

How to Get the Most for Your Money

Dollar Cost Averaging

RESPs are here!!!

CSBs are back!

It can sometimes be difficult to find all the money you want or need to put away at one time of year. Have you ever experienced a mad scramble to find enough money to make a last minute RRSP contribution? It's something that many of us have experienced at one time or another, but it doesn't have to be that way.

Consider setting up a ScotiaMcLeod Pre-Authorized Contribution Plan (PAC).

With a PAC account you can make regular, automatic investments in one or more mutual funds for your RRSP or investment account. The contribution amounts can be as little as \$100 per month and can be set up for a range of different periods (monthly, quarterly, etc.). Not

only is this method of saving easy and relatively painless, but you benefit from the advantage of dollar cost averaging throughout the year.

What are the benefits of dollar cost averaging?

When you regularly contribute to a mutual fund, you are automatically purchasing more units of the fund when the price is low, and less units when the price is high. Over time this can actually reduce the average cost of the units that you own, and it takes the guesswork out of trying to decide when is the right time to buy.

Consider if you bought units of Templeton International Stock Fund every month. If you refer to the graph below you will see that you would be averaging out your cost rather than trying to time the market, and hopefully hitting it at the low.

Pre-authorized contributions or payroll deductions (if applicable) can help you save a little bit at a time rather than trying to come up with a large sum at the end of February. Another benefit is that it puts your money to work earlier, so that you can take advantage of the tax-free compounding available in your RRSP.

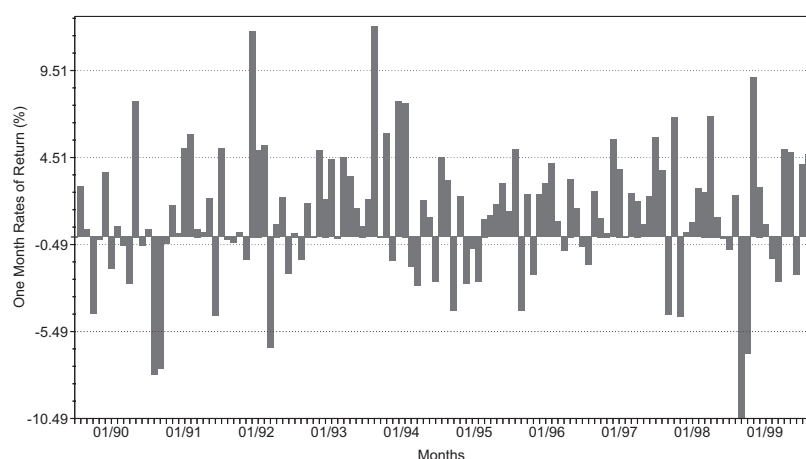
Contact us or your employer to see if you are eligible to do payroll deductions, if not, we can set you up with a 'PAC' plan. There are no fees to get involved.

10% Free Redeemable Units

Every year most fund companies allow 10% of the units that you hold to be redeemed free of any deferred sales charge. If there is a new fund you have been considering investing in, or you have been looking to rebalance your portfolio and maximize your foreign content, this option may be right for you. With the introduction of the new 100% RRSP-Eligible Foreign Funds that allow you to go beyond the 20% thresh-

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Templeton International Stock Fund Historical Monthly Returns



Powers of Attorney

Just a reminder, if you would like to give someone else trading authority over your account, we need the proper documentation in place due to IDA regulations. Please contact us for details at 1-800-387-9273.

1 Year Total Return

1 Talvest Global Sci & Technology C\$	138.6%
2 AIM Global Technology Fund	131.6%
3 Altamira Science and Technology Fund	119.2%
4 Altamira Japanese Opportunity Fund	117.0%
5 20/20 Aggressive Growth Fund	111.7%
6 Universal Japan Fund	110.0%
7 Fidelity Japanese Growth Fund	106.4%
8 Green Line Science & Technology Fund	98.9%
9 C.I. Sector Global Technology	95.4%
10 C.I. Sector Global Telecommunications	84.2%

3 Year Total Return

1 BPI Global Opportunities Fund	57.0%
2 C.I. Sector Global Telecommunications	53.4%
3 Altamira Science and Technology Fund	43.4%
4 C.I. Sector Global Technology	40.4%
5 MAXXUM American Equity Fund	38.9%
6 BPI American Equity Value Fund	35.1%
7 Ethical North American Equity Fund	35.1%
8 Universal World Science & Technology	34.0%
9 20/20 Aggressive Growth Fund	32.3%
10 C.I. Sector Global Financial Services	32.0%

5 Year Total Return

1 Green Line Science & Technology Fund	33.7%
2 Ethical North American Equity Fund	29.5%
3 20/20 Aggressive Growth Fund	28.5%
4 AGF American Growth Class	27.8%
5 BPI American Equity Value Fund	27.6%
6 Spectrum United American Growth Fund C\$	26.4%
7 AIM Global Health Sciences Fund	25.0%
8 Universal European Opportunities Fund	24.4%
9 Spectrum United Global Telecomm	23.9%
10 McLean Budden American Growth Fund	23.2%

10 Year Total Return

1 BPI American Equity Value Fund	18.5%
2 Spectrum United American Growth Fund C\$	18.2%
3 AGF American Growth Class	17.5%
4 PH&N U.S. Pooled Pension Fund	17.0%
5 McLean Budden American Growth Fund	16.7%
6 Ethical North American Equity Fund	15.8%
7 PH&N U.S. Equity Fund	15.7%
8 AGF International Value Fund	14.6%
9 Elliott & Page American Growth Fund	14.3%
10 Trimark Fund	14.2%

1 Year Total Return

1 Dynamic Global Resource Fund	-14.5%
2 Dynamic Real Estate Equity Fund	-12.9%
3 Altamira Global Bond Fund	-8.6%
4 Universal World Tactical Bond Fund	-8.5%
5 AGF Global Government Bond Fund	-7.7%
6 Global Strategy World Bond Fund	-7.1%
7 @rgentum Market Neutral Portfolio C\$	-7.0%
8 Green Line Global Government Bond Fund	-6.5%
9 Royal Global Bond Fund	-5.8%
10 Templeton Global Bond Fund	-4.7%

3 Year Total Return

1 Fidelity Emerging Markets Portfolio Fun	-19.4%
2 Dynamic Global Resource Fund	-17.9%
3 AGF 20/20 Managed Futures Value Fund	-15.3%
4 Ethical Pacific Rim Fund	-13.1%
5 Hansberger Asian Fund	-13.0%
6 AGF Asian Growth Class	-12.3%
7 Universal Far East Fund	-10.5%
8 20/20 Latin America Fund	-9.5%
9 C.I. Latin American Fund	-8.6%
10 Royal Asian Growth Fund	-7.3%

5 Year Total Return

1 Hansberger Asian Fund	-10.2%
2 C.I. Latin American Fund	-9.9%
3 20/20 Latin America Fund	-8.9%
4 Universal Far East Fund	-6.9%
5 AGF Asian Growth Class	-6.8%
6 20/20 Emerging Markets Value Fund	-6.0%
7 Fidelity Latin American Growth Fund	-5.9%
8 Altamira Asia Pacific Fund	-5.9%
9 Green Line Emerging Markets Fund	-5.1%
10 Royal Asian Growth Fund	-4.0%

10 Year Total Return

1 Royal Japanese Stock Fund	1.0%
2 AGF Japan Class	3.9%
3 C.I. Sector Short-Term Shares	4.0%
4 Atlas American Money Market Fund	4.4%
5 C.I. Sector Pacific	5.5%
6 C.I. Pacific Fund	6.0%
7 Templeton Global Bond Fund	6.7%
8 Altamira Global Diversified Fund	6.8%
9 Global Strategy World Bond Fund	7.0%
10 Strategic Value Commonwealth Fund Ltd	7.8%

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 Bissett Microcap Fund	50.6%
2 C.I. Canadian Growth Fund	46.3%
3 Marathon Resource Fund	44.9%
4 C.I. Sector Canadian	43.9%
5 AIM Canadian Premier Fund	42.1%
6 Universal Future Fund	41.8%
7 Altamira Equity Fund	41.3%
8 Universal Canadian Resource Fund	41.3%
9 Green Line Canadian Equity Fund	41.1%
10 Altamira Capital Growth Fund Limited	41.0%

3 Year Total Return

1 Quebec Growth Fund Inc.	24.0% #
2 Scotia CanAm Stock Index Fund	21.1%
3 Cundill Canadian Security Fund Series A	19.5%
4 PH&N Dividend Income Fund	18.4%
5 Global Strategy Diversified Europe Fund	18.2%
6 Scudder Canadian Equity Fund	17.8%
7 C.I. American RSP Fund	17.2%
8 Universal Future Fund	16.2%
9 Scotia Canadian Dividend Fund	16.1%
10 Talvest Global RRSP Fund	15.9%

5 Year Total Return

1 AIC Advantage Fund	22.8%
2 Scotia CanAm Stock Index Fund	21.9%
3 Quebec Growth Fund Inc.	19.2% #
4 Fidelity Canadian Growth Company Fund	18.0%
5 PH&N Dividend Income Fund	17.2%
6 Cundill Canadian Security Fund Series A	16.8%
7 GBC Canadian Growth Fund	16.1%
8 Global Strategy Diversified Europe Fund	15.9%
9 Royal Dividend Fund	15.2%
10 Bissett Canadian Equity Fund	15.0%

10 Year Total Return

1 ABC Fundamental-Value Fund	17.9%
2 AIC Advantage Fund	17.3%
3 GBC Canadian Growth Fund	15.3%
4 Marathon Equity Fund	15.1%
5 Altamira Equity Fund	14.9%
6 ABC Fully-Managed Fund	14.3%
7 Mawer New Canada Fund	13.2%
8 PH&N Vintage Fund	13.1%
9 Quebec Growth Fund Inc.	12.8%
10 Dynamic Power Canadian Growth Fund	12.6%

1 Year Total Return

1 Cdn. Medical Discoveries Inc. (LSVCC)	-11.3%
2 Clean Environment Balanced Fund	-9.8%
3 Spectrum United RRSP International Bond	-9.8%
4 Scotia CanGlobal Income Fund	-8.4%
5 Ethical Global Bond Fund	-8.0%
6 AGF RSP Global Bond Fund	-7.7%
7 Dynamic Global Bond Fund	-7.6%
8 Universal World Income RRSP Fund	-6.6%
9 Global Strategy Diversified World Bond	-6.3%
10 Scotia CanAm US\$ Income Fund	-5.9%

3 Year Total Return

1 Global Strategy Gold Plus Fund	-26.3%
2 Scotia Precious Metals Fund	-22.1%
3 Dynamic Precious Metals Fund	-19.3%
4 Royal Precious Metals Fund	-18.6%
5 BPI Canadian Resource Fund Inc.	-18.3%
6 MAXXUM Natural Resource Fund	-17.7%
7 Universal Precious Metals Fund	-17.6%
8 Green Line Precious Metals Fund	-16.7%
9 Atlas Canadian Emerging Growth Fund	-15.5%
10 Industrial Equity Fund Limited	-14.9%

5 Year Total Return

1 Industrial Equity Fund Limited	-8.5%
2 Dynamic Precious Metals Fund	-8.2%
3 Scotia Precious Metals Fund	-7.9%
4 BPI Canadian Resource Fund Inc.	-6.9%
5 Altamira Resource Fund	-6.9%
6 Global Strategy Gold Plus Fund	-6.0%
7 Universal Precious Metals Fund	-3.6%
8 Green Line Resource Fund	-2.6%
9 20/20 Canadian Resources Fund Ltd.	-0.1%
10 MAXXUM Natural Resource Fund	0.4%

10 Year Total Return

1 Industrial Equity Fund Limited	-0.7%
2 Dynamic Precious Metals Fund	3.2%
3 BPI Canadian Resource Fund Inc.	3.6%
4 Industrial Growth Fund	3.8%
5 Green Line U.S. Money Market Fund	4.4%
6 Strategic Value Canadian Equity Fund	5.3%
7 Atlas Canadian T-Bill Fund	5.4%
8 Fidelity Capital Builder Fund	5.6%
9 AGF Money Market Account	5.6%
10 Global Strategy Money Market Fund	5.6%

NOTES TO THE PERFORMANCE TABLES

- ScotiaMcLeod is unable to supply information on funds marked #
- Figures are average rates of return for the periods ending September 30, 1999
- Source data from the Mutual Funds Source Disk, October 12, 1999, which includes over 2,600 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

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old, the free redemption may be just what you are looking for.

Give us a call and together we will see what funds meet your objectives and if this redemption can benefit you. Please note that if you have already redeemed or switched any funds in 1999 you may not be eligible for this until January 2000. Please contact us for more details

Self-Directed Registered Education Savings Plans

ScotiaMcLeod is now offering self-directed RESPs that can be held within our firm effective November 1st, 1999.

For clients who have RESPs with us presently but are held at the fund company, these accounts will be eligible for transfer after the RRSP season.

How they work

RESPs enable you to make contributions now towards the cost of a child's future education. In some plans, you are able to name multiple beneficiaries in one account, so you could hold one RESP for your children, grandchildren, nieces or nephews. You can even name yourself as a beneficiary!

Are the contributions tax-deductible?

The contributions themselves are not tax-deductible, but the funds grow tax-sheltered in the plan until the beneficiary begins their post-secondary education.

Currently, you can make contributions of up to \$4,000 a year, to a lifetime maximum of \$42,000 over 21 years, per beneficiary (who is typically taxed at a very low rate, if at all).

The contributor may have their contributions returned to them at any time, tax-free, but they are not replaceable in the plan.

What happens when it's time for the beneficiary to make withdrawals?

When the beneficiary begins their post-secondary education and is enrolled full-time at a qualified institution, they can begin to withdraw.

These withdrawals are called Education Assistance Payments (EAPs) and it's important to remember that they are from the growth portion of the plan, and not from the original contributions. The original contributions belong to the annuitant (the contributor) during, and at the end of the plan. The beneficiary declares the withdrawal of the growth of the plan as 'other income' on their tax return.

Any other benefits?

The government offers a Canada Education Savings Grant. The grant pays out up to 20% of the first \$2,000 in RESP contributions made on their behalf in any year, up until the year they turn 18 to a lifetime maximum of \$7,200. The CESG can be invested along with the contributions, and can be used in the educational assistance payments paid out to the beneficiary once they are pursuing higher education, however, any unused CESG must be repaid to the government.

Are they right for you?

There are two main factors to consider when determining if RESPs are the right product for you.

- Age of the beneficiaries: RESPs are long-term savings vehicles. Since the withdrawals are from the growth of the plan rather than the contributions themselves, it is in the investors best interest to let them grow for a greater length of time. They are best suited for families with young children.
- The likelihood of the beneficiaries pursuing higher education: Although

difficult to determine with young children, it should always be a consideration.

Canada Savings Bonds

It's that time of year again! The government of Canada is releasing it's newest series of Canada Savings Bonds and Canada Premium Bonds available for purchase. Please contact our office for rates and availability.

Fund News

Although C.I. Mutual Funds and BPI Mutual Funds have merged switches are not yet available between the two fund families.

There have been fund manager changes to coincide with the recent merger, they are as follows:

- Wally Kusters has taken over BPI Canadian Equity Value and BPI Income & Growth. Kevin Klassen has left the C.I./BPI portfolio management team.
- Stephen Jenkins, has replaced Andrew Waight as manager of BPI Canadian Mid-Cap Fund.
- Robert Lyon has taken over management of C.I. Canadian Resource Fund.
- Nandu Narayanan is now responsible for BPI Asia Pacific Fund.

Other Fund News

- Jim Goar of SVC O'Donnell, portfolio manager of O'Donnell Growth Fund, has left the firm. Elizabeth Taylor has joined the team as the new fund manager.
- AIM Group of Funds have introduced their new 100% RRSP-Eligible Foreign Funds.