

McLean Budden Real Return Bond Fund



Fourth Quarter Mutual Fund Report

Objective

The Real Return Bond Fund seeks to provide inflation adjusted income through active bond management by investing primarily in high-quality Canadian government real return bonds as well as those issued by other governments and corporations, foreign or domestic. 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. The Team may employ strategies that seek to hedge against fluctuations between foreign currencies and the Canadian dollar. A capital preservation approach is emphasized.

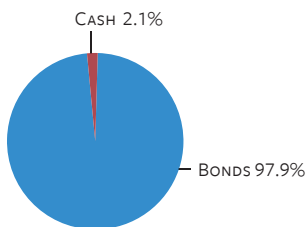
Performance (Class D)

As of December 31, 2011

QTR		7.50
1 YEAR		NA
3 YEAR		NA
5 YEAR		NA
10 YEAR		NA
SINCE INCEPTION		14.11

Asset Mix

As of December 31, 2011

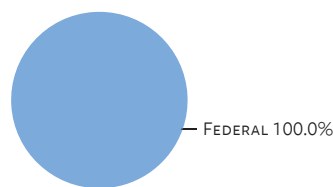


Portfolio Yield*: 0.2%
Average Term to Maturity: 21.2

* The Portfolio's yield is defined as the Portfolio's income divided by the Portfolio's market value.

Portfolio Composition

Sector breakdown as of December 31, 2011



Fund Details (Class D)

As of December 31, 2011

Management Fee:	0.60% ¹
Inception:	April 2011
Assets:	\$1.0 million
NAVPS:	\$11.57 ²
Distribution Frequency:	income - quarterly capital gains - annually

¹MFS McLean Budden assumes responsibility for the payment of all administrative expenses.
²Includes income distribution of \$0.1604 and a capital gains distribution of \$0.0381 per unit.

Top Holdings

	Issue	%
Government of Canada	4.000% Dec 01/31	44.2
Government of Canada	4.250% Dec 01/26	27.9
Government of Canada	2.000% Dec 01/41	25.8
Cash and Short-Term Investments		2.1

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.

Features of the Fund

- Long-term capital growth
- Automatic reinvestment or disbursement of net income and realized capital gains distributions.



Manager Comments

The portfolio's performance was virtually in line with that of the Index during another strong quarter for bonds. The portfolio aims to protect investors from rising inflation rather than generating a relatively strong total return.

Unlike other bond funds that focus on duration as the measure of interest rate risk, the Real Return Bond Fund instead looks at average term to maturity. The approach followed by the portfolio is to match the term to maturity of the DEX Real Return Bond Overall Index, which is currently approximately 22 years.

The composition of the Index is 85% Government of Canada issues with the remaining 15% comprised of bonds issued by three provinces. Rather than follow this template, the team decided it would be advantageous to maintain a 100% federal bond exposure until provincial spreads widen to more attractive levels.

Volatility Profile

This Fund is suitable for conservative investors who have a medium term investment time horizon and a low to medium risk tolerance. The Fund may also be appropriate for other investors who would like to diversify their portfolio.

