



ScotiaMcLeod

Mutual Fund Reporter

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October 21, 1992

Issue 70

LOOKING BACK... FIVE YEARS

By Carl P. Spiess MBA

Reviewing a Mutual Fund reporter from five years ago, *Issue 10, October 20, 1987*, I am struck by how little investing changes over the years.

That issue was published just one day after the largest stock market decline in history. The headline said that "*THE CHINESE CHARACTER FOR CRISIS IS DANGER & OPPORTUNITY*".

Three investments were recommended. To protect your money, Canada Savings Bonds were offered. To hedge against disaster, the Goldtrust fund made direct gold ownership possible. Finally, for investors willing to accept some risk, Bullock American fund was recommended.

HINDSIGHT IS 20/20

The world did not come to an end after October 1987. The Bullock American fund went on to be one of the hottest funds over the next 5 years. (Please see sidebar.) The investors willing to take on some risk were rewarded.

THE CURRENT CRISIS

There has never been a time when investing in the stock market was a "sure thing". Canada is currently facing a referendum crisis. Investors in the rest of the world are looking to see how we will vote on the 26th. This will surely affect the value of your investments.

If you are optimistic about Canada's long term

potential, an investment in a good Canadian equity fund like the Trimark Select Canadian fund would be appropriate. If you are more concerned, there are Canada Savings Bonds yielding 6%, and higher yielding coupons for your RSP. (Call Sharon at 863-7590 to place a CSB order.)

If you want to profit from a further decline in the Canadian dollar, consider the top performing 20/20 American Tactical Asset Allocation fund or Global funds such as Templeton. Call 862-3035.

MOBILE MANAGERS

In the past few months, there have been changes to the management of some mutual funds. Here is a partial list.

Tony Massie has moved from the Cambridge Growth and Diversified funds to the new Global Strategy Canadian Growth and Income Plus funds which are doing very well.

Barry Feirstein has left the Bullock American fund to pursue other interests. Clients of John Zufelt and Carl Spiess who have invested in this fund were immediately informed. We are closely monitoring this fund.

Jerald Coleman and Jerry Javasky have joined Mackenzie Financial to provide investors in that family of funds with a different investment management style. United has found managers to replace them.

NON-RRSP ELIGIBLE FUNDS

TOP TEN

BOTTOM TEN

1 Year Total Return

1	Fidelity Far East	33.9%
2	Trimark Fund	27.0%
3	Trimark Select Growth Fd	27.0%
4	Fidelity Growth America	26.0%
5	Hyperion Asian Trust	25.8%#
6	AGF Global Govt Bond	24.6%
7	Investors U.S. Growth Fund	23.2%#
8	Investors Pacific Intl	22.1%#
9	Altamira Global Money	21.3%
10	Altamira Select American	21.2%

1 Year Total Return

1	AGF Japan Fund	-12.3%
2	Investors Japanese Growth	-7.6%#
3	Industrial Global Fund	-2.0%
4	Global Strategy Fund	-0.5%
5	Bullock American Fund	2.3%
6	Global Strategy Europe	2.4%
7	Finsco U.S. Dollar MMK	3.2%
8	RoyFund U.S. Money Market	3.3%#
9	CIBC \$U.S. Money Market	3.4%#
10	Royal Trust US Money Mkt	3.4%#

3 Year Average Annual Return

1	Bullock American Fund	22.2%
2	AGF Global Govt Bond	16.1%
3	Empire Group Bond	13.5%#
4	Templeton Global Income	13.2%
5	Investors U.S. Growth Fund	12.4%#
6	20/20 Amer Tact Asset Allocati	11.4%
7	Trimark Select Growth Fd	11.0%
8	PH&N U.S. Equity	10.9%#
9	Global Strategy World Bond	10.8%
10	Royal Trust American Stock	10.6%#

3 Year Average Annual Return

1	Investors Japanese Growth	-10.6%#
2	AGF Japan Fund	-10.5%
3	Industrial Global Fund	-4.5%
4	Global Strategy Fund	-1.7%
5	Global Strategy Europe	-1.0%
6	Dynamic Europe 1992 Fund	-0.6%
7	Cundill Value Fund	0.8%
8	London Life U.S. Equity Fund	1.5%#
9	Viking Growth Fund	2.3%#
10	Fidelity Intl Portfolio Fund	2.5%

5 Year Average Annual Return

1	Bullock American Fund	10.4%
2	Spectrum Savings Fund	9.9%
3	Investors Dividend Fund	8.8%#
4	Cda Life U.S. & Intl Eqty S-34	8.4%#
5	Trimark Fund	8.3%
6	PH&N U.S. Equity	7.9%#
7	United Accumulative Fund	7.6%
8	Investors N.A. Growth Fund	7.2%#
9	Investors U.S. Growth Fund	7.1%#
10	Royal Trust American Stock	7.1%#

5 Year Average Annual Return

1	AGF Japan Fund	-5.3%
2	Investors Japanese Growth	-3.9%#
3	Global Strategy Europe	-3.2%
4	Industrial Global Fund	-2.2%
5	Global Strategy Fund	-1.9%
6	Scotia Amer Eq Growth Fd	-1.2%
7	Investors Global Fund Ltd	1.7%#
8	Metropolitan Collective Mutual	2.0%#
9	Montreal Trust Intl Fund	2.1%#
10	Universal Pacific	2.5%

10 Year Average Annual Return

1	Universal Pacific	19.0%
2	Bullock American Fund	17.9%
3	Trimark Fund	17.8%
4	AGF Japan Fund	16.5%
5	Templeton Growth Fund	16.3%
6	United Accumulative Fund	15.7%
7	AGF Special Fund	15.7%
8	BT International Fund	15.2%
9	PH&N U.S. Equity	14.9%#
10	Investors U.S. Growth Fund	14.8%#

10 Year Average Annual Return

1	Metropolitan Collective Mutual	10.0%#
2	Investors Mutual of Canada	10.9%#
3	Investors Dividend Fund	11.8%#
4	GBC North American Growth	12.7%
5	Viking International Fund	12.7%#
6	AGF American Growth Fund	12.7%
7	Montreal Trust Intl Fund	12.8%#
8	Investors Special Fund	12.9%#
9	Industrial American Fund	13.0%
10	Viking Growth Fund	13.1%#

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 performing funds and buying top past performing funds. Purchase or redemption fees may be involved. Please call 862-3035 for specific recommendations tailored to your individual needs.

RRSP ELIGIBLE FUNDS

TOP TEN

1 Year Total Return

1	Altamira Resource	60.7%
2	Altamira Equity Fund	42.7%
3	Altamira Special Growth Fund	37.3%
4	Dynamic Global Bond Fund	23.6%
5	Guardian Intl Income Fund	22.5%
6	Royal Trust Energy Fund	19.7%#
7	Global Strategy Income Fund	19.5%
8	Cda Trust RRSP Income	18.5%#
9	AIC Advantage Fund	18.5%#
10	GBC Canadian Growth	18.1%

3 Year Average Annual Return

1	Altamira Equity Fund	21.5%
2	Altamira Special Growth Fund	15.4%
3	United Security Fund	14.7%
4	First Canadian Mortgage Fund	14.3%#
5	Investors Pooled Bond	13.9%#
6	CIBC Mortgage Income	13.9%#
7	Manulife 1 Bond	13.3%#
8	Green Line Mortgage	13.3%#
9	PH&N Bond Fund	13.2%#
10	Dynamic Income Fund	13.1%

5 Year Average Annual Return

1	North American Income Fund	13.2%
2	AGF Canadian Bond Fund	13.1%
3	PH&N Bond Fund	13.1%#
4	Everest Bond Fund	13.0%
5	Manulife 1 Bond	13.0%#
6	First Canadian Mortgage Fund	12.8%#
7	Investors Bond Fund	12.3%#
8	Dynamic Income Fund	12.3%
9	Royal Trust Bond Fund	12.2%#
10	Universal Canadian Bond	12.2%

10 Year Average Annual Return

1	Imperial Growth Cdn Equity	16.2%#
2	Trimark Canadian Fund	15.7%
3	Cambridge Growth Fund	15.6%
4	London Life Mortgage Fund	14.0%#
5	PH&N Bond Fund	14.0%#
6	Empire Premier Equity	13.6%#
7	Universal Canadian Bond	13.6%
8	AGF Canadian Bond Fund	13.5%
9	London Life Bond Fund	13.4%#
10	PH&N Canadian Equity	13.4%#

BOTTOM TEN

1 Year Total Return

1	Citadel Premier Fund	-11.7%
2	Mackenzie Equity Fund	-7.3%
3	Great-West Life Real Estate	-6.4%#
4	Global Strategy Canadian	-4.8%
5	Polymetric Performance	-3.6%
6	Industrial Growth Fund	-3.5%
7	Universal Canadian Equity	-3.2%
8	Industrial Future Fund	-3.1%
9	Spectrum Canadian Equity Fd	-2.7%
10	Investors Retirement Mutual	-2.2%#

3 Year Average Annual Return

1	Mackenzie Equity Fund	-10.9%
2	Industrial Pension Fund	-10.0%
3	Industrial Dividend Fund	-9.6%
4	Universal Canadian Equity	-8.7%
5	Industrial Equity Fund	-8.4%
6	Industrial Growth Fund	-5.9%
7	Industrial Future Fund	-5.4%
8	Mutual Equifund	-5.3%#
9	Citadel Premier Fund	-5.0%
10	AGF Canadian Equity Fund	-4.8%

5 Year Average Annual Return

1	Industrial Equity Fund	-6.0%
2	Industrial Pension Fund	-4.9%
3	Mackenzie Equity Fund	-4.9%
4	Industrial Dividend Fund	-4.5%
5	AGF Cdn Resources Fund	-3.4%
6	AGF Canadian Equity Fund	-2.1%
7	Universal Canadian Equity	-2.1%
8	RoyFund Equity Ltd	-2.0%#
9	Trust General Canadian Equity	-1.9%#
10	Citadel Premier Fund	-1.9%

10 Year Average Annual Return

1	AGF Cdn Resources Fund	4.4%
2	Royal Trust Energy Fund	4.6%#
3	Metropolitan Balanced Growth	7.7%#
4	Citadel Premier Fund	7.7%
5	BT Income Fund	8.2%
6	Industrial Equity Fund	8.3%
7	Trust General Canadian Equity	8.4%#
8	Canadian Investment Fund	8.4%
9	Manulife 2 Equity	8.5%#
10	Mackenzie Equity Fund	8.7%

NOTES TO THE PERFORMANCE TABLES

- ScotiaMcLeod is unable to supply information on funds marked #
- Figures are average annual rates of return for the periods ending September 30, 1992
- Source data from the Mutual Funds Source Disk, October 15, 1992, which includes over 600 funds
- Funds with total assets under \$25 million are not included
- Only "totally public" funds are ranked
- RRSP Eligible funds are at least 84% Canadian content and can also be held outside RRSPs
- Performance figures include reinvested dividends and management fees have been subtracted

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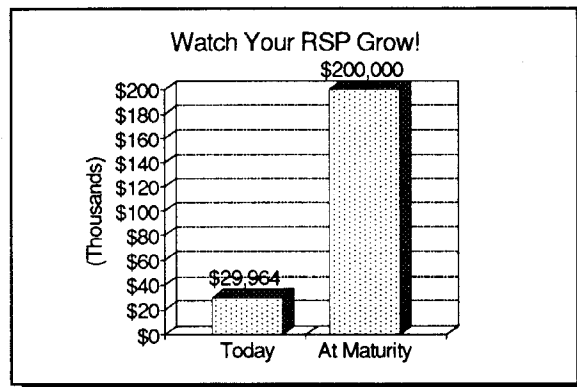
CONCERNED ABOUT RATES?

Eliminate future interest rate worries

Turn \$29,964 into \$200,000

Now you can eliminate all worries about the stock market or where interest rates are going by buying Government of Canada Coupons (Strip Bonds). These coupons mature in 1-20 years and you buy them at a discount to their maturity value (much like a treasury bill.) In the above example, each coupon costs only \$749 and matures 6/1/2015 at \$5,000.

If you buy 40 coupons for \$29,964 they are **guaranteed by the Government of Canada** to mature at \$200,000. (With no need to worry about CDIC insurance.) We have thousands of other coupons available to meet your individual maturity needs. Some examples are:



Price (Subject to change)	Maturity Value	Yield to Maturity (Compounding Annually)	Maturity Date		
			Month	Day	Year
\$5,049	\$6,125	7.1%	9	1	1995
\$2,674	\$7,000	8.8%	4	1	2004
\$1,298	\$5,625	9.0%	12	1	2009
\$749	\$5,000	8.8%	6	1	2015

For a computer printout of our best rates, tailored to exactly match your retirement horizon, please call us. **This is a free, no-obligation quotation.**

We can even buy coupons now in your RSP to be transferred into a RRIF. **You can guarantee your retirement income today!**

Some additional features of coupon investing:

FLEXIBILITY:

Coupons usually have higher rates than GICs, *and* they can be sold (subject to market conditions) *before* maturity.

SECURITY:

Coupons are a direct obligation of the Federal or Provincial Government and are free of credit risk *regardless of quantity purchased* (no \$60,000 limit).

Call us for your free personal investment proposal. Call 862-3035

ARE YOU HAPPY WITH YOUR RSP INVESTMENTS?

If not, please ask us for a second opinion. We can easily transfer your RSP to any of the best RSP funds or into a guaranteed investment. You can have confidence in

your investments knowing that **ScotiaMcLeod is fully owned by the Bank of Nova Scotia.**

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