

Interim Management Report of Fund Performance

AGF American Growth Fund

March 31, 2018



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, 2018, the Series S Units of AGF American Growth Fund (the "Fund") returned 15.4% (net of expenses) while the S&P 500 Net Return Index ("S&P 500 Net Index") returned 9.0%.

The Fund out-performed the S&P 500 Net Index due to strong security selection, particularly in the consumer discretionary, financials, information technology, consumer staples and energy sectors. The Fund's overall sector allocation effect was also positive, as an average overweight allocation to the information technology sector (28.4% versus 23.9%) and average underweight allocations to the consumer staples (3.9% versus 8.0%), energy (3.1% versus 5.9%), and utilities (nil versus 2.9%) sectors contributed. These contributors to performance were partially offset by the negative impact of security selection in the materials and industrials sectors.

In terms of individual holdings, the top contributors to performance during the reporting period were Amazon.com Inc., Netflix Inc. and NVIDIA Corporation, while the top detractors were Albemarle Corporation ("Albemarle"), Celgene Corporation ("Celgene") and Alaska Air Group Inc. As of March 31, 2018, the Fund no longer had any holdings in Albemarle and Celgene.

The Fund had net subscriptions of approximately \$133 million for the current period, as compared to net subscriptions of approximately \$1 million in the prior period. Rebalancing by an institutional program resulted in net subscriptions of approximately \$115 million in the Fund. The portfolio manager does not believe that 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 increased as compared to the previous period due mainly to an increase in average Net

Asset Values. The increase in annual and interim reports and decrease in audit 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

During the last calendar quarter of 2017, equities continued to rally, reflecting the coordinated global growth environment which remained supportive. Macroeconomic data in the quarter showed that the U.S. economy grew at its fastest pace in more than two years, powered by robust business spending. Meanwhile, the Institute for Supply Management's purchasing managers' index ("PMI") accelerated to 59.3 in December 2017, the highest level in a decade. 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. An index reading above 50.0 indicates an overall increase in the sector and below 50.0 indicates an overall decrease. Equity markets were further supported by the passage of a tax bill in Congress, which included lowering the corporate tax rate from 35.0% to 21.0%, allowing tax repatriation at a 15.5% rate and increasing deductions for capital spending.

The first calendar quarter of 2018 saw considerably higher market volatility than the previous year. Equity markets rallied in early January following the passage of the tax reform package in the U.S. However, as the quarter progressed, equity markets saw significant volatility as investors digested several growing risks, including growing inflation and higher bond yields, as well as more trade protectionism. The U.S. dominated the investment narrative, as equities had a good start to calendar year 2018 on the back of continued optimism around tax reform, which should provide a significant boost to U.S. corporate earnings during the year. However, the employment report for January showed average hourly earnings for private sector workers rising 2.9% during the month, which was the largest year over year increase since June 2009. Though this figure was later revised to be lower, the prospect of wage inflation bringing about a more hawkish monetary posture by the U.S. Federal Reserve hurt sentiment, and as such equity markets saw some selling pressure before rallying back throughout February as fundamentals reasserted themselves with another strong earnings season.

In late March, equity markets once again saw significant selling pressure, which was brought on by concerns about

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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.

trade protectionism. The Trump administration applied a tariff hike on steel and aluminum imports, though many U.S. allies received a temporary exemption. More concerning, however, was the movement by President Trump to find USD \$50-60 billion worth of Chinese imports to be targeted by new tariffs in order to punish China over technology transfer policies. With investors expecting China to adopt retaliatory measures, concerns about an escalating trade dispute weighed on equity markets to close out the reporting period.

Overall, the portfolio manager remains constructive on equities, though a significant repositioning in the portfolio was performed in late December 2017 and early January 2018, including moving to equal-weight the Fund's exposure to the information technology sector. The portfolio manager expects to see more volatility in calendar year 2018 than in 2017, where the U.S. equity market saw a remarkably steady climb.

Despite ongoing headline risks, such as inflation and trade protectionism, the portfolio manager believes that a robust earnings growth outlook will ultimately lead the market higher. Historically, the highest correlated factor with U.S. equities has been S&P 500 earnings, with a 0.92 historical correlation. In the portfolio manager's opinion, a supportive economic environment and the impact of tax reform is expected to take U.S. corporate earnings up significantly in 2018.

The portfolio manager continues to focus on the fundamentals of the companies in the portfolio, seeking out dynamic growth opportunities that are believed to be well-positioned to benefit from secular themes, such as the cloud, social media, e-commerce, artificial intelligence and machine learning, autonomous and electric vehicles, digital gaming and medical technology. The portfolio manager believes these companies that are capturing market share and delivering superior growth will out-perform and deliver alpha to shareholders over the long-term. Alpha is the excess return of the portfolio over the benchmark.

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 pays management fees, calculated based on the Net Asset Value of Series S Units of the Fund. Management fees of approximately \$963,000 were incurred by the Fund during the six month period ended March 31, 2018.

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 \$4,000 incurred by the Fund were paid to AGFC during the six month period ended March 31, 2018.

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, 2018 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 ("Canadian GAAP").

Series S Units - Net Assets per Unit⁽¹⁾

For the periods ended	Mar 31, 2018 (\$)	Sept 30, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)	Sept 30, 2013 (\$)
Net Assets, beginning of period⁽¹⁾	31.59	30.31	34.29	29.71	26.58	21.70
Increase (decrease) from operations:						
Total revenue	0.11	0.28	0.24	0.34	0.27	0.19
Total expenses	(0.03)	(0.06)	(0.06)	(0.07)	(0.05)	-
Realized gains (losses)	1.80	7.24	4.94	8.21	4.27	2.07
Unrealized gains (losses)	2.36	(2.14)	(2.27)	(1.66)	1.57	3.69
Total increase (decrease) from operations⁽²⁾	4.24	5.32	2.85	6.82	6.06	5.95
Distributions:						
From income (excluding dividends)	(0.00)	(0.00)	(0.01)	(0.03)	-	-
From dividends	(0.21)	(0.21)	(0.39)	(0.23)	(0.15)	(0.17)
From capital gains	(3.58)	(3.39)	(7.32)	(1.37)	(3.19)	(0.90)
Return of capital	-	-	-	-	-	-
Total annual distributions⁽³⁾	(3.79)	(3.60)	(7.72)	(1.63)	(3.34)	(1.07)
Net Assets, end of period⁽⁴⁾	32.37	31.59	30.31	34.29	29.71	26.58

Series S Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Mar 31, 2018	Sept 30, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014	Sept 30, 2013
Total Net Asset Value (\$000's)	225,614	89,017	172,962	241,476	258,488	205,483
Number of units outstanding (000's)	6,969	2,818	5,707	7,041	8,701	7,732
Management expense ratio ⁽⁵⁾	-	-	-	-	-	-
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.18%-	1.21%	1.18%	1.17%	1.18%	1.20%
Trading expense ratio ⁽⁷⁾	0.10%-	0.08%	0.09%	0.09%	0.07%	0.07%
Portfolio turnover rate ⁽⁸⁾	51.95%	51.41%	74.78%	75.69%	71.46%	59.77%
Net Asset Value per unit	32.37	31.59	30.31	34.29	29.71	26.58

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.

~ annualized

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

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) Series S Units of the Fund commenced operations in January 2009, which represents the date upon which securities were first made available for purchase by investors.
- 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.
 - 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.
 - This is not a reconciliation of the beginning and ending Net Assets per unit.
 - 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.

- 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.
- 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.
- 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 Series S Units, calculated daily and payable monthly. 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 rate	Dealer compensation	General administration and investment advice
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.

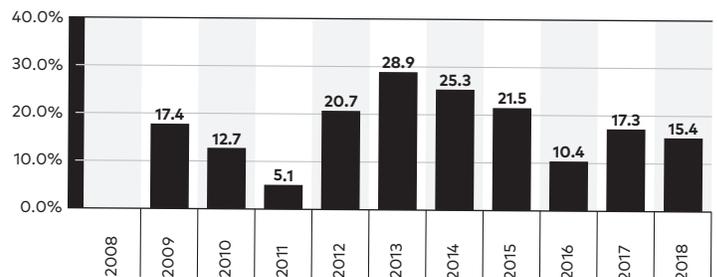
It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money. During the ten year period ended September 30, 2017, certain other funds with similar 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 U.S. Value Fund with the Fund in May 2009 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 chart shows the Fund's annual performance for each of the past 10 years to September 30, 2017 (interim performance for the six months ended March 31, 2018) as applicable, and illustrates how the Fund's performance has changed from year to year. The chart shows, 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.

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, 2018

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, 2018.

Portfolio by Country	Percentage of Net Asset Value (%)
United States	95.1
Cash & Cash Equivalents	4.3

* 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.

Portfolio by Sector	Percentage of Net Asset Value (%)
Information Technology	26.1
Financials	17.5
Industrials	13.7
Consumer Discretionary	13.7
Health Care	10.4
Energy	5.6
Cash & Cash Equivalents	4.3
Consumer Staples	4.2
Telecommunication Services	2.0
Real Estate	1.0
Materials	0.9

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
United States Equity	95.1
Cash & Cash Equivalents	4.3

Top Holdings	Percentage of Net Asset Value (%)
Amazon.com Inc.	7.1
NVIDIA Corporation	6.1
Netflix Inc.	4.7
Raymond James Financial Inc.	3.8
TD Ameritrade Holding Corporation	3.6
FedEx Corporation	3.4
Concho Resources Inc.	3.4
The Charles Schwab Corporation	3.3
Adobe Systems Inc.	3.2
Illumina Inc.	3.2
Workday Inc.	3.1
Centene Corporation	3.0
Altaba Inc.	2.8
Activision Blizzard Inc.	2.8
United Rentals Inc.	2.7
Old Dominion Freight Line Inc.	2.6
The Estee Lauder Companies Inc.	2.6
IDEXX Laboratories Inc.	2.5
Anadarko Petroleum Corporation	2.2
Micron Technology Inc.	2.2
Primerica Inc.	2.2
Global Payments Inc.	2.2
T-Mobile US Inc.	2.0
Booking Holdings Inc.	2.0
Worldpay Inc.	2.0
Total Net Asset Value (thousands of dollars)	\$ 225,614



For more information contact your investment advisor or:

AGF Investments Inc.

55 Standish Court, Suite 1050

Mississauga, Ontario L5R 0G3

Toll Free: (800) 268-8583

Web: AGF.com

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