

# DIVERSIFIED (JARISLOWSKY)

GROUP SAVINGS  
AND RETIREMENT

**Inception date:** February 2001

**FU463**

**TOTAL NET ASSETS: \$48.7 MILLION**

## Investment Advisor

JARISLOWSKY FRASER LIMITED  
INVESTMENT COUNSEL

## Strategy committee

## Objectives of the Fund

- Combines capital growth with current income
- Diversification of the risk between the asset classes
- Active allocation of investments by asset classes
- Conforms to a medium- and long-term investment horizon

## Investment style

Asset mix favouring a fair balance between asset classes

## Investment limits

### Industrial Alliance Fund

	Min.	Max.
Short term	0%	20%
Units of an underlying fund	80%	100%

### Underlying fund

	Min.	Max.
Short term	0%	20%
Bonds	30%	50%
Canadian equity securities	25%	55%
U.S. equity securities	5%	
International equity securities	0%	

## Risk level

Very low	Low	Low to moderate	Moderate	Moderate to high	High
█	█	█	█	█	█

## Underlying Fund

JF Balanced Fund

## Asset mix of the Industrial Alliance Fund

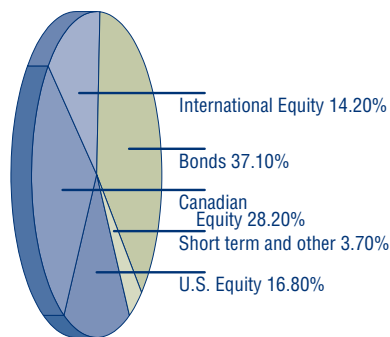
As at December 31, 2011	Distribution
Short term	(0.34)%
Units of the underlying fund	100.34%
	100.00%

## Commentary

The manager's objective is to add value over the benchmark index through long-term asset allocation, thereby reducing volatility to a minimum. It is a diversified portfolio, invested in fixed-income securities, and Canadian, U.S. and international equities. Asset allocation is reviewed each week by the strategic investment committee. The revision process includes discussions on local and international macroeconomic factors, as well as the relative valuations of the fixed-income securities and equities.

## Asset mix of the underlying fund

As at December 31, 2011



## Sector Allocation

As at December 31, 2011

### Canadian Equity Portfolio

Energy	8.60%
Materials	1.18%
Industrials	2.88%
Consumer Discretionary	2.88%
Consumer Staples	2.82%
Health Care	0.00%
Financials	7.69%
Information Technology	0.00%
Telecommunication Services	1.73%
Utilities	0.42%
<b>Total</b>	<b>28.20%</b>

## Characteristics of the underlying fund

As at December 31, 2011

### Bond and Short term Portfolios

Average rating - Bonds	AA
Average term	9.40 years
Modified duration	6.40 years
Average coupon	N/A
Yield at cost	N/A
Yield at market value	2.94%

## Performance of the Industrial Alliance Fund - Gross returns

Returns before deduction of management and administration fees.

### Compound returns

As at December 31, 2011 / YTD	1 month	3 months	6 months	1 year	2 years	3 years	5 years	7 years	10 years	
Fund	2.0	0.9	4.1	(1.1)	2.0	4.5	7.8	1.9	4.6	5.1
Composite Index <sup>1</sup>	0.4	0.1	3.3	(1.1)	0.4	4.9	8.2	2.0	4.7	4.9

### Annual returns

As at December 31	11	10	09	08	07	06	05	04	03	02
Fund	2.0	7.1	14.7	(12.3)	0.1	11.8	11.4	9.6	10.0	(0.1)
Composite Index <sup>1</sup>	0.4	9.6	15.1	(14.8)	2.6	12.2	11.3	9.3	13.0	(5.5)

<sup>1</sup> DEX Universe Bond Index (39%), S&P/TSX Composite Index (30%), S&P 500 (Can. \$) (12.5%), MSCI - EAFE (Can. \$) (net ret.) (12.5%), DEX 91 day Tbill Index (6%).

Past performance is not a guarantee of future returns.