

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

# AGF Emerging Markets 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 Emerging Markets Fund (the "Fund") returned 5.4% (net of expenses) while the MSCI Emerging Markets Index returned 8.5%. 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 MSCI Emerging Markets Index due to country and sector allocation. Relative country and sector allocation remained a residual of bottom-up stock selection. 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. The Fund maintained broad diversification across several emerging market regions to take advantage of potential return opportunities and to reduce risk.

From a sector perspective, the Fund's active exposure to the health care sector was the most significant detractor from performance, although this was partially offset by its active exposure to the materials and telecommunication services sectors which contributed positively. From a country allocation perspective, the Fund's exposure to Israel and China/Hong Kong detracted from performance, while nil exposure to the Philippines and active exposure to South Africa contributed.

The Fund had net subscriptions of approximately \$72 million for the current period, as compared to net redemptions of approximately \$18 million in the prior period. Rebalancing by institutional programs resulted in net subscriptions of approximately \$10 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 slightly decreased as compared to the previous period due mainly to a decrease in investor activity. On the contrary, custodian fees increased due to an increase in market value of investment portfolio and registration fees increased due to an increase in subscription activity. The increase in audit fees and decrease in interest expense were due to variances 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 remains constructive on emerging market equities as profitability is trending upward for the first time since 2000 on the back of falling unit labour costs, which is a key driver of margins. Furthermore, equities are attractively valued, particularly given the recent sell-off, which coupled with improving profitability bodes well for future performance. The portfolio manager anticipates the gap in gross domestic product ("GDP") growth between emerging and developed market countries to widen in favour of emerging markets and expects this to support relative earnings momentum. Additionally, while the political landscape in developed markets has been dominated by the risk of populism, politics in emerging markets has been moving toward deregulation and structural reforms that should drive higher growth rates and in turn support earnings growth. India, Mexico, Indonesia and more recently Brazil are examples of countries that have proposed and/or implemented a number of reforms, which the portfolio manager believes should benefit their economies and financial markets over the long-term. Finally, with lower debt-to-GDP levels relative to developed markets, and relatively high real interest rates, emerging markets have room to ease policy to bolster their economies.

Some of the risks the portfolio manager continues to monitor include persistent appreciation of the U.S. dollar as a result of investor's perception of tightening conditions in the U.S. The portfolio manager maintains underweight to neutral positions to countries with high external funding requirements (i.e. high current account deficit, high short-term debt and low foreign exchange reserves), such as South Africa and Turkey, as these countries tend to be most vulnerable to a strong U.S. dollar. President Trump's protectionist stance also creates additional uncertainty for emerging market equities until at least there is further clarity on the extent to which he will implement proposed trade policies. The portfolio manager also continues to monitor the risk of a significant devaluation of the Chinese Yuan, although the portfolio manager believes this risk has receded given the Chinese Yuan has already depreciated in recent months. China also maintains a high export market share globally and a large Chinese Yuan devaluation could invite protectionist retaliation.

The portfolio manager believes that to capture attractive opportunities and help mitigate the potential risks when investing in emerging markets, active management remains key to adding value. The portfolio manager uses a long-term, bottom-up investment approach and, as a result, has positioned the portfolio to benefit from exposure to the long-term secular trend of emerging market domestic demand from both consumers and enterprises. As the environment of an artificially low cost of capital is coming to end, the portfolio manager expects companies with a high cash flow return on investment to fare well and act opportunistically to take market share in an uncertain environment.

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](http://www.agf.com) or SEDAR at [www.sedar.com](http://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.

## Related Party Transactions

AGF Investments Inc. ("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. 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 \$6,109,000 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 \$602,000 were incurred by the Fund during the six month period ended March 31, 2017.

AGFI 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<sup>(1)</sup>

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>11.78</b>	<b>10.67</b>	<b>11.44</b>	<b>10.48</b>	<b>11.00</b>	<b>10.03</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.18	0.26	0.35	0.29	0.27	0.29
Total expenses	(0.20)	(0.37)	(0.41)	(0.40)	(0.35)	(0.33)
Realized gains (losses)	0.38	0.68	0.76	0.72	0.61	0.11
Unrealized gains (losses)	0.25	0.71	(1.43)	0.33	(0.77)	0.88
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>0.61</b>	<b>1.28</b>	<b>(0.73)</b>	<b>0.94</b>	<b>(0.24)</b>	<b>0.95</b>
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	–	–	–	–	(0.21)	–
From capital gains	(0.31)	(0.17)	–	–	–	–
Return of capital	–	–	–	–	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.31)</b>	<b>(0.17)</b>	<b>–</b>	<b>–</b>	<b>(0.21)</b>	<b>–</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>12.08</b>	<b>11.78</b>	<b>10.67</b>	<b>11.44</b>	<b>10.48</b>	<b>11.00</b>

### Mutual Fund Units – Ratios/Supplemental Data<sup>(1)</sup>

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)	452,065	465,342	472,443	586,380	736,232	922,733
Number of units outstanding (000's)	37,428	39,514	44,296	51,247	70,230	83,757
Management expense ratio <sup>(5)</sup>	3.08%~	3.13%	3.12%	3.13%	3.11%	3.06%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	3.08%~	3.15%	3.12%	3.13%	3.11%	3.06%
Trading expense ratio <sup>(7)</sup>	0.18%~	0.15%	0.16%	0.14%	0.13%	0.05%
Portfolio turnover rate <sup>(8)</sup>	26.00%	31.29%	29.04%	19.13%	13.55%	4.70%
Net Asset Value per unit	12.08	11.78	10.67	11.44	10.48	11.02

~ annualized

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

## Series F Units – Net Assets per Unit<sup>(1)</sup>

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>13.02</b>	<b>11.66</b>	<b>12.36</b>	<b>11.19</b>	<b>11.67</b>	<b>10.58</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.19	0.26	0.36	0.30	0.28	0.30
Total expenses	(0.14)	(0.26)	(0.29)	(0.28)	(0.22)	(0.21)
Realized gains (losses)	0.42	0.75	0.83	0.76	0.68	0.10
Unrealized gains (losses)	0.24	0.66	(1.37)	0.34	(0.82)	0.92
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>0.71</b>	<b>1.41</b>	<b>(0.47)</b>	<b>1.12</b>	<b>(0.08)</b>	<b>1.11</b>
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	(0.00)
From dividends	(0.11)	–	–	–	(0.30)	(0.06)
From capital gains	(0.34)	(0.18)	–	–	–	–
Return of capital	–	–	–	–	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.45)</b>	<b>(0.18)</b>	<b>–</b>	<b>–</b>	<b>(0.30)</b>	<b>(0.06)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>13.32</b>	<b>13.02</b>	<b>11.66</b>	<b>12.36</b>	<b>11.18</b>	<b>11.67</b>

## Series F Units – Ratios/Supplemental Data<sup>(1)</sup>

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)	19,323	21,034	25,162	41,047	62,233	91,071
Number of units outstanding (000's)	1,451	1,615	2,158	3,322	5,562	7,791
Management expense ratio <sup>(5)</sup>	1.89%~	1.95%	1.93%	1.93%	1.91%	1.88%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	1.89%~	1.95%	1.93%	1.93%	1.91%	1.88%
Trading expense ratio <sup>(7)</sup>	0.18%~	0.15%	0.16%	0.14%	0.13%	0.05%
Portfolio turnover rate <sup>(8)</sup>	26.00%	31.29%	29.04%	19.13%	13.55%	4.70%
Net Asset Value per unit	13.32	13.02	11.66	12.36	11.19	11.69

## Series N Units – Net Assets per Unit<sup>(1)</sup>

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>13.44*</b>	–	–	–	–	–
<b>Increase (decrease) from operations:</b>						
Total revenue	0.10	–	–	–	–	–
Total expenses	(0.06)	–	–	–	–	–
Realized gains (losses)	0.41	–	–	–	–	–
Unrealized gains (losses)	0.92	–	–	–	–	–
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>1.37</b>	–	–	–	–	–
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	(0.02)	–	–	–	–	–
From capital gains	(0.03)	–	–	–	–	–
Return of capital	–	–	–	–	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.05)</b>	–	–	–	–	–
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>14.98</b>	–	–	–	–	–

## Series N Units – Ratios/Supplemental Data<sup>(1)</sup>

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)	100,234	–	–	–	–	–
Number of units outstanding (000's)	6,691	–	–	–	–	–
Management expense ratio <sup>(5)</sup>	0.64%~	–	–	–	–	–
Management expense ratio before waivers or absorptions <sup>(6)</sup>	0.68%~	–	–	–	–	–
Trading expense ratio <sup>(7)</sup>	0.18%~	–	–	–	–	–
Portfolio turnover rate <sup>(8)</sup>	26.00%	–	–	–	–	–
Net Asset Value per unit	14.98	–	–	–	–	–

## Series O Units – Net Assets per Unit<sup>(1)</sup>

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>13.99</b>	<b>12.37</b>	<b>12.94</b>	<b>11.59</b>	<b>12.22</b>	<b>11.08</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.21	0.40	0.40	0.32	0.25	0.32
Total expenses	(0.03)	(0.05)	(0.05)	(0.06)	–	–
Realized gains (losses)	0.45	0.70	0.86	0.81	1.08	0.11
Unrealized gains (losses)	0.35	0.88	(1.71)	0.40	(0.48)	0.96
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>0.98</b>	<b>1.93</b>	<b>(0.50)</b>	<b>1.47</b>	<b>0.85</b>	<b>1.39</b>
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	(0.00)
From dividends	(0.42)	(0.08)	(0.08)	(0.10)	(0.69)	(0.28)
From capital gains	(0.36)	(0.19)	–	–	–	–
Return of capital	–	–	–	–	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.78)</b>	<b>(0.27)</b>	<b>(0.08)</b>	<b>(0.10)</b>	<b>(0.69)</b>	<b>(0.28)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>14.11</b>	<b>13.99</b>	<b>12.37</b>	<b>12.94</b>	<b>11.59</b>	<b>12.22</b>

## Series O Units – Ratios/Supplemental Data<sup>(1)</sup>

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)	55,293	51,232	47,201	47,361	51,920	249,889
Number of units outstanding (000's)	3,920	3,661	3,817	3,660	4,478	20,412
Management expense ratio <sup>(5)</sup>	–	–	–	–	–	–
Management expense ratio before waivers or absorptions <sup>(6)</sup>	0.09%~	0.09%	0.12%	0.12%	0.09%	0.07%
Trading expense ratio <sup>(7)</sup>	0.18%~	0.15%	0.16%	0.14%	0.13%	0.05%
Portfolio turnover rate <sup>(8)</sup>	26.00%	31.29%	29.04%	19.13%	13.55%	4.70%
Net Asset Value per unit	14.11	13.99	12.37	12.94	11.59	12.24

## Series Q Units – Net Assets per Unit<sup>(1)</sup>

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>11.72</b>	<b>10.37</b>	<b>10.85</b>	<b>9.72</b>	<b>10.00*</b>	–
<b>Increase (decrease) from operations:</b>						
Total revenue	0.19	0.30	0.26	0.28	0.26	–
Total expenses	(0.02)	(0.03)	(0.04)	(0.05)	–	–
Realized gains (losses)	0.33	0.67	0.82	0.69	0.21	–
Unrealized gains (losses)	(0.20)	1.14	0.50	0.27	(1.65)	–
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>0.30</b>	<b>2.08</b>	<b>1.54</b>	<b>1.19</b>	<b>(1.18)</b>	–
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	(0.35)	(0.08)	(0.06)	(0.09)	–	–
From capital gains	(0.31)	(0.17)	–	–	–	–
Return of capital	–	–	–	–	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.66)</b>	<b>(0.25)</b>	<b>(0.06)</b>	<b>(0.09)</b>	–	–
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>11.81</b>	<b>11.72</b>	<b>10.37</b>	<b>10.85</b>	<b>9.71</b>	–

## Series Q Units – Ratios/Supplemental Data<sup>(1)</sup>

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)	250	343	148	762	730	–
Number of units outstanding (000's)	21	29	14	70	75	–
Management expense ratio <sup>(5)</sup>	–	–	–	–	–	–
Management expense ratio before waivers or absorptions <sup>(6)</sup>	1.59%~	0.12%	0.90%	0.69%	0.77%~	–
Trading expense ratio <sup>(7)</sup>	0.18%~	0.15%	0.16%	0.14%	0.13%	–
Portfolio turnover rate <sup>(8)</sup>	26.00%	31.29%	29.04%	19.13%	13.55%	–
Net Asset Value per unit	11.81	11.72	10.37	10.85	9.72	–

\* represents initial Net Assets

~ annualized

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

## Series S Units – Net Assets per Unit<sup>(1)</sup>

For the periods ended	Mar 31, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)	Sept 30, 2012 (\$)
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>14.07</b>	<b>12.44</b>	<b>13.01</b>	<b>11.66</b>	<b>12.25</b>	<b>11.11</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.21	0.30	0.37	0.31	0.30	0.32
Total expenses	(0.03)	(0.03)	(0.05)	(0.05)	–	(0.00)
Realized gains (losses)	0.45	0.79	0.89	0.79	0.68	0.12
Unrealized gains (losses)	0.32	0.85	(1.41)	0.30	(0.80)	0.96
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>0.95</b>	<b>1.91</b>	<b>(0.20)</b>	<b>1.35</b>	<b>0.18</b>	<b>1.40</b>
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	(0.00)
From dividends	(0.42)	(0.08)	(0.08)	(0.11)	(0.65)	(0.27)
From capital gains	(0.37)	(0.20)	–	–	–	–
Return of capital	–	–	–	–	–	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.79)</b>	<b>(0.28)</b>	<b>(0.08)</b>	<b>(0.11)</b>	<b>(0.65)</b>	<b>(0.27)</b>
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>14.18</b>	<b>14.07</b>	<b>12.44</b>	<b>13.01</b>	<b>11.65</b>	<b>12.25</b>

## Series S Units – Ratios/Supplemental Data<sup>(1)</sup>

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)	96,096	88,948	97,944	146,668	169,323	224,168
Number of units outstanding ('000's)	6,777	6,323	7,876	11,276	14,524	18,264
Management expense ratio <sup>(5)</sup>	–	–	–	–	–	0.01%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	1.21%~	1.22%	1.23%	1.22%	1.21%	1.19%
Trading expense ratio <sup>(7)</sup>	0.18%~	0.15%	0.16%	0.14%	0.13%	0.05%
Portfolio turnover rate <sup>(8)</sup>	26.00%	31.29%	29.04%	19.13%	13.55%	4.70%
Net Asset Value per unit	14.18	14.07	12.44	13.01	11.66	12.27

## 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	March 1994
Series F Units	April 2000
Series N Units	November 2016
Series O Units	November 2005
Series Q Units	December 2012
Series S Units	January 2009

(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.

~ annualized

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

(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 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	2.50%	24.92%	75.08%
Series F Units	1.50%	—	100.00%
Series N Units	0.48%	—	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.

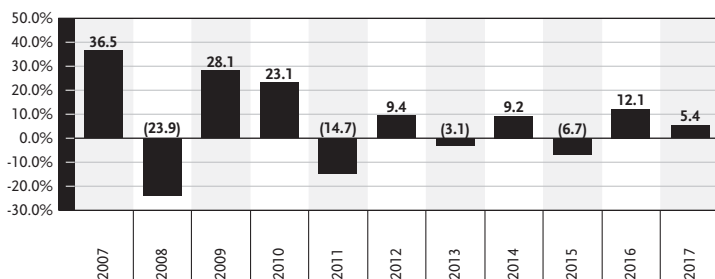
It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money. Series N Units commenced operations in November 2016.

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

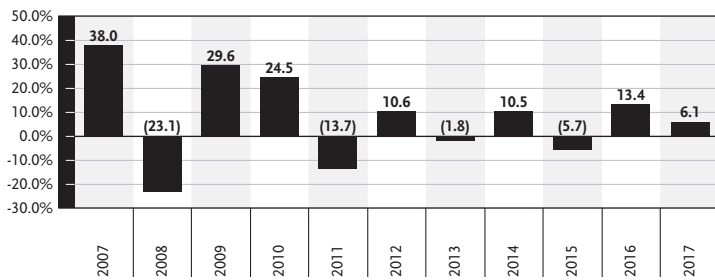
### Year-By-Year Returns

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.

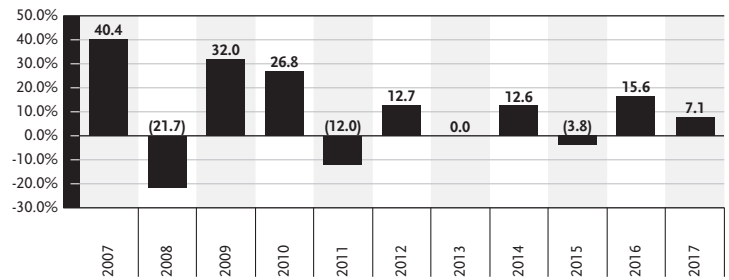
### Mutual Fund Units



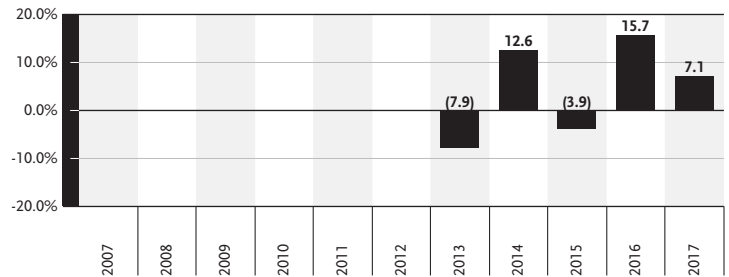
### Series F Units



### Series O Units

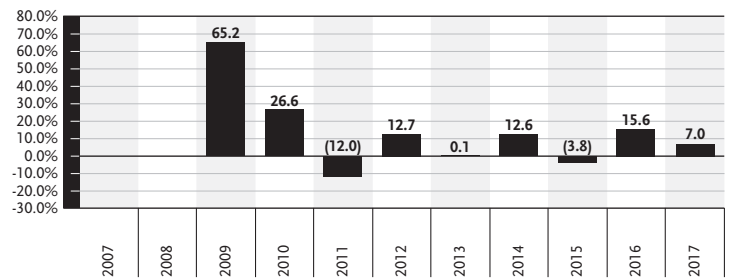


### Series Q Units



Performance for 2013 represents returns for the period from January 22, 2013 to September 30, 2013.

### Series S Units



Performance for 2009 represents returns for the period from January 26, 2009 to September 30, 2009.

## 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 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.

<b>Portfolio by Country</b>	<b>Percentage of Net Asset Value (%)</b>
China	17.0
India	14.8
South Korea	11.5
Brazil	8.0
Mexico	7.1
Taiwan	6.4
Thailand	5.7
Hong Kong	4.8
South Africa	4.5
Indonesia	4.0
Peru	2.4
Czech Republic	2.0
Turkey	1.8
Singapore	1.8
Chile	1.3
United Arab Emirates	1.3
Argentina	1.1
Israel	1.1
Canada	1.0
Cash & Cash Equivalents	1.0
Jersey	0.6
Malaysia	0.5

<b>Portfolio by Sector</b>	<b>Percentage of Net Asset Value (%)</b>
Financials	21.6
Information Technology	18.5
Consumer Discretionary	13.2
Energy	8.2
Materials	8.2
Health Care	7.7
Consumer Staples	7.0
Industrials	5.5
Telecommunication Services	3.9
Utilities	2.6
Real Estate	2.3
Cash & Cash Equivalents	1.0

<b>Portfolio by Asset Mix</b>	<b>Percentage of Net Asset Value (%)</b>
International Equity	97.7
Canadian Equity	1.0
Cash & Cash Equivalents	1.0

<b>Top Holdings</b>	<b>Percentage of Net Asset Value (%)</b>
Samsung Electronics Company Limited	5.1
Tencent Holdings Limited	3.8
Taiwan Semiconductor Manufacturing Company Limited	3.6
AIA Group Limited	2.7
UPL Limited	2.6
Grupo Financiero Banorte SAB de CV	2.4
Bharat Forge Limited	2.3
China Overseas Land & Investment Limited	2.3
Shinhan Financial Group Company Limited	2.2
ITC Limited	2.0
Komerčni banka AS	2.0
Localiza Rent a Car SA	2.0
Delta Electronics Inc.	2.0
Industrial & Commercial Bank of China Limited	2.0
PT Bank Mandiri (Persero) Tbk	1.9
Thai Oil Public Company Limited	1.9
Woolworths Holdings Limited	1.9
Reliance Industries Limited	1.9
HCL Technologies Limited	1.8
CNOOC Limited	1.8
Singapore Technologies Engineering Limited	1.8
Kasikornbank Public Company Limited	1.8
Fomento Economico Mexicano SAB de CV	1.7
Weichai Power Company Limited	1.7
Genomma Lab Internacional SAB de CV	1.7
<b>Total Net Asset Value (thousands of dollars)</b>	<b>\$ 723,261</b>



For more information contact your investment advisor or:

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