

Measuring Success

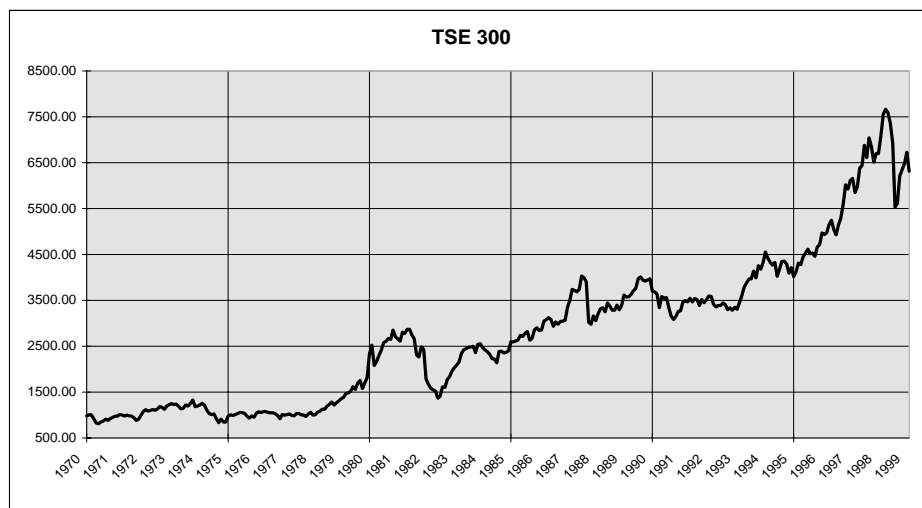
The Use of Benchmarks Charity Event Foreign Content Solution

Given the volatility of the markets over the past year, many people have been paying more attention to the performance of their portfolio. While monitoring the performance of your portfolio is important, measuring the success of your portfolio against the right benchmark is what is most important. If you don't use the right benchmark, you might make mistakes in the management of your assets.

Using Benchmarks

For years various benchmarks have been used to evaluate the performance of portfolios. Both equity and bond measurements are available on a second by second basis to tell us what is happening in the market. Each day on the radio, television and in newspapers there is ample information to tell us what happened in the markets. The Dow was up, the TSE was down, the dollar was down, gold was up and so on.

While benchmarks such as the Dow or TSE serve a purpose, it is important to make sure you are using the right benchmark to evaluate the performance of your portfolio. Unless you have exactly matched the index or benchmark that you are using to evaluate your portfolio, it is not indicative of what actually occurred in your portfolio. Using an incorrect measurement tool



will inevitably lead to mistakes. It is extremely difficult for an individual investor to construct an individual benchmark and then mirror it on an ongoing basis. Benchmarks are much more useful for institutional investors partly because they have the resources to monitor those benchmarks and to make changes in their portfolio when necessary. It is seldom that using the TSE as an index will exactly mirror what an individual investor should be investing in based upon their objectives and risk tolerances. What then is the right benchmark for an individual?

What's Right for You

The benchmark or measurement of success that is right for you must be based upon your goals and objectives. By definition then, you need a plan to know what level of performance you require to determine whether you are achieving any level of success.

Suppose you completed a financial plan that, based upon all the assumptions that you used, you would require 8.0% annual return over the next 20 years to achieve the various goals and objectives that you have (retirement, estate planning, new car, cottage, etc.). If you actually achieved the plan, you would be happy because it would allow you to have the standard of living that you wanted and to provide for your beneficiaries. Your measurement of success is achieving that standard of living which means

continued on back page

**O'Donnell
Challenge For Charity**
Don't forget to get your entry forms in for this fun charity event being held on July 12th. Come and say hello to your Mutual Fund Reporter Team members who will be under the ScotiaMcLeod Banner.

1 Year Total Return

1	C.I. Sector Global Telecommunications	76.6%
2	20/20 Aggressive Growth Fund	73.6%
3	Altamira Science and Technology Fund	63.9%
4	Fidelity Focus Technology Fund	60.3%
5	MAXXUM American Equity Fund	59.3%
6	BPI Global Opportunities Fund	57.5%
7	AIM Global Technology Fund	56.4%
8	Talvest Global Sci & Technology C\$	52.9%
9	Spectrum United Global Telecomm	49.5%
10	Green Line Science & Technology Fund	48.6%

3 Year Total Return

1	BPI Global Opportunities Fund	46.4%
2	MAXXUM American Equity Fund	35.6%
3	Ethical North American Equity Fund	34.2%
4	BPI American Equity Value Fund	31.5%
5	AGF American Growth Class	31.5%
6	Altamira Science and Technology Fund	28.9%
7	AIM American Premier Fund	27.3%
8	AIM European Growth Fund	27.2%
9	McLean Budden American Growth Fund	26.2%
10	Elliott & Page American Growth Fund	25.4%

5 Year Total Return

1	Green Line Science & Technology Fund	30.8%
2	Ethical North American Equity Fund	27.7%
3	AGF American Growth Class	26.5%
4	BPI American Equity Value Fund	25.9%
5	AIM Global Health Sciences Fund	25.9%
6	20/20 Aggressive Growth Fund	25.5%
7	Spectrum United American Growth Fund C\$	25.0%
8	McLean Budden American Growth Fund	23.5%
9	Altamira U.S. Larger Company Fund	22.6%
10	Spectrum United Global Telecomm	22.1%

10 Year Total Return

1	PH&N U.S. Pooled Pension Fund	18.6%
2	McLean Budden American Growth Fund	18.4%
3	Spectrum United American Growth Fund C\$	18.0%
4	AGF American Growth Class	17.8%
5	PH&N U.S. Equity Fund	17.4%
6	Ethical North American Equity Fund	16.3%
7	Royal U.S. Equity Fund C\$	15.4%
8	GBC North American Growth Fund Inc.	15.3%
9	Elliott & Page American Growth Fund	15.1%
10	Guardian American Equity Fund Ltd.	15.0%

1 Year Total Return

1	Dynamic Global Resource Fund	-46.5%
2	20/20 Latin America Fund	-29.6%
3	BPI American Small Companies Fund	-24.6%
4	Dynamic Europe Fund	-22.7%
5	C.I. Latin American Fund	-19.1%
6	C.I. Sector Hansberger European	-18.9%
7	Hansberger European Fund	-18.1%
8	Trimark Europlus Fund C\$	-16.8%
9	Fidelity Emerging Markets Bond Fund	-15.7%
10	Dynamic Real Estate Equity Fund	-14.2%

3 Year Total Return

1	Fidelity Emerging Markets Portfolio Fun	-21.6%
2	Dynamic Global Resource Fund	-19.9%
3	Hansberger Asian Fund	-15.6%
4	AGF Asian Growth Class	-14.4%
5	Ethical Pacific Rim Fund	-13.7%
6	C.I. Sector Pacific	-13.3%
7	C.I. Pacific Fund	-12.6%
8	Universal Far East Fund	-11.3%
9	Royal Asian Growth Fund	-11.3%
10	Altamira Asia Pacific Fund	-9.7%

5 Year Total Return

1	Hansberger Asian Fund	-10.5%
2	Altamira Asia Pacific Fund	-9.2%
3	C.I. Sector Pacific	-8.1%
4	C.I. Pacific Fund	-7.5%
5	20/20 Emerging Markets Value Fund	-6.7%
6	AGF Asian Growth Class	-6.5%
7	Universal Far East Fund	-6.4%
8	C.I. Latin American Fund	-6.4%
9	Royal Asian Growth Fund	-5.7%
10	Talvest Asian Fund	-4.4%

10 Year Total Return

1	Royal Japanese Stock Fund	-1.2%
2	AGF Japan Class	2.1%
3	C.I. Sector Pacific	3.5%
4	C.I. Pacific Fund	4.0%
5	C.I. Sector Short-Term Shares	4.1%
6	Atlas American Money Market Fund	4.5%
7	Altamira Global Diversified Fund	6.9%
8	Templeton Global Bond Fund	7.3%
9	Global Strategy World Bond Fund	7.5%
10	Universal International Stock Fund	8.0%

COMMENTARY

ScotiaMcLeod would be pleased to provide you with further detailed information on the above mutual funds, however we cannot provide information on the funds marked #. These are historical performance rankings, and are not indicative of future investment performance. When analyzing particular funds, stress longer term performance.

These rankings are not sales advice and ScotiaMcLeod does not recommend simply selling bottom past performance funds and buying top past performing funds. Purchase or redemption fees may be involved. Please call (416) 863-7777 or 1-800-387-9273 for specific recommendations tailored to your individual needs.

1 Year Total Return

1 Atlas American RSP Index Fund	21.3%
2 Green Line U.S. RSP Index Fund	18.5%
3 Scotia CanAm Stock Index Fund	17.6%
4 VenGrowth Investment Fund Inc. (LSVCC).	15.0%
5 C.I. American RSP Fund	9.2%
6 Synergy Canadian Fund - Momentum Class	7.8%
7 Strategic Value Money Market Fund	7.6%
8 AGF RSP Global Bond Fund	7.3%
9 C.I. Covington Fund Inc. (LSVCC).	6.8%
10 Fidelity Canadian Income Fund.	6.7%

3 Year Total Return

1 Quebec Growth Fund Inc.	25.2%
2 AIC Diversified Canada Fund	25.1%
3 AIC Advantage Fund.	24.4%
4 PH&N Dividend Income Fund	24.0%
5 Scotia CanAm Stock Index Fund.	22.6%
6 Royal Dividend Fund	20.5%
7 Global Strategy Diversified Europe Fund.	19.3%
8 Scotia Canadian Dividend Fund.	19.3%
9 Scudder Canadian Equity Fund	18.9%
10 C.I. American RSP Fund.	18.4%

5 Year Total Return

1 AIC Advantage Fund.	25.2%
2 Scotia CanAm Stock Index Fund.	22.5%
3 PH&N Dividend Income Fund	18.6%
4 Quebec Growth Fund Inc.	17.8%
5 Royal Dividend Fund	16.6%
6 Cundill Canadian Security Fund Series A	15.6%
7 Bissett Canadian Equity Fund	15.3%
8 PH&N Vintage Fund	15.2%
9 Global Strategy Diversified Europe Fund.	15.1%
10 GBC Canadian Growth Fund.	14.9%

10 Year Total Return

1 AIC Advantage Fund.	19.8%
2 ABC Fundamental-Value Fund	18.4% #
3 GBC Canadian Growth Fund.	16.7%
4 Altamira Equity Fund	16.3%
5 Marathon Equity Fund.	15.3%
6 Quebec Growth Fund Inc.	14.9%
7 ABC Fully-Managed Fund	14.9% #
8 PH&N Vintage Fund	14.6%
9 Mawer New Canada Fund	13.8%
10 PH&N Dividend Income Fund	13.5%

1 Year Total Return

1 Spectrum United Canadian Resource Fund.	-34.7%
2 Atlas Canadian Small Cap Growth Fund	-29.7%
3 Bissett Small Cap Fund	-29.6%
4 20/20 RSP Aggressive Equity Fund	-27.2%
5 Green Line Energy Fund	-26.4%
6 Scotia Precious Metals Fund	-26.1%
7 Altamira Precious & Strategic Metal Fun.	-26.1%
8 20/20 Canadian Resources Fund Ltd.	-26.0%
9 Atlas Canadian Emerging Growth Fund	-25.8%
10 Global Strategy Gold Plus Fund.	-24.8%

3 Year Total Return

1 Global Strategy Gold Plus Fund.	-34.4%
2 Altamira Precious & Strategic Metal Fun.	-31.6%
3 Scotia Precious Metals Fund	-28.3%
4 Dynamic Precious Metals Fund	-27.2%
5 BPI Canadian Resource Fund Inc.	-26.5%
6 Universal Precious Metals Fund.	-25.9%
7 Royal Precious Metals Fund.	-25.9%
8 MAXXUM Natural Resource Fund	-22.8%
9 Green Line Precious Metals Fund	-22.8%
10 Altamira Resource Fund.	-18.5%

5 Year Total Return

1 Dynamic Precious Metals Fund	-11.2%
2 BPI Canadian Resource Fund Inc.	-11.1%
3 Scotia Precious Metals Fund	-10.6%
4 Global Strategy Gold Plus Fund.	-10.3%
5 Altamira Resource Fund.	-10.1%
6 Industrial Equity Fund Limited	-8.1%
7 Universal Precious Metals Fund.	-6.9%
8 Green Line Resource Fund.	-5.9%
9 20/20 Canadian Resources Fund Ltd.	-2.8%
10 MAXXUM Natural Resource Fund	-2.3%

10 Year Total Return

1 Industrial Equity Fund Limited	0.3%
2 Dynamic Precious Metals Fund	2.0%
3 BPI Canadian Resource Fund Inc.	2.6%
4 Industrial Growth Fund	2.9%
5 Royal Precious Metals Fund	4.3%
6 Green Line U.S. Money Market Fund	4.6%
7 Atlas Canadian T-Bill Fund	5.7%
8 C.I. Sector Canadian	5.7%
9 Strategic Value Canadian Equity Fund.	5.7%
10 Global Strategy Money Market Fund.	5.8%

NOTES TO THE PERFORMANCE TABLES

- ScotiaMcLeod is unable to supply information on funds marked #
- Figures are average rates of return for the periods ending May 31, 1999
- Source data from the Mutual Funds Source Disk, June 9, 1999, which includes over 2,400 funds
- Funds with total assets under \$25 million are not included
- Only "totally public" funds are ranked
- RRSP Eligible Funds are at least 80% Canadian content and can also be held outside RRSPs
- Performance figures include reinvested dividends and management fees have been subtracted
- Non RRSP eligible funds can be held inside a ScotiaMcLeod RRSP to a maximum of 20% of book value

continued from front page

that the growth of your assets must occur at 8% per year over those 20 years.

Now let's look at the present year where we have experienced some market volatility and therefore big swings in performance.

The one thing that should jump out at you is that a one day, one week, one month or for that fact even one year performance should not be of great concern to you. Your time horizon, no matter what your age, is longer than whatever measure you may be using. Unfortunately, our expectations

as investors have been increased to a point where we don't expect to have losses. While no one likes to have losses, it is pretty difficult to continually have gains on the level that we may like. Having a plan that you monitor relative to the achievement of your goals and objectives is what is most important.

If you look at the example above, remember that you are happy if you achieve 8% because it allows you to live the lifestyle that you want.

Use that 8% as a guide-if you get more than 8% in a particular year, that helps you in a year where you may not achieve the 8%. Remember you are in this for the long haul if you are going to achieve all your goals and objectives.

Human nature makes it difficult, but don't get caught up in the quagmire of daily monitoring. Measurement is important but you want long term performance-unless of course, you have a crystal ball and can time the market.

Unlimited Foreign Content

Unlimited foreign content may now be available within your RRSP, thanks to the latest innovation from the mutual fund industry. Mackenzie recently pioneered the next generation of the already popular 'RRSP' series.

To date, investors of the 'RRSP' series mutual funds could participate in an investment that tracked the various global market indices while still being 100% eligible. Tracking indices however does not give you the added value we expect from the professional management of a mutual fund.

The exciting new expansion to the 'RRSP' series takes investing in the foreign markets to the next level. Mackenzie's two new funds, the *Ivy RSP Foreign Equity Fund* and the *Universal RSP Select*

Managers Fund, are linked to *existing* and established foreign content funds within the Mackenzie fund family, and are both 100% RRSP eligible. This added feature, along with the flexibility of being able to switch these funds within the Mackenzie family, make these an excellent new investment choice.

Similar funds will be launched by AGF in the month of July, and it is our understanding the many more fund families will be establishing funds of this type as well.

To see how this new class of funds can enhance your investment portfolio, *call us for a review at (416) 863-7777 or 1-800-387-9273.*

Fund News

Further to the departure of some key managers from the Spectrum family of funds, the following new alliances were recently announced:

Spectrum United Canadian Equity Fund will be managed by McLean Budden, one of Canada's leading investment counselors.

Spectrum United Canadian Growth Fund will assume a multi-advisor management structure including the management by; Howson Tatersall Investment Counsel Limited, Mulvihill Capital Management Inc and Mercury Asset Management

Spectrum United Canadian Investment Fund will now be managed by Mercury Asset Management under Kim Shannon, former lead manager of this very same fund. Spectrum United Canadian Stock Fund will be managed by Massachusetts Financial Services, a Sun Life subsidiary.