







McLean Budden Fixed Income Fund Second Quarter Mutual Fund Report

Objective

The Fixed Income Fund targets attractive returns through active bond management by investing primarily in a diversified portfolio of high-quality bonds issued by Canadian governments and corporations. The Fixed Income Team bases its decisions upon internal research and valuation models as a support to a portfolio construction process that adheres to a strict risk control regimen. Targets for duration, credit and sector weightings as well as U.S. Pay commitments are established. Analysis of inflation expectations, monetary policy, credit spreads, the yield curve and the overall economy are all key decision criteria. A capital preservation approach is emphasized.

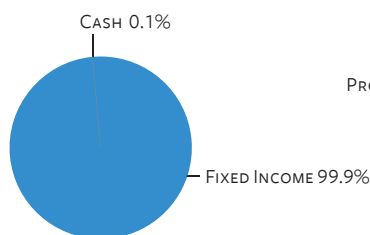
Performance (Class D)

As of June 30, 2011

QTR		2.16
1 YEAR		3.62
3 YEAR		5.87
5 YEAR		5.55
10 YEAR		5.71
SINCE INCEPTION		7.73

Asset Mix

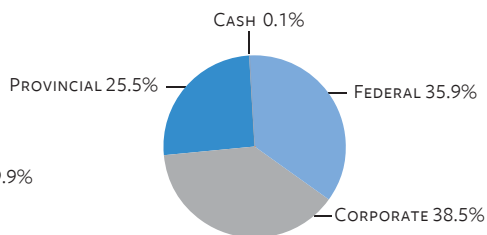
As of June 30, 2011



Portfolio Yield: 3.0%
Duration (Years): 6.3

Portfolio Composition

Sector breakdown as of June 30, 2011



Fund Managers

Fixed Income Team (J. Bau, C. Conover, A. Gregg, C. Neville, P. Kotsopoulos, P. Marcogliese, R. Spector)

Features of the Fund

- Income and capital protection
- Automatic reinvestment or disbursement of net income and realized capital gains distributions.

Fund Details (Class D)

As of June 30, 2011

Management Fee:	0.65% ¹
Inception:	January 1989
Assets:	\$120.4 million
NAVPS:	\$13.68 ²
Distribution Frequency:	income - quarterly capital gains - annually

¹McLean Budden assumes responsibility for the payment of all administrative expenses.
²Includes income distribution of \$0.1189 per unit.

Top Twenty-Five Holdings

Issue	%
Government of Canada	1.250% Dec 01/11 12.3
Government of Canada	3.750% Jun 01/12 5.8
Province of Ontario	6.500% Mar 08/29 5.1
Government of Canada	4.000% Jun 01/41 3.8
United States Treasury	4.250% May 15/39 3.7
Government of Canada	3.000% Dec 01/15 3.6
Government of Canada	1.000% Sep 01/11 2.5
Canada Housing Trust	4.800% Jun 15/12 2.4
Province of Ontario	4.200% Mar 08/18 2.1
Canada Housing Trust	3.750% Mar 15/20 2.0
Government of Canada	5.000% Jun 01/37 1.5
Province of Ontario	4.200% Jun 02/20 1.5
Province of Ontario	3.250% Sep 08/14 1.5
Bank of Montreal	6.020% May 02/18 1.4
Province of Quebec	5.500% Dec 01/14 1.3
Province of Manitoba	4.700% Sep 22/17 1.2
Province of British Columbia	6.350% Jun 18/31 1.2
Royal Bank of Canada	3.660% Jan 25/17 1.2
Toronto-Dominion Bank Reset Notes	5.763% Dec 18/17 1.1
Province of British Columbia	4.950% Jun 18/40 1.1
GE Capital Canada Funding Company	4.650% Feb 11/15 1.1
Thomson Reuters Corporation	5.250% Jul 15/11 1.1
Province of Ontario	4.700% Jun 02/37 1.1
Government of Canada	3.500% Dec 01/45 1.0
Province of Quebec	6.000% Oct 01/29 1.0

The information contained in the list may change due to the ongoing portfolio transactions of the mutual fund and a statement with more current information may be obtained by investors, if available.



McLEAN BUDDEN
LOOK FORWARD®

Manager Comments

The portfolio posted a positive return but slightly lagged the DEX Universe Bond Index during a strong quarter in which investors' appetite for bonds increased. A long duration position in Government of Canada bonds as well as the position in 30-year U.S. treasuries added value as the long end of the yield curve outperformed. This was offset by an overweight in corporate issues, which underperformed amid widening credit spreads.

The portfolio's duration target was reduced to 0.1 of a year shorter than that of the Index as falling interest rates provided timely opportunities to shorten duration and take profits. The position in corporates was reduced but remains significantly overweight versus the Index. Notable activity included the sale of CIBC and Bank of Montreal deposit notes as well as 30-year issues of Hydro One and CU Inc.

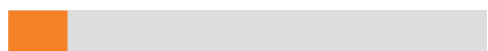
Economic growth faded during the quarter due to high energy prices, supply chain disruptions in Japan, tightening monetary

policy in emerging markets, and the European debt crisis. Closer to home, headwinds included waning employment gains, high levels of Canadian personal debt, and renewed weakness in the American housing market. Fed Chairman Ben Bernanke refrained from any further quantitative easing but reiterated that short-term rates in the U.S. would not be rising anytime soon. The Bank of Canada's tone differed slightly, even though rates remained unchanged, hinting that rates could not stay low indefinitely.

The team is somewhat optimistic in the short-term as global leading indicators point to positive – albeit slow – growth. Auto production should bounce back as dislocations in Japan normalize. The agreement to address the situation in Greece will not be a permanent fix, but should be sufficient to keep imminent contagion at bay.

Volatility Profile

This Fund is suitable for conservative investors or individuals who have a medium term investment time horizon and a lower tolerance for volatility. The Fund may also be appropriate for growth oriented individuals who would like to diversify their portfolio.



Low Medium High