

Consider all aspects of the fixed-income market for superior returns

By adding fixed income securities you can boost portfolio returns while substantially reducing risk when the stock market is volatile. You can boost returns from your fixed-income investments with an active management stance which anticipates changes in interest rates, considers the relative value of different bond maturities and has a portfolio mix that will vary with the stages in the economic cycle.

Fixed-income funds which are actively managed can take advantage of a changing economic environment to benefit RSP and RIF investors, and others requiring safety of capital while seeking higher returns and diversification.

The Elliott & Page Active Bond Fund uses multiple investment disciplines to boost fixed-income returns.

■ **Bonds add to returns**

Over the past 10 years bonds outperformed stocks in many periods. Portfolios holding a mix of stocks and bonds were much less volatile and had superior returns than stocks alone.

■ **Safety of capital is key**

Safety of capital and maximizing long-term returns are important concerns for fixed-income investors. These objectives should be reflected in the credit quality of the assets in a portfolio at any given point in the economic cycle.

■ **High yield securities can provide opportunities for higher returns**

When market conditions are appropriate, a modest portion of high yield securities can add extra yield to a fixed-income portfolio.

■ **Diversification improves performance**

The performance of a fixed-income portfolio can be improved by diversifying among issuers. Alternatives include issues of the Government of Canada, provinces, municipalities, government agencies, corporations, as well as asset-backed and mortgage-backed securities, foreign currency debt and high yield securities. An experienced portfolio management team will know which types of issues to use at different stages of the economic cycle.

Fixed Income Sector	Ideal Economic Conditions
Government of Canada bonds	Any period of uncertainty or volatility where a 'flight to quality' and deteriorating credit fundamentals occur
Provincial bonds	Improving fiscal policy and strong provincial economies
Corporate/High Yield bonds	Expanding economy with continued high growth expectations and improving credit fundamentals

THE CHART ABOVE INDICATES DIFFERENT FIXED-INCOME SECTORS AND THE ECONOMIC ENVIRONMENTS WHERE THEY PERFORM WELL.

■ **Hedge against a falling Canadian dollar**

The Canadian dollar has been falling against the U.S. currency for more than two decades. The Elliott & Page Active Bond Fund can take advantage of the relative value between the Canadian and U.S. markets by investing in U.S. treasury issues up to the maximum limit allowed for RSP-eligible funds.

TIP

FOR YOUR RSP AND RIF

The Elliott & Page Active Bond Fund will be of interest to RSP and RIF investors who want an actively managed fixed-income fund which will provide higher returns.

FOR DIVERSIFICATION

An exceptional investment to include in a portfolio with equity funds where the objectives are to reduce risk while maintaining high returns.

FOR INVESTORS WHO WANT HIGHER RETURNS

The Fund's management style makes it suitable for investors who require superior returns but who are unwilling to accept the volatility of the stock markets.

Please read the Fund's simplified prospectus carefully before investing. Mutual funds are not guaranteed and their values change frequently; and past performance may or may not be repeated. The information contained in this communication is designed to provide you with general information related to investment alternatives and strategies; it is not intended to be comprehensive investment advice applicable to the circumstances of any individual. We strongly urge you to consult with a financial advisor prior to making investment decisions.

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CUSTOMER SERVICE

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What You Want To Know

"What is the difference between the Elliott & Page Active Bond Fund and other bond funds?"

Rather than using a simple interest rate strategy, our Fixed Income and High Yield Teams use a combination of investment disciplines to add value to this Fund. Plus it can hold a modest portion in high yield securities and U.S. dollar debt.

"Why should I buy this bond fund over others?"

The Elliott & Page Active Bond Fund is managed using a flexible and balanced approach. This allows for a mix of securities best suited to the current economic environment.

"Why is having the right sector mix so important?"

Performance will reflect the mix of assets in the portfolio. The Fund's broad investment policy and active management allows the portfolio to be structured to take advantage of expected market conditions.

For more information, please contact