



# PIE International 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 443 Series A TCG 543 Series F TCG 643 Series I
Distributions:	Annually
Min. Investment	\$500.00

### 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.

### HOW RISKY IS THE FUND

High  
Medium to High  
**Medium**  
Low to Medium  
Low  
Very Low



### OVERVIEW

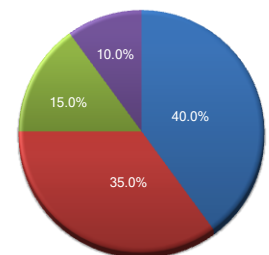
The Fund aims to invest in a cross-section of stocks within Europe, Australasia and the Far East (EAFE). The fund will hold a position in the iShares MSCI EAFE Index Fund, which represents a basket of large-cap EAFE stocks, the FTSE RAFI International Fundamental Index, the MSCI EAFE small-cap index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

### PERFORMANCE

Fund Code	TCG 443 (Series A)	TCG 543 (Series F)	TCG 643 (Series I)
NAV	\$10.36	\$10.34	\$10.41
1 Month	-3.18%	-3.18%	-3.05%
3 Month	-1.40%	-1.41%	-0.99%
6 Month	-0.98%	-1.00%	-0.16%
1 Year	13.48%	13.48%	15.42%
2 Year	1.03%	0.92%	2.73%
Since Inception	1.39%	1.32%	1.59%
*Inception	Nov 25, 2008	Dec 08, 2008	Dec 15, 2008
Annual Std Dev'n	15.80%	16.09%	15.56%
Benchmark Std Dev'n	16.62%		

### PORTFOLIO ALLOCATION

EFA - MSCI EAFE Index	40.0%
CIE - FTSE RAFI International	35.0%
EFV - MSCI EAFE Small-cap index	15.0%
SCZ - MSCI EAFE Value Index	10.0%



## MARKET COMMENTARY

In Europe, the unraveling of the eurozone continued through the second quarter, albeit at a glacial pace. The European Union scrambled through the second quarter to find a solution to the Greek debt crisis that did not involve giving European banks (which hold some US\$143 billion in junk Greek government debt) a “haircut.” A stop-gap solution of sorts emerged near the end of June, as the Greek government narrowly passed even deeper “austerity” measures in order to ensure a continuous flow of taxpayer funds from other, more solvent, regions of the eurozone. Essentially, the Greek government is selling off assets and cutting spending in an effort to placate the bond market, the European Central Bank, and the International Monetary Fund.

European Union politicians and central bankers remain at an impasse, however, over longer-term solutions, as stronger governments, like Germany, increasingly resist committing to an indefinite stream of bailouts. The European Central Bank, meanwhile, held its key interest rate at 1.25%, despite a jump in the inflation rate, to an annual 2.7% in May. Eurozone gross domestic product seems not to have been adversely affected by the peripheral nation debt crisis, and continued to expand at a moderate pace in the second quarter, following 3.4% GDP growth in the first quarter. (Greece, Ireland, and Portugal together account for only about 6% of eurozone GDP.)

Japan, meanwhile, continued to rebound from the March 11 earthquake and tsunami that brought much of the country’s industrial production to a virtual standstill. However, factories began gearing up again through May, as output increased 5.7% in the month, driven by a strong recovery in auto production back to near-normal levels.

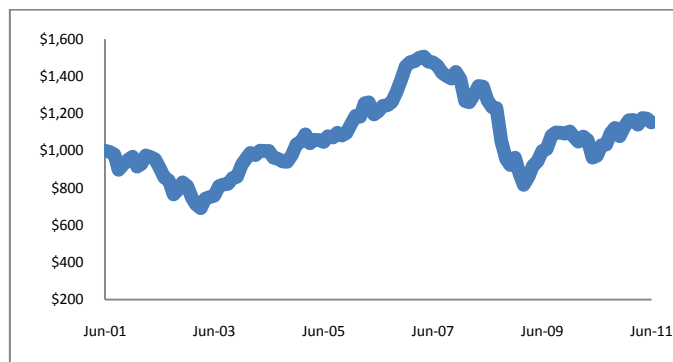
With uncertainty in Europe over the Greek debt crisis, the Fund’s exposure to diversified international equities in developed markets consequently weighed on performance in the quarter. iShares MSCI EAFE Index Fund (NYSE: EFA) retreated 0.7% (in C\$) quarter over quarter, while the PowerShares FTSE RAFI Developed Markets ex-US ETF (NYSE: PXF) slipped 0.4% (in C\$) in the period. In addition, the iShares MSCI EAFE Small Cap Index Fund (NYSE: SCZ) slipped 0.3% in the quarter.

June 30, 2011

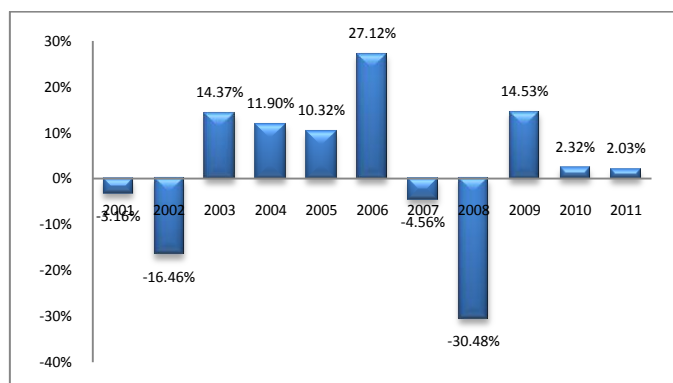
## FUND BENCHMARK INDEX

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



## BENCHMARK ANNUAL RETURNS



## 10 - YEAR BENCHMARK STATISTICS

Compound Annual Returns	1.42%	Average % Up	3.06%
Annual Standard Deviation	14.29%	Average % Down	-3.17%
Sharpe Ratio	0.23	Number of Up months	65
Maximum % Up	7.60%	Number of Down Months	55
Maximum % Down	-14.37%		

\*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.