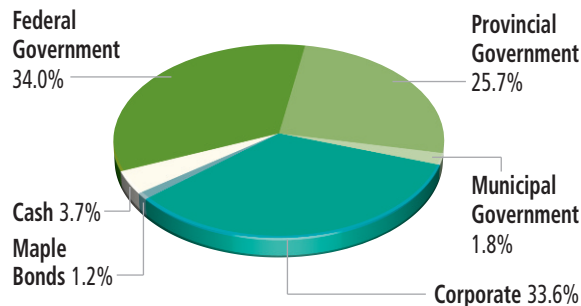
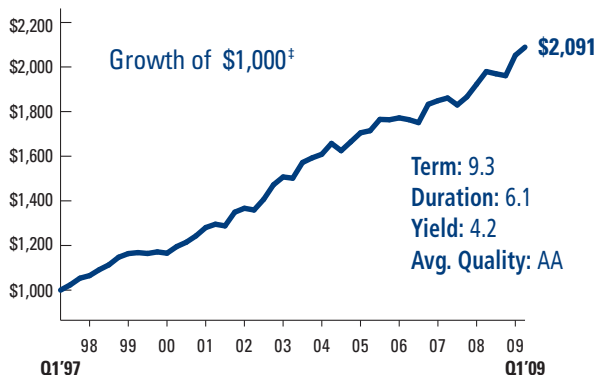


# Integra Bond Fund – First Quarter 2009

## Fund Details

- **Fund Inception**  
December 1, 1996
- **Net Assets**  
\$118.2 million
- **Primary Investments**  
Bonds
- **Distributions**  
Monthly as required
- **RRSP Eligible**



Annual Returns to March 31 (%)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	2.3	8.4	4.9	10.5	10.4	3.5	2.9	5.5	6.4	5.5
Annualized Returns to March 31, 2009 (%)	Qtr*	6 mo*	1 yr	2 yr	3 yr	4 yr	5 yr	6 yr	7 yr	10 yr
	1.8	6.5	5.5	6.0	5.8	5.1	4.7	5.7	6.3	6.0

<sup>†</sup>Growth is calculated based on compounded monthly returns. \* Performance for the quarter and 6 months to March 31 represent the actual total returns of the funds for the period, and are not annualized.

The Integra Bond Fund invests in a broad range of Canadian federal and provincial governments bonds and high-quality corporate bonds. An important characteristic of bond funds is that they tend to move in the opposite direction as interest rates. When interest rates drop, bond funds tend to perform very well. Conversely, when interest rates rise, bond funds tend to perform poorly.

### Lincluden Management – Credit Analysis & Yield Spreads

Oakville, founded 1982, managing \$2.2 billion.

Canadian bonds posted modestly positive results as the Bank of Canada cut its target overnight rate by 1% to 0.5%, joining other major central banks in a co-ordinated effort to ease global monetary conditions. The Federal Reserve Bank left the target fed funds rate at 0.25%. The Canadian government yield curve showed little change in the quarter, although long yields increased marginally. Corporate spreads for most issuers narrowed considerably, although spreads for specific sectors, such as insurance companies, showed little improvement. In this environment, the portfolio performed well, benefiting from our strong position in corporate bonds.

### State Street Global Advisors – Enhanced Core/Active Bond Manager

Montreal, founded 1978, managing \$1.8 trillion.

The DEX Universe Bond Index posted a 1.52% total return for the first three months of 2009, while 10-year Government of Canada bonds ended the quarter yielding 2.78%. Lack of trust in the global financial system and coordinated central bank action, drove short-term government debt yields to lower levels with Canada 91-day T-bills ending the month yielding 0.39%.

In this relatively volatile market, the DEX Corporate Bond Index™ returned 3.48%, outperforming the DEX All-Governments Bond Index™ by 2.68% for the period. However, while corporate bonds did improve modestly over the quarter, outright spreads remain elevated and the corporate sector of the DEX Universe Bond Index™ remains the worst performing sector of the index over the last 10 years.