

Global Strategy Master LP

THIRD QUARTER REPORT

FOR THE THREE AND NINE MONTHS
ENDED SEPTEMBER 30, 2005



What are you doing after work?

Global Strategy Master LP

Market Value of Distributed Securities

(Unaudited)

As at September 30, 2005

	Market Value (in thousands)		Market Value (in thousands)
CANADIAN BALANCED AND ASSET ALLOCATION FUNDS		INTERNATIONAL FIXED INCOME FUNDS	
AGF Canadian Balanced Fund	\$ 130,045	AGF RSP Global Bond Fund	\$ 29,367
AGF Canadian Real Value Balanced Fund	<u>5,421</u>	AGF Global Government Bond Fund	16,457
	135,466	AGF Global High Yield Bond Fund	235
		AGF Short-Term Income Class	<u>104</u>
			46,163
INTERNATIONAL EQUITY FUNDS		SPECIALTY EQUITY FUNDS	
AGF World Companies Fund	36,390	AGF Precious Metals Fund	19,297
AGF European Equity Class	34,527	AGF Canadian Resources Fund Limited	3,074
AGF International Value Fund	21,584	AGF Managed Futures Fund	259
AGF International Stock Class	3,341	AGF Global Health Sciences Class	131
AGF Japan Class	1,880	AGF Global Technology Class	74
AGF China Focus Class	982	AGF Global Real Estate Equity Class	50
AGF Aggressive Global Stock Fund	425	AGF Global Resources Class	49
AGF Emerging Markets Value Fund	203	AGF Global Financial Services Class	<u>45</u>
AGF Global Perspective Class	179		22,979
AGF Asian Growth Class	154	CANADIAN FIXED INCOME FUNDS	
AGF International Value Class	147	AGF Canadian Money Market Fund	7,836
AGF Global Equity Class	133	AGF Canadian High Yield Bond Fund	2,829
AGF World Opportunities Fund	118	AGF Canadian Bond Fund	1,984
AGF Aggressive Japan Class	18	AGF Canadian Conservative Income Fund	<u>950</u>
AGF Germany Class	<u>11</u>		13,599
	100,092	U.S. EQUITY FUNDS	
CANADIAN EQUITY FUNDS		AGF Aggressive Growth Fund	1,443
AGF Canadian Real Value Fund	40,197	AGF American Growth Class	1,225
AGF Canadian Stock Fund	20,074	AGF U.S. Value Class	997
AGF Canadian Small Cap Fund	19,089	AGF Special U.S. Class	<u>19</u>
AGF Canadian Large Cap Dividend Fund	10,360		3,684
AGF Canadian Growth Equity Fund Limited	1,925	INTERNATIONAL BALANCED AND ASSET ALLOCATION FUNDS	
AGF Canada Class	645	AGF World Balanced Fund	<u>3,287</u>
AGF Monthly High Income Fund	425		3,287
AGF Dividend Income Fund	152	TOTAL DISTRIBUTED SECURITIES	
AGF Diversified Dividend Income Fund	<u>93</u>		\$ <u>418,230</u>
	92,960		

Global Strategy Master LP Management's Discussion and Analysis of Financial Condition and Results of Operations

For the three and nine months ended September 30, 2005

Management's Discussion and Analysis ("MD&A") presents an analysis of the financial condition of Global Strategy Master LP ("Master LP") as at September 30, 2005 compared with December 31, 2004, and the results of operations for the three and nine months ended September 30, 2005 compared with the corresponding periods of 2004. This discussion should be read in conjunction with our 2004 annual MD&A and 2004 annual audited financial statements and notes. The financial information presented herein has been prepared on the basis of Canadian generally accepted accounting principles ("GAAP"). All dollar amounts are in Canadian dollars.

There have been no material changes to the information discussed in the following sections of the 2004 annual MD&A: 'Significant Accounting Policies and Estimates', 'Outlook and Risks', 'Corporate Governance' and 'Regulatory Filings'. Accordingly, readers should refer to our 2004 annual MD&A to gain an understanding of how these matters may impact the Master LP's operating results.

The MD&A includes forward-looking statements about Master LP. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", or negative versions thereof and similar expressions. The MD&A contains forward-looking statements that are based on current expectations and projections about future events and are inherently subject to, among other things, risks and uncertainties beyond Master LP's control. These risks and uncertainties include economic conditions, market fluctuations, interest rate and foreign exchange movements, political events, regulatory change and competitive developments. The reader is cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements. We are under no obligation (and expressly disclaim any such obligation) to update or alter the forward-looking statements whether as a result of new information, future events or otherwise. Actual results could differ materially from those contemplated by the forward-looking statements.

FORMATION AND BUSINESS OF GLOBAL STRATEGY MASTER LP

Master LP was formed in January 1999 when eight of the nine Global Strategy Limited Partnerships (the "Merging Partnerships") merged to form the Master LP. Global Strategy Partners LP IX ("LP IX") merged with Master LP on February 18, 2000 after it had fully deducted its sales commissions for tax purposes. Master LP consists of the aggregate assets of the Merging Partnerships and is carrying on with the business activities previously carried on by those partnerships.

The Merging Partnerships were formed to pay sales commissions to registered dealers who sold Global Strategy mutual funds on a back-end-load (redemption charge) basis. In return for paying sales commissions, the Merging Partnerships were entitled to ongoing distribution fee revenue on specific mutual funds units that remain outstanding and that were originally financed by that partnership ("Distributed Securities"). The Merging Partnerships were also entitled to redemption fees for up to six years, which provided some protection against a reduction in distribution fee revenue caused by early redemption of Distributed Securities. Upon merger, the Merging Partnerships transferred their rights to distribution fees and redemption fees to Master LP.

As at September 30, 2005, Master LP has total issued and outstanding units of 10,972,272. These units of Master LP are listed for trading on the Toronto Stock Exchange under the symbol LPV.UN. The units also qualify for investment by registered tax plans such as RSP and RIF although they did constitute "foreign property" subject to the foreign content limitation for tax purposes. Bill C-43 was approved on June 29, 2005 and became law which eliminated the foreign content limit retroactive to January 2005.

Global Strategy Master LP

Management's Discussion and Analysis of Financial Condition and Results of Operations

REVENUE

Master LP's primary sources of revenue are distribution fees and redemption fees earned from the Distributed Securities to which it has distribution rights. The future stream of revenues is a function of the market value of these assets and the rate and timing of the redemptions of the underlying assets.

DISTRIBUTION FEES

Master LP receives from AGF Funds Inc. ("AGFFI"), a subsidiary of AGF Management Limited ("AGF"), a monthly distribution fee calculated as a percentage of the daily net asset value of the Distributed Securities which remain outstanding based on various distribution fee rates which are shown on page 4. Distribution fees are earned at various rates per annum. These distribution fee rates vary by partnership and can also vary over time, based on the composition of outstanding Distributed Securities of a partnership. In general, Distributed Securities that were sold for a higher sales commission carry a higher distribution fee rate than those that were sold for a lower sales commission. The weighted average annual distribution fee rate for the three and nine months ended September 30, 2005 was 0.56% compared to 0.55% in the comparable period in 2004.

Distribution fees amounted to \$0.6 million for the three months ended September 30, 2005, a decrease of 19.8% from the comparable period in 2004. During the nine months ended September 30, 2005, distribution fees declined 23.0% to \$1.9 million from \$2.4 million in the same period last year. The decreases in distribution fees were primarily attributable to the lower net asset value of Distributed Securities for the three and nine months ended September 30, 2005 as compared to the respective year-ago periods.

The following is a summary of the changes in Distributed Securities during the three and nine months ended September 30, 2005 and 2004:

(in millions) (Unaudited)	Three months ended September 30		Nine months ended September 30	
	2005	2004	2005	2004
Market value of Distributed Securities, beginning of period	\$ 429.4	\$ 564.5	\$ 502.1	\$ 649.1
Change in market value of Distributed Securities, including reinvested distributions	17.2	(5.6)	27.6	12.4
Redemption of Distributed Securities	(28.4)	(36.6)	(111.5)	(139.2)
Market value of Distributed Securities, end of period	\$ 418.2	\$ 522.3	\$ 418.2	\$ 522.3

The annualized redemption rate during the nine months ended September 30, 2005 based on the market value of Distributed Securities at the beginning of the period was 29.6% compared to 28.6% in 2004. Redemptions accounted for \$111.5 million of the decline in the value of Distributed Securities during the nine months ended September 30, 2005, offset by market appreciation and reinvested distributions totaling \$27.6 million.

Global Strategy Master LP

Management's Discussion and Analysis of Financial Condition and Results of Operations

DISTRIBUTED SECURITIES COMPOSITION

The composition of Distributed Securities as at September 30, 2005 and 2004 are shown on page 4. The relative weighting of each asset class will change over time, based on performance, redemptions, and unitholder switches between funds.

Composition of Distributed Securities based on market value as at September 30:

(Unaudited)	2005	2004
	%	%
Canadian Balanced and Asset Allocation Funds	32	32
International Equity Funds	24	26
Canadian Equity Funds	22	20
International Fixed Income Funds and Others	18	17
Canadian Fixed Income Funds	3	4
U.S. Equity Funds	1	1
Total	100	100

REVENUE TERMINATION DATES

Master LP is entitled to the same revenue streams, with the same termination dates, as the Merging Partnerships. The entitlement to redemption fee revenue for all the Merging Partnerships has expired. The following table illustrates the expiry date applicable to the various pools of Distributed Securities in respect of which Master LP has the right to receive distribution fees:

Partnership	Distributed Securities (Market Value as at September 30, 2005) (Unaudited) (in thousands)	Weighted Average Annual Distribution Fee Rate	Distribution Fee Expiry Date (December 31)
LP 1990	\$ 8,466	0.60%	2014
LP II	6,610	0.69%	2015
LP III	35,267	0.66%	2016
LP IV	4,733	0.67%	2017
LP V	129,956	0.56%	2017
LP VI	101,799	0.56%	2018
LP VII	19,242	0.60%	2019
LP VIII	34,841	0.60%	2020
LP IX	77,316	0.47%	2012
	\$ 418,230		

Master LP will continue until December 31, 2020 unless procedures as specified in the Master LP partnership agreement for the dissolution of Master LP are commenced earlier upon the occurrence of certain events stated in the Master LP partnership agreement.

Global Strategy Master LP Management's Discussion and Analysis of Financial Condition and Results of Operations

GENERAL AND ADMINISTRATION EXPENSES

General and administration expenses for the three months ended September 30, 2005 were \$108,444, a decrease of 13.9% from \$125,920 in 2004. During the nine months ended September 30, 2005, general and administration expenses amounted to \$324,636, a decrease of 13.0% from \$373,171 in the same period in 2004. The decreases were primarily attributable to the decrease in administration fees.

FINANCIAL CONDITION AND LIQUIDITY

Total assets were \$577,768 as at September 30, 2005 as compared to \$615,275 as at December 31, 2004. Assets as at September 30, 2005 consisted of cash and term-deposit totaling \$383,529 and receivables of \$194,239. These assets were used primarily to finance the quarterly distributions payable to limited partners.

The Merging Partnerships were formed to finance selling commissions during a fixed period of time, after which the Merging Partnerships collect the fees to which they are entitled with no significant ongoing financial obligation other than ordinary operating expenses. Master LP distributes all its net income to limited partners on an annual or quarterly basis, depending on each partner's election. As a result, Master LP does not have long-term investment assets.

FINANCIAL INSTRUMENTS

Master LP's financial instruments consist of cash and term-deposit, distribution fees and interest receivable, accounts payable and accrued liabilities, and distributions payable. Unless otherwise noted, it is management's opinion that the Partnership is not exposed to significant interest, credit or currency risks arising from these financial instruments.

CASH DISTRIBUTIONS AND TAXABLE INCOME

Master LP itself is not directly subject to income tax. Instead, Master LP's income or loss for tax purposes is calculated and flowed through to limited partners. Limited partners who beneficially hold Master LP units on December 31 of any year are allocated income or loss for tax purposes based on the entire year's income or loss. This means that any limited partner who purchases units part way through the year and holds these units at year end is allocated taxable income or loss for the entire year, regardless of the cash distributions actually paid to them. In other words, taxable investors who purchase Master LP units that generate taxable income part way through the year and hold these units at year-end would have a tax liability based on the taxable income of the entire year and not just on the cash distributions they have received.

Cash distributions are paid either quarterly to limited partners of record on March 31, June 30, September 30 and December 31, or annually to limited partners of record at December 31 who have elected to receive annual distributions.

Cash distributions for the three months ended September 30, 2005 were \$0.0451 per limited partnership unit and \$0.0569 per limited partnership unit for the same period in 2004. Cash distributions for the nine months ended September 30, 2005 amounted to \$0.1425 per limited partnership unit and \$0.1999 per limited partnership unit for the same period in 2004. Cash distributions were paid on October 31, 2005 to limited partners of record on September 30, 2005 who did not elect to receive distributions on an annual basis. Cash distributions per limited partnership unit for the eight most recent quarters are shown on page 6.

Estimated taxable income for the three months ended September 30, 2005 was \$0.0451 per limited partnership unit as compared to \$0.0566 per limited partnership unit in the comparable period in 2004. For the nine months ended September 30, 2005, estimated taxable income was \$0.1425 per limited partnership unit as compared to \$0.1883 per limited partnership unit in the comparable period in 2004. Taxable income is allocated on an annual basis to limited partners of record on December 31 of a fiscal year.

Global Strategy Master LP

Management's Discussion and Analysis of Financial Condition and Results of Operations

RELATED PARTY TRANSACTIONS

Global Strategy Master GP Inc. is the general partner and is responsible for the management of Master LP on a day-to-day basis. In consideration for its services, the general partner is entitled to 0.01% of the net distributable income of the partnership. The general partner has engaged AGFFI, its parent company, to assist it in carrying out its management obligations to the partnership. AGFFI provides administrative services to Master LP and receives a fee equal to 15% of the operating expenses of the partnership. AGFFI also receives 0.75% per annum of the value of the assets of Master LP invested as investment management fee. These services are in the normal course of operations and are recorded at the amount of consideration agreed to by the parties.

Administration fees and investment management fees for the three and nine months ended September 30, 2005 and 2004 amounted to:

(Unaudited)	Three months ended September 30		Nine months ended September 30	
	2005	2004	2005	2004
Administration fees	\$ 75,698	\$ 89,056	\$ 227,093	\$ 267,168
Investment management fee	500	1,001	1,500	3,000

SELECTED QUARTERLY INFORMATION

(in thousands, except per unit amounts)

Three months ended (Unaudited)	Sep. 30, 2005	Jun. 30, 2005	Mar. 31, 2005	Dec. 31, 2004
Revenue	\$ 603.3	\$ 617.4	\$ 667.6	\$ 713.4
Net income for the period	494.9	510.3	558.5	565.1
Net income and cash distribution per limited partnership unit	0.04	0.05	0.05	0.05

(in thousands, except per unit amounts)

Three months ended (Unaudited)	Sep. 30, 2004	Jun. 30, 2004	Mar. 31, 2004	Dec. 31, 2003
Revenue	\$ 750.3	\$ 811.8	\$ 887.6	\$ 903.5
Net income for the period	624.4	685.8	766.3	782.4
Net income per limited partnership unit	0.06	0.06	0.07	0.07
Cash distribution per limited partnership unit	0.06	0.06	0.08	0.07

ADDITIONAL INFORMATION

Master LP's annual and interim financial reports, Annual Information Form ("AIF") and MD&As are available at the AGF website, www.agf.com and at the Canadian Securities Administrators' website, www.sedar.com.

Global Strategy Master LP

The following interim financial statements of Global Strategy Master LP for the three and nine months ended September 30, 2005 have not been reviewed or audited by an auditor.

Global Strategy Master LP Balance Sheets

	As at September 30, 2005 (Unaudited)	As at December 31, 2004 (Audited)
Assets		
Current Assets:		
Cash and term-deposit	\$ 383,529	\$ 377,412
Distribution fees and interest receivable	194,239	237,863
Total Assets	\$ 577,768	\$ 615,275
Liabilities and Partners' Equity		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 82,869	\$ 50,146
Distributions payable	494,899	565,129
	577,768	615,275
Partners' Equity:		
Limited partners – 10,972,272 units	185,083,600	185,083,600
Issue and merger expenses	(16,676,916)	(16,676,916)
	168,406,684	168,406,684
Deficit	(168,406,684)	(168,406,684)
	-	-
Total Liabilities and Partners' Equity	\$ 577,768	\$ 615,275

The accompanying note is an integral part of the financial statements.

Global Strategy Master LP
 Statements of Operations and Deficit
 (Unaudited)

	Three months ended September 30		Nine months ended September 30	
	2005	2004	2005	2004
Operations				
Revenue:				
Distribution fees	\$ 600,916	\$ 749,137	\$ 1,883,075	\$ 2,444,650
Interest	2,427	1,168	5,266	5,029
	603,343	750,305	1,888,341	2,449,679
Expenses:				
General and administration	108,444	125,920	324,636	373,171
Net income for the period	\$ 494,899	\$ 624,385	\$ 1,563,705	\$ 2,076,508
Net income per limited partnership unit	\$ 0.04	\$ 0.06	\$ 0.14	\$ 0.19
Deficit				
Balance beginning of period	\$ (168,406,684)	\$ (168,406,684)	\$ (168,406,684)	\$ (168,289,615)
Net income for the period	494,899	624,385	1,563,705	2,076,508
Distributions to partners	(494,899)	(624,385)	(1,563,705)	(2,193,577)
Balance end of period	\$ (168,406,684)	\$ (168,406,684)	\$ (168,406,684)	\$ (168,406,684)

The accompanying note is an integral part of the financial statements.

Global Strategy Master LP
 Statements of Cash Flow
 (Unaudited)

	Three months ended September 30		Nine months ended September 30	
	2005	2004	2005	2004
Operating Activities:				
Net income for the period	\$ 494,899	\$ 624,385	\$ 1,563,705	\$ 2,076,508
Decrease in non-cash balances related to operations	21,999	25,590	76,347	56,641
	516,898	649,975	1,640,052	2,133,149
Financing Activities:				
Distribution paid to partners	(510,262)	(685,836)	(1,633,935)	(2,351,593)
Increase (decrease) in cash during the period				
	6,636	(35,861)	6,117	(218,444)
Cash beginning of period	376,893	478,107	377,412	660,690
Cash end of period	\$ 383,529	\$ 442,246	\$ 383,529	\$ 442,246

*Note: Cash is defined as cash and term-deposit.
 The accompanying note is an integral part of the financial statements.*

Global Strategy Master LP Note to Financial Statements (Unaudited)

For the three and nine months ended September 30, 2005 and 2004

These unaudited interim financial statements of Global Strategy Master LP ("Master LP") have been prepared in accordance with Canadian generally accepted accounting principles using the same significant accounting policies as Master LP's financial statements for the year ended December 31, 2004. These financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles for annual financial statements and should be read in conjunction with the financial statements for the year ended December 31, 2004, as set out in Master LP's 2004 Annual Report.



What are you doing after work?

Global Strategy Master LP

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