

National Bank Monthly Conservative Income Fund

Category: Canadian Fixed Income Balanced



Morningstar Rating

Quick Facts

To ensure current income and some capital appreciation over the medium-term.

INVESTMENT HORIZON

SHORT

LONG

FUND VOLATILITY

LOW

HIGH

Minimum Initial Investment: \$500

Subsequent Investment: \$50

Systematic Investment: \$25

Distribution Frequency: Monthly

Assets Under Management (\$M): \$114.3

Price per Unit: Investor Series \$10.04

R Series \$9.39

Inception Date: May 4, 2006

Value of \$10,000 since inception: \$12,216

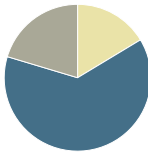
Benchmark Index: 182 Days T-Bill (15%), DEX Short Term (20%), DEX Bond Universe (15%), Merrill Lynch High Yield hedged in CAD (15%), S&P/TSX Preferred (15%), TSX Dividend Composite (20%)

Management Fee: 1.25% MER: 1.44%

Portfolio Manager: Natcan Investment Management

Management Team: Martin Lefebvre, Marc-André Gaudreau, Mark Jackson, Francis Pelletier

Portfolio Asset Mix (% of Net Assets)



- 16.37% Cash Holdings
- 63.27% Fixed Income
- 20.36% Canadian Equity

Asset Allocation

	Target	Actual
Money Market	15.00	16.37
NB Mortgage Fund	20.00	20.01
National Bank Bond Fund	15.00	14.03
Altamira High Yield Bond Fund	15.00	14.85
Preferred Equities	15.00	14.38
Common Equities	20.00	20.36

Top Holdings (%)

National Bank Mortgage Fund	20.01
Cash & Other Assets	17.93
Altamira High Yield Bond Fund	14.95
National Bank Bond Fund	14.03
Horizons S&P/TSX 60 Index, S&P/TSX 60	2.93
Toronto-Dominion Bank	1.12
Canadian Natural Resources Ltd.	0.89
Suncor Energy Inc.	0.86
Bank of Montreal	0.83
BCE Inc.	0.79

Total of Top Holdings of the Fund (% of Net Assets): 76.34%

Total Number of Securities Held: 202

Average Coupon Rate (%)

Altamira High Yield Bond Fund	9.00
Preferred Equities	5.40
NB Mortgage Fund	3.75
Common Equities	3.30
National Bank Bond Fund	2.70
Money Market	0.80
Weighted Average Coupon Rate (%)	4.05

Annual Returns (%)

	YTD	2011	2010	2009	2008	2007	2006
Fund	0.42	0.42	7.64	15.66	-7.67	2.09	—

Annual Compound Returns (%)

	1 month	3 months	6 months	1 year	3 years	5 years	10 years	Since Inception
Fund	0.72	1.84	-0.95	0.42	7.73	3.34	—	3.60

Monthly Distribution Details

Date	875 Investor Series			891 R Series				
	Price/Unit (\$)	Monthly Distribution/Unit (\$)(incl. cap. gains)	Annual Distribution/Unit (%) (excl. cap. gains)	Price/Unit (\$)	Monthly Income (\$)	Return of Capital (\$)	Annual Distribution/Unit (%) (excl. cap. gains)	Reinv. Cap. Gains
December 31, 2011	10.04	0.0226	2.70	9.39	0.0212	0.0157	4.72	—
November 30, 2011	9.93	0.0250	3.02	9.29	0.0236	0.0133	4.77	—
October 31, 2011	10.03	0.0252	3.02	9.41	0.0237	0.0132	4.71	—
September 30, 2011	10.00	0.0235	2.82	9.38	0.0221	0.0148	4.72	—
August 31, 2011	10.07	0.0224	2.67	9.47	0.0211	0.0158	4.68	—
July 31, 2011	10.37	0.0218	2.52	9.77	0.0203	0.0166	4.53	—
June 30, 2011	10.33	0.0229	2.68	9.74	0.0218	0.0151	4.57	—
May 31, 2011	10.41	0.0228	2.63	9.84	0.0214	0.0155	4.50	—
April 30, 2011	10.41	0.0224	2.58	9.85	0.0207	0.0162	4.50	—
March 31, 2011	10.45	0.0216	2.48	9.90	0.0201	0.0168	4.47	—
February 28, 2011	10.45	0.0216	2.48	9.93	0.0215	0.0154	4.46	—
January 31, 2011	10.29	0.0213	2.48	9.79	0.0210	0.0159	4.52	—
Total		0.2731			0.2585	0.1843		

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Disclosure

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The Morningstar Risk-Adjusted Rating, commonly referred to as the Star Rating, relates the risk-adjusted performance of a fund to that of its category peers. In each rating, the fund and its peers are ranked by their Morningstar Risk-Adjusted Returns. If a fund scores in the top 10% of its fund category, it receives five stars (High); the next 22.5%, it receives four stars (Above Average); a place in the middle 35% earns a fund three stars (Neutral or Average); those in the next 22.5% receive two stars (Below Average); and the lowest 10% get one star (Low).

The overall Star Rating for a fund is a weighted combination of its three, five, and ten year ratings. If a fund has less than three years' performance history, it is given a one star rating. If it has at least three but less than five years' history, its overall rating is equal to its three-year rating. If it has at least five but less than ten years' history, its overall rating is equal to 50% ten-year rating, 30% five-year rating and 20% three-year rating. If it has at least ten years' history, its overall rating is equal to 50% ten-year rating, 30% five-year rating and 20% three-year rating. Morningstar Risk-Adjusted Ratings are recalculated monthly.

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