



# Lincluden Balanced Fund<sup>1</sup>

## report for quarter ended June 30, 2009

<i>Performance Summary<sup>2</sup></i>		annualized				
		3 months	1 year	3 Years	5 Years	Since inception (Sept. 30/00)
Lincluden Balanced Fund (SERIES O) <sup>3</sup>		11.3%	-2.5%	2.0%	3.5%	6.5%
Broad-Based Benchmark (30% S&P/TSX, 30% MSCI-World <sup>4</sup> , 40% DEX-U)		9.9%	-11.7%	0.8%	3.7%	2.2%
<i>Asset Class</i>	<i>Benchmark Index</i>					
Canadian Equities	S&P/TSX	20.0%	-25.7%	-0.9%	6.6%	2.2%
Foreign Equities	S&P 500 (Canadian \$)	6.9%	-15.8%	-6.9%	-5.0%	-6.0%
	MSCI – World (Canadian \$)	11.7%	-19.0%	-6.2%	-2.3%	-4.1%
Bonds	DEX Universe Bond	1.3%	7.0%	6.2%	5.9%	6.5%

### ECONOMIC COMMENTARY

Two phrases used to characterize the global economy during the second quarter of 2009 were “second derivative” and “green shoots”. “Second derivative” was used to refer to the rate of change in economic data released during the quarter compared to previous periods. Although economic data was still quite weak, the rate of negative change had declined, thus providing hope to the markets that an economic turnaround was imminent. “Green shoots” referred to those areas of the economy that were showing signs of improvement in what had been an otherwise bleak environment. The combination of these two factors led to a significant rally in equities as North American markets rallied approximately 40% from the lows reached in early March.

Although there is a general feeling that equity markets reached a cyclical low in early March, the recent consolidation in equity markets at the end of the quarter was due to the fact that much of the good news on the horizon has been priced into asset levels and that there are still several more hurdles to overcome before the recovery becomes more widespread.

A potential risk to a sustainable global economic recovery is the state of the U.S. consumer. There has been a massive deleveraging of the consumer sector in the U.S., with individuals becoming net savers after years of spending beyond their means. The current net savings rate is nearly 7% of disposable income and is likely to remain there through next year. Any further retrenchment in the savings rate would dampen global economic growth prospects.

A further risk to recovery comes from the fact that labour market conditions are not supportive to the consumer sector as job losses continue to mount. U.S. unemployment now exceeds 9.5%. The rate of decline in U.S. non-farm payrolls had improved each month during 2009, however, June’s data had a sharp reversal back to larger-than-expected job losses. In

<sup>1</sup> Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are historical annual compounded total returns including changes in unit values and reinvestment of all distributions. They do not take in to account management fees, sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed; their values change frequently and past performance may not be repeated.

<sup>2</sup> Returns are presented excluding any investment management fees that may be charged to the investor’s account. They are inclusive of the Fund’s operating expenses.

<sup>3</sup> The return for the quarter ended June 30, 2009 was 10.8% for the Series A units (the management fee is charged directly to the Fund). For the 12 months ended June 30, 2009 the return was -4.3%.

<sup>4</sup> MSCI-World (Morgan Stanley Capital International World Index) effective July 1, 2006 – S&P 500 prior. 30% S&P/TSX, 30% MSCI-World effective January 1, 2009 – 35% S&P/TSX, 25% MSCI-World prior.

addition, there are a significant number of discouraged workers who have stopped looking for jobs who are not included in the monthly data.

Global central banks continue to pursue a policy that creates liquidity in the financial system indicating that interest rates will remain low for the foreseeable future. In addition, the Bank of England expanded its quantitative easing program, while the European Central Bank announced enhanced credit easing. The Bank of Canada, on the other hand, has so far held off any plans to engage in quantitative easing, but is prepared to step in if necessary. On a more positive note a number of the large U.S. banks have begun to repay TARP (Troubled Asset Relief Program) funds to the federal government as they try to build their capital base internally and eventually begin to operate outside of the purview of the government.

The Canadian dollar has improved significantly from depressed levels as a result of improved equity markets, stronger commodity prices and an increased appetite for risk. A stronger loonie, however, will dampen Canadian GDP growth prospects as the export sector will be negatively impacted. Global central banks have become uncomfortable with the recent weakness that has been seen in the U.S. dollar and the corresponding negative impact that it has on their respective domestic economies.

In summary, it appears that the global economy is transitioning into a slow, gradual recovery and that there are still major areas of the economy that need to improve, including the labour markets and the U.S. consumer sector, before a more sustainable recovery takes hold.

## ASSET MIX STRATEGY

We reduced our target weighting in foreign equity by 1.5% to 32.5% during the quarter and left the funds in a slightly increased cash position; targeted Canadian equity and bonds weights remain unchanged. The rapid appreciation in a number of our holdings resulted in some stocks reaching our target price and hence they were sold. Not all the funds were redeployed into other names as broad market valuations are up substantially and we remain cautious because of the continued weak economy, the constrained U.S. consumer, and the uncertainty in the housing market. We are currently targeting 28.5% Canadian equities (vs. 30% long term policy), 32.5% foreign equities (30% policy), 36.5% bonds (40% policy) and 2.5% cash.

## FIXED INCOME STRATEGY

North American government bond yields were higher during the second quarter as a result of better than expected economic data and stronger equity markets. In Canada, the yield on the ten-year government bond was up 58 b.p. while the 30-year bond yield was higher by 30 b.p., resulting in a flatter yield curve. Interest rate moves were more pronounced in the U.S. as the yield on the 10-year bond increased by 87 b.p. while the 30-year bond yield was higher by 79 b.p. Canadian interest rates have not risen nearly as much as in the U.S., due to Canada's superior fiscal situation. The budget deficit in Canada is forecast to be around 3% of GDP this year, while the U.S. deficit is projected to be close to 13%.

Corporate bond spreads continued to tighten against government bonds during the quarter as the appetite for risk increased and stock markets rallied. There was a significant amount of new corporate bond issuance during the quarter which was very well-received in the market, with spreads tightening further in the secondary market. The portfolio continues to maintain an overweight position in the corporate bond sector and has benefited from the tighter spreads.

Spreads in the provincial bond market tightened as well, although not to the same extent as corporate bonds. The portfolio ended the quarter with an overall duration fairly close to the benchmark index.

## EQUITY STRATEGY

After reaching new lows in early March, the apparent success of government efforts globally to shore up the ailing financial sector, buoyed market sentiment, driving equity markets worldwide to one of the sharpest rebounds on record. The broad Canadian market (S&P/TSX) appreciated over 19% in the quarter, but Canada's strong financial sector, which had been less impacted than most in the world, continued to outperform with an advance of 34% in the quarter compared to a 25% increase in global financial stocks (as represented by MSCI-World financial sector return expressed in \$C).

The Lincluden portfolio outperformed the market slightly in the quarter, primarily on the strength of our larger than market holding of financial companies coupled with positive security selection decisions within that sector. We did take some profits into the strength.

Energy sector companies were also a strong contributor to the portfolio in the period. Uranium producer **Cameco Corp.** led our energy holdings increasing in value in excess of 38%. Merger target **Petro-Canada** followed close behind returning over 33% in the quarter.

**TransCanada Corp.** was added in the quarter. **TransCanada** is an energy company that was originally focused on natural gas pipelines. The pipeline segment still accounts for 60% of earnings, but electricity generation and non-regulated natural gas storage are now important businesses. More than 70% of **TransCanada's** earnings are derived from regulated assets; this provides stability in both earnings and cash flow. The stock price came under pressure due to concern over funding their large capital expenditure program and the acquisition of the 20% of the Keystone pipeline (a 3,500 km pipeline that transports crude oil between Alberta and U.S. Midwest markets) that they did not already own. The larger than expected equity issue to fund the purchase and capital expenditure program was perceived as negative in the short-term; however, we expect the acquisition to be positive for earnings and dividend growth over the longer term.

Our holding in car parts manufacturer **Magna International** was eliminated in the period. This company performed well for the portfolio, but was sold below our target price as the company announced a bid for **GM's** Opel division. We view this as a fundamental departure from strategy and as a result the company would be competing with its European customer base.

Global equity markets continued to show strength appreciating over 11% in the quarter (MSCI-World in \$C). The Lincluden portfolio appreciated slightly more than the market on the strength of an extraordinary appreciation in our Financial sector holdings as well as very strong performance in our Information Technology sector companies. In particular, holdings in **Bank of America** and U.K. bank **Barclays PLC** almost doubled in value over the three months. Dutch insurer **ING Groupe** posted a 70% return in the period. Shares in **Microsoft** and **Dell** appreciated over 20% in the period.

**Munich Reinsurance** was added in the quarter. **Munich Re** is one of the largest global reinsurance companies and is also the second largest primary insurer in Germany. **Munich Re** has a very strong balance sheet consisting of high quality assets and a strong capital position with a large cushion for claim reserves. The company's relative balance sheet strength provides an opportunity as the financial crisis has weakened competitors which will likely reduce the capital in the industry and lead to improved profitability. The current valuation is depressed presenting the opportunity for a high quality, low risk holding with strong return potential.

**BASF** was added in the quarter. **BASF** is the world's largest chemical company. The company operates with a fully integrated strategy beginning with oil and gas production through to specialty chemicals. This integration has allowed **BASF** to earn consistently above average returns. Since 2006, **BASF** has implemented on a strategy to diversify from its historical reliance on commodity chemical products. Several acquisitions have been made to boost exposure to specialty chemicals with the addition of catalysts, coatings, construction chemicals, and agricultural products including additives, herbicides, and

fertilizers. **BASF** has consistently generated free cash flow and will do so again this year despite the terrible economic environment. The current price is quite depressed offering a strong opportunity to buy this much improved company.

Technology company **Garmin Ltd.** was added in the period. **Garmin** is a worldwide provider of navigation, communications, and information devices which are enabled by global positioning system (GPS) technology. The company designs, develops, manufactures and markets a diverse family of portable and fixed mount GPS devices for the automotive/mobile, outdoor/fitness, marine and general aviation markets. **Garmin** is the leading producer of Personal Navigation Devices (PND) with about a 35% global market share. The company has been a fantastic success growing at 45% annually for the last 5 years. The company has generated consistent free cash flow, has been buying back shares and still ended 2008 with almost \$5.00 per share in net cash relative to a share price that's been in the range of \$23 recently. In the current economic environment PNDs are still a relatively high priced discretionary item with sales in part tied to other high priced discretionary items such as new cars, boats, and private planes. The economic downturn will hurt results in the short term and resulted in a 70% decline in the stock's price which we view as overblown and an attractive buying opportunity.

Internet innovator **eBay** was added to the portfolio in the quarter. **eBay** is a business whose goal is to unite buyers and sellers. The company is in very desirable businesses with significant barriers to entry, low capital requirements and strong free cash flow generation. On-line retail has two key components - auction and the fixed price secondary marketplace. The other key business is the payment system, **PayPal**, which has a global presence with half its revenues coming from non-**eBay** settlements. **eBay** is geographically diversified with less than 50% of its revenue coming from the U.S.; Germany and the U.K. are its next biggest markets.

U.K. Telecom Company **BT Group** was sold in the period. **BT's** financial risk increased primarily because of funding issues related to its pension plan. The holding was sold as a result of the increased risk. Home Improvement retailer **Kingfisher**, luxury car maker **BMW**, gold mining giant **Newmont Mining** and iconic coffee retailer **Starbucks Corp.** had appreciated very strongly in the quarter and were sold in favour of companies that offer greater opportunity.

**PORTFOLIO APPRAISAL**  
**LINCLUDEN BALANCED FUND**  
 Prepared by: Lincluden Management Limited  
 Trade Date: June 30, 2009

**CIBC #LINF0001002 (linbal)**

Quantity	Security	Total Cost (\$C)	Price Local	Market Value (\$C)	% of TF	Current Yield
<b>Cash &amp; Equivalents</b>						
31,510	BRITISH POUNDS	59,529.40		60,259.61	0.1	0.0
628,895	CANADIAN DOLLARS	628,895.25		628,895.25	1.5	0.0
31,683	Dividend Accrual Account - CA	31,682.68		31,682.68	0.1	
3,432	Dividend Accrual Account - GB	6,514.03		6,564.14	0.0	
15,785	Dividend Accrual Account - US	18,502.66		18,346.56	0.0	
7,317	EURODOLLARS	11,823.24		11,927.88	0.0	0.0
1,955,812	JAPANESE YEN	25,393.48		23,591.00	0.1	0.0
556,147	U.S. DOLLARS	642,103.74		646,410.08	1.6	0.0
	Cash & Equivalents Total	1,424,444.49		1,427,677.20	3.5	0.0
<b>Fixed Income</b>						
<b>Canadian Pay Bonds</b>						
<b>Canadian Pay Government</b>						
400,000	CANADA GOVT 4.250% due June 1, 2018 AAA	429,000.00	\$ 107.89	431,564.00	1.0	3.9
234,000	CANADA GOVT 5.000% due June 1, 2037 AAA	274,203.97	\$ 119.38	279,356.22	0.7	4.2
1,840,000	CDA HOUSING TR 3.950% due December 15, 2011 AAA	1,938,599.60	\$ 105.20	1,935,588.00	4.7	3.8
1,000,000	CDA HOUSING TR 4.550% due December 15, 2012 AAA	1,046,617.62	\$ 106.92	1,069,230.00	2.6	4.3
2,015,000	CDA HOUSING TR 4.100% due December 15, 2018 AAA	2,091,156.80	\$ 102.37	2,062,715.20	5.0	4.0
	Accrued Interest			44,528.43	0.1	
	Canadian Pay Government Total	5,779,578.00		5,822,981.85	14.0	4.0
<b>Canadian Pay Provincial</b>						
460,000	PROV. OF MANITOBA 5.700% due March 5, 2037 AA	533,956.50	\$ 113.18	520,646.40	1.3	5.0
330,000	PROV. OF ONTARIO 4.300% due March 8, 2017 AA	319,490.20	\$ 102.78	339,167.40	0.8	4.2
340,000	PROV. OF ONTARIO 7.600% due June 2, 2027 AA	468,202.20	\$ 130.89	445,022.60	1.1	5.8
450,000	PROV. OF ONTARIO 4.700% due June 2, 2037 AA	444,957.17	\$ 98.72	444,222.00	1.1	4.8
1,030,000	PROV. OF QUEBEC 4.500% due December 1, 2018 A+	1,022,441.53	\$ 101.88	1,049,364.00	2.5	4.4
290,000	PROV. OF QUEBEC 5.000% due December 1, 2038 A+	298,320.10	\$ 101.45	294,205.00	0.7	4.9
	Accrued Interest			21,276.08	0.1	
	Canadian Pay Provincial Total	3,087,367.71		3,113,903.48	7.5	4.8
<b>Canadian Pay Corporate</b>						
130,000	407 INTL ETR 4.900% due October 4, 2010 A	132,093.00	\$ 104.36	135,673.20	0.3	4.7
70,000	AIG MPLE 4.900% due June 2, 2014 A-	69,991.60	\$ 40.98	28,688.80	0.1	12.0
95,000	BELL CANADA 4.850% due June 30, 2014 BBB+	94,849.90	\$ 101.98	96,880.05	0.2	4.8
100,000	BK AMERICA MPLE 5.450% due September 17, 2014 A	99,908.00	\$ 94.81	94,808.00	0.2	5.7

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Trade Date: June 30, 2009

**CIBC #LINF0001002 (linbal)**

<u>Quantity</u>	<u>Security</u>	<u>Total Cost (\$C)</u>	<u>Price Local</u>	<u>Market Value (\$C)</u>	<u>% of TF</u>	<u>Current Yield</u>
100,000	BK AMERICA MPLE 4.360% due September 21, 2015 A	93,319.00	\$ 86.71	86,705.00	0.2	5.0
100,000	BK N.S. SUB DEBT FIX FLTR 6.650% due January 22, 2016 A+	99,983.00	\$ 111.99	111,986.00	0.3	5.9
160,000	BK NOVA SCOTIA DEP NT 5.040% due April 8, 2013 AA-	159,971.20	\$ 106.35	170,153.60	0.4	4.7
192,000	BK NOVA SCOTIA DEP NT 4.560% due October 30, 2013 AA-	186,731.52	\$ 104.85	201,304.32	0.5	4.3
110,000	BK NOVA SCOTIA FF CALL 2014 4.940% due April 15, 2019 A+	109,965.90	\$ 103.97	114,368.10	0.3	4.8
35,000	BK NOVA SCOTIA FF CALL 2019 7.802% due June 30, 2108 A	35,000.00	\$ 108.67	38,035.90	0.1	7.2
482,000	BK OF MTL DEP NT 5.450% due July 17, 2017 A+	479,287.95	\$ 105.73	509,633.06	1.2	5.2
250,000	CARDS II TR 3.869% due October 15, 2010 AAA	242,295.00	\$ 102.93	257,327.50	0.6	3.8
25,000	CDN TIRE CORP 5.650% due January 1, 2016 BBB+	24,990.00	\$ 104.88	26,219.50	0.1	5.4
150,000	CIBC DP NT 4.750% due December 22, 2014 A+	154,800.00	\$ 105.12	157,675.50	0.4	4.5
70,000	CU INC. 4.801% due November 22, 2021 A	64,561.00	\$ 96.49	67,541.60	0.2	5.0
200,000	ENBRIDGE INC 5.000% due August 9, 2016 A-	194,998.00	\$ 101.91	203,812.00	0.5	4.9
150,000	GMAC CANADA 5.450% due August 20, 2009 CCC	149,332.50	\$ 96.15	144,220.50	0.3	5.7
70,000	GOLDEN CREDIT CARD TRUST 5.106% due April 15, 2011 AAA	70,000.00	\$ 104.78	73,343.20	0.2	4.9
100,000	HONDA CANADA FINANCE 5.675% due September 26, 2012 A+	100,000.00	\$ 102.58	102,583.00	0.2	5.5
100,000	HYDRO ONE INC. 6.400% due December 1, 2011 A+	103,250.00	\$ 109.83	109,825.00	0.3	5.8
60,000	HYDRO ONE INC. 6.350% due January 31, 2034 A+	61,221.00	\$ 111.04	66,626.40	0.2	5.7
160,000	KFW EURO MTN 4.300% due May 24, 2012 AAA	159,843.20	\$ 104.83	167,720.00	0.4	4.1
100,000	LOBLAW COS LTD 6.150% due January 29, 2035 BBB	105,570.00	\$ 90.10	90,099.00	0.2	6.8
100,000	MASTER CR CARD TR 4.444% due November 21, 2011 AAA	99,473.33	\$ 104.07	104,073.00	0.3	4.3
300,000	NOVA SCOTIA PWR 4.220% due May 17, 2010 BBB	299,961.00	\$ 102.29	306,870.00	0.7	4.1
125,000	ROGERS COMM. INC. 5.800% due May 26, 2016 BBB	124,708.75	\$ 102.32	127,895.00	0.3	5.7
450,000	ROYAL BANK DEP NT 4.710% due December 22, 2014 AA-	462,507.00	\$ 105.54	474,916.50	1.2	4.5
100,000	ROYAL BANK DN 4.530% due May 7, 2012 AA-	97,385.00	\$ 104.76	104,763.00	0.3	4.3
100,000	ROYAL BANK TIER 2A 5.950% due June 18, 2014 A	101,648.00	\$ 104.36	104,357.00	0.3	5.7
100,000	TD BANK TIER 2A 4.779% due December 14, 2016 A	86,276.00	\$ 93.31	93,306.00	0.2	5.1

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100,000	TD BANK TIER 2A CALLBL 4.970% due October 30, 2104 AA-	94,633.00	\$ 96.64	96,638.00	0.2	5.1
200,000	TELUS CORP 4.950% due March 15, 2017 BBB+	199,072.00	\$ 98.62	197,232.00	0.5	5.0
100,000	THOMSON REUTERS CORP 5.250% due July 15, 2011 A-	99,765.00	\$ 105.28	105,283.00	0.3	5.0
250,000	TRANSALTA CORP 6.900% due June 1, 2011 BBB	282,915.00	\$ 105.13	262,820.00	0.6	6.6
200,000	TRANSCANADA CORP 11.100% due June 20, 2014 A-	263,778.00	\$ 130.97	261,934.00	0.6	8.5
100,000	TRANSCANADA CORP 9.450% due March 20, 2018 A-	131,318.00	\$ 131.30	131,301.00	0.3	7.2
80,000	TRANSCANADA PIPELINES LTD MTN 7.900% due April 15, 2027 A-	93,008.00	\$ 120.35	96,283.20	0.2	6.6
425,000	WELLS FARGO FINL 4.330% due December 6, 2013 AA-	407,303.00	\$ 99.92	424,664.25	1.0	4.3
125,000	WESTCOAST ENERGY INC 7.300% due December 18, 2026 BBB+	122,360.00	\$ 114.68	143,348.75	0.3	6.4
	Accrued Interest			58,496.60	0.1	
	Canadian Pay Corporate Total	5,958,072.85		6,149,410.53	14.8	5.2
	Canadian Pay Bonds Total	14,825,018.55		15,086,295.87	36.6	4.7
	Fixed Income Total	14,825,018.55		15,086,295.87	36.6	4.7
<b>Equity</b>						
<b>Canadian Equity</b>						
<b>Energy</b>						
26,135	ARC ENERGY TR UNIT TR	505,574.07	\$ 17.81	465,464.35	1.1	6.7
8,690	CAMECO CORP COM	205,872.46	\$ 29.84	259,309.60	0.6	0.8
8,125	CANADIAN NATURAL RESOURCES	378,695.86	\$ 61.19	497,168.75	1.2	0.7
4,525	ENCANA CORPORATION	229,111.31	\$ 57.67	260,956.75	0.6	2.8
27,850	PENN WEST ENERGY TRUST	595,422.81	\$ 14.81	412,458.50	1.0	12.2
8,210	PETRO CANADA	357,520.14	\$ 44.92	368,793.20	0.9	1.8
10,080	SUNCOR ENERGY INC.	321,340.94	\$ 35.37	356,529.60	0.9	0.6
37,345	TALISMAN ENERGY INC	521,988.40	\$ 16.71	624,034.95	1.5	1.3
11,220	TRANSCANADA CORP COM	349,036.43	\$ 31.32	351,410.40	0.9	4.9
6,500	ZARGON ENERGY TR TRUST UNIT	195,785.37	\$ 15.89	103,285.00	0.3	13.6
	Energy Total	3,660,347.78		3,699,411.10	9.0	3.8
<b>Materials</b>						
15,728	BARRICK GOLD CORP COM	538,817.14	\$ 39.15	615,751.20	1.5	1.0
	Materials Total	538,817.14		615,751.20	1.5	1.0
<b>Industrials</b>						
60,900	BOMBARDIER INC CL B	346,415.88	\$ 3.45	210,105.00	0.5	2.9
34,240	CAE Inc.	228,154.90	\$ 6.90	236,256.00	0.6	1.7

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Quantity	Security	Total Cost (\$C)	Price Local	Market Value (\$C)	% of TF	Current Yield
19,370	WESTJET AIRLINES LTD COM VTG SHS	234,207.79	\$ 10.30	199,511.00	0.5	
	Industrials Total	808,778.57		645,872.00	1.6	1.6
<b>Consumer Discretionary</b>						
64,580	CANWEST GLOBAL COMMUNICATIONS SUB VTG SH	313,853.24	\$ 0.16	10,009.90	0.0	0.0
20,420	SHAW COMMUNICATIONS INC CL B	400,961.48	\$ 19.58	399,823.60	1.0	4.3
16,305	THOMSON REUTERS CORP	611,166.21	\$ 33.85	551,924.25	1.3	3.3
	Consumer Discretionary Total	1,325,980.93		961,757.75	2.3	3.7
<b>Health Care</b>						
18,325	CML HEALTHCARE INCOME FD UNIT	254,604.31	\$ 12.67	232,177.75	0.6	8.5
	Health Care Total	254,604.31		232,177.75	0.6	8.5
<b>Financials</b>						
15,100	BANK OF MONTREAL	645,362.48	\$ 49.02	740,202.00	1.8	5.7
10,610	BANK OF NOVA SCOTIA	387,833.51	\$ 43.42	460,686.20	1.1	4.5
27,770	BROOKFIELD PROPERTIES CORP	394,099.33	\$ 9.20	255,484.00	0.6	6.1
6,750	INTACT FINANCIAL (FORMERLY ING CDA)	219,634.50	\$ 34.05	229,837.50	0.6	3.8
23,460	MANULIFE FINANCIAL CORP	609,414.94	\$ 20.19	473,657.40	1.1	5.2
12,860	ROYAL BANK OF CANADA	515,602.88	\$ 47.57	611,750.20	1.5	4.2
15,210	SUN LIFE FINANCIAL INC	570,247.64	\$ 31.40	477,594.00	1.2	4.6
10,150	TORONTO DOMINION BANK	557,353.79	\$ 60.09	609,913.50	1.5	4.1
	Financials Total	3,899,549.07		3,859,124.80	9.4	4.8
<b>Information Technology</b>						
11,205	MARCH NETWORKS CORP COM	220,242.33	\$ 3.98	44,595.90	0.1	0.0
2,700	RESEARCH IN MOTION LTD	138,425.98	\$ 82.68	223,236.00	0.5	0.0
	Information Technology Total	358,668.30		267,831.90	0.6	0.0
<b>Telecommunication Services</b>						
15,165	BCE INC COM	336,103.17	\$ 24.00	363,960.00	0.9	6.4
14,345	ROGERS COMMUNICATIONS INC CL B	473,900.46	\$ 29.90	428,915.50	1.0	3.9
8,570	TELUS CORP COM	337,702.50	\$ 30.85	264,384.50	0.6	6.2
	Telecommunication Services Total	1,147,706.12		1,057,260.00	2.6	5.3
	Canadian Equity Total	11,994,452.23		11,339,186.50	27.5	4.0
<b>Foreign Equity</b>						
<b>US Equity</b>						
<b>Energy</b>						
3,529	CHEVRON CORP NEW COM	261,178.37	\$US 66.25	271,741.38	0.7	3.9
3,435	DEVON ENERGY CORP.	232,680.26	\$US 54.50	217,591.28	0.5	1.2
7,274	PIONEER NAT RES CO COM	256,326.81	\$US 25.50	215,591.54	0.5	0.3
	Energy Total	750,185.44		704,924.20	1.7	2.0

**PORTFOLIO APPRAISAL**  
**LINCLUDEN BALANCED FUND**

Prepared by: Lincluden Management Limited

Trade Date: June 30, 2009

**CIBC #LINF0001002 (linbal)**

Quantity	Security	Total Cost (\$C)	Price Local	Market Value (\$C)	% of TF	Current Yield
<b>Materials</b>						
6,408	DU PONT E I DE NEMOURS & CO COM	268,646.50	\$US 25.62	190,818.23	0.5	6.4
	Materials Total	268,646.50		190,818.23	0.5	6.4
<b>Industrials</b>						
4,433	3M CO COM	354,235.65	\$US 60.10	309,663.80	0.8	3.4
3,507	DANAHER CORP DEL COM	224,160.86	\$US 61.74	251,663.73	0.6	0.2
6,945	HONEYWELL INTL INC COM	297,988.69	\$US 31.40	253,466.25	0.6	3.9
	Industrials Total	876,385.21		814,793.78	2.0	2.5
<b>Consumer Discretionary</b>						
18,532	COMCAST CORP NEW CL A	477,045.62	\$US 14.46	311,464.69	0.8	1.9
10,330	GARMIN LTD.	257,789.23	\$US 23.82	285,996.24	0.7	3.1
10,604	LOWES COS INC COM	336,349.82	\$US 19.41	239,228.82	0.6	1.9
	Consumer Discretionary Total	1,071,184.67		836,689.74	2.0	2.3
<b>Consumer Staples</b>						
4,723	COCA COLA CO COM	243,144.52	\$US 47.99	263,443.16	0.6	3.4
8,665	WALGREEN CO COM	278,086.07	\$US 29.40	296,097.09	0.7	1.5
	Consumer Staples Total	521,230.59		559,540.25	1.4	2.4
<b>Health Care</b>						
9,930	IMS HEALTH INC COM	217,397.18	\$US 12.70	146,578.82	0.4	0.9
3,001	JOHNSON & JOHNSON COM	220,923.94	\$US 56.80	198,121.94	0.5	3.5
13,815	PFIZER INC COM	328,030.26	\$US 15.00	240,857.62	0.6	4.3
4,060	QUEST DIAGNOSTICS INC COM	227,515.70	\$US 56.43	266,289.67	0.6	0.7
2,696	THERMO FISHER SCIENTIFIC	124,540.75	\$US 40.77	127,755.27	0.3	0.0
4,323	ZIMMER HLDGS INC COM	267,805.56	\$US 42.60	214,048.94	0.5	0.0
	Health Care Total	1,386,213.39		1,193,652.25	2.9	1.7
<b>Financials</b>						
2,300	AON CORP COM	77,103.19	\$US 37.87	101,237.49	0.2	1.6
13,840	BANK OF AMERICA CORPORATION COM	189,473.84	\$US 13.20	212,338.26	0.5	0.3
5,155	METLIFE INC COM	257,493.02	\$US 30.01	179,809.61	0.4	2.5
6,564	WELLS FARGO & CO	189,586.49	\$US 24.26	185,087.72	0.4	0.8
	Financials Total	713,656.53		678,473.09	1.6	1.2
<b>Information Technology</b>						
19,230	APPLIED MATLS INC COM	297,805.19	\$US 11.01	246,084.83	0.6	2.2
11,932	CISCO SYSTEMS INC.	257,065.60	\$US 18.65	258,648.71	0.6	
16,585	DELL INC COM	293,079.55	\$US 13.73	264,669.72	0.6	0.0
9,910	EBAY INC.	205,345.12	\$US 17.13	197,310.07	0.5	0.0
12,234	MICROSOFT CORP COM	338,899.88	\$US 23.77	337,999.37	0.8	2.2
18,346	ORACLE CORP COM	386,811.33	\$US 21.42	456,750.57	1.1	0.9
	Information Technology Total	1,779,006.67		1,761,463.27	4.3	1.0

**PORTFOLIO APPRAISAL**  
**LINCLUDEN BALANCED FUND**  
 Prepared by: Lincluden Management Limited  
 Trade Date: June 30, 2009

**CIBC #LINF0001002 (linbal)**

Quantity	Security		Total Cost (\$C)	Price Local	Market Value (\$C)	% of TF	Current Yield
<b>Telecommunication Services</b>							
5,678	VERIZON COMMUNICATIONS INC COM		221,933.05	\$US 30.73	202,803.85	0.5	6.0
	Telecommunication Services Total		221,933.05		202,803.85	0.5	6.0
	US Equity Total		7,588,442.06		6,943,158.66	16.8	2.0
<b>International Equity</b>							
<b>Energy</b>							
13,975	BG GROUP	United Kingdom	237,534.47	£ 10.18	272,068.54	0.7	1.1
3,109	BP PLC SPONSORED ADR	United Kingdom	228,884.47	\$US 47.68	172,296.00	0.4	7.0
3,406	TOTAL S A SPONSORED ADR	France	215,011.11	\$US 54.23	214,685.39	0.5	4.7
	Energy Total		681,430.05		659,049.93	1.6	3.8
<b>Materials</b>							
4,270	BASF SE	Germany	203,595.23	€28.40	197,678.97	0.5	6.9
	Materials Total		203,595.23		197,678.97	0.5	6.9
<b>Industrials</b>							
15,450	ABB LTD. SPON ADR	Switzerland	276,443.79	\$US 15.78	283,369.90	0.7	0.0
24,305	EXPERIAN	United Kingdom	181,858.90	£ 4.54	211,139.41	0.5	4.4
12,993	KONINKLIJKE PHILIPS ELECTRS NV NY REG SH NEW	Netherlands	385,459.50	\$US 18.42	278,174.49	0.7	4.3
2,004	SIEMENS A G SPONSORED ADR	Germany	201,388.43	\$US 69.19	161,160.75	0.4	2.2
8,584	WOLSELEY	United Kingdom	334,114.53	£ 11.58	190,097.76	0.5	0.0
	Industrials Total		1,379,265.15		1,123,942.31	2.7	2.2
<b>Consumer Discretionary</b>							
6,052	AUTOLIV INC COM	Sweden	283,442.96	\$US 28.77	202,375.07	0.5	0.0
14,519	PANASONIC CORP. ADR	Japan	289,014.94	\$US 13.39	225,962.06	0.5	2.1
3,249	TOYOTA MOTOR CORP SP ADR	Japan	304,706.82	\$US 75.53	285,224.90	0.7	2.6
	Consumer Discretionary Total		877,164.72		713,562.03	1.7	1.7
<b>Consumer Staples</b>							
4,570	DIAGEO PLC-SPONS ADR	United Kingdom	254,068.01	\$US 57.25	304,095.45	0.7	4.0
7,458	NESTLE S A SPONSORED ADR	Switzerland	283,863.48	\$US 37.63	326,157.61	0.8	2.1
	Consumer Staples Total		537,931.50		630,253.06	1.5	3.0
<b>Health Care</b>							
6,415	GLAXOSMITHKLINE PLC SPONSORED ADR	United Kingdom	348,783.48	\$US 35.34	263,500.50	0.6	5.4
6,106	SANOFI AVENTIS SPONSORED ADR	France	279,338.28	\$US 29.49	209,290.64	0.5	3.8
	Health Care Total		628,121.76		472,791.14	1.1	4.7
<b>Financials</b>							
9,158	AXA SPONSORED ADR	France	291,493.56	\$US 18.96	201,816.75	0.5	2.4
7,811	BARCLAYS PLC ADR	United Kingdom	233,186.85	\$US 18.44	167,411.69	0.4	4.6
6,265	HSBC HLDGS PLC SPON ADR	United Kingdom	436,595.29	\$US 41.77	304,161.18	0.7	6.5
13,213	ING GROEP N V SPONSORED ADR	Netherlands	308,687.39	\$US 10.14	155,724.74	0.4	0.0
1,550	MUNICH RE	Germany	235,059.04	€96.13	242,887.35	0.6	5.7

Report run at 10:28 AM on Tuesday, July 21, 2009

7

**PORTFOLIO APPRAISAL**  
**LINCLUDEN BALANCED FUND**  
 Prepared by: Lincluden Management Limited  
*Trade Date: June 30, 2009*

**CIBC #LINF0001002 (linbal)**

Quantity	Security		Total Cost (\$C)	Price Local	Market Value (\$C)	% of TF	Current Yield
82,635	STANDARD LIFE	United Kingdom	364,684.24	£ 1.86	294,096.01	0.7	6.3
	Financials Total		1,869,706.37		1,366,097.73	3.3	4.7
	<b>Information Technology</b>						
5,359	CANON INC	Japan	170,341.04	\$US 32.53	202,621.75	0.5	3.0
813	KEYENCE CORP	Japan	173,410.33	¥ 19,700.00	193,186.20	0.5	0.3
18,724	NOKIA CORP SPONSORED ADR	Finland	340,353.76	\$US 14.58	317,303.16	0.8	2.7
905	SAMSUNG ELECTRONIC	Korea	295,685.61	\$US 231.75	243,773.54	0.6	0.7
	Information Technology Total		979,790.74		956,884.64	2.3	1.8
	<b>Telecommunication Services</b>						
6,641	FRANCE TELECOM SPONSORED ADR	France	181,437.36	\$US 22.81	176,066.61	0.4	7.3
15,608	NTT DOCOMO INC SPONS ADR	Japan	270,032.19	\$US 14.55	263,954.15	0.6	3.1
	Telecommunication Services Total		451,469.55		440,020.76	1.1	4.8
	International Equity Total		7,608,475.08		6,560,280.58	15.9	3.3
	Foreign Equity Total		15,196,917.14		13,503,439.24	32.7	2.6
	Equity Total		27,191,369.37		24,842,625.74	60.2	3.3
	<b>Other</b>						
	<b>Equity Hedges</b>						
3,220,696	cad Forward August 17, 2009		3,220,695.50	\$ 1.00	3,220,695.50	7.8	
-2,850,000	usd Forward August 17, 2009		-3,220,695.50	\$US 1.00	-3,311,927.99	-8.0	
	Equity Hedges Total		0.00		-91,232.49	-0.2	
	Other Total		0.00		-91,232.49	-0.2	0.0
<b>TOTAL PORTFOLIO</b>			<b>43,440,832.41</b>		<b>41,265,366.31</b>	<b>100.0</b>	<b>3.7</b>