

# The Year To Max Out Unused RRSP Contributions!

## As Tax Rates Fall...

## Where To Invest

## Index Funds & Risk

Chances are that many readers still have unused RRSP contribution room. We suggest that the time to top up your RRSP is before February 29th, 2000 (the last day for 1999 contributions) and to receive your tax credits against your 1999 income tax. Why? Because tax rates are falling.

As the Federal and Provincial governments get their own financial houses in order, they are lowering our tax rates. This is normally good news, but it does lower our tax rebates from RRSP contributions. To receive the maximum bang for your buck, RRSP contributions should be used against 1999 income rather than waiting for the 2000 tax year and beyond.

For example, using the proposed tax cuts for year 2000, an Ontario tax payer earning \$60,000 per year and contributing \$10,000 into an RRSP will receive \$153 less in tax rebates in the year 2000 versus 1999. This is a decrease of 4% year over year and a loss that will increase as further tax cuts come our way.

We suggest that you consider an RRSP catch-up loan and for ScotiaMcLeod customers, Scotiabank offers these loans at preferred rates. If you wish to take advantage of this offer, or find out more information, contact your nearest Scotiabank branch. You do not need to be a current Scotiabank customer.

## Where To Invest

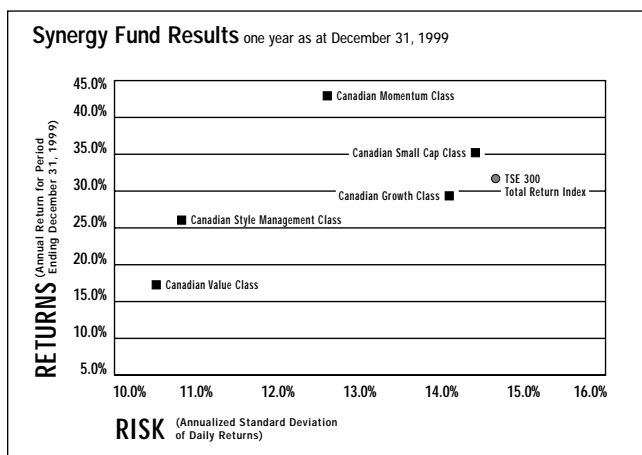
Canadians have lobbied the Federal Government for years to increase the foreign content limits on RRSP's, but to no avail. So in 1999 the mutual fund industry solved this problem by offering 100% RRSP-eligible foreign funds

(see past MFR issues 149 & 151, also available on our website). As Canadian stock markets represent only 2.3% of global markets, it makes sense to take advantage of this opportunity to invest in global funds, which have delivered higher returns with lower risk than some Canadian

funds. For a current list of 100% RRSP-eligible foreign funds and our top picks, visit our website at: [www.mutualfundreporter.com/foreign](http://www.mutualfundreporter.com/foreign) or call us at (416) 863-RRSP or 1-800-387-9273.

Many managers are still saying that this is the year for the Canadian market to outperform. With that in mind, we are adding a new fund to our recommended list from Synergy Asset Management Inc. The name of the fund is Synergy Canadian Style Management Class.

The fund is co-managed by Dave Picton and Andrew McCreath. Picton has been heralded as one of Canada's brightest managers. The Canadian Style Management fund has the flexibility to vary the management style (i.e. from growth to value to momentum to small cap) to take advantage of changing trends. The fund has delivered superior performance with low risk. See chart .



## Reminder:

Please note that due to new Revenue Canada regulations, we cannot accept 1999 RRSP contributions received in our offices after February 29th, 2000, regardless of postmark date. For your convenience, we will be accepting post-dated cheques prior to the deadline.

## 1 Year Total Return

1	AIM Global Technology Fund	200.3%
2	AGF 20/20 Aggressive Growth Fund	195.1%
3	Altamira e-business Fund	190.2%
4	Altamira Science and Technology Fund	175.5%
5	Talvest Global Sci & Technology C\$	171.7%
6	Atlas Pacific Basin Value Fund	171.6%
7	Talvest Global Small Cap Fund	136.0%
8	Altamira Japanese Opportunity	131.8%
9	C.I. Sector Global Telecommunications	131.1%
10	Fidelity Japanese Growth Fund	127.2%

## 3 Year Total Return

1	C.I. Sector Global Telecommunications	78.5%
2	AIM Global Technology Fund	77.3%
3	Altamira Science and Technology Fund	74.9%
4	Talvest Global Sci & Technology C\$	71.9%
5	AGF 20/20 Aggressive Growth Fund	66.6%
6	BPI Global Opportunities Fund	63.2%
7	Clarington Global Communications Fund	56.4%
8	C.I. Sector Global Technology	55.0%
9	MAXXUM American Equity Fund	52.3%
10	Universal World Science & Technology	50.6%

## 5 Year Total Return

1	AGF 20/20 Aggressive Growth Fund	45.1%
2	Green Line Science & Technology Fund	38.8%
3	Spectrum United American Growth Fund C\$	36.0%
4	BPI American Equity Value Fund	34.6%
5	Ethical North American Equity Fund	33.3%
6	Spectrum United Gbl Telecommunications	33.2%
7	Global Strategy World Companies Fund	33.1%
8	AIM Global Telecommunications Class	32.9%
9	AGF American Growth Class	31.5%
10	Universal European Opportunities	30.9%

## 10 Year Total Return

1	Spectrum United American Growth Fund C\$	24.3%
2	BPI American Equity Value Fund	21.5%
3	AGF American Growth Class	19.8%
4	PH&N U.S. Pooled Pension Fund	18.4%
5	Ethical North American Equity Fund	17.9%
6	McLean Budden American Growth Fund	17.9%
7	PH&N U.S. Equity Fund	17.1%
8	GBC North American Growth Fund Inc.	16.7%
9	BPI Global Equity Value Fund	16.4%
10	Guardian American Equity Fund Ltd.	16.3%

### 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.

## 1 Year Total Return

1	Dynamic Real Estate Equity Fund	-15.9%
2	Universal World Tactical Bond	-14.2%
3	Altamira Global Bond Fund	-13.3%
4	AGF Global Government Bond Fund	-13.0%
5	Green Line Global Government Bond Fund	-12.8%
6	Royal Global Bond Fund	-12.1%
7	Clarington U.S. Equity Fund	-11.2%
8	Templeton Global Bond Fund	-10.7%
9	AIC Value Fund	-10.7%
10	Global Strategy World Bond Fund	-10.6%

## 3 Year Total Return

1	AGF 20/20 Managed Futures Value Fund	-18.3%
2	Fidelity Emerging Markets Portfolio Fund	-13.2%
3	Ethical Pacific Rim Fund	-9.4%
4	Hansberger Asian Fund	-5.9%
5	AGF 20/20 Latin America Fund	-3.8%
6	AGF Asian Growth Class	-3.2%
7	Universal Far East Fund	-2.5%
8	Templeton Global Bond Fund	-2.4%
9	Dynamic Real Estate Equity Fund	-1.5%
10	Royal Asian Growth Fund	-1.1%

## 5 Year Total Return

1	AGF 20/20 India Fund	-4.9%
2	Hansberger Asian Fund	-3.7%
3	AGF 20/20 Latin America Fund	-2.2%
4	C.I. Latin American Fund	-0.8%
5	Altamira Asia Pacific Fund	-0.7%
6	Fidelity Emerging Markets Portfolio Fund	-0.2%
7	AGF 20/20 Emerging Markets Value Fund	0.0%
8	Universal Far East Fund	0.1%
9	AGF Asian Growth Class	0.7%
10	Royal Asian Growth Fund	1.6%

## 10 Year Total Return

1	Royal Japanese Stock Fund	2.6%
2	C.I. Sector Short-Term	3.9%
3	Atlas American Money Market Fund	4.3%
4	AGF Japan Class	5.8%
5	Templeton Global Bond Fund	6.3%
6	Global Strategy World Bond Fund	6.6%
7	GBC International Growth Fund	6.6%
8	Strategic Value World Balanced Fund	8.0%
9	AGF Global Government Bond Fund	8.1%
10	AGF World Balanced Fund	8.5%

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 . . . . .	63.5%
2 AIM Canadian Premier Fund . . . . .	61.0%
3 Triax Growth Fund (LSVCC) . . . . .	58.9%
4 Dynamic Power Canadian Growth Fund . . . . .	57.9%
5 Altamira Capital Growth Fund Limited . . . . .	51.5%
6 Working Opportunity Fund (EVCC) Ltd. . . . .	50.5%
7 Dynamic Power Canadian Fund. . . . .	50.4%
8 Fidelity Disciplined Equity Fund. . . . .	48.8%
9 Universal Future Fund. . . . .	48.7%
10 AIM Canada Growth Class . . . . .	48.1%

## 3 Year Total Return

1 Atlas American RSP Index Fund . . . . .	25.4%
2 AIM Canadian Premier Fund . . . . .	24.8%
3 Scotia CanAm Stock Index Fund. . . . .	23.5%
4 C.I. Global Equity RSP Fund . . . . .	22.3%
5 Universal Future Fund. . . . .	21.7%
6 Altamira Capital Growth Fund Limited . . . . .	21.3%
7 AIM Canada Growth Class . . . . .	20.6%
8 Global Strategy Diversified Europe Fund. . . . .	20.4%
9 C.I. American RSP Fund . . . . .	20.3%
10 Atlas International RSP Index Fund . . . . .	19.8%

## 5 Year Total Return

1 Scotia CanAm Stock Index Fund. . . . .	25.0%
2 AIC Advantage Fund . . . . .	23.5%
3 AIM Canadian Premier Fund . . . . .	20.9%
4 Fidelity Canadian Growth Company Fund. . . . .	20.1%
5 Universal Future Fund. . . . .	19.9%
6 GBC Canadian Growth Fund . . . . .	19.9%
7 PH&N Vintage Fund. . . . .	19.2%
8 Global Strategy Diversified Europe Fund. . . . .	18.9%
9 Tradex Equity Fund Limited. . . . .	18.9%
10 PH&N Dividend Income Fund . . . . .	18.6%

## 10 Year Total Return

1 AIC Advantage Fund . . . . .	17.8%
2 ABC Fundamental-Value Fund. . . . .	17.6% #
3 Altamira Equity Fund. . . . .	17.0%
4 GBC Canadian Growth Fund . . . . .	16.2%
5 Dynamic Power Canadian Growth Fund. . . . .	15.7%
6 PH&N Vintage Fund. . . . .	14.7%
7 Marathon Equity Fund . . . . .	13.9%
8 ABC Fully-Managed Fund . . . . .	13.7% #
9 Altamira Capital Growth Fund Limited . . . . .	13.3%
10 Universal Future Fund. . . . .	12.8%

## 1 Year Total Return

1 Scotia Precious Metals Fund . . . . .	-16.8%
2 Dynamic Global Bond Fund. . . . .	-14.1%
3 Scotia CanGlobal Income Fund . . . . .	-13.5%
4 Ethical Global Bond Fund . . . . .	-13.5%
5 AIC Advantage Fund . . . . .	-13.4%
6 Spectrum United RRSP International Bond . . . . .	-13.4%
7 Spectrum United Canadian Resource Fund. . . . .	-13.4%
8 AGF RSP Global Bond Fund . . . . .	-13.2%
9 AIC Advantage Fund II . . . . .	-11.9%
10 Dynamic Infinity Canadian Fund . . . . .	-11.7%

## 3 Year Total Return

1 Global Strategy Gold Plus Fund. . . . .	-27.7%
2 Scotia Precious Metals Fund . . . . .	-25.9%
3 Spectrum United Canadian Resource Fund. . . . .	-25.8%
4 Dynamic Precious Metals Fund . . . . .	-21.9%
5 Royal Precious Metals Fund. . . . .	-20.5%
6 Green Line Precious Metals Fund . . . . .	-19.3%
7 MAXXUM Natural Resource Fund . . . . .	-19.1%
8 Universal Precious Metals Fund. . . . .	-18.9%
9 Industrial Equity Fund Limited . . . . .	-17.8%
10 BPI Canadian Resource Fund Inc. . . . .	-17.3%

## 5 Year Total Return

1 Dynamic Precious Metals Fund. . . . .	-9.9%
2 Scotia Precious Metals Fund . . . . .	-9.1%
3 Global Strategy Gold Plus Fund. . . . .	-8.4%
4 Industrial Equity Fund Limited . . . . .	-7.8%
5 BPI Canadian Resource Fund Inc. . . . .	-5.8%
6 Altamira Resource Fund . . . . .	-5.5%
7 Universal Precious Metals Fund. . . . .	-5.3%
8 Green Line Energy Fund . . . . .	-2.5%
9 Green Line Resource Fund . . . . .	-2.2%
10 AGF 20/20 Canadian Resources Fund Ltd. . . . .	0.2%

## 10 Year Total Return

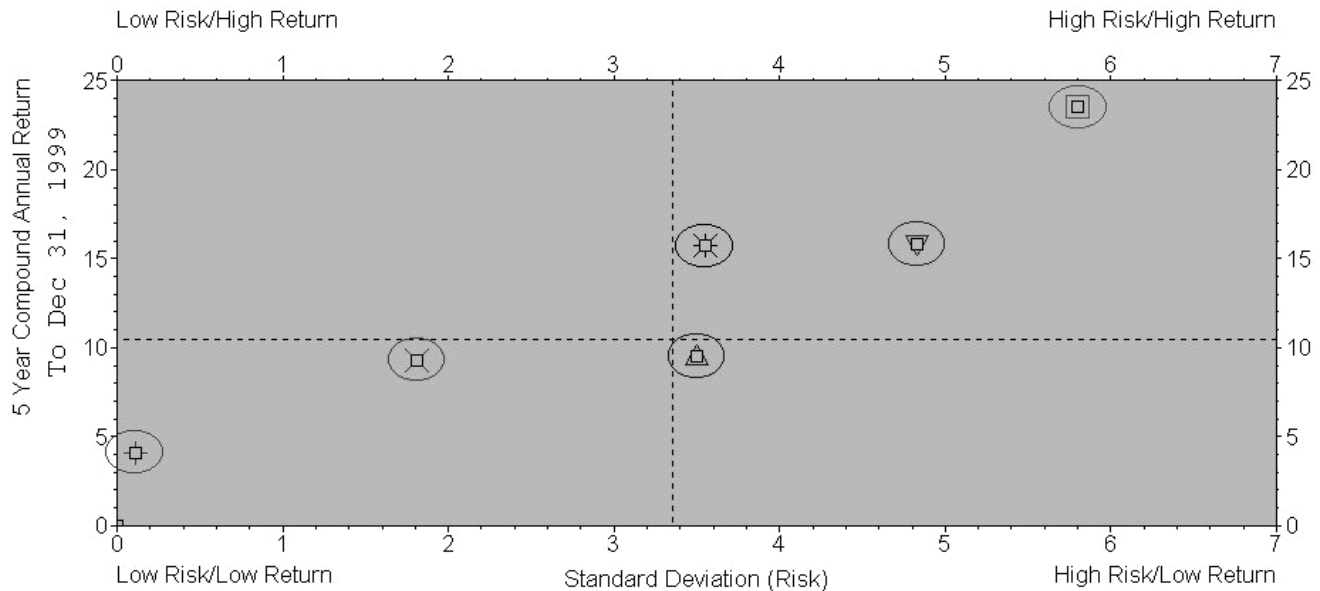
1 Industrial Equity Fund Limited . . . . .	-1.2%
2 Dynamic Precious Metals Fund . . . . .	0.5%
3 BPI Canadian Resource Fund Inc. . . . .	3.1%
4 Industrial Growth Fund . . . . .	3.2%
5 Royal Precious Metals Fund. . . . .	3.8%
6 AGF 20/20 Canadian Resources Fund Ltd. . . . .	4.2%
7 Green Line U.S. Money Market Fund . . . . .	4.3%
8 Atlas Canadian T-Bill Fund . . . . .	5.2%
9 Dynamic Global Bond Fund. . . . .	5.3%
10 AGF Money Market Account . . . . .	5.4%

### NOTES TO THE PERFORMANCE TABLES

- ScotiaMcLeod is unable to supply information on funds marked #
- Figures are average rates of return for the periods ending December 31, 1999
- Source data from the Mutual Funds Source Disk, January 12, 2000, which includes over 2,800 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

## RISK VERSUS RETURN (5 YEAR)

### Universe



- |                   |                             |                             |
|-------------------|-----------------------------|-----------------------------|
| ✕ Industrial Bond | ▲ Trimark Select Cdn Growth | ▼ Green Line Cdn Index Fund |
| ■ AIC Advantage   | + Scotia Money Market       | * Templeton Int'l Stock     |

## Index Funds

You want 'em? We got 'em! Your ScotiaMcLeod account offers over 20 index funds including TD Greenline, Royal and Altamira. Scotia Funds has the advantage of offering the lowest minimums with no loads. We should point out that index funds are far more risky than many people think and more risky than many of the funds on our recommended list! See above graph for further details or visit our website at [www.mutualfundreporter.com/indexfunds](http://www.mutualfundreporter.com/indexfunds)

## Guaranteed Investments

Interest rates have been increasing and when you look at real returns (the yield of the investment minus the inflation rate), we find them very attractive! See the back page of "Your Investment Options" (enclosed in this mailing) for recommendations.

## Fund News

- Vengrowth Fund, a labour sponsored fund administered by BPI, has been capped. A new fund, Vengrowth 2, is being offered in its place by Mackenzie Financial. Although it has different holdings and is essentially a new fund, they are using the same approach and the same investment team.
- AGF has introduced a new 100% RRSP-Eligible Foreign Fund. The AGF RSP International Value Fund.
- The Scotia Capital Fee of \$25.00 on No Load Mutual Fund orders will no longer be charged.

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