

# Canada – performing on par with the best of them

Compared to most other global economies Canada weathered the Global Financial Crisis better due to its strong banking system and fiscal and monetary policies. With its historical track record and strong fundamentals the outlook and prospects for Canada remain strong.

## 20 years of Canadian returns

Even with the elimination in 2005 of foreign-content limits on RRSPs, Canadian investors still largely prefer and rely on Canada-based investments to drive their portfolio wealth accumulation.

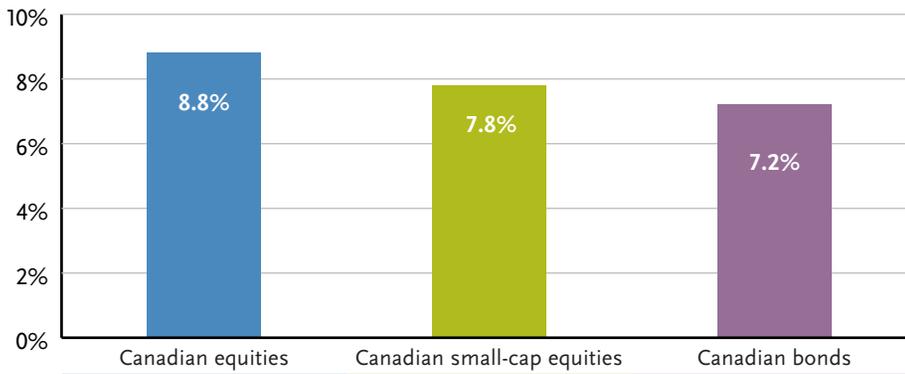
Over the last 20 years, the S&P/TSX Total Return Index has achieved an average compounded return of 8.8%. Canadian small caps as represented by the BMO Small Cap Blended Index averaged 7.8%, while the proxy for Canadian bonds – the FTSE TMX Canada Universe Bond Index returned 7.2%.

## Diversification matters

Although Canadian equities only represent between 3-4% of world market capitalization, Canada with its abundant resources and infrastructure is seen as a global supplier and good place to invest.

To get the most expansive coverage of the Canadian opportunity across sectors and industries – both production and service-oriented, investors are well-advised to consider all market cap size stocks as their performance and leadership across the business cycle can vary.

### 20-YEAR RETURN COMPARISON



Source: Morningstar Direct, for the period January 1, 1995 to December 31, 2014. All index returns are CAD. For illustrative purposes only. You cannot invest directly in an index. Please consult your financial advisor regarding your particular circumstances.

### S&P/TSX INDEX MARKET CAPITALIZATION



Source: AGF Investment Operations, December 31, 2014. Based on the number of companies. For illustrative purposes only. You cannot invest directly in an index. Please consult your financial advisor regarding your particular circumstances.

# AGF Canadian Equity Solutions

	AGF CANADIAN LARGE CAP DIVIDEND FUND / CLASS	AGF CANADA CLASS	AGF CANADIAN STOCK FUND	AGF DIVIDEND INCOME FUND <sup>1</sup>	AGF CANADIAN GROWTH EQUITY CLASS <sup>2</sup>	AGF CANADIAN SMALL CAP FUND	AGF CANADIAN SMALL CAP DISCOVERY FUND
<b>Fund type</b>	Canadian equity	Canadian equity	Canadian equity	Canadian dividend	Canadian all-cap	Canadian small- / mid-cap equity	Canadian small- / mid-cap equity
<b>Fund manager</b>	Connor, Clark & Lunn Investment Management Ltd. (Foreign-content portion advised by AGF Investments Inc.)	Peter Imhof, AGF Investments Inc.	Peter Frost, AGF Investments Inc.	Fred Steciuk & Mark Stacey, Highstreet Asset Management Inc.	Peter Imhof, AGF Investments Inc.	Greg Bay & Michael Fricker, Cypress Capital Management Ltd.	Mark Stacey, Highstreet Asset Management Inc.
<b>Fund characteristics</b>	Aims to provide investors with stable, long-term returns by investing in companies with a history of dividend growth, as this is an indication of a company's longer-term stability and strength.	Provides long-term capital growth potential by investing in mid- to large-cap companies.	Provides growth potential by investing in shareholder-centric companies with long-term growth opportunities.	Provides investors with the opportunity for long-term capital appreciation and enhanced yield potential by investing in high dividend-yielding stocks.	Provides exposure to companies with strong potential for growth in the small- and mid-cap space, combined with core large-cap names.	Provides investors with exposure to the high growth potential of small and medium-sized companies.	Seeks long-term capital appreciation by investing in a diversified portfolio consisting primarily of Canadian companies with a small market capitalization.
<b>Investment process</b>	The Portfolio Managers with their robust investment style, use a blended approach that meticulously combines top-down macroeconomic research with bottom-up stock selection.	The Portfolio Manager uses a bottom-up, growth-oriented investment style, favouring large growth companies trading at a reasonable price and that have the ability to generate above-average growth in sales, earnings and cash flow.	The Portfolio Manager uses fundamental analysis to select securities by focusing on its future earnings-generating prospects at a price that is fair relative to expected growth.	Highstreet's quantitative portfolio management process evaluates and ranks stocks on the basis of fundamental and risk characteristics. Highstreet supplements this data with research and ongoing fundamental analysis.	The Portfolio Manager uses a bottom-up approach to identify growing companies. These companies typically exhibit strong earnings growth relative to their valuations, high quality management and solid free cash flow.	The Portfolio Managers use a fundamental bottom-up investment process to identify attractive businesses trading at reasonable valuations. This core investment process is complemented by top-down macroeconomic and industry outlooks.	Highstreet's quantitative portfolio management process evaluates and ranks stocks on the basis of fundamental and risk characteristics. Highstreet supplements this data with research and ongoing fundamental analysis.
<b>Risk profile</b>	Low Med High	Low Med High	Low Med High	Low Med High	Low Med High	Low Med High	Low Med High

For more on these AGF Canadian equity opportunities, visit [AGF.com/Canadian](http://AGF.com/Canadian) and speak to your Financial Advisor.

<sup>1</sup> Effective June 26, 2015, Highstreet Asset Management Inc. assumed portfolio management responsibility for AGF Dividend Income Fund.

<sup>2</sup> On April 10, 2012, shareholders approved a change in the investment objective providing the Fund with greater flexibility to invest in stocks of all market capitalizations.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus carefully before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed; their values change frequently and past performance may not be repeated. The payment of distributions should not be confused with a fund's performance, rate of return or yield. If distributions paid by the fund are greater than the performance of the fund, your original investment will shrink. Distributions paid as a result of capital gains realized by a fund, and income and dividends earned by a fund are taxable in your hands in the year they are paid. Your adjusted cost base will be reduced by the amount of any returns of capital. If your adjusted cost base falls below zero, you will have to pay capital gains tax on the amount below zero. The All World Tax Advantage Group is a mutual fund corporation that currently offers over 20 different classes of securities. Investing in any of the classes within the group offers the following potential benefits and features: deferral of capital gains tax on transfers between classes, potential capital tax savings for corporate investors and fund diversification by investment style, geography and market capitalization. For a more detailed explanation, please see [AGF.com/disclaimers](http://AGF.com/disclaimers).

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