-41.69% (Feb 07 - Jun 12)	
Time to Recover	65 Months	

Growth of Investment



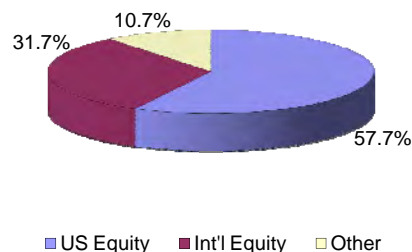
Rolling 12 Month Returns



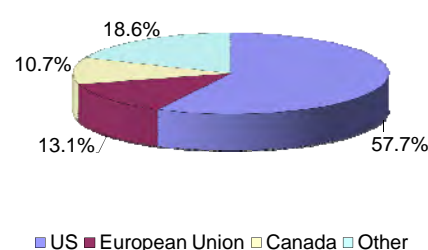
Top 10 Holdings (Mar 31/13)

Canadian dollars	7.1%
Healthsouth Corp.	5.5%
Boston Scientific	5.0%
Roche Holding AG	4.8%
BioMarin Pharmaceuticals	4.6%
Novartis AG	3.9%
Patheon Inc.	3.6%
Merck & Co.	3.6%
Coviden	3.1%
Sanofi-Aventis	3.1%
Total	44.2%

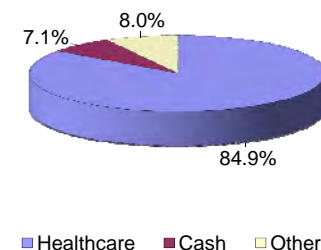
Asset Mix



Geographic Breakdown



Sector Breakdown



BMO Asian Growth & Income

Fund Codes

Front End	GGF 620
DSC	GGF 120
Min Purchase	\$500

Investment Objective

The Fund's goal is to provide income and capital appreciation by investing in a diversified portfolio of U.S. dollar-denominated convertible securities and higher yielding securities of Asian companies.

Strategy

The portfolio adviser attempts to achieve the Fund's investment objectives by selecting equities and convertible bonds through a bottom-up selection process based on a GARP (Growth at a reasonable price) methodology. Quantitative and qualitative techniques are used to identify dominant, well-managed businesses in growth industries, selling at discounts to their enterprise value and growth potential.

Analysis

- The goal of the fund is to participate in long term growth opportunities in Asia, but with lower volatility, less risk and better downside protection.
- They focus on companies with healthy balance sheets, high returns on capital, strong cash flow generation and significant competitive advantages.
- The fund outpaced both the index and the peer group during the quarter.
- Non Chinese property and financial holdings performed well, while materials and commodity focused names lagged.
- Valuation is a concern in Asia.
- This fund remains a great way for an investor with modest risk tolerance to access Asia without taking on as much volatility risk as they would with a pure equity play.

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Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-1.0%	6.1%	19.6%	9.1%	9.0%	5.2%	N/A
MS Far East	-0.1%	7.3%	10.1%	5.0%	5.4%	1.3%	N/A
Quartile	1	1	1	1	1	1	N/A

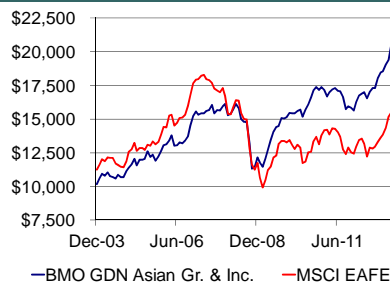
Fund Facts

Fund Sponsor	BMO GDN Funds	
Fund Manager	Robert Horrocks (Aug 09) Jesper Madsen (Mar 11)	
Inception Date	August 25, 2003	
Total Assets	\$870.20 Million	
Management Fee / MER	2.25%	2.85%
Risk Rating	High	
Objective	Growth	
Time Horizon	Long	

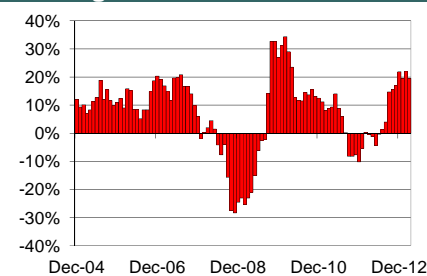
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.37%	4.53%
Standard Deviation	3.59%	12.44%
Sharpe Ratio	0.08	0.29
Alpha (5 Year)		0.45%
Beta (5 Year)		0.61
Worst Drawdown	-29.76% (Jan 08 - Aug 10)	
Time to Recover	32 Months	

Growth of Investment



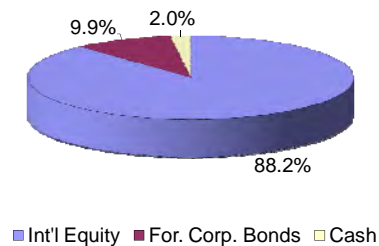
Rolling 12 Month Returns



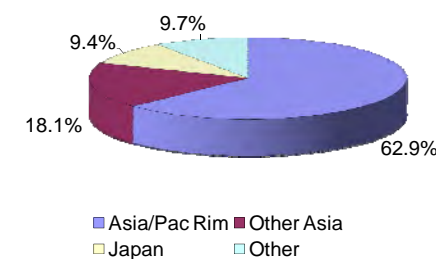
Top 10 Holdings (Mar 31/13)

Singapore Tech Engineering	4.2%
HSBC Holdings PLC	2.8%
Ascendas REIT	2.7%
AIA Group Ltd.	2.7%
Japan Real Estate Inv. Corp.	2.6%
Jarding Matheson Holding	2.6%
Hisamitsu Pharmaceutical	2.6%
Keppel Corp. Ltd.	2.5%
China Petroleum & Chem.	2.4%
United Overseas Bank Ltd.	2.3%
Total	27.2%

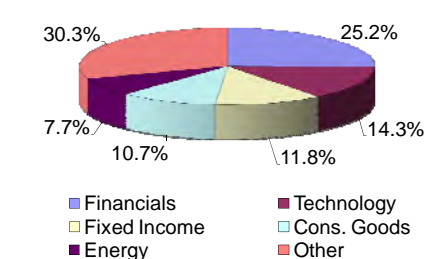
Asset Mix



Geographic Breakdown



Sector Breakdown



Dynamic Global Real Estate

Fund Codes

Front End	DYN 085
DSC	DYN 785
Min Purchase	\$500

Investment Objective

The Dynamic Global Real Estate Fund seeks to achieve long-term capital appreciation primarily through investment in a diversified portfolio of equity and debt securities of Canadian businesses with potential for increased value as a result of ownership, management or other investment in real estate assets.

Strategy

The Fund invests primarily in securities of companies in Canada that manage real estate or any business which may increase in value as a result of ownership of, investment in, management of, or relationship to real estate assets.

Analysis

- Portfolio is fairly concentrated holding 49 names with the top 10 making up 36%.
- Portfolio is North American focused with more than 70% invested in the region.
- Over the quarter, they have increased their global exposure, taking profits in diversified companies and adding to retail focused firms.
- Even with Canadian valuations near their peak, they still expect mid to high single digit total returns.
- This is a good way to gain access to the real estate market. Has provided decent returns with lower volatility than its peers.
- We expect that trend to continue going forward. It may not be the best performer on an absolute basis, but will do well on a risk adjusted basis.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-0.9%	3.2%	13.7%	11.2%	11.2%	5.2%	10.2%
TSX Real Est.	-1.3%	2.3%	14.1%	11.0%	17.2%	10.4%	8.5%
Quartile	4	4	4	2	2	1	2

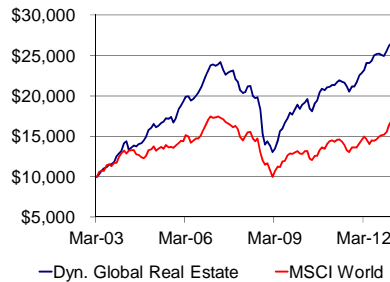
Fund Facts

Fund Sponsor	Dynamic Funds
Fund Manager	Oscar Belaiche (Jan 99) Tom Dicker (Apr 11)
Inception Date	December 31, 1996
Total Assets	\$203.00 Million
Management Fee / MER	2.00% 2.44%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

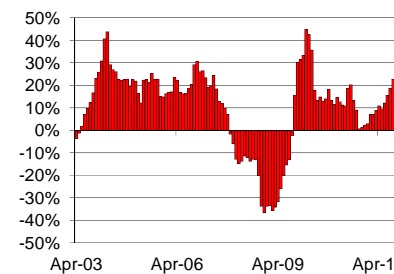
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.19%	2.26%
Standard Deviation	3.97%	13.74%
Sharpe Ratio	0.03	0.10
Alpha (5 Year)		0.28%
Beta (5 Year)		0.77
Worst Drawdown	-46.02% (Jun 07 - Jun 12)	
Time to Recover	61 Months	

Growth of Investment



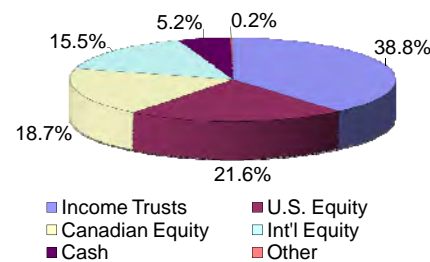
Rolling 12 Month Returns



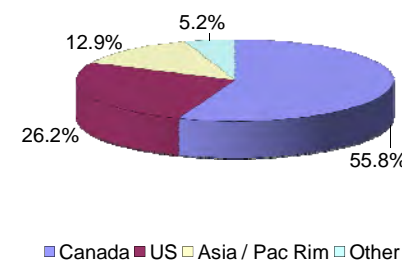
Top 10 Holdings (Jan 31/13)

Allied Properties REIT	4.4%
Brookfield Properties Corp.	4.3%
U.S. Dollars	4.3%
Westfield Group	4.2%
Simon Property Group	4.2%
InterRent REIT	4.2%
Brookfield Asset Mgmt.	4.0%
Fortune REIT	4.0%
Morguard Corporation	4.0%
Dundee REIT	3.7%
Total	41.3%

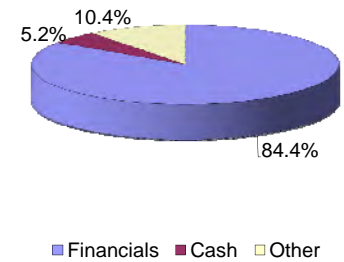
Asset Mix



Geographic Breakdown



Sector Breakdown



Brandes Emerging Markets Equity

Fund Codes

Front End	BIP 171
DSC	BIP 271
Min Purchase	\$500

Investment Objective

To achieve long-term capital appreciation by investing in the equity securities of companies in emerging markets. The Fund is not subject to any specific geographic diversification requirements.

Strategy

Brandes LP is a Graham & Dodd value-oriented, global investment adviser that applies fundamental analysis to bottom-up security selection. Brandes LP believes that consistently buying businesses at discounts to conservative estimates of their intrinsic value has the potential to produce competitive long-term results.

Analysis

- We added this fund to our Recommended List in March 2013.
- For those looking to an alternative to the **AGF Emerging Markets Fund**, this may be a good fund to consider.
- it is managed using a value drive process that look for companies that are out of favour and whose share prices has been beaten down by the market.
- Diversified portfolio holding 70 names.
- Performance on a relative basis has been strong, particularly over the long term, outpacing both the index and its peers.
- On an absolute basis, the 2.70% MER is high. However, when compared to the peer group, it is below average.
- This is a good option for those looking for EM exposure. It is more volatile than the AGF offering, so investors must be able to stomach the bumpier ride.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-2.5%	5.1%	2.9%	-3.6%	1.2%	3.4%	11.8%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	2	1	2	3	2	1	1

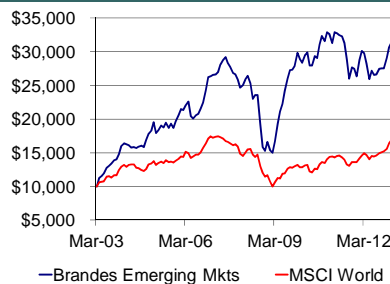
Fund Facts

Fund Sponsor	Brandes Investment Partners	
Fund Manager	Brandes Management Team	
Inception Date	July 2, 2002	
Total Assets	\$175.00 Million	
Management Fee / MER	2.20%	2.70%
Risk Rating	High	
Objective	Growth	
Time Horizon	Long	

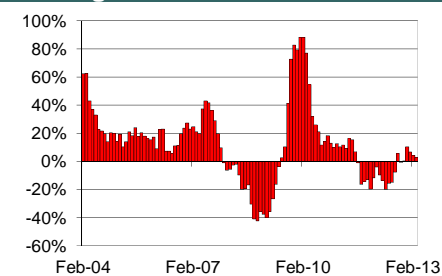
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.09%	1.06%
Standard Deviation	6.33%	21.92%
Sharpe Ratio	0.00	0.01
Alpha (5 Year)		0.41%
Beta (5 Year)		1.17
Worst Drawdown	-48.52% (Aug 07 to Dec 09)	
Time to Recover	29 Months	

Growth of Investment



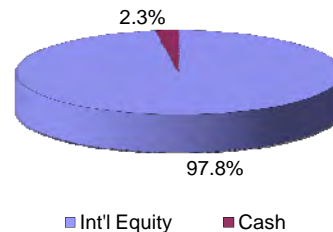
Rolling 12 Month Returns



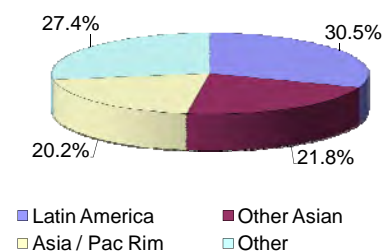
Top 10 Holdings (Feb 28/13)

Tim Participacoes	4.1%
Embraer SA	3.4%
Erste Bank der Oesterreichischen	3.2%
Flextronics International	3.1%
Hyundai Motor Co.	2.8%
Patroleo Brasileiro SA	2.8%
First Pacific Co.	2.7%
Yingde Gases Group Co.	2.6%
LUKoil ADR	2.6%
China Mobile Ltd.	2.5%
Total	29.7%

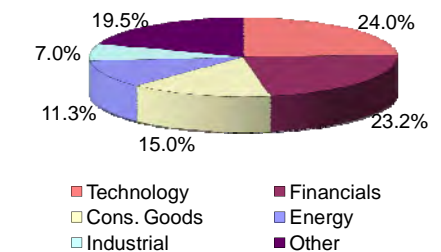
Asset Mix



Geographic Breakdown



Sector Breakdown



Dynamic Power Global Growth Class

Fund Codes

Front End	DYN 014
DSC	DYN 714
Min Purchase	\$500

Investment Objective

The Dynamic Power Global Growth Class seeks long term capital appreciation through investment in a broadly diversified portfolio consisting primarily of equity securities of non-Canadian businesses.

Strategy

The Dynamic Power Global Growth Class invests in a broadly diversified portfolio of equity securities of business situated outside of Canada. The portfolio managers use a growth style to select investments, which means they look for well-capitalized companies whose earnings show above average growth. Based on the manager's view of the global capital markets, the Fund may invest from time to time in a limited number of countries and areas of the world.

Analysis

- This is not a fund that is, in our opinion, well suited as a core fund.
- We feel it is more of a tactical play and a shorter term hold for more aggressive investor looking to add incremental return and is comfortable with the higher level of volatility associated with the fund.
- It continued its recent trend of underperformance, gaining 3.1%, while the MSCI World gained more than 10% in Canadian dollar terms.
- Manager vows to continue to implement their actively managed, high conviction investment approach.
- Definitely not for the faint of heart and one must be able to sustain periods of underperformance to invest in this fund.

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Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-1.2%	3.1%	-2.0%	-3.3%	9.1%	1.2%	9.9%
MSCI World	1.1%	10.1%	14.4%	9.3%	9.2%	2.7%	5.5%
Quartile	4	4	4	4	1	2	1

Fund Facts

Fund Sponsor	Dynamic Funds
Fund Manager	Noah Blackstein (Jan 01)
Inception Date	January 23, 2001
Total Assets	\$518.80 Million
Management Fee / MER	2.00% / 1.42%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

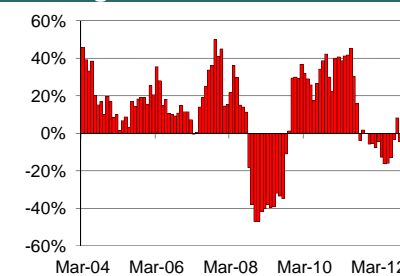
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.28%	3.35%
Standard Deviation	6.11%	21.15%
Sharpe Ratio	0.03	0.11
Alpha (5 Year)		-0.06%
Beta (5 Year)		1.19
Worst Drawdown	-52.87% (Jan 08 to Present)	
Time to Recover	Still Recovering	

Growth of Investment



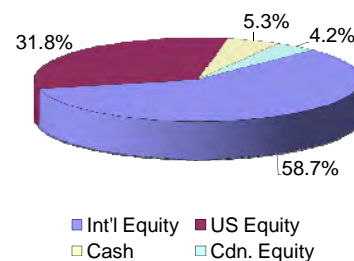
Rolling 12 Month Returns



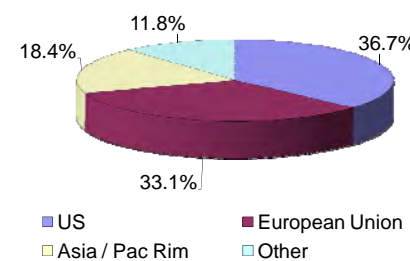
Top 10 Holdings (Jan 31/13)

Sands China Ltd.	6.5%
SolarWinds	6.4%
ARM Holdings PLC	6.2%
Michael Kors Holdings	5.8%
Ulta Salan Cosmetics & Frg.	5.8%
TeleCity Group PLC	5.6%
Tencent Holdings Ltd.	5.3%
Industria de Diseno Textil	5.2%
Regeneron Pharmaceuticals	5.1%
Prada SpA	5.0%
Total	56.9%

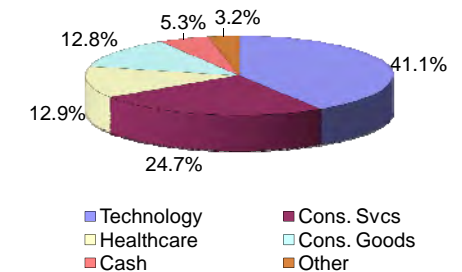
Asset Mix



Geographic Breakdown



Sector Breakdown



CI Signature Canadian Resources

Fund Codes

Front End	CIG 611
DSC	CIG 811
Min Purchase	\$500

Investment Objective

This fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of Canadian companies engaged in or related to the energy, commodity and natural resource industries.

Strategy

The portfolio advisor identifies companies that offer good value and the potential for strong growth in their industry and then considers the impact of economic trends. The portfolio advisor selects investments it believes are trading below their true value and that offer the potential for consistently high growth potential. The portfolio advisor may use techniques such as fundamental analysis to assess growth and value potential.

Analysis

- Manager tends to focus on larger firms, already in production. Nearly 75% of the fund is invested in large caps.
- The fund is a diversified portfolio holding approximately 60 names with the top 10 making up 30% of the fund.
- The manager remains conservatively positioned with higher than normal cash levels of approximately 8%.
- Asset mix has remained fairly constant, holding approximately 60% in energy and 30% in materials.
- Performance has been middle of the pack, but volatility has been near the low end of the category, making this one of the more attractive ways to play the resource space on a risk adjusted basis.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-1.1%	0.5%	-3.2%	-11.0%	-0.8%	-1.5%	14.0%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	3	2	1	2	2	1	1

Fund Facts

Fund Sponsor	CI Investments
Fund Manager	Scott Vali (Jan 06)
Inception Date	April 11, 1997
Total Assets	\$447.80 Million
Management Fee / MER	2.00% / 2.41%
Risk Rating	High
Objective	Growth
Time Horizon	Long

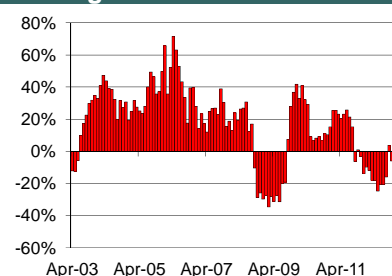
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.02%	0.24%
Standard Deviation	6.10%	21.13%
Sharpe Ratio	-0.01	-0.03
Alpha (5 Year)		-0.27%
Beta (5 Year)		1.13
Worst Drawdown	-44.48% (Jul 08 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



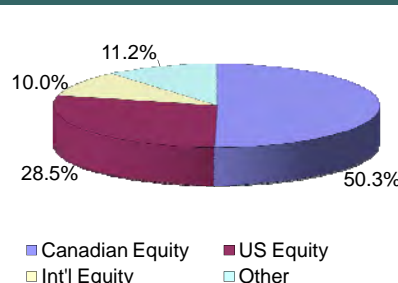
Rolling 12 Month Returns



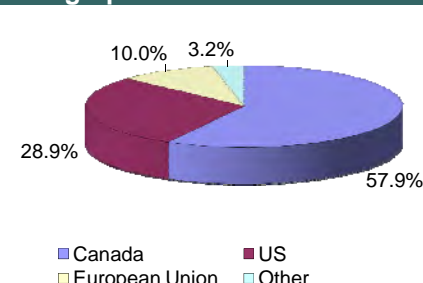
Top 10 Holdings (Jan 31/13)

ABN Amro 1.00% 02-Apr-13	7.4%
Tourmaline Oil Corp.	4.3%
Canadian Natural Resources	4.2%
Suncor Energy Inc.	3.8%
BHP Billiton PLC	3.6%
Gold Bullion	3.2%
Marathon Oil Corp.	3.0%
Barrick Gold Corp.	3.0%
Range Resources Corp.	3.0%
Schlumberger Ltd.	2.6%
Total	38.1%

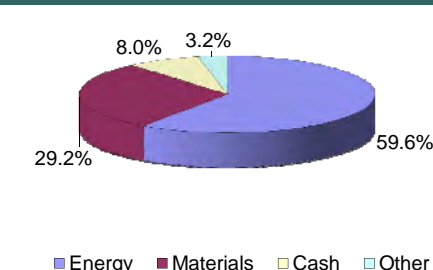
Asset Mix



Geographic Breakdown



Sector Breakdown



AGF Emerging Markets

Fund Codes

Front End	AGF 791
DSC	AGF 691
Min Purchase	\$500

Investment Objective

The fund's objective is to provide superior capital growth. It invests primarily in shares of companies that are located or active mainly in emerging market countries

Strategy

The Fund intends to invest primarily in issuers located in emerging markets, as defined by the Morgan Stanley Capital International Emerging Markets Total Return Index, as well as issuers located in Hong Kong and Singapore. The portfolio manager uses a bottom-up stock selection process favouring companies that are trading at a significant discount to what it believes is their underlying earnings potential.

Analysis

- The Fund remains **UNDER REVIEW** since last April's management change.
- The fund modestly underperformed the benchmark as relative underperformance from consumer staples and materials dragged overall performance.
- Emerging markets continue to show stronger levels of economic growth compared with developed markets.
- A recovery in the developed world will likely provide a boost to the emerging markets.
- With no clear cut global recovery underway, security selection will continue to be a key factor to outperformance.
- To date, we have been happy with the performance of the new management team. Still, we continue to keep the fund **UNDER REVIEW** for the next quarter or two.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-2.2%	0.2%	3.1%	1.1%	4.7%	4.4%	15.6%
MSCI Emg Mkt	-2.9%	0.4%	4.0%	-1.1%	3.6%	1.2%	13.1%
Quartile	2	3	2	1	1	1	1

Fund Facts

Fund Sponsor	AGF Funds	
Fund Manager	Stephen Way (Apr 12)	
Inception Date	March 11, 1994	
Total Assets	\$1,247.30 Million	
Management Fee / MER	2.50%	3.06%
Risk Rating	High	
Objective	Growth	
Time Horizon	Long	

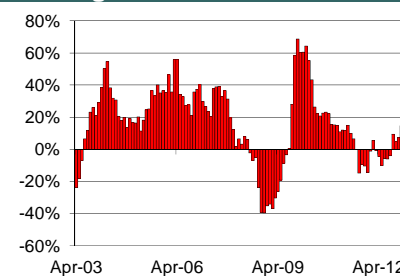
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.32%	3.86%
Standard Deviation	5.46%	18.91%
Sharpe Ratio	0.04	0.16
Alpha (5 Year)	0.46%	
Beta (5 Year)	0.93	
Worst Drawdown	-40.96% (Nov 07 - Nov 09)	
Time to Recover	24 Months	

Growth of Investment



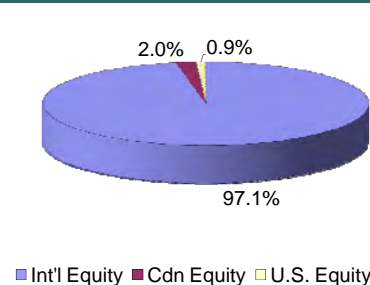
Rolling 12 Month Returns



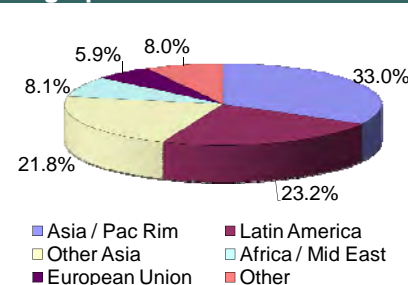
Top 10 Holdings (Feb 28/13)

Samsung Electronics Co.	2.9%
Lojas Renner SA	2.7%
Kasikornbank PCL	2.6%
ASM Pacific Technology Ltd.	2.5%
Taiwan Semiconductor Mfg.	2.4%
Wharf Holdings Ltd.	2.2%
VTech Holdings Ltd.	2.1%
First Pacific Co. Ltd.	2.1%
China Overseas Land Invest.	2.0%
ITC Ltd.	2.0%
Total	23.4%

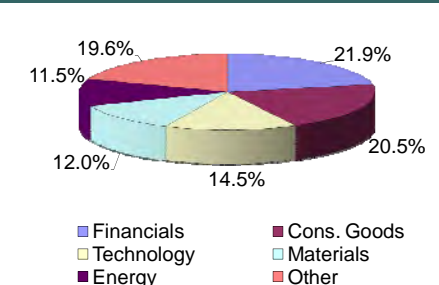
Asset Mix



Geographic Breakdown



Sector Breakdown



Balanced Funds

Index Performance Details							
	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Cdn Balanced. Index (60% TSX Composite / 40% DEX Bond Universe)	0.1%	2.3%	5.6%	1.7%	5.7%	3.7%	8.6%
Global Balanced Index (60% MSCI World Index / 40% DEX Bond Universe)	0.9%	6.3%	6.3%	10.5%	8.6%	8.3%	4.0%

Funds

Balanced / Income funds are funds which are a mix of equity and fixed income. We tend to favour conservatively managed funds with lower than average levels of volatility. We favour funds run by experienced management teams which employ a disciplined process with respect to asset mix selection, as well as security selection.

These funds can be used in a couple of fashions. Firstly, they can be used as a core holding in smaller accounts where the investor will automatically achieve exposure to fixed income and equities. Secondly, within a portfolio, these funds can act as an active overlay portion between the core fixed income and equity section of a portfolio. By employing a portion of a balanced fund in a well constructed portfolio, a slight asset mix tilt may be achieved, while at the same time keeping the risk reward profile of the fund intact. This occurs because the underlying manager will adjust their fund holdings on an ongoing basis.

Additions and Deletions

- There were no additions or deletions made to any of the funds in the Balanced Category

Suggested Portfolio Weighting by Investor Type

	Conservative	Moderate Balanced	Balanced	Balanced Growth	Growth
Balanced / Income (Total)	0%	0% to 10%	0% to 10%	0% to 10%	0% to 10%

CI Signature High Income Fund

Fund Codes

Front End	CIG 686
DSC	CIG 786
Min Purchase	\$500

Investment Objective

This fund's objective is to generate a high level of income and long-term capital growth. It invests primarily in high-yielding equity securities and Canadian corporate bonds.

Strategy

When deciding to buy or sell an investment, the portfolio adviser considers whether the investment is a good value relative to its current price. Fixed income securities may include foreign corporate and government fixed income securities. The fund may invest in corporate bonds that have a low credit rating or are unrated, but offer a higher yield than investment grade bonds.

Analysis

- This Fund was added to our Recommended List in September 2011. Since its addition to the list, it has delivered top quartile returns.
- The portfolio is a mix of high yielding equity securities and primarily corporate and high yield debt.
- Pays a monthly distribution of \$0.07 per month, which at current prices works out to an annualized yield of 5.8%. It is likely that this level is sustainable near term.
- We expect that this fund will continue to deliver above average relative returns. We don't expect that the absolute levels of returns are sustainable going forward.
- Portfolio may be riskier than historic volatility suggests because of its exposure to high yield debt.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-0.2%	2.9%	11.2%	7.4%	10.4%	7.4%	9.9%
Glb Bal Ind.	0.9%	6.3%	6.3%	10.5%	8.6%	8.3%	4.0%
Quartile	4	4	1	1	1	1	1

Fund Facts

Fund Sponsor	CI Investments
Fund Manager	Eric Bushell (Mar 05)
Inception Date	December 18, 1996
Total Assets	\$8,641.60 Million
Management Fee / MER	1.25% 1.60%
Risk Rating	Low to Moderate
Objective	Income
Time Horizon	Medium

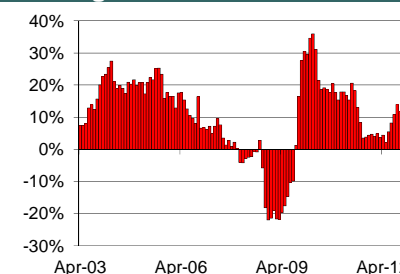
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.45%	5.59%
Standard Deviation	2.86%	9.91%
Sharpe Ratio	0.13	0.47
Alpha (5 Year)		0.50%
Beta (5 Year)		0.48
Worst Drawdown	-27.38% (Jun 07 - Apr 10)	
Time to Recover	35 Months	

Growth of Investment



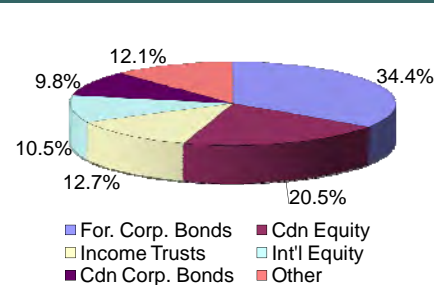
Rolling 12 Month Returns



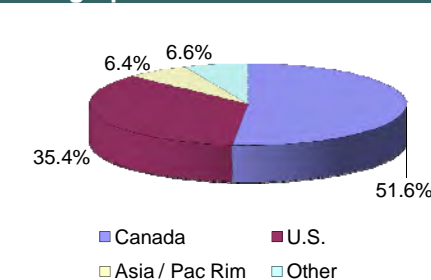
Top 10 Holdings (Mar 31/13)

ABN Amro 1.0% 02-Apr-13	3.9%
National Bank 01-Apr-13	3.2%
Inter Pipeline Fund	2.1%
Singapore Telecom Ltd.	1.8%
Suncor Energy Inc.	1.7%
Canadian REIT	1.6%
Cominar REIT	1.5%
Allied Properties REIT	1.5%
Transurban Group	1.4%
Royal Dutch Shell	1.4%
Total	20.1%

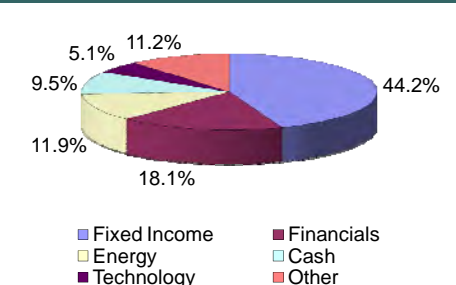
Asset Mix



Geographic Breakdown



Sector Breakdown



AGF Monthly High Income Fund

Fund Codes

Front End	AGF 766
DSC	AGF 689
Min Purchase	\$500

Investment Objective

The Fund's objective is to achieve a high level of monthly income by investing primarily in income producing securities with added diversification through selective investment in fixed income securities and common shares.

Strategy

The portfolio manager uses a bottom-up asset allocation approach to identify the most attractive income opportunities. The Fund's targeted ex-cash "neutral" weighting is 50% equities and 50% fixed income. The Fund uses a flexible approach to asset allocation and will fluctuate plus or minus 30% on an absolute basis (i.e. a maximum of 80% or a minimum of 20% equities or fixed income) based on relative income opportunities with consideration to the risk/reward characteristics of each asset class.

Analysis

- The fund outperformed during the quarter due to its overweight in equities.
- It is nearly 70% equities, which is the most aggressive positioning of any balanced fund on recommended our list.
- This higher equity weighting will likely result in higher levels of volatility.
- They expect that equities will continue to grind higher, but also expect that volatility will be above average.
- The manager expects that bottom up fundamentals will be the main driver of equity returns going forward.
- Investors concerned about short term volatility may want to consider one of the other balanced funds on our list.

This analysis is provided for advisor use only. Past results do not guarantee future returns. Mutual funds may lose money over time. Although data is gathered from sources believed to be reliable, Paterson & Associates cannot guarantee completeness and accuracy. Important information about these funds is found in the fund's simplified prospectus. Obtain a copy and read it before investing.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	1.6%	3.7%	7.0%	3.1%	7.9%	6.6%	N/A
Bal Ind.	0.1%	2.3%	5.6%	1.7%	5.7%	3.7%	N/A
Quartile	1	2	2	2	1	1	N/A

Fund Facts

Fund Sponsor	AGF Funds
Fund Manager	Peter Frost (May 10) Tristan Sones (Apr 06)
Inception Date	January 25, 2005
Total Assets	\$876.10 Million
Management Fee / MER	2.00% 2.39%
Risk Rating	Moderate
Objective	Income
Time Horizon	Medium to Long

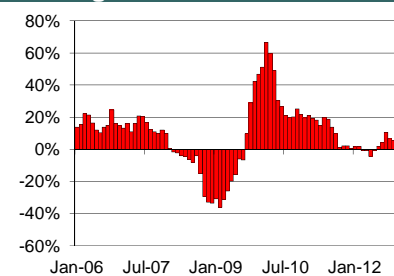
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.37%	4.49%
Standard Deviation	4.14%	14.35%
Sharpe Ratio	0.07	0.25
Alpha (5 Year)		0.15%
Beta (5 Year)		1.29
Worst Drawdown	-40.26% (Jun 07 - Mar 10)	
Time to Recover	34 Months	

Growth of Investment



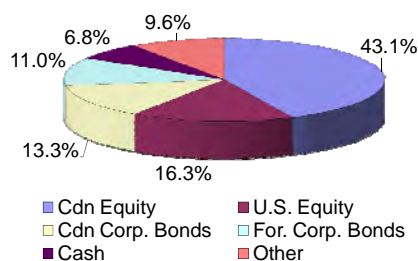
Rolling 12 Month Returns



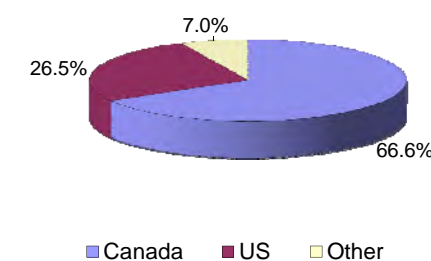
Top 10 Holdings (Feb 28/13)

Cash	6.8%
Chartwell Retirement Res.	1.6%
British American Tobacco	1.6%
Altria Group Inc.	1.6%
Reynolds American Inc.	1.5%
AT&T	1.5%
Intel Corporation	1.5%
Pembina Pipeline Corp.	1.4%
Enerplus Corp.	1.4%
Gibson Energy Inc.	1.4%
Total	20.1%

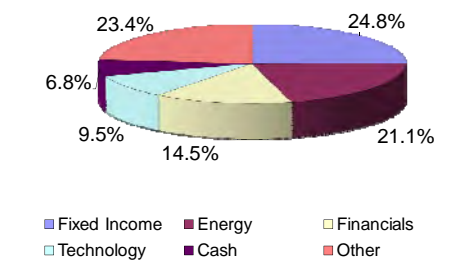
Asset Mix



Geographic Breakdown



Sector Breakdown



Fidelity Canadian Balanced Fund

Fund Codes

Front End	FID 282
DSC	FID 582
Min Purchase	\$500

Investment Objective

The fund aims to achieve high total investment return. This fund uses a balanced approach. It invests primarily in a mix of Canadian equity securities, investment grade bonds, high yield securities and money market instruments.

Strategy

The fund's target mix is 50% equity securities, 40% investment grade bonds and money market instruments, and 10% high yield securities. The manager will generally keep the fund's asset mix within the following ranges: 40-60% equity securities, 30-60% investment-grade bonds and money market instruments and 0-20% high yield securities.

Analysis

- The Fund's target mix is set at 50% equity, 40% investment grade bonds and 10% high yield bonds. As of February 28, the fund was fairly neutral, holding 48% equity, 37% bonds, 11% high yield and 4% cash.
- When constructing the portfolio, the managers employ a fundamentally drive, value oriented style.
- They look for solid businesses with strong management teams that are trading at reasonable valuation levels.
- We like this fund's fairly conservative positioning, particularly for volatile markets. However, with the relatively static asset mix, it may not keep pace with its peer group in either a sharply rising equity market or in a rising interest rate environme

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.4%	2.9%	6.0%	2.1%	5.8%	4.1%	7.4%
Bal Ind.	0.1%	2.3%	5.6%	1.7%	5.7%	3.7%	8.6%
Quartile	2	3	2	3	1	1	1

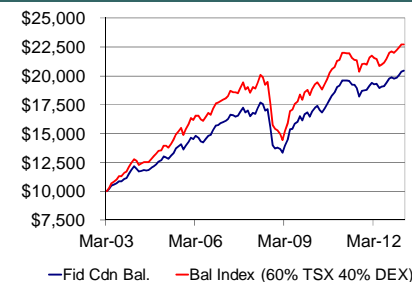
Fund Facts

Fund Sponsor	Fidelity Investments Canada	
Fund Manager	Mark Friebel (Apr 10) Mariana Egan (Mar 09)	
Inception Date	September 30, 1998	
Total Assets	\$6,760.60 Million	
Management Fee / MER	1.85%	2.27%
Risk Rating	Low to Moderate	
Objective	Growth & Income	
Time Horizon	Long	

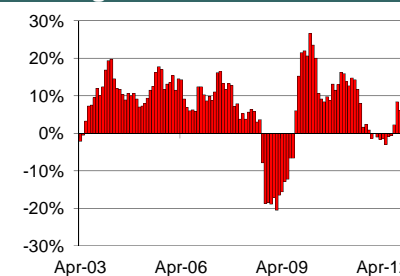
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.30%	3.70%
Standard Deviation	2.67%	9.27%
Sharpe Ratio	0.08	0.30
Alpha (5 Year)		0.04%
Beta (5 Year)		0.89
Worst Drawdown	-24.51% (Jun 08 - Sep 10)	
Time to Recover	28 Months	

Growth of Investment



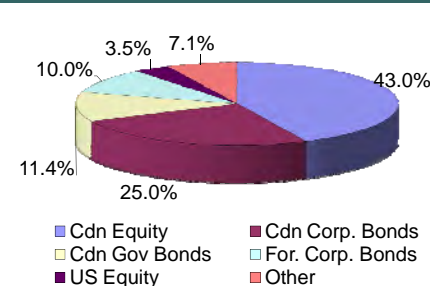
Rolling 12 Month Returns



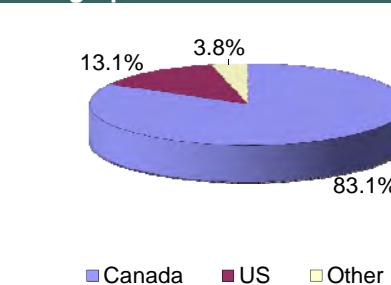
Top 10 Holdings (Dec 31/12)

High Yield Debt	7.6%
TD Bank	3.9%
Cash	3.8%
Royal Bank of Canada	3.8%
Suncor Energy	2.4%
Enbridge Inc.	2.3%
Cenovus Energy	2.2%
Valeant Pharmaceuticals	1.9%
Canadian Pacific Railway	1.6%
Gildan Activewear	1.6%
Total	30.9%

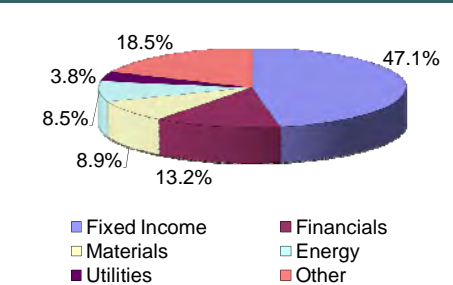
Asset Mix



Geographic Breakdown



Sector Breakdown



CI Signature Canadian Balanced

Fund Codes

Front End	CIG 685
DSC	CIG 785
Min Purchase	\$500

Investment Objective

This fund's objective is to achieve an attractive total return, consisting of income and capital gains. It invests primarily in a mix of Canadian equity and equity related securities and fixed income securities. The fund is not limited to how much it invests or keeps invested in each asset class. The mix may vary according to market conditions

Strategy

The portfolio adviser identifies companies that offer good value and the potential for growth in their industry and then considers the impact of economic trends. Equity investments are diversified across industry sectors and emphasize companies that pay consistent dividends or income. The portfolio adviser may use techniques such as fundamental analysis to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall risk reward profile.

Analysis

- As of March 31, portfolio was fairly aggressively positioned, holding 67% equity, 25% bonds and 8% cash.
- From a sector perspective, it is heavily weighted towards financials.
- With the increasing exposure to equities, we expect that the volatility will also increase going forward. More conservative investors may want to consider an alternative fund.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-0.1%	4.0%	6.2%	1.9%	4.7%	4.0%	8.1%
Bal Ind.	0.1%	2.3%	5.6%	1.7%	5.7%	3.7%	8.6%
Quartile	4	2	2	4	2	1	1

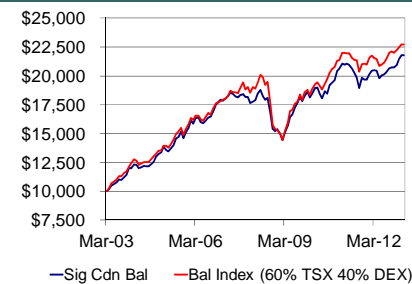
Fund Facts

Fund Sponsor	CI Investments
Fund Manager	Eric Bushell (Jul 02) John Shaw (Jul 02)
Inception Date	June 25, 1997
Total Assets	\$1,934.50 Million
Management Fee / MER	2.00% 2.42%
Risk Rating	Moderate
Objective	Growth & Income
Time Horizon	Medium to Long

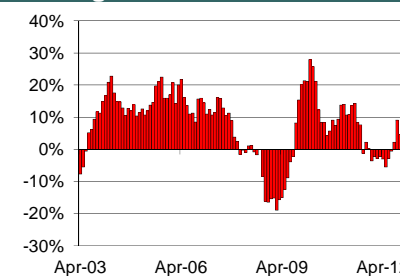
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.24%	2.96%
Standard Deviation	2.71%	9.40%
Sharpe Ratio	0.06	0.22
Alpha (5 Year)		0.05%
Beta (5 Year)		0.85
Worst Drawdown	-23.23% (Jun 08 - Mar 10)	
Time to Recover	22 Months	

Growth of Investment



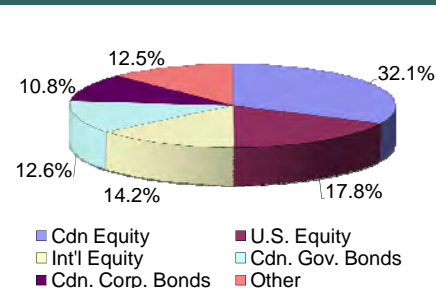
Rolling 12 Month Returns



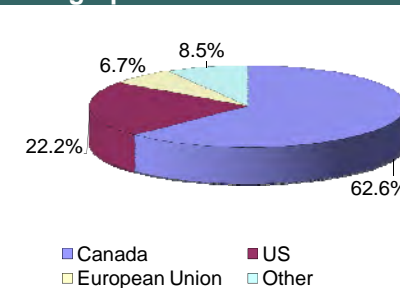
Top 10 Holdings (Mar 31/13)

TD Bank	4.9%
RBC 0.95% 02-Apr-13	3.8%
CIBC	3.3%
National Bank 01-Apr-13	2.7%
Royal Bank of Canada	2.3%
Suncor Energy Inc.	2.1%
Canadian Natural Resources	1.8%
Roche Holding AG	1.7%
Bayer AG	1.7%
Bank of Nova Scotia	1.6%
Total	26.0%

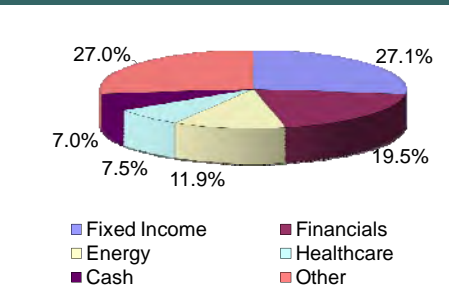
Asset Mix



Geographic Breakdown



Sector Breakdown



Income Options

Index Performance Details							
	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Cdn Balanced. Index (60% TSX Composite / 40% DEX Bond Universe)	0.1%	2.3%	5.6%	1.7%	5.7%	3.7%	8.6%

Funds

Income Funds are a wide range of investment funds which are used primarily to provide investor with a steady stream of income. There are a wide range of income funds available, ranging from Mortgage & Short Term Income Funds, Balanced Income Funds, Dividend Income Funds, Monthly Income Funds, and Income Trust Funds. Additionally, there are more general product types such as T-Series Funds which pay out a monthly distribution that is treated as a return of capital for tax purposes. For our Recommended List of Funds, we have not considered T-Series Funds, but have rather focused on the underlying funds which we feel are good candidates for investors seeking a regular income. We have also looked at a wide range of funds and selected a mix which should cover most investor types from the very conservative to the more growth oriented investor.

These funds can be used as part of a portfolio, or they can be used as standalone income solutions. It is our opinion that the best way to use the funds is as part of a well constructed, diversified portfolio designed to meet the individual needs of the investor.

Income Options Commentary

- There were no additions or deletions of any Income Funds during the quarter.
- At the conservative end, we have the **TD Mortgage Fund**. Like the name suggests, it invests in mortgages that are issued by TD Bank. The Fund is very stable and provides a variable monthly distribution. At current prices, the yield is approximately 2.3%, down from the 2.5% offered in Q4.
- For the more balanced investor, we have the **RBC Monthly Income Fund**. The Fund invests in a mix of high yielding common stock and high quality, income producing fixed income. The Fund is more volatile than the TD Mortgage Fund, but is about half as volatile as the broader equity markets. The Fund pays a monthly distribution of \$0.0425 per unit which works out to a yield of approximately 3.8% at current prices, the same as at the end of Q4. Prior to January of this year, the distribution was set at \$0.0475 per month.
- For the more growth oriented investors, we have two funds, the **Sentry Canadian Income Fund** and the **BMO Guardian Monthly High Income II Fund**. In both cases, the key factor which led us to select the funds was the quality of management. In both cases, the management teams are very highly regarded. Each of these funds will invest in Income Trusts, REITs and high yielding common stock. They have a level of volatility which is roughly equal to the volatility of the broader equity markets. They will provide a monthly distribution. For the Sentry Canadian Income Fund, the distribution is \$0.0775 per unit, which equals a yield of approximately 5.4%, down from Q4's yield of 5.6%. BMO Guardian pays a monthly distribution of \$.06 per unit, which works out to a yield of 5.1% which down from Q4's yield of 5.2%.

Suggested Portfolio Weighting by Investor Type

	Conservative	Moderate Balanced	Balanced	Balanced Growth	Growth
Balanced / Income (Total)	0%	0% to 10%	0% to 10%	0% to 10%	0% to 10%

TD Mortgage Fund

Fund Codes

Front End	TDB 2010
DSC	TDB 2011
Min Purchase	\$100

Investment Objective

The fundamental investment objective is to provide a steady stream of interest income by investing in a diversified portfolio consisting primarily of high-quality Canadian residential mortgages bought from and administered by TD Bank Financial Group.

Strategy

The portfolio adviser seeks to achieve the fundamental investment objective of the Fund by investing primarily in mortgages. The portfolio consists primarily of top-quality conventional and NHA mortgages that are fully backed by either the Government of Canada or TD Bank. The Fund may also invest in open and closed mortgage-backed securities to diversify risk.

Analysis

- Pays a variable monthly distribution which has ranged between \$0.10 to \$0.18, averaging \$0.13. At current prices, this works out to an annualized yield of 2.3%
- Suited for very conservative investors looking for a relatively safe parking spot for their cash, while earning a return that is better than a money market fund.
- Rates on 3 and 5 year mortgages were lowered during the quarter while 1 year rates remain unchanged.
- The fund holds 93% in mortgages, 5% in bonds and the balance in cash.
- It is conservatively positioned with a duration that is lower than the benchmark and a yield that is higher.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.1%	0.6%	1.8%	2.1%	2.0%	3.1%	3.1%
DEX Bond	0.4%	0.7%	4.5%	7.1%	6.4%	5.9%	6.1%
Quartile	2	2	2	3	3	2	2

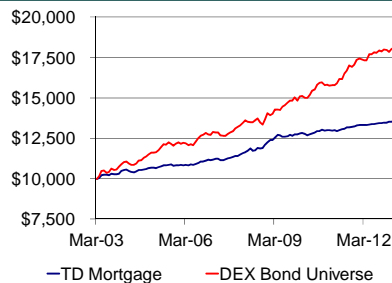
Fund Facts

Fund Sponsor	TD Asset Management	
Fund Manager	David McCulla (Jan 04) Matthew Pauls (Oct 12)	
Inception Date	January 1, 1975	
Total Assets	\$461.90 Million	
Management Fee / MER	1.50%	1.82%
Risk Rating	Low	
Objective	Income	
Time Horizon	Moderate	

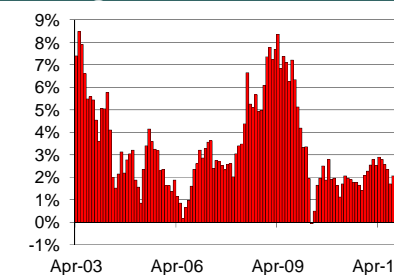
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.28%	3.46%
Standard Deviation	0.50%	1.74%
Sharpe Ratio	0.41	1.45
Alpha (5 Year)	0.18%	
Beta (5 Year)	0.16	
Worst Drawdown	-1.58% (Apr 04 - Nov 04)	
Time to Recover	8 Months	

Growth of Investment



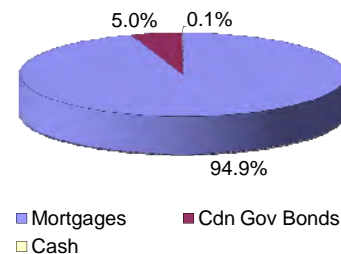
Rolling 12 Month Returns



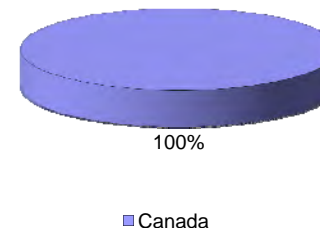
Top 10 Holdings (Mar 31/13)

NHA Mortgages	79.4%
Conventional Mortgages	15.5%
Provincial Bonds	2.5%
Federal Bonds	2.5%
Other Assets	0.1%

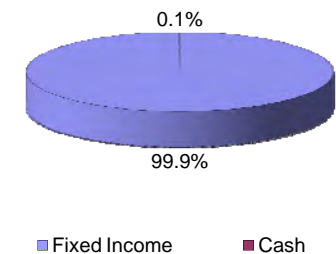
Asset Mix



Geographic Breakdown



Total Sector Breakdown



RBC Monthly Income

Fund Codes

Front End	RBF 763
DSC	RBF 115 (Low Load)
Min Purchase	\$500

Investment Objective

To provide as high a regular monthly income as possible, to provide relatively tax efficient distributions consisting of dividend income, interest income and capital gains and to provide the potential for modest capital growth.

Strategy

To achieve the fund's objectives, the portfolio manager invests in fixed-income, income trust and equity securities utilizing a strategic asset allocation approach. The manager determines the appropriate asset mix within broad pre-established guidelines for each asset class. The neutral asset mix for the fund is set at 60% fixed income and 40% equities.

Analysis

- The focus of this fund is on high quality stocks with and attractive dividend yield and high coupon fixed income.
- Performance in the bond sleeve was helped by the corporate bond holdings. They will continue to be defensive, holding corporate and provincial bonds for their yield advantage, which will allow for outperformance in flat and rising rate environments.
- Within the equity sleeve, the fund is overweight financials and real estate, and underweight energy
- Pays a monthly distribution of \$0.0425 per unit, which works out to an annualized yield of 3.8%.
- This is a great pick for non registered investors looking for a mix of income and growth over the long term.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.1%	2.2%	6.3%	4.6%	6.3%	4.8%	7.9%
Bal Ind.	0.1%	2.3%	5.6%	1.7%	5.7%	3.7%	8.6%
Quartile	3	4	2	2	1	1	1

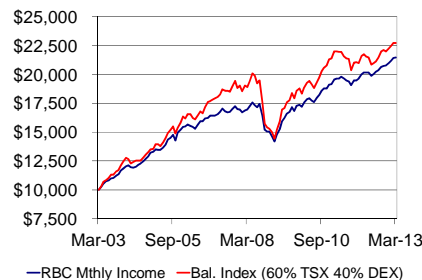
Fund Facts

Fund Sponsor	RBC Global Asset Management
Fund Manager	Jennifer McClelland (Apr 07) Suzanne Gaynor (Mar 08)
Inception Date	June 23, 1997
Total Assets	\$8,884.20 Million
Management Fee / MER	1.00% 1.20%
Risk Rating	Low to Moderate
Objective	Growth & Income
Time Horizon	Medium to Long

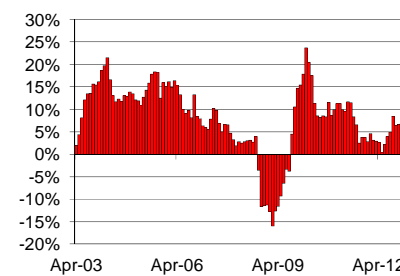
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.35%	4.33%
Standard Deviation	1.98%	6.87%
Sharpe Ratio	0.14	0.50
Alpha (5 Year)		0.17%
Beta (5 Year)		0.65
Worst Drawdown	-19.16% (Jun 08 - Feb 10)	
Time to Recover	21 Months	

Growth of Investment



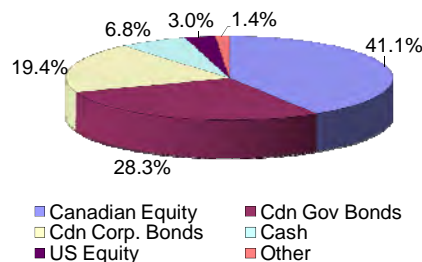
Rolling 12 Month Returns



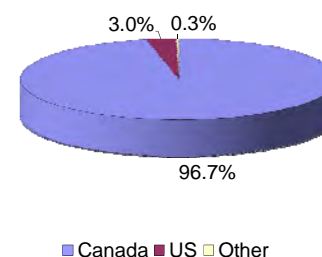
Top 10 Holdings (Dec 31/12)

National Bank 31-Jan-013	3.3%
Toronto Dominion Bank	3.3%
Bank of Nova Scotia	3.3%
Royal Bank of Canada	3.3%
Suncor Energy	1.7%
Ontario 3.15% 02-Jun-22	1.7%
Canada 2.00% 01-Jun-16	1.7%
CIBC	1.5%
Enbridge Inc.	1.4%
Ontario 4.65% 02-Jun-41	1.3%
Total	22.4%

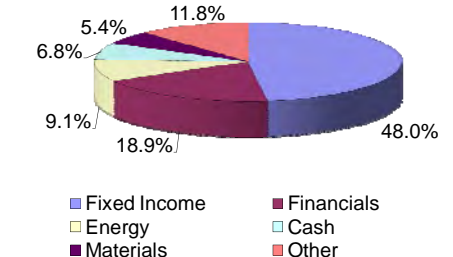
Asset Mix



Geographic Breakdown



Sector Breakdown



Sentry Canadian Income

Fund Codes

Front End	NCE 717
DSC	NCE 317
Min Purchase	\$500

Investment Objective

The investment objective of the Fund is to provide a consistent monthly income and capital appreciation by investing primarily in a diversified portfolio of Canadian securities including equities, fixed income instruments, real estate investment trusts ("REITs") and income trusts.

Strategy

The Fund invests primarily in Canadian equities, fixed-income instruments, REITs and income trusts. The Manager follows a fundamental, bottom up approach to investing, may invest in foreign securities in an amount not exceeding approximately 30% of the assets of the Fund, may invest in securities of other mutual funds, including those managed by the Manager, in accordance with the Fund's investment objective.

Analysis

- Portfolio is well diversified, holding more than 80 names with the top 10 making up approximately 35% of the portfolio.
- Portfolio is fairly conservatively managed. Individual sector weights currently below 20%.
- Pays a monthly distribution of \$0.0775 per month, which is a yield of approximately 5.4%, down from 5.6% at the end of Q1.
- This fund is best suited to medium to high risk investors looking for income.
- They continue to follow their process, looking for companies with healthy balance sheets, strong free cash flows, smart capital allocation and increasing dividends.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.8%	5.1%	10.0%	8.0%	12.2%	8.6%	13.7%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	1	2	1	1	1	1	1

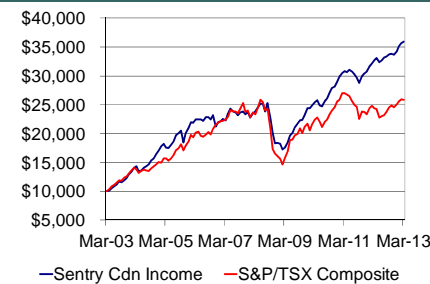
Fund Facts

Fund Sponsor	Sentry Select Capital Corp.	
Fund Manager	Michael Simpson (Oct 06) Aubrey Hearn (Apr 10)	
Inception Date	February 11, 2002	
Total Assets	\$3,066.50 Million	
Management Fee / MER	2.25%	2.70%
Risk Rating	Moderate	
Objective	Growth	
Time Horizon	Long	

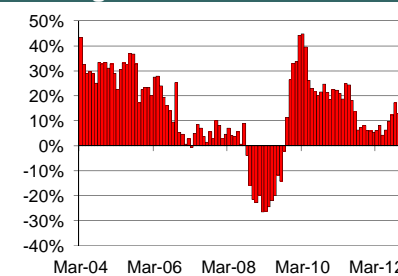
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.60%	7.45%
Standard Deviation	3.47%	12.04%
Sharpe Ratio	0.15	0.54
Alpha (5 Year)	0.57%	
Beta (5 Year)	0.61	
Worst Drawdown	-31.68 (Sep 08 - Mar 10)	
Time to Recover	19 Months	

Growth of Investment



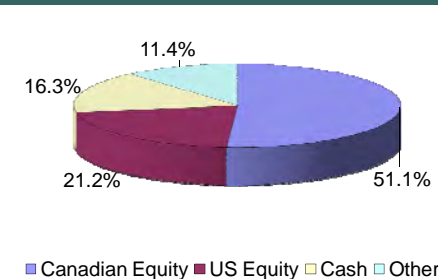
Rolling 12 Month Returns



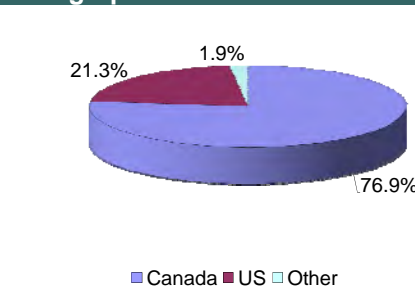
Top 10 Holdings (Dec 31/12)

Canadian dollars	7.8%
Republic Services	5.2%
Progressive Waste Solutions	4.3%
Alimentation Couche Tarde	3.5%
Microsoft Corporation	3.2%
Canadian REIT	3.1%
Canadian Natural Resources	2.7%
Magna International	2.7%
TELUS Corporation	2.6%
TransForce Inc.	2.5%
Total	37.5%

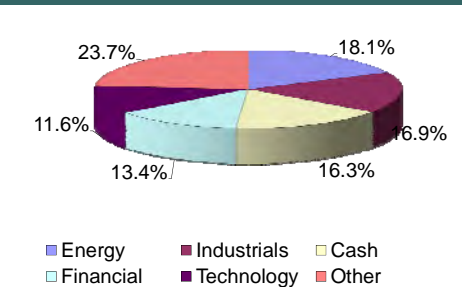
Asset Mix



Geographic Breakdown



Sector Breakdown



BMO Monthly High Income II

Fund Codes

Front End	GGF 619
DSC	GGF 260
Min Purchase	\$500

Investment Objective

The Fund's goal is to generate a high level of monthly distributions with moderate volatility by investment primarily in a portfolio of trust units, equity securities and fixed income securities.

Strategy

The portfolio manager invests in trust units such as Royalty Trust Units ("RTUs"), Real Estate Investment Trusts ("REITs") and Business Trusts ("BTs") from various sectors of the economy. The manager may also invest in common equities, typically demonstrating large market capitalizations and above average dividend yields. The Fund may invest in fixed income securities, primarily consisting of Canadian government and corporate issues of any maturity or credit rating.

Analysis

- The fund pays a monthly distribution of \$0.06, which is an annualized yield of 5.1% at current prices. This is down from a yield of 5.2% at the end of December.
- The manager believes the market is poised to go through a consolidation or correction phase after the recent strong market run up.
- One this occurs, the markets appear to be well positioned to continue to rise for a period of time.
- The expectation is that dividend focused strategies will continue to provide relative stability in the current environment.
- The fund continues to focus on high quality companies with sustainable dividends and the ability to grow their cash flows over time.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.4%	4.4%	10.8%	5.9%	12.6%	7.7%	11.8%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	2	3	1	1	1	1	1

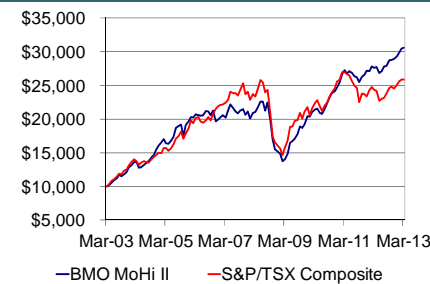
Fund Facts

Fund Sponsor	BMO GDN Funds	
Fund Manager	John Priestman (Oct 02) Kevin Hall (Jan 03)	
Inception Date	October 10, 2002	
Total Assets	\$1,229.20 Million	
Management Fee / MER	1.85%	2.37%
Risk Rating	Moderate	
Objective	Growth	
Time Horizon	Long	

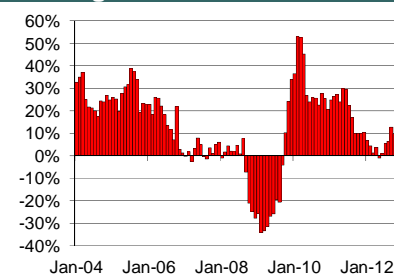
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.50%	6.20%
Standard Deviation	4.13%	14.32%
Sharpe Ratio	0.10	0.37
Alpha (5 Year)		0.49%
Beta (5 Year)		0.74
Worst Drawdown	-39.06% (Jul 08 - Sep 10)	
Time to Recover	27 Months	

Growth of Investment



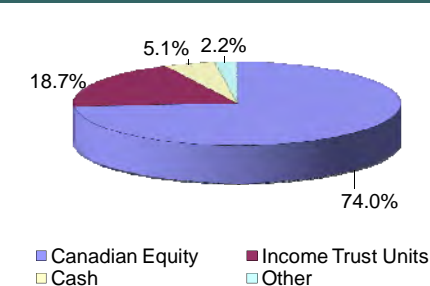
Rolling 12 Month Returns



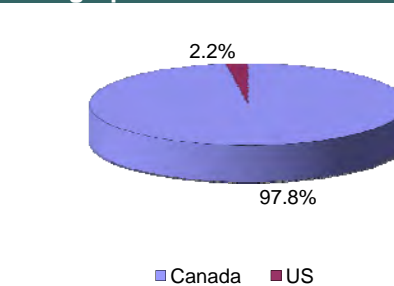
Top 10 Holdings (Mar 31/13)

Toronto Dominion Bank	4.3%
Bank of Nova Scotia	3.8%
TELUS Corporation	3.6%
Canadian REIT	3.3%
Royal Bank of Canada	3.2%
Baytex Energy Corp.	3.1%
ARC Resources Ltd.	3.1%
Keyera Corp.	3.0%
Crescent Point Energy	2.9%
AltaGas Ltd.	2.9%
Total	33.3%

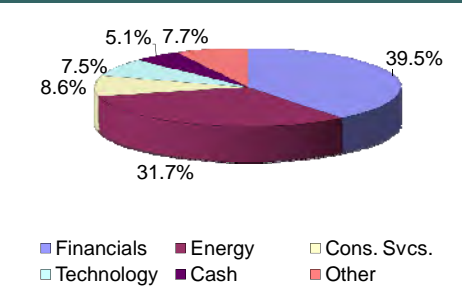
Asset Mix



Geographic Breakdown



Sector Breakdown



Low Cost Passive / Index Funds

Funds

Funds in this category will be suitable as core holdings for most investors. The funds in this category are index funds which provide investors exposure to a range of market indices. In this category, we looked for the index funds which had the lowest costs associated with them. This was because the lower the cost hurdle, the more closely the performance of the fund should replicate its underlying index.

These funds typically do not pay any form of compensation to advisors. As such, they are best suited for Fee Based Accounts.

When used in a portfolio, these funds should be used the very same way that a regular mutual fund would be utilized.

TD Canadian Bond Index

Fund Codes

Front End	TDB 966
DSC	
Min Purchase	\$100

Investment Objective

The objective of the Canadian Bond Index Fund is to participate in the long term performance of the Canadian bond market, through a diversified portfolio consisting primarily of Canadian government and corporate debt instruments.

Strategy

The portfolio adviser seeks to track the Universe Index by using a stratified sampling indexing technique. This method involves selecting a subset of bonds from each component of the Universe Index and holding them in the same proportion as the components of the Universe Index.

Analysis

- While we understand the need for lower cost in the fixed income world, we would most likely take PH&N or the TD Canadian Bond Fund over this fund.
- The Fund is also available in an F-Class version which carries an MER of 0.56%

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	0.4%	0.5%	3.7%	6.2%	5.6%	5.0%	5.1%
DEX Bond	0.4%	0.7%	4.5%	7.1%	6.4%	5.9%	6.1%
Quartile	2	3	2	2	1	2	1

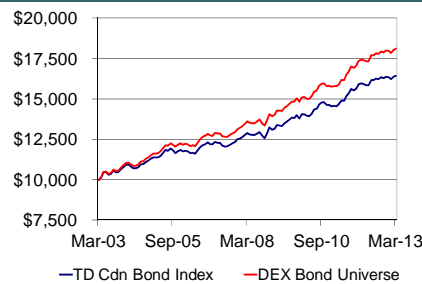
Fund Facts

Fund Sponsor	TD Asset Management	
Fund Manager	Michelle Hegeman (Aug 08)	
Inception Date	May 13, 1997	
Total Assets	\$508.60 Million	
Management Fee / MER	0.69%	0.83%
Risk Rating	Low	
Objective	Income	
Time Horizon	Moderate	

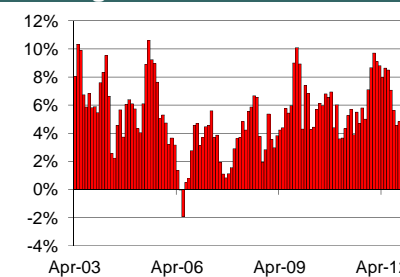
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.45%	5.52%
Standard Deviation	1.00%	3.47%
Sharpe Ratio	0.37	1.33
Alpha (5 Year)	-0.07%	
Beta (5 Year)	0.99	
Worst Drawdown	-3.06% (Sep 08 - Dec 08)	
Time to Recover	4 Months	

Growth of Investment



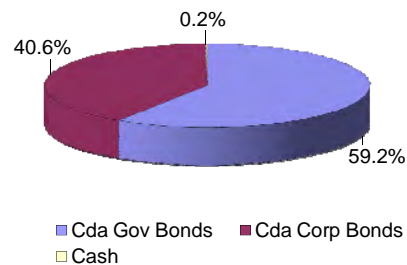
Rolling 12 Month Returns



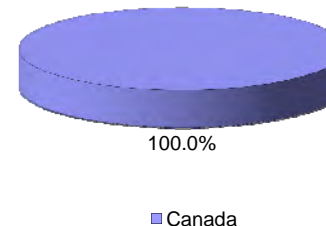
Top 10 Holdings (Mar 31/13)

Canada 5.00%	01-Jun-37	1.6%
Canada 4.00%	01-Jun-41	1.4%
Canada 3.00%	01-Jun-14	1.4%
Canada 3.75%	01-Jun-19	1.4%
Canada 5.75%	01-Jun-33	1.4%
Canada 5.75%	01-Jun-29	1.3%
Canada 0.75%	01-May-14	1.3%
Canada 2.25%	01-Aug-14	1.3%
Canada 3.50%	01-Jun-20	1.2%
Canada 2.00%	01-Dec-14	1.1%
Total		13.4%

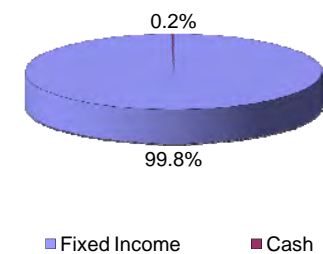
Asset Mix



Geographic Breakdown



Sector Breakdown



TD Canadian Index

Fund Codes

Front End TDB 216
 DSC
 Min Purchase \$100

Investment Objective

The fundamental investment objective is to provide long-term growth of capital primarily by purchasing Canadian equity securities to track the performance of the S&P/TSX Composite Total Return Index.

Strategy

The portfolio adviser seeks to achieve the fundamental investment objective of the fund primarily by replicating the S&P/TSX Composite Index. Each security in the S&P/TSX Composite Index is held by the Fund in close tolerance to its index weight so that the performance of the Fund closely tracks the performance of the S&P/TSX Composite Index.

Analysis

- Even with the Investor Class version of this fund with an MER of 0.88% it is still lower than the majority of other index funds.
- MER is also significantly lower than the Canadian Equity Fund category average of 2.39%
- For larger clients using a fee based account, the F-Class version of this fund carries an MER of 0.55%.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-0.3%	3.1%	5.2%	-3.0%	4.0%	1.2%	9.1%
S&P/TSX Cp	-0.2%	3.3%	6.1%	-2.1%	4.9%	2.1%	10.0%
Quartile	3	3	3	3	2	2	1

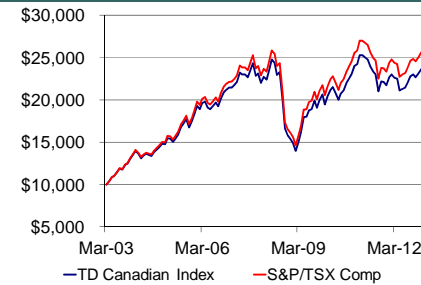
Fund Facts

Fund Sponsor TD Asset Management
Fund Manager Vishal Bhatia (Mar 05)
 Dino Bourdos (Nov 10)
Inception Date September 30, 1985
Total Assets \$964.10 Million
Management Fee / MER 0.66% 0.88%
Risk Rating Moderate
Objective Growth
Time Horizon Long

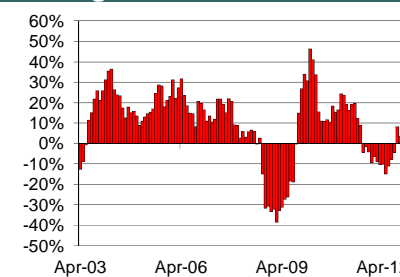
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.05%	0.58%
Standard Deviation	4.86%	16.83%
Sharpe Ratio	-0.01	-0.02
Alpha (5 Year)		-0.06%
Beta (5 Year)		0.98
Worst Drawdown	-43.59% (Jun 08 - Feb 11)	
Time to Recover	33 Months	

Growth of Investment



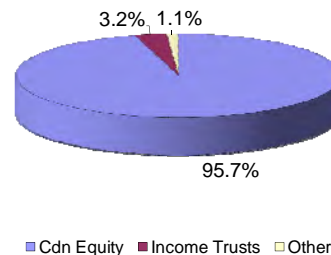
Rolling 12 Month Returns



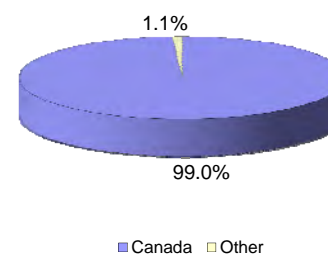
Top 10 Holdings (Mar 31/13)

Royal Bank of Canada	5.8%
Toronto Dominion Bank	5.1%
Bank of Nova Scotia	4.6%
Suncor Energy Inc.	3.0%
Canadian National Railway	2.8%
Bank of Montreal	2.7%
Enbridge Inc.	2.5%
BCE Inc.	2.4%
Canadian Natural Resources	2.3%
Potash Corp of Sask.	2.3%
Total	33.4%

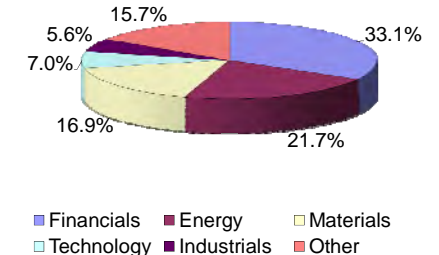
Asset Mix



Geographic Breakdown



Sector Breakdown



TD US Index

Fund Codes

Front End	TDB 661
DSC	
Min Purchase	\$100

Investment Objective

The goal of this Fund is to track the performance of the Standard & Poor's 500 Stock Price Index and provide currency diversification and the potential for long-term growth associated with investing in major U.S. companies.

Strategy

The portfolio adviser seeks to achieve the fundamental investment objective of the Fund primarily by replicating the S&P 500 Index. Each security in the S&P 500 Index is held by the Fund in close tolerance to its index weight so that the performance of the Fund closely tracks the performance of the S&P 500 Index.

Analysis

- This is the one of lowest cost index option available for those seeking a low cost passive option with an MER of 0.54%.
- In comparison, the median MER in the U.S. Equity Fund category is 2.46%.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	2.1%	12.7%	15.1%	12.9%	11.7%	4.7%	3.7%
S&P 500	2.4%	13.4%	16.2%	13.9%	12.7%	5.6%	4.5%
Quartile	2	2	1	1	1	1	1

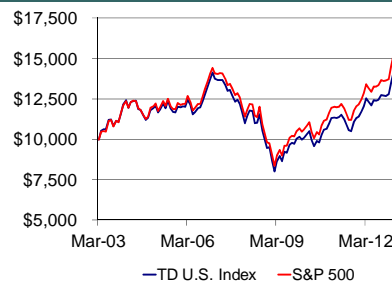
Fund Facts

Fund Sponsor	TD Asset Management
Fund Manager	Vishal Bhatia (Mar 05) Dino Bourdos (Nov 10)
Inception Date	April 30, 1998
Total Assets	\$492.30 Million
Management Fee / MER	0.45% 0.54%
Risk Rating	Moderate
Objective	Growth
Time Horizon	Long

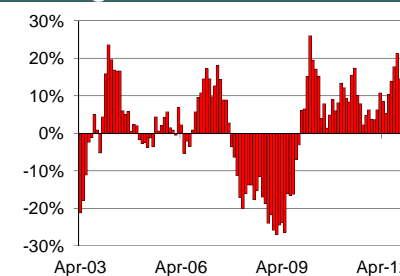
Portfolio Characteristics

	Monthly	Annualized
Average Return	0.11%	1.33%
Standard Deviation	3.66%	12.69%
Sharpe Ratio	0.01	0.03
Alpha (5 Year)		-0.06%
Beta (5 Year)		0.99
Worst Drawdown	-54.16% (Sep 00 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



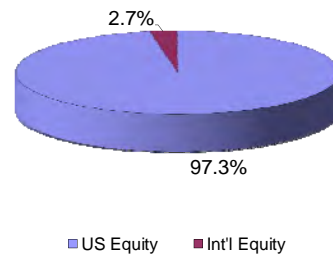
Rolling 12 Month Returns



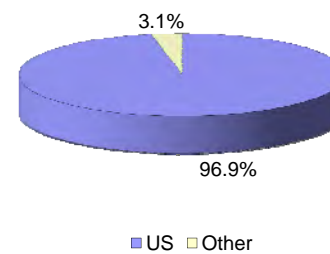
Top 10 Holdings (Mar 31/13)

Apple Inc.	2.9%
Exxon Mobil Corp.	2.8%
General Electric Co.	1.7%
Chevron	1.6%
Johnson & Johnson	1.6%
IBM	1.6%
Microsoft Corporation	1.5%
Google Inc.	1.5%
Procter & Gamble Co.	1.5%
Pfizer Inc.	1.5%
Total	18.2%

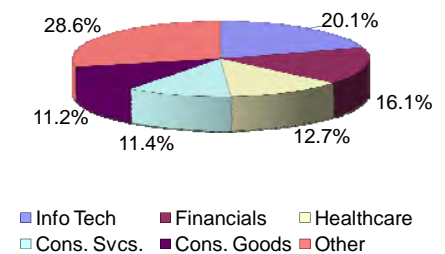
Asset Mix



Geographic Breakdown



Sector Breakdown



TD International Index

Fund Codes

Front End TDB 964
 DSC
 Min Purchase \$100

Investment Objective

The objective of the International Equity Index Fund is to participate in the long term growth of the primary stock markets of the developed countries of the world, excluding the U.S. and Canada, through a broadly diversified portfolio consisting of shares of companies domiciled outside the U.S. and Canada.

Strategy

The Fund seeks to obtain total returns (income net of withholding taxes plus capital gains/losses, before management expenses) that are similar but not identical to the performance of a representative composite index of well-developed and regulated international stock markets (the International Index), currently the Morgan Stanley Capital International Europe, Australia and Far East Index.

Analysis

- After the implementation of the HST, the MER of this fund had crept up to 1.38% for the Investor Class version of the fund. TD recently cut the management fee on this fund from 1.25% to 1.00%, which will help to make it more competitive going forward.
- In comparison, the median MER in the International Equity Fund category is 2.46%.
- Despite the higher costs, the fund tends to be one of the better performing International Equity Index Funds out there.
- For investors in a Fee Based Account, an F-Class Version of the Fund is available with an MER of 0.56%.

Performance Details

	1 Month	3 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Fund	-0.6%	5.9%	12.0%	3.7%	3.8%	-2.2%	4.5%
MSCI EAFE	-0.4%	7.4%	13.7%	5.4%	5.6%	-0.5%	6.3%
Quartile	2	2	2	2	2	2	2

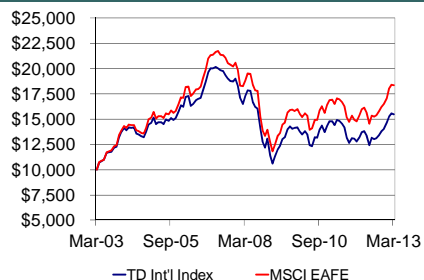
Fund Facts

Fund Sponsor TD Asset Management
Fund Manager Vishal Bhatia (Mar 05)
 Dino Bourdos (Nov 10)
Inception Date May 13, 1997
Total Assets \$242.30 Million
Management Fee / MER 1.00% 0.54%
Risk Rating Moderate
Objective Growth
Time Horizon Long

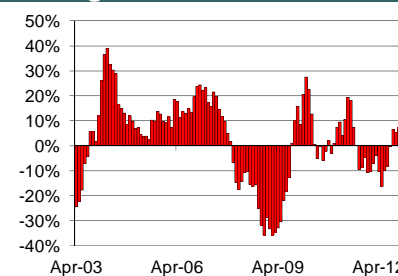
Portfolio Characteristics

	Monthly	Annualized
Average Return	-0.35%	-4.14%
Standard Deviation	4.65%	16.09%
Sharpe Ratio	-0.09	-0.31
Alpha (5 Year)		-0.13%
Beta (5 Year)		0.99
Worst Drawdown	-47.51% (Apr 07 - Present)	
Time to Recover	Still Recovering	

Growth of Investment



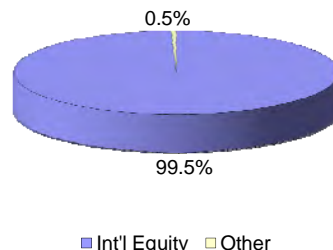
Rolling 12 Month Returns



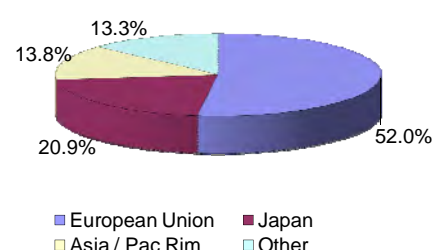
Top 10 Holdings (Mar 31/13)

iShares MSCI EAFE Index	2.4%
Nestle SA	2.0%
HSBC Holdings	1.7%
Roche Holding AG	1.4%
Novartis AG	1.4%
Toyota Motor Corp.	1.2%
Vodafone Group	1.2%
BP PLC	1.1%
Sanofi-Aventis	1.0%
Royal Dutch Shell	1.0%
Total	14.4%

Asset Mix



Geographic Breakdown



Sector Breakdown

