



Investment Results to April 2011

for a retired professor wanting: “Income/Growth”

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Client Situation and Asset Mix Policy



This is the portfolio of our only client with the asset mix policy called “Income/Growth Registered.” The portfolio is part of this client’s retirement plan. Its investment objective balances income and growth with moderate volatility, and makes use of the benefits of the tax-deferral in this registered account. We have managed the portfolio since February 1, 2007.

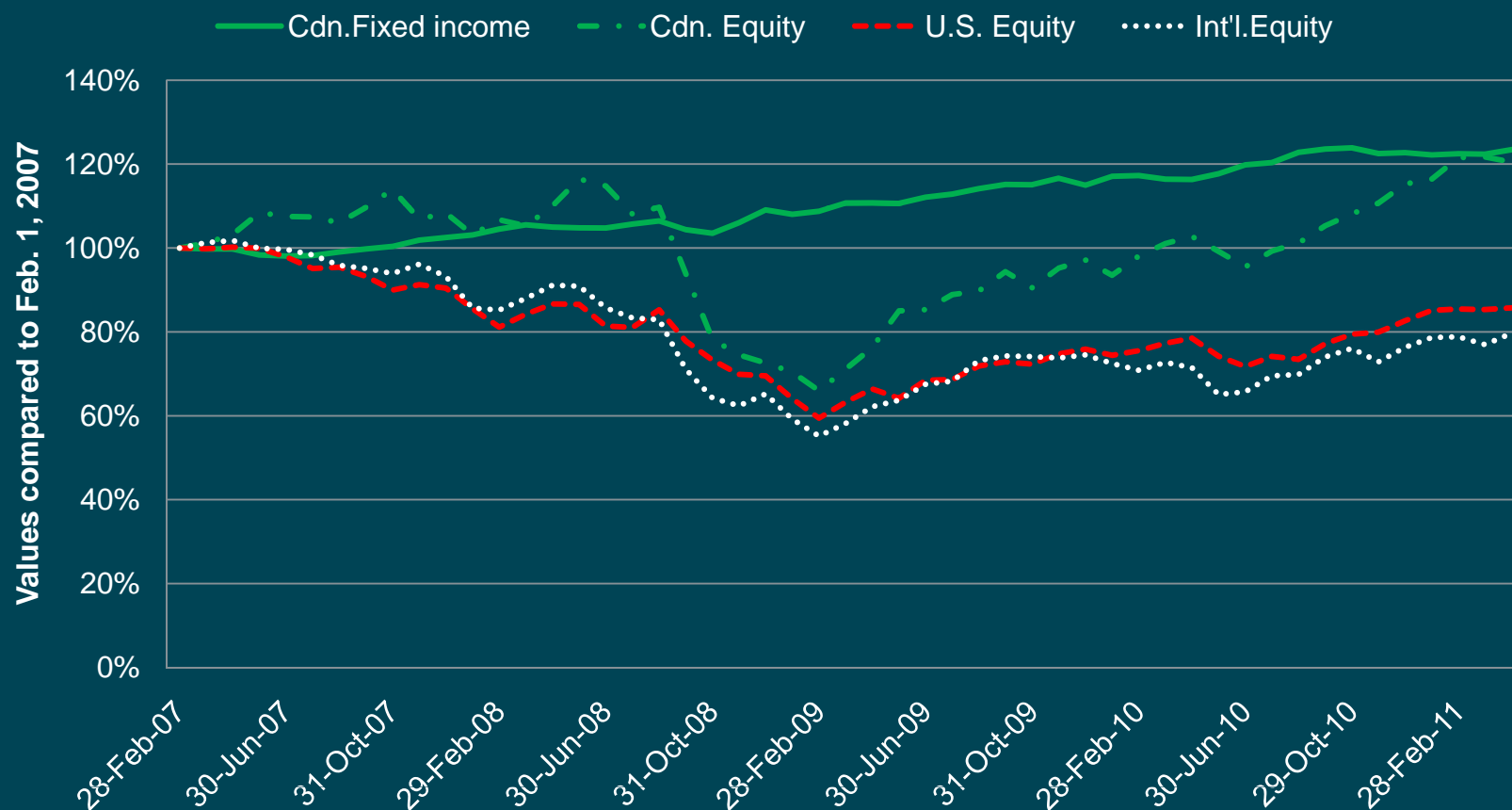
The policy statement has an asset mix that is 5% cash, 55% Canadian fixed income, 25% Canadian equity, and 15% U.S. equity. This is the blended benchmark as a function of the basic asset class benchmarks.

Investment Strategies

- In 2007-08, over-weighted cash versus the policy weight
- After 2008, reduced cash to under-weight versus policy
- Over-weighted Canadian equity and fixed income for currency
- Used Canadian fixed income to dampen volatility of equity
- Usually avoid cyclicals such as oils & mining; however,
- Anticipated increase in oil price, fall of \$U.S. dollar
- Over-weighted oils, mining for safety, capital preservation
- Canadian equity 4.2% p.a. since inception, U.S. -4.2% p.a., Int'l. -6.0%
- Under-weighted U.S. and Int'l. equity: anticipating weaker \$U.S.
- Portfolio returns low in 2007, improved since 2008 with higher oil price.

Note: Past results, strategies do not guarantee future performance.

Market Performance For Four Asset Class Benchmarks \$C



Note: Past results do not guarantee future performance. See slide 10 for benchmarks.

Investment Results

Income/Growth Registered Account



- Time since inception: 50 months from 02/01/2007 to 04/29/2011
- Portfolio return since inception of 3.5% p.a. vs. Benchmark of 3.9% p.a.
- Monthly blended portfolio returns before fees:
 - Median: 0.65% per month
 - Standard deviation: 1.85% per month
- Monthly blended benchmark (slide 10) returns before fees:
 - Median: 0.60% per month
 - Standard deviation: 1.78% per month
- Market Crash Results: June 2008 to February 2009
 - S&P/TSX TR fell 43%, Oil Price fell 66%
 - Portfolio fell 12% vs. blended benchmark (slide 10) fell 14%

Note: Past results do not guarantee future performance. See slide 10 for benchmarks.

Statistics of Monthly Returns

For this Income/Growth Registered Account
before fees from February 1, 2007 to April 29, 2011



\$Canadian	Canadian Equity		U.S. Equity		Blended Portfolio	
	Portfolio	Benchmark (1)	Portfolio	Benchmark (2)	Portfolio	Benchmark (5)
Median	1.55%	1.4%	0.10%	0.05%	0.65%	0.60%
Average	0.50%	0.51%	-0.29%	-0.24%	0.30%	0.33%
Standard Deviation	5.57%	5.12%	3.91%	3.79%	1.85%	1.78%
Sharpe Ratio	0.23	0.22	-0.04	-0.01	0.21	0.19

Sharpe Ratio = (median excess return)/(standard deviation of excess return)
Excess return = monthly return – Tbill rate of 0.25%

Note: Past results do not guarantee future performance. See slide 10 for benchmarks.

Results for Basic Asset Classes

For this Income/Growth Registered Account
Annualized Rates of Return in % to April 29, 2011

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\$ Canadian gross of fees	6 months	1 year	2 years	3 years	Incept.*
Canadian Equity	13.3	18.8	29.4	6.2	4.2
<i>Canadian Equity benchmark (1)</i>	<i>11.4</i>	<i>6.1</i>	<i>25.7</i>	<i>3.1</i>	<i>4.5</i>
United States Equity	7.6	8.4	13.4	-0.5	-4.2
<i>U.S. Equity benchmark (2)</i>	<i>4.2</i>	<i>11.5</i>	<i>13.6</i>	<i>-0.4</i>	<i>-4.1</i>
International Equity	4.0	11.0	12.7	-5.0	-6.0
<i>International Equity benchmark (3)</i>	<i>4.8</i>	<i>11.5</i>	<i>13.2</i>	<i>-4.4</i>	<i>-5.2</i>
Canadian Fixed Income	-0.3	6.0	7.6	6.2	5.2
<i>Canadian Fixed Income benchmark (4)</i>	<i>-0.4</i>	<i>6.1</i>	<i>5.6</i>	<i>5.5</i>	<i>5.3</i>
<i>*From inception on February 1, 2007</i>					

Note: Past results do not guarantee future performance. See slide 10 for benchmarks.

Results for Basic Asset Classes

For this Income/Growth Registered Account
 Calendar Year Rates of Return in % to April 29, 2010

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\$ Canadian gross of fees	2007*	2008	2009	2010	2011
Canadian Equity	5.6	-36.7	46.7	15.1	5.2
<i>Canadian Equity benchmark (1)</i>	8.6	-33.0	33.9	18.6	4.5
United States Equity	-13.3	-21.6	8.9	9.3	3.1
<i>U.S. Equity benchmark (2)</i>	-11.9	-23.1	9.1	8.9	3.8
International Equity	-10.8	-25.4	9.5	2.6	3.2
<i>International Equity benchmark (3)</i>	-6.6	-30.0	14.3	2.4	4.4
Canadian Fixed Income	0.8	3.0	10.4	6.8	0.8
<i>Canadian Fixed Income benchmark (4)</i>	3.7	6.4	5.4	6.7	0.6
* For the 11 months from inception on February 1, 2007					

Note: Past results do not guarantee future performance. See slide 10 for benchmarks.

Results for the Blended Portfolio **AMBROSE**

Annualized Rates of Return in % to April 29, 2010 and
Calendar Year Rates of Return in % to April 29, 2010

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\$ Canadian gross of fees	6 months	1 year	2 years	3 years	Incept. *
Income/Growth, Registered	3.7	9.7	12.1	4.7	3.5
<i>Blended benchmark (5)</i>	3.8	9.2	11.5	4.2	3.9
<i>*From inception on February 1, 2007</i>					

\$ Canadian gross of fees	2007*	2008	2009	2010	2011
Income/Growth, Registered	1.4	-11.0	15.5	8.5	2.2
<i>Blended benchmark (5)</i>	2.6	-9.2	12.7	9.8	2.0
<i>* For the 11 months from inception on February 1, 2007</i>					

Note: Past results do not guarantee future performance. See slide 10 for benchmarks.

Benchmark Information

- 1. The Canadian Equity benchmark is the Standard and Poor's (S&P) / TSX Composite Total Return Index.**
- 2. The U.S. Equity benchmark is the S&P 500 Composite Total Return Index in Canadian dollars.**
- 3. The International Equity benchmark is the Morgan Stanley Capital International EAFE (Europe, Australia and Far East) Total Return Composite Index net of with-holding taxes in Canadian dollars.**
- 4. The Canadian Fixed Income benchmark is the DEX Universe Total Return Bond Index (formerly the Scotia Universe Total Return Bond Index).**
- 5. The Income/Growth Registered benchmark blends 5% of the 91-day t-bill plus 55% of the DEX Universe Bond Index plus 25% of the S&P/TSX Composite Total Return Index plus 15% of the S&P 500 Total return Index in \$C.**

Note: Past results do not guarantee future performance.