

# Meritage Balanced Income Portfolio

Category: Canadian Neutral Balanced

HHHHH†

Morningstar Rating

## Portfolio Facts

The Portfolio's investment objectives are to achieve high current income by investing primarily in a diverse mix of fixed income and equity mutual funds. The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed income securities.

### INVESTMENT HORIZON

SHORT LONG

### FUND VOLATILITY

LOW HIGH

Minimum Initial Investment:	\$5,000
Subsequent Investment:	\$50
Systematic Investment:	\$25
Distribution Frequency:	Monthly
Assets Under Management (\$M):	\$205.3
Price per Unit:	\$8.56
Inception Date:	September 25, 2006
Value of \$10,000 since inception:	\$12,022
Management Fee: 1.96%	MER: 2.30%

### Portfolio Asset Mix (% of Net Assets)



49.69%	Fixed Income
40.51%	Canadian Equity
9.80%	Global Equity

### Third-Party funds (%)

TD Canadian Bond Fund	17.28
Beutel Goodman Income Fund	17.27
Dynamic Equity Income Fund	15.58
CI Signature Dividend Fund	14.97
RBC Global High Yield Bond Fund	10.01
RBC Canadian Dividend Fund	9.98
TD Real Return Bond Fund	5.12
Mackenzie Ivy Foreign Equity Fund	5.11
Mackenzie Cundill Value Fund	4.68

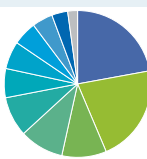
### Annual Returns (%)

	YTD	2011	2010	2009	2008	2007	2006
Portfolio	3.52	3.52	9.37	18.73	-13.13	1.06	4.68

### Annual Compound Returns (%)

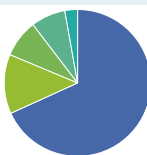
Underlying Funds	1 month	3 months	6 months	1 year	3 years	5 years	10 years	Since Inception	Inception Date
<b>Fixed Income</b>									
TD Canadian Bond	1.61	1.82	6.22	8.40	8.13	5.70	6.12	7.82	6/1/1988
Beutel Goodman Income	1.43	1.70	5.51	7.15	7.15	6.44	6.33	7.66	12/1/1990
TD Real Return Bond	3.21	6.54	11.34	15.30	12.44	7.21	8.00	7.78	11/1/1994
RBC Global High Yield Bond	1.94	5.00	3.23	6.42	14.69	6.96	7.60	7.65	11/1/2001
<b>Canadian Equity</b>									
Dynamic Equity Income	2.01	7.31	2.56	9.62	20.41	7.17	12.46	12.88	6/1/2001
CI Signature Dividend	1.39	4.26	-4.37	-0.86	12.76	0.93	4.59	6.07	11/1/1996
RBC Canadian Dividend	0.89	4.25	-5.96	-2.48	11.57	0.86	7.28	10.82	1/1/1993
<b>Global Equity</b>									
Mackenzie Cundill Value	-2.03	1.28	-16.79	-16.08	1.76	-5.05	2.04	6.39	10/1/1998
Mackenzie Ivy Foreign Equity	-0.39	2.61	-0.94	3.18	4.18	0.21	1.70	6.85	10/1/1992
Portfolio	1.38	3.66	0.48	3.52	10.36	3.37	—	3.56	

### Sector Allocation



21.40%	Energy	5.90%	Communication Services
20.80%	Financial Services	5.10%	Healthcare
9.50%	Consumer Defensive	4.40%	Utilities
9.40%	Real Estate	3.40%	Basic Materials
8.50%	Industrials	2.10%	Technology
6.20%	Consumer Cyclical		

### Geographic Allocation



68.20%	Canada
13.10%	USA
8.30%	Other Regions
7.60%	Cash
2.80%	Euro Zone

# Meritage Balanced Income Portfolio

Category: Canadian Neutral Balanced

## Disclosure

Meritage Portfolios® (the "Portfolios") are managed by National Bank Securities Inc., a wholly owned subsidiary of National Bank of Canada. Commissions, trail commissions, management fees and expenses all may be associated with investments in the Portfolios. Please read the prospectus of the Portfolios before investing. The Portfolios are not insured by the Canada Deposit Insurance Corporation or by any other government deposit insurer. The Portfolios are not guaranteed, their values change and their performance may not be repeated.

The indicated rates of returns are based on the historical annual compounded total returns including changes in securities value and reinvestment of all distributions. They do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns.

"Meritage Portfolios®" and the Meritage Portfolios logo are trade-marks of National Bank of Canada, used under license by National Bank Securities Inc. All other trademarks of the mutual funds companies are their property. National Bank Securities Inc. is an authorized user. Fidelity Investments is a registered trade-mark of Fidelity Investments. The CI Investments design are trade-marks of CI Investments Inc. "Dynamic" is a registered trade-mark of Dundee Corporation. "Dynamic Funds" and "Investment" are trade-marks of Dundee Corporation. TD Asset Management Inc. is a wholly owned subsidiary of The Toronto-Dominion Bank. The TD logo is a trade-mark of The Toronto-Dominion Bank. Invesco and all associated trade-marks are trade-marks of Invesco Holding Company Limited, used under license. Trimark and all associated trade-marks are trade-marks of Trimark Inc. © Invesco Canada Ltd., 2011. The AGF logo and "What are you doing after work?" are trade-marks of AGF Management Limited and are used under license.

The Morningstar Risk-Adjusted Rating, commonly referred to as the Star Rating, relates the risk-adjusted performance of a fund to that of its category peers. In the Morningstar Risk-Adjusted Rating, the fund and its peers are ranked by their Morningstar Risk-Adjusted Returns. If a fund scores in the top 10% of its fund category, it receives five stars (Above Average); in the next 22.5%, it receives four stars (Above Average); a place in the middle 35% earns a fund three stars (Neutral or Average); those in the next 22.5% receive two stars (Average); and the lowest 10% get one star (Low).

The overall Star Rating for a fund is a weighted combination of its three, five, and ten year ratings. If a fund has less than three years' performance history, it is given a three star rating. If it has at least three but less than five years' history, its overall rating is equal to its three-year rating. If it has at least five but less than ten years' history, its overall rating is equal to 50% three-year rating and 50% five-year rating. If it has at least ten years' history, its overall rating is equal to 50% ten-year rating, 30% five-year rating and 20% three-year rating. Morningstar Risk-Adjusted Ratings are recalculated monthly.

© 2011 Morningstar Research Inc. All rights reserved. The information contained herein (1) is proprietary to Morningstar and/or its service providers; (2) may not be distributed; and (3) is not represented or warranted to be accurate, correct, complete or timely. Neither Morningstar nor its content providers are responsible for losses arising from any use of this information. For greater detail see [www.morningstar.ca](http://www.morningstar.ca).