

## McLean Budden Balanced Value Fund Fourth Quarter Mutual Fund Report

### Objective

The Balanced Value Fund provides a diversified portfolio of stocks (Canadian and global), bonds and cash. The Fund is actively managed around a neutral asset mix of 60% equities and 40% fixed income. The Canadian Value component favours stocks deemed inexpensive relative to their peers or their historical valuations. Within global equities, earnings growth potential and relative value are important selection factors. The Fixed Income Team relies upon proprietary analysis and valuation models to adjust the portfolio's commitment to high-quality bonds and short-term investments.

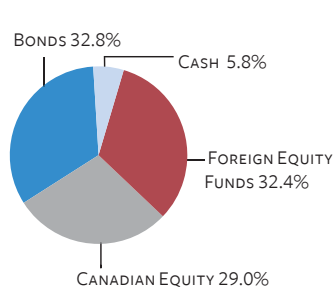
### Performance (Class D)

As of December 31, 2011

Period	Performance
QTR	3.05
1 YEAR	-2.03
3 YEAR	5.86
5 YEAR	0.45
10 YEAR	NA
SINCE INCEPTION	5.15

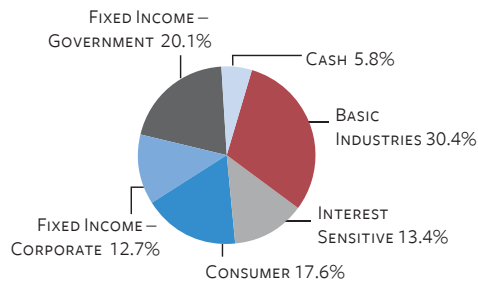
### Asset Mix\*

As of December 31, 2011



### Portfolio Composition\*

Sector breakdown as of December 31, 2011



\*The Asset Mix and Portfolio Composition charts are based on the individual holdings of the McLean Budden Balanced Value Fund as well as those of the various MFS McLean Budden Funds in which it invests.

### Features of the Fund

- Stability and income through a broad diversity of equity and fixed income securities
- Automatic reinvestment or disbursement of net income and realized capital gains distributions

### Fund Details (Class D)

As of December 31, 2011

Management Fee:	0.95% <sup>1</sup>
Inception:	March 2003
Assets:	\$21.5 million
NAVPS:	\$12.32 <sup>2</sup>
Distribution Frequency:	income - quarterly capital gains - annually

<sup>1</sup>MFS McLean Budden assumes responsibility for the payment of all administrative expenses.  
<sup>2</sup>Includes income distribution of \$0.116 and a capital gains distribution of \$0.1309 per unit.

### Top Twenty-Five Holdings

Holder	Percentage
McLean Budden Fixed Income Class O	32.8
McLean Budden Global Equity Class O	32.8
Cash and Short-Term Investments	4.1
Royal Bank of Canada	2.0
Toronto Dominion Bank	1.8
Suncor Energy Inc.	1.7
Barrick Gold Corporation	1.6
Canadian Natural Resources Ltd.	1.5
McLean Budden Money Market Class O	1.4
Bank of Nova Scotia	1.2
Talisman Energy Inc.	1.1
Goldcorp Inc.	1.1
Power Corporation of Canada	0.9
Canadian National Railway Company	0.9
Intact Financial Corporation	0.9
Magna International Inc.	0.8
Bank of Montreal	0.8
TELUS Corporation	0.8
TransCanada Corporation	0.8
Encana Corporation	0.7
Agrium Inc.	0.7
Shoppers Drug Mart Corporation	0.7
Open Text Corporation	0.7
Thomson Reuters Corporation	0.6
National Bank of Canada	0.6

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.

### Manager Comments

The Fund's quarterly return lagged that of its benchmark during a modest bounce-back quarter for global equity markets. The performance shortfall was primarily a result of relatively weak stock selection within the Canadian equity component, as Research In Motion and Gildan Activewear weighed on overall results. The asset mix decision had an overall limited impact.

Global economic growth remains constrained by a multi-year process of private and public sector de-leveraging in advanced economies. Fresh headwinds to growth are emanating from Europe's sovereign debt crisis, with the region in recession and financial market contagion a possibility. On the positive side, world central bankers continue to prime the liquidity pump and the U.S. economy finished the year with considerable momentum. While downside risks to the growth and profit outlook remain, we believe that relative asset class valuations more than reflect these risks. We maintained our relative overweight target for equities and increased our underweight target on bonds, raising cash to a slightly smaller underweight. Within equities, we prefer foreign stocks over Canadian equities.

Within the Canadian equity component of the portfolio the team trimmed several holdings to increase allocations to financial stocks. Select opportunities for repositioning in the energy, materials, and consumer sectors were also identified. The foreign component of the portfolio closed the year with exposure to industry-leading companies with sustainable earnings growth potential and strong balance sheets in the materials and health care sectors. Utilities and financials remain the most significantly underweight sectors.

Over the course of the quarter, the bond portfolio's duration was trimmed by a modest 0.1 of a year to 1.3 years below that of the Index. There were no major changes to the portfolio's sector profile and the relative overweight position in corporate bonds was maintained.

### Volatility Profile

The Fund is suitable for clients with a low-to-medium risk tolerance and those with a mid-term investment time horizon. The Fund is an ideal core holding.

