

IA Clarington Canadian Dividend Fund

Series A, F, F6, I, T6 and X Units

Interim Management Report of Fund Performance

June 30, 2011

This interim management report of fund performance contains financial highlights but does not contain the complete interim financial statements of the Fund. You can get a copy of the interim financial statements at your request, and at no cost, by calling 1-888-860-9888, by writing to us at 522 University Avenue, Suite 700, Toronto, ON M5G 1Y7, or by visiting our website at www.iaclarington.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

The management discussion of fund performance for IA Clarington Canadian Dividend Fund (the "Fund") represents management's view of the significant factors and developments affecting the Fund's performance and outlook. IA Clarington Investments Inc. is the manager (the "Manager") of the Fund.

In this report, "Net Assets" or "Net Assets per Unit" are references to net assets as determined in accordance with Canadian generally accepted accounting principles ("GAAP") as presented in the Fund's financial statements. All references to "Net Asset Value", "Net Asset Value per Unit" or "NAV" are referenced to the net asset value as determined in accordance with National Instrument 81-106 – Investment Fund Continuous Disclosure, which is used for transactional purposes, including fund purchases and fund redemptions.

The Fund's portfolio advisor is Industrial Alliance Investment Management Inc. ("IAIM" or the "Portfolio Advisor").

Results of Operations

The Fund's Net Assets decreased by 6.8% or \$93.1 million during the period, from \$1,359.4 million on December 31, 2010 to \$1,266.3 million on June 30, 2011. This change in Net Assets resulted from a decrease of \$40.3 million due to net redemptions, a decrease of \$84.4 million due to distributions and an increase of \$31.6 million due to investment operations, including market volatility, income and expense.

The average Net Assets of the Fund decreased by 4.4% or \$62.0 million in comparison to the prior year, from \$1,402.5 million to \$1,340.5 million. Average Net Assets influence revenue earned and expenses incurred by the Fund during the period.

The Series A units of the Fund returned 2.2% for the six-month period ending June 30, 2011. The performance of the other series of the Fund is substantially similar, save for differences in expense structure. Refer to the "Past Performance" section for the performance information of each series.

The Fund's broad-based benchmark, the S&P/TSX Composite Index, returned 0.2% over the same six-month period. The comparison to this broad-based Index has been provided to help illustrate the Fund's performance relative to the general performance of the market. The Fund's benchmark, the S&P/TSX 60 Index, returned 0.6% over the same six-month period. This comparison to Fund performance is more useful since this Index covers larger market capitalization securities and is a closer reflection of the types of companies in which the Fund invests. The Fund's return calculation for all series includes fees and expenses which are not applicable in generating a return for the benchmark.

One year later, the same issues that were making headlines at this time in 2010 are in the spotlight again: Greece's sovereign debt troubles, doubts over the economic recovery in the U.S., and fears of rising inflation. However, the after-effects of the tsunami in Japan and geopolitical trouble in the Middle East have been added to the mix.

The defensive sectors advanced in the first six months of the year, whereas the more cyclical sectors lost considerable value, particularly in Materials and Technology. The high representation of Materials and Energy in the Index played a significant role in the overall retreat, especially in the second quarter. The Energy sector was hit hard by the drop in the price of oil, which fell from \$107 to \$95 per barrel during the second quarter. In the United States, the semester was better for the S&P 500 Index. For the last six months, the Index returned 6.0% in local currency (2.8% in Canadian dollars). The Energy and Materials sectors make up just 16% of the U.S. Index, as opposed to nearly 50% of the Canadian Index. The U.S. Index was therefore less affected by the drop in the price of oil and materials.

As for the investment activity within the Fund, the Portfolio Advisor continues to favour a fairly neutral sector allocation when compared to the S&P/TSX Composite Index. This is typical for the Fund as the Portfolio Advisor prefers to add value through security selection as opposed to sector allocation. Financials continues to be the Fund's most significant sector weight. This was a positive contributor to Fund performance as The Toronto-Dominion Bank, Bank of Montreal and the

Royal Bank of Canada all had strong results. The market weight allocation to Energy was a possible detractor when compared to the Fund's peer group performance. Having said that, the Portfolio Advisor did have a selection of energy stocks, such as TransCanada Corp., which outperformed compared to the sector. Additionally, the Fund's foreign content also added to performance versus the benchmark.

The Portfolio Advisor added Cameco Corp. late in the first quarter after its share price decreased following the Japanese nuclear accident. The Portfolio Advisor expects that the longer-term outlook for electricity generation using nuclear power will improve. In the most recent quarter, the Portfolio Advisor trimmed its TransCanada Corp. positions, but added to its Freeport-McMoRan Copper & Gold Inc. position.

Recent Developments

The last six months have been difficult for the Canadian equity market. The S&P/TSX Composite Index, with its heavy weighting in resources, suffered sharper drops than the more diversified stock markets such as the S&P 500 Index. However, in the last few years, Canada's S&P/TSX Composite Index had outperformed several other industrialized countries.

The problems with some European sovereign credits will continue to be an ongoing concern. As the equity markets come to understand and accept this, volatility should decrease. Ultimately, North American and global economic growth will dictate where equity markets go. The Portfolio Advisor will continue to pay very close attention to such factors, while continuing to maintain high quality securities that generate a good dividend yield.

International Financial Reporting Standards (IFRS)

The Accounting Standards Board of the Canadian Institute of Chartered Accountants has announced in January 2011 that it has decided to defer the mandatory adoption of IFRS for investment funds that apply the Accounting Guideline on Investment Companies ("AcG-18") to January 1, 2013 instead of January 1, 2012, as it had been previously decided. The Fund, therefore, will adopt IFRS in the financial year beginning on January 1, 2013, and will produce its first financial statements in accordance with IAS 34, Interim Financial Reporting, for the semi-annual period ending on June 30, 2013.

In order to be ready for the changeover to IFRS, the Fund, by way of the Manager, has developed a transition plan containing three phases: 1) identification of the risks; 2) implementation of the new standards; and 3) conversion. During the next two years, the Fund will evaluate the financial consequences and impacts of the conversion to IFRS and complete the design of financial statements and the notes to the financial statements according to IFRS requirements. The Fund will also evaluate the impact of the new accounting standards on disclosure controls and procedures and internal control over financial reporting and make the necessary changes. The Manager anticipates there will be changes to the financial statements but the impact, if any, cannot be reasonably estimated at this time. Training and communication plans will continue throughout the year to prepare and assess the required information.

Given the evolution of accounting standards, the overall impact of adopting IFRS on the Fund's financial situation and future results cannot be reasonably established until the process is completed.

Related Party Transactions

The Portfolio Advisor is affiliated with the Manager as they are both under common control of Industrial Alliance Insurance and Financial Services Inc. ("Industrial Alliance"). For its Portfolio Advisory services, IAIM charged the Manager fees based on the Fund's Net Asset Value.

The Fund also paid fund accounting fees to Industrial Alliance. The amounts paid are disclosed in the financial statements.

For the provision of investment management services, the Manager receives management fees from the Fund, based on the average Net Asset Values of the respective series. The management fees paid are disclosed in the financial statements.

IA Clarington Canadian Dividend Fund

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The Fund is responsible for payment of all expenses relating to the operation of the Fund and the carrying on of its business, except for those expenses relating to Series I units. This includes, but is not limited to, legal, audit and custodial fees, taxes, brokerage fees, interest, operating and administrative fees, costs and expenses. In addition, the Fund is also responsible for the fees, costs and expenses of financial and other reports and prospectuses required to comply with all regulatory requirements in connection with the distribution of securities of the Fund, except for those expenses relating to Series I units. A certain portion of these fees (including fund accounting fees) and expenses are initially paid for by the Manager, and then recovered from the Fund.

At its sole discretion, the Manager waived management fees or absorbed expenses of the Fund. The management expense ratios of each of the series of units of the Fund with and without the waivers and absorptions are reported in the following Ratios and Supplemental Data table.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated.

The Fund's Net Assets per Unit (\$) ¹						
Series A	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	4.99	5.06	4.49	7.27	7.97	7.82
Increase (decrease) from operations:						
Total revenue	0.08	0.16	0.18	0.22	0.23	0.21
Total expenses	(0.07)	(0.13)	(0.13)	(0.17)	(0.21)	(0.21)
Realized gains (losses) for the period	0.10	0.04	(0.30)	0.06	0.29	0.68
Unrealized gains (losses) for the period	0.01	0.46	1.42	(2.02)	(0.09)	0.47
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	0.12	0.53	1.17	(1.91)	0.22	1.15
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends ⁴	-	-	(0.01)	(0.01)	-	-
From capital gains	-	-	-	-	(0.07)	(0.34)
Return of capital	(0.31)	(0.61)	(0.60)	(0.92)	(0.89)	(0.62)
Total distributions³	(0.31)	(0.61)	(0.61)	(0.93)	(0.96)	(0.96)
Net Assets, end of period	4.80	4.99	5.06	4.49	7.27	7.98

The Fund's Net Assets per Unit (\$) ¹						
Series F	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	5.64	5.60	4.88	7.70	8.27	7.97
Increase (decrease) from operations:						
Total revenue	0.09	0.18	0.19	0.23	0.24	0.08
Total expenses	(0.03)	(0.06)	(0.06)	(0.07)	(0.09)	(0.09)
Realized gains (losses) for the period	0.11	0.05	(0.33)	0.09	0.31	0.76
Unrealized gains (losses) for the period	0.01	0.48	1.48	(2.25)	(0.11)	0.54
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	0.18	0.65	1.28	(2.00)	0.35	1.29
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends ⁴	-	-	(0.09)	(0.03)	-	-
From capital gains	-	-	-	-	(0.07)	(0.34)
Return of capital	(0.33)	(0.66)	(0.57)	(0.90)	(0.89)	(0.62)
Total distributions³	(0.33)	(0.66)	(0.66)	(0.93)	(0.96)	(0.96)
Net Assets, end of period	5.48	5.64	5.60	4.88	7.70	8.27

The Fund's Net Assets per Unit (\$) ¹						
Series F6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	8.67	8.02	6.49	9.56	10.00	-
Increase (decrease) from operations:						
Total revenue	0.14	0.27	0.26	0.30	0.14	-
Total expenses	(0.05)	(0.09)	(0.07)	(0.09)	(0.05)	-
Realized gains (losses) for the period	0.17	0.12	(0.35)	(0.04)	0.24	-
Unrealized gains (losses) for the period	-	0.95	1.75	(3.65)	(0.47)	-
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	0.26	1.25	1.59	(3.48)	(0.14)	-
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends ⁴	-	-	(0.06)	(0.02)	-	-
From capital gains	-	-	-	-	(0.05)	-
Return of capital	(0.26)	(0.40)	(0.34)	(0.58)	(0.25)	-
Total distributions³	(0.26)	(0.40)	(0.40)	(0.60)	(0.30)	-
Net Assets, end of period	8.67	8.67	8.02	6.49	9.56	-

The Fund's Net Assets per Unit (\$) ¹						
Series I	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	5.61	5.42	4.61	7.30	8.26	7.86
Increase (decrease) from operations:						
Total revenue	0.09	0.17	0.18	0.22	0.24	-
Total expenses	-	-	-	-	-	-
Realized gains (losses) for the period	0.11	0.06	(0.28)	0.05	0.19	-
Unrealized gains (losses) for the period	-	0.53	1.50	(2.07)	0.39	-
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	0.20	0.76	1.40	(1.80)	0.82	-
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends ⁴	-	-	(0.14)	(0.04)	-	-
From capital gains	-	-	-	-	(0.29)	(0.34)
Return of capital	(0.28)	(0.55)	(0.44)	(0.92)	(0.88)	(0.62)
Total distributions³	(0.28)	(0.55)	(0.58)	(0.96)	(1.17)	(0.96)
Net Assets, end of period	5.54	5.61	5.42	4.61	7.30	8.26

The Fund's Net Assets per Unit (\$) ¹						
Series T6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	8.19	7.71	6.34	9.49	10.00	-
Increase (decrease) from operations:						
Total revenue	0.13	0.25	0.26	0.30	0.18	-
Total expenses	(0.11)	(0.21)	(0.19)	(0.22)	(0.13)	-
Realized gains (losses) for the period	0.16	0.09	(0.37)	(0.05)	0.23	-
Unrealized gains (losses) for the period	(0.01)	0.77	2.09	(3.19)	(0.43)	-
Transaction costs	-	-	-	-	(0.01)	-
Total increase (decrease) from operations²	0.17	0.90	1.79	(3.16)	(0.16)	-
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends ⁴	-	-	(0.02)	(0.01)	-	-
From capital gains	-	-	-	-	(0.01)	-
Return of capital	(0.25)	(0.38)	(0.36)	(0.59)	(0.29)	-
Total distributions³	(0.25)	(0.38)	(0.38)	(0.60)	(0.30)	-
Net Assets, end of period	8.13	8.19	7.71	6.34	9.49	-

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Financial Highlights (continued)

The Fund's Net Assets per Unit (\$) ¹						
Series X	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Net Assets, beginning of period	4.72	4.92	4.48	4.33	-	-
Increase (decrease) from operations:						
Total revenue	0.07	0.15	0.17	0.02	-	-
Total expenses	(0.06)	(0.13)	(0.12)	(0.01)	-	-
Realized gains (losses) for the period	0.09	0.05	(0.28)	(0.01)	-	-
Unrealized gains (losses) for the period	0.01	0.44	1.44	0.68	-	-
Transaction costs	-	-	-	-	-	-
Total increase (decrease) from operations²	0.11	0.51	1.21	0.68	-	-
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends ⁴	-	-	(0.02)	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.36)	(0.72)	(0.70)	(0.06)	-	-
Total distributions³	(0.36)	(0.72)	(0.72)	(0.06)	-	-
Net Assets, end of period	4.47	4.72	4.92	4.48	-	-

- The per unit data is derived from the Fund's audited annual financial statements for prior periods and from the interim unaudited financial statements, for the current period ended June 30, 2011. The Net Assets per Unit presented in the financial statements can differ from the Net Asset Value per Unit calculated for fund pricing purposes. An explanation of these differences can be found in the Notes to the Financial Statements. It is not intended that the Fund's Net Assets per Unit table act as a continuity of opening and closing Net Assets per Unit.
- Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.
- Distributions were paid in cash or reinvested in additional units of the Fund, or both.
- Distributions qualified for Canadian dividend tax credit.

Ratios and Supplemental Data						
Series A	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	1,034,190	1,111,227	1,200,159	1,179,030	2,003,950	1,446,190
Number of units outstanding (000's) ¹	215,213	222,527	236,790	261,859	275,411	181,307
Management expense ratio (%) ^{2,3}	2.76	2.70	2.69	2.69	2.74	2.73
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	2.77	2.71	2.69	2.69	2.75	2.75
Trading expense ratio (%) ⁵	0.02	0.03	0.06	0.05	0.05	0.06
Portfolio turnover rate (%) ⁶	4.57	6.87	18.01	27.61	13.02	69.80
NAV per unit (\$)	4.81	4.99	5.07	4.50	7.28	7.98

Ratios and Supplemental Data						
Series F	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	3,943	4,451	5,080	5,353	11,540	7,453
Number of units outstanding (000's) ¹	718	788	905	1,093	1,497	901
Management expense ratio (%) ^{2,3}	1.16	1.12	1.09	1.09	1.11	1.10
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	1.16	1.12	1.11	1.11	1.13	1.99
Trading expense ratio (%) ⁵	0.02	0.03	0.06	0.05	0.05	0.06
Portfolio turnover rate (%) ⁶	4.57	6.87	18.01	27.61	13.02	69.80
NAV per unit (\$)	5.50	5.65	5.62	4.90	7.71	8.27

Ratios and Supplemental Data						
Series F6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	183	149	58	33	1	-
Number of units outstanding (000's) ¹	21	17	7	5	0.1	-
Management expense ratio (%) ^{2,3}	1.18	1.11	1.03	1.09	1.04	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	1.18	1.14	1.03	1.09	1.06	-
Trading expense ratio (%) ⁵	0.02	0.03	0.06	0.05	0.05	-
Portfolio turnover rate (%) ⁶	4.57	6.87	18.01	27.61	13.02	-
NAV per unit (\$)	8.69	8.68	8.03	6.52	9.57	-

Ratios and Supplemental Data						
Series I	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	1	1	1	1	1	1
Number of units outstanding (000's) ¹	0.3	0.3	0.2	0.2	0.2	0.2
Management expense ratio (%) ^{2,3}	-	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	0.06	0.14	0.02	-	6.96	81.49
Trading expense ratio (%) ⁵	0.02	0.03	0.06	0.05	0.05	0.06
Portfolio turnover rate (%) ⁶	4.57	6.87	18.01	27.61	13.02	69.80
NAV per unit (\$)	5.55	5.62	5.43	4.63	7.31	8.26

Ratios and Supplemental Data						
Series T6	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	20,627	19,402	17,020	10,249	3,324	-
Number of units outstanding (000's) ¹	2,531	2,364	2,204	1,610	350	-
Management expense ratio (%) ^{2,3}	2.75	2.70	2.68	2.70	2.82	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	2.75	2.70	2.68	2.70	2.52	-
Trading expense ratio (%) ⁵	0.02	0.03	0.06	0.05	0.05	-
Portfolio turnover rate (%) ⁶	4.57	6.87	18.01	27.61	13.02	-
NAV per unit (\$)	8.15	8.21	7.72	6.37	9.50	-

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Financial Highlights (continued)

Ratios and Supplemental Data						
Series X	06/30 2011	12/31 2010	12/31 2009	12/31 2008	12/31 2007	12/31 2006
Total NAV (\$) (000's) ¹	210,023	226,212	240,052	175,251	-	-
Number of units outstanding (000's) ¹	46,909	47,881	48,667	39,004	-	-
Management expense ratio (%) ^{2,3}	2.76	2.70	2.67	3.24	-	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	2.77	2.70	2.69	3.30	-	-
Trading expense ratio (%) ⁵	0.02	0.03	0.06	0.05	-	-
Portfolio turnover rate (%) ⁶	4.57	6.87	18.01	27.61	-	-
NAV per unit (\$)	4.48	4.72	4.93	4.49	-	-

- This information is provided as at each period shown.
- Management expense ratios are based on total expenses (excluding commissions and other portfolio transaction costs) of each series for the stated period and are expressed as an annualized percentage of each series' daily average NAV during the period.
- The annual management fee of the Fund is 2.25% for Series A, Series T6 and Series X units, 0.95% for Series F and Series F6 units and 0% for Series I units, before the application of taxes.
- At its sole discretion, the Manager waived management fees or absorbed expenses of the Fund. Such waivers and absorptions can be terminated at any time, but can be expected to continue for the Fund until such time as the Fund is of sufficient size to reasonably absorb all management fees and expenses incurred in its operation, although the amount of any such waiver or absorption may change from time to time.
- The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the Fund's daily average NAV during the period.
- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship or correlation between a high turnover rate and the performance of a Fund.

Management Fees

Management fees paid by the Fund per series are based on applying the annual management fee rate per series to the daily average NAV of each series and are recorded on an accrual basis.

Breakdown of major services received by the Fund in consideration of the management fees for the period, as a percentage of the management fee:

Management Fees (%)		
Series	Trailer commissions	Other
Series A, T6 and X		
FE	44	56
LL First 3 years	22	78
LL After 3 years	44	56
DSC First 7 years	22	78
DSC After 7 years	44	56
Series F and F6	-	100
Series I	-	-

FE – front end; LL – low load; DSC – deferred sales charge
Other – includes general administration, investment advice and profit.

Past Performance

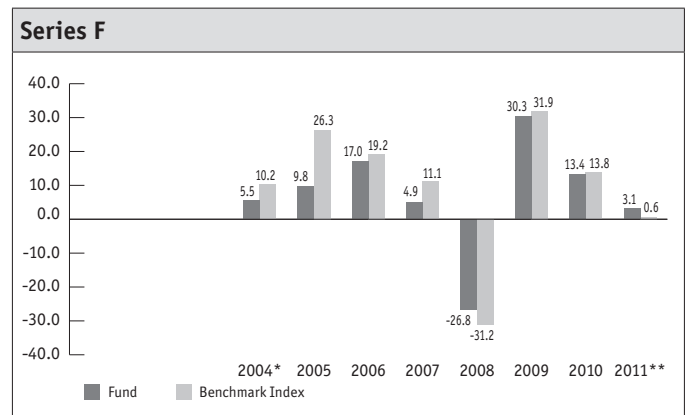
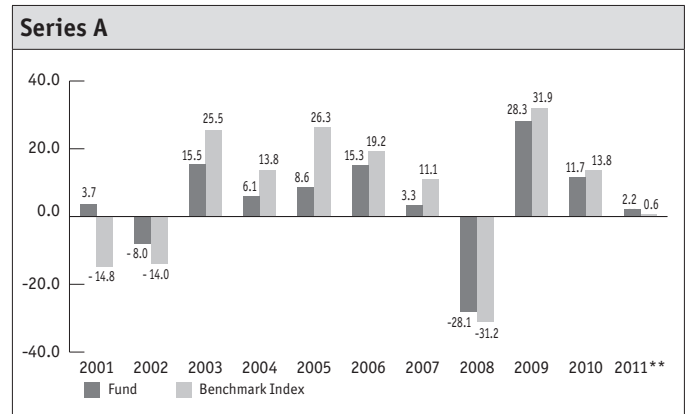
The performance information shown (based on NAV) assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

On April 1, 2006, IAIM assumed Portfolio Advisory responsibilities for the Fund. The Fund's investment strategy was changed as a result. The performance of the Fund for the period prior to April 1, 2006 could have been different had these changes been in effect during that period.

Year-by-Year Returns

The bar charts show the Fund's and the benchmark index's performance for the six-month period ended June 30, 2011, and for each of the previous 12-month periods ended December 31. The charts show in percentage terms how an investment made on January 1 would have increased or decreased by the end of the period.

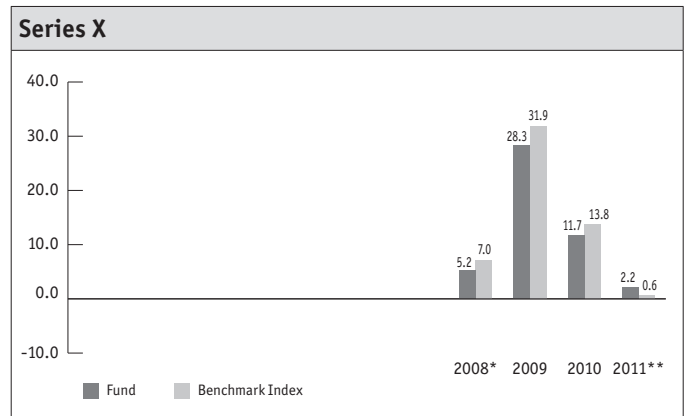
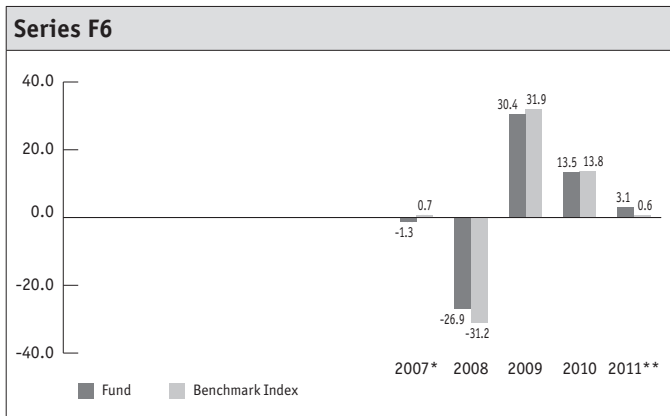
The benchmark index (the "Benchmark Index") consists of the S&P/TSX 60 Index.



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Past Performance (continued)

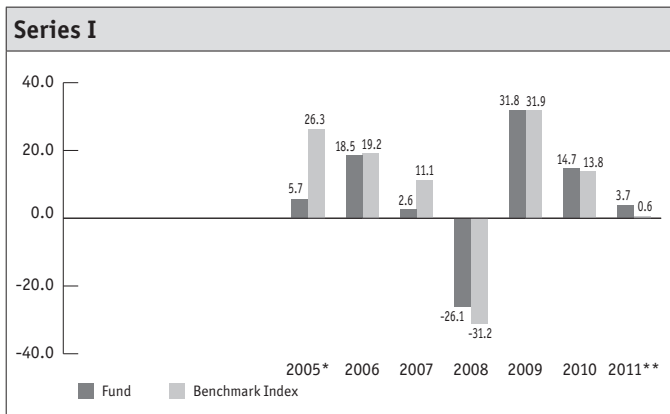


* Return shown is for the partial period ending December 31.

** Return shown is for the six-month period ended June 30, 2011.

The S&P/TSX 60 Index represents the large cap universe for Canada. Offering exposure to 60 large, liquid Canadian companies, this index is a methodology based index designed to represent leading companies in leading industries. Its 60 stocks cover approximately 73% of Canada's equity market capitalization.

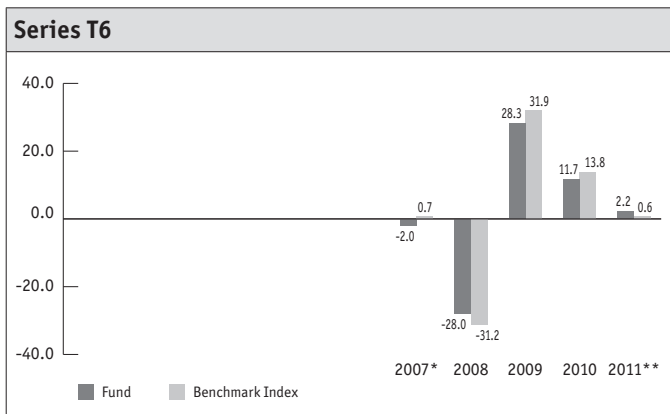
A discussion of the performance of the Fund as compared to the Benchmark Index is found in the "Results of Operations" section of this report.



Summary of Investment Portfolio

As at June 30, 2011

The summary of investment portfolio shown, as a percentage of total NAV, may change due to ongoing portfolio transactions of the Fund and a quarterly update is available on the Manager's website.



Sector Allocation	%
Financials	38.27
Energy	26.19
Materials	11.75
Telecommunication Services	6.42
Industrials	5.55
Utilities	4.66
Consumer Discretionary	3.80
Information Technology	1.60
Health Care	1.42
Cash and Cash Equivalents	0.72
Other Assets less Liabilities	(0.38)
Total	100.00

Summary of Investment Portfolio (continued)

The top positions held by the Fund (up to 25) are shown as a percentage of the total NAV:

Top Holdings	%
Royal Bank of Canada	6.79
Barrick Gold Corp.	5.33
The Toronto-Dominion Bank	5.25
Bank of Montreal	5.04
Canadian National Railway Co.	4.38
TransCanada Corp.	4.19
Canadian Imperial Bank of Commerce	4.01
Bank of Nova Scotia	3.98
Suncor Energy Inc.	3.70
Enbridge Inc.	3.44
Sun Life Financial Services of Canada Inc.	3.20
BCE Inc.	3.16
Brookfield Asset Management Inc., Class A, LV	2.53
Cenovus Energy Inc.	2.31
Canadian Oil Sands Ltd.	2.30
EnCana Corp.	2.23
Canadian Natural Resources Ltd.	2.19
Rogers Communications Inc., Class B, NV	2.17
Goldcorp Inc.	2.16
Thomson Reuters Corp.	1.95
Canadian Tire Corporation Ltd., Class A, NV	1.85
Potash Corporation of Saskatchewan Inc.	1.79
The Great-West Life Assurance Co.	1.69
Fortis Inc.	1.65
Microsoft Corp.	1.60

Forward-Looking Statements

This management report of fund performance may contain forward-looking statements which reflect the current expectations of the Manager (or, where indicated, the Portfolio Advisor or Portfolio Sub-Advisor) regarding the Fund's future growth, results of operations, performance and business prospects and opportunities. These statements reflect the current beliefs of the person to which the statements are attributed with respect to future events and are based on information currently available to that person. Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Fund's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors could include, among other things, general economic, political and market factors, including interest and foreign exchange rates, business competition, changes in government regulations or in tax laws. Although the forward-looking statements contained in this report are based upon what management currently believes to be reasonable assumptions, the Manager cannot assure current or prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements.

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