

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

AGF EAFE Equity 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 EAFE Equity Fund (the "Fund") returned 3.0% (net of expenses) while the MSCI EAFE Net Index returned 8.0%. 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 EAFE Net Index primarily due to security selection. From a regional perspective, stock selection in Europe and the UK detracted from performance, while partially offset by strong stock selection in the developed markets of Asia. From a sector perspective, stock selection in the consumer discretionary and financials sectors detracted from performance, while partially offset by positive stock selection in the real estate sector.

Within the consumer discretionary sector, the Fund's holding in Toyota Motor Corporation, which was hurt by weak forecasted U.S. sales, detracted from performance. This was partially offset by value added from its holding in a Chinese gaming stock, Galaxy Entertainment Group Limited, which benefited from strong revenues driven by higher gaming volumes.

Within the financials sector, the Fund's holding in Admiral Group PLC detracted from performance as the stock was down due to decreased earnings driven by a regulatory change. This was partially offset by its holding in Mitsubishi UFJ Financial Group Inc., which contributed with the company's opening of back office operations in the Philippines in order to streamline operations.

Within the real estate sector, the Fund's nil exposure to Unibail-Rodamco SE added value relative to the benchmark as the stock was hurt by rising interest rates.

Certain series of the Fund, as applicable, make quarterly distributions at a rate determined by AGF Investments Inc. ("AGFI") from time to time. If the aggregate amount of the quarterly 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 \$3 million for the current period, as compared to net redemptions of approximately \$0.3 million in the prior period. Rebalancing by an institutional program

resulted in net subscriptions of approximately \$1 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 increased as compared to the previous period due mainly to an increase in average Net Asset Values. On the contrary, unitholder servicing and administrative fees decreased due to non-recurring expenses incurred in the previous period. Annual and interim reports decreased due to a decrease in investor activity and interest expense decreased due to a decrease in overdraft positions throughout the period. The increase in audit fees and decrease in custodian fees 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 surprise result of the U.S. election that saw Donald Trump become president of the U.S. spurred equity markets to all-time highs. Investors were optimistic on his proposed pro-growth policies including fiscal stimulus, tax cuts and deregulation, leading to higher growth and inflation expectations. These expectations were further supported by improving Chinese purchasing managers' indices ("PMIs"), which helped ease concerns over slowing demand from the manufacturing powerhouse. The PMI measures the economic health of the manufacturing sector and is compiled based on new orders, inventory levels, production, supplier deliveries and employment environment. Economic data from the UK surprised to the upside as the domestic impact from Brexit seemed muted. Global equity markets started calendar year 2017 strong, as signs of a global economic recovery continued to emerge in the form of strong economic sentiment and data. European PMIs were the standout at the beginning of the calendar year, indicating strong manufacturing sentiment, and remained strong through the first calendar quarter of 2017. Economic data supported this sentiment as most major economies met or beat labour market, inflation and gross domestic product growth expectations.

In the last calendar quarter of 2016, the U.S. Federal Reserve (the "Fed") raised their key interest rate in December as strong economic data pointed to a stronger economy. Conversely, Japanese officials took on a more accommodative stance, increasing their target monetary base to 80 trillion Japanese Yen. In the first calendar quarter of 2017, both the Japanese and European central banks held accommodative measures steady, providing cautiously optimistic medium term growth outlooks while the Fed raised their key interest rate again in March, but noted room for improvement in the domestic economy.

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.

Both Organization of the Petroleum Exporting Countries (“OPEC”) and non-OPEC countries committed to production cuts at the end of calendar year 2016 in an effort to stabilize the oil price. Increased growth and inflation expectations saw U.S. dollar strength and U.S. bond yield appreciation, while gold price fell and volatility was subdued at the end of calendar year 2016. The oil price traded range-bound to start calendar year 2017, but fell in March due to rising U.S. crude oil inventories. Initial optimism around the Trump administrations’ proposed policies also faded as the key health care reform failed to materialize on schedule, causing the U.S. dollar to weaken. On the other hand, further uncertainty in Europe around the formal enactment of Brexit and elections in the Netherlands and France provided support to gold due to its safe haven status.

Global markets continued their strong momentum from the last calendar quarter of 2016 through the first calendar quarter of 2017. The portfolio manager expects the investment backdrop going forward should remain accommodative. The overall pace of rate hikes in the U.S. should be measured, with tempered further monetary stimulus from other major economies. In the portfolio manager’s opinion, this environment should be supportive of late cycle stocks and the Fund continues to be positioned towards opportunities that will benefit from this market trajectory.

Related Party Transactions

AGFI is the manager (the “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 acts either as the investment (portfolio) manager itself or hires an external investment manager to manage the investment portfolio of the Fund. AGFI and Highstreet Asset Management Inc. (“Highstreet”) entered into an investment management agreement pursuant to which Highstreet is responsible for 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 \$320,000 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 \$34,000 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⁾	7.45	7.46	8.20	8.42	7.26	6.90
Increase (decrease) from operations:						
Total revenue	0.10	0.27	0.20	0.24	0.19	0.22
Total expenses	(0.12)	(0.28)	(0.27)	(0.31)	(0.21)	(0.21)
Realized gains (losses)	(0.08)	(1.14)	1.21	1.33	0.34	(0.38)
Unrealized gains (losses)	0.29	1.16	0.46	(0.86)	0.88	0.35
Total increase (decrease) from operations⁽²⁾	0.19	0.01	1.60	0.40	1.20	(0.02)
Distributions:						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	(0.00)	(0.06)	(0.10)	(0.06)	(0.06)	(0.03)
From capital gains	–	–	(0.68)	(0.62)	–	–
Return of capital	–	–	(0.56)	–	–	–
Total annual distributions⁽³⁾	(0.00)	(0.06)	(1.34)	(0.68)	(0.06)	(0.03)
Net Assets, end of period⁽⁴⁾	7.67	7.45	7.46	8.20	8.41	7.26

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)	1,645	1,800	1,665	167,267	152,644	147,462
Number of units outstanding ('000's)	214	242	223	20,402	18,126	20,290
Management expense ratio ⁽⁵⁾	2.57%~	2.68%	2.69%	2.69%	2.70%	3.05%
Management expense ratio before waivers or absorptions ⁽⁶⁾	3.69%~	3.42%	2.97%	2.98%	3.01%	3.05%
Trading expense ratio ⁽⁷⁾	0.46%~	0.51%	0.59%	0.55%	0.37%	0.65%
Portfolio turnover rate ⁽⁸⁾	67.28%	156.29%	142.20%	160.71%	98.64%	56.86%
Net Asset Value per unit	7.67	7.45	7.46	8.20	8.42	7.27

Series S 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⁾	7.80	7.75	8.54	8.69	7.39	6.93*
Increase (decrease) from operations:						
Total revenue	0.11	0.27	0.23	0.27	0.18	0.15
Total expenses	(0.03)	(0.08)	(0.08)	(0.08)	–	–
Realized gains (losses)	(0.08)	0.06	2.25	1.37	0.30	(0.23)
Unrealized gains (losses)	0.35	0.03	(1.21)	(0.97)	1.07	0.21
Total increase (decrease) from operations⁽²⁾	0.35	0.28	1.19	0.59	1.55	0.13
Distributions:						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	(0.09)	(0.21)	(0.22)	(0.21)	(0.17)	(0.09)
From capital gains	–	–	(1.43)	(0.65)	–	–
Return of capital	–	–	–	–	–	–
Total annual distributions⁽³⁾	(0.09)	(0.21)	(1.65)	(0.86)	(0.17)	(0.09)
Net Assets, end of period⁽⁴⁾	8.03	7.80	7.75	8.54	8.67	7.39

Series S 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)	64,377	59,492	60,749	150,069	149,981	82,168
Number of units outstanding ('000's)	8,013	7,632	7,840	17,565	17,269	11,115
Management expense ratio ⁽⁵⁾	0.01%~	0.01%	–	–	–	–
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.36%~	1.38%	1.23%	1.19%	1.19%	1.22%~
Trading expense ratio ⁽⁷⁾	0.46%~	0.51%	0.59%	0.55%	0.37%	0.65%
Portfolio turnover rate ⁽⁸⁾	67.28%	156.29%	142.20%	160.71%	98.64%	56.86%
Net Asset Value per unit	8.03	7.80	7.75	8.54	8.69	7.39

* represents initial Net Assets

~ annualized

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

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	August 2007
Series S Units	January 2012

c) In January 2012, the Fund recommenced the offering of Series S Units that are available to institutional investors. Series S Units previously commenced offering in August 2011 and were closed due to full redemption by unitholders in August 2011. The financial data of the Series S Units includes the results of operations from date of recommencement.

(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 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	2.00%	46.11%	53.89%
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.

The performance information for the year ended September 30, 2012 reflects performance of Acuity Investment Management Inc., formerly a wholly owned subsidiary of AGFI, for the period ended April 18, 2012 and that of Highstreet effective April 19, 2012.

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.

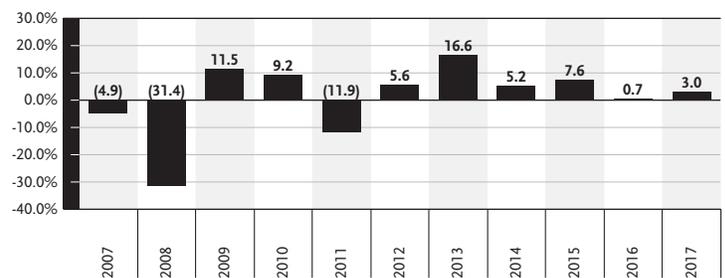
All rates of return are calculated based on the Net Asset Value.

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 (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.

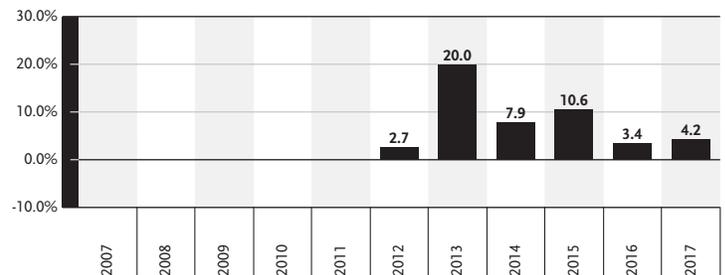
Annual performance prior to 2011 represents returns for the twelve month period ended December 31. Performance for 2011 represents returns for the period from January 1, 2011 to September 30, 2011. Annual performance for 2012 and thereafter represents returns for the twelve month period ended September 30.

Mutual Fund Units



Performance for 2007 represents returns for the period from August 27, 2007 to December 31, 2007.

Series S Units



Performance for 2012 represents returns for the period from February 3, 2012 to September 30, 2012.

* 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.

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.

Portfolio by Country	Percentage of Net Asset Value (%)
Japan	21.9
United Kingdom	16.6
Germany	13.7
Australia	8.9
France	8.7
Netherlands	7.0
Spain	5.7
Switzerland	5.0
Hong Kong	2.7
China	2.4
Sweden	1.9
Italy	1.7
Belgium	1.3
Denmark	1.3
Austria	0.9
Cash & Cash Equivalents	0.2

Portfolio by Sector	Percentage of Net Asset Value (%)
Financials	25.5
Industrials	12.3
Consumer Staples	11.9
Consumer Discretionary	11.7
Materials	9.7
Information Technology	8.6
Energy	6.8
Health Care	6.4
Telecommunication Services	3.4
Real Estate	2.0
Utilities	1.4
Cash & Cash Equivalents	0.2

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
International Equity	99.7
Cash & Cash Equivalents	0.2

Top Holdings	Percentage of Net Asset Value (%)
Banco Santander SA	2.3
Roche Holding AG	2.3
Allianz SE	2.0
Toyota Motor Corporation	2.0
TOTAL SA	2.0
BASF SE	1.9
National Australia Bank Limited	1.8
Royal Dutch Shell PLC	1.8
Sumitomo Mitsui Financial Group Inc.	1.7
Tencent Holdings Limited	1.7
Macquarie Group Limited	1.6
ING Groep NV	1.6
Unilever NV	1.6
Admiral Group PLC	1.5
LVMH Moet Hennessy Louis Vuitton SE	1.5
Woodside Petroleum Limited	1.5
Infineon Technologies AG	1.5
Commonwealth Bank of Australia	1.5
Heineken NV	1.4
Randstad Holding NV	1.4
Actividades de Construccion y Servicios SA	1.4
Mitsubishi UFJ Financial Group Inc.	1.4
Kao Corporation	1.3
Keyence Corporation	1.3
KBC Group NV	1.3
Total Net Asset Value (thousands of dollars)	\$ 66,022



For more information contact your investment advisor or:

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