

Global Strategy Master LP

SEMI-ANNUAL REPORT
FOR THE SIX MONTHS
ENDED JUNE 30, 2007



What are you doing after work?

Global Strategy Master LP

Market Value of Distributed Securities

(Unaudited)

June 30, 2007	Market Value (in thousands)		Market Value (in thousands)
CANADIAN BALANCED AND ASSET ALLOCATION FUNDS		INTERNATIONAL FIXED INCOME FUNDS	
AGF Canadian Balanced Fund	\$ 101,128	AGF RSP Global Bond Fund	\$ 16,738
AGF Canadian Real Value Balanced Fund	4,121	AGF Global Government Bond Fund	9,727
AGF Elements Balanced Portfolio	1,743	AGF Short-Term Income Class	341
AGF Elements Yield Portfolio	151	AGF Global High Yield Bond Fund	193
AGF Elements Conservative Portfolio	143		<u>26,999</u>
	<u>107,286</u>		
INTERNATIONAL EQUITY FUNDS		SPECIALTY EQUITY FUNDS	
AGF European Equity Class	36,487	AGF Precious Metals Fund	24,916
AGF World Companies Fund	27,926	AGF Canadian Resources Fund Limited	2,687
AGF International Value Fund	11,709	AGF Global Health Sciences Class	137
AGF International Stock Class	4,576	AGF Global Real Estate Equity Class	123
AGF Elements Global Portfolio	1,319	AGF Global Resources Class	74
AGF China Focus Class	1,219	AGF Global Financial Services Class	53
AGF Japan Class	954	AGF Global Technology Class	49
AGF Global Perspective Class	802	AGF Managed Futures Fund	35
AGF Aggressive Global Stock Fund	506		<u>28,074</u>
AGF Emerging Markets Fund	463	CANADIAN FIXED INCOME FUNDS	
AGF Global Equity Class	220	AGF Canadian Money Market Fund	4,160
AGF International Value Class	140	AGF Canadian High Yield Bond Fund	1,975
AGF Asian Growth Class	95	AGF Canadian Bond Fund	1,372
AGF World Opportunities Fund	88	AGF Canadian Conservative Income Fund	330
AGF Aggressive Japan Class	15		<u>7,837</u>
AGF Germany Class	2		
	<u>86,521</u>	U.S. EQUITY FUNDS	
CANADIAN EQUITY FUNDS		AGF Aggressive Growth Fund	988
AGF Canadian Real Value Fund	32,310	AGF U.S. Value Class	906
AGF Canadian Small Cap Fund	19,976	AGF American Growth Class	718
AGF Canadian Stock Fund	15,750	AGF U.S. Risk Managed Class	92
AGF Canadian Large Cap Dividend Fund	8,787	AGF Special U.S. Class	12
AGF Canadian Growth Equity Fund Limited	1,851		<u>2,716</u>
AGF Dividend Income Fund	927	INTERNATIONAL BALANCED AND ASSET ALLOCATION FUNDS	
AGF Monthly High Income Fund	595	AGF World Balanced Fund	3,656
AGF Canada Class	406	AGF Elements Growth Portfolio	358
AGF Diversified Dividend Income Fund	272		<u>4,014</u>
	<u>80,874</u>		
		TOTAL DISTRIBUTED SECURITIES	\$ <u>344,321</u>

Global Strategy Master LP

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

For the six months ended June 30, 2007

This Management's Discussion and Analysis ("MD&A") presents an analysis of the financial condition of Global Strategy Master LP ("Master LP") as at June 30, 2007 compared with December 31, 2006, and the results of operations for the six months ended June 30, 2007 compared with the corresponding period of 2006. This discussion should be read in conjunction with our 2006 annual MD&A and 2006 annual audited financial statements and notes. The financial information presented herein has been prepared on the basis of Canadian generally accepted accounting principles ("GAAP"). Certain amounts or percentage changes are calculated using numbers rounded to the decimals that appear in this MD&A. All dollar amounts are in Canadian dollars.

There have been no material changes to the information discussed in the following sections of the 2006 annual MD&A: 'Significant Accounting Policies and Estimates', 'Exemptive Relief' and 'Corporate Governance'. Accordingly, readers should refer to our 2006 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 June 30, 2007, 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 (the 'Exchange') under the symbol LPV.UN. The units also qualify for investment by registered tax plans such as RSP and RIF.

Global Strategy Master LP

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

REVENUE

Master LP's primary source of revenue is distribution 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.

The redemption fee schedule applicable to the Distributed Securities has expired and Master LP no longer receives any redemption fee revenue.

DISTRIBUTION FEES

Master LP receives 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 annualized distribution fee rate for the six months ended June 30, 2007 was 0.56% which was unchanged from the comparable period in 2006.

Distribution fees amounted to \$1.0 million for the six months ended June 30, 2007 as compared to \$1.1 million for the comparable period in 2006. The decrease of 4.8% in distribution fees was primarily attributable to the decline in net asset value of Distributed Securities from \$363.4 million as at June 30, 2006 to \$344.3 million as at June 30, 2007.

The following is a summary of the changes in Distributed Securities during the six months ended June 30, 2007 and 2006:

(Unaudited)	(in millions)	
Six months ended June 30	2007	2006
Market value of Distributed Units, beginning of period	\$ 375.9	\$ 402.5
Increase in market value of Distributed Units, including reinvested distributions	6.8	18.6
Redemption of Distributed Units	(38.4)	(57.7)
Market value of Distributed Units, end of period	\$ 344.3	\$ 363.4

The annualized redemption rate during the six months ended June 30, 2007 based on the market value of Distributed Securities at the beginning of the period was 20.4% compared to 28.7% in 2006. Redemptions accounted for \$38.4 million of the decline in the value of Distributed Securities during the six months ended June 30, 2007, offset by market appreciation and reinvested distributions totaling \$6.8 million.

DISTRIBUTED SECURITIES COMPOSITION

The composition of Distributed Securities as at June 30, 2007 and 2006 are shown in the following table. The relative weighting of each asset class will change over time, based on performance, redemptions, and unitholder switches between funds.

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

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

(Unaudited)	2007	2006
	%	%
Canadian Balanced and Asset Allocation Funds	31	32
International Equity Funds	25	24
Canadian Equity Funds	23	23
International Fixed Income Funds and Others	18	17
Canadian Fixed Income Funds	2	3
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 June 30, 2007) (Unaudited) (in thousands)	Weighted Average Annual Distribution Fee Rate	Distribution Fee Expiry Date (December 31)
LP 1990	\$ 8,065	0.61%	2014
LP II	5,674	0.70%	2015
LP III	29,377	0.66%	2016
LP IV	4,058	0.68%	2017
LP V	107,012	0.56%	2017
LP VI	83,919	0.56%	2018
LP VII	15,831	0.60%	2019
LP VIII	29,073	0.60%	2020
LP IX	61,312	0.47%	2012
	\$ 344,321		

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 six months ended June 30, 2007, were \$155,230, a decrease of 20.9% from \$196,280 in the same period in 2006. The decreases were primarily attributable to the decrease in administration fees and other costs. AGFFI provides administrative services to Master LP pursuant to an administrative services agreement. These services are in the normal course of operations and are recorded at the amount of consideration agreed to by the parties.

FINANCIAL CONDITION AND LIQUIDITY

Total assets were \$449,810 as at June 30, 2007 as compared to \$504,985 as at December 31, 2006. Assets as at June 30, 2007 consisted of cash and term-deposit totaling \$288,933 and receivables of \$160,877. 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 and estimated taxable income for six months ended June 30, 2007 were \$0.08 per limited partnership unit as compared to \$0.08 per limited partnership unit for the same period in 2006. Cash distributions were paid on July 31, 2007 to limited partners of record on June 30, 2007 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.

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 six months ended June 30, 2007 and 2006 amounted to:

Six months ended June 30	2007	2006
Administration fees	\$ 96,892	\$ 121,116
Investment management fee	1,000	750

SELECTED QUARTERLY INFORMATION

(in thousands, except per unit amounts)

Three months ended (Unaudited)	Jun. 30, 2007	Mar. 31, 2007	Dec. 31, 2006	Sep. 30, 2006
Revenue	\$ 504.6	\$ 536.2	\$ 511.9	\$ 503.4
Net income for the period	426.9	458.7	465.3	393.9
Net income and cash distribution per limited partnership unit	0.04	0.04	0.04	0.04

(in thousands, except per unit amounts)

Three months ended (Unaudited)	Jun. 30, 2006	Mar. 31, 2006	Dec. 31, 2005	Sep. 30, 2005
Revenue	\$ 534.7	\$ 558.2	\$ 569.1	\$ 603.3
Net income for the period	434.5	462.0	467.5	494.9
Net income and cash distribution per limited partnership unit	0.04	0.04	0.05	0.04

ADDITIONAL INFORMATION

Additional information relating to the Partnership can be found in the Financial Statements and accompanying notes for the six months ended June 30, 2007, 2006 annual MD&A and Financial Statements, 2006 Annual Information Form ('AIF') and other documents 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 six months ended June 30, 2007 are unaudited and have not been reviewed by our auditors.

Global Strategy Master LP Balance Sheets

	As at June 30, 2007 (Unaudited)	As at December 31, 2006
Assets		
Current Assets:		
Cash and term-deposit	\$ 288,933	\$ 330,267
Distribution fees and interest receivable	160,877	174,718
Total Assets	\$ 449,810	\$ 504,985
Liabilities and Partners' Equity		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 22,946	\$ 39,714
Distributions payable	426,864	465,271
	449,810	504,985
Partners' Equity:		
Limited partners – 10,972,272 units	183,083,600	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	\$ 449,810	\$ 504,985

The accompanying notes are an integral part of the financial statements.

Approved by the Board of Directors of
Global Strategy Master GP Inc., as General Partner

<W. Robert Farquharson>
W. Robert Farquharson, Director

<Greg Henderson>
Greg Henderson, Director

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

Six months ended June 30	2007	2006
Income		
Revenue:		
Distribution fees	\$ 1,034,675	\$ 1,086,821
Interest	6,106	5,983
	1,040,781	1,092,804
Expenses:		
Administration and investment management fees	97,892	121,866
Audit, legal and filing fees	21,063	20,676
Transfer agent fees	26,364	25,212
Other costs	9,911	28,526
	155,230	196,280
Net income for the period	\$ 885,551	\$ 896,524
Net income per limited partnership unit	\$ 0.08	\$ 0.08
Deficit		
Balance beginning of period	\$ (168,406,684)	\$ (168,406,684)
Net income for the period	885,551	896,524
Distributions to partners	(885,551)	(896,524)
Balance end of period	\$ (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)

Six months ended June 30	2007		2006	
Operating Activities:				
Net income for the period	\$	885,551	\$	896,524
Net decrease (increase) in non-cash balances related to operations		(2,927)		92,718
		882,624		989,242
Financing Activities:				
Distributions paid to partners		(923,958)		(929,445)
Increase(decrease) in cash during the period		(41,334)		59,797
Cash beginning of period		330,267		339,767
Cash end of period	\$	288,933	\$	399,564

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

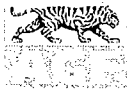
Global Strategy Master LP

Note to Financial Statements

(Unaudited)

For the six months ended June 30, 2007 and 2006

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, 2006. 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, 2006, as set out in Master LP's 2006 Annual Report.



What are you doing after work?

Global Strategy Master LP

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