



# PIE Emerging Markets Equity Fund

## Fund Fact Sheet | June 2011

### QUICK FACTS

Portfolio Manager: R.N. Croft Financial Group Inc.

Management Fee: 1.80% Series A  
0.30% Series I  
1.80% Series F

Fund Code: TCG 444 Series A  
TCG 544 Series F  
TCG 644 Series I

Distributions: Annually

Min. Investment \$500.00

### WHO IS THIS FUND FOR?

The Fund is designed to be the Emerging Markets equity component within a portfolio mandate. As such, the percentage invested in this Fund may vary depending on the investor's objectives and risk tolerance within the context of his or her portfolio mix. Generally, this Fund should appeal to medium- to high-risk investors seeking capital appreciation, with above-average risk.

### HOW RISKY IS THE FUND

High  
Medium to High  
Medium  
Low to Medium  
Low  
Very Low



### OVERVIEW

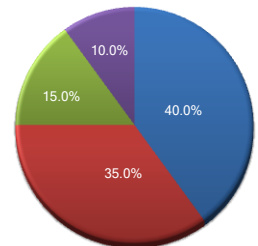
The Fund aims to invest in a cross-section of stocks within the Emerging Markets. The Fund will hold a position in the iShares MSCI Emerging Markets Index Fund, which represents a basket of large-cap stocks within the Emerging Markets, the FTSE RAFI Emerging Markets Fundamental Index, Brazil, Russia, India, and China (BRIC) and will have some exposure to the China FTSE/Xinhua 25 Index. The fund will rebalance periodically to maintain the targeted investment mix.

### PERFORMANCE

Fund Code	TCG 444 (Series A)	TCG 544 (Series F)	TCG 644 (Series I)
NAV	\$11.79	\$11.67	\$11.32
1 Month	-3.16%	-3.16%	-3.03%
3 Month	-4.24%	-4.27%	-3.83%
6 Month	-4.82%	-4.87%	-4.03%
1 Year	8.07%	8.89%	9.91%
2 Year	1.76%	2.14%	3.49%
Since Inception	7.80%	8.24%	6.47%
*Inception	Nov 25, 2008	Dec 08, 2008	Dec 17, 2008
Annual Std Dev'n	14.34%	14.17%	14.39%
Benchmark Std Dev'n	18.43%		

### PORTFOLIO ALLOCATION

VMO - Vanguard Emerging Markets	40.0%
PXH - FTSE RAFI Emerging Markets	35.0%
FXI - China FTSE/Xinhua 25 Index	15.0%
CBQ - Claymore BRIC	10.0%



PORTFOLIO INDEX EVOLUTION

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## MARKET COMMENTARY

The slowing pace of economic growth in China dominated Asian markets in the second quarter. And that resulted in increased volatility in Asian stocks and generally weaker performance for the big Asian stock indexes.

China's trade surplus with the U.S. ballooned to US\$11.4 billion in April, far surpassing median estimates of US\$1 billion, and climbing radically from the narrow US\$139 million surplus posted in March. Most of that surplus came on the back of expanding exports and declining imports. Most analysts agree that China's huge surplus is being supported by an undervalued yuan, which the Chinese government continues to control, and which it has let rise slowly, by about 5% against the US dollar since last June.

Industrial activity hit stall speed in June. The HSBC purchasing managers index slipped to 50.1, virtually at the threshold between expansion and contraction. The government's significant monetary tightening and tougher lending restrictions to control rising inflation have clearly been kicking in.

However, China's slowing economy has clearly had a knock-on effect on Asian markets, as demand for both raw materials and finished goods shrank. Regional equity market indexes suffered as governments began taking steps to rein in inflation, and as investors revised earnings expectations down. Hong Kong's Hang Seng Index, for example, dropped 4.8% in the quarter, while Australia's S&P/ASX 200 Index fell 4.8% and South Korea's KOSPI index edged down 0.3%.

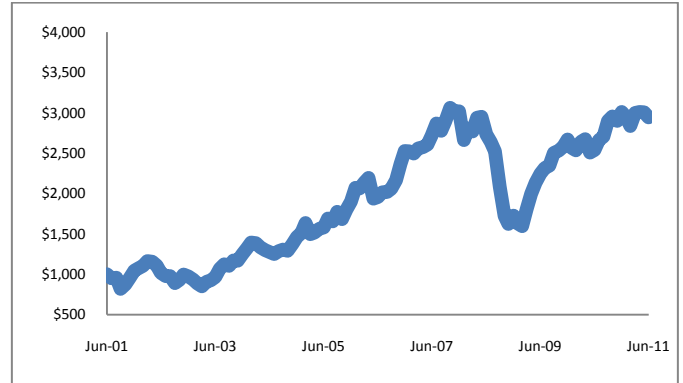
Sluggish performance in Emerging Market diversified equity ETFs that comprise a large portion of the Fund's holdings weighed on second-quarter returns. The Fund's major holding of the Vanguard Emerging Markets ETF (NYSE: VWO) ended the second quarter with a quarterly loss of 1.5% (in C\$). The PowerShares FTSE RAFI Emerging Markets Portfolio ETF (NYSE: PXH) also declined 3.0% (in C\$) quarter over quarter, while the iShares FTSE/Xinhua China 25 Index Fund (NYSE:FXI) lost 1.6% (in C\$) on the quarter.

June 30, 2011

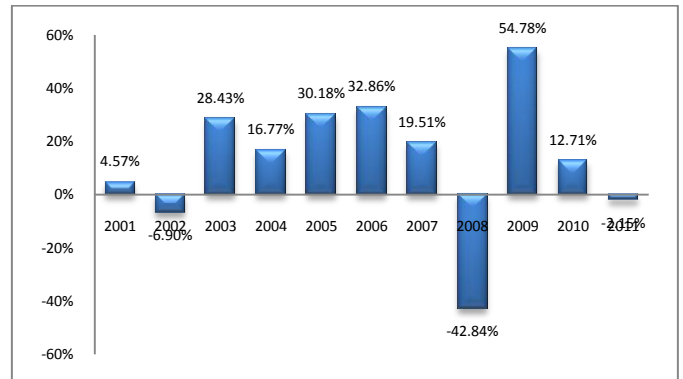
## FUND BENCHMARK INDEX

The performance of each PIE Fund is compared with an appropriate benchmark index. The PIE Emerging Markets Equity Fund benchmark is the MSCI Emerging Markets Index Total Return C\$. In a total return index dividends and interest income are reinvested - that is, the income is used to buy additional units of the benchmark. These returns\* are for illustrative purposes only. The returns do not account for the potential or risk associated with covered option writing or fund rebalancing.

## BENCHMARK CUMULATIVE RETURNS



## BENCHMARK ANNUAL RETURNS



## 10 - YEAR BENCHMARK STATISTICS

Compound Annual Returns	11.41%	Average % Up	4.59%
Annual Standard Deviation	18.43%	Average % Down	-4.40%
Sharpe Ratio	2.70	Number of Up months	73
Maximum % Up	13.29%	Number of Down Months	47
Maximum % Down	-17.44%		

\*PIE performance as at June 30, 2011. Benchmark metrics as at June 30, 2011. Performance is not guaranteed. Portfolio values change frequently, and past performance may not be repeated. Performance data have not been audited and are for illustrative purposes only. Benchmark performance is based on returns adjusted for fees at a rate of 1% per annum. Valuations and performance results are reported in Canadian dollars. Performance is also calculated net transaction fees. Additional information regarding calculating and reporting performance is available upon request. The Fund is offered by prospectus by PIE Portfolio Index Evolution Corporation, which is related, connected, and managed by R.N. Croft Financial Group Inc., which also acts as investment advisor to the Fund.