

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

AGF Canadian Asset Allocation Fund

MARCH 31, 2017



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.

Results of Operations

For the six months ended March 31, 2017, the Mutual Fund Units of AGF Canadian Asset Allocation Fund (the "Fund") returned 2.9% (net of expenses) while the S&P/TSX Composite Index ("S&P/TSX Index"), the FTSE TMX Canada Universe Bond Index ("FTSE TMX Universe Bond Index") and the Blended Benchmark returned 7.1%, -2.2% and 3.3%, respectively. The Blended Benchmark is composed of 60% S&P/TSX Index/40% FTSE TMX Universe 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 S&P/TSX Index due to its allocation to fixed income, as bonds significantly under-performed equities during the period under review. Within the equity component of the portfolio, exposure to U.S. equities slightly offset the Fund's under-performance as global equities generally out-performed Canadian equities during the period, though returns were strong overall.

Conversely, the Fund out-performed the FTSE TMX Universe Bond Index due to its inclusion of equities. Less exposure to fixed income securities further contributed to the Fund's performance as this asset class, particularly within Canada, under-performed as it experienced a material rise in bond yields during the last calendar quarter of 2016 caused by deflation trends, rising economic activity and optimism following the U.S. election.

The Fund slightly under-performed the Blended Benchmark due to its allocation to fixed income securities, as equities generally out-performed during the period under review. In addition, security selection within one of the underlying funds also detracted from performance.

The Fund entered into foreign exchange forward contracts during the period under review. As of March 31, 2017, the Fund was long Canadian dollar and 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 AGF Investments Inc. ("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.

This interim management report of fund performance contains financial highlights, but does not contain either the interim or annual financial statements of the investment fund. You can get a copy of the interim or 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.

The Fund had net redemptions of approximately \$47 million for the current period, as compared to net subscriptions of approximately \$0.2 million in the prior period. The portfolio manager does not believe that redemption/subscription 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, audit fees increased due to variance between the accrued amounts versus the actual expenses incurred in the previous period. All other expenses remained fairly consistent throughout the periods.

Recent Developments

The portfolio manager continues to cautiously favour equities over bonds. Developed market equities are still preferred over emerging market equities, though the portfolio manager is cognizant of political uncertainty within developed markets, including the U.S. and parts of Europe. Prospects for emerging markets are improving relative to historical averages, though overhanging risks relating to over-leveraging in China as well as geopolitical uncertainty remains. The portfolio manager has a moderately positive outlook for Canadian equities as oil prices have stabilized, but yet to break through USD \$55 per barrel. Other risks that the portfolio manager is watching include a potential housing correction in Canada, which could materially impact the financials sector, as well as trade terms yet to be determined with the new U.S. administration.

The portfolio manager's outlook for U.S. equities remains positive on a relative basis. In Europe, valuations appear relatively attractive and macroeconomic data is improving, though political uncertainty has the potential to derail equity markets; thus, resulting in the Fund's underweight allocation to European equities over the near term. The portfolio manager improved to moderately positive on Japan due to supportive policies and reaffirmed commitment from the central bank.

The Fund holds an overall underweight position in fixed income, as hawkish central bank policy and rising inflation could negatively impact this asset class. Within fixed income, the portfolio manager prefers emerging market debt, specifically local denominated bonds. The portfolio manager's view for high yield bonds has moderated and is more neutral as valuations are at the high end of their historical range.

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. AGFI also acts as the investment (portfolio) manager, managing the investment portfolio of

the Fund. The Fund was also party to an investment advisory agreement with AGFI and Highstreet Asset Management Inc. ("Highstreet"). Highstreet acts as an investment advisor and provides investment advisory services to 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 \$5,500,000 were incurred by the Fund during the six month period ended March 31, 2017.

AGF CustomerFirst Inc. ("AGFC") provides transfer agency services to the Fund pursuant to a services agreement with AGFI. Unitholder servicing and administrative fees of approximately \$418,000 were incurred by the Fund during the six month period ended March 31, 2017.

AGFI, Highstreet and AGFC are indirect wholly-owned subsidiaries of AGF Management Limited.

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.

The forward-looking statements are by their nature based on numerous assumptions, which include, amongst other things, that (i) the Fund can attract and maintain investors and has sufficient capital under management to effect its investment strategies, (ii) the investment strategies will produce the results intended by the portfolio manager, and (iii) the markets will react and perform in a manner consistent with the investment strategies. Although the forward-looking statements contained herein are based upon what the portfolio manager believes to be reasonable assumptions, the portfolio manager cannot assure that actual results will be consistent with these forward-looking statements.

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 six months ended March 31, 2017 and 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	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	25.39	26.75	26.69	25.70	23.54	22.28
Increase (decrease) from operations:						
Total revenue	0.37	0.65	0.52	0.54	0.57	0.58
Total expenses	(0.35)	(0.70)	(0.83)	(0.80)	(0.66)	(0.61)
Realized gains (losses)	0.79	0.55	4.02	2.99	1.01	0.29
Unrealized gains (losses)	(0.10)	1.32	(3.38)	(0.15)	1.22	1.05
Total increase (decrease) from operations⁽²⁾	0.71	1.82	0.33	2.58	2.14	1.31
Distributions:						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	–	–	–	–	–	–
From capital gains	(0.86)	(3.26)	(0.13)	(1.56)	–	(0.10)
Return of capital	–	–	–	–	–	–
Total annual distributions⁽³⁾	(0.86)	(3.26)	(0.13)	(1.56)	–	(0.10)
Net Assets, end of period⁽⁴⁾	25.26	25.39	26.75	26.69	25.69	23.54

Mutual Fund Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Mar 31, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$'000's)	457,958	492,667	569,679	675,977	671,056	769,491
Number of units outstanding ('000's)	18,133	19,404	21,295	25,324	26,112	32,661
Management expense ratio ⁽⁵⁾	2.71%~	2.71%	2.69%	2.69%	2.70%	2.67%
Management expense ratio before waivers or absorptions ⁽⁶⁾	2.71%~	2.73%	2.69%	2.69%	2.71%	2.67%
Trading expense ratio ⁽⁷⁾	0.12%~	0.08%	0.25%	0.19%	0.18%	0.20%
Portfolio turnover rate ⁽⁸⁾	39.86%	75.42%	156.27%	89.67%	70.51%	79.72%
Net Asset Value per unit	25.26	25.39	26.75	26.69	25.70	23.56

~ annualized

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

Series D Units – Net Assets per Unit⁽¹⁾

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	25.54	26.86	26.77	25.73	23.52	22.20
Increase (decrease) from operations:						
Total revenue	0.37	0.65	0.52	0.54	0.57	0.58
Total expenses	(0.35)	(0.63)	(0.80)	(0.75)	(0.61)	(0.49)
Realized gains (losses)	0.80	0.55	3.99	3.09	0.99	0.27
Unrealized gains (losses)	(0.09)	1.29	(3.33)	(0.07)	1.27	1.04
Total increase (decrease) from operations⁽²⁾	0.73	1.86	0.38	2.81	2.22	1.40
Distributions:						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	–	–	–	–	–	–
From capital gains	(0.93)	(3.30)	(0.13)	(1.57)	–	(0.14)
Return of capital	–	–	–	–	–	–
Total annual distributions⁽³⁾	(0.93)	(3.30)	(0.13)	(1.57)	–	(0.14)
Net Assets, end of period⁽⁴⁾	25.34	25.54	26.86	26.77	25.72	23.52

Series D Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Mar 31, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	888	947	1,071	1,323	1,630	2,416
Number of units outstanding (000's)	35	37	40	49	63	103
Management expense ratio ⁽⁵⁾	2.67%~	2.44%	2.57%	2.52%	2.49%	2.15%
Management expense ratio before waivers or absorptions ⁽⁶⁾	2.86%~	2.44%	2.57%	2.52%	2.49%	2.41%
Trading expense ratio ⁽⁷⁾	0.12%~	0.08%	0.25%	0.19%	0.18%	0.20%
Portfolio turnover rate ⁽⁸⁾	39.86%	75.42%	156.27%	89.67%	70.51%	79.72%
Net Asset Value per unit	25.34	25.54	26.86	26.77	25.73	23.54

Series F Units – Net Assets per Unit⁽¹⁾

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	25.99	27.53	27.28	26.07	23.62	22.39
Increase (decrease) from operations:						
Total revenue	0.38	0.65	0.53	0.55	0.58	0.58
Total expenses	(0.16)	(0.31)	(0.42)	(0.44)	(0.39)	(0.35)
Realized gains (losses)	0.78	0.62	4.24	2.93	1.00	0.28
Unrealized gains (losses)	(0.04)	1.36	(3.88)	(0.28)	1.21	1.03
Total increase (decrease) from operations⁽²⁾	0.96	2.32	0.47	2.76	2.40	1.54
Distributions:						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	–	–	–	–	–	–
From capital gains	(1.38)	(3.89)	(0.37)	(1.74)	–	(0.38)
Return of capital	–	–	–	–	–	–
Total annual distributions⁽³⁾	(1.38)	(3.89)	(0.37)	(1.74)	–	(0.38)
Net Assets, end of period⁽⁴⁾	25.54	25.99	27.53	27.28	26.06	23.62

Series F Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Mar 31, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	11,506	9,148	7,185	7,806	5,911	7,493
Number of units outstanding (000's)	451	352	261	286	227	317
Management expense ratio ⁽⁵⁾	1.15%~	1.13%	1.16%	1.36%	1.59%	1.56%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.17%~	1.13%	1.16%	1.36%	1.59%	1.56%
Trading expense ratio ⁽⁷⁾	0.12%~	0.08%	0.25%	0.19%	0.18%	0.20%
Portfolio turnover rate ⁽⁸⁾	39.86%	75.42%	156.27%	89.67%	70.51%	79.72%
Net Asset Value per unit	25.54	25.99	27.53	27.28	26.07	23.64

Series O Units – Net Assets per Unit⁽¹⁾

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	28.25	29.99	29.58	28.08	25.01	23.80
Increase (decrease) from operations:						
Total revenue	0.37	0.71	0.58	0.59	0.62	0.61
Total expenses	(0.02)	(0.03)	(0.10)	(0.07)	–	–
Realized gains (losses)	0.90	0.63	4.62	3.34	1.08	0.32
Unrealized gains (losses)	(0.62)	1.46	(4.02)	(0.28)	1.36	1.11
Total increase (decrease) from operations⁽²⁾	0.63	2.77	1.08	3.58	3.06	2.04
Distributions:						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	–	–	–	–	–	–
From capital gains	(1.79)	(4.59)	(0.61)	(2.10)	–	(0.86)
Return of capital	–	–	–	–	–	–
Total annual distributions⁽³⁾	(1.79)	(4.59)	(0.61)	(2.10)	–	(0.86)
Net Assets, end of period⁽⁴⁾	27.63	28.25	29.99	29.58	28.06	25.01

Series O Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Mar 31, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	10,208	28,349	29,819	30,921	28,893	33,575
Number of units outstanding (000's)	369	1,003	994	1,045	1,029	1,341
Management expense ratio ⁽⁵⁾	–	–	–	–	–	–
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.02%~	0.05%	0.04%	0.04%	0.04%	0.05%
Trading expense ratio ⁽⁷⁾	0.12%~	0.08%	0.25%	0.19%	0.18%	0.20%
Portfolio turnover rate ⁽⁸⁾	39.86%	75.42%	156.27%	89.67%	70.51%	79.72%
Net Asset Value per unit	27.63	28.25	29.99	29.58	28.08	25.03

Series T Units – Net Assets per Unit⁽¹⁾

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	8.08	8.39	9.04	9.15	9.06	9.28
Increase (decrease) from operations:						
Total revenue	0.12	0.21	0.17	0.19	0.21	0.24
Total expenses	(0.11)	(0.22)	(0.26)	(0.27)	(0.24)	(0.24)
Realized gains (losses)	0.25	0.19	1.32	1.05	0.38	0.12
Unrealized gains (losses)	(0.03)	0.44	(1.11)	(0.05)	0.45	0.41
Total increase (decrease) from operations⁽²⁾	0.23	0.62	0.12	0.92	0.80	0.53
Distributions:						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	–	–	–	–	–	–
From capital gains	(0.16)	(0.93)	(0.06)	(0.72)	–	(0.01)
Return of capital	(0.16)	–	(0.68)	(0.30)	(0.72)	(0.75)
Total annual distributions⁽³⁾	(0.32)	(0.93)	(0.74)	(1.02)	(0.72)	(0.76)
Net Assets, end of period⁽⁴⁾	7.98	8.08	8.39	9.04	9.15	9.06

Series T Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Mar 31, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	14,591	14,160	13,661	15,051	15,921	17,320
Number of units outstanding (000's)	1,828	1,753	1,629	1,666	1,740	1,909
Management expense ratio ⁽⁵⁾	2.68%~	2.65%	2.62%	2.62%	2.64%	2.61%
Management expense ratio before waivers or absorptions ⁽⁶⁾	2.68%~	2.65%	2.62%	2.62%	2.64%	2.61%
Trading expense ratio ⁽⁷⁾	0.12%~	0.08%	0.25%	0.19%	0.18%	0.20%
Portfolio turnover rate ⁽⁸⁾	39.86%	75.42%	156.27%	89.67%	70.51%	79.72%
Net Asset Value per unit	7.98	8.08	8.39	9.04	9.15	9.07

~ annualized

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

Series V Units – Net Assets per Unit⁽¹⁾

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
Net Assets, beginning of period⁽¹⁾	11.57	12.00	12.54	12.46	11.98	11.88
Increase (decrease) from operations:						
Total revenue	0.17	0.30	0.24	0.26	0.28	0.30
Total expenses	(0.16)	(0.32)	(0.38)	(0.38)	(0.33)	(0.31)
Realized gains (losses)	0.36	0.24	1.80	1.45	0.51	0.15
Unrealized gains (losses)	(0.04)	0.59	(1.46)	(0.05)	0.61	0.54
Total increase (decrease) from operations⁽²⁾	0.33	0.81	0.20	1.28	1.07	0.68
Distributions:						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	–	–	–	–	–	–
From capital gains	(0.18)	(1.30)	(0.05)	(0.97)	–	(0.01)
Return of capital	(0.11)	–	(0.59)	(0.18)	(0.59)	(0.60)
Total annual distributions⁽³⁾	(0.29)	(1.30)	(0.64)	(1.15)	(0.59)	(0.61)
Net Assets, end of period⁽⁴⁾	11.61	11.57	12.00	12.54	12.46	11.98

Series V Units – Ratios/Supplemental Data⁽¹⁾

For the periods ended	Mar 31, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013	Sept 30, 2012
Total Net Asset Value (\$000's)	2,877	2,960	3,939	5,661	6,214	7,333
Number of units outstanding (000's)	248	256	328	451	499	612
Management expense ratio ⁽⁵⁾	2.74%~	2.69%	2.70%	2.67%	2.68%	2.61%
Management expense ratio before waivers or absorptions ⁽⁶⁾	2.83%~	2.69%	2.70%	2.67%	2.68%	2.61%
Trading expense ratio ⁽⁷⁾	0.12%~	0.08%	0.25%	0.19%	0.18%	0.20%
Portfolio turnover rate ⁽⁸⁾	39.86%	75.42%	156.27%	89.67%	70.51%	79.72%
Net Asset Value per unit	11.61	11.57	12.00	12.54	12.46	11.99

Explanatory Notes

(1) a) This information is derived from the Fund's audited annual financial statements and unaudited interim 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.

Total Net Asset Value and number of units outstanding presented as at September 30, 2015 may have been adjusted to include certain transactions, if applicable, for the purpose of comparability with subsequent reporting periods. 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	July 1931
Series D Units	April 2003
Series F Units	January 2000
Series O Units	June 2005
Series T Units	December 2006
Series V Units	August 2007

c) On May 23, 2014, AGF Conservative Asset Allocation Fund merged into the Fund. The financial data of the Fund includes the results of operations of AGF Conservative Asset Allocation Fund from the date of the merger.

~ annualized

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

(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.

(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 exchange traded funds ("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 ("TER") 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	2.25%	40.58%	59.42%
Series D Units	1.85%	26.97%	73.03%
Series F Units	0.90%	—	100.00%
Series T Units	2.25%	69.77%	30.23%
Series V Units	2.25%	39.72%	60.28%

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.

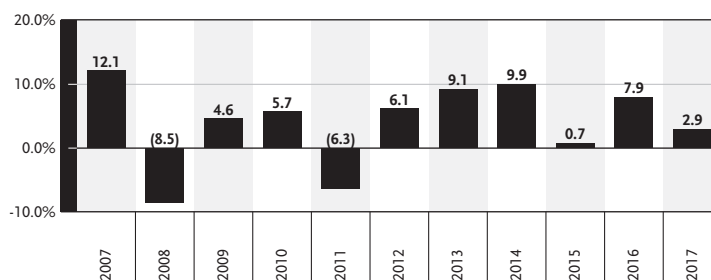
It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money. During the ten year period ended September 30, 2016, certain other funds with similar investment objectives merged into the Fund. Generally, for fund mergers, the continuing fund is considered a new fund for the purpose of calculating rates of return and therefore, the rates of return have not been provided for the period of the merger and previous periods. However, the merger of AGF Conservative Asset Allocation Fund with the Fund (see Explanatory Note (1) c)) did not constitute a material change to the Fund and accordingly did not impact the ability of the Fund to maintain its historical performance.

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

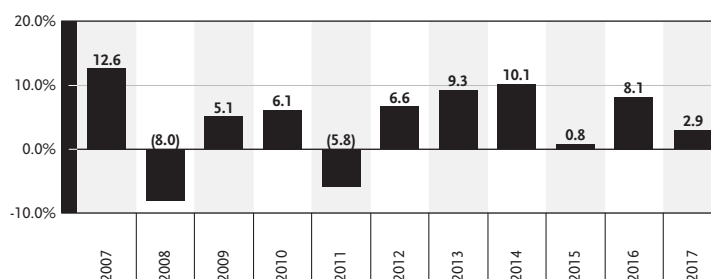
Year-By-Year Returns

The following bar charts show the Fund's annual performance for each of the past 10 years to September 30, 2016 (interim performance for the six months ended March 31, 2017) 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.

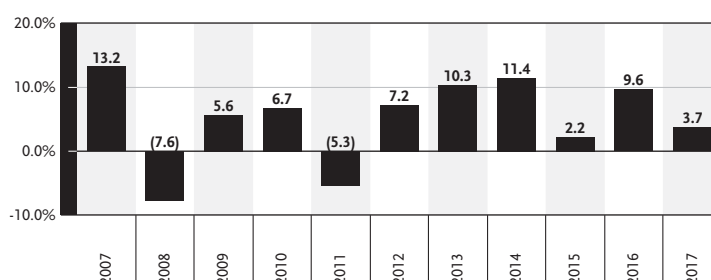
Mutual Fund Units



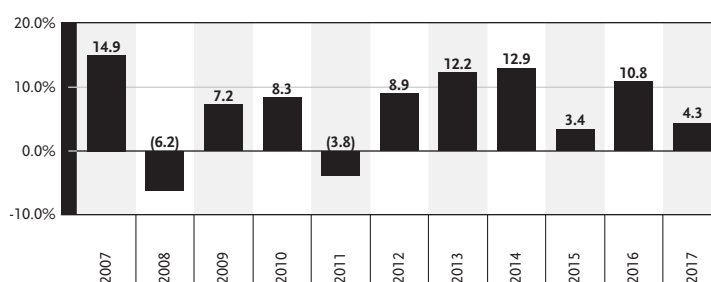
Series D Units



Series F Units

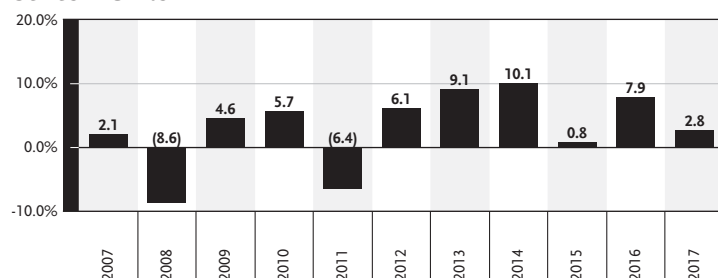


Series O Units



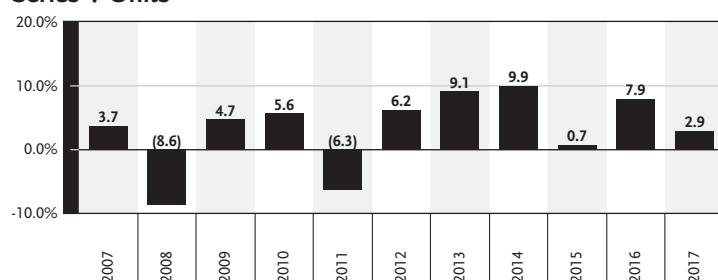
* The indicated rates of return shown here are the historical returns including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges by any securityholder that would have reduced returns or performance.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

Series T Units



Performance for 2007 represents returns for the period from December 11, 2006 to September 30, 2007.

Series V Units



Performance for 2007 represents returns for the period from August 24, 2007 to September 30, 2007.

Summary of Investment Portfolio

As at March 31, 2017

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 June 30, 2017.

The prospectus and other information about the underlying investment funds are available on the internet at www.sedar.com.

Portfolio by Country	Percentage of Net Asset Value (%)
Canada	81.8
United States	14.0
Cash & Cash Equivalents	2.3
Jersey	0.3
United Kingdom	0.3
South Korea	0.2
Mexico	0.2
Peru	0.2
Ireland	0.2
Switzerland	0.1
Israel	0.1
Cayman Islands	0.1
Italy	0.1
Hungary	0.1
Foreign Exchange Forward Contracts	0.0

Portfolio by Sector	Percentage of Net Asset Value (%)
Equity Funds	18.2
Financials	14.5
Corporate Bonds	14.4
Energy	10.9
Provincial Bonds	6.5
Information Technology	5.8
Industrials	5.2
Government Bonds	4.0
Materials	3.6
Government Guaranteed Investments	2.9
Consumer Discretionary	2.7
Telecommunication Services	2.5
Cash & Cash Equivalents	2.3
Consumer Staples	1.8
Supranational Bonds	1.2
High Yield Bonds	1.1
Health Care	1.1
Utilities	0.6
Emerging Markets Bonds	0.4
Real Estate	0.3
Foreign Exchange Forward Contracts	0.0

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
Canadian Equity	58.1
Canadian Fixed Income	23.7
United States Equity	9.0
United States Fixed Income	5.0
Cash & Cash Equivalents	2.3
International Fixed Income	1.8
International Equity	0.1
Foreign Exchange Forward Contracts	0.0

Portfolio by Credit Rating††	Percentage of Net Asset Value (%)
AAA	9.0
AA	3.4
A	9.2
BBB	7.3
BB	1.4
B	1.3
CCC	0.2
Not Rated	1.1

†† 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.

Top Holdings	Percentage of Net Asset Value (%)
AGF Global Equity Fund	15.3
Province of Ontario**	3.0
AGF Global Resources Fund	2.9
Canadian National Railway Company	2.9
The Toronto-Dominion Bank	2.6
Royal Bank of Canada	2.4
Suncor Energy Inc.	2.3
Canadian Natural Resources Limited	2.2
Manulife Financial Corporation	2.0
Canada Housing Trust**	2.0
U.S. Treasury**	1.9
Enbridge Inc.	1.8
Government of Canada**	1.8
Sun Life Financial Inc.	1.6
Alimentation Couche-Tard Inc.	1.5
Canadian Imperial Bank of Commerce	1.4
Power Corporation of Canada	1.2
BCE Inc.	1.2
Province of Quebec**	1.1
Bank of Montreal	1.1
Dollarama Inc.	1.1
CGI Group Inc.	1.0
TELUS Corporation	0.9
Open Text Corporation	0.9
Teck Resources Limited	0.9
Total Net Asset Value (thousands of dollars)	\$ 498,028

** Debt Instruments



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

VANCOUVER CALGARY SASKATOON WINNIPEG TORONTO OTTAWA MONTREAL HALIFAX DUBLIN LONDON SINGAPORE HONG KONG BEIJING

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