

Meritage Balanced Portfolio

Category: Canadian Neutral Balanced

HHHH†

Morningstar Rating™

Portfolio Facts

The Portfolio's investment objectives are to achieve combination of income and long-term capital appreciation by investing primarily in a diverse mix fixed income and equity mutual funds. The Portfolio from time to time make direct investments in Canac 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: Quarterly

Assets Under Management (\$M): \$298.7

Price per Unit: \$10.56

Inception Date: September 25, 2006

Value of \$10,000 since inception: \$11,529

Management Fee: 2.00% MER: 2.27%

Portfolio Asset Mix (% of Net Assets)



50.71% Fixed Income
24.94% Global Equity
24.35% Canadian Equity

Third-Party funds (%)

Beutel Goodman Income Fund	17.65
TD Canadian Bond Fund	17.62
RBC Global High Yield Bond Fund	10.22
Mackenzie Ivy Foreign Equity Fund	7.86
Beutel Goodman Canadian Equity Fund	7.53
Fidelity Canadian Disciplined Equity Fund	7.18
Mackenzie Cundill Value Fund	7.15
TD Real Return Bond Fund	5.23
Capital International - Global Equity Fund	5.11
Mackenzie Saxon Small Cap Fund	5.04
AGF Emerging Markets Fund	4.81
Dynamic Value Fund of Canada	4.60

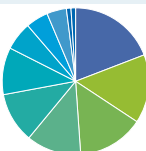
Annual Returns (%)

	YTD	2011	2010	2009	2008	2007	2006
Portfolio	-2.09	-2.09	10.34	18.68	-12.93	-0.87	6.58

Annual Compound Returns (%)

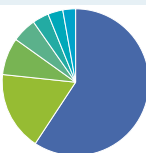
Underlying Funds	1 month	3 months	6 months	1 year	3 years	5 years	10 years	Since Inception	Inception Date
Fixed Income									
TD Canadian Bond	1.61	1.82	6.22	8.40	8.13	5.70	6.12	7.82	6/1/1988
Beutel Goodman Income	1.43	1.70	5.51	7.15	7.15	6.44	6.33	7.66	12/1/1990
TD Real Return Bond	3.21	6.54	11.34	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
Canadian Equity									
Beutel Goodman Canadian E	1.65	4.94	-7.91	-6.99	10.07	1.60	6.79	8.02	12/1/1990
Dynamic Value fund of Canac	-3.85	3.02	-17.29	-22.20	8.48	-0.84	7.49	10.92	7/1/1957
Fidelity Canadian Disciplined Equity	-1.83	2.90	-10.61	-12.18	12.91	0.95	6.88	10.25	9/1/1998
Mac Saxon small cap	-0.58	10.38	-10.27	-9.89	22.59	-1.28	7.58	8.80	12/1/1985
Global Equity									
Mackenzie Cundill Value	-2.03	1.28	-16.79	-16.08	1.76	-5.05	2.04	6.39	10/1/1998
Capital International-Global E	-1.23	3.68	-8.27	-5.11	6.15	-3.58	—	3.65	11/1/2002
Mackenzie Ivy Foreign Equity	-0.39	2.61	-0.94	3.18	4.18	0.21	1.70	6.85	10/1/1992
AGF Emerging Markets	-2.58	1.39	-9.96	-14.63	16.42	2.81	10.27	4.30	4/1/1994
Portfolio	0.29	3.19	-2.89	-2.09	8.63	2.05	—	2.74	

Sector Allocation



19.00% Financial Services
15.00% Energy
14.50% Basic Materials
12.00% Consumer Defensive
11.00% Consumer Cyclical
10.30% Industrials
6.20% Technology
4.90% Communication Services
4.30% Healthcare
1.00% Utilities
1.00% Real Estate

Geographic Allocation



59.20% Canada
17.40% USA
8.20% Other Regions
5.40% Cash
3.60% Euro Zone
3.30% Latin America
2.80% Asia Emerging

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Disclosure

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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.

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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-year 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.

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