



PIE International Equity Fund (Series I)

Quick Facts

Inception date: December 15, 2008
 Management fee: Series I: 0.30%
 Portfolio Manager: R.N. Croft Financial Group Inc.
 Distributions: Annually, as specified in the prospectus
 Fund codes: Series I: TCG643

Performance

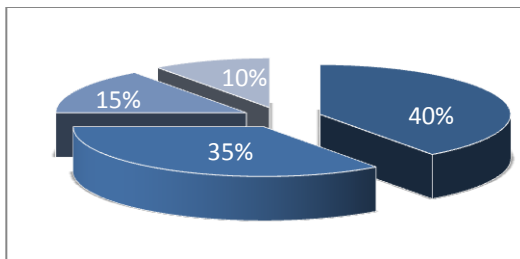
	Series I
NAV	\$9.02
3 Month	-9.75%
6 Month	-12.11%
1 Year	-8.56%
Inception	-6.32%

As of June 30, 2010
 Inception date 12/15/2008

What Does the Fund Invest in?

The Fund aims to invest in a cross-section of stocks within Europe, Australasia and the Far East (EAFE). The fund will hold a position in the iShares MSCI EAFE Index Fund, which represents a basket of large-cap EAFE stocks, the FTSE RAFI International Fundamental Index, the MSCI EAFE small-cap index and the MSCI EAFE value index. The Fund will rebalance periodically to maintain the targeted investment mix.

Fund Asset Mix



EFA - MSCI EAFE Index	40%
CIE - FTSE RAFI International	35%
EFV - MSCI EAFE Small Cap Index	15%
SCZ - MSCI EAFE Value Index	10%

As at June 30, 2010

How Risky Is the Fund

High
 Medium to High
Medium
 Low to Medium
 Low
 Very Low



Who Is This Fund for?

The Fund is designed to be the international 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-risk investors seeking capital appreciation, with some dividend income.

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Market Commentary

Fears of “fiscal contagion” rippled across Europe regardless of the European Union’s planned trillion-dollar debt-guarantee backstop, as Italy and Spain began to implement “fiscal austerity” plans and the government of Greece put portions of a few of its infrastructure holdings up for sale. Still, the euro continued to weaken against the US dollar through the second quarter, while the three-month London Interbank Offered Rate spiked to 0.53%, the highest since last July.

The European Central Bank (ECB) began buying up junk debt from its fiscally-troubled members. But the tide of liquidity flooding into Europe is beginning to raise concerns that the ECB has pretty much abandoned the rigid stance on inflation it adopted through the recession, with the fear that inflation will rise, even as governments are forced to tighten fiscal policy and economic growth remains fragile. And that, in turn, could lead to higher bond yields as investors demand a higher risk premium – a vicious circle.

The eurozone troubles also filtered into Asia in the second quarter, as manufacturing growth cooled somewhat from its previous red-hot pace. With a weaker euro, Asian goods became more expensive in Europe, and raised concern that Japanese exports to Europe, already crimped by the global financial crisis over the past two years, would shrink even more. However, Japan’s exports to China, its leading export market, continued to show strength.

Australia’s economy, meanwhile, continued to benefit from Asian growth and strong commodity prices, leading the Reserve Bank of Australia to continue focusing on the potential for rising inflation. The RBA raised its key cash rate by a total of 50 basis points in the quarter, to 4.50%.

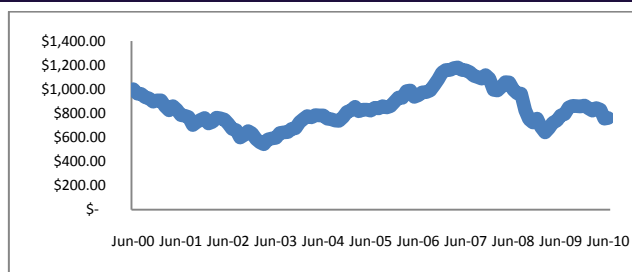
Continuing concerns about widening fiscal and credit problems in the eurozone weighed on the Fund’s exposure to Europe, Australasian and Far East (EAFE) diversified equities, as its holdings the iShares MSCI EAFE Index Fund (TSX: EFA) declined 17% quarter over quarter. The Claymore International Fundamental Index ETF (TSX: CIE) also weighed on Fund performance, with a 14.2% retreat in the quarter.

June 30, 2010

Fund Benchmark Index

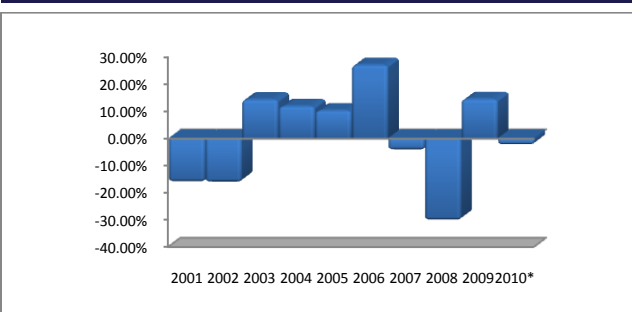
The performance of each PIE Fund is compared with an appropriate benchmark index. The PIE International Equity Fund benchmark is the MSCI EAFE Index Total Return C\$. In a total return index dividends and interest income are reinvested – that is, the income is used to buy additional units of the benchmark.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

Benchmark Cumulative Returns



As of June 30, 2010

Benchmark Annual Returns



As of June 30, 2010

10-Year Benchmark Statistics

Compound Annual Returns	-2.68%	Average % Up	3.01%
Annual Standard Deviation	14.10%	Average % Down	-3.20%
Sharpe Ratio	-0.23	Number of Up months	59
Maximum % Up	7.60%	Number of Down Months	61
Maximum % Down	-14.37%		

As of June 30, 2010

*All metrics as at June 30 2010, for Series I funds. 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.