

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

AGF High Yield Bond Fund

SEPTEMBER 30, 2016



What are you doing after work?®

Management Discussion of Fund Performance

This management discussion of fund performance represents the portfolio management team's view of the significant factors and developments affecting the fund's performance and outlook.

Investment Objective and Strategies

Pursuant to the Declaration of Trust, the investment objective of AGF High Yield Bond Fund (the "Fund") is to generate a high level of income and maximize return by investing primarily in fixed income securities, issued or guaranteed by corporations around the world and rated BB+ equivalent or lower. AGF Investments Inc. ("AGFI"), as portfolio manager, seeks to maximize the total return of the portfolio through a bottom-up approach to corporate bond selection and a top-down approach to category allocation and duration management. A bottom-up investment approach focuses attention on a specific company rather than on the industry in which that company operates or on the economy as a whole. A top-down investment approach involves looking at the "big picture" in the economy and financial world and then breaking those components down into finer details. Duration exposure is the sensitivity of the portfolio due to changes in interest rates. The portfolio manager looks for bond issues that provide an attractive return relative to the risk of each credit. In periods of unusual market conditions, a significant portion of the Fund's assets may be held in cash, cash equivalents or fixed income securities.

Risk

The risks of investing in the Fund remain as disclosed in the current prospectus. The principal risks associated with the Fund include changes in legislation risk, concentration risk, counterparty risk, credit risk, derivative risk, equity risk, exchange traded fund ("ETF") general risks, ETF index risks, ETF industry sector risk, foreign currency risk, foreign market risk, gold and silver ETFs risk, interest rate risk, liquidity risk, repurchase agreement risk, reverse repurchase agreement risk, securities lending risk, specialization risk and substantial securityholder risk. The Fund is suitable for investors investing for the medium term, seeking the income potential of fixed income securities and who have low to medium tolerance for risk.

Results of Operations

For the year ended September 30, 2016, the Mutual Fund Units of the Fund returned 5.5% (net of expenses) while the Bloomberg Barclays U.S. Corporate High-Yield Bond Index (formerly, Barclays Capital U.S. Corporate High-Yield Bond Index) ("Bloomberg Barclays U.S. Corporate Bond Index") and the Blended Benchmark returned 11.2% and 11.8%, respectively. The Blended Benchmark is composed of 50% Bloomberg Barclays U.S. Corporate Bond Index (hedged to CAD)/50% Bloomberg Barclays U.S. Corporate Bond Index. The performance of the other series of the Fund is substantially similar to that of the Mutual Fund Units, save

for differences in expense structure. Refer to "Past Performance" section for performance information of such series.

The Fund under-performed the Bloomberg Barclays U.S. Corporate Bond Index and the Blended Benchmark due to sector allocation and credit quality, while security selection and currency management contributed positively.

The Fund was underweight higher rated BB-rated credits, which under-performed during the reporting period subsequent to mid-February 2016 when spreads tightened significantly and benefited lower rated securities. Additionally, an overweight allocation to under-performing B-rated credits and an underweight allocation to out-performing CCC or lower rated credits detracted from returns.

In terms of sector allocation, the Fund's underweight exposure to the telecommunication services, energy and materials sectors detracted from returns, though having no exposure to the utilities sector and an overweight exposure to the information technology sector contributed positively. During the period under review, the Fund had an average exposure of approximately 17.0% to telecommunication services, 11.0% to energy, 7.0% to information technology and 6.0% to materials sectors, while the Bloomberg Barclays U.S. Corporate Bond Index had an average exposure of approximately 21.0%, 12.0%, 5.0% and 7.0%, respectively. The Blended Benchmark had an average exposure of 3.0% to utilities during the reporting period.

The Fund's average exposure of approximately 7.0% to cash and cash equivalents also detracted as a result of high yield bonds rallying during the reporting period. On the other hand, the Fund's higher exposure to Canadian high yield bonds contributed positively as a result of their out-performance due to the rise in oil prices from mid-February 2016 as well as declining interest rates, which benefited the real estate sector.

The Fund's active currency management contributed to performance over the reporting period. Relative to the Blended Benchmark, an overweight exposure to the U.S. dollar from the beginning of the reporting period to mid-January 2016 contributed to the Fund performance as Canadian dollar depreciated during this time. Subsequently, the portfolio manager increased the Fund's hedge on the U.S. dollar such that the Fund's U.S. dollar exposure was below that of the Blended Benchmark for the remainder of the reporting period. This contributed positively to returns as a result of the strong rally in the Canadian dollar as the Bank of Canada left interest rates unchanged and oil prices rose strongly towards the end of the reporting period. Net of hedging activity, the Fund had an average exposure of approximately 61.0% to the U.S. dollar from October 1, 2015 to January 31, 2016 and approximately 31.0% from February 1, 2016 to September 30, 2016, relative to the Blended Benchmark, which maintains 50.0% exposure.

The Fund entered into foreign exchange forward contracts during the period under review. As of September 30, 2016, the Fund was net long

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1 800 268-8583, by writing to us at AGF Investments Inc. 55 Standish Court, Suite 1050, Mississauga, Ontario, Canada L5R 0G3 attention: Client Services, or by visiting our website at www.agf.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Canadian dollar and net short U.S. dollar in order to hedge its currency exposure.

Certain series of the Fund, as applicable, make monthly distributions at a rate determined by AGFI from time to time. If the aggregate amount of the monthly distributions made to a series in a year exceeds the portion of the net income and net realized capital gains allocated to such series, the excess will constitute a return of capital. The portfolio manager does not believe that the distributions made by the Fund had a meaningful impact on the Fund's ability to implement its investment strategy or to fulfill its investment objectives.

The Fund had net subscriptions of approximately \$42 million for the current period, as compared to net redemptions of approximately \$93 million in the prior period. Rebalancing by an institutional program resulted in net subscriptions of approximately \$23 million in the Fund. The portfolio manager does not believe that subscription/redemption activity had a meaningful impact on the Fund's performance or the ability to implement its investment strategy.

Total expenses before foreign withholding taxes, commissions and other portfolio transaction costs vary period over period mainly as a result of changes in average Net Asset Values (see Explanatory Note (1) a)) and investor activity, such as number of investor accounts and transactions. Expenses have decreased as compared to the previous period due mainly to a decrease in average Net Asset Values and investor activity. On the contrary, the increase in custodian fees was due to the change in third party service provider during the current period. All other expenses remained fairly consistent throughout the periods.

Recent Developments

The economic fallout from the UK's decision to leave the European Union ("Brexit") in June 2016 has generally been milder than feared, resulting in economic and market conditions that have been better than expected. However, formal Brexit process is anticipated to enact by early 2017. The portfolio manager will be closely monitoring the situation as it continues to unfold.

While the U.S. Federal Reserve did not hike rates at its September 2016 meeting, the portfolio manager believes federal funds rate may raise in December 2016, as underlying economic data are likely to hold up strongly enough to support it. The Bank of Japan's shift in monetary policy allows it to be more flexible and potentially support more sustainable growth over the long-term. As a number of central banks are potentially approaching their limits on monetary policy, a number of countries have announced plans to implement expansionary fiscal policy, which is likely to be supportive of growth in the medium term. Countries such as Canada, Japan and South Korea have announced fiscal packages, while others such as the U.S. and the UK are likely to follow. While near term growth may improve, the portfolio manager believes longer term benefits will depend on how effectively those policies are deployed. Historically, government spending has not been as productive or supportive of gross domestic product growth as private sector spending, although refurbishing of aging infrastructure does present an opportunity to enhance productivity.

In the portfolio manager's opinion, ongoing political risk may result in mixed investor sentiment and could potentially weigh on financial

markets going forward, particularly the U.S. presidential election in November 2016. The Italian referendum in December 2016 and the European Union elections in 2017 also pose medium term uncertainty.

The portfolio manager expects bond yields to gradually move higher in the near term, supported by more favourable growth and inflation prospects as the economy continues to recover from weak growth during first half of 2016. However, the portfolio manager anticipates yields to remain in a low range as the global economy continues to experience anemic growth and central bank accommodations remain supportive.

The portfolio manager holds a neutral outlook as riskier asset classes have rebounded significantly off their mid-February 2016 lows, making valuations somewhat less attractive. Consequently, the portfolio manager remains more selective on new exposures within the Fund as valuations are more expensive and company fundamentals have deteriorated. In this environment, the portfolio manager anticipates to maintain an overweight allocation to higher quality high yield corporate bonds. The portfolio manager also expects to maintain exposure but remains selective with regards to the Fund's emerging market corporate debt.

Related Party Transactions

AGFI is the manager ("Manager") and trustee of the Fund. Pursuant to the management agreement between the Fund and AGFI, AGFI is responsible for the day-to-day business of the Fund. As indicated above, AGFI also acts as the investment (portfolio) manager, managing the investment portfolio of the Fund. Under the management agreement, the Fund (except for Series O, Series Q and Series W Units, if applicable) pays management fees, calculated based on the Net Asset Value of the respective series of the Fund. Management fees of approximately \$4,944,000 were incurred by the Fund during the period ended September 30, 2016.

Effective February 15, 2016, AGF CustomerFirst Inc. ("AGFC"), a wholly owned subsidiary of AGF Management Limited, provides transfer agency services to the Fund pursuant to a services agreement with AGFI. Unitholder servicing and administrative fees of approximately \$229,000 incurred by the Fund were paid to AGFC for the period from February 15, 2016 to September 30, 2016.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions,

including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years as applicable. The Fund adopted International Financial Reporting Standards ("IFRS") on October 1, 2014. All per unit information presented for the period ended September 30, 2014, including opening net assets, reflects retrospective adjustments in accordance with IFRS. Information for the periods prior to October 1, 2013 is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles as defined in Part V of the CPA Handbook ("Canadian GAAP").

Mutual Fund Units – Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	5.46	5.86	5.70	5.91	5.73
Increase (decrease) from operations:					
Total revenue	0.35	0.42	0.41	0.44	0.45
Total expenses	(0.10)	(0.11)	(0.11)	(0.11)	(0.11)
Realized gains (losses)	(0.22)	(0.35)	0.17	(0.12)	0.15
Unrealized gains (losses)	0.26	0.02	0.03	0.02	0.08
Total increase (decrease) from operations⁽²⁾	0.29	(0.02)	0.50	0.23	0.57
Distributions:					
From income (excluding dividends)	(0.28)	(0.35)	(0.32)	(0.33)	(0.33)
From dividends	–	(0.00)	(0.01)	(0.00)	(0.02)
From capital gains	–	–	–	(0.12)	(0.04)
Return of capital	–	–	–	–	–
Total annual distributions⁽³⁾	(0.28)	(0.35)	(0.33)	(0.45)	(0.39)
Net Assets, end of period⁽⁴⁾	5.47	5.46	5.86	5.69	5.91

Mutual Fund Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	262,825	272,471	342,027	356,547	382,485
Number of units outstanding (000's)	48,007	49,888	58,378	62,584	64,656
Management expense ratio ⁽⁵⁾	1.89%	1.86%	1.87%	1.87%	1.85%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.89%	1.86%	1.87%	1.87%	1.85%
Trading expense ratio ⁽⁷⁾	–	–	–	–	0.00%
Portfolio turnover rate ⁽⁸⁾	90.48%	79.91%	178.57%	208.56%	165.40%
Net Asset Value per unit	5.47	5.46	5.86	5.70	5.92

* represents initial Net Assets

~ annualized

(1), (2), (3), (4), (5), (6), (7) and (8) see Explanatory Notes

Series F Units – Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	5.48	5.87	5.70	5.92	5.73
Increase (decrease) from operations:					
Total revenue	0.36	0.41	0.41	0.44	0.45
Total expenses	(0.05)	(0.06)	(0.08)	(0.08)	(0.08)
Realized gains (losses)	(0.23)	(0.33)	0.16	(0.12)	0.13
Unrealized gains (losses)	0.22	(0.02)	0.02	0.05	0.09
Total increase (decrease) from operations⁽²⁾	0.30	(0.00)	0.51	0.29	0.59
Distributions:					
From income (excluding dividends)	(0.33)	(0.39)	(0.35)	(0.35)	(0.36)
From dividends	–	(0.00)	(0.01)	(0.01)	(0.02)
From capital gains	–	–	–	(0.11)	(0.04)
Return of capital	–	–	–	–	–
Total annual distributions⁽³⁾	(0.33)	(0.39)	(0.36)	(0.47)	(0.42)
Net Assets, end of period⁽⁴⁾	5.49	5.48	5.87	5.70	5.92

Series F Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	3,429	4,371	4,373	4,063	5,946
Number of units outstanding (000's)	625	798	745	712	1,004
Management expense ratio ⁽⁵⁾	1.01%	1.01%	1.33%	1.35%	1.34%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.18%	1.25%	1.33%	1.35%	1.34%
Trading expense ratio ⁽⁷⁾	–	–	–	–	0.00%
Portfolio turnover rate ⁽⁸⁾	90.48%	79.91%	178.57%	208.56%	165.40%
Net Asset Value per unit	5.49	5.48	5.87	5.70	5.92

Series Q Units – Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	9.31	9.98	9.70	10.00*	–
Increase (decrease) from operations:					
Total revenue	0.59	0.70	0.69	0.56	–
Total expenses	–	–	(0.00)	–	–
Realized gains (losses)	(0.38)	(0.58)	0.38	(0.16)	–
Unrealized gains (losses)	0.41	(0.10)	(0.17)	(0.34)	–
Total increase (decrease) from operations⁽²⁾	0.62	0.02	0.90	0.06	–
Distributions:					
From income (excluding dividends)	(0.67)	(0.77)	(0.73)	(0.54)	–
From dividends	–	(0.00)	(0.01)	(0.01)	–
From capital gains	–	–	–	–	–
Return of capital	–	–	–	–	–
Total annual distributions⁽³⁾	(0.67)	(0.77)	(0.74)	(0.55)	–
Net Assets, end of period⁽⁴⁾	9.30	9.31	9.98	9.69	–

Series Q Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	644	717	471	217	–
Number of units outstanding (000's)	69	77	47	22	–
Management expense ratio ⁽⁵⁾	–	–	–	–	–
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.07%	0.83%	1.37%	2.20%~	–
Trading expense ratio ⁽⁷⁾	–	–	–	–	–
Portfolio turnover rate ⁽⁸⁾	90.48%	79.91%	178.57%	208.56%	–
Net Asset Value per unit	9.30	9.31	9.98	9.70	–

Series S Units – Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period ⁽¹⁾	5.56	5.96	5.79	5.94	5.94*
Increase (decrease) from operations:					
Total revenue	0.35	0.42	0.41	0.44	0.18
Total expenses	–	–	(0.00)	–	–
Realized gains (losses)	(0.19)	(0.33)	0.17	(0.15)	0.26
Unrealized gains (losses)	0.29	0.04	0.01	(0.01)	(0.19)
Total increase (decrease) from operations⁽²⁾	0.45	0.13	0.59	0.28	0.25
Distributions:					
From income (excluding dividends)	(0.40)	(0.46)	(0.43)	(0.41)	(0.18)
From dividends	–	(0.00)	(0.01)	(0.01)	(0.01)
From capital gains	–	–	–	(0.07)	–
Return of capital	–	–	–	–	–
Total annual distributions⁽³⁾	(0.40)	(0.46)	(0.44)	(0.49)	(0.19)
Net Assets, end of period⁽⁴⁾	5.56	5.56	5.96	5.79	5.94

Series S Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	135,614	80,722	130,027	82,276	1,065
Number of units outstanding (000's)	24,386	14,528	21,816	14,209	179
Management expense ratio ⁽⁵⁾	–	–	–	–	–
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.18%	1.17%	1.17%	1.16%	1.15%~
Trading expense ratio ⁽⁷⁾	–	–	–	–	0.00%
Portfolio turnover rate ⁽⁸⁾	90.48%	79.91%	178.57%	208.56%	165.40%
Net Asset Value per unit	5.56	5.56	5.96	5.79	5.94

Explanatory Notes

(1) a) This information is derived from the Fund's audited annual financial statements. Prior to October 1, 2014, the net assets per unit presented in the financial statements ("Net Assets") differed from the net asset value per unit calculated for fund pricing purposes ("Net Asset Value"), due to differences in valuation techniques of certain investments as required under Canadian GAAP. The adoption of IFRS, effective October 1, 2014, has generally eliminated the difference between Net Assets per unit and Net Asset Value per unit.

For the purpose of comparability with the period ended September 30, 2016, total Net Asset Value and number of units outstanding presented for the period ended September 30, 2015 may have been adjusted to include certain transactions, if applicable. These adjustments have no effect on the Net Asset Value per unit.

b) The following series of the Fund commenced operations on the following dates, which represents the date upon which securities of a series were first made available for purchase by investors.

Mutual Fund Units	February 1994
Series F Units	July 2001
Series Q Units	December 2012
Series S Units	May 2012

(2) Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were paid in cash/reinvested in additional units of the Fund, or both. The computation of the distributions per unit does not take into account the management fee distributions (see note 5 below). The characterization of the distributions is based on management's estimate of the actual income for the year.

* represents initial Net Assets

~ annualized

(1), (2), (3), (4), (5), (6), (7) and (8) see Explanatory Notes

(4) This is not a reconciliation of the beginning and ending Net Assets per unit.

(5) The management expense ratio ("MER") of a particular series is calculated in accordance with National Instrument 81-106, based on all the expenses of the Fund (including Harmonized Sales Tax, Goods and Services Tax and interest, but excluding foreign withholding taxes, commissions and other portfolio transaction costs) and the Fund's proportionate share of the MER, if applicable, of the underlying funds and ETFs in which the Fund has invested, allocated to that series, expressed as an annualized percentage of average daily Net Asset Value of that series during the period.

AGFI may reduce the effective management fee payable by some unitholders by reducing the management fee it charges to the Fund and directing the Fund to make management fee distributions to these unitholders in amounts equal to the amounts of the management fee reduction. The MER does not take into account the reduction in management fees due to management fee distributions to unitholders.

(6) AGFI waived certain fees or absorbed certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is determined annually on a series by series basis at the discretion of AGFI and AGFI can terminate the waiver or absorption at any time.

(7) The trading expense ratio represents total commissions and other portfolio transaction costs, including the Fund's proportionate share of the commissions, if applicable, of the underlying funds and ETFs in which the Fund has invested, expressed as an annualized percentage of average daily Net Asset Value during the period.

(8) The Fund's portfolio turnover rate ("PTR") indicates how actively the Fund's portfolio advisor manages its portfolio investments. A PTR of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's PTR in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

PTR is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

Management Fees

The Fund is managed by AGFI. As a result of providing investment and management services, AGFI receives a monthly management fee, based on the Net Asset Value of the respective series, calculated daily and payable monthly. Management fees in respect of Series O, Series Q and Series W Units, if applicable, are arranged directly between the Manager and investors and are not expenses of the Fund. AGFI uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Fund's units, investment advice, as well as for general administrative expenses such as overhead, salaries, rent, legal and accounting fees relating to AGFI's role as manager.

	As a percentage of management fees		
	Annual rates	Dealer compensation	General administration and investment advice
Mutual Fund Units	1.50%	15.46%	84.54%
Series F Units	0.90%	–	100.00%
Series S Units	1.00%	–	100.00%

Past Performance*

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

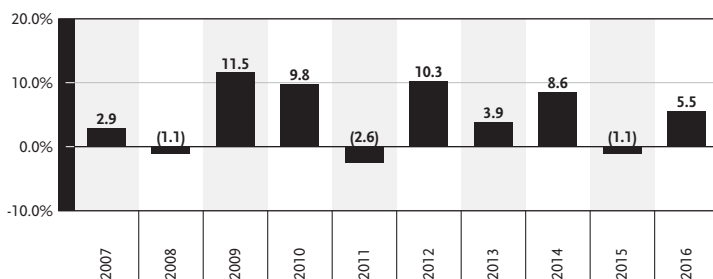
It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money.

All rates of return are calculated based on the Net Asset Value.

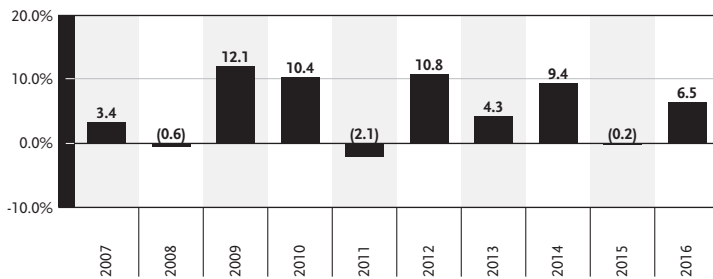
Year-By-Year Returns

The following bar charts show the Fund's annual performance for each of the past 10 years to September 30, 2016 as applicable, and illustrate how the Fund's performance has changed from year to year. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

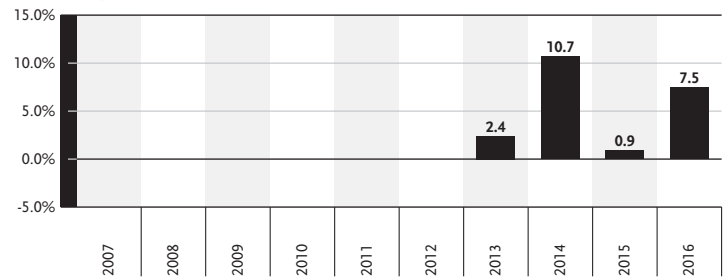
Mutual Fund Units



Series F Units

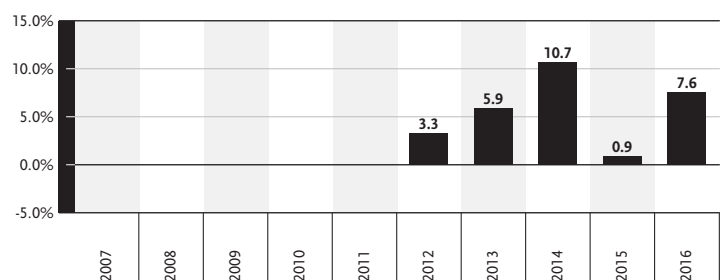


Series Q Units



Performance for 2013 represents returns for the period from December 27, 2012 to September 30, 2013.

Series S Units



Performance for 2012 represents returns for the period from May 1, 2012 to September 30, 2012.

Annual Compound Returns

The following table compares the historical annual compound returns for each series with the indices, for each of the periods ended September 30, 2016.

Percentage Return:	1 Year	3 Years	5 Years	10 Years	Since Inception
Mutual Fund Units	5.5	4.3	5.4	4.6	N/A
Bloomberg Barclays U.S. Corporate High-Yield Bond Index	11.2	14.1	13.5	9.5	N/A
Blended Benchmark	11.8	9.8	11.2	8.5	N/A
Series F Units	6.5	5.2	6.1	5.3	N/A
Bloomberg Barclays U.S. Corporate High-Yield Bond Index	11.2	14.1	13.5	9.5	N/A
Blended Benchmark	11.8	9.8	11.2	8.5	N/A
Series Q Units	7.5	6.3	N/A	N/A	5.6
Bloomberg Barclays U.S. Corporate High-Yield Bond Index	11.2	14.1	N/A	N/A	13.4
Blended Benchmark	11.8	9.8	N/A	N/A	9.5
Series S Units	7.6	6.3	N/A	N/A	6.4
Bloomberg Barclays U.S. Corporate High-Yield Bond Index	11.2	14.1	N/A	N/A	13.0
Blended Benchmark	11.8	9.8	N/A	N/A	10.2

The Bloomberg Barclays U.S. Corporate High-Yield Bond Index measures the U.S. dollar denominated, high yield, fixed-rate corporate bond market. This variation is denominated in U.S. dollars.

* The indicated rates of return shown here are the historical annual compounded total returns including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges by any securityholder that would have reduced returns or performance. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The Bloomberg Barclays U.S. Corporate High-Yield Bond Index (hedged to CAD) measures the U.S. dollar denominated, high yield, fixed-rate corporate bond market. This variation is hedged to Canadian dollars.

For a discussion of the relative performance of the Fund as compared to the indices, see Results of Operations in the Management Discussion of Fund Performance.

Summary of Investment Portfolio

As at September 30, 2016

The major portfolio categories and top holdings (up to 25) of the Fund at the end of the period are indicated in the following tables. The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and the next quarterly update will be in the Quarterly Portfolio Disclosure as at December 31, 2016.

Portfolio by Country	Percentage of Net Asset Value (%)
United States	70.7
Canada	9.3
Cash & Cash Equivalents	4.9
Luxembourg	3.1
Mexico	2.8
Australia	2.5
Ireland	1.7
Austria	1.3
United Kingdom	0.9
Italy	0.5
Netherlands	0.2
Foreign Exchange Forward Contracts	0.0
Hong Kong	0.0

Portfolio by Sector	Percentage of Net Asset Value (%)
High Yield Bonds	68.3
Corporate Bonds	21.9
Cash & Cash Equivalents	4.9
Emerging Markets Bonds	2.8
Foreign Exchange Forward Contracts	0.0
Materials	0.0

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
United States Fixed Income	70.7
International Fixed Income	13.0
Canadian Fixed Income	9.3
Cash & Cash Equivalents	4.9
Foreign Exchange Forward Contracts	0.0
International Equity	0.0

Portfolio by Credit Rating††	Percentage of Net Asset Value (%)
AA	(0.0)
A	5.0
BBB	0.0
BB	40.3
B	41.6
CCC	9.0
CC	1.5
C	0.5
Not Rated	0.0

Top Holdings	Percentage of Net Asset Value (%)
HCA Holdings Inc.**	3.1
T-Mobile US Inc.**	3.1
Cemex SAB de CV**	2.8
West Corporation**	2.7
Realogy Group LLC/Co-Issuer Corporation**	2.7
Meritor Inc.**	2.6
CCO Holdings LLC/Capital Corporation**	2.5
FMG Resources (August 2006) Pty. Limited**	2.5
Tenet Healthcare Corporation**	2.4
Frontier Communications Corporation**	2.3
Cott Beverages Inc.**	2.3
Western Digital Corporation**	2.3
Amkor Technology Inc.**	2.2
Wynn Las Vegas LLC/Wynn Las Vegas Capital Corporation**	2.2
Hilcorp Energy I Limited Partnership/Hilcorp Finance Company**	2.1
First Data Corporation**	2.1
American Axle & Manufacturing Inc.**	2.0
XPO Logistics Inc.**	2.0
The Chemours Company**	2.0
Lennar Corporation**	1.9
Ball Corporation**	1.9
Cascades Inc.**	1.9
NCR Corporation**	1.8
Centene Corporation**	1.7
Endo Finance LLC/Endo Limited/Endo Finco Inc.**	1.7
Total Net Asset Value (thousands of dollars)	\$ 402,512

†† References made to credit ratings are obtained from Standard & Poor's, Moody's, Dominion Bond Rating Service and/or Fitch Ratings. Where one or more rating is obtained for a security, the lowest rating has been used.

** Debt Instruments



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For more information contact your investment advisor or:

AGF Investments Inc.

55 Standish Court, Suite 1050

Mississauga, ON L5R 0G3

Toll Free: (800) 268-8583

Web: AGF.com

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