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Cidel

Cidel Canadian Total Return Equity

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The Canadian Total Return Equity strategy is designed for long-term investors seeking above-average total return and a growing dividend. Investors benefit from the strategy's diversified exposure to Canadian equities with less volatility than the market.

Overview

The Investment is an equity portfolio consisting of large- and mid-cap Canadian companies selected for their high quality and expected dividend growth.

The Objective is to deliver strong Canadian equity returns with low volatility.

The Investment Philosophy is to align client interests with companies that consistently grow their cash flows and dividends.

Market Commentary

In November, following the Republican victory in the US election, a consensus rapidly emerged that the new administration would pursue a fiscally driven, pro-growth agenda. The implications of that spilled into Canada, with cyclically exposed sectors (Financials, Industrials, Energy) leading, the exception being Materials which suffered due to weakness in gold stocks. The prospect of an agreement by OPEC to cut production gave an added boost to markets as shares of oil and gas producers shot up. Our Canadian Total Return Equity portfolio returned 2.2%, in line with its benchmark return of 2.2% in spite of being relatively overweight in the Consumer Staples, Utilities and Telecommunications Services sectors which suffered this month. The best performing sectors in the portfolio were Energy and Industrials, and the Materials sector which outperformed relative to the benchmark due to the portfolio's lack of gold exposure.

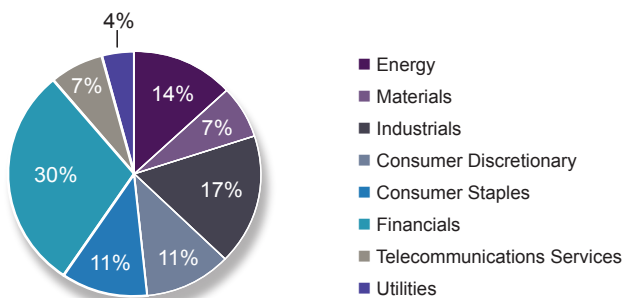
The Process

Company Fundamentals. Bottom-up research to thoroughly understand fundamental characteristics of individual companies.

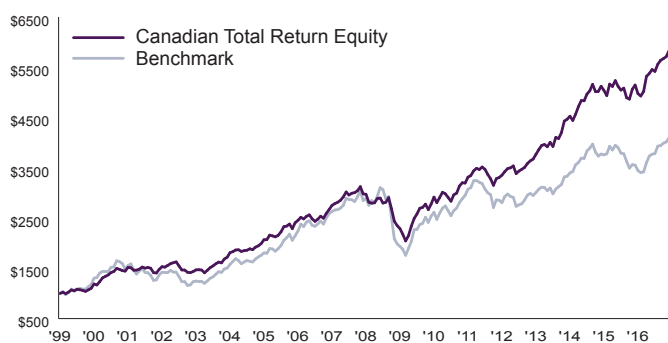
Company Selection. Identifying companies that can sustainably increase their cash flows and dividends over the long term.

Portfolio Construction. Diversify holdings according to economic activity, sensitivity to economic factors, and geographic exposure.

SECTOR ALLOCATION



GROWTH OF \$1,000 VS. BENCHMARK



KEY CHARACTERISTICS

	Toron AMI	Benchmark
1 Month Return	2.2%	2.2%
YTD	17.3%	19.1%
1 Year Return (Annualized)	13.4%	15.5%
3 Year Return (Annualized)	9.3%	7.2%
5 Year Return (Annualized)	12.0%	7.5%
Return Since Inception (Annualized)	10.3%	8.2%
Yield	2.8%	2.8%
Standard Deviation (5 Year)	7.5%	8.4%

NOTABLE HOLDINGS

CANADIAN TIRE CORP	3.9%
CDN NATIONAL RAILWAY	3.9%
ROYAL BANK CANADA	3.7%
RICHELIEU HARDWARE	3.7%
SAPUTO INC	3.6%
FORTIS INC	3.5%
CCL INDUSTRIES INC	3.5%
VERMILION ENERGY INC	3.4%
TOROMONT INDS LTD	3.4%
BANK OF MONTREAL	3.3%

ANNUAL PERFORMANCE (%)	YTD	2015	2014	2013	2012	2011	2010	2009	2008	Inception
Toron AMI	17.3%	-1.3%	11.3%	20.1%	12.4%	1.2%	13.6%	27.4%	-23.0%	10.3%
Benchmark	19.1%	-8.3%	10.5%	13.0%	7.2%	-8.7%	17.6%	35.1%	-33.0%	8.2%

Toron AMI Canadian Total Return Equity Fund

* Historic performance should not be interpreted as a guarantee of future results. Performance figures are based on total returns which are time-weighted and geometrically linked (meaning that performance is not influenced by the timing of portfolio additions or withdrawals and is calculated on a compounded basis). Toron AMI and Benchmark performance is gross of applicable management fees. For distribution only to accredited investors as defined by regulatory authorities in your resident jurisdiction. Benchmark depicted is the S&P TSX Capped Composite. Toron Asset Management International and Cidel Financial Group are operating names of Cidel Asset Management Inc.