



Interim Financial Statements

For the period ended June 30, 2011

National Bank Securities
Mutual Funds



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Investment Portfolios

This section is for investors who may want to have a detailed list of the specific securities that make up the portfolios. For each security, you will find information such as its average cost and its fair value as at June 30, 2011.

Income securities denominated in currencies other than the Canadian Dollar are presented using the following abbreviations:

US\$: American Dollar	DK: Danish Krone	HK: Hong Kong Dollar	SG: Singapore Dollar
AU: Australian Dollar	EU: Euro	JP: Japanese Yen	SE: Swedish Krona
CH: Swiss Franc	GB: Pound Sterling	NO: Norwegian Krone	

Financial Statements

This section contains three financial statements, each of which has a specific role and contains different information:

- The **Statement of net assets** presents all the items that make up the fund's net assets as at June 30, 2011. The main item is the "Investments" section, which reflects the overall value of the securities portfolio.
- The **Statement of operations** breaks down the overall income and expenses generated by the fund during the period.
- The **Statement of changes in net assets per Series** reconciles the changes in net assets per Series during the period, listing the unit purchases and redemptions carried out by investors, as well as distributions.

Finally, the notes to the financial statements provide additional information. For example, they outline the main accounting policies used in the preparation of the financial statements.

Notice to Unitholders

Under National Instrument 81-106 – Investment Fund Continuous Disclosure, Part 2, subsection 2.12(2), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The auditors of the funds appointed by the unitholders, have not reviewed the accompanying financial statements.

Message to Unitholders

The first half of 2011 has proven to be full of market ups and downs, causing more than a few investors to break out in a cold sweat. Geopolitical tensions, natural disasters and a faltering economy in some European nations cast a pall of uncertainty and volatility over markets.

The MSCI World Index remained practically unchanged in June, in the wake of fears related to sovereign debt issues in certain European nations. Greece was in the spotlight due to new concerns related to the country's financial wellbeing. One year after a €110 billion austerity plan was submitted by the European Union and the International Monetary Fund, markets now fear that a restructuring of the country's debt is inevitable. Moreover, a restructuring plan put forward by France is currently being studied by eurozone banks and insurers.

In the U.S., Standard & Poor's decision to downgrade the country's debt outlook from stable to negative, as it had been growing unsustainably since the Second World War, only impacted the greenback, with markets being left unscathed. In Japan, three months after the devastating earthquake, the after-effects are gradually fading and the country appears to be on the long slow road to recovery. The economy is still impacted by the effects of three main factors, namely the drop in manufacturing and exports, declining household incomes and the continually rising yen. Lastly, the geopolitical crisis in the Arab world has brought about its share of fears about the possible impact on crude prices in recent months.

Despite such a stormy outlook, optimism remains the order of the day. The situation in the eurozone remains precarious, however Spain and Italy are showing signs of stabilization. South of the border, the declining greenback represents a substantial advantage for U.S. exporters. Although jobs figures continue to be closely monitored, unemployment claims are falling and the number of consumers planning to buy a home is up substantially, a sign that the worst may be over. Despite the major challenges facing the Land of the Rising Sun, everything appears to indicate that a recovery will begin more quickly than expected.

Because one of our objectives is to provide you with ongoing financial information about developments affecting your portfolio, we are pleased to provide you with a copy of our 2011 interim report. We hope that it will answer your questions and we invite you to contact your financial advisor or our customer service team should you require any additional information.

We constantly strive to provide you with the most beneficial investment solutions. Thank you for your trust in National Bank Securities.



National Bank Money Market Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Fair Value		Par Value	Fair Value
	\$	\$		\$	\$
Money Market (54.29%)					
Treasury Bills (3.13%)					
Government of Canada (1.66%)					
0.98%, due August 4, 2011	2,300,000	2,297,904			
1.01%, due October 13, 2011	1,700,000	1,695,151			
1.12%, due October 13, 2011	500,000	498,418			
		<u>4,491,473</u>			
Province of British Columbia (0.37%)					
1.22%, due August 19, 2011	1,000,000	998,372			
Province of Ontario (1.10%)					
1.07%, due August 3, 2011	3,000,000	2,997,101			
		<u>2,997,101</u>			
Total Treasury Bills		<u>8,486,946</u>			
Bankers' Acceptances (10.85%)					
Bank of Montreal					
1.15%, due August 4, 2011	3,900,000	3,895,839			
1.13%, due September 15, 2011	5,000,000	4,988,266			
BNP Paribas SA					
1.10%, due July 13, 2011	5,000,000	4,998,200			
1.10%, due August 2, 2011	1,200,000	1,198,848			
Canadian Imperial Bank of Commerce					
1.16%, due July 5, 2011	2,200,000	2,199,722			
1.15%, due August 3, 2011	300,000	299,689			
1.58%, due February 16, 2012	2,000,000	1,980,379			
1.61%, due February 16, 2012	5,000,000	4,950,072			
1.54%, due May 25, 2012	1,000,000	986,325			
Laurentian Bank of Canada					
1.10%, due July 4, 2011	2,300,000	2,299,793			
Toronto-Dominion Bank					
1.15%, due July 5, 2011	1,600,000	1,599,799			
		<u>29,396,932</u>			
Commercial Paper (11.66%)					
Altalink LP					
1.15%, due July 29, 2011	900,000	899,206			
1.20%, due July 29, 2011	800,000	799,266			
Central 1					
1.14%, due September 13, 2011	5,000,000	4,988,484			
Enbridge Gas Distribution Inc.					
1.10%, due July 18, 2011	5,000,000	4,997,450			
General Electric Capital Canada					
1.27%, due November 21, 2011	4,000,000	3,980,231			
Honda Canada Finance Inc.					
1.33%, due July 6, 2011	2,000,000	1,999,638			
1.56%, due November 30, 2011	1,200,000	1,192,303			
Inter Pipeline					
1.30%, due July 20, 2011	1,400,000	1,399,056			
1.30%, due July 28, 2011	3,900,000	3,896,256			
Ontario Infrastructure Projects Corp.					
1.10%, due September 15, 2011	2,700,000	2,693,820			
PSP Capital Inc.					
1.37%, due June 22, 2012	3,500,000	3,453,734			
Société des Transports de Montréal					
1.14%, due July 15, 2011	1,300,000	1,299,432			
		<u>31,598,876</u>			
Short-Term Notes (28.65%)					
Bank of Nova Scotia					
1.17%, due July 11, 2011	2,000,000	1,999,361			
1.18%, due July 25, 2011	14,400,000	14,388,863			
Caisse Centrale Desjardins du Québec					
1.13%, due August 9, 2011	3,000,000	2,996,388			
1.30%, due November 4, 2011	6,000,000	5,973,221			
Deutsche Bank AG					
1.17%, due September 12, 2011	5,400,000	5,387,386			
HSBC Bank Canada					
1.17%, due August 30, 2011	3,400,000	3,393,472			
J.P. Morgan					
1.14%, due September 13, 2011	3,000,000	2,993,093			
Laurentian Bank of Canada					
1.22%, due July 20, 2011	3,000,000	2,998,102			
Manulife Financial Corp.					
1.17%, due August 11, 2011	1,000,000	998,688			
Royal Bank of Canada					
1.15%, due July 5, 2011	5,000,000	4,999,371			
1.33%, due October 3, 2011	5,000,000	4,982,992			
1.47%, due January 9, 2012	3,000,000	2,977,045			
Société Générale (Canada)					
1.42%, due August 22, 2011	3,700,000	3,692,571			
1.60%, due December 1, 2011	1,700,000	1,688,729			
Sumitomo Mitsui Banking Corp.					
1.14%, due July 20, 2011	2,000,000	1,998,818			
Toronto-Dominion Bank					
1.30%, due September 1, 2011	900,000	898,026			
1.28%, due September 6, 2011	9,300,000	9,278,279			
1.25%, due September 9, 2011	6,000,000	5,985,701			
		<u>77,630,106</u>			
Total Money Market					<u>147,112,860</u>
Bonds And Debentures (45.73%)					
Issued And Guaranteed By The Government Of Canada (2.49%)					
Canada Housing Trust					
4.60%, due September 15, 2011	6,700,000	6,748,374			
Issued And Guaranteed By a Province (23.52%)					
Alberta Capital Finance Authority					
Floating, due July 4, 2011	1,000,000	1,007,754			
Floating, due July 11, 2011	3,500,000	3,505,899			
Financement-Québec					
Floating, due September 1, 2011	2,000,000	1,985,349			
Floating, due September 16, 2011	20,400,000	20,353,040			
Hydro One Inc.					
6.40%, due December 1, 2011	2,000,000	2,039,458			
Hydro-Québec					
Floating, due August 11, 2011	4,800,000	4,795,537			
Floating, due August 22, 2011	5,500,000	5,533,470			
Ontario School Boards Financing Corp.					
5.90%, due October 19, 2011	4,000,000	4,053,838			
Province of Ontario					
Floating, due July 5, 2011	1,500,000	1,503,756			
Floating, due July 12, 2011	4,000,000	3,990,213			
Floating, due July 28, 2011	2,000,000	2,005,487			
Province of Quebec					
Floating, due September 12, 2011	12,000,000	11,927,632			
Toronto Hydro Corp.					
6.11%, due December 30, 2011	1,000,000	1,022,727			
		<u>63,724,160</u>			

The accompanying notes are an integral part of these financial statements.

National Bank Money Market Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value \$	Fair Value \$
Corporations (19.72%)		
Bank of Montreal		
Floating, due September 12, 2011	6,500,000	6,502,736
Bank of Nova Scotia		
3.03%, due June 4, 2012	7,000,000	7,092,827
Caisse Centrale Desjardins du Québec		
Floating, due September 19, 2011	7,500,000	7,536,347
Canadian Imperial Bank of Commerce		
Floating, due July 8, 2011	1,800,000	1,802,728
Floating, due July 14, 2011	4,000,000	4,000,000
Floating, due July 20, 2011	5,000,000	5,000,000
4.35%, due November 1, 2011	2,000,000	2,018,354
Greater Toronto Airport		
6.25%, due January 30, 2012	4,300,000	4,418,458
Honda Canada Finance Inc.		
4.70%, due August 25, 2011	800,000	803,806
Floating, due September 26, 2011	1,000,000	998,262
Royal Bank of Canada		
4.53%, due May 7, 2012	5,500,000	5,639,169
Thomson Reuters Corp.		
5.25%, due July 15, 2011	3,000,000	3,004,418
Toyota Credit Canada Inc.		
4.60%, due June 1, 2012	3,500,000	3,582,447
Wells Fargo Financial Canada		
5.10%, due June 26, 2012	1,000,000	1,034,072
		<u>53,433,624</u>
Total Bonds And Debentures		<u>123,906,158</u>
Total Investments (100.02%)		271,019,018
Cash And Other Net Assets (-0.02%)		<u>(56,184)</u>
Net Assets (100%)		<u>270,962,834</u>

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	58.17%	52.20%
AA/Aa/A-2/P-2	29.01%	30.70%
A/A-3/P-3	11.70%	17.11%
BBB/Baa	1.12%	n/a

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	271,019,018	309,626,374

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$162,960 (\$118,064 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011				Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Money Market	n/a	147 112 860	n/a	147 112 860
Bonds and Debentures	n/a	123,906,158	n/a	123,906,158
Total Investments	n/a	271 019 018	n/a	271 019 018

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010

December 31, 2010				Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Money Market	n/a	162,181,217	n/a	162,181,217
Bonds and Debentures	n/a	147,445,157	n/a	147,445,157
Total Investments	n/a	309,626,374	n/a	309,626,374

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Money Market Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	271,019,018	309,626,374	
Cash	80,128	14,824	
Subscriptions receivable	153,071	517,514	
Interest receivable	533,071	684,538	
Other assets receivable	39,317	1,315,069	
	<u>271,824,605</u>	<u>312,158,319</u>	
Liabilities			
Distributions payable	24	291	
Redeemed units payable	451,130	415,021	
Accrued expenses	410,617	438,730	
	<u>861,771</u>	<u>854,042</u>	
Net assets, Investor/Advisor Series	<u>270,962,834</u>	<u>311,304,277</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor/Advisor Series	10.00	10.00	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	<u>2,113,985</u>	<u>1,872,459</u>
Expenses		
Management fees	1,147,454	1,901,160
Custodial fees	17,689	28,442
Directors' fees of independent review committee	1,270	1,573
Audit fees	9,143	28,185
Legal fees	3,358	3,533
Rights and deposits	8,771	9,361
Securityholders' reporting costs	144,402	261,126
Fees paid by the manager	(68,052)	(609,100)
	<u>1,264,035</u>	<u>1,624,280</u>
Net investment income	<u>849,950</u>	<u>248,179</u>
Increase in net assets from operations		
Investor/Advisor Series	<u>849,950</u>	<u>248,179</u>
Increase in net assets from operations per unit		
Investor/Advisor Series	0.03	0.01

The accompanying notes are an integral part of these financial statements.

National Bank Money Market Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	311,304,277	514,561,688
Increase in net assets from operations	849,950	248,179
Capital unit transactions		
Units issued	43,230,646	82,976,320
Units issued on reinvestment of distributions	844,199	248,020
Units redeemed	(84,416,288)	(137,137,464)
	(40,341,443)	(53,913,124)
Distributions to investors		
Net investment income	849,950	248,179
Decrease in net assets for the period	(40,341,443)	(53,913,124)
Net assets, end of the period	270,962,834	460,648,564

The accompanying notes are an integral part of these financial statements.

National Bank Corporate Cash Management Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value \$	Fair Value \$		Par Value \$	Fair Value \$
Money Market (56.02%)			Short-Term Notes (27.94%)		
Treasury Bills (4.17%)			Bank of Nova Scotia		
Government of Canada (1.98%)			1.18%, due July 25, 2011	11,600,000	11,591,026
0.91%, due July 7, 2011	500,000	499,925	Caisse Centrale Desjardins du Québec		
0.98%, due August 4, 2011	1,500,000	1,498,633	1.30%, due November 4, 2011	7,000,000	6,968,757
1.12%, due October 13, 2011	1,700,000	1,694,622	Deutsche Bank AG		
		<u>3,693,180</u>	1.17%, due September 12, 2011	3,700,000	3,691,357
Province of British Columbia (0.16%)			HSBC Bank Canada		
1.07%, due July 11, 2011	300,000	299,912	1.17%, due August 30, 2011	4,500,000	4,491,360
Province of Nova Scotia (0.16%)			J.P. Morgan		
1.05%, due August 22, 2011	300,000	299,553	1.14%, due September 13, 2011	3,000,000	2,993,093
Province of Ontario (1.87%)			Royal Bank of Canada		
1.16%, due July 6, 2011	2,000,000	1,999,684	1.15%, due July 5, 2011	4,100,000	4,099,484
1.07%, due August 3, 2011	1,500,000	1,498,550	1.33%, due October 3, 2011	5,000,000	4,982,992
		<u>3,498,234</u>	Société Générale (Canada)		
Total Treasury Bills		<u>7,790,879</u>	1.42%, due August 22, 2011	2,100,000	2,095,784
Bankers' Acceptances (9.39%)			1.60%, due December 1, 2011	1,400,000	1,390,718
Bank of Montreal			Sumitomo Mitsui Banking Corp.		
1.15%, due August 4, 2011	1,300,000	1,298,613	1.14%, due July 20, 2011	2,000,000	1,998,818
1.13%, due September 15, 2011	5,000,000	4,988,266	Toronto-Dominion Bank		
BNP Paribas SA			1.30%, due September 1, 2011	300,000	299,342
1.10%, due July 13, 2011	3,200,000	3,198,848	1.28%, due September 6, 2011	2,600,000	2,593,927
Canadian Imperial Bank of Commerce			1.25%, due September 9, 2011	5,000,000	4,988,084
1.16%, due July 5, 2011	500,000	499,937			<u>52,184,742</u>
1.58%, due February 16, 2012	2,000,000	1,980,379	Total Money Market		<u>104,631,312</u>
1.61%, due February 16, 2012	2,600,000	2,574,037	Bonds And Debentures (44.18%)		
Laurentian Bank of Canada			Issued And guaranteed By		
1.10%, due July 4, 2011	3,000,000	2,999,730	The Government Of Canada (0.59%)		
		<u>17,539,810</u>	Canada Housing Trust		
Commercial Paper (14.52%)			4.60%, due September 15, 2011	1,100,000	1,107,942
Altalink LP			Issued And guaranteed By		
1.15%, due July 29, 2011	1,400,000	1,398,765	A Province (22.80%)		
Central 1			Alberta Capital Finance Authority		
1.16%, due August 29, 2011	2,000,000	1,996,265	Floating, due July 4, 2011	1,000,000	1,007,754
Enbridge Inc.			Floating, due July 11, 2011	1,500,000	1,502,528
1.10%, due July 18, 2011	3,500,000	3,498,215	Financement-Québec		
General Electric Capital Canada			Floating, due September 1, 2011	1,500,000	1,489,012
1.27%, due November 21, 2011	3,000,000	2,985,173	Floating, due September 16, 2011	14,300,000	14,250,751
Honda Canada Finance Inc.			Hydro One Inc.		
1.56%, due November 30, 2011	2,400,000	2,384,605	6.40%, due December 1, 2011	2,000,000	2,039,458
Inter Pipeline			Hydro-Québec		
1.30%, due July 20, 2011	1,700,000	1,698,854	Floating, due August 11, 2011	6,200,000	6,194,240
1.30%, due July 28, 2011	2,000,000	1,998,080	Floating, due August 22, 2011	4,000,000	4,029,526
Ontario Infrastructure Projects Corp.			Ontario School Boards Financing Corp.		
1.10%, due September 15, 2011	5,500,000	5,487,410	5.90%, due October 19, 2011	4,000,000	4,053,838
PSP Capital Inc.			Province of Ontario		
1.37%, due June 22, 2012	2,000,000	1,973,562	Floating, due July 12, 2011	3,000,000	2,992,660
Société des Transports de Montréal			Floating, due July 28, 2011	2,000,000	2,005,487
1.14%, due July 15, 2011	1,900,000	1,899,169	Province of Quebec		
1.13%, due September 15, 2011	1,800,000	1,795,783	Floating, due September 12, 2011	2,000,000	1,994,461
		<u>27,115,881</u>	Toronto Hydro Corp.		
			6.11%, due December 30, 2011	1,000,000	1,022,727
					<u>42,582,442</u>

The accompanying notes are an integral part of these financial statements.

National Bank Corporate Cash Management Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value \$	Fair Value \$
Corporations (20.79%)		
Bank of Montreal		
Floating, due September 12, 2011	5,000,000	5,001,764
Bank of Nova Scotia		
3.03%, due June 4, 2012	5,000,000	5,067,544
Caisse Centrale Desjardins du Québec		
Floating, due September 19, 2011	5,000,000	5,024,259
Canadian Imperial Bank of Commerce		
Floating, due July 8, 2011	1,200,000	1,201,819
Floating, due July 14, 2011	2,500,000	2,500,000
Floating, due July 20, 2011	5,000,000	5,000,000
4.35%, due November 1, 2011	2,000,000	2,018,354
Greater Toronto Airport		
6.25%, due January 30, 2012	3,700,000	3,801,472
Honda Canada Finance Inc.		
4.70%, due August 25, 2011	300,000	301,427
Royal Bank of Canada		
4.53%, due May 7, 2012	2,500,000	2,563,259
Thomson Reuters Corp.		
5.25%, due July 15, 2011	2,750,000	2,754,049
Toyota Credit Canada Inc.		
4.60%, due June 1, 2012	2,500,000	2,558,893
Wells Fargo Financial Canada		
5.10%, due June 26, 2012	1,000,000	1,034,072
		<u>38,826,912</u>
Total Bonds And Debentures		<u>82,517,296</u>
Total Investments (100.20%)		187,148,608
Cash And Other Net Assets (-0.20%)		<u>(375,150)</u>
Net Assets (100%)		<u>186,773,458</u>

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	57.52%	54.47%
AA/Aa/A-2/P-2	30.58%	31.19%
A/A-3/P-3	10.42%	14.33%
BBB/Baa	1.48%	n/a

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	187,148,608	243,608,332

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$111,661 (\$96,652 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	104,631,312	n/a	104,631,312
Bonds and Debentures	n/a	82,517,296	n/a	82,517,296
Total Investments	n/a	187 148 608	n/a	187 148 608

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	123,311,701	n/a	123,311,701
Bonds and Debentures	n/a	120,296,631	n/a	120,296,631
Total Investments	n/a	243,608,332	n/a	243,608,332

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Corporate Cash Management Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	187,148,608	243,608,332	
Cash	4,310	73,738	
Subscriptions receivable	255,000	511,498	
Interest receivable	365,133	643,319	
Other assets receivable	26,582	14,263	
	<u>187,799,633</u>	<u>244,851,150</u>	
Liabilities			
Distributions payable	9,118	10,177	
Redeemed units payable	793,363	931,561	
Accrued expenses	223,694	236,693	
	<u>1,026,175</u>	<u>1,178,431</u>	
Net assets, Investor Series	<u>186,773,458</u>	<u>243,672,719</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor Series	10.00	10.00	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	<u>1,569,974</u>	<u>1,387,168</u>
Expenses		
Management fees	452,468	665,006
Custodial fees	14,248	19,589
Directors' fees of independent review committee	135	119
Audit fees	6,692	17,731
Legal fees	2,458	2,222
Rights and deposits	6,787	6,844
Securityholders' reporting costs	16,170	19,311
Fees paid by the manager	(14,139)	(18,267)
	<u>484,819</u>	<u>712,555</u>
Net investment income	<u>1,085,155</u>	<u>674,613</u>
Increase in net assets from operations		
Investor Series	<u>1,085,155</u>	<u>674,613</u>
Increase in net assets from operations per unit		
Investor Series	0.05	0.02

The accompanying notes are an integral part of these financial statements.

National Bank Corporate Cash Management Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	243,672,719	361,727,746
Increase in net assets from operations	1,085,155	674,613
Capital unit transactions		
Units issued	35,031,193	66,804,420
Units issued on reinvestment of distributions	1,032,097	637,183
Units redeemed	(92,962,551)	(146,160,863)
	(56,899,261)	(78,719,260)
Distributions to investors		
Net investment income	1,085,155	674,613
Decrease in net assets for the period	(56,899,261)	(78,719,260)
Net assets, end of the period	186,773,458	283,008,486

The accompanying notes are an integral part of these financial statements.

National Bank Treasury management Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value \$	Fair Value \$		Par Value \$	Fair Value \$
Money Market (53.00%)			Short-Term Notes (21.32%)		
Treasury Bills (4.75%)			Bank of Nova Scotia		
Government of Canada (3.75%)			1.17%, due July 18, 2011		
0.91%, due July 7, 2011	3,400,000	3,399,490	1.18%, due July 25, 2011		
0.97%, due August 4, 2011	2,000,000	1,998,199	Caisse Centrale Desjardins du Québec		
0.98%, due August 4, 2011	1,000,000	999,089	1.10%, due July 5, 2011		
0.95%, due September 1, 2011	4,600,000	4,592,567	1.13%, due August 9, 2011		
1.12%, due October 13, 2011	1,300,000	1,295,887	1.30%, due November 4, 2011		
		12,285,232	Deutsche Bank AG		
			1.17%, due September 12, 2011		
Province of Nova Scotia (1.00%)			Financement-Québec		
1.05%, due August 22, 2011	3,300,000	3,295,082	1.13%, due July 19, 2011		
			HSBC Bank Canada		
Total Treasury Bills		15,580,314	1.17%, due August 30, 2011		
			Manulife Financial Corp.		
Bankers' Acceptances (11.43%)			1.17%, due August 11, 2011		
Bank of Montreal			Royal Bank of Canada		
1.15%, due August 4, 2011	2,000,000	1,997,866	1.33%, due October 3, 2011		
1.13%, due September 15, 2011	3,000,000	2,992,960	1.47%, due January 9, 2012		
Bank of Nova Scotia			Société Générale (Canada)		
1.18%, due July 20, 2011	4,300,000	4,297,369	1.42%, due August 22, 2011		
BNP Paribas SA			1.60%, due December 1, 2011		
1.10%, due July 13, 2011	8,100,000	8,097,084	Sumitomo Mitsui Banking Corp.		
Canadian Imperial Bank of Commerce			1.14%, due July 20, 2011		
1.15%, due August 3, 2011	1,600,000	1,598,342	Toronto-Dominion Bank		
1.58%, due February 16, 2012	2,000,000	1,980,379	1.28%, due September 6, 2011		
1.61%, due February 16, 2012	5,000,000	4,950,072	1.25%, due September 9, 2011		
1.54%, due May 25, 2012	3,000,000	2,958,976			
Laurentian Bank of Canada					
1.10%, due July 4, 2011	2,200,000	2,199,802			
Toronto-Dominion Bank					
1.15%, due July 4, 2011	4,600,000	4,599,566			
1.15%, due July 5, 2011	1,800,000	1,799,774			
		37,472,190			
Commercial Paper (15.50%)			Total Money Market		
Altalink LP			173,833,393		
1.15%, due July 29, 2011	4,000,000	3,996,472	Bonds And Debentures (46.91%)		
1.20%, due July 29, 2011	2,000,000	1,998,164	Issued And Guaranteed By		
Central 1			The Government Of Canada (3.47%)		
1.16%, due August 29, 2011	5,000,000	4,990,664	Canada Housing Trust		
Enbridge Inc.			4.60%, due September 15, 2011		
1.10%, due July 18, 2011	6,000,000	5,996,940			
General Electric Capital Canada			Issued And guaranteed By		
1.27%, due November 21, 2011	6,000,000	5,970,346	A Province (23.25%)		
Honda Canada Finance Inc.			Alberta Capital Finance Authority		
1.33%, due July 6, 2011	1,900,000	1,899,656	Floating, due July 4, 2011		
1.56%, due November 30, 2011	1,200,000	1,192,303	Floating, due July 11, 2011		
Inter Pipeline			Financement-Québec		
1.30%, due July 28, 2011	4,000,000	3,996,160	Floating, due September 1, 2011		
1.30%, due August 23, 2011	2,700,000	2,694,919	Floating, due September 16, 2011		
Ontario Infrastructure Projects Corp.			Hydro One Inc.		
1.12%, due August 16, 2011	5,000,000	4,992,953	6.40%, due December 1, 2011		
1.10%, due September 15, 2011	4,500,000	4,489,699	Hydro-Québec		
PSP Capital Inc.			Floating, due August 11, 2011		
1.37%, due June 22, 2012	4,000,000	3,947,124	Floating, due August 22, 2011		
Société des Transports de Montréal			Ontario School Boards Financing Corp.		
1.13%, due September 15, 2011	4,700,000	4,688,990	5.90%, due October 19, 2011		
		50,854,390	Province of Ontario		
			Floating, due July 5, 2011		
			Floating, due July 12, 2011		
			Floating, due July 28, 2011		
			Province of Quebec		
			Floating, due September 12, 2011		
			Toronto Hydro Corp.		
			6.11%, due December 30, 2011		
			1,022,727		
			76,264,311		

The accompanying notes are an integral part of these financial statements.

National Bank Treasury management Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value \$	Fair Value \$
Corporations (20.19%)		
Bank of Montreal		
Floating, due September 12, 2011	11,000,000	11,005,091
Bank of Nova Scotia		
3.03%, due June 4, 2012	11,800,000	11,959,005
Caisse Centrale Desjardins du Québec		
Floating, due September 19, 2011	8,000,000	8,038,185
Canadian Imperial Bank of Commerce		
Floating, due July 8, 2011	1,000,000	1,001,516
Floating, due July 14, 2011	4,000,000	4,000,000
Floating, due July 20, 2011	8,000,000	8,000,000
4.35%, due November 1, 2011	2,000,000	2,018,354
Greater Toronto Airport		
6.25%, due January 30, 2012	6,000,000	6,164,948
Honda Canada Finance Inc.		
4.70%, due August 25, 2011	1,200,000	1,205,709
Floating, due September 26, 2011	1,000,000	998,198
Royal Bank of Canada		
4.53%, due May 7, 2012	3,000,000	3,075,102
Thomson Reuters Corp.		
5.25%, due July 15, 2011	2,750,000	2,754,049
Toyota Credit Canada Inc.		
4.60%, due June 1, 2012	4,000,000	4,094,225
Wells Fargo Financial Canada		
5.10%, due June 26, 2012	1,859,000	1,922,341
		<u>66,236,723</u>
Total Bonds And Debentures		<u>153,882,620</u>
Total Investments (99.91%)		<u>327,716,013</u>
Cash And Other Net Assets (0.09%)		<u>303,421</u>
Net Assets (100%)		<u><u>328,019,434</u></u>

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	59.98%	57.49%
AA/Aa/A-2/P-2	26.15%	28.29%
A/A-3/P-3	13.01%	14.22%
BBB/Baa	0.86%	n/a

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	327,716,013	379,320,334

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$196,074 (\$150,716 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	173,833,393	n/a	173,833,393
Bonds and Debentures	n/a	153,882,620	n/a	153,882,620
Total Investments	n/a	327,716,013	n/a	327,716,013

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	210,959,501	n/a	210,959,501
Bonds and Debentures	n/a	168,360,833	n/a	168,360,833
Total Investments	n/a	379,320,334	n/a	379,320,334

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Treasury management Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	327,716,013	379,320,334	
Cash	86,095	97,301	
Interest receivable	694,959	827,573	
Other assets receivable	20,321	14,661	
	<u>328,517,388</u>	<u>380,259,869</u>	
Liabilities			
Distributions payable	45,542	50,569	
Redeemed units payable	95,300	1,397,201	
Accrued expenses	357,112	372,327	
	<u>497,954</u>	<u>1,820,097</u>	
Net assets, Investor Series	<u>328,019,434</u>	<u>378,439,772</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay , Director Eric Laflamme , Director
Net assets per unit, Investor Series	10.00	10.00	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	2,609,148	2,005,637
Expenses		
Management fees	460,459	588,002
Custodial fees	20,807	26,346
Directors' fees of independent review committee	133	103
Audit fees	9,928	23,820
Legal fees	3,647	2,986
Rights and deposits	6,787	6,843
Securityholders' reporting costs	16,365	16,438
Fees paid by the manager	(22,672)	(31,848)
	<u>495,454</u>	<u>632,690</u>
Net investment income	<u>2,113,694</u>	<u>1,372,947</u>
Increase in net assets from operations		
Investor Series	<u>2,113,694</u>	<u>1,372,947</u>
Increase in net assets from operations per unit		
Investor Series	0.06	0.03

The accompanying notes are an integral part of these financial statements.

National Bank Treasury management Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	378,439,772	448,471,121
Increase in net assets from operations	2,113,694	1,372,947
Capital unit transactions		
Units issued	175,506,745	270,648,139
Units issued on reinvestment of distributions	1,835,889	1,185,262
Units redeemed	<u>(227,762,972)</u>	<u>(296,224,902)</u>
	(50,420,338)	(24,391,501)
Distributions to investors		
Net investment income	<u>2,113,694</u>	<u>1,372,947</u>
Decrease in net assets for the period	<u>(50,420,338)</u>	<u>(24,391,501)</u>
Net assets, end of the period	<u>328,019,434</u>	<u>424,079,620</u>

The accompanying notes are an integral part of these financial statements.

National Bank U.S. Money Market Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value US\$	Fair Value US\$
Money Market (67.90%)		
Treasury Bills (25.40%)		
Government of the United States (6.07%)		
0.11%, due July 6, 2011	1,000,000	999,985
0.01%, due July 14, 2011	100,000	100,000
		<u>1,099,985</u>
Province of Ontario (19.33%)		
0.14%, due July 19, 2011	1,600,000	1,599,887
0.11%, due August 15, 2011	1,900,000	1,899,743
		<u>3,499,630</u>
Total Treasury Bills		<u>4,599,615</u>
Short-Term Notes (42.50%)		
Caisse Centrale Desjardins du Québec		
0.13%, due September 13, 2011	500,000	499,867
0.20%, due September 19, 2011	1,000,000	999,556
Province of Quebec		
0.20%, due August 16, 2011	1,000,000	999,744
0.14%, due October 13, 2011	1,500,000	1,499,392
0.17%, due November 14, 2011	2,000,000	1,998,709
Toronto-Dominion Bank		
0.17%, due July 8, 2011	700,000	699,977
0.14%, due September 6, 2011	1,000,000	999,737
		<u>7,696,982</u>
Total Money Market		<u>12,296,597</u>
Bonds And Debentures (31.50%)		
Issued And Guaranteed By		
a Province (14.93%)		
Bank of Nova Scotia		
0.32%, due July 6, 2011	700,000	699,987
0.58%, due October 18, 2012	1,000,000	1,001,915
Province of Ontario		
Floating, due August 22, 2011	1,000,000	1,003,288
		<u>2,705,190</u>
Corporations (16.57%)		
Canadian Imperial Bank of Commerce		
0.45%, due September 4, 2012	1,500,000	1,500,892
Royal Bank of Canada		
Floating, due July 29, 2011	1,500,000	1,500,843
		<u>3,001,735</u>
Total Bonds And Debentures		<u>5,706,925</u>
Total Investments (99.40%)		<u>18,003,522</u>
Cash And Other Net Assets (0.60%)		<u>108,362</u>
Net Assets (100%)		<u>18,111,884</u>

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	68.30%	81.46%
AA/Aa/A-2/P-2	31.70%	12.34%
A/A-3/P-3	n/a	6.20%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
Less than one year	18,003,522	16,201,452

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately US\$7,060 (US\$5,446 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	
Money Market	n/a	12 296 597	n/a	12 296 597
Bonds and Debentures	n/a	5,706,925	n/a	5,706,925
Total Investments	n/a	18,003,522	n/a	18,003 522

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	
Money Market	n/a	13,197,055	n/a	13,197,055
Bonds and Debentures	n/a	3,004,397	n/a	3,004,397
Total Investments	n/a	16,201,452	n/a	16,201,452

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank U.S. Money Market Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$US	\$US	
Assets			
Investments, at fair value	18,001,480	16,201,452	
Cash	59,819	169,062	
Subscriptions receivable	1,000	25,600	
Interest receivable	6,506	1,604	
Other assets receivable	71,029	214,247	
	<u>18,139,834</u>	<u>16,611,965</u>	
Liabilities			
Redeemed units payable	13,102	3,887	
Accrued expenses	14,848	13,057	
	<u>27,950</u>	<u>16,944</u>	
Net assets, Investor Series	<u>18,111,884</u>	<u>16,595,021</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay , Director Eric Laflamme , Director
Net assets per unit, Investor Series	10.00	10.00	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$US	\$US
Income		
Interest	16,251	18,723
Expenses		
Management fees	69,792	77,287
Custodial fees	1,409	2,270
Directors' fees of independent review committee	79	56
Audit fees	1,918	3,776
Legal fees	704	473
Rights and deposits	8,771	8,844
Securityholders' reporting costs	9,292	9,405
Fees paid by the manager	(84,686)	(93,418)
	<u>7,279</u>	<u>8,693</u>
Net investment income	8,972	10,030
Increase in net assets from operations Investor Series	<u>8,972</u>	<u>10,030</u>
Increase in net assets from operations per unit Investor Series	0.01	0.01

The accompanying notes are an integral part of these financial statements.

National Bank U.S. Money Market Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$US	\$US
Net assets, beginning of the period	16,595,021	20,061,315
Increase in net assets from operations	8,972	10,030
Capital unit transactions		
Units issued	8,444,971	5,678,067
Units issued on reinvestment of distributions	8,967	10,024
Units redeemed	(6,937,075)	(7,341,871)
	1,516,863	(1,653,780)
Distributions to investors		
Net investment income	8,972	10,030
Increase (decrease) in net assets for the period	1,516,863	(1,653,780)
Net assets, end of the period	18,111,884	18,407,535

The accompanying notes are an integral part of these financial statements.

National Bank Short Term Canadian Income Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (31.92%)				Bonds And Debentures (63.27%)			
Treasury Bills (1.97%)				Issued And Guaranteed By			
Government of Canada				The Government Of Canada (1.17%)			
0.91%, due July 7, 2011	300,000	299,895	299,953	Canada Housing Trust			
1.12%, due October 13, 2011	2,100,000	2,089,332	2,094,468	4.60%, due September 15, 2011	2,300,000	2,319,543	2,315,662
1.09%, due November 10, 2011	1,500,000	1,492,170	1,494,751				
		3,881,397	3,889,172	Issued And Guaranteed By			
Bankers' Acceptances (7.74%)				A Province (28.66%)			
Bank of Montreal				Alberta Capital Finance Authority			
1.15%, due August 4, 2011	2,000,000	1,994,540	1,997,678	Floating, due July 4, 2011	7,000,000	7,046,662	7,056,188
1.13%, due September 15, 2011	3,000,000	2,991,570	2,991,988	Floating, due July 11, 2011	8,000,000	8,000,456	8,007,760
Bank of Nova Scotia				Financement-Québec			
1.09%, due July 5, 2011	2,000,000	1,996,780	1,999,737	Floating, due September 16, 2011	3,000,000	2,995,500	2,996,330
1.18%, due July 18, 2011	1,200,000	1,196,748	1,199,330	Hydro One Inc.			
BNP Paribas SA				6.40%, due December 1, 2011			
1.10%, due August 2, 2011	1,400,000	1,398,488	1,398,470	5.77%, due November 15, 2012	2,799,000	2,956,864	2,947,540
Canadian Imperial Bank of Commerce				Hydro-Québec			
1.38%, due December 14, 2011	1,000,000	989,750	993,691	Floating, due August 11, 2011	8,800,000	8,790,842	8,790,626
1.61%, due February 16, 2012	1,400,000	1,377,936	1,385,421	Floating, due August 22, 2011	5,000,000	5,052,611	5,063,950
1.54%, due May 25, 2012	2,000,000	1,970,240	1,970,341	1.69%, due February 15, 2012	3,270,100	3,145,941	3,244,441
HSBC Bank Canada				Ontario School Boards Financing Corp.			
1.26%, due October 25, 2011	1,200,000	1,193,736	1,194,700	5.90%, due October 19, 2011	1,000,000	1,028,020	1,013,554
Toronto-Dominion Bank				Province of British Columbia			
1.15%, due July 4, 2011	150,000	149,580	149,985	5.75%, due January 9, 2012	2,000,000	2,089,720	2,046,473
		15,259,368	15,281,341	Province of New Brunswick			
Commercial Paper (6.21%)				5.88%, due December 6, 2012			
Enbridge Inc.				Province of Ontario			
1.10%, due July 18, 2011	3,000,000	2,997,750	2,998,326	Floating, due July 5, 2011	1,500,000	1,500,357	1,504,723
Honda Canada Finance Inc.				Floating, due July 28, 2011			
1.56%, due November 30, 2011	1,000,000	987,340	994,220	4.40%, due December 2, 2011	2,900,000	3,005,833	2,938,547
Inter Pipeline				4.50%, due December 2, 2012			
1.30%, due July 28, 2011	1,500,000	1,495,200	1,498,671	Province of Quebec	275,000	289,492	286,292
1.30%, due August 23, 2011	2,300,000	2,292,732	2,295,840	6.00%, due October 1, 2012	3,200,000	3,404,430	3,376,518
PSP Capital Inc.				Toronto Hydro Corp.			
1.37%, due June 22, 2012	1,000,000	986,670	983,929	6.11%, due December 30, 2011	1,000,000	1,029,970	1,022,236
Société des Transports de Montréal							
1.14%, due July 15, 2011	3,500,000	3,493,770	3,498,391			56,756,556	56,608,272
		12,253,462	12,269,377	Corporations (33.44%)			
Short-Term Notes (16.00%)				Aéroports de Montréal			
Bank of Nova Scotia				6.35%, due April 16, 2012			
1.17%, due July 11, 2011	200,000	199,438	199,934	American Express Canada Credit Corp.	5,000,000	5,203,075	5,180,845
Caisse Centrale Desjardins du Québec				Floating, due July 6, 2011			
1.30%, due November 4, 2011	1,200,000	1,192,860	1,194,245	Bank of Montreal	2,000,000	2,000,000	1,998,000
Deutsche Bank AG				Floating, due September 12, 2011			
1.17%, due September 12, 2011	5,000,000	4,985,600	4,987,173	Bank of Nova Scotia	5,000,000	5,003,990	5,014,278
HSBC Bank Canada				3.03%, due June 4, 2012			
1.17%, due August 30, 2011	3,500,000	3,489,920	3,492,617	Caisse Centrale Desjardins du Québec	6,700,000	6,795,910	6,789,385
Manulife Financial Corp.				Floating, due September 19, 2011			
1.17%, due August 11, 2011	3,800,000	3,792,096	3,794,680	1,000,000	1,006,350	1,006,200	
Royal Bank of Canada				Canadian Imperial Bank of Commerce			
1.33%, due October 3, 2011	1,800,000	1,788,210	1,793,552	Floating, due July 8, 2011	3,000,000	3,005,250	3,004,200
1.33%, due October 4, 2011	5,500,000	5,464,140	5,480,089	Floating, due July 14, 2011	2,000,000	2,000,000	2,001,400
Société Générale (Canada)				Floating, due July 20, 2011			
1.42%, due August 22, 2011	1,000,000	993,050	998,225	4.35%, due November 1, 2011	2,000,000	2,044,020	2,019,425
1.60%, due December 1, 2011	2,500,000	2,471,075	2,485,456	Caterpillar Financial Services Corp.			
Toronto-Dominion Bank				5.20%, due June 3, 2013			
1.30%, due September 1, 2011	3,300,000	3,279,573	3,292,807	General Electric Capital Canada Funding Co.	3,000,000	3,181,800	3,168,867
1.28%, due September 6, 2011	2,900,000	2,881,904	2,893,170	6.25%, due July 24, 2012	1,000,000	1,059,660	1,046,432
1.25%, due September 9, 2011	1,000,000	993,940	997,540	5.29%, due August 17, 2012	8,000,000	8,327,760	8,305,898
		31,531,806	31,609,488	Greater Toronto Airport			
Total Money Market				6.25%, due January 30, 2012			
		62,926,033	63,049,378	4,000,000	4,126,450	4,109,193	
				Honda Canada Finance Inc.			
				4.70%, due August 25, 2011	1,500,000	1,525,560	1,506,909
				Royal Bank of Canada			
				Floating, due July 15, 2011	3,000,000	3,000,000	2,997,965
				4.53%, due May 7, 2012	3,000,000	3,090,020	3,074,998
				5.20%, due August 15, 2012	1,000,000	1,045,400	1,039,011

The accompanying notes are an integral part of these financial statements.

National Bank Short Term Canadian Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value \$	Average Cost \$	Fair Value \$
Corporations (33.44%) (continued)			
Thomson Reuters Corp. 5.25%, due July 15, 2011	2,500,000	2,529,450	2,502,973
Toronto-Dominion Bank 5.14%, due November 19, 2012	1,000,000	1,049,650	1,046,096
Toyota Credit Canada Inc. 5.05%, due July 27, 2012	3,000,000	3,111,300	3,097,959
Wells Fargo Financial Canada 4.45%, due September 13, 2011	1,000,000	1,015,800	1,005,453
5.20%, due September 13, 2012	3,000,000	3,123,300	3,112,929
		<u>66,244,745</u>	<u>66,033,516</u>
Total Bonds And Debentures		<u>125,301,602</u>	<u>124,957,450</u>
Total Investments (95.19%)		<u>188,227,635*</u>	<u>188,006,828</u>
Cash And Other Net Assets (4.81%)			<u>9,489,769</u>
Net Assets (100%)			<u>197,496,597</u>

* Average cost of investments as at December 31, 2010 is \$177,330,682.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	44.43%	61.88%
AA/Aa/A-2/P-2	32.15%	27.41%
A/A-3/P-3	22.09%	10.71%
BBB/Baa	1.33%	n/a

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	160,208,160	172,237,612
From 1 year to 3 years	27,798,667	4,731,733
Total	<u>188,006,827</u>	<u>176,969,345</u>

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$190,894 (\$115,772 in 2010).

Fair Value Of Financial Instruments Table (note 4)

	June 30, 2011			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Money Market	n/a	63,049,378	n/a	63,049,378
Bonds and Debentures	n/a	124,957,450	n/a	124,957,450
Total Investments	<u>n/a</u>	<u>188,006,828</u>	<u>n/a</u>	<u>188,006,828</u>

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

	December 31, 2010			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Money Market	n/a	63,967,428	n/a	63,967,428
Bonds and Debentures	n/a	113,001,917	n/a	113,001,917
Total Investments	<u>n/a</u>	<u>176,969,345</u>	<u>n/a</u>	<u>176,969,345</u>

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Short Term Canadian Income Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	188,006,828	176,969,345
Cash	107,474	58,931
Subscriptions receivable	195,759	166,596
Proceeds from sale of investments receivable	8,311,292	-
Interest receivable	1,050,623	932,011
Other assets receivable	19,013	14,323
	<u>197,690,989</u>	<u>178,141,206</u>
Liabilities		
Redeemed units payable	112,168	81,159
Accrued expenses	82,224	76,807
	<u>194,392</u>	<u>157,966</u>
Net assets	<u>197,496,597</u>	<u>177,983,240</u>
Net assets per Series:		
Investor Series	197,491,593	177,983,240
R Series	5,004	-
	<u>197,496,597</u>	<u>177,983,240</u>
Net assets per unit, per Series:		
Investor Series	9.88	9.91
R Series	9.99	-

Approved on behalf of the Manager,
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Short Term Canadian Income Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	2,178,265	219,247
Expenses		
Management fees	297,178	55,513
Custodial fees	12,606	3,575
Directors' fees of independent review committee	1,366	104
Audit fees	6,786	4,594
Legal fees	2,492	576
Rights and deposits	12,448	9,126
Securityholders' reporting costs	154,979	17,453
Fees paid by the manager	(49,122)	(8,986)
	<u>438,733</u>	<u>81,955</u>
Net investment income	<u>1,739,532</u>	<u>137,292</u>
Net losses		
Net realized losses on sale of investments	(769,092)	(25,706)
Change in unrealized appreciation/depreciation on investments	108,998	(71,374)
	<u>(660,094)</u>	<u>(97,080)</u>
Increase in net assets from operations	<u>1,079,438</u>	<u>40,212</u>
Increase in net assets from operations per Series:		
Investor Series	1,079,434	40,212
R Series	4	-
	<u>1,079,438</u>	<u>-</u>
Increase in net assets from operations per unit, per Series:		
Investor Series	0.06	0.01
R Series	0.01	-

The accompanying notes are an integral part of these financial statements.

National Bank Short Term Canadian Income Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		R Series
	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	177,983,240	29,283,685	-
Increase in net assets from operations	1,079,434	40,212	4
Capital unit transactions			
Units issued	43,165,976	17,844,653	5,001
Units issued on reinvestment of distributions	1,728,915	115,390	9
Units redeemed	(24,733,331)	(6,071,125)	-
	20,161,560	11,888,918	5,010
Distributions to investors			
Net investment income	1,732,641	115,563	5
Return of capital	-	-	5
	1,732,641	115,563	10
Increase in net assets for the period	19,508,353	11,813,567	5,004
Net assets, end of the period	197,491,593	41,097,252	5,004

The accompanying notes are an integral part of these financial statements.

National Bank Mortgage Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (5.26%)				Mortgage Backed Securities (28.56%) (continued)			
Treasury Bills (5.26%)				Royal Bank of Canada			
Government of Canada				2.33%, due July 1, 2014			
0.97%, due July 11, 2011	5,500,000	5,498,252	5,498,661	2.80%, due July 1, 2014	11,215,096	11,205,002	11,371,484
0.95%, due July 21, 2011	6,500,000	6,483,732	6,496,835	3.00%, due August 1, 2014	4,162,628	4,277,433	4,234,309
0.96%, due August 4, 2011	33,700,000	33,620,789	33,672,116	3.05%, due August 1, 2014	10,678,284	10,676,575	10,886,223
0.94%, due August 18, 2011	8,300,000	8,282,728	8,290,155	2.90%, due September 1, 2014	15,483,644	15,493,709	15,711,868
0.93%, due September 1, 2011	5,000,000	4,989,748	4,992,368	2.78%, due November 1, 2014	21,975,547	21,941,265	22,245,130
		58,875,249	58,950,135	2.17%, due September 1, 2015	38,380,070	38,178,575	37,939,166
				2.75%, due November 1, 2015	24,233,437	24,104,031	24,355,449
Bonds And Debentures (58.16%)				2.75%, due January 1, 2016			
Issued And Guaranteed By				4.15%, due October 1, 2016			
The Government Of Canada (1.39%)				3.70%, due August 1, 2019			
PSP Capital Inc.							
2.94%, due December 3, 2015	15,500,000	15,493,490	15,595,476				
Issued And Guaranteed By							
a Province (25.46%)							
Province of Ontario							
4.50%, due March 8, 2015	28,485,000	30,530,478	30,670,473				
3.15%, due September 8, 2015	120,977,000	123,871,117	124,235,987				
4.30%, due March 8, 2017	39,862,000	42,366,131	42,749,661				
Province of Quebec							
5.50%, due December 1, 2014	25,760,000	28,707,200	28,502,210				
5.00%, due December 1, 2015	28,575,000	30,616,174	31,462,272				
4.25%, due December 1, 2021	26,931,000	27,737,045	27,648,526				
		283,828,145	285,269,129				
Corporations (2.72%)							
Cadillac Fairview							
3.24%, due January 25, 2016	30,000,000	29,998,500	30,417,613				
Supranational Entities (0.03%)							
African Development Bank							
4.85%, due July 24, 2012	350,000	372,696	362,168				
Mortgage Backed Securities (28.56%)							
Canadian Mortgage Pools							
4.59%, due July 1, 2012	16,316,210	17,127,779	16,748,306				
4.70%, due July 1, 2012	4,229,621	4,471,091	4,343,575				
4.65%, due August 1, 2012	10,885,389	11,357,706	11,182,560				
4.75%, due August 1, 2012	6,400,346	6,745,004	6,580,195				
4.25%, due March 1, 2015	9,278,506	9,805,526	9,803,074				
La Capitale General Insurance Inc.							
2.10%, due September 1, 2013	30,714,747	30,710,139	30,764,939				
3.00%, due June 1, 2014	5,809,453	5,968,167	5,916,740				
2.45%, due July 1, 2014	5,184,109	5,170,630	5,210,548				
2.50%, due June 1, 2015	9,080,182	9,145,196	9,085,432				
2.95%, due June 1, 2015	2,779,425	2,762,304	2,823,829				
3.10%, due June 1, 2015	9,950,853	9,860,400	10,140,326				
1.95%, due September 1, 2015	4,713,123	4,653,737	4,628,519				
2.99%, due April 1, 2016	6,258,829	6,228,787	6,312,655				
2.65%, due June 1, 2016	5,764,321	5,783,170	5,783,170				
				Total Bonds And Debentures			
				647,659,206			
				651,566,332			
				Mortgages (36.31%)			
				394,001,847			
				406,778,215			
				Total Investments (99.73%)			
				1,100,536,302*			
				1,117,294,682			
				Cash And Other Net Assets (0.27%)			
				2,984,045			
				Net Assets (100%)			
				1,120,278,727			

* Average cost of investments as at December 31, 2010 is \$1,303,937,721.

The accompanying notes are an integral part of these financial statements.

National Bank Mortgage Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Breakdown Of Mortgage Loans

Interest Rate	Number Of Loans	Amortized Cost	Fair Value
%		\$	\$
2.25%	1	120,573	117,398
2.50%	3	262,422	257,450
2.75%	7	300,958	297,751
3.00%	12	524,933	515,956
3.25%	7	814,337	813,932
3.50%	17	1,597,245	1,602,349
3.75%	49	6,157,089	6,202,404
4.00%	292	32,893,159	33,178,196
4.25%	125	13,678,788	13,880,826
4.50%	112	14,934,428	15,280,963
4.75%	89	13,062,370	13,415,742
5.00%	194	26,071,836	26,829,556
5.25%	413	46,913,500	48,370,002
5.50%	614	63,297,037	65,417,481
5.75%	785	80,683,979	83,724,295
6.00%	596	44,919,159	46,770,215
6.25%	309	22,159,283	23,149,994
6.50%	168	10,477,122	11,018,186
6.75%	118	5,804,474	6,125,456
7.00%	61	3,127,893	3,317,020
7.25%	61	2,789,857	2,953,635
7.50%	26	1,239,888	1,298,318
7.75%	19	542,954	555,895
8.00%	11	242,814	257,889
8.25%	56	969,397	997,293
8.50%	30	416,352	430,013
	<u>4,175</u>	<u>394,001,847</u>	<u>406,778,215</u>

Maturity	Number Of Loans	Amortized Cost	Fair Value
		\$	\$
2012	681	65,972,086	66,955,796
2013	1,831	156,798,292	162,520,323
2014	1,295	122,878,148	127,758,009
2015	367	48,302,392	49,495,271
2016	1	50,929	48,816
	<u>4,175</u>	<u>394,001,847</u>	<u>406,778,215</u>

Type Of Loans	Number Of Loans	Amortized Cost	Fair Value
		\$	\$
Conventional	3,840	379,534,620	392,028,379
N.H.A. insured	335	14,467,227	14,749,836
	<u>4,175</u>	<u>394,001,847</u>	<u>406,778,215</u>

Credit Risk (note 4)

Debt Securities by Credit Ratings

	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	59.85%	37.61%
AA/Aa/A-2/P-2	35.72%	24.97%
A/A-3/P-3	4.43%	37.42%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	58,950,135	125,922,944
From 1 year to 3 years	305,374,602	416,736,506
From 3 years to 5 years	654,861,794	749,837,487
From 5 years to 10 years	70,459,625	27,925,589
More than 10 years	27,648,526	n/a
Total	<u>1,117,294,682</u>	<u>1,320,422,526</u>

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$6,135,393 (\$7,054,409 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	58,950,135	n/a	58,950,135
Bonds and Debentures	n/a	1,052,561,377	5,783,170	1,058,344,547
Total Investments	n/a	1,111,511,512	5,783,170	1,117,294,682

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	75,932,925	n/a	75,932,925
Bonds and Debentures	4,983,917	776,857,019	n/a	781,840,936
Mortgages	n/a	462,648,665	n/a	462,648,665
Total Investments	4,983,917	1,315,438,609	n/a	1,320,422,526

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	-	-
Purchases	5,783,170	-
Sales	-	-
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains (losses)	-	-
Change in unrealized appreciation	-	-
Ending Balance (December 31)	5,783,170	-

The accompanying notes are an integral part of these financial statements.

National Bank Mortgage Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	1,117,294,682	1,320,422,526
Cash	779,943	206,704
Subscriptions receivable	2,301,655	3,301,900
Proceeds from sale of investments receivable	88,003,100	-
Interest receivable	4,785,029	5,718,364
Other assets receivable	534,485	278,883
	<u>1,213,698,894</u>	<u>1,329,928,377</u>
Liabilities		
Redeemed units payable	3,680,278	2,466,140
Investments payable	88,093,445	-
Accrued expenses	1,646,444	1,985,752
	<u>93,420,167</u>	<u>4,451,892</u>
Net assets	<u>1,120,278,727</u>	<u>1,325,476,485</u>
Net assets per Series:		
Investor/Advisor Series	1,041,007,686	1,239,995,529
Institutional Series	-	53,225,839
F Series	39,194,231	-
O Series	40,076,810	32,255,117
	<u>1,120,278,727</u>	<u>1,325,476,485</u>
Net assets per unit, per Series:		
Investor/Advisor Series	10.99	10.99
F Series	10.21	10.21
O Series	10.31	10.31

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Mortgage Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	21,552,959	24,651,222
Other income	-	1,246
	<u>21,552,959</u>	<u>24,652,468</u>
Expenses		
Management fees	9,223,244	10,001,151
Custodial fees	41,313	40,907
Directors' fees of independent review committee	3,089	2,279
Audit fees	32,270	68,072
Legal fees	11,853	8,532
Rights and deposits	81,960	126,878
Securityholders' reporting costs	426,332	387,437
Fees paid by the manager	(6,110)	(30,976)
	<u>9,813,951</u>	<u>10,604,280</u>
Net investment income	<u>11,739,008</u>	<u>14,048,188</u>
Net losses		
Net realized losses on sale of investments	(2,879,988)	(3,038,151)
Change in unrealized appreciation/depreciation on investments	2,465,474	(2,055,296)
	<u>(414,514)</u>	<u>(5,093,447)</u>
Increase in net assets from operations	<u>11,324,494</u>	<u>8,954,741</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	10,176,633	8,034,307
F Series	488,168	611,061
O Series	659,693	309,373
	<u>11,324,494</u>	<u>8,954,741</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.10	0.07
F Series	0.11	0.10
O Series	0.20	0.16

The accompanying notes are an integral part of these financial statements.

National Bank Mortgage Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		O Series	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
Net assets, beginning of the period	1,239,995,529	1,203,248,787	53,225,839	68,003,177	32,255,117	18,476,880
Increase (decrease) in net assets from operations	10,176,633	8,034,307	488,168	611,061	659,693	309,373
Capital unit transactions						
Units issued	113,204,851	308,689,811	6,332,234	16,362,767	12,577,000	5,056,000
Units issued on reinvestment of distributions	9,702,272	11,448,981	515,378	788,762	602,749	361,831
Units redeemed	(321,127,658)	(305,372,415)	(20,792,598)	(25,781,196)	(5,415,000)	(600,000)
	(198,220,535)	14,766,377	(13,944,986)	(8,629,667)	7,764,749	4,817,831
Distributions to investors						
Net investment income	10,943,941	13,085,882	574,790	907,802	602,749	361,831
Increase (decrease) in net assets for the period	(198,987,843)	9,714,802	(14,031,608)	(8,926,408)	7,821,693	4,765,373
Net assets, end of the period	1,041,007,686	1,212,963,589	39,194,231	59,076,769	40,076,810	23,242,253

The accompanying notes are an integral part of these financial statements.

National Bank Bond Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (0.34%)				Issued And Guaranteed By			
Treasury Bills (0.34%)				A Province (27.05%) (continued)			
Government of Canada				Province of Quebec			
0.96%, due July 7, 2011	200,000	199,935	199,969	5.50%, due December 1, 2014	7,574,000	8,438,193	8,380,269
0.97%, due July 11, 2011	1,200,000	1,199,643	1,199,708	4.50%, due December 1, 2020	31,460,000	32,347,411	33,127,732
0.94%, due September 1, 2011	1,700,000	1,696,367	1,697,405	4.25%, due December 1, 2021	21,187,000	21,816,112	21,751,488
0.90%, due October 13, 2011	1,600,000	1,595,744	1,595,785	6.25%, due June 1, 2032	9,386,000	11,257,133	11,770,456
1.12%, due October 13, 2011	100,000	99,487	99,737	5.75%, due December 1, 2036	5,955,000	6,931,588	7,134,755
				5.00%, due December 1, 2038	19,789,000	19,981,332	21,557,189
		<u>4,791,176</u>	<u>4,792,604</u>	5.00%, due December 1, 2041	12,635,000	13,002,518	13,851,099
				Province of Saskatchewan			
				4.50%, due August 23, 2016	5,705,000	5,888,328	6,204,967
						<u>371,128,464</u>	<u>382,625,882</u>
Bonds And Debentures (98.99%)				Municipalities And Subsidized Issuers (3.18%)			
Issued And Guaranteed By				City of Bécancour			
The Government Of Canada (27.29%)				4.05%, due November 7, 2011			
2.00%, due September 1, 2012	550	557	554	1,345,000	1,345,461	1,356,970	
1.75%, due March 1, 2013	194,392,000	194,404,161	195,184,297	City of Beloeil			
2.00%, due December 1, 2014	2,715,000	2,719,387	2,717,213	3.85%, due December 15, 2011			
4.00%, due June 1, 2016	300	316	323	1,918,000	1,901,836	1,938,331	
2.75%, due June 15, 2016	1,790,000	1,806,719	1,804,569	City of Mont Laurier			
4.25%, due June 1, 2018	3,200,000	3,464,640	3,511,288	3.85%, due December 15, 2011			
3.75%, due June 1, 2019	33,920,000	35,982,716	35,997,175	1,768,000	1,753,117	1,786,741	
3.50%, due June 1, 2020	2,035,000	2,126,094	2,110,559	City of Montreal			
3.25%, due June 1, 2021	51,111,000	50,741,917	51,705,591	4.50%, due December 1, 2021			
5.00%, due June 1, 2037	18,987,000	23,308,896	23,518,153	11,205,000	11,130,441	11,459,899	
4.00%, due June 1, 2041	11,160,000	12,164,085	12,086,280	City of Sainte-Adele			
Canada Housing Trust				3.85%, due December 8, 2011			
4.55%, due December 15, 2012	17,555,000	18,365,690	18,318,237	1,333,000	1,321,790	1,346,597	
3.60%, due June 15, 2013	10,340,000	10,745,787	10,721,498	City of Saint-Georges			
3.95%, due June 15, 2013	15,945,000	16,610,768	16,639,181	4.15%, due December 27, 2016			
3.55%, due September 15, 2013	7,200,000	7,451,769	7,479,738	413,000	404,280	431,361	
2.20%, due March 15, 2014	2,750,000	2,754,125	2,771,217	City of St-Catherine			
3.15%, due June 15, 2014	1,453,000	1,493,248	1,500,945	3.90%, due December 5, 2011			
		<u>384,140,875</u>	<u>386,066,818</u>	1,621,000	1,610,923	1,637,534	
				City of Terrebonne			
				4.25%, due December 19, 2016			
				893,000	881,164	937,116	
				City of Toronto			
				4.70%, due June 10, 2041			
				5,000,000	5,007,250	4,983,790	
				Peel Regional Municipality			
				5.10%, due June 29, 2040			
				8,550,000	8,726,228	9,097,987	
				Regional Municipality of York			
				4.50%, due September 28, 2016			
				4,450,000	4,433,620	4,763,964	
				4.00%, due June 30, 2021			
				5,260,000	5,253,109	5,219,551	
					<u>43,769,219</u>	<u>44,959,841</u>	
				Corporations (41.02%)			
				407 International Inc.			
				6.75%, due July 27, 2039			
				1,498,782	1,657,344	1,667,083	
				Aéroports de Montréal			
				5.67%, due October 16, 2037			
				2,080,000	2,135,265	2,284,595	
				5.47%, due April 16, 2040			
				2,800,000	2,800,000	2,998,640	
				AGT Limited			
				8.80%, due September 22, 2025			
				1,514,000	1,986,525	2,054,126	
				Alliance Pipeline			
				7.18%, due June 30, 2023			
				1,110,366	1,279,059	1,311,852	
				6.77%, due December 31, 2025			
				677,008	757,774	781,899	
				AltaGas Ltd.			
				4.10%, due March 24, 2016			
				1,880,000	1,881,235	1,896,961	
				4.60%, due January 15, 2018			
				2,555,000	2,556,619	2,580,953	
				AltaLink LP			
				5.25%, due September 22, 2036			
				154,000	152,158	161,517	
				American Express Canada Credit Corp.			
				Floating, due July 6, 2011			
				2,690,000	2,690,003	2,687,310	
				5.90%, due April 2, 2013			
				795,000	750,778	840,566	
				4.85%, due October 3, 2014			
				5,480,000	5,537,884	5,775,459	
				3.60%, due June 3, 2016			
				1,335,000	1,335,257	1,327,742	
				Aon Finance NS1 ULC			
				4.76%, due March 8, 2018			
				3,505,000	3,507,367	3,534,397	
				Arrow Lakes Power			
				5.52%, due April 5, 2041			
				2,195,000	2,200,203	2,264,314	

The accompanying notes are an integral part of these financial statements.

National Bank Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Corporations (41.02%) (continued)				Corporations (41.02%) (continued)			
BAC Canada Finance Co.				Enmax Corp.			
Floating, due August 21, 2011	2,045,000	2,044,610	2,044,384	6.15%, due June 19, 2018	690,000	693,356	757,590
Bank of Montreal				EPCOR Utilities Inc.			
5.05%, due September 3, 2013	5,936,000	6,009,417	6,302,067	5.80%, due January 31, 2018	1,018,000	1,042,674	1,139,165
3.93%, due April 27, 2015	4,890,000	4,890,000	5,091,439	Finning International Inc.			
3.10%, due March 10, 2016	1,275,000	1,275,877	1,277,607	6.02%, due June 1, 2018	809,000	818,047	916,423
3.49%, due June 10, 2016	21,165,000	21,186,900	21,468,779	First Capital Realty Inc.			
Floating, due July 8, 2016	1,880,000	1,882,370	1,907,234	5.49%, due December 1, 2011	1,775,000	1,689,517	1,799,293
Bell Aliant Regional Communications Inc.				5.36%, due January 31, 2014	4,031,000	4,093,376	4,219,206
5.41%, due September 26, 2016	1,131,000	1,091,370	1,203,353	5.85%, due January 31, 2017	1,815,000	1,825,460	1,934,124
4.37%, due September 13, 2017	2,405,000	2,406,689	2,399,639	5.48%, due July 30, 2019	1,935,000	1,939,636	1,968,147
4.88%, due April 26, 2018	2,430,000	2,433,224	2,463,830	Gaz Métropolitain Inc.			
6.17%, due February 26, 2037	770,000	664,049	727,055	4.93%, due June 18, 2019	565,000	569,424	610,375
Bell Canada				5.45%, due July 12, 2021	1,195,000	1,294,974	1,320,664
4.40%, due March 16, 2018	1,020,000	1,029,699	1,036,385	9.00%, due May 16, 2025	865,000	1,096,467	1,255,120
4.95%, due May 19, 2021	3,895,000	3,886,735	3,895,158	General Electric Capital Canada Funding Co.			
7.00%, due September 24, 2027	2,568,000	2,773,975	2,893,731	5.29%, due August 17, 2012	3,469,000	3,616,285	3,601,645
7.65%, due December 30, 2031	499,000	582,987	555,449	5.28%, due October 22, 2014	4,297,000	4,411,954	4,617,923
BMO Subordinated Notes Trust				4.24%, due June 8, 2015	6,555,000	6,569,842	6,812,722
Floating, due September 26, 2017	3,575,000	3,948,261	3,967,710	5.53%, due August 17, 2017	1,976,000	1,908,323	2,146,404
BMW Canada Inc.				4.40%, due February 8, 2018	1,860,000	1,860,353	1,895,712
3.22%, due March 28, 2013	3,610,000	3,613,145	3,672,716	5.73%, due October 22, 2037	1,994,000	1,785,771	2,028,229
British Columbia Ferry Services Inc.				Goldman Sachs Group Inc.			
5.02%, due March 20, 2037	2,098,000	2,001,103	2,127,149	4.10%, due November 3, 2015	2,645,000	2,645,076	2,630,396
Brookfield Asset Management Inc.				Greater Toronto Airport			
5.29%, due April 25, 2017	2,494,000	2,519,616	2,600,715	5.26%, due April 17, 2018	1,935,000	1,957,850	2,126,030
Brookfield Renewable Power Inc.				6.47%, due February 2, 2034	1,455,000	1,542,518	1,739,549
5.14%, due October 13, 2020	1,890,000	1,891,294	1,891,565	5.30%, due February 25, 2041	525,000	526,454	547,607
5.84%, due November 5, 2036	1,969,000	1,606,009	1,768,751	Great-West Lifeco Delaware Finance LP			
Cadillac Fairview				Floating, due June 26, 2018	3,451,000	3,605,211	3,899,412
3.24%, due January 25, 2016	12,551,000	12,550,372	12,725,715	Great-West Lifeco Inc.			
4.31%, due January 25, 2021	15,518,000	15,516,894	15,866,000	6.67%, due March 21, 2033	1,864,000	2,228,114	2,167,913
Calloway Real Estate Investment Trust				H&R Real Estate Investment Trust			
5.37%, due October 12, 2016	2,355,000	2,112,066	2,444,218	5.20%, due February 3, 2015	1,440,000	1,459,814	1,498,828
Cameco Corp.				4.78%, due July 27, 2016	2,040,000	2,046,706	2,075,347
4.70%, due September 16, 2015	453,000	445,595	474,591	5.90%, due February 3, 2017	1,905,000	1,910,049	2,022,240
5.67%, due September 2, 2019	375,000	399,163	398,250	Health Montreal Collective LP			
Canadian Imperial Bank of Commerce				6.72%, due September 30, 2049	1,360,000	1,362,612	1,395,481
5.00%, due September 10, 2012	22,639,000	23,810,883	23,501,190	HSBC Bank Canada			
Floating, due April 30, 2015	2,200,000	2,211,627	2,281,282	Floating, due April 10, 2017	471,000	468,646	494,796
Floating, due November 2, 2015	9,770,000	9,679,257	9,660,383	HSBC Canada Asset Trust			
3.40%, due January 14, 2016	26,209,000	26,227,553	26,568,400	Floating, due June 30, 2015	3,795,000	3,745,299	4,010,872
Canadian Western Bank				Husky Energy Inc.			
Floating, due November 30, 2015	1,835,000	1,836,808	1,847,785	5.00%, due March 12, 2020	910,000	909,401	948,367
Capital Power LP				Intact Financial Corp.			
4.60%, due December 1, 2015	2,480,000	2,482,759	2,528,376	5.41%, due September 3, 2019	550,000	588,978	582,549
5.28%, due November 16, 2020	4,225,000	4,172,839	4,179,173	6.40%, due November 23, 2039	2,900,000	2,912,915	3,097,708
CI Financial Corp.				Inter Pipeline Corridor Inc.			
3.30%, due December 17, 2012	1,615,000	1,616,124	1,634,433	4.90%, due February 3, 2020	1,075,000	1,078,979	1,123,245
4.19%, due December 16, 2014	4,725,000	4,781,435	4,873,912	4.97%, due February 2, 2021	730,000	731,497	753,666
CI Investments Inc.				Investors Group Inc.			
Floating, due December 14, 2015	3,720,000	3,723,570	3,766,755	7.35%, due April 8, 2019	505,000	539,407	599,135
CIBC Capital Trust				7.00%, due December 31, 2032	884,000	1,057,924	1,015,211
Floating, due June 30, 2019	1,215,000	1,515,569	1,589,255	6.00%, due December 10, 2040	1,050,000	1,049,992	1,087,193
Citigroup Finance Canada Inc.				John Deere Credit Inc.			
5.10%, due July 26, 2011	3,165,000	3,253,177	3,171,631	3.90%, due July 29, 2013	2,645,000	2,662,149	2,735,519
4.90%, due November 13, 2012	3,395,000	3,396,798	3,509,773	Loblaw Companies Ltd.			
5.50%, due May 21, 2013	1,310,000	1,298,060	1,372,612	5.22%, due June 18, 2020	1,910,000	1,913,623	1,979,556
Daimler Canada Finance Inc.				6.05%, due June 9, 2034	3,452,000	3,141,882	3,405,248
Floating, due July 15, 2011	2,845,000	2,845,060	2,845,569	6.15%, due January 29, 2035	910,000	805,936	905,176
Empire Life Insurance				Manitoba Telecom Services Inc.			
Floating, due May 20, 2014	2,870,000	3,017,595	3,112,795	5.05%, due May 11, 2012	1,125,000	1,127,255	1,151,305
Enbridge Gas Distribution Inc.				Manulife Financial (Delaware) L.P.			
5.21%, due February 25, 2036	996,000	978,552	1,036,814	4.90%, due June 2, 2014	3,835,000	4,024,984	4,022,615
Enbridge Pipelines Inc.				Floating, due December 15, 2016	9,321,000	9,070,825	9,460,092
8.20%, due February 15, 2024	813,000	1,089,525	1,098,481	5.51%, due June 26, 2018	1,457,000	1,457,070	1,556,202
5.08%, due December 19, 2036	665,000	657,709	679,123	Floating, due December 15, 2036	2,651,000	2,451,452	2,236,386

The accompanying notes are an integral part of these financial statements.

National Bank Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Corporations (41.02%) (continued)				Corporations (41.02%) (continued)			
Manulife Financial Corp.				TD Capital Trust IV			
Floating, due December 31, 2014	1,022,000	1,139,351	1,163,736	Floating, due June 30, 2019	1,415,000	1,782,422	1,846,546
Metro Inc				Floating, due June 30, 2021	3,750,000	3,859,662	4,193,127
5.97%, due October 15, 2035	1,369,000	1,237,415	1,370,308	Telus Corp.			
Molson Coors Capital Finance				11.90%, due November 22, 2015	785,000	1,068,973	1,057,870
5.00%, due September 22, 2015	1,110,000	1,122,405	1,177,833	3.65%, due May 25, 2016	3,085,000	3,076,826	3,099,993
Molson Coors International LP				5.05%, due December 4, 2019	1,585,000	1,577,173	1,623,974
3.95%, due October 6, 2017	1,995,000	1,989,887	1,980,289	9.65%, due April 8, 2022	354,000	512,635	485,780
Morgan Stanley				Terassen Gas Inc.			
4.85%, due February 3, 2016	1,965,000	1,965,839	1,994,709	5.80%, due May 13, 2038	1,155,000	1,146,900	1,300,661
National Bank of Canada				Terassen Gas Vancouver Island Inc.			
3.58%, due April 26, 2016	9,933,000	10,092,462	10,103,222	6.05%, due February 15, 2038	382,000	383,780	435,020
NOVA Gas Transmission Ltd.				Toronto-Dominion Bank			
8.90%, due May 27, 2025	1,460,000	1,781,019	1,995,352	Floating, due April 2, 2015	5,247,000	5,558,942	5,706,929
Omers				Floating, due November 2, 2015	18,145,000	17,915,357	18,106,856
4.05%, due May 5, 2014	86,000	88,683	89,739	Floating, due December 14, 2016	7,157,000	6,838,535	7,502,434
Pembina Pipeline Corp.				Floating, due December 18, 2017	2,625,000	2,916,085	2,876,678
4.89%, due March 29, 2021	1,150,000	1,152,176	1,178,876	TransCanada Pipelines Ltd.			
Plenary Health Hamilton LP				5.65%, due January 15, 2014	1,076,000	1,120,792	1,161,564
5.80%, due May 31, 2043	2,100,000	2,104,089	2,125,978	6.28%, due May 26, 2028	1,730,000	1,838,592	1,948,236
Power Financial Corp.				5.65%, due June 20, 2029	1,528,000	1,522,400	1,619,864
6.90%, due March 11, 2033	368,000	450,116	421,999	6.50%, due December 9, 2030	755,000	804,873	876,866
RioCan Real Estate Investment Trust				TransLink			
4.50%, due January 21, 2016	1,305,000	1,307,925	1,332,193	3.80%, due November 2, 2020	5,600,000	5,595,856	5,512,438
Rogers Communications Inc.				Union Gas Ltd.			
5.80%, due May 26, 2016	2,260,000	2,352,112	2,470,572	4.85%, due April 25, 2022	219,000	217,740	228,658
5.34%, due March 22, 2021	4,655,000	4,686,554	4,687,579	5.46%, due September 11, 2036	885,000	881,972	945,199
6.11%, due August 25, 2040	2,660,000	2,653,030	2,536,351	Veresen Inc.			
Rona Inc.				5.60%, due July 28, 2014	1,135,000	1,138,267	1,203,424
5.40%, due October 20, 2016	1,530,000	1,385,843	1,573,819	Volkswagen Credit Canada Inc.			
Royal Bank of Canada				2.55%, due November 18, 2013	3,830,000	3,827,159	3,845,676
Floating, due March 11, 2013	7,601,000	7,871,286	7,934,046	3.60%, due February 1, 2016	785,000	785,456	799,807
Floating, due June 6, 2013	2,486,000	2,526,490	2,611,812	Wells Fargo Financial Canada			
5.00%, due January 20, 2014	3,465,000	3,549,754	3,694,344	3.70%, due March 30, 2016	3,875,000	3,877,168	3,907,066
4.97%, due June 5, 2014	543,000	542,839	581,661	Yellow Media Inc.			
4.71%, due December 22, 2014	481,000	500,567	514,218	7.30%, due February 2, 2015	940,000	926,118	883,478
Floating, due June 15, 2015	14,105,000	14,368,027	14,662,098			568,634,886	580,282,127
Floating, due November 1, 2015	5,825,000	5,824,216	5,769,112	Global (0.13%)			
3.36%, due January 11, 2016	4,890,000	4,893,263	4,949,906	Lloyds TSB Group PLC			
3.66%, due January 25, 2017	7,675,000	7,672,160	7,791,220	5.28%, due April 19, 2016	1,895,000	1,901,518	1,894,277
5.95%, due December 31, 2049	1,125,000	1,218,640	1,219,988	Mortgage Backed Securities (0.31%)			
Scotiabank Capital Trust				Ford Floorplan Auto Securitization Trust			
Floating, due November 1, 2012	32,660,000	34,516,310	34,027,875	4.17%, due June 15, 2013	1,420,000	1,422,800	1,466,485
Floating, due March 27, 2013	23,435,000	24,873,446	24,530,125	Xceed Mortgage Trust			
Floating, due October 3, 2013	1,950,000	2,047,375	2,099,677	4.95%, due January 17, 2012	3,157,000	3,120,693	3,025,984
3.43%, due July 16, 2014	3,000,000	2,999,730	3,079,915			4,543,493	4,492,469
3.34%, due March 25, 2015	3,900,000	3,906,588	3,980,850	Total Bonds And Debentures		1,374,118,455	1,400,321,414
Floating, due January 22, 2016	870,000	996,260	986,336	Total Investments (99.33%)		1,378,909,631*	1,405,114,018
Floating, due June 30, 2108	3,900,000	4,191,902	4,652,139	Unrealized Appreciation On Foreign Exchange Contracts (0.00%)			1,619
Floating, due December 31, 2036	1,070,000	1,071,854	1,095,373	Cash And Other Net Assets (0.67%)			9,427,488
Shaw Communications Inc.				Net Assets (100%)			1,414,543,125
5.65%, due October 1, 2019	2,640,000	2,727,305	2,710,772				
5.50%, due December 7, 2020	920,000	917,540	920,711				
Sun Life Assurance Company of Canada							
6.15%, due June 30, 2022	5,931,000	6,320,875	6,152,751				
Sun Life Capital Trust							
7.09%, due June 30th, 2052	756,000	904,144	854,577				
Sun Life Financial Inc.							
5.70%, due July 2, 2019	4,540,000	4,558,948	4,930,659				
Suncor Energy Inc.							
5.80%, due May 22, 2018	665,000	692,168	741,545				
5.39%, due March 26, 2037	1,478,000	1,438,742	1,500,686				

* Average cost of investments as at December 31, 2010 is \$1,306,334,688.

The accompanying notes are an integral part of these financial statements.

National Bank Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9881	US	75,000	72,492	CA	74,111	74,111	1,619

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
American Dollar	\$ n/a	n/a	\$ 234,874	0.02%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$0 (\$11,744 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	34.50%	42.17%
AA/Aa/A-2/P-2	43.43%	39.34%
A/A-3/P-3	13.53%	11.01%
BBB/Baa	8.54%	7.48%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	29,584,253	44,062,775
From 1 year to 3 years	410,879,266	341,392,734
From 3 years to 5 years	224,864,908	137,546,126
From 5 years to 10 years	440,529,537	525,689,588
More than 10 years	299,256,054	280,032,889
Total	1,405,114,018	1,328,724,112

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$21,736,756 (\$21,484,320 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Money Market	n/a	4,792,604	n/a	4,792,604
Bonds and Debentures	326,831,434	1,070,463,995	3,025,985	1,400,321,414
Total Investments	326,831,434	1,075,256,599	3,025,985	1,405,114,018
Derivatives Assets	n/a	74,111	n/a	74,111
Derivatives Liabilities	n/a	(72,492)	n/a	(72,492)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Money Market	n/a	19,611,348	n/a	19,611,348
Bonds and Debentures	459,611,768	846,676,296	2,824,700	1,309,112,764
Total Investments	459,611,768	866,287,644	2,824,700	1,328,724,112
Derivative Assets	73,530,374	49,010,817	n/a	122,541,191
Derivative Liabilities	(73,581,706)	(48,668,600)	n/a	(122,250,306)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	2,824,700	15,813
Purchases	201,285	-
Sales	-	(447,138)
Transfers into Level 3	-	3,188,085
Transfers out of Level 3	-	-
Realized gains (losses)	-	(14,438)
Change in unrealized appreciation	-	82,378
Ending Balance (December 31)	3,025,985	2,824,700

The accompanying notes are an integral part of these financial statements.

National Bank Bond Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	1,405,114,018	1,328,724,112
Unrealized appreciation on foreign exchange contracts	1,619	478,803
Cash	116,150	349,547
Margin deposited on futures contracts	1,265,249	2,074,320
Subscriptions receivable	800,481	661,854
Proceeds from sale of investments receivable	62,377,878	15,463,714
Interest and dividends receivable	10,821,805	9,381,942
Other assets receivable	468,159	198,204
	<u>1,480,965,359</u>	<u>1,357,332,496</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	-	136,584
Redeemed units payable	779,716	428,907
Investments payable	64,094,439	15,602,688
Accrued expenses	1,548,079	1,442,605
	<u>66,422,234</u>	<u>17,610,784</u>
Net assets	<u>1,414,543,125</u>	<u>1,339,721,712</u>
Net assets per Series:		
Investor/Advisor Series	1,134,610,061	1,053,790,120
O Series	279,924,727	285,931,592
R Series	8,337	-
	<u>1,414,543,125</u>	<u>1,339,721,712</u>
Net assets per unit, per Series:		
Investor/Advisor Series	11.47	11.43
O Series	10.35	10.31
R Series	9.96	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
- **Éric Laflamme, Director**

The accompanying notes are an integral part of these financial statements.

National Bank Bond Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	26,519,986	28,300,582
Expenses		
Management fees	7,241,218	7,038,998
Custodial fees	74,139	80,509
Directors' fees of independent review committee	5,992	4,206
Audit fees	37,977	76,062
Legal fees	13,949	9,534
Rights and deposits	71,887	90,964
Securityholders' reporting costs	679,853	701,123
Loss from derivatives	338,156	2,870,343
Fees paid by the manager	(28,698)	(124,527)
	<u>8,434,473</u>	<u>10,747,212</u>
Net investment income	<u>18,085,513</u>	<u>17,553,370</u>
Net gains		
Net realized gains (losses) on sale of investments	2,137,956	(2,797,640)
Net realized gains on foreign currencies	416,782	718,766
	<u>2,554,738</u>	<u>(2,078,874)</u>
Change in unrealized appreciation/depreciation on investments	3,474,363	29,742,926
Unrealized gains (losses) on foreign currencies	70,095	(61,440)
	<u>3,544,458</u>	<u>29,681,486</u>
Transaction costs on purchase and sale of investments	(29,372)	(34,742)
	<u>6,069,824</u>	<u>27,567,870</u>
Increase in net assets from operations	<u>24,155,337</u>	<u>45,121,240</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	18,060,338	32,474,359
O Series	6,095,007	12,646,881
R Series	(8)	-
	<u>24,155,337</u>	<u>45,121,240</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.19	0.34
O Series	0.23	0.39
R Series	(0.01)	-

The accompanying notes are an integral part of these financial statements.

National Bank Bond Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		O Series		R Series
	2011 \$	2010 \$	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	1,053,790,120	1,041,619,006	285,931,592	296,512,510	-
Increase (decrease) in net assets from operations	18,060,338	32,474,359	6,095,007	12,646,881	(8)
Capital unit transactions					
Units issued	201,538,697	156,851,862	21,158,000	66,239,000	8,525
Units issued on reinvestment of distributions	12,877,746	12,069,649	4,502,555	6,076,572	23
Units redeemed	(138,680,243)	(116,209,178)	(32,561,503)	(4,523,595)	(180)
	75,736,200	52,712,333	(6,900,948)	67,791,977	8,368
Distributions to investors					
Net investment income	12,976,597	12,152,910	5,200,924	6,076,572	10
Return of capital	-	-	-	-	13
	12,976,597	12,152,910	5,200,924	6,076,572	23
Increase (decrease) in net assets for the period	80,819,941	73,033,782	(6,006,865)	74,362,286	8,337
Net assets, end of the period	1,134,610,061	1,114,652,788	279,924,727	370,874,796	8,337

The accompanying notes are an integral part of these financial statements.

Altamira Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Corporations (41.19%) (continued)			
BMO Subordinated Notes Trust			
Floating, due September 26, 2017	725,000	798,894	804,641
BMW Canada Inc.			
3.22%, due March 28, 2013	625,000	624,931	635,858
British Columbia Ferry Services Inc.			
5.02%, due March 20, 2037	312,000	245,856	316,335
Brookfield Asset Management Inc.			
5.29%, due April 25, 2017	351,000	350,972	366,019
Brookfield Renewable Power Inc.			
5.14%, due October 13, 2020	350,000	349,864	350,290
5.84%, due November 5, 2036	360,000	246,534	323,388
Cadillac Fairview			
3.24%, due January 25, 2016	2,275,000	2,274,886	2,306,669
4.31%, due January 25, 2021	2,859,000	2,858,314	2,923,115
Calloway Real Estate Investment Trust			
5.37%, due October 12, 2016	680,000	630,504	705,762
Cameco Corp.			
4.70%, due September 16, 2015	132,000	130,031	138,292
5.67%, due September 2, 2019	75,000	79,732	79,650
Canadian Imperial Bank of Commerce			
5.00%, due September 10, 2012	4,081,000	4,287,938	4,236,422
Floating, due April 30, 2015	400,000	401,120	414,778
Floating, due November 2, 2015	1,050,000	1,047,784	1,038,219
3.40%, due January 14, 2016	3,759,000	3,745,355	3,810,547
Canadian Western Bank			
Floating, due November 30, 2015	325,000	325,000	327,264
Capital Power LP			
4.60%, due December 1, 2015	400,000	399,872	407,803
5.28%, due November 16, 2020	750,000	739,923	741,865
CI Financial Corp.			
3.30%, due December 17, 2012	350,000	349,979	354,211
4.19%, due December 16, 2014	725,000	724,710	747,849
CI Investments Inc.			
Floating, due December 14, 2015	650,000	649,824	658,170
CIBC Capital Trust			
Floating, due June 30, 2019	200,000	243,880	261,606
Citigroup Finance Canada Inc.			
4.90%, due November 13, 2012	750,000	749,130	775,355
5.50%, due May 21, 2013	225,000	224,690	235,754
Daimler Canada Finance Inc.			
Floating, due July 15, 2011	450,000	450,000	450,090
Empire Life Insurance			
Floating, due May 20, 2014	625,000	649,282	677,874
Enbridge Gas Distribution Inc.			
5.21%, due February 25, 2036	210,000	164,514	218,605
Enbridge Pipelines Inc.			
8.20%, due February 15, 2024	300,000	405,738	405,343
5.08%, due December 19, 2036	156,000	119,387	159,313
Enmax Corp.			
6.15%, due June 19, 2018	125,000	124,732	137,245
EPCOR Utilities Inc.			
5.80%, due January 31, 2018	200,000	204,477	223,805
Finning International Inc.			
6.02%, due June 1, 2018	201,000	203,131	227,690
First Capital Realty Inc.			
5.49%, due December 1, 2011	300,000	284,700	304,106
5.36%, due January 31, 2014	809,000	817,221	846,772
5.85%, due January 31, 2017	275,000	275,638	293,049
5.48%, due July 30, 2019	325,000	325,302	330,567
Gaz Métropolitain Inc.			
4.93%, due June 18, 2019	150,000	149,976	162,046
7.05%, due October 30, 2030	333,000	330,669	419,852

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Corporations (41.19%) (continued)			
General Electric Capital Canada Funding Co.			
5.29%, due August 17, 2012	500,000	509,055	519,119
5.28%, due October 22, 2014	600,000	617,874	644,811
4.24%, due June 8, 2015	1,200,000	1,199,952	1,247,180
5.53%, due August 17, 2017	374,000	353,323	406,253
4.40%, due February 8, 2018	325,000	324,496	331,240
5.73%, due October 22, 2037	400,000	339,484	406,866
Goldman Sachs Group Inc.			
4.10%, due November 3, 2015	475,000	474,957	472,377
Greater Toronto Airport			
5.26%, due April 17, 2018	325,000	329,616	357,085
6.47%, due February 2, 2034	200,000	190,046	239,113
5.30%, due February 25, 2041	100,000	99,970	104,306
Great-West Lifeco Delaware Finance LP			
Floating, due June 26, 2018	600,000	478,740	677,962
Great-West Lifeco Inc.			
6.67%, due March 21, 2033	250,000	301,838	290,761
H&R Real Estate Investment Trust			
5.20%, due February 3, 2015	275,000	278,784	286,235
4.78%, due July 27, 2016	350,000	350,704	356,064
5.90%, due February 3, 2017	350,000	349,664	371,540
Health Montreal Collective LP			
6.72%, due September 30, 2049	200,000	200,000	205,218
HSBC Bank Canada			
Floating, due April 10, 2017	119,000	118,869	125,012
HSBC Canada Asset Trust			
Floating, due June 30, 2015	600,000	560,256	634,130
Husky Energy Inc.			
5.00%, due March 12, 2020	175,000	174,360	182,378
Intact Financial Corp.			
5.41%, due September 3, 2019	85,000	90,992	90,030
6.40%, due November 23, 2039	490,000	489,901	523,406
Inter Pipeline Corridor Inc.			
4.90%, due February 3, 2020	200,000	200,000	208,976
4.97%, due February 2, 2021	125,000	125,000	129,052
Investors Group Inc.			
7.35%, due April 8, 2019	80,000	79,955	94,912
7.11%, due March 7, 2033	270,000	241,677	314,530
6.00%, due December 10, 2040	200,000	199,474	207,084
John Deere Credit Inc.			
3.90%, due July 29, 2013	550,000	549,373	568,822
Loblaw Companies Ltd.			
5.22%, due June 18, 2020	325,000	324,776	336,835
6.05%, due June 9, 2034	599,000	516,050	590,887
6.15%, due January 29, 2035	275,000	242,383	273,542
Manitoba Telecom Services Inc.			
5.05%, due May 11, 2012	325,000	324,974	332,599
Manulife Financial (Delaware) L.P.			
4.90%, due June 2, 2014	675,000	708,176	708,022
Floating, due December 15, 2016	1,369,000	1,297,755	1,389,429
5.51%, due June 26, 2018	408,000	408,000	435,779
Floating, due December 15, 2036	499,000	484,313	420,957
Manulife Financial Corp.			
Floating, due December 31, 2014	180,000	200,259	204,963
Metro Inc			
5.97%, due October 15, 2035	433,000	400,253	433,414
Molson Coors Capital Finance			
5.00%, due September 22, 2015	210,000	209,838	222,833
Molson Coors International LP			
3.95%, due October 6, 2017	350,000	348,898	347,419
Morgan Stanley			
4.85%, due February 3, 2016	350,000	349,800	355,292

The accompanying notes are an integral part of these financial statements.

Altamira Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Corporations (41.19%) (continued)				Corporations (41.19%) (continued)			
National Bank of Canada				Terasen Gas Vancouver Island Inc.			
3.58%, due April 26, 2016	1,120,000	1,133,782	1,139,193	6.05%, due February 15, 2038	107,000	106,926	121,851
NOVA Gas Transmission Ltd.				Toronto-Dominion Bank			
8.90%, due May 27, 2025	450,000	548,094	615,006	Floating, due April 2, 2015	853,000	898,324	927,770
Pembina Pipeline Corp.				Floating, due November 2, 2015	2,440,000	2,406,567	2,434,871
4.89%, due March 29, 2021	175,000	175,000	179,394	Floating, due December 14, 2016	1,368,000	1,223,736	1,434,027
Plenary Health Hamilton LP				Floating, due December 18, 2017	450,000	499,851	493,145
5.80%, due May 31, 2043	375,000	375,000	379,639	TransCanada Pipelines Ltd.			
Power Financial Corp.				5.65%, due January 15, 2014	344,000	357,756	371,355
6.90%, due March 11, 2033	133,000	166,783	152,516	6.50%, due December 9, 2030	333,000	360,552	386,750
RioCan Real Estate Investment Trust				TransLink			
4.50%, due January 21, 2016	225,000	225,169	229,688	3.80%, due November 2, 2020	1,046,000	1,045,226	1,029,645
Rogers Communications Inc.				Union Gas Ltd.			
5.80%, due May 26, 2016	265,000	264,383	289,691	4.85%, due April 25, 2022	67,000	66,873	69,955
5.34%, due March 22, 2021	775,000	779,725	780,424	5.46%, due September 11, 2036	200,000	206,580	213,604
6.11%, due August 25, 2040	475,000	474,544	452,920	Veresen Inc.			
Rona Inc.				5.60%, due July 28, 2014	200,000	199,948	212,057
5.40%, due October 20, 2016	265,000	235,054	272,590	Volkswagen Credit Canada Inc.			
Royal Bank of Canada				2.55%, due November 18, 2013	700,000	699,097	702,865
Floating, due March 11, 2013	1,335,000	1,366,244	1,393,494	3.60%, due February 1, 2016	125,000	124,881	127,358
Floating, due June 6, 2013	374,000	374,002	392,928	Wells Fargo Financial Canada			
4.97%, due June 5, 2014	272,000	268,389	291,366	3.70%, due March 30, 2016	650,000	649,734	655,379
4.71%, due December 22, 2014	689,000	696,441	736,583	Yellow Media Inc.			
Floating, due June 15, 2015	2,595,000	2,641,684	2,697,493	7.30%, due February 2, 2015	140,000	138,200	131,582
Floating, due November 1, 2015	1,050,000	1,049,706	1,039,926			92,189,077	95,119,611
3.36%, due January 11, 2016	850,000	849,652	860,413				
5.95%, due December 31, 2049	200,000	216,540	216,887	Global (0.14%)			
Scotiabank Capital Trust				Lloyds TSB Group PLC			
Floating, due November 1, 2012	5,140,000	5,434,484	5,355,275	5.28%, due April 19, 2016	315,000	315,929	314,881
Floating, due March 27, 2013	3,925,000	4,170,346	4,108,416	Mortgage Backed Securities (0.61%)			
Floating, due October 3, 2013	350,000	359,244	376,865	Ford Floorplan Auto Securitization Trust			
3.34%, due March 25, 2015	725,000	724,964	740,030	4.17%, due June 15, 2013	250,000	250,000	258,184
Floating, due January 22, 2016	150,000	171,735	170,058	Xceed Mortgage Trust			
Floating, due December 31, 2036	200,000	199,888	204,743	4.95%, due January 17, 2012	1,203,000	1,203,000	1,153,076
Floating, due June 30, 2108	600,000	600,000	715,714			1,453,000	1,411,260
Shaw Communications Inc.				Total Bonds And Debentures		222,959,256	228,429,577
5.65%, due October 1, 2019	480,000	495,607	492,868	Total Investments (99.30%)		223,857,878*	229,328,633
5.50%, due December 7, 2020	175,000	174,361	175,135	Cash And Other Net Assets (0.70%)			1,621,306
Sun Life Assurance Company of Canada				Net Assets (100%)			230,949,939
6.15%, due June 30, 2022	859,000	923,623	891,117				
Sun Life Capital Trust							
7.09%, due June 30th, 2052	267,000	327,684	301,815				
Sun Life Financial Inc.							
5.70%, due July 2, 2019	650,000	649,558	705,931				
Suncor Energy Inc.							
5.80%, due May 22, 2018	109,000	109,107	121,547				
5.39%, due March 26, 2037	100,000	99,720	101,535				
TD Capital Trust IV							
Floating, due June 30, 2019	250,000	314,138	326,245				
Floating, due June 30, 2021	700,000	700,000	782,717				
Telus Corp.							
11.90%, due November 22, 2015	145,000	197,425	195,403				
3.65%, due May 25, 2016	475,000	473,238	477,308				
5.05%, due December 4, 2019	75,000	74,569	76,844				
9.65%, due April 8, 2022	113,000	167,587	155,065				
Terasen Gas Inc.							
5.80%, due May 13, 2038	200,000	195,150	225,223				

* Average cost of investments as at December 31, 2010 is \$235,866,469.

The accompanying notes are an integral part of these financial statements.

▶ SHORT TERM AND INCOME FUNDS

Altamira Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	n/a	n/a	107,201	0.04

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$0 (\$5,360 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	32.11%	40.78%
AA/Aa/A-2/P-2	44.71%	38.94%
A/A-3/P-3	13.73%	11.99%
BBB/Baa	9.45%	8.29%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	7,140,863	4,018,614
From 1 year to 3 years	64,187,240	71,241,206
From 3 years to 5 years	35,330,627	31,646,610
From 5 years to 10 years	68,529,189	78,599,948
More than 10 years	54,140,713	55,274,154
Total	229,328,632	240,780,532

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$3,573,899 (\$3,838,354 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	899,056	n/a	899,056
Bonds and Debentures	36,794,490	190,482,010	1,153,077	228,429,577
Total Investments	36,794,490	191,381,066	1,153,077	229,328,633

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	299,403	n/a	299,403
Bonds and Debentures	85,635,504	153,692,548	1,153,077	240,481,129
Total Investments	85,635,504	153,991,951	1,153,077	240,780,532
Derivative Assets	n/a	8,677,741	n/a	8,677,741
Derivative Liabilities	n/a	(8,610,503)	n/a	(8,610,503)

During the year ended December 31, 2010, investments of \$492,706 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	1,153,077	-
Purchases	-	-
Sales	-	-
Transfers into Level 3	-	1,129,017
Transfers out of Level 3	-	-
Realized gains (losses)	-	-
Change in unrealized appreciation	-	24,060
Ending Balance (December 31)	1,153,077	1,153,077

The accompanying notes are an integral part of these financial statements.

Altamira Income Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	229,328,633	240,780,532	
Unrealized appreciation on foreign exchange contracts	-	88,994	
Cash	168,060	61,324	
Margin deposited on futures contracts	-	7	
Subscriptions receivable	42,578	178,242	
Interest receivable	1,834,609	1,893,157	
Other assets receivable	51,920	49,197	
	<u>231,425,800</u>	<u>243,051,453</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	-	21,757	
Redeemed units payable	247,410	154,010	
Accrued expenses	228,451	242,965	
	<u>475,861</u>	<u>418,732</u>	
Net assets, Investor Series	<u>230,949,939</u>	<u>242,632,721</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor Series	8.45	8.42	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	4,712,210	4,831,811
Expenses		
Management fees	1,288,577	1,247,886
Custodial fees	16,006	16,329
Directors' fees of independent review committee	904	678
Audit fees	7,640	15,094
Legal fees	2,806	1,892
Rights and deposits	9,061	7,537
Securityholders' reporting costs	102,940	112,498
Fees paid by the manager	(142,490)	(154,028)
	<u>1,285,444</u>	<u>1,247,886</u>
Net investment income	<u>3,426,766</u>	<u>3,583,925</u>
Net gains		
Net realized gains on sale of investments	93,069	473,852
Net realized gains (losses) on foreign currencies	81,037	(1,650)
	<u>174,106</u>	<u>472,202</u>
Change in unrealized appreciation/depreciation on investments	489,457	4,068,651
Unrealized gains on foreign currencies	11,618	225
	<u>501,075</u>	<u>4,068,876</u>
	<u>675,181</u>	<u>4,541,078</u>
Increase in net assets from operations		
Investor Series	<u>4,101,947</u>	<u>8,125,003</u>
Increase in net assets from operations per unit		
Investor Series	0.15	0.28

The accompanying notes are an integral part of these financial statements.

Altamira Income Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	242,632,721	239,923,244
Increase in net assets from operations	4,101,947	8,125,003
Capital unit transactions		
Units issued	10,732,404	14,778,175
Units issued on reinvestment of distributions	3,383,990	3,583,850
Units redeemed	(26,463,966)	(23,053,492)
	(12,347,572)	(4,691,467)
Distributions to investors		
Net investment income	3,437,157	3,635,527
Decrease in net assets for the period	(11,682,782)	(201,991)
Net assets, end of the period	230,949,939	239,721,253

The accompanying notes are an integral part of these financial statements.

▶ SHORT TERM AND INCOME FUNDS

Altamira Long Term Bond Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (0.05%)							
Treasury Bills (0.05%)							
Government of Canada							
0.97%, due July 7, 2011	100,000	99,976	99,984				
Bonds And Debentures (99.06%)							
Issued And Guaranteed By The Government Of Canada (16.56%)							
Canada Housing Trust							
4.60%, due September 15, 2011	55,000	55,469	55,375				
4.00%, due June 1, 2017	1,000	1,100	1,080				
8.00%, due June 1, 2023	1,000,000	1,482,870	1,472,173				
5.00%, due June 1, 2037	20,639,000	25,661,821	25,564,395				
4.00%, due June 1, 2041	6,653,000	7,312,950	7,205,199				
		34,514,210	34,298,222				
Issued And Guaranteed By A Province (56.15%)							
British Columbia Municipal Finance							
4.95%, due December 1, 2027	1,914,000	1,907,569	2,054,111				
CDP Financial Inc.							
4.60%, due July 15, 2020	2,310,000	2,329,000	2,423,834				
Hydro One Inc.							
5.36%, due May 20, 2036	2,150,000	2,140,251	2,283,384				
5.49%, due July 16, 2040	800,000	803,421	867,952				
Hydro-Québec							
6.50%, due January 16, 2035	750,000	855,750	970,042				
Province of British Columbia							
4.10%, due December 18, 2019	1,020,000	1,063,075	1,060,524				
4.95%, due June 18, 2040	575,000	620,092	635,111				
Province of Manitoba							
5.50%, due November 15, 2018	1,400,000	1,361,810	1,597,924				
4.60%, due March 5, 2038	1,160,000	1,100,963	1,208,137				
Province of New Brunswick							
4.65%, due September 26, 2035	1,368,000	1,370,038	1,411,437				
4.80%, due September 26, 2039	2,232,000	2,208,722	2,362,180				
Province of Newfoundland							
6.50%, due October 17, 2029	1,021,000	1,272,434	1,314,514				
4.65%, due October 17, 2040	1,050,000	980,385	1,105,070				
Province of Ontario							
4.40%, due June 2, 2019	5,430,000	5,550,190	5,759,175				
4.00%, due June 2, 2021	3,630,000	3,568,399	3,675,369				
8.10%, due September 8, 2023	2,831,000	3,820,919	3,950,083				
5.85%, due March 8, 2033	7,858,000	9,030,676	9,529,753				
4.70%, due June 2, 2037	2,680,000	2,669,708	2,817,867				
4.60%, due June 2, 2039	19,298,000	18,940,639	20,053,419				
4.65%, due June 2, 2041	1,970,000	2,053,273	2,067,872				
Province of Quebec							
4.50%, due December 1, 2019	740,000	760,137	785,422				
4.50%, due December 1, 2020	1,885,000	1,898,494	1,984,926				
4.25%, due December 1, 2021	5,400,000	5,425,542	5,543,873				
9.38%, due January 16, 2023	4,906,000	7,234,607	7,307,653				
6.25%, due June 1, 2032	6,051,000	7,312,911	7,588,220				
5.75%, due December 1, 2036	11,717,000	13,077,417	14,038,275				
5.00%, due December 1, 2038	2,212,000	2,289,057	2,409,647				
5.00%, due December 1, 2041	5,328,000	5,676,913	5,840,812				
Province of Saskatchewan							
5.80%, due September 5, 2033	3,000,000	3,458,409	3,678,208				
		110,780,801	116,324,794				
Municipalities And Subsidized Issuers (3.98%)							
City of Toronto							
5.20%, due June 1, 2040	3,681,000	3,773,970	3,956,074				
4.70%, due June 10, 2041	2,230,000	2,220,389	2,222,770				
Peel Regional Municipality							
5.10%, due June 29, 2040	1,950,000	1,992,518	2,074,980				
		7,986,877	8,253,824				
Corporations (21.86%)							
407 International Inc.							
6.47%, due July 27, 2029	800,000	896,576	953,192				
5.75%, due February 14, 2036	550,000	549,296	577,678				
6.75%, due July 27, 2039	117,802	107,847	131,030				
Aéroports de Montréal							
6.55%, due October 11, 2033	1,000,000	998,300	1,209,818				
5.67%, due October 16, 2037	255,000	232,337	280,083				
AGT Limited							
8.80%, due September 22, 2025	850,000	1,100,466	1,153,241				
AltaLink LP							
5.25%, due September 22, 2036	269,000	264,345	282,130				
Arrow Lakes Power							
5.52%, due April 5, 2041	1,285,000	1,285,000	1,325,578				
Bank of Nova Scotia							
8.90%, due June 20, 2025	250,000	370,918	355,040				
Floating, due December 31, 2036	440,000	448,432	450,434				
Bell Aliant Regional Communications Inc.							
6.17%, due February 26, 2037	818,000	702,485	772,377				
Bell Canada							
7.00%, due September 24, 2027	543,000	536,698	611,875				
7.65%, due December 30, 2031	440,000	507,124	489,774				
7.30%, due February 23, 2032	950,000	1,045,608	1,045,751				
British Columbia Ferry Services Inc.							
6.25%, due October 13, 2034	400,000	406,200	472,835				
5.02%, due March 20, 2037	97,000	73,720	98,348				
Brookfield Renewable Power Inc.							
5.84%, due November 5, 2036	861,000	700,905	773,436				
Canadian Tire Ltd.							
6.32%, due February 24, 2034	400,000	427,876	410,527				
Canadian Utilities Inc.							
5.56%, due May 26, 2028	1,100,000	1,100,000	1,196,098				
5.90%, due November 20, 2034	847,000	910,247	958,741				
5.58%, due May 26, 2038	174,000	139,809	190,775				
Capital Power Income LP							
5.95%, due June 23, 2036	665,000	620,960	586,302				
CIBC Capital Trust							
Floating, due June 30, 2039	230,000	230,000	306,212				
Enbridge Gas Distribution Inc.							
4.77%, due December 17, 2021	249,000	243,747	262,480				
5.21%, due February 25, 2036	895,000	859,339	931,675				
Enbridge Pipelines Inc.							
8.20%, due February 15, 2024	387,000	504,796	522,893				
5.08%, due December 19, 2036	757,000	738,026	773,077				
Gaz Métropolitain Inc.							
9.00%, due May 16, 2025	1,020,000	1,458,748	1,480,026				
7.05%, due October 30, 2030	97,000	94,914	122,299				
General Electric Capital Canada Funding Co.							
5.73%, due October 22, 2037	746,000	705,543	758,806				
George Weston Ltd.							
7.10%, due February 5, 2032	185,000	217,745	201,889				
6.69%, due March 1, 2033	29,000	21,721	30,392				
Greater Toronto Airport							
6.98%, due October 15, 2032	2,900,000	3,450,225	3,631,587				
Great-West Lifeco Inc.							
6.67%, due March 21, 2033	516,000	588,586	600,131				
6.00%, due November 16, 2039	400,000	400,000	435,562				
Health Montreal Collective LP							
6.72%, due September 30, 2049	675,000	675,000	692,610				
Intact Financial Corp.							
6.40%, due November 23, 2039	1,250,000	1,236,635	1,335,219				
Investors Group Inc.							
6.65%, due December 13, 2027	400,000	463,792	442,010				
7.00%, due December 31, 2032	400,000	464,805	459,371				
7.11%, due March 7, 2033	175,000	183,050	203,862				

The accompanying notes are an integral part of these financial statements.

Altamira Long Term Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Corporations (21.86%) (continued)			
Loblaw Companies Ltd.			
6.45%, due February 9, 2028	1,400,000	1,556,142	1,451,251
6.05%, due June 9, 2034	174,000	120,321	171,643
Lower Mattagami Energy LP			
5.14%, due May 18, 2041	200,000	200,000	202,491
Manulife Financial (Delaware) L.P.			
Floating, due December 15, 2036	1,055,000	1,014,358	889,999
Metro Inc			
5.97%, due October 15, 2035	568,000	546,543	568,543
Nova Scotia Power Inc.			
7.45%, due July 14, 2031	750,000	921,262	976,170
Power Corporation of Canada			
8.57%, due April 22, 2039	725,000	724,449	982,018
Power Financial Corp.			
6.90%, due March 11, 2033	539,000	663,125	618,091
Rogers Communications Inc.			
6.68%, due November 4, 2039	850,000	849,124	865,250
Royal Bank of Canada			
4.93%, due July 16, 2025	500,000	499,840	516,167
Shaw Communications Inc.			
6.75%, due November 9, 2039	1,050,000	1,022,376	1,017,856
Sun Life Capital Trust			
7.09%, due June 30, 2052	407,000	469,182	460,070
Suncor Energy Inc.			
5.39%, due March 26, 2037	887,000	856,485	900,615
TD Capital Trust IV			
Floating, due June 30, 2021	650,000	650,000	726,809
Floating, due June 30, 2039	350,000	350,000	462,382
Telus Corp.			
9.65%, due April 8, 2022	33,000	33,429	45,285
Terasen Gas Vancouver Island Inc.			
6.05%, due February 15, 2038	296,000	291,322	337,084
TransAlta Corp.			
7.30%, due October 22, 2029	300,000	362,142	326,461
TransCanada Pipelines Ltd.			
5.65%, due June 20, 2029	155,000	112,460	164,319
6.50%, due December 9, 2030	97,000	77,847	112,657
8.20%, due August 15, 2031	800,000	1,138,928	1,090,687
8.05%, due February 17, 2039	825,000	942,043	1,169,912
TransLink			
4.65%, due June 20, 2041	3,643,000	3,661,828	3,610,581
Union Gas Ltd.			
5.46%, due September 11, 2036	97,000	76,829	103,598
		43,101,856	45,285,103
Convertibles (0.51%)			
FortisAlberta Inc.			
5.40%, due April 21, 2036	1,000,000	999,258	1,066,813
Total Bonds And Debentures		197,383,002	205,228,756
Total Investments (99.11%)		197,482,978*	205,328,740
Cash And Other Net Assets (0.89%)			1,846,134
Net Assets (100%)			207,174,874

* Average cost of investments as at December 31, 2010 is \$193,610,546.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	n/a	n/a	26,177	0.01

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$0 (\$1,309 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	20.77%	30.62%
AA/Aa/A-2/P-2	59.21%	50.01%
A/A-3/P-3	12.21%	11.53%
BBB/Baa	7.81%	7.84%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	155,359	299,403
From 5 years to 10 years	17,288,254	25,236,587
More than 10 years	187,885,127	176,332,254
Total	205,328,740	201,868,244

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$6,863,459 (\$6,692,713 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	99,984	n/a	99,984
Bonds and Debentures	34,242,847	170,985,909	n/a	205,228,756
Total Investments	34,242,847	171,085,893	n/a	205,328,740

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	299,403	n/a	299,403
Bonds and Debentures	48,255,199	153,313,642	n/a	201,568,841
Total Investments	48,255,199	153,613,045	n/a	201,868,244
Derivative Assets	7,573,982	7,319,178	n/a	14,893,160
Derivative Liabilities	(7,574,076)	(7,264,021)	n/a	(14,838,097)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira Long Term Bond Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	205,328,740	201,868,244
Unrealized appreciation on foreign exchange contracts	-	75,296
Cash	148,418	66,488
Margin deposited on futures contracts	330,849	301,063
Subscriptions receivable	150,252	101,485
Proceeds from sale of investments receivable	-	2,325,249
Interest receivable	1,625,135	1,620,784
Other assets receivable	55,801	30,399
	<u>207,639,195</u>	<u>206,389,008</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	-	20,139
Redeemed units payable	216,663	384,948
Investments payable	-	2,327,628
Accrued expenses	247,658	224,861
	<u>464,321</u>	<u>2,957,576</u>
Net assets	<u>207,174,874</u>	<u>203,431,432</u>
Net assets per Series:		
Investor Series	207,172,598	203,431,432
R Series	2,276	-
	<u>207,174,874</u>	<u>203,431,432</u>
Net assets per unit, per Series:		
Investor Series	18.86	18.85
R Series	9.95	-

Approved on behalf of the Manager,
National Bank Securities Inc.
Charles Guay, Director
Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Long Term Bond Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	4,885,922	4,856,587
Expenses		
Management fees	1,122,576	1,007,486
Custodial fees	12,583	11,748
Directors' fees of independent review committee	1,188	819
Audit fees	7,109	13,225
Legal fees	2,611	1,658
Rights and deposits	10,987	8,376
Securityholders' reporting costs	179,373	156,100
Loss from derivatives	18,614	-
Fees paid by the manager	(2,711)	(3,877)
	<u>1,352,331</u>	<u>1,195,535</u>
Net investment income	<u>3,533,591</u>	<u>3,661,052</u>
Net gains		
Net realized gains on sale of investments	823,688	110,814
Net realized gains (losses) on foreign currencies	66,724	(1,329)
	<u>890,412</u>	<u>109,485</u>
Change in unrealized appreciation/depreciation on investments	(467,097)	8,248,741
Unrealized gains on foreign currencies	10,341	328
	<u>(456,756)</u>	<u>8,249,069</u>
Transaction costs on purchase and sale of investments	(1,872)	-
	<u>431,784</u>	<u>8,358,554</u>
Increase in net assets from operations	<u>3,965,375</u>	<u>12,019,606</u>
Increase in net assets from operations per Series:		
Investor Series	3,965,375	12,019,606
R Series	-	-
	<u>3,965,375</u>	<u>12,019,606</u>
Increase in net assets from operations per unit, per Series:		
Investor Series	0.36	1.13
R Series	-	-

The accompanying notes are an integral part of these financial statements.

Altamira Long Term Bond Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Série Investisseurs		Série R
	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	203,431,432	194,622,881	-
Increase in net assets from operations	3,965,375	12,019,606	-
Capital unit transactions			
Units issued	29,211,519	16,923,336	2,500
Units issued on reinvestment of distributions	3,587,070	3,659,882	8
Units redeemed	(29,392,368)	(26,305,937)	(224)
	3,406,221	(5,722,719)	2,284
Distributions to investors			
Net investment income	3,630,430	3,700,890	5
Return of capital	-	-	3
	3,630,430	3,700,890	8
Increase in net assets for the period	3,741,166	2,595,997	2,276
Net assets, end of the period	207,172,598	197,218,878	2,276

The accompanying notes are an integral part of these financial statements.

National Bank Dividend Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (2.22%)							
Treasury Bills (2.22%)							
Government of Canada							
0.91%, due July 6, 2011	1,200,000	1,199,580	1,199,843				
0.94%, due July 7, 2011	800,000	799,672	799,874				
0.96%, due July 11, 2011	2,100,000	2,099,388	2,099,489				
0.98%, due August 4, 2011	6,100,000	6,084,309	6,094,953				
1.09%, due October 13, 2011	10,500,000	10,444,326	10,472,339				
		20,627,275	20,666,498				
Bonds And Debentures (0.06%)							
Mortgage Backed Securities (0.06%)							
Canada Mortgage and Housing Corp.							
4.27%, due May 15, 2009	510,749	508,246	512,077				
Xceed Mortgage Trust							
4.48%, due March 17, 2009	80,240	79,847	79,943				
		588,093	592,020				
	Number of Shares						
Preferred Shares (59.66%)							
Fixed-Rate, Redeemable (21.03%)							
AltaGas Ltd.							
5.00%, Series A	31,010	785,778	788,274				
Bank of Montreal							
4.50%, Class B, Series 13	23,015	384,811	569,391				
5.30%, Class B, Series 5	81,720	2,178,091	2,110,010				
5.40%, Class B, Series 23	95,050	2,430,637	2,553,043				
5.80%, Class B, Series 15	32,620	787,654	872,585				
Bank of Nova Scotia							
5.25%, Series 12	89,185	1,848,704	2,266,191				
6.25%, Series 26	261,170	7,096,900	7,093,377				
BCE Inc.							
4.35%, Series AG	120,730	3,162,454	2,903,556				
4.65%, Series AI	299,140	7,560,286	7,104,575				
5.45%, Series AA	133,805	2,728,916	3,304,984				
5.54%, Series AC	152,580	3,926,144	3,700,065				
6.17%, Series R	184,990	4,513,048	4,458,259				
Brookfield Asset Management Inc.							
5.40%, Class A, Series 12	114,530	2,736,868	3,093,455				
5.50%, Class A, Series 11	158,820	4,328,553	4,041,969				
5.63%, Class A, Series 9	78,810	1,362,470	1,820,511				
5.75%, Class A, Series 10	68,415	1,811,108	1,719,269				
7.00%, Class A, Serie 22	33,285	829,422	900,026				
Brookfield Properties Corp.							
5.20%, Class AAA, Series 1	102,320	2,215,984	2,560,046				
5.75%, Class AAA, Series H	226,340	5,578,830	5,792,041				
6.00%, Class AAA, Series F	70,370	1,682,767	1,776,842				
6.75%, Class AAA, Series L	40,000	1,048,000	1,054,000				
Brookfield Renewable Power Inc.							
5.25%, Series I	140,315	3,522,693	3,592,064				
Canadian Imperial Bank of Commerce							
5.35%, Class A, Series 33	35,870	958,637	947,327				
5.50%, Class A, Series 18	26,615	673,583	670,698				
5.75%, Class A, Series 26	45,650	1,167,562	1,146,728				
Canadian Utilities Ltd.							
5.80%, Series W	96,080	2,354,113	2,425,059				
6.00%, Series X	58,260	1,413,888	1,482,717				
Capital Power Corp.							
4.00%, Series 1	9,680	240,064	240,742				
Dundee Wealth Management Inc.							
4.75%, Series 1	167,310	4,237,721	4,366,791				
Fortis Inc.							
4.25%, Series H	83,410	2,086,210	2,106,102				
4.90%, Series E	252,430	6,725,978	6,765,124				
5.45%, Series C	570	14,535	14,723				
Fixed-Rate, Redeemable (21.03%) (continued)							
Manulife Financial Corp.							
4.10%, Class A, Series 1	269,520	6,626,806	6,821,551				
4.50%, Class A, Series 3	103,990	1,711,737	2,298,179				
National Bank of Canada							
4.85%, Series 16	24,695	599,833	620,585				
6.00%, Series 20	25,490	665,166	675,740				
Power Corporation of Canada							
5.00%, Series D	374,915	8,191,877	8,907,980				
5.35%, Series B	150,230	3,908,029	3,638,571				
5.80%, Series C	91,450	2,299,721	2,284,421				
Power Financial Corp.							
4.95%, Series K	296,435	7,699,403	6,981,044				
5.10% Series L	337,960	8,475,857	8,090,762				
5.90%, Series F	141,590	3,701,554	3,585,059				
6.00%, Series I	38,420	1,030,198	973,947				
6.00%, Series M	47,485	1,288,929	1,280,196				
Royal Bank of Canada							
5.65%, Series AH	11,945	286,235	313,556				
6.25%, Series AP	74,415	2,055,128	2,019,623				
6.25%, Series AT	231,520	6,397,860	6,339,018				
6.25%, Series AV	176,650	4,767,564	4,845,510				
Toronto-Dominion Bank							
4.60%, Class A, Series N	56,385	1,469,247	1,453,605				
4.85%, Class A, Series O	387,960	9,282,379	9,780,472				
5.25%, Class A, Series P	2,420	60,137	62,944				
5.60%, Class A, Series Q	109,280	2,346,135	2,867,507				
5.60%, Class A, Series R	251,495	5,702,544	6,639,468				
6.25%, Class A, Series AG	255,890	6,589,169	6,988,356				
6.25%, Class A, Series AI	149,140	4,102,958	4,098,367				
6.25%, Class A, Series AK	265,990	7,035,548	7,298,766				
TransCanada Corp.							
4.00%, Series 3	44,275	1,100,974	1,113,516				
5.60%, Series Y	35,240	1,845,219	1,765,524				
Westcoast Energy Inc.							
5.50%, Series 7	187,650	4,785,998	4,550,512				
5.60%, Series 8	2,810	54,092	68,171				
Yellow Media Inc.							
4.25%, Series 1	185,710	4,548,147	4,187,760				
5.00%, Series 2	88,885	1,895,774	1,345,719				
		192,916,627	196,136,973				
Fixed-Rate, Retractable (1.69%)							
Brookfield Properties Corp.							
5.00%, Class AAA, Series J	80,560	2,042,591	2,028,501				
5.20%, Class AAA, Series K	157,060	4,015,424	3,965,765				
Canadian General Investments Ltd.							
3.90%, Class A, Series 3	73,620	1,846,805	1,848,598				
Dundee Bancorp Inc.							
5.00%, Series 1	193,240	4,714,257	4,888,972				
National Bank of Canada							
5.85%, Series 15	34,710	882,345	888,923				
Power Financial Corp.							
5.75%, Series H	39,035	874,596	977,046				
RioCan Real Estate Investment Trust							
5.25%, Series A	34,195	843,089	871,972				
TransCanada Corp.							
5.60%, Series U	6,170	282,586	309,734				
		15,501,693	15,779,511				

The accompanying notes are an integral part of these financial statements.

National Bank Dividend Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
		\$	\$			\$	\$
Fixed-Rate, Non Redeemable (31.57%)				Floating-Rate, Retractable or Redeemable (0.37%)			
Bank of Montreal				TransCanada Corp.			
5.14%, Series 14	227,135	5,678,806	5,850,998	4.40%, Series 5	135,440	3,457,043	3,453,720
6.50%, Series 18	39,025	1,024,989	1,069,675	Floating-Rate, Redeemable (5.00%)			
6.50%, Series 21	257,915	6,845,769	7,123,612	BCE Inc.			
Bank of Nova Scotia				4.15%, Series AK	47,280	1,172,544	1,172,544
4.50%, Series 14	93,385	2,286,307	2,300,073	4.50%, Series T	189,430	4,778,473	4,517,906
4.50%, Series 15	11,500	280,600	282,785	5.00%, Series AJ	125,710	3,236,510	2,991,898
4.80%, Series 13	270,870	5,708,535	6,744,663	Bell Aliant Inc.			
5.25%, Series 16	281,760	6,750,710	7,221,509	4.85%, Series A	57,720	1,438,123	1,443,000
5.60%, Series 17	153,825	3,904,751	3,999,450	BPO Properties Ltd.			
6.25%, Series 28	180,950	4,573,611	4,887,460	Series G	119,930	2,653,832	1,798,950
BCE Inc.				Brookfield Asset Management Inc.			
4.40%, Series 16	109,555	2,833,572	2,645,753	Class A, Series 2	24,125	450,648	460,305
Canadian Imperial Bank of Commerce				Class A, Series 4	147,265	2,783,298	2,805,398
4.70%, Class A, Series 31	537,360	13,441,466	13,219,056	Class A, Series 13	360,480	8,418,448	6,863,539
4.80%, Class A, Series 30	509,100	12,909,687	13,088,961	Co-Operators General Insurance Co.			
5.40%, Class A, Series 29	447,630	11,250,003	11,217,608	7.25%, Class E, Series D	44,110	1,207,353	1,206,408
5.60%, Class A, Series 27	89,395	2,037,239	2,242,921	Dundee Bancorp Inc.			
6.50%, Class A, Series 35	281,185	7,714,541	7,693,222	6.75%, Series 2	32,220	877,891	850,608
6.25%, Class A, Series 37	208,695	5,775,472	5,734,939	First National Financial Corp.			
CU Inc.				4.65%, Series 1	16,950	394,088	385,612
4.60%, Series 1	117,700	2,942,500	2,654,135	GMP Capital Inc.			
6.70%, Series 2	144,905	3,876,491	4,022,563	5.50%, B Series	8,240	204,352	203,116
George Weston Ltd.				Great-West Lifeco Inc.			
4.75%, Series 5	94,020	1,963,390	2,059,038	3.65%, Series N	97,530	2,418,744	2,381,683
5.20%, Series 3	96,230	2,455,855	2,246,970	6.00%, Series J	279,840	7,282,863	7,485,720
5.20%, Series 4	298,550	7,629,249	6,983,084	Husky Energy Inc.			
Great-West Lifeco Inc.				4.45%, Series 1	77,350	1,918,280	1,980,934
4.50%, Series I	457,060	10,846,493	10,242,715	Intact Financial Corp.			
4.85%, Series H	665,010	15,655,510	15,647,685	4.20%, Series 1	41,290	1,023,992	1,023,992
5.20%, Series G	126,300	2,781,725	3,114,558	Shaw Communications Inc.			
HSBC Bank Canada				4.50%, Series A	39,740	985,552	1,003,435
5.00%, Series D	271,950	5,069,423	6,662,775	TransCanada Corp.			
5.10%, Series C	286,070	7,359,754	7,094,536	4.60%, Series 1	271,115	6,971,340	6,994,767
6.60%, Series E	248,205	6,764,802	6,800,817	Yellow Media Inc.			
Industrial Alliance, Insurance & Financial Services Inc.				6.75%, Series 3	72,315	1,744,603	1,099,911
4.60%, Class A, Series A	79,400	1,323,002	1,796,028	<u>49,960,934</u>	<u>46,669,726</u>		
Manulife Financial Corp.				Total Preferred Shares	553,502,927		556,501,011
4.65%, Class A, Series 2	489,520	11,480,355	11,082,733	Canadian Equities (15.43%)			
5.60%, Series 1	316,080	8,371,351	8,347,673	Consumer Discretionary (0.55%)			
6.60%, Series 4	664,630	18,335,502	18,011,473	Boston Pizza Royalties Income Fund	33,846	428,551	453,536
Rona Inc.				Magna International Inc., Class A	89,404	4,020,974	4,653,478
5.25%, Series 6	108,270	2,705,515	2,706,750	<u>4,449,525</u>	<u>5,107,014</u>		
Royal Bank of Canada				Consumer Staples (0.70%)			
4.60%, Series AC	129,575	3,245,517	3,174,588	Maple Leaf Foods Inc.	163,594	1,927,840	1,935,317
4.70%, Series AB	291,960	7,315,203	7,258,126	Metro Inc., Class A	36,024	1,665,462	1,728,432
4.90%, Series W	398,160	9,844,507	9,822,607	Shoppers Drug Mart Corp.	71,804	2,898,678	2,848,465
6.10%, Series AX	316,440	8,701,231	8,702,100	<u>6,491,980</u>	<u>6,512,214</u>		
6.25%, Series AN	148,540	3,986,392	4,026,919	Energy (4.52%)			
6.25%, Series AR	225,025	6,059,680	6,125,180	Baytex Energy Corp.	103,745	3,899,723	5,438,313
Sun Life Financial Inc.				Canadian Natural Resources Ltd.	191,216	7,487,266	7,707,917
4.45%, Class A, Series 3	53,250	1,160,145	1,173,630	Cenovus Energy Inc.	132,740	3,941,459	4,819,789
4.45%, Class A, Series 4	83,555	1,629,135	1,840,717	Crescent Point Energy Corp.	57,709	2,508,922	2,562,280
4.50%, Class A, Series 5	134,085	2,958,243	2,976,687	Husky Energy Inc.	102,500	2,880,002	2,691,650
4.75%, Class A, Series 1	524,260	12,000,925	12,173,317	Inter Pipeline Corridor Inc.	101,723	1,251,667	1,611,292
4.80%, Class A, Series 2	578,815	13,860,266	13,544,271	Penn West Petroleum Ltd.	93,902	2,158,000	2,086,502
6.00%, Class A, Series 6R	361,495	9,527,003	9,677,221	Peyto Exploration & Development Corp.	88,669	1,565,301	1,902,837
Toronto-Dominion Bank							
6.25%, Class A, Series AE	318,010	8,379,368	8,713,474				
Union Gas Ltd.							
5.50%, Class A, Series A	6,080	281,540	307,770				
6.00%, Class A, Series D	2,810	140,500	148,256				
		<u>291,666,630</u>	<u>294,461,081</u>				

The accompanying notes are an integral part of these financial statements.

National Bank Dividend Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
		\$	\$			\$	\$
Energy (4.52%) (continued)				Telecommunication Services (0.66%)			
Progress Energy Resources Corp.	66,000	943,683	905,520	BCE Inc.	48,538	1,377,095	1,835,707
Suncor Energy Inc.	229,178	8,599,379	8,635,427	Rogers Communications Inc., Class B	112,801	4,173,396	4,293,206
TransCanada Corp.	45,076	1,780,989	1,902,207			5,550,491	6,128,913
Trilogy Energy Corp.	29,600	697,042	702,112	Utilities (0.31%)			
Trinidad Drilling Ltd.	142,084	1,194,986	1,189,243	Canadian Utilities Ltd.	12,708	581,691	711,140
		38,908,419	42,155,089	TransAlta Corp.	101,768	2,163,154	2,093,368
Financials (4.22%)				Valener Inc.	4,603	75,010	74,569
AGF Management Ltd., Class B	148,861	2,692,233	2,783,701			2,819,855	2,879,077
Allied Properties Real Estate Investment Trust	33,190	726,710	788,926	Total Canadian Equities		134,160,083	143,898,710
Bank of Montreal	18,700	1,121,422	1,145,001		Number of Units		
Bank of Nova Scotia	87,252	4,603,957	5,060,616	Mutual Funds (21.16%)			
Boardwalk Real Estate Investment Trust	19,149	629,038	922,982	National Bank Bond Fund	19,049,637	195,715,279	197,354,243
Brookfield Asset Management Inc., Class A	30,107	857,715	961,919	Index Equivalent (1.66%)			
Canadian Imperial Bank of Commerce	40,179	2,976,645	3,057,622	iShares S&P#TSX 60	810,100	16,027,447	15,464,807
H&R Real Estate Investment Trust	59,585	770,708	1,284,057	Total Investments (100.19%)		920,621,104*	934,477,289
Industrial Alliance, Insurance & Financial Services Inc.	34,700	1,399,786	1,390,776	Cash And Other Net Assets (-0.19%)			(1,743,133)
Manulife Financial Corp.	82,693	1,380,520	1,408,262	Net Assets (100%)			932,734,156
Power Financial Corp.	46,100	1,445,235	1,369,631				
Royal Bank of Canada	144,788	7,434,258	7,961,892				
Sun Life Financial Inc.	81,096	2,537,482	2,347,729				
Toronto-Dominion Bank	108,701	7,193,343	8,886,307				
		35,769,052	39,369,421				
Industrials (1.70%)							
Black Diamond Group Ltd.	30,200	788,220	950,696				
Bombardier Inc., Class B	301,656	1,955,094	2,087,460				
CAE Inc.	110,700	1,430,488	1,436,886				
Canadian Pacific Railway Co.	47,662	2,935,354	2,862,103				
CanWel Building Materials Group Ltd.	373,823	1,782,422	1,140,160				
Finning International Inc.	127,306	3,369,814	3,629,494				
Russel Metals Inc.	29,100	708,585	713,241				
SNC-Lavalin Group Inc.	44,273	2,605,148	2,603,252				
Westshore Terminals Investment Corp.	17,203	413,439	410,292				
		15,988,564	15,833,584				
Information Technology (0.13%)							
Macdonald Dettwiler & Associates Ltd.	21,620	1,198,401	1,173,317				
Materials (2.65%)							
Agnico-Eagle Mines Ltd.	11,500	722,082	701,270				
Agrium Inc.	27,997	2,473,053	2,367,146				
Barrick Gold Corp.	99,656	4,209,459	4,351,978				
First Quantum Minerals Ltd.	8,243	951,971	1,158,554				
Goldcorp Inc.	100,851	4,004,676	4,691,589				
IAMGOLD Corp.	34,404	659,330	622,712				
Kinross Gold Corp.	141,880	2,181,682	2,156,576				
Labrador Iron Ore Royalty Corp.	14,694	352,410	568,658				
Methanex Corp.	24,300	709,312	733,131				
Potash Corporation of Saskatchewan Inc.	87,247	4,097,491	4,790,733				
Silvercorp Metals Inc.	55,148	597,782	499,089				
Teck Resources Ltd., Class B	42,961	2,024,548	2,098,645				
		22,983,796	24,740,081				

* Average cost of investments as at December 31, 2010 is \$859,904,426.

The accompanying notes are an integral part of these financial statements.

National Bank Dividend Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Furthermore, the fund holds units in another fund. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	21,178,575	36,370,934
From 1 year to 3 years	79,943	685,254
Non-interest-bearing instruments	913,218,771	836,400,535
Total	934,477,289	873,456,723

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$9,690 (\$21,721 in 2010).

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (25%) - S&P/TSX DVD Aristocrats Index (15%) - S&P/TSX Preferred Share Index TR (60%)	± 42,812,498	4.59%	± 40,562,630	4.64%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	20,666,498	n/a	20,666,498
Bonds and Debentures	n/a	512,077	79,943	592,020
Preferred Shares	411,392,506	142,911,969	2,196,536	556,501,011
Common Shares	143,898,710	n/a	n/a	143,898,710
Mutual Funds	197,354,243	n/a	n/a	197,354,243
Index Equivalent	15,464,807	n/a	n/a	15,464,807
Total Investments	768,110,266	164,090,544	2,276,479	934,477,289

During the period ended June 30, 2011, investments of \$113,231,393 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$25,635,342 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	32,641,929	n/a	32,641,929
Bonds and Debentures	n/a	3,729,005	685,254	4,414,259
Preferred Shares	452,751,602	53,569,264	304,122	506,624,988
Common Shares	129,516,870	n/a	n/a	129,516,870
Mutual Funds	200,258,677	n/a	n/a	200,258,677
Total Investments	782,527,149	89,940,198	989,376	873,456,723

During the year ended December 31, 2010, investments of \$21,372,048 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$93,994,633 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	989,375	3,449,692
Purchases	2,196,535	2,656,751
Sales	(607,558)	(5,435,631)
Transfers into Level 3	-	304,122
Transfers out of Level 3	(304,122)	-
Realized gains	2,977	13,617
Change in unrealized appreciation	(729)	825
Ending Balance (December 31)	2,276,479	989,376

The accompanying notes are an integral part of these financial statements.

National Bank Dividend Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	934,477,289	873,456,723
Cash	769,348	2,403,187
Subscriptions receivable	828,821	662,206
Proceeds from sale of investments receivable	1,977,601	-
Interest and dividends receivable	2,335,797	2,199,386
Other assets receivable	448,859	297,381
	<u>940,837,715</u>	<u>879,018,883</u>
Liabilities		
Redeemed units payable	1,018,884	431,939
Investments payable	5,635,649	3,023,725
Accrued expenses	1,449,026	1,368,613
	<u>8,103,559</u>	<u>4,824,277</u>
Net assets	<u>932,734,156</u>	<u>874,194,606</u>
Net assets per Series:		
Investor/Advisor Series	918,224,728	860,138,154
F Series	617,455	594,182
O Series	13,880,731	13,462,270
R Series	11,242	-
	<u>932,734,156</u>	<u>874,194,606</u>
Net assets per unit, per Series:		
Investor/Advisor Series	15.90	15.75
F Series	8.71	8.63
O Series	11.70	11.59
R Series	9.89	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Dividend Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	235,061	1,851,886
Dividends	17,325,677	18,101,817
Income from investment funds	3,637,128	4,483,941
Income from securities lending	4,036	-
Other income	3,752	-
	<u>21,205,654</u>	<u>24,437,644</u>
Expenses		
Management fees	7,149,721	9,254,742
Custodial fees	51,472	64,056
Directors' fees of independent review committee	6,111	4,321
Audit fees	27,175	66,146
Legal fees	9,981	8,291
Rights and deposits	50,584	39,718
Securityholders' reporting costs	691,986	717,264
Fees paid by the manager	(154,585)	(16,667)
	<u>7,832,445</u>	<u>10,137,871</u>
Net investment income	<u>13,373,209</u>	<u>14,299,773</u>
Net gains (losses)		
Net realized gains on sale of investments	7,860,579	2,642,575
Net realized gains on foreign currencies	-	983
	<u>7,860,579</u>	<u>2,643,558</u>
Change in unrealized appreciation/depreciation on investments	303,888	(23,770,179)
Unrealized gains (losses) on foreign currencies	(229)	453
	<u>303,659</u>	<u>(23,769,726)</u>
Transaction costs on purchase and sale of investments	(626,369)	(640,129)
	<u>7,537,869</u>	<u>(21,766,297)</u>
Increase (decrease) in net assets from operations	<u>20,911,078</u>	<u>(7,466,524)</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	20,462,822	(7,489,261)
F Series	16,118	(638)
O Series	432,219	23,375
R Series	(81)	-
	<u>20,911,078</u>	<u>(7,466,524)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.36	(0.10)
F Series	0.24	(0.01)
O Series	0.37	0.02
R Series	(0.07)	-

The accompanying notes are an integral part of these financial statements.

National Bank Dividend Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		O Series		R Series
	2011	2010	2011	2010	2011	2010	2011 (34 days)
	\$	\$	\$	\$	\$	\$	\$
Net assets, beginning of the period	860,138,154	1,161,401,530	594,182	788,300	13,462,270	11,947,654	-
Increase (decrease) in net assets from operations	20,462,822	(7,489,261)	16,118	(638)	432,219	23,375	(81)
Capital unit transactions							
Units issued	146,153,915	150,568,878	178,788	5,000	940,000	1,865,000	11,447
Units issued on reinvestment of distributions	12,521,492	13,994,957	10,552	10,645	314,536	250,511	40
Units redeemed	(108,313,912)	(123,762,904)	(171,633)	(187,467)	(953,758)	(566,585)	(124)
	50,361,495	40,800,931	17,707	(171,822)	300,778	1,548,926	11,363
Distributions to investors							
Net investment income	12,737,743	14,259,853	10,552	10,645	314,536	250,511	21
Return of capital	-	-	-	-	-	-	19
	12,737,743	14,259,853	10,552	10,645	314,536	250,511	40
Increase (decrease) in net assets for the period	58,086,574	19,051,817	23,273	(183,105)	418,461	1,321,790	11,242
Net assets, end of the period	918,224,728	1,180,453,347	617,455	605,195	13,880,731	13,269,444	11,242

The accompanying notes are an integral part of these financial statements.

Altamira Global Bond Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value			
	\$	\$	\$		\$	\$	\$			
Money Market (0.06%)				Global (68.10%) (continued)						
Treasury Bills (0.06%)				Italy Government Bond						
Government of Canada				2.00%, due December 15, 2012						
0.94%, due July 7, 2011				100,000	99,959	99,984	3,700,000	4,922,465	5,105,995	
Bonds And Debentures (98.59%)				4.00%, due February 1, 2017				7,565,000	10,713,724	10,473,547
Issued And Guaranteed By				4.25%, due March 1, 2020				1,050,000	1,429,875	1,431,523
The Government Of Canada (1.58%)				Japan Finance Organization						
Canada Housing Trust				for Municipalities						
2.75%, due December 15, 2015				1,000	998	1,013	1,250,000,000	15,702,744	16,065,175	
2.75%, due June 15, 2016				2,735,000	2,760,545	2,757,260	660,000,000	7,973,153	8,516,965	
							1,295,000,000	16,367,376	16,399,950	
					2,761,543	2,758,273	Spain Government Bond			
Issued And Guaranteed By				4.00%, due April 30, 2020				1,250,000	1,561,026	1,571,152
A Province (4.52%)				4.85%, due October 31, 2020				1,740,000	2,446,851	2,314,076
CDP Financial Inc.				United Kingdom Gilt						
3.00%, due November 25, 2014				1,200,000	1,258,411	1,203,975	4.00%, due September 7, 2016	700,000	1,352,598	1,178,371
Hydro-Québec				3.75%, due September 7, 2020				1,250,000	2,079,149	1,991,245
7.50%, due April 1, 2016				5,375,000	6,770,206	6,448,352	4.25%, due September 7, 2039	2,350,000	3,779,236	3,625,691
Province of Ontario										
4.50%, due February 3, 2015				200,000	226,326	213,019				
					8,254,943	7,865,346	117,724,107	118,527,116		
Corporations (10.84)				United States (13.46%)						
Canadian Imperial Bank of Commerce				United States Treasury						
5.00%, due September 10, 2012				2,600,000	2,749,812	2,699,019	3.88%, due May 15, 2018	1,020,000	1,154,038	1,077,635
3.40%, due January 14, 2016				3,000,000	2,987,100	3,041,139	3.50%, due May 15, 2020	4,300,000	4,458,531	4,329,750
Royal Bank of Canada				2.63%, due November 15, 2020				10,250,000	9,623,846	9,521,574
2.88%, due April 19, 2016				2,727,000	2,618,518	2,685,716	5.38%, due February 15, 2031	5,075,000	6,590,777	5,736,901
Toronto-Dominion Bank				3.88%, due August 15, 2040				3,135,000	3,239,930	2,768,582
Floating, due November 1, 2012				10,000,000	10,617,800	10,437,672				
					18,973,230	18,863,546	25,067,122	23,434,442		
Global (68.10%)				Supranational Entities (0.09%)						
Australia Government Bond				European Investment Bank						
4.75%, due November 15, 2012				5,000,000	4,450,654	5,172,017	5.38%, due October 15, 2012	105,000	178,560	153,286
Belgium Government Bond										
4.00%, due March 28, 2017				3,500,000	5,110,043	4,986,149	Total Bonds And Debentures			
Bundesrepublik Deutschland								172,959,505	171,602,009	
3.25%, due January 4, 2020				5,480,000	7,524,952	7,897,324	Total Investments (98.65%)			
3.00%, due July 4, 2020				2,410,000	3,427,644	3,395,906	173,059,464*	171,701,993		
5.50%, due January 4, 2031				1,533,000	2,739,304	2,666,774	Unrealized Depreciation On Foreign Exchange Contracts (-0.24%)			
3.25%, due April 7, 2042				1,200,000	1,576,896	1,522,740	(424,800)			
Bundesschatzanweisungen								Margin Deposited On Futures Contracts (0.61%)		
1.50%, due March 15, 2013				6,350,000	8,857,938	8,871,341	1,058,376			
Development Bank of Japan								Cash And Other Net Assets (0.98%)		
1.60%, due June 20, 2014				730,000,000	9,047,315	9,076,848	1,718,066			
1.05%, due June 20, 2023				245,000,000	2,873,625	2,819,750	Net Assets (100%)			
Government of France								174,053,636		
3.75%, due October 25, 2019				2,375,000	3,787,539	3,444,577				

* Average cost of investments as at December 31, 2010 is \$166,697,917.

Interest Rate Futures (-0.30%)

	Position	Number Of Futures	Maturity Date	Market Exposure ⁽¹⁾	Fair Value Positive (Negative)
				\$	\$
United States (-0.30%)					
United States Government Bond 30 years	Long	15	September 2011	1,826,522	(3,165)
Assets Placed In Collateral (100.30%)					1,061,542
Margin Deposited On Futures Contracts (100%)					1,058,377

⁽¹⁾ Market exposures represents the portfolio's exposure to particular stock market fluctuations resulting from investments in futures.

The accompanying notes are an integral part of these financial statements.

Altamira Global Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
July 1, 2011	0.6928	US	2,886,940	2,800,988	EU	2,000,000	2,813,734	12,746
September 21, 2011	1.3687	EU	625,000	882,847	AU	855,439	886,128	3,281
September 21, 2011	1.6104	GB	225,000	354,431	US	362,329	356,020	1,589
September 21, 2011	1.6209	GB	555,246	882,358	US	900,000	891,943	9,585
September 21, 2011	1.5886	GB	283,274	438,914	CA	450,000	450,000	11,086
September 21, 2011	1.3784	GB	275,000	435,841	CH	379,067	445,733	9,892
September 21, 2011	0.6927	US	469,209	455,458	EU	325,000	456,347	889
September 21, 2011	1.4043	EU	4,430,000	6,193,917	CA	6,221,049	6,221,049	27,132
September 21, 2011	1.1722	CH	804,000	924,727	CA	942,472	942,472	17,746
								93,946

Unrealized Depreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
July 1, 2011	1.4437	EU	1,000,000	1,414,459	US	1,443,660	1,408,269	(6,190)
July 1, 2011	1.4425	EU	1,000,000	1,413,899	US	1,442,520	1,406,610	(7,289)
September 21, 2011	83.3691	AU	875,000	901,629	JP	72,947,962	880,626	(21,003)
September 21, 2011	1.5972	GB	225,000	351,867	US	359,379	350,606	(1,261)
September 21, 2011	1.594	GB	175,000	273,396	US	278,945	271,862	(1,534)
September 21, 2011	114.3081	EU	125,000	174,293	JP	14,288,513	171,143	(3,150)
September 21, 2011	0.629	CA	900,000	900,000	GB	566,135	877,188	(22,812)
September 21, 2011	1.4188	EU	325,000	451,513	US	461,095	442,782	(8,731)
September 21, 2011	0.7237	CH	379,983	436,369	GB	275,000	425,423	(10,946)
September 21, 2011	0.8894	AU	900,000	932,394	CH	800,460	930,218	(2,176)
September 21, 2011	1.0201	CA	21,923,962	21,923,962	US	22,365,000	21,617,084	(306,878)
September 21, 2011	0.6268	CA	3,659,962	3,659,962	GB	2,294,000	3,554,400	(105,562)
September 21, 2011	81.9675	CA	1,060,201	1,060,201	JP	86,902,000	1,043,799	(16,402)
September 21, 2011	1.0229	AU	1,910,000	1,958,456	CA	1,953,644	1,953,644	(4,812)
								(518,746)

Unrealized Depreciation On Foreign Exchange Contracts

(424,800)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	58,061,423	31.87%	53,597,829	32.11%
Australian Dollar	2,298,541	1.26%	1,378,735	0.83%
Euro	47,913,211	26.30%	46,005,885	27.56%
Japanese Yen	55,198,650	30.30%	53,443,096	32.02%
Pound Sterling	9,043,247	4.96%	10,464,787	6.27%
Swiss Franc	14,855	0.01%	n/a	n/a

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$8,626,496 (\$8,244,517 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	48.81%	53.31%
AA/Aa/A-2/P-2	51.19%	46.69%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	99,984	n/a
From 1 year to 3 years	41,516,177	31,789,449
From 3 years to 5 years	32,415,649	8,227,226
From 5 years to 10 years	62,129,795	92,843,153
More than 10 years	35,540,388	31,876,146
Total	171,701,993	164,735,974

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$2,806,243 (\$2,817,684 in 2010).

The accompanying notes are an integral part of these financial statements.

▶ SHORT TERM AND INCOME FUNDS

Altamira Global Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	99,984	n/a	99,984
Bonds and Debentures	75,039,511	96,562,498	n/a	171,602,009
Total Investments	75,039,511	96,662,482	n/a	171,701,993
Derivatives Assets	1,826,522	48,797,080	n/a	50,623,602
Derivatives Liabilities	(1,829,687)	(49,221,880)	n/a	(51,051,567)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Bonds and Debentures	71,044,471	93,691,503	n/a	164,735,974
Total Investments	71,044,471	93,691,503	n/a	164,735,974
Derivative Assets	41,939,929	42,141,248	n/a	84,081,177
Derivative Liabilities	(42,003,002)	(42,628,373)	n/a	(84,631,375)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira Global Bond Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	171,701,993	164,735,974
Unrealized appreciation on foreign exchange contracts	93,946	52,807
Cash	105,337	92,629
Margin deposited on futures contracts	1,058,377	1,126,091
Subscriptions receivable	72,337	72,247
Proceeds from sale of investments receivable	24,087,634	-
Interest receivable	1,615,581	1,672,455
Other assets receivable	87,344	62,873
	<u>198,822,549</u>	<u>167,815,076</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	518,746	539,932
Redeemed units payable	123,519	72,496
Investments payable	23,841,234	-
Accrued expenses	285,414	283,425
	<u>24,768,913</u>	<u>895,853</u>
Net assets	<u>174,053,636</u>	<u>166,919,223</u>
Net assets per Series:		
Investor/Advisor Series	168,677,074	161,576,157
O Series	5,376,562	5,343,066
	<u>174,053,636</u>	<u>166,919,223</u>
Net assets per unit, per Series:		
Investor/Advisor Series	8.24	8.30
O Series	8.35	8.41

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Global Bond Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	2,703,925	3,939,790
Income from investment funds	-	173,891
Income from derivatives	23,914	-
	<u>2,727,839</u>	<u>4,113,681</u>
Expenses		
Management fees	1,300,725	2,137,562
Custodial fees	33,241	38,909
Directors' fees of independent review committee	4,190	3,450
Audit fees	8,108	21,954
Legal fees	2,978	2,752
Rights and deposits	19,693	20,402
Securityholders' reporting costs	473,346	573,917
Loss from derivatives	-	787,348
Fees paid by the manager	(367,599)	(389,666)
	<u>1,474,682</u>	<u>3,196,628</u>
Net investment income	<u>1,253,157</u>	<u>917,053</u>
Net gains (losses)		
Net realized losses on sale of investments	(632,414)	(7,763,983)
Net realized losses on foreign currencies	(1,143,523)	(1,681,129)
	<u>(1,775,937)</u>	<u>(9,445,112)</u>
Change in unrealized appreciation/depreciation on investments	666,796	12,531,565
Unrealized gains (losses) on foreign currencies	9,685	(1,351,603)
	<u>676,481</u>	<u>11,179,962</u>
Transaction costs on purchase and sale of investments	(38,549)	(11,717)
	<u>(1,138,005)</u>	<u>1,723,133</u>
Increase in net assets from operations	<u>115,152</u>	<u>2,640,186</u>
Increase in net assets from operations per Series:		
Investor/Advisor Series	65,162	2,395,867
O Series	49,990	244,319
	<u>115,152</u>	<u>2,640,186</u>
Increase in net assets from operations per unit, per Series:		
Investor/Advisor Series	-	0.07
O Series	0.08	0.81

The accompanying notes are an integral part of these financial statements.

Altamira Global Bond Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		O Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	161,576,157	267,831,620	5,343,066	1,148,469
Increase in net assets from operations	65,162	2,395,867	49,990	244,319
Capital unit transactions				
Units issued	27,002,849	50,663,694	-	4,000,000
Units issued on reinvestment of distributions	1,215,455	738,027	86,480	8,150
Units redeemed	(19,964,917)	(36,337,469)	(16,494)	(7,699)
	8,253,387	15,064,252	69,986	4,000,451
Distributions to investors				
Net investment income	1,217,632	740,080	86,480	8,150
Increase in net assets for the period	7,100,917	16,720,039	33,496	4,236,620
Net assets, end of the period	168,677,074	284,551,659	5,376,562	5,385,089

The accompanying notes are an integral part of these financial statements.

Altamira Corporate Bond Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (0.29%)				Corporations (92.55%) (continued)			
Treasury Bills (0.29%)				British Columbia Ferry Services Inc.			
Government of Canada				5.02%, due March 20, 2037			
0.96%, due July 11, 2011				1,755,000			
1.12%, due October 13, 2011				1,781,412			
				2,150,000			
				2,149,162			
				3,152,000			
				2,882,873			
				2,831,439			
				Cadillac Fairview			
				4.31%, due January 25, 2021			
				1,400,000			
				1,399,664			
				1,431,396			
				Calloway Real Estate Investment Trust			
				5.37%, due October 12, 2016			
				1,435,000			
				1,507,107			
				1,489,364			
				Cameco Corp.			
				4.70%, due September 16, 2015			
				1,085,000			
				1,154,070			
				1,136,714			
				840,000			
				910,314			
				892,080			
				Canadian Imperial Bank of Commerce			
				5.00%, due September 10, 2012			
				3,640,000			
				3,855,203			
				3,778,627			
				Floating, due April 30, 2015			
				3,235,000			
				3,368,877			
				3,354,521			
				Floating, due November 2, 2015			
				6,400,000			
				6,386,496			
				6,328,193			
				Canadian Western Bank			
				Floating, due November 30, 2015			
				2,050,000			
				2,050,000			
				2,064,283			
				Capital Power LP			
				4.60%, due December 1, 2015			
				2,550,000			
				2,549,184			
				2,599,742			
				5.28%, due November 16, 2020			
				4,605,000			
				4,545,378			
				4,555,051			
				CI Financial Corp.			
				3.30%, due December 17, 2012			
				6,525,000			
				6,635,598			
				6,603,514			
				4.19%, due December 16, 2014			
				1,165,000			
				1,206,328			
				1,201,716			
				CI Investments Inc.			
				Floating, due December 14, 2015			
				4,000,000			
				3,998,920			
				4,050,274			
				CIBC Capital Trust			
				Floating, due June 30, 2019			
				1,267,000			
				1,644,249			
				1,657,272			
				Citigroup Finance Canada Inc.			
				4.90%, due November 13, 2012			
				2,265,000			
				2,321,299			
				2,341,572			
				5.50%, due May 21, 2013			
				1,377,000			
				1,441,898			
				1,442,815			
				Daimler Canada Finance Inc.			
				Floating, due July 15, 2011			
				3,000,000			
				3,000,000			
				3,000,600			
				Empire Life Insurance			
				Floating, due May 20, 2014			
				3,450,000			
				3,776,981			
				3,741,862			
				Enbridge Gas Distribution Inc.			
				5.21%, due February 25, 2036			
				1,580,000			
				1,687,300			
				1,644,746			
				Enbridge Pipelines Inc.			
				5.08%, due December 19, 2036			
				1,530,000			
				1,599,568			
				1,562,493			
				Enmax Corp.			
				6.15%, due June 19, 2018			
				750,000			
				831,208			
				823,467			
				EPCOR Utilities Inc.			
				5.80%, due January 31, 2018			
				1,262,000			
				1,421,529			
				1,412,207			
				Finning International Inc.			
				6.02%, due June 1, 2018			
				885,000			
				997,742			
				1,002,515			
				First Capital Realty Inc.			
				5.49%, due December 1, 2011			
				1,835,000			
				1,881,939			
				1,860,114			
				5.36%, due January 31, 2014			
				1,195,000			
				1,251,017			
				1,250,794			
				5.95%, due June 1, 2015			
				3,000,000			
				3,255,600			
				3,215,092			
				5.85%, due January 31, 2017			
				310,000			
				329,871			
				330,346			
				5.48%, due July 30, 2019			
				2,025,000			
				2,026,883			
				2,059,688			
				Ford Credit Canada Ltd.			
				4.88%, due March 17, 2014			
				1,650,000			
				1,650,000			
				1,653,792			
				7.50%, due August 18, 2015			
				3,130,000			
				3,271,250			
				3,377,792			
				Gaz Métropolitain Inc.			
				4.93%, due June 18, 2019			
				3,405,000			
				3,676,017			
				3,678,453			
				General Electric Capital Canada Funding Co.			
				5.29%, due August 17, 2012			
				2,560,000			
				2,702,600			
				2,657,887			
				5.28%, due October 22, 2014			
				735,000			
				795,607			
				789,894			
				4.24%, due June 8, 2015			
				10,875,000			
				11,293,481			
				11,302,570			
				5.53%, due August 17, 2017			
				2,340,000			
				2,549,250			
				2,541,794			
				4.40%, due February 8, 2018			
				1,975,000			
				1,971,939			
				2,012,920			
				5.73%, due October 22, 2037			
				2,550,000			
				2,627,652			
				2,593,774			

The accompanying notes are an integral part of these financial statements.

Altamira Corporate Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Corporations (92.55%) (continued)				Corporations (92.55%) (continued)			
Goldman Sachs Group Inc.				Plenary Health Hamilton LP			
4.10%, due November 3, 2015	2,900,000	2,899,739	2,883,988	5.80%, due May 31, 2043	2,300,000	2,300,000	2,328,452
Greater Toronto Airport				Precision Drilling Corp.			
5.26%, due April 17, 2018	1,975,000	2,158,442	2,169,979	6.50%, due March 15, 2019	1,800,000	1,800,000	1,814,040
6.47%, due February 2, 2034	1,140,000	1,361,876	1,362,946	Quebecor Media Inc.			
5.30%, due February 25, 2041	550,000	549,835	573,684	7.38%, due January 15, 2021	5,600,000	5,600,000	5,642,000
Great-West Lifeco Delaware Finance LP				RioCan Real Estate Investment Trust			
Floating, due June 26, 2018	1,805,000	2,034,370	2,039,536	4.50%, due January 21, 2016	1,350,000	1,351,012	1,378,131
Great-West Lifeco Inc.				Rogers Communications Inc.			
Floating, due June 21, 2017	2,300,000	2,445,015	2,422,048	5.80%, due May 26, 2016	2,160,000	2,396,513	2,361,255
6.67%, due March 21, 2033	1,815,000	2,096,533	2,110,924	5.34%, due March 22, 2021	4,750,000	4,778,303	4,783,244
H&R Real Estate Investment Trust				6.11%, due August 25, 2040	3,410,000	3,407,767	3,251,488
4.78%, due July 27, 2016	2,100,000	2,104,221	2,136,387	Rona Inc.			
5.90%, due February 3, 2017	2,425,000	2,590,205	2,574,243	5.40%, due October 20, 2016	1,655,000	1,743,324	1,702,399
Health Montreal Collective LP				Royal Bank of Canada			
6.72%, due September 30, 2049	1,350,000	1,350,000	1,385,220	Floating, due March 11, 2013	4,000,000	4,217,841	4,175,264
HSBC Canada Asset Trust				4.71%, due December 22, 2014	8,185,000	8,916,546	8,750,260
Floating, due June 30, 2015	3,910,000	4,093,706	4,132,414	Floating, due June 15, 2015	6,845,000	7,127,114	7,115,353
Husky Energy Inc.				Floating, due November 1, 2015	6,500,000	6,498,180	6,437,635
5.00%, due March 12, 2020	1,000,000	1,039,871	1,042,162	3.36%, due January 11, 2016	5,000,000	4,997,950	5,061,253
Intact Financial Corp.				5.95%, due December 31, 2049	1,200,000	1,299,240	1,301,320
5.41%, due September 3, 2019	545,000	583,422	577,253	Scotiabank Capital Trust			
6.40%, due November 23, 2039	2,981,000	3,215,605	3,184,230	Floating, due March 27, 2013	12,745,000	13,487,470	13,340,578
Inter Pipeline Corridor Inc.				Floating, due October 3, 2013	2,410,000	2,642,845	2,594,985
4.97%, due February 2, 2021	775,000	775,000	800,125	3.34%, due March 25, 2015	4,190,000	4,315,212	4,276,862
Investors Group Inc.				Floating, due January 22, 2016	1,055,000	1,217,561	1,196,074
7.35%, due April 8, 2019	500,000	589,319	593,203	Floating, due December 31, 2036	800,000	779,624	818,970
7.11%, due March 7, 2033	2,500,000	3,017,500	2,912,318	Floating, due June 30, 2108	4,680,000	5,556,617	5,582,566
6.00%, due December 10, 2040	1,150,000	1,146,976	1,190,735	Shaw Communications Inc.			
John Deere Credit Inc.				5.65%, due October 1, 2019	3,055,000	3,214,170	3,136,898
3.90%, due July 29, 2013	2,330,000	2,430,219	2,409,739	5.50%, due December 7, 2020	1,025,000	1,021,259	1,025,792
Loblaw Companies Ltd.				Sherritt International Corp.			
5.22%, due June 18, 2020	1,976,000	2,063,279	2,047,959	7.88%, due November 26, 2012	2,975,000	3,151,532	3,139,555
6.05%, due June 9, 2034	2,793,000	2,781,997	2,755,173	8.25%, due October 24, 2014	2,000,000	2,195,000	2,160,500
6.15%, due January 29, 2035	2,055,000	2,064,722	2,044,106	Sun Life Assurance Company of Canada			
Manulife Financial (Delaware) L.P.				6.15%, due June 30, 2022	5,350,000	5,652,586	5,550,028
4.90%, due June 2, 2014	5,170,000	5,364,083	5,422,925	Sun Life Financial Inc.			
Floating, due December 15, 2016	10,400,000	10,258,849	10,555,193	5.70%, due July 2, 2019	4,885,000	5,323,376	5,305,345
5.51%, due June 26, 2018	1,960,000	2,076,160	2,093,449	Suncor Energy Inc.			
Floating, due December 15, 2036	3,300,000	2,680,930	2,783,883	5.80%, due May 22, 2018	965,000	1,070,306	1,076,077
Manulife Financial Corp.				5.39%, due March 26, 2037	1,755,000	1,811,258	1,781,938
Floating, due December 31, 2014	1,125,000	1,251,619	1,281,021	TD Capital Trust IV			
Metro Inc.				Floating, due June 30, 2019	1,567,000	1,969,014	2,044,903
5.97%, due October 15, 2035	2,220,000	2,232,557	2,222,121	Floating, due June 30, 2021	1,840,000	2,045,072	2,057,428
Molson Coors Capital Finance				Telus Corp.			
5.00%, due September 22, 2015	1,945,000	2,087,852	2,063,860	11.90%, due November 22, 2015	885,000	1,204,972	1,192,630
Molson Coors International LP				3.65%, due May 25, 2016	3,175,000	3,163,221	3,190,430
3.95%, due October 6, 2017	2,200,000	2,193,070	2,183,778	4.95%, due March 15, 2017	2,400,000	2,532,120	2,533,371
Morgan Stanley				Terasen Gas Inc.			
4.85%, due February 3, 2016	2,075,000	2,073,817	2,106,372	5.80%, due May 13, 2038	1,277,000	1,441,783	1,438,046
National Bank of Canada				6.55%, due February 24, 2039	525,000	623,558	654,291
3.58%, due April 26, 2016	2,750,000	2,750,000	2,797,127	Toronto-Dominion Bank			
Newalta Inc.				Floating, due April 2, 2015	5,820,000	6,374,990	6,330,156
7.63%, due November 23, 2017	3,000,000	3,000,000	3,127,500	Floating, due November 2, 2015	2,900,000	2,900,000	2,893,904
Northgroup Preferred Capital Corp.				Floating, due December 14, 2016	8,735,000	9,086,061	9,156,596
Floating, due October 15, 2017	275,000	256,508	250,135	Floating, due December 18, 2017	3,070,000	3,410,298	3,364,343
NOVA Gas Transmission Ltd.				TransCanada Pipelines Ltd.			
8.90%, due May 27, 2025	270,000	378,473	369,003	5.05%, due August 20, 2013	2,420,000	2,606,621	2,561,340
7.00%, due July 16, 2027	305,000	349,942	366,366	6.28%, due May 26, 2028	5,070,000	5,784,686	5,709,570
Pembina Pipeline Corp.				5.65%, due June 20, 2029	235,000	247,405	249,128
4.89%, due March 29, 2021	1,200,000	1,200,000	1,230,132	8.05%, due February 17, 2039	335,000	455,430	475,055
				Union Gas Ltd.			
				5.46%, due September 11, 2036	1,155,000	1,238,909	1,233,565

The accompanying notes are an integral part of these financial statements.

▶ SHORT TERM AND INCOME FUNDS

Altamira Corporate Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Corporations (92.55%) (continued)				Mortgage Backed Securities (0.12%)			
Veresen Inc.				Xceed Mortgage Trust			
5.60%, due July 28, 2014	1,395,000	1,503,286	1,479,098	4.95%, due January 17, 2012	565,000	541,549	541,552
Vermilion Energy Inc.				Total Bonds And Debentures		443,442,426	443,002,995
6.50%, due February 10, 2016	2,350,000	2,364,625	2,390,246	Total Investments (99.00%)		444,740,594*	444,301,961
Volkswagen Credit Canada Inc.				Unrealized Appreciation On Foreign Exchange Contracts (0.01%)			62,866
2.55%, due November 18, 2013	4,240,000	4,234,530	4,257,354	Margin Deposited On futures Contracts (0.13%)			575,736
3.60%, due February 1, 2016	800,000	799,240	815,090	Cash And Other Net Assets (0.86%)			3,862,416
Wells Fargo Financial Canada				Net Assets (100%)			448,802,879
3.70%, due March 30, 2016	4,175,000	4,173,288	4,209,549				
Yellow Media Inc.							
7.30%, due February 2, 2015	960,000	947,662	902,275				
		415,588,675	415,359,339				
Global (1.94%)							
ABN Amro North America							
6.52%, due December 29, 2049	2,000,000	1,806,102	1,784,325				
Lloyds TSB Group PLC							
5.28%, due April 19, 2016	2,000,000	2,005,716	1,999,237				
Merrill Lynch & Co. Inc.							
Floating, due May 30, 2017	2,650,000	2,504,250	2,517,679				
Russel Metals Inc.							
6.38%, due March 1, 2014	2,450,000	2,484,387	2,383,701				
		8,800,455	8,684,942				

* Average cost of investments as at December 31, 2010 is \$439,351,558.

Interest Rate Futures (1.13%)

	Position	Number Of Futures	Maturity Date	Market Exposure ⁽¹⁾	Fair Value Positive (Negative)
				\$	\$
Canada (1.13%)					
Canada Government Bonds 10 years	Short	31	September 2011	(3,843,690)	6,510
Assets Placed In Collateral (98.87%)					569,226
Margin Deposited On Futures Contracts (100%)					575,736

⁽¹⁾ Market exposures represents the portfolio's exposure to particular stock market fluctuations resulting from investments in futures.

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.98	US	4,677,000	4,520,594	CA	4,583,460	4,583,460	62,866

The accompanying notes are an integral part of these financial statements.

Altamira Corporate Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	(29,689)	(0.01%)	(24,010)	(0.01%)

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have increased or decreased, respectively, by approximately \$1,484 (\$1,201 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	4.38%	7.84%
AA/Aa/A-2/P-2	24.84%	24.32%
A/A-3/P-3	36.02%	36.31%
BBB/Baa	28.58%	26.61%
BB/Ba	4.21%	2.21%
B	1.97%	2.71%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	11,647,820	10,628,607
From 1 year to 3 years	76,680,256	68,301,490
From 3 years to 5 years	133,170,904	114,223,470
From 5 years to 10 years	140,471,221	156,104,518
More than 10 years	82,331,760	86,389,193
Total	444,301,961	435,647,278

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$6,321,568 (\$6,647,227 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Money Market	n/a	1,298,966	n/a	1,298,966
Common Shares	12,637,440	429,824,002	541,553	443,002,995
Total Investments	12,637,440	431,122,968	541,553	444,301,961
Derivatives Assets	3,850,200	4,583,460	n/a	8,433,660
Derivatives Liabilities	(3,843,690)	(4,520,594)	n/a	(8,364,284)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Money Market	n/a	10,080,651	n/a	10,080,651
Bonds and Debentures	4,614,117	420,410,957	541,553	425,566,627
Total Investments	4,614,117	430,491,608	541,553	435,647,278
Derivative Assets	17,703,050	29,502,325	n/a	47,205,375
Derivative Liabilities	(17,771,200)	(29,624,419)	n/a	(47,395,619)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	541,553	-
Purchases	-	541,553
Sales	-	-
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains (losses)	-	-
Change in unrealized appreciation (depreciation)	-	-
Ending Balance (December 31)	541,553	541,553

The accompanying notes are an integral part of these financial statements.

Altamira Corporate Bond Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	444,301,961	435,467,295
Unrealized appreciation on foreign exchange contracts	62,866	59,915
Cash	39,062	53,419
Margin deposited on futures contracts	575,736	846,105
Subscriptions receivable	263,993	111,315
Interest receivable	4,033,852	3,666,133
Other assets receivable	455,219	152,085
	<u>449,732,689</u>	<u>440,356,267</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	-	2,026
Redeemed units payable	280,546	146,228
Investments payable	-	8,700,000
Accrued expenses	649,264	622,632
	<u>929,810</u>	<u>9,470,886</u>
Net assets	<u><u>448,802,879</u></u>	<u><u>430,885,381</u></u>
Net assets per Series:		
Investor/Advisor Series	401,573,252	384,355,755
F Series	76,710	62,005
O Series	47,152,917	46,467,621
	<u>448,802,879</u>	<u>430,885,381</u>
Net assets per unit, per Series:		
Investor/Advisor Series	10.25	10.17
F Series	10.27	10.19
O Series	10.31	10.22

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Corporate Bond Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	(30 days) \$
Income		
Interest	10,610,429	13,084
Expenses		
Management fees	3,122,803	5,782
Custodial fees	25,016	545
Directors' fees of independent review committee	5,083	27
Audit fees	15,194	2,844
Legal fees	5,581	356
Rights and deposits	21,650	1,355
Securityholders' reporting costs	574,786	4,630
Loss from derivatives	269,960	-
Fees paid by the manager	(246,014)	(10,804)
	<u>3,794,059</u>	<u>4,735</u>
Net investment income	<u>6,816,370</u>	<u>8,349</u>
Net gains		
Net realized losses on sale of investments	(210,770)	(12,924)
Net realized gains (losses) on foreign currencies	157,438	(357)
	<u>(53,332)</u>	<u>(13,281)</u>
Change in unrealized appreciation/depreciation on investments	3,450,607	72,057
Unrealized gains (losses) on foreign currencies	5,101	(2)
	<u>3,455,708</u>	<u>72,055</u>
Transaction costs on purchase and sale of investments	(1,620)	-
	<u>3,400,756</u>	<u>58,774</u>
Increase in net assets from operations	<u>10,217,126</u>	<u>67,123</u>
Increase in net assets from operations per Series:		
Investor/Advisor Series	8,774,639	66,214
F Series	1,191	563
O Series	1,441,296	346
	<u>10,217,126</u>	<u>67,123</u>
Increase in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.23	0.14
F Series	0.22	0.17
O Series	0.32	0.14

The accompanying notes are an integral part of these financial statements.

Altamira Corporate Bond Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		O Series	
	2011 \$	2010 (30 days) \$	2011 \$	2010 (30 days) \$	2011 \$	2010 (30 days) \$
Net assets, beginning of the period	384,355,755	-	62,005	-	46,467,621	-
Increase in net assets from operations	8,774,639	66,214	1,191	563	1,441,296	346
Capital unit transactions						
Units issued	56,886,374	5,150,937	25,000	60,000	-	25,000
Units issued on reinvestment of distributions	5,385,494	2,627	1,007	8	1,046,480	18
Units redeemed	(48,435,092)	-	(11,486)	-	(756,000)	-
	13,836,776	5,153,564	14,521	60,008	290,480	25,018
Distributions to investors						
Net investment income	5,393,918	2,627	1,007	8	1,046,480	18
Increase in net assets for the period	17,217,497	5,217,151	14,705	60,563	685,296	25,346
Net assets, end of the period	401,573,252	5,217,151	76,710	60,563	47,152,917	25,346

The accompanying notes are an integral part of these financial statements.

Altamira High Yield Bond Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (1.84%)				South Korea (0.49%)			
Treasury Bills (1.84%)				Hynix Semiconductor Inc.			
Government of Canada				7.88%, due June 27, 2017	2,775,000	2,811,708	2,823,694
0.91%, due July 6, 2011	100,000	99,965	99,987	United States (78.04%)			
0.97%, due July 7, 2011	600,000	599,839	599,906	Accellent Inc.			
0.96%, due July 11, 2011	1,800,000	1,799,478	1,799,562	10.00%, due November 1, 2017			
0.97%, due August 4, 2011	8,000,000	7,978,829	7,993,381	AES Corp.			
		10,478,111	10,492,836	8.00%, due October 15, 2017			
				Aircastle Ltd.			
Bonds And Debentures (96.81%)				9.75%, due August 1, 2018			
Canadian Bonds (17.02%)				Alere Inc.			
Corporations (17.02%)				9.00%, due May 15, 2016			
Armtec Holdings Ltd.				8.63%, due October 1, 2018			
8.88%, due September 22, 2017	5,400,000	5,432,738	4,441,500	Alliance One International Inc.			
Bombardier Inc.				10.00%, due July 15, 2016			
7.45%, due May 1, 2034	5,350,000	4,955,504	5,340,678	Ally Financial Inc.			
Cara Operations Ltd.				7.50%, due September 15, 2020			
9.13%, due December 1, 2015	5,750,000	5,772,500	5,980,000	Alon Refining Krotz Springs Inc.			
Cascades Inc.				13.50%, due October 15, 2014			
7.88%, due January 15, 2020	4,150,000	4,306,132	4,167,785	Amc Entertainment			
CHC Helicopter SA				9.75%, due December 1, 2020			
9.25%, due October 15, 2020	6,630,000	6,674,252	5,771,158	American Achievement Corp.			
Essar Steel Algoma Inc.				10.88%, due April 15, 2016			
9.38%, due March 15, 2015	2,225,000	2,302,963	2,151,378	American Residential Services LLC			
Ford Credit Canada Ltd.				12.00%, due April 15, 2015			
4.88%, due March 17, 2014	4,200,000	4,200,000	4,209,652	Appleton Papers Inc.			
7.50%, due August 18, 2015	3,000,000	3,000,000	3,237,500	10.50%, due June 15, 2015			
Garda World Security Corp.				ATP Oil & Gas Corp.			
9.75%, due March 15, 2017	7,275,000	7,677,573	7,570,960	11.88%, due May 1, 2015			
Millar Western Forest Products Ltd.				Audatex North America Inc.			
8.50%, due April 1, 2021	4,200,000	4,081,560	3,645,810	6.75%, due June 15, 2018			
Newalta Inc.				Ball Corp.			
7.63%, due November 23, 2017	4,000,000	4,019,985	4,170,000	5.75%, due May 15, 2021			
Precision Drilling Corp.				BioScrip Inc.			
6.50%, due March 15, 2019	6,000,000	6,007,500	6,046,800	10.25%, due October 1, 2015			
Quebecor Media Inc.				Bristow Group Inc.			
7.38%, due January 15, 2021	9,400,000	9,400,000	9,470,500	7.50%, due September 15, 2017			
RTL-Westcan LP				CCO Holdings Capital Corp.			
9.50%, due April 7, 2017	4,750,000	4,752,500	4,915,822	7.25%, due October 30, 2017			
Sherritt International Corp.				CCS Inc.			
8.25%, due October 24, 2014	1,200,000	1,200,000	1,296,300	11.00%, due November 15, 2015			
7.75%, due October 15, 2015	4,100,000	4,321,098	4,421,850	Centene Corp.			
SkyLink Aviation Inc.				5.75%, due June 1, 2017			
12.25%, due March 15, 2016	4,200,000	4,200,000	4,191,251	Cenveo Corp.			
Trident Exploration Corp.				10.50%, due August 15, 2016			
8.25%, due April 13, 2018	7,200,000	7,200,000	7,020,000	Cequel Communications Holdings I LLC			
Vermilion Energy Inc.				and Cequel Capital Corp.			
6.50%, due February 10, 2016	3,600,000	3,614,250	3,661,654	8.63%, due November 15, 2017			
Videotron Ltee				Chesapeake Energy Corp.			
6.88%, due July 15, 2021	5,475,000	5,475,000	5,502,375	6.88%, due November 15, 2020			
		98,593,555	97,212,973	Chrysler Group LLC/CG Co-Issuer Inc.			
				8.00%, due June 15, 2019			
Global (79.79%)				Cincinnati Bell Inc.			
Bermuda (0.17%)				8.38%, due October 15, 2020			
Digicel Group Ltd.				CIT Group Inc.			
8.25%, due September 1, 2017	1,000,000	1,040,592	1,000,669	7.00%, due May 1, 2017			
France (1.09%)				CKE Restaurants Inc.			
Compagnie Générale de Géophysique				11.38%, due July 15, 2018			
9.50%, due May 15, 2016	2,900,000	3,197,346	3,055,777	CNG Holdings Inc./OH			
7.75%, due May 15, 2017	3,175,000	3,276,939	3,154,159	12.25%, due February 15, 2015			
		6,474,285	6,209,936	Constellation Brands Inc.			
				7.25%, due September 1, 2016			
				7.25%, due May 15, 2017			

The accompanying notes are an integral part of these financial statements.

Altamira High Yield Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
United States (78.04%) (continued)				United States (78.04%) (continued)			
CSC Holdings Inc.				Knowledge Learning Corp. Inc.			
7.88%, due February 15, 2018	3,600,000	3,903,094	3,793,378	7.75%, due February 1, 2015	1,675,000	1,789,543	1,585,246
Downstream Development Authority of the Quapaw Tribe of Oklahoma				Kratos Defense & Security Solutions Inc.			
10.50%, due July 1, 2019	6,075,000	5,912,218	5,830,041	10.00%, due June 1, 2017	4,800,000	5,000,205	4,884,228
Drive Time Automotive Inc. & Acceptance Corp.				Lantheus Medical Imaging Inc.			
12.63%, due June 15, 2017	3,875,000	4,087,479	4,157,899	9.75%, due May 15, 2017	4,800,000	4,898,419	4,745,340
eAccess Ltd.				Level 3 Communications Inc.			
8.25%, due April 1, 2018	6,000,000	5,965,776	5,772,532	11.88%, due February 1, 2019	5,750,000	5,570,226	5,982,613
El Paso Corp.				Linn Energy Finance Corp.			
7.25%, due June 1, 2018	3,325,000	3,359,205	3,602,134	7.75%, due February 1, 2021	6,025,000	6,175,120	6,043,557
Exopack Holding Corp.				MagnaChip Semiconductor Finance Co.			
10.00%, due June 1, 2018	4,850,000	4,740,390	4,642,741	10.50%, due April 15, 2018	2,775,000	2,909,906	2,930,754
Exterran Holdings Inc.				Methanex Corp.			
7.25%, due December 1, 2018	2,857,000	2,906,712	2,783,132	6.00%, due August 15, 2015	2,550,000	2,655,996	2,502,449
First Data Corp.				MetroPCS Wireless Inc.			
9.88%, due September 24, 2015	389,714	324,174	384,336	7.88%, due September 1, 2018	3,025,000	3,133,598	3,089,022
8.25%, due January 15, 2021	1,742,643	1,401,465	1,647,164	MTR Gaming Group Inc.			
Forbes Energy Services Ltd.				12.63%, due July 15, 2014	6,025,000	6,365,851	6,007,238
9.00%, due June 15, 2019	6,050,000	5,913,270	5,747,697	Nalco Co.			
Ford Credit Canada Ltd.				6.63%, due January 15, 2019	2,225,000	2,247,028	2,199,663
8.00%, due December 15, 2016	5,575,000	4,924,622	6,046,460	National Mentor Inc.			
Frontier Communications Corp.				12.50%, due February 15, 2018	9,000,000	8,787,534	8,680,500
8.13%, due October 1, 2018	4,825,000	5,172,110	5,055,095	New World Resources NV			
Frontier Oil Corp.				7.88%, due May 1, 2018	2,400,000	3,364,488	3,457,339
8.50%, due September 15, 2016	1,100,000	1,209,370	1,135,216	Newfield Exploration Co.			
6.88%, due November 15, 2018	570,000	570,741	580,002	7.13%, due May 15, 2018	2,775,000	2,945,458	2,837,077
Gentiva Health Services Inc.				Newmarket Corp.			
11.50%, due September 1, 2018	6,050,000	6,610,613	6,156,162	7.13%, due December 15, 2016	3,000,000	3,163,281	3,016,474
Global Geophysical Services Inc.				Nextel Communications Inc.			
10.50%, due May 1, 2017	3,475,000	3,504,698	3,519,219	7.38%, due August 1, 2015	5,925,000	6,066,144	5,714,662
GMAC LLC				Omega Healthcare Investors Inc.			
8.00%, due November 1, 2031	414,406	461,372	432,669	6.75%, due October 15, 2022	4,440,000	4,560,155	4,223,497
Hercules Offshore Inc.				Park Ohio Industries Inc.			
10.50%, due October 15, 2017	2,225,000	2,116,370	2,242,583	8.13%, due April 1, 2021	3,900,000	3,790,020	3,761,550
Hertz Corp.				Peninsula Gaming LLC			
7.38%, due January 15, 2021	2,850,000	2,876,505	2,796,929	10.75%, due August 15, 2017	3,600,000	3,881,532	3,793,379
HOA Restaurant Group LLC				PHI Inc.			
11.25%, due April 1, 2017	6,000,000	5,949,533	5,815,935	8.63%, due October 15, 2018	3,890,000	3,998,368	3,920,741
Holly Corp.				Range Resources Corp.			
9.88%, due June 15, 2017	2,400,000	2,529,226	2,581,002	7.25%, due May 1, 2018	2,775,000	2,960,295	2,837,077
Hornbeck Offshore Services Inc.				RDS Ultra-Deepwater Ltd.			
8.00%, due September 1, 2017	6,025,000	6,084,209	5,854,696	11.88%, due March 15, 2017	4,560,000	4,791,745	4,925,894
Hospital Corporation of America Inc.				Rotech Healthcare Inc.			
6.50%, due February 15, 2016	1,500,000	1,263,554	1,472,068	10.75%, due October 15, 2015	3,900,000	3,994,947	4,090,686
7.88%, due February 15, 2020	7,825,000	8,679,071	8,188,726	Sabine Pass LNG LP			
Host Hotels & Resorts Inc.				7.25%, due November 30, 2013	5,775,000	5,719,833	5,709,237
9.00%, due May 15, 2017	1,700,000	1,943,618	1,844,606	Sealy Mattress Co.			
Icahn Enterprises LP/Icahn Enterprises Finance Corp.				8.25%, due June 15, 2014	1,650,000	1,640,651	1,595,404
7.75%, due January 15, 2016	6,025,000	6,188,439	5,963,654	Seneca Gaming Corp.			
Intelsat Jackson Holdings SA				8.25%, due December 1, 2018	5,700,000	5,797,514	5,676,324
11.25%, due April 1, 2019	2,400,000	2,344,320	2,297,439	Sequa Corp.			
Interactive Data Corp.				11.75%, due December 1, 2015	2,775,000	2,904,343	2,903,989
10.25%, due August 1, 2018	2,775,000	2,998,157	2,930,754	Sheridan Group Inc.			
International Lease Finance Corp.				12.50%, due April 15, 2014	3,000,000	2,705,226	2,748,825
8.75%, due March 15, 2017	7,825,000	8,213,262	8,254,764	Speedy Cash Inc.			
8.88%, due September 1, 2017	4,425,000	4,806,508	4,694,704	10.75%, due October 15, 2018	6,050,000	5,813,218	5,966,518
6.25%, due May 15, 2019	910,000	882,791	857,567	Sprint Capital Corp.			
Jacobs Entertainment Inc.				6.88%, due November 15, 2028	1,700,000	1,359,895	1,553,568
9.75%, due June 15, 2014	4,815,000	4,693,878	4,713,728	Surgical Care Affiliates Inc.			
JC Penney Corp. Inc.				10.00%, due July 15, 2017	1,250,000	1,145,935	1,244,808
6.38%, due October 15, 2036	3,350,000	3,235,854	2,891,812	Targa Resources Partners LP/Targa Resources Partners Finance Corp.			
				6.88%, due February 1, 2021	2,775,000	2,740,325	2,649,723

The accompanying notes are an integral part of these financial statements.

Altamira High Yield Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
United States (78.04%) (continued)				United States (78.04%) (continued)			
Thermon Industries Inc. 9.50%, due May 1, 2017	2,220,000	2,299,689	2,296,426	Windstream Corp. 7.75%, due October 15, 2020	6,025,000	6,184,451	6,087,140
Titan International Inc. 7.88%, due October 1, 2017	5,420,000	5,619,256	5,462,832	WireCo WorldGroup 9.50%, due May 15, 2017	6,075,000	6,093,635	6,181,601
Toys R Us Property Co I LLC 10.75%, due July 15, 2017	4,150,000	4,771,277	4,452,976	Xinergy Corp. 9.25%, due May 15, 2019	5,450,000	5,258,906	5,309,090
TransDigm Inc. 7.75%, due December 15, 2018	3,900,000	3,962,400	3,949,627			454,502,171	445,744,953
Trilogy International Finance Inc. 10.25%, due August 15, 2016	6,025,000	6,070,403	5,898,279	Total Global Bonds		464,828,756	455,779,252
United Maritime Group LLC/United Maritime Group Finance Corp. 11.75%, due June 15, 2015	4,150,000	4,343,251	4,182,795	Total Bonds And Debentures		563,422,311	552,992,225
Valeant Pharmaceuticals International Inc. 6.88%, due December 1, 2018	6,000,000	6,058,007	5,671,260	Total Investments (98.65%)		573,900,422*	563,485,061
Vertellus Specialties 9.38%, due October 1, 2015	3,330,000	3,500,571	3,324,197	Unrealized Appreciation On Foreign Exchange Contracts (0.40%)			2,309,355
Visant Corp. 10.00%, due October 1, 2017	2,775,000	2,893,444	2,770,165	Cash And Other Net Assets (0.95%)			5,405,717
Viskase Cos Inc. 9.88%, due January 15, 2018	3,325,000	3,524,061	3,343,258	Net Assets (100%)			571,200,133
Wesco Distribution Inc. 7.50%, due October 15, 2017	4,425,000	4,602,944	4,331,931				
Wind Acquisition Finance SA 11.75%, due July 15, 2017	1,700,000	2,749,019	2,692,655				
2.25%, due February 15, 2018	2,850,000	2,920,461	2,858,778				

* Average cost of investments as at December 31, 2010 is \$500,116,398.

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
August 17, 2011	0.9662	US	165,000,000	159,341,028	CA	159,424,650	159,424,650	83,622
September 21, 2011	0.9761	US	4,450,000	4,301,186	CA	4,343,645	4,343,645	42,459
September 21, 2011	0.9804	US	173,401,000	167,602,234	CA	170,004,074	170,004,074	2,401,840
September 21, 2011	1.4044	EU	4,590,000	6,417,625	CA	6,446,104	6,446,104	28,479
								2,556,400

Unrealized Depreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
July 20, 2011	0.9635	US	165,000,000	159,224,032	CA	158,980,800	158,980,800	(243,232)
September 21, 2011	1.0281	CA	603,079	603,079	US	620,000	599,266	(3,813)
								(247,045)

Unrealized Appreciation On Foreign Exchange Contracts

2,309,355

The accompanying notes are an integral part of these financial statements.

▶ SHORT TERM AND INCOME FUNDS

Altamira High Yield Bond Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	(5,518,633)	(0.97%)	795,513	0.16%
Euro	(97,432)	(0.02%)	75,621	0.01%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have increased or decreased, respectively, by approximately \$280,803 (decreased or increased by \$43,557 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
	AAA/Aaa/A-1/P-1	1.97%
BBB/Baa	n/a	0.36%
BB/Ba	31.71%	28.87%
B	50.61%	53.09%
CCC/Caa	15.71%	13.41%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
		\$
Less than one year	16,333,004	24,592,922
From 1 year to 3 years	59,154,583	29,227,281
From 3 years to 5 years	152,326,202	131,086,612
From 5 years to 10 years	315,726,673	293,619,949
More than 10 years	19,944,599	19,697,812
Non-interest-bearing instruments	n/a	2,241,532
Total	563,485,061	500,466,108

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$6,251,993 (\$5,629,790 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
Merrill Lynch High Yield US in CA (T+0) (100%)	± n/a	n/a ±	1,009,958	0.20%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
		\$	\$	\$
Money Market	n/a	10,492,836	n/a	10,492,836
Bonds and Debentures	n/a	552,992,225	n/a	552,992,225
Total Investments	n/a	563,485,061	n/a	563,485,061
Derivatives Assets	n/a	499,798,539	n/a	499,798,539
Derivatives Liabilities	n/a	(497,489,184)	n/a	(497,489,184)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010

December 31, 2010	Level 1	Level 2	Level 3	Total
		\$	\$	\$
Money Market	n/a	21,258,274	n/a	21,258,274
Bonds and Debentures	n/a	476,133,052	833,250	476,966,302
Preferred Shares	2,179,282	n/a	62,250	2,241,532
Total Investments	2,179,282	497,391,326	895,500	500,466,108
Derivative Assets	n/a	458,435,999	n/a	458,435,999
Derivative Liabilities	n/a	(453,311,838)	n/a	(453,311,838)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
		\$
Beginning Balance (January 1)	895,500	2,276,054
Purchases	-	-
Sales	(980,643)	(1,483,782)
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains	156,550	81,265
Change in unrealized appreciation (depreciation)	(71,408)	21,963
Ending Balance (December 31)	-	895,500

The accompanying notes are an integral part of these financial statements.

Altamira High Yield Bond Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	563,485,061	500,466,108
Unrealized appreciation on foreign exchange contracts	2,556,400	5,179,835
Cash	4,135,779	118,590
Subscriptions receivable	668,269	552,435
Proceeds from sale of investments receivable	7,340,579	-
Interest receivable	10,875,263	9,457,717
Other assets receivable	239,392	177,229
	<u>589,300,743</u>	<u>515,951,914</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	247,045	55,675
Redeemed units payable	315,130	202,392
Investments payable	16,770,490	10,000,000
Accrued expenses	767,945	714,949
	<u>18,100,610</u>	<u>10,973,016</u>
Net assets	<u>571,200,133</u>	<u>504,978,898</u>
Net assets per Series:		
Investor/Advisor Series	445,247,552	406,685,921
F Series	3,252,265	2,737,912
O Series	122,695,469	95,555,065
R Series	4,847	-
	<u>571,200,133</u>	<u>504,978,898</u>
Net assets per unit, per Series:		
Investor/Advisor Series	8.05	7.95
F Series	9.78	9.51
O Series	8.64	8.53
R Series	9.82	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
- **Éric Laflamme, Director**

The accompanying notes are an integral part of these financial statements.

Altamira High Yield Bond Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	21,925,262	10,032,271
Dividends	1,515	3,216
Income from securities lending	5,495	-
	<u>21,932,272</u>	<u>10,035,487</u>
Expenses		
Management fees	4,067,495	1,411,824
Custodial fees	37,551	23,247
Directors' fees of independent review committee	5,976	738
Audit fees	18,428	15,155
Legal fees	6,769	1,899
Rights and deposits	22,306	20,749
Securityholders' reporting costs	675,863	122,634
Fees paid by the manager	(707,939)	(183,475)
	<u>4,126,449</u>	<u>1,412,771</u>
Net investment income	<u>17,805,823</u>	<u>8,622,716</u>
Net gains (losses)		
Net realized gains (losses) on sale of investments	(811,466)	902,826
Net realized gains on foreign currencies	19,841,158	6,998,864
	<u>19,029,692</u>	<u>7,901,690</u>
Change in unrealized appreciation/depreciation on investments	(13,579,877)	(9,328,065)
Unrealized gains (losses) on foreign currencies	76,795	(47,666)
	<u>(13,503,082)</u>	<u>(9,375,731)</u>
Transaction costs on purchase and sale of investments	(42)	-
	<u>5,526,568</u>	<u>(1,474,041)</u>
Increase in net assets from operations	<u>23,332,391</u>	<u>7,148,675</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	17,768,152	4,076,775
F Series	129,869	80,631
O Series	5,434,436	2,991,269
R Series	(66)	-
	<u>23,332,391</u>	<u>7,148,675</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.33	0.21
F Series	0.43	0.35
O Series	0.42	0.31
R Series	(0.13)	-

The accompanying notes are an integral part of these financial statements.

Altamira High Yield Bond Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		O Series		R Series
	2011	2010	2011	2010	2011	2010	2011 (34 days)
	\$	\$	\$	\$	\$	\$	\$
Net assets, beginning of the period	406,685,921	138,694,784	2,737,912	2,361,065	95,555,065	76,196,658	-
Increase (decrease) in net assets from operations	17,768,152	4,076,775	129,869	80,631	5,434,436	2,991,269	(66)
Capital unit transactions							
Units issued	80,999,337	36,774,746	729,968	365,202	23,556,622	8,138,548	4,964
Units issued on reinvestment of distributions	11,901,465	3,620,388	67,761	57,975	4,415,544	3,338,388	23
Units redeemed	(59,036,710)	(18,184,555)	(312,527)	(720,034)	(1,850,654)	(2,458,979)	(51)
	33,864,092	22,210,579	485,202	(296,857)	26,121,512	9,017,957	4,936
Distributions to investors							
Net investment income	13,070,613	4,822,613	100,718	83,150	4,415,544	3,338,388	16
Return of capital	-	-	-	-	-	-	7
	13,070,613	4,822,613	100,718	83,150	4,415,544	3,338,388	23
Increase (decrease) in net assets for the period	38,561,631	21,464,741	514,353	(299,376)	27,140,404	8,670,838	4,847
Net assets, end of the period	445,247,552	160,159,525	3,252,265	2,061,689	122,695,469	84,867,496	4,847

The accompanying notes are an integral part of these financial statements.

Omega Preferred Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (0.34%)				Fixed-Rate, Redeemable (44.41%) (continued)			
Treasury Bills (0.34%)				Power Corporation of Canada			
Government of Canada				5.80%, Series C	64,400	1,613,220	1,608,712
0.94%, due July 7, 2011	1,275,000	1,274,560	1,274,799	Power Financial Corp.			
	Number of Shares			4.50%, Series P	81,300	2,073,526	2,093,475
				5.80%, Series O	135,800	3,293,040	3,462,900
				5.90%, Series F	100,000	2,517,250	2,532,000
				6.00%, Series I	277,200	7,008,310	7,027,020
Preferred Shares (99.06%)				Royal Bank of Canada			
Fixed-Rate, Retractable or Redeemable (1.27%)				5.65%, Series AH			
BAM Split Corp.				6.25%, Series AP	75,000	1,968,750	1,968,750
4.35%, Class AA, Series 3	127,300	2,298,356	2,800,600	6.25%, Series AT	134,300	3,639,546	3,644,902
7.25%, Series 4	75,900	2,005,051	2,018,940	6.25%, Series AV	124,100	3,412,410	3,397,858
		4,303,407	4,819,540	Scotiabank Capital Trust			
				5.00%, Series 20	107,100	2,804,882	2,806,020
				5.00%, Series 22	66,500	1,736,644	1,725,010
				5.25%, Series 12	130,000	3,250,000	3,303,300
Fixed-Rate, Redeemable (44.41%)				Toronto-Dominion Bank			
Bank of Montreal				4.60%, Class A, Series N	89,300	2,293,838	2,302,154
5.40%, Class B, Series 23	116,900	3,122,506	3,139,934	4.70%, Class A, Series M	113,800	2,929,317	2,938,316
BCE Inc.				4.85%, Class A, Series O	235,600	5,761,607	5,939,476
4.35%, Series AG	148,700	3,245,225	3,576,235	5.00%, Class A, Series S	30,000	781,500	783,300
4.65%, Series AI	40,000	935,600	950,000	5.10%, Class A, Series Y	101,700	2,648,200	2,673,693
5.45%, Series AA	25,000	612,500	617,500	5.25%, Class A, Series P	87,000	1,906,592	2,262,870
5.54%, Series AC	176,800	4,014,901	4,287,400	5.60%, Class A, Series Q	230,000	5,965,525	6,035,200
6.17%, Series R	70,900	1,559,637	1,708,690	5.60%, Class A, Series R	107,100	2,735,556	2,827,440
Brookfield Asset Management Inc.				6.25%, Class A, Series AI	125,400	3,371,144	3,445,992
5.50%, Class A, Series 11	70,000	1,785,000	1,781,500	6.25%, Class A, Series AK	76,900	2,111,190	2,110,136
5.63%, Class A, Series 9	41,600	887,801	960,960	TransCanada Corp.			
5.75%, Class A, Series 10	189,500	4,842,778	4,762,135	4.00%, Series 3	30,700	774,940	772,105
7.00%, Class A, Series 22	64,100	1,727,462	1,733,264	Westcoast Energy Inc.			
Brookfield Properties Corp.				5.50%, Series 7	89,900	2,026,434	2,180,075
5.20%, Class AAA, Series 1	56,100	1,412,689	1,403,622	5.60%, Series 8	66,300	1,540,064	1,608,438
5.75%, Class AAA, Series H	140,700	3,247,491	3,600,513	Yellow Media Inc.			
6.00%, Class AAA, Series F	119,500	3,026,624	3,017,375	4.25%, Series 1	76,800	1,836,792	1,731,840
6.15%, Class AAA, Series N	60,000	1,566,000	1,539,000			164,673,890	168,347,672
6.75%, Class AAA, Series L	151,700	3,989,262	3,997,295	Fixed-Rate, Retractable (3.31%)			
Canadian Imperial Bank of Commerce				Brookfield Properties Corp.			
5.35%, Class A, Series 33	125,000	3,307,500	3,301,250	5.00%, Class AAA, Series J			
5.50%, Class A, Series 18	215,300	5,317,637	5,425,560	160,950			
Canadian Utilities Ltd.				Dundee Bancorp Inc.			
5.80%, Series W	25,000	631,250	631,000	5.00%, Series 1			
6.00%, Series X	127,900	3,262,559	3,255,055	103,600			
Co-Operators General Insurance Co.				TransCanada Corp.			
5.00%, Class E, Series C	23,000	415,800	511,980	5.60%, Series U			
Dundee Wealth Management Inc.				43,700			
4.75%, Series 1	258,300	6,390,559	6,741,630	Transcontinental Inc.			
E-L Financial Corp. Ltd.				139,900			
4.75%, Series 2	91,200	1,810,350	1,915,200	6.75%, Series D			
Fortis Inc.				11,767,182			
5.25%, Series G	87,900	2,213,541	2,281,005	Fixed-Rate, Non Redeemable (35.09%)			
5.45%, Series C	105,100	2,724,655	2,714,733	Bank of Montreal			
George Weston Ltd.				5.14%, Series 14			
5.80%, Series 1	159,450	3,988,740	3,986,250	98,000			
Great-West Lifeco Inc.				BCE Inc.			
5.90%, Series F	30,300	768,731	768,105	4.40%, Series 16			
Industrial Alliance, Insurance & Financial Services Inc.				184,700			
5.90%, Class A, Series F	99,100	2,522,477	2,515,158	Canadian Imperial Bank of Commerce			
Investors Group Inc.				4.50%, Class A, Series 32			
5.90%, Series B	284,400	7,073,902	7,164,036	157,200			
Manulife Financial Corp.				4.70%, Class A, Series 31			
4.20%, Series 3	260,000	6,493,000	6,461,000	192,000			
4.50%, Class A, Series 3	58,500	1,181,630	1,292,850	4.80%, Class A, Series 30			
National Bank of Canada				136,200			
4.85%, Series 16	164,200	3,559,918	4,126,346	30,100			
6.00%, Series 20	20,900	553,547	554,059	5.60%, Class A, Series 27			
				30,100			
				6.50%, Class A, Series 35			
				197,600			
				6.50%, Class A, Series 37			
				107,100			

The accompanying notes are an integral part of these financial statements.

▶ SHORT TERM AND INCOME FUNDS

Omega Preferred Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Fixed-Rate, Non Redeemable (35.09%)				Floating-Rate, Redeemable (13.21%)			
E-L Financial Corp. Ltd.				BCE Inc.			
5.30%, Series 1	73,000	1,521,150	1,655,640	4.50%, Series T	125,000	2,777,424	2,981,250
George Weston Ltd.				4.83%, Series AB	73,800	1,715,101	1,778,580
5.20%, Series 3	34,000	621,687	793,900	5.50%, Series AE	115,400	2,561,188	2,677,280
5.20%, Series 4	16,000	316,828	374,240	BPO Properties Ltd.			
Great-West Lifeco Inc.				Series J	175,400	2,453,520	2,709,930
4.50%, Series I	149,700	2,891,932	3,354,777	Brookfield Asset Management Inc.			
4.85%, Series H	21,700	511,035	510,601	Class A, Series 2	235,000	4,310,550	4,483,800
5.20%, Series G	125,000	3,045,833	3,082,500	Class A, Series 13	136,500	2,140,417	2,598,960
HSBC Bank Canada				Class A, Series 4	130,900	2,228,319	2,493,645
5.00%, Series D	203,400	4,724,706	4,983,300	4.60%, Series 28-A	58,600	1,452,708	1,429,840
5.10%, Series C	104,500	2,440,985	2,591,600	Co-Operators General Insurance Co.			
6.60%, Series E	103,900	2,865,083	2,846,860	7.25%, Class E, Series D	55,000	1,439,850	1,504,250
Industrial Alliance, Insurance				Emera Inc.			
& Financial Services Inc.				4.40%, Series A	115,800	2,933,267	2,978,376
4.60%, Class A, Series A	41,200	930,565	931,944	Fairfax Financial Holdings Ltd.			
6.00%, Series E	20,100	507,525	512,148	5.75%, Series C	144,800	3,704,525	3,692,400
6.20%, Series C	101,300	2,728,811	2,697,619	Great-West Lifeco Inc.			
Manulife Financial Corp.				3.65%, Series N	147,100	3,633,025	3,592,182
4.65%, Class A, Series 2	198,000	4,162,961	4,482,720	Groupe Aeroplan Inc.			
5.60%, Class A, Series 1	179,100	4,747,344	4,730,031	6.50%, Series 1	65,000	1,669,948	1,683,500
6.60%, Class A, Series 4	169,300	4,605,244	4,588,030	Innergex Renewable Energy Inc.			
National Bank of Canada				5.00%, Series A	106,400	2,662,672	2,615,312
5.375%, Series 21	10,500	275,625	276,780	Royal Bank of Canada			
Royal Bank of Canada				5.60%, Series AL	115,000	2,986,150	3,060,150
4.45%, Series AA	154,600	3,485,669	3,759,872	Toronto-Dominion Bank			
4.45%, Series AF	30,000	677,727	725,100	5.00%, Class A, Non-cumulative, Serie AA	166,000	4,291,842	4,350,860
4.50%, Series AD	126,700	2,818,577	3,083,878	5.60%, Class A, Series AC	75,000	2,002,000	2,004,000
4.50%, Series AE	133,200	2,782,481	3,236,760	TransCanada Corp.			
4.50%, Series AG	30,000	735,000	729,000	4.60%, Series 1	133,200	3,445,315	3,436,560
4.60%, Series AC	91,100	1,870,430	2,231,950			<u>48,407,821</u>	<u>50,070,875</u>
4.70%, Series AB	86,900	1,999,100	2,160,334				
5.00%, Series AJ	219,400	5,706,675	5,752,668	Floating-Rate, Retractable (0.13%)			
6.10%, Series AX	124,300	3,290,508	3,418,250	Great-West Lifeco Inc.			
6.25%, Series AN	109,300	2,968,371	2,963,123	5.80%, Class 1, Series M	20,000	509,988	507,000
6.25%, Series AR	174,500	4,703,278	4,749,890				
Scotiabank Capital Trust				Total Preferred Shares		<u>361,535,833</u>	<u>375,580,833</u>
4.50%, Series 14	101,800	2,117,067	2,507,334				
4.50%, Series 15	30,000	741,000	737,700	Total Investments (99.40%)		<u>362,810,393*</u>	<u>376,855,632</u>
4.80%, Series 13	103,100	2,132,985	2,567,190				
5.25%, Series 16	148,900	3,649,329	3,816,307	Cash And Other Net Assets (0.60%)			<u>2,257,147</u>
5.60%, Series 17	72,800	1,824,488	1,892,800				
Sun Life Financial Inc.				Net Assets (100%)			<u><u>379,112,779</u></u>
4.35%, Class A, Series 8R	100,000	2,525,000	2,510,000				
4.45%, Class A, Series 3	224,900	4,220,049	4,956,796				
4.45%, Class A, Series 4	134,000	2,512,526	2,952,020				
4.50%, Class A, Series 5	183,600	3,647,797	4,075,920				
4.75%, Class A, Series 1	181,300	3,899,658	4,209,786				
4.80%, Class A, Series 2	94,400	2,102,977	2,208,960				
6.00%, Class A, Series 6R	46,100	1,230,331	1,234,097				
		<u>125,666,256</u>	<u>133,042,645</u>				
Floating-Rate, Retractable or Redeemable (1.64%)							
TransCanada Corp.							
4.40%, Series 5	244,400	6,207,289	6,232,200				

* Average cost of investments as at December 31, 2010 is \$297,010,104.

The accompanying notes are an integral part of these financial statements.

▶ SHORT TERM AND INCOME FUNDS

Omega Preferred Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	n/a	n/a	1,405,306	0.45%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$0 (\$70,265 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	1,274,799	8,630,569
Non-interest-bearing instruments	375,580,833	302,204,059
Total	376,855,632	310,834,628

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$64 (\$3,766 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P/TSX Preferred Share Index TR (100%)	± 29,874,087	7.88%	± 24,254,075	7.84%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month(26-month in 2009) historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	1,274,799	n/a	1,274,799
Preferred Shares	297,562,499	78,018,334	n/a	375,580,833
Total Investments	297,562,499	79,293,133	n/a	376,855,632

During the period ended June 30, 2011, investments of \$51,090,755 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$19,333,914 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	8,630,569	n/a	8,630,569
Preferred Shares	268,044,914	34,159,145	n/a	302,204,059
Total Investments	268,044,914	42,789,714	n/a	310,834,628

During the year ended December 31, 2010, investments of \$12,181,564 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$55,619,920 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Omega Preferred Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	376,855,632	310,834,628
Cash	1,764,847	-
Subscriptions receivable	2,135,946	524,222
Proceeds from sale of investments receivable	4,462,486	-
Interest and dividends receivable	1,209,869	1,339,900
Other assets receivable	69,406	40,974
	<u>386,498,186</u>	<u>312,739,724</u>
Liabilities		
Bank overdraft	-	1,569,261
Redeemed units payable	123,343	1,113,004
Investments payable	6,951,014	487,250
Accrued expenses	311,050	207,012
	<u>7,385,407</u>	<u>3,376,527</u>
Net assets	<u>379,112,779</u>	<u>309,363,197</u>
Net assets per Series:		
Advisor Series	217,412,777	162,813,687
F Series	30,364,230	21,231,263
O Series	131,335,772	125,318,247
	<u>379,112,779</u>	<u>309,363,197</u>
Net assets per unit, per Series:		
Advisor Series	10.65	10.42
F Series	10.76	10.52
O Series	10.59	10.38

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Omega Preferred Equity Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	18,599	6,216
Dividends	9,007,001	6,425,885
	<u>9,025,600</u>	<u>6,432,101</u>
Expenses		
Management fees	1,364,499	748,172
Custodial fees	24,144	14,845
Directors' fees of independent review committee	565	267
Audit fees	10,147	14,170
Legal fees	3,727	1,776
Rights and deposits	17,719	13,846
Securityholders' reporting costs	146,567	72,169
Fees paid by the manager	-	(2,933)
	<u>1,567,368</u>	<u>862,312</u>
Net investment income	<u>7,458,232</u>	<u>5,569,789</u>
Net gains (losses)		
Net realized gains on sale of investments	<u>7,217,646</u>	<u>3,153,295</u>
Change in unrealized appreciation/depreciation on investments	220,715	(3,684,291)
Unrealized gains (losses) on foreign currencies	(63)	26
	<u>220,652</u>	<u>(3,684,265)</u>
Transaction costs on purchase and sale of investments	<u>(594,355)</u>	<u>(308,515)</u>
	<u>6,843,943</u>	<u>(839,485)</u>
Increase in net assets from operations	<u>14,302,175</u>	<u>4,730,304</u>
Increase in net assets from operations per Series:		
Advisor Series	7,219,148	1,738,617
F Series	1,065,502	182,849
O Series	6,017,525	2,808,838
	<u>14,302,175</u>	<u>4,730,304</u>
Increase in net assets from operations per unit, per Series:		
Advisor Series	0.40	0.16
F Series	0.44	0.16
O Series	0.49	0.24

The accompanying notes are an integral part of these financial statements.

Omega Preferred Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Advisor Series		F Series		O Series	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
Net assets, beginning of the period	162,813,687	101,485,889	21,231,263	7,665,205	125,318,247	113,236,604
Increase in net assets from operations	7,219,148	1,738,617	1,065,502	182,849	6,017,525	2,808,838
Capital unit transactions						
Units issued	62,964,842	28,000,748	13,388,345	11,457,928	-	-
Units issued on reinvestment of distributions	2,793,549	1,744,936	510,925	244,316	3,461,251	3,157,508
Units redeemed	(14,732,539)	(16,979,216)	(5,242,408)	(2,742,094)	-	-
	51,025,852	12,766,468	8,656,862	8,960,150	3,461,251	3,157,508
Distributions to investors						
Net investment income	3,645,910	2,217,455	589,397	265,837	3,461,251	3,157,508
Increase in net assets for the period	54,599,090	12,287,630	9,132,967	8,877,162	6,017,525	2,808,838
Net assets, end of the period	217,412,777	113,773,519	30,364,230	16,542,367	131,335,772	116,045,442

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Secure Income Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (37.85%)							
Treasury Bills (37.85%)							
Government of Canada							
0.97%, due July 11, 2011	200,000	199,936	199,951				
0.95%, due July 21, 2011	1,400,000	1,396,787	1,399,318				
0.96%, due August 4, 2011	4,200,000	4,190,489	4,196,525				
0.98%, due August 4, 2011	1,800,000	1,795,302	1,798,511				
0.94%, due August 18, 2011	8,900,000	8,881,019	8,889,444				
0.93%, due September 1, 2011	2,300,000	2,295,129	2,296,489				
0.94%, due October 13, 2011	600,000	598,118	598,419				
		19,356,780	19,378,657				
	Number of Shares						
Preferred Shares (9.05%)							
Fixed-Rate, Redeemable (3.21%)							
AltaGas Ltd.							
5.00%, Series A	260	6,603	6,609				
Bank of Montreal							
4.50%, Class B, Series 13	320	6,762	7,917				
5.30%, Class B, Series 5	1,220	30,302	31,500				
5.40%, Class B, Series 23	1,370	36,694	36,798				
5.80%, Class B, Series 15	350	9,310	9,362				
Bank of Nova Scotia							
5.25%, Series 12	1,060	25,536	26,935				
6.25%, Series 26	2,440	67,298	66,270				
BCE Inc.							
4.35%, Series AG	850	19,928	20,442				
4.65%, Series AI	2,500	55,343	59,375				
5.45%, Series AA	730	13,591	18,031				
5.54%, Series AC	1,860	42,820	45,105				
6.17%, Series R	1,610	31,881	38,801				
Brookfield Asset Management Inc.							
5.40%, Class A, Series 12	920	24,614	24,849				
5.50%, Class A, Series 11	1,380	33,257	35,121				
5.63%, Class A, Series 9	590	10,466	13,629				
5.75%, Class A, Series 10	610	15,208	15,329				
7.00%, Class A, Series 22	395	10,499	10,681				
Brookfield Properties Corp.							
5.20%, Class AAA, Series 1	610	13,265	15,262				
5.75%, Class AAA, Series H	1,680	36,506	42,991				
6.00%, Class AAA, Series F	420	10,026	10,605				
6.75%, Class AAA, Series L	350	9,170	9,222				
Brookfield Renewable Power Inc.							
5.25%, Series I	1,290	32,488	33,024				
Canadian Imperial Bank of Commerce							
5.75%, Class A, Series 26	310	7,594	7,787				
Canadian Utilities Ltd.							
5.80%, Series W	620	14,456	15,649				
6.00%, Series X	580	14,459	14,761				
Capital Power Corp.							
4.00%, Series 1	120	2,976	2,984				
Dundee Wealth Management Inc.							
4.75%, Series 1	1,100	24,627	28,710				
Fortis Inc.							
4.25%, Series H	780	19,790	19,695				
4.90%, Series E	1,910	51,464	51,188				
Manulife Financial Corp.							
4.10%, Class A, Series 1	2,025	50,768	51,253				
4.50%, Class A, Series 3	925	17,496	20,442				
National Bank of Canada							
4.85%, Series 16	970	23,596	24,376				
6.00%, Series 20	320	8,360	8,483				
Power Corporation of Canada							
5.00%, Series D	2,605	58,526	61,895				
5.35%, Series B	1,520	32,917	36,814				
5.80%, Series C	945	23,254	23,606				
Fixed-Rate, Redeemable (3.21%) (continued)							
Power Financial Corp.							
4.95%, Series K	2,035	46,281	47,924				
5.10%, Series L	2,630	62,737	62,962				
5.90%, Series F	830	19,072	21,016				
6.00%, Series I	335	8,487	8,492				
6.00%, Series M	465	12,607	12,536				
Royal Bank of Canada							
5.65%, Series AH	360	8,981	9,450				
6.25%, Series AP	560	15,479	15,198				
6.25%, Series AT	2,170	59,852	59,415				
6.25%, Series AV	1,335	36,756	36,619				
Toronto-Dominion Bank							
4.60%, Class A, Series N	515	13,418	13,277				
4.85%, Class A, Series O	3,095	74,553	78,025				
5.25%, Class A, Series P	20	497	520				
5.60%, Class A, Series Q	950	22,759	24,928				
5.60%, Class A, Series R	2,190	54,376	57,816				
6.25%, Class A, Series AG	1,940	52,235	52,981				
6.25%, Class A, Series AI	1,835	50,638	50,426				
6.25%, Class A, Series AK	1,795	48,697	49,255				
TransCanada Corp.							
4.00%, Series 3	180	4,475	4,527				
5.60%, Series Y	250	12,498	12,525				
Westcoast Energy Inc.							
5.50%, Series 7	1,420	31,102	34,435				
5.60%, Series 8	10	192	243				
Yellow Media Inc.							
4.25%, Series 1	1,495	35,723	33,712				
5.00%, Series 2	780	16,610	11,809				
		1,579,875	1,643,592				
Fixed-Rate, Retractable (0.33%)							
Brookfield Properties Corp.							
5.00%, Class AAA, Series J	1,020	22,479	25,684				
5.20%, Class AAA, Series K	1,420	35,605	35,855				
Canadian General Investments Ltd.							
3.90%, Class A, Series 3	660	15,257	16,573				
Dundee Bancorp Inc.							
5.00%, Series 1	1,800	39,131	45,540				
National Bank of Canada							
5.85%, Series 15	700	17,771	17,927				
Power Financial Corp.							
5.75%, Series H	815	20,445	20,399				
RioCan Real Estate Investment Trust							
5.25%, Series A	190	4,680	4,845				
TransCanada Corp.							
5.60%, Series U	20	916	1,004				
		156,284	167,827				
Fixed-Rate, Non Redeemable (4.73%)							
Bank of Montreal							
5.14%, Series 14	1,840	44,295	47,398				
6.50%, Series 18	200	5,452	5,482				
6.50%, Series 21	1,850	51,084	51,097				
BCE Inc.							
4.40%, Series 16	940	19,072	22,701				
Canadian Imperial Bank of Commerce							
4.70%, Class A, Series 31	4,885	100,367	120,171				
4.80%, Class A, Series 30	4,025	87,935	103,483				
5.40%, Class A, Series 29	3,485	78,914	87,334				
5.60%, Class A, Series 27	910	22,840	22,832				
6.50%, Class A, Series 35	2,470	68,529	67,579				
6.50%, Class A, Series 37	1,810	50,551	49,739				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Secure Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Fixed-Rate, Non Redeemable (4.73%) (continued)				Floating-Rate, Redeemable (0.72%)			
CU Inc.				BCE Inc.			
4.60%, Series 1	1,010	21,106	22,776	4.15%, Series AK	450	11,160	11,160
6.70%, Series 2	970	26,366	26,927	4.50%, Series T	1,130	20,787	26,950
George Weston Ltd.				5.00%, Series AJ	810	15,722	19,278
4.75%, Series 5	580	11,913	12,702	Bell Aliant Inc.			
5.20%, Series 3	800	15,740	18,680	4.85%, Series A	600	14,880	15,000
5.20%, Series 4	2,645	57,676	61,867	BPO Properties Ltd.			
Great-West Lifeco Inc.				Series G	880	10,695	13,200
4.50%, Series I	3,230	59,151	72,384	Brookfield Asset Management Inc.			
4.85%, Series H	5,870	134,689	138,121	Class A, Series 2	400	7,471	7,632
5.20%, Series G	1,680	36,203	41,429	Class A, Series 4	1,200	23,560	22,860
HSBC Bank Canada				Class A, Series 13	2,805	55,521	53,407
5.00%, Series D	2,300	54,326	56,350	Co-Operators General Insurance Co.			
5.10%, Series C	2,445	52,528	60,636	7.25%, Class E, Series D	290	7,933	7,932
6.60%, Series E	2,095	57,947	57,403	Dundee Bancorp Inc.			
Industrial Alliance, Insurance & Financial Services Inc.				6.75%, Series 2	195	5,326	5,148
4.60%, Class A, Series A	670	12,852	15,155	First National Financial Corp.			
Manulife Financial Corp.				4.65%, Series 1	130	3,022	2,958
4.65%, Class A, Series 2	4,050	89,818	91,692	GMP Capital Inc.			
5.60%, Class A, Series 1	2,385	63,811	62,988	5.50%, Series B	60	1,488	1,479
6.60%, Class A, Series 4	5,655	156,088	153,250	Great-West Lifeco Inc.			
Rona Inc.				3.65%, Series N	950	23,560	23,199
5.25%, Series 6	855	21,369	21,375	6.00%, Series J	2,275	61,325	60,856
Royal Bank of Canada				Husky Energy Inc.			
4.50%, Series AE	500	11,825	12,150	4.45%, Series 1	670	16,616	17,159
4.60%, Series AC	905	19,433	22,172	Intact Financial Corp.			
4.70%, Series AB	2,520	56,330	62,647	4.20%, Series 1	450	11,160	11,160
4.90%, Series W	3,175	76,552	78,327	Shaw Communications Inc.			
6.10%, Series AX	2,610	72,047	71,775	4.50%, Series A	300	7,440	7,575
6.25%, Series AN	1,140	30,840	30,905	TransCanada Corp.			
6.25%, Series AR	1,740	47,354	47,363	4.60%, Series 1	1,705	44,263	43,989
Scotiabank Capital Trust				Yellow Media Inc.			
4.50%, Series 14	735	14,217	18,103	6.75%, Series 3	1,045	25,232	15,894
4.50%, Series 15	200	4,880	4,918			367,161	366,836
4.80%, Series 13	1,800	42,675	44,820	Total Preferred Shares		4,418,775	4,630,699
5.25%, Series 16	2,570	59,368	65,869		Number of Units		
5.60%, Series 17	1,300	31,510	33,800	Mutual Funds (52.39%)			
6.25%, Series 28	1,095	29,213	29,576	Altamira High Yield Bond Fund	1,075,370	9,161,166	9,334,222
Sun Life Financial Inc.				National Bank Bond Fund	502,947	5,198,859	5,210,531
4.45%, Class A, Series 3	1,200	27,000	26,448	National Bank Mortgage Fund	1,189,604	12,215,229	12,276,710
4.45%, Class A, Series 4	785	16,456	17,294			26,575,254	26,821,463
4.50%, Series 5	425	8,838	9,435	Total Investments (99.29%)		50,350,809*	50,830,819
4.75%, Class A, Series 1	4,640	95,476	107,741				
4.80%, Class A, Series 2	4,040	87,764	94,536	Cash And Other Net Assets (0.71%)			363,981
6.00%, Series 6R	2,880	77,935	77,098				
Toronto-Dominion Bank				Net Assets (100%)			51,194,800
6.25%, Class A, Series AE	2,660	72,294	72,884				
Union Gas Ltd.							
5.50%, Class A, Series A	20	900	1,012				
6.00%, Class A, Series D	10	475	528				
		2,284,004	2,420,952				
Floating-Rate, Retractable or Redeemable (0.06%)							
TransCanada Corp.							
4.40%, Series 5	1,235	31,451	31,492				

* Average cost of investments as at December 31, 2010 is \$37,131,943.

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Secure Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	19,378,657	11,882,012
Non-interest-bearing instruments	31,452,162	25,530,793
Total	50,830,819	37,412,805

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$6,023 (\$4,260 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (15%) - SC Mortgage Index (25%) - Merrill Lynch High Yield Index (15%) - DEX 182 Day Treasury Bill TR Index (35%) - S&P/TSX Preferred Share Index TR (10%)	± 15,358	0.03%	± 22,471	0.06%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	19,378,657	n/a	19,378,657
Preferred Shares	3,434,756	1,173,623	22,320	4,630,699
Mutual Funds	26,821,463	n/a	n/a	26,821,463
Total Investments	30,256,219	20,552,280	22,320	50,830,819

During the period ended June 30, 2011, investments of \$927,188 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$211,288 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	11,882,012	n/a	11,882,012
Preferred Shares	3,325,356	385,490	1,000	3,711,846
Mutual Funds	21,818,947	n/a	n/a	21,818,947
Total Investments	25,144,303	12,267,502	1,000	37,412,805

During the year ended December 31, 2010, investments of \$153,964 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$671,313 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	1,000	-
Purchases	22,320	-
Sales	-	-
Transfers into Level 3	-	1,000
Transfers out of Level 3	(1,000)	-
Realized gains (losses)	-	-
Change in unrealized appreciation (depreciation)	-	-
Ending Balance (December 31)	22,320	1,000

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Secure Income Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	50,830,819	37,412,805
Cash	26,706	63,976
Subscriptions receivable	457,718	17,109
Dividends receivable	15,398	12,272
Other assets receivable	22,351	12,353
	<u>51,352,992</u>	<u>37,518,515</u>
Liabilities		
Redeemed units payable	47,887	22,063
Investments payable	47,116	13,000
Accrued expenses	63,189	44,815
	<u>158,192</u>	<u>79,878</u>
Net assets	<u>51,194,800</u>	<u>37,438,637</u>
Net assets per Series:		
Investor Series	32,970,118	23,271,140
R Series	18,224,682	14,167,497
	<u>51,194,800</u>	<u>37,438,637</u>
Net assets per unit, per Series:		
Investor Series	10.09	10.04
R Series	9.57	9.61

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Secure Income Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	67,604	10,479
Dividends	129,599	53,085
Income from investment funds	612,592	302,194
	<u>809,795</u>	<u>365,758</u>
Expenses		
Management fees	290,795	134,067
Custodial fees	5,853	3,886
Directors' fees of independent review committee	95	49
Audit fees	2,558	3,801
Legal fees	940	477
Rights and deposits	11,061	8,112
Securityholders' reporting costs	11,181	8,259
Fees paid by the manager	(9,541)	(17,507)
	<u>312,942</u>	<u>141,144</u>
Net investment income	<u>496,853</u>	<u>224,614</u>
Net gains		
Net realized gains on sale of investments	3,391	8,472
Net realized losses on foreign currencies	-	(7)
	<u>3,391</u>	<u>8,465</u>
Change in unrealized appreciation/depreciation on investments	199,148	2,749
Unrealized gains (losses) on foreign currencies	(39)	77
	<u>199,109</u>	<u>2,826</u>
Transaction costs on purchase and sale of investments	(2,039)	(677)
	<u>200,461</u>	<u>10,614</u>
Increase in net assets from operations	<u>697,314</u>	<u>235,228</u>
Increase in net assets from operations per Series:		
Investor Series	440,163	160,024
R Series	257,151	75,204
	<u>697,314</u>	<u>235,228</u>
Increase in net assets from operations per unit, per Series:		
Investor Series	0.16	0.11
R Series	0.15	0.12

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Secure Income Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		R Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	23,271,140	13,068,471	14,167,497	5,294,455
Increase in net assets from operations	440,163	160,024	257,151	75,204
Capital unit transactions				
Units issued	14,306,001	5,765,672	5,611,564	5,764,519
Units issued on reinvestment of distributions	274,870	140,331	149,653	77,403
Units redeemed	(5,000,541)	(2,924,221)	(1,633,401)	(2,109,049)
	9,580,330	2,981,782	4,127,816	3,732,873
Distributions to investors				
Net investment income	321,515	161,322	187,374	66,912
Return of capital	-	-	140,408	58,607
	321,515	161,322	327,782	125,519
Increase in net assets for the period	9,698,978	2,980,484	4,057,185	3,682,558
Net assets, end of the period	32,970,118	16,048,955	18,224,682	8,977,013

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Conservative Income Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (17.98%)				Fixed-Rate, Redeemable (4.84%) (continued)			
Treasury Bills (17.98%)				Power Financial Corp.			
Government of Canada				4.95%, Series K	6,100	138,650	143,655
0.94%, due July 7, 2011	300,000	299,547	299,953	5.10% Series L	7,700	185,321	184,338
0.95%, due July 21, 2011	2,300,000	2,295,328	2,298,880	5.90%, Series F	2,720	60,417	68,870
0.96%, due August 4, 2011	8,600,000	8,580,791	8,592,884	6.00%, Series I	915	23,477	23,195
0.94%, due August 18, 2011	1,800,000	1,796,287	1,797,865	6.00%, Series M	1,405	38,066	37,879
0.93%, due September 1, 2011	2,400,000	2,394,909	2,396,337	Royal Bank of Canada			
0.93%, due October 13, 2011	3,700,000	3,688,908	3,690,253	5.65%, Series AH	1,080	28,354	28,350
		19,055,770	19,076,172	6.25%, Series AP	1,490	41,154	40,439
	Number of Shares			6.25%, Series AT	6,960	192,265	190,565
				6.25%, Series AV	4,625	126,136	126,864
				Scotiabank Capital Trust			
				5.25%, Series 12	3,910	93,233	99,353
				6.25%, Series 26	7,090	193,726	192,564
Preferred Shares (13.45%)				Toronto-Dominion Bank			
Fixed-Rate, Redeemable (4.84%)				4.60%, Class A, Series N	740	19,283	19,077
AltaGas Ltd.				4.85%, Class A, Series O	10,540	259,686	265,713
5.00%, Series A	790	20,024	20,082	5.25%, Class A, Series P	50	1,242	1,300
Bank of Montreal				5.60%, Class A, Series Q	2,680	62,657	70,323
4.50%, Class B, Series 13	355	7,947	8,783	5.60%, Class A, Series R	6,095	154,130	160,908
5.30%, Class B, Series 5	3,810	93,139	98,374	6.25%, Class A, Series AG	6,680	177,203	182,431
5.40%, Class B, Series 23	4,355	115,622	116,975	6.25%, Class A, Series AI	5,640	155,763	154,987
5.80%, Class B, Series 15	1,050	27,336	28,088	6.25%, Class A, Series AK	6,670	179,240	183,025
BCE Inc.				TransCanada Corp.			
4.35%, Series AG	2,430	58,772	58,442	4.00%, Series 3	980	24,369	24,647
4.65%, Series AI	7,230	177,508	171,712	5.60%, Series Y	740	37,423	37,074
5.45%, Series AA	3,920	79,136	96,824	Westcoast Energy Inc.			
5.54%, Series AC	3,840	86,508	93,120	5.50%, Series 7	4,350	89,746	105,488
6.17%, Series R	4,830	89,776	116,403	5.60%, Series 8	40	770	970
Brookfield Asset Management Inc.				Yellow Media Inc.			
5.40%, Class A, Series 12	2,760	70,975	74,548	4.25%, Series 1	4,500	110,042	101,475
5.50%, Class A, Series 11	3,750	85,104	95,438	5.00%, Series 2	2,810	59,701	42,543
5.63%, Class A, Series 9	1,590	22,549	36,729			4,910,735	5,133,608
5.75%, Class A, Series 10	1,870	45,781	46,993				
7.00%, Class A, Series 22	1,170	30,691	31,637	Fixed-Rate, Retractable (0.46%)			
Brookfield Properties Corp.				Brookfield Properties Corp.			
5.20%, Class AAA, Series 1	2,900	71,196	72,558	5.00%, Class AAA, Series J	2,160	38,936	54,389
5.75%, Class AAA, Series H	5,340	102,993	136,651	5.20%, Class AAA, Series K	4,100	104,811	103,525
6.00%, Class AAA, Series F	1,630	38,026	41,158	Canadian General Investments Ltd.			
6.75%, Class AAA, Series L	1,000	26,200	26,350	3.90%, Class A, Series 3	1,590	32,918	39,925
Brookfield Renewable Power Inc.				Dundee Bancorp Inc.			
5.25%, Series I	3,985	100,702	102,016	5.00%, Series 1	5,540	116,753	140,162
Canadian Imperial Bank of Commerce				National Bank of Canada			
5.35%, Class A, Series 33	1,090	29,168	28,787	5.85%, Series 15	2,150	54,727	55,062
5.50%, Class A, Series 18	2,400	60,873	60,480	Power Financial Corp.			
5.75%, Class A, Series 26	880	21,513	22,106	5.75%, Series H	3,130	78,627	78,344
Canadian Utilities Ltd.				RioCan Real Estate Investment Trust			
5.80%, Series W	1,670	37,024	42,151	5.25%, Series A	550	13,537	14,025
6.00%, Series X	1,320	33,552	33,594	TransCanada Corp.			
Capital Power Corp.				5.60%, Series U	90	4,122	4,518
4.00%, Series 1	300	7,440	7,461			444,431	489,950
Dundee Wealth Management Inc.				Fixed-Rate, Non Redeemable (6.93%)			
4.75%, Series 1	4,135	90,765	107,924	Bank of Montreal			
Fortis Inc.				5.14%, Series 14	5,180	124,750	133,437
4.25%, Series H	2,120	53,373	53,530	6.50%, Series 18	780	20,895	21,380
4.90%, Series E	6,260	164,614	167,768	6.50%, Series 21	5,445	148,355	150,391
5.45%, Series C	10	255	258	BCE Inc.			
Manulife Financial Corp.				4.40%, Series 16	2,690	47,509	64,964
4.10%, Class A, Series 1	6,195	154,225	156,795				
4.50%, Class A, Series 3	2,840	52,565	62,764				
National Bank of Canada							
4.85%, series 16	1,100	26,738	27,643				
6.00%, Series 20	900	23,508	23,859				
Power Corporation of Canada							
5.00%, Series D	6,285	143,084	149,332				
5.35%, Series B	5,520	118,198	133,694				
5.80%, Series C	3,865	91,801	96,548				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Conservative Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Fixed-Rate, Non Redeemable (6.93%) (continued)				Floating-Rate, Redeemable (1.13%)			
Canadian Imperial Bank of Commerce				BCE Inc.			
4.70%, Class A, Series 31	13,790	284,690	339,234	4.15%, Series AK	1,300	32,240	32,240
4.80%, Class A, Series 30	12,570	272,203	323,175	4.50%, Series T	4,850	91,015	115,672
5.40%, Class A, Series 29	10,155	233,815	254,484	5.00%, Series AJ	2,425	47,756	57,715
5.60%, Class A, Series 27	2,080	51,298	52,187	Bell Aliant Inc.			
6.50%, Class A, Series 35	6,935	191,281	189,742	4.85%, Series A	1,650	40,992	41,250
6.50%, Class A, Series 37	5,070	141,425	139,324	BPO Properties Ltd.			
CU Inc.				Series G	2,260	21,087	33,900
4.60%, Series 1	2,910	60,566	65,620	Brookfield Asset Management Inc.			
6.70%, Series 2	3,725	100,640	103,406	Class A, Series 2	900	16,810	17,172
George Weston Ltd.				Class A, Series 4	4,280	87,365	81,534
4.75%, Series 5	2,340	44,451	51,246	Class A, Series 13	8,285	138,519	157,746
5.20%, Series 3	1,500	27,000	35,025	Co-Operators General Insurance Co.			
5.20%, Series 4	8,440	191,626	197,412	7.25%, Class E, Series D	1,330	36,265	36,376
Great-West Lifeco Inc.				Dundee Bancorp Inc.			
4.50%, Series I	11,950	230,210	267,800	6.75%, Series 2	595	16,251	15,708
4.85%, Series H	15,630	370,450	367,774	First National Financial Corp.			
5.20%, Series G	4,660	101,170	114,916	4.65%, Series 1	425	9,881	9,669
HSBC Bank Canada				GMP Capital Inc.			
5.00%, Series D	7,120	166,055	174,440	5.50%, B Series	180	4,464	4,437
5.10%, Series C	7,580	167,645	187,984	Great-West Lifeco Inc.			
6.60%, Series E	6,055	165,861	165,907	3.65%, Series N	2,400	59,520	58,608
Industrial Alliance, Insurance & Financial Services Inc.				6.00%, Series J	7,290	195,333	195,008
4.60%, Class A, Series A	1,935	35,939	43,770	Husky Energy Inc.			
Manulife Financial Corp.				4.45%, Series 1	1,900	47,120	48,659
4.65%, Class A, Series 2	12,560	279,785	284,358	Intact Financial Corp.			
5.60%, Series 1	9,085	242,765	239,935	4.20%, Series 1	1,300	32,240	32,240
6.60%, Series 4	16,695	459,763	452,434	Shaw Communications Inc.			
Rona Inc.				4.50%, Series A	1,000	24,800	25,250
5.25%, Series 6	3,360	83,968	84,000	TransCanada Corp.			
Royal Bank of Canada				4.60%, Series 1	7,340	190,280	189,372
4.50%, Series AE	1,400	33,110	34,020	Yellow Media Inc.			
4.60%, Series AC	2,790	62,428	68,355	6.75%, Series 3	2,975	71,982	45,250
4.70%, Series AB	7,385	164,229	183,591			1,163,920	1,197,806
4.90%, Series W	10,345	257,245	255,211				
6.10%, Series AX	7,920	218,009	217,800				
6.25%, Series AN	3,540	95,417	95,969				
6.25%, Series AR	5,720	154,795	155,698				
Scotiabank Capital Trust							
4.50%, Series 14	2,270	48,900	55,910				
4.50%, Series 15	600	14,640	14,754				
4.80%, Series 13	6,430	159,250	160,107				
5.25%, Series 16	7,000	150,695	179,410				
5.60%, Series 17	3,990	101,114	103,740				
6.25%, Series 28	3,750	99,034	101,288				
Sun Life Financial Inc.							
4.45%, Class A, Series 3	4,200	94,500	92,568				
4.45%, Class A, Series 4	1,605	33,135	35,358				
4.50%, Class A, Series 5	1,560	36,298	34,632				
4.75%, Class A, Series 1	14,085	284,744	327,054				
4.80%, Class A, Series 2	12,755	288,069	298,467				
6.00%, Class A, Series 6R	8,750	234,239	234,238				
Toronto-Dominion Bank							
6.25%, Class A, Series AE	6,720	180,947	184,128				
Union Gas Ltd.							
5.50%, Class A, Series A	90	4,050	4,556				
6.00%, Class A, Series D	40	1,899	2,110				
		6,960,862	7,343,309				
Floating-Rate, Retractable or Redeemable (0.09%)				Consumer Discretionary (0.66%)			
TransCanada Corp.				Boston Pizza Royalties Income Fund	4,698	60,396	62,953
4.40%, Series 5	3,820	97,581	97,410	Magna International Inc., Class A	12,280	550,215	639,174
						610,611	702,127
				Consumer Staples (0.83%)			
				Maple Leaf Foods Inc.	22,706	267,688	268,612
				Metro Inc., Class A	4,512	208,599	216,486
				Shoppers Drug Mart Corp.	9,885	399,131	392,138
						875,418	877,236
				Energy (5.40%)			
				Baytex Energy Corp.	13,360	495,621	700,331
				Canadian Natural Resources Ltd.	25,978	1,057,370	1,047,173
				Cenovus Energy Inc.	17,950	545,778	651,764
				Crescent Point Energy Corp.	8,009	349,218	355,600
				Husky Energy Inc.	14,930	418,470	392,062
				Inter Pipeline Corridor Inc.	14,119	172,557	223,645
				Penn West Petroleum Ltd.	12,698	292,751	282,150
				Peyto Exploration & Development Corp.	12,307	218,241	264,108
				Progress Energy Resources Corp.	8,900	127,255	122,108
				Suncor Energy Inc.	30,991	1,180,472	1,167,741
				Talisman Energy Inc.	28	541	553
				TransCanada Corp.	6,180	244,177	260,796
				Trilogy Energy Corp.	4,200	98,905	99,624
				Trinidad Drilling Ltd.	18,683	157,070	156,377
						5,358,426	5,724,032

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Conservative Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$
Financials (5.06%)			
AGF Management Ltd., Class B	20,200	366,647	377,740
Allied Properties Real Estate Investment Trust	4,457	97,609	105,943
Bank of Montreal	2,700	161,917	165,321
Bank of Nova Scotia	11,798	641,514	684,284
Boardwalk Real Estate Investment Trust	2,657	103,398	128,067
Brookfield Asset Management Inc., Class A	4,145	121,651	132,433
Canadian Imperial Bank of Commerce	5,433	411,972	413,451
H&R Real Estate Investment Trust	8,271	127,035	178,240
Industrial Alliance, Insurance & Financial Services Inc.	4,600	185,563	184,368
Manulife Financial Corp.	11,027	184,180	187,790
Power Financial Corp.	6,200	194,370	184,202
Royal Bank of Canada	19,579	1,066,457	1,076,649
Sun Life Financial Inc.	10,966	342,358	317,466
Toronto-Dominion Bank	15,088	1,083,407	1,233,444
		5,088,078	5,369,398
Industrials (2.05%)			
Black Diamond Group Ltd.	3,900	101,790	122,772
Bombardier Inc., Class B	44,076	286,209	305,006
CAE Inc.	15,000	193,833	194,700
Canadian Pacific Railway Co.	6,953	427,330	417,528
CanWel Building Materials Group Ltd.	50,243	239,708	153,241
Finning International Inc.	17,341	458,574	494,392
Russel Metals Inc.	4,200	102,270	102,942
SNC-Lavalin Group Inc.	5,644	333,289	331,867
Westshore Terminals Investment Corp.	2,388	57,473	56,954
		2,200,476	2,179,402
Information Technology (0.15%)			
Macdonald Dettwiler & Associates Ltd.	2,923	162,120	158,631
Materials (3.25%)			
Agnico-Eagle Mines Ltd.	1,600	100,464	97,568
Agrium Inc.	4,085	359,382	345,387
Barrick Gold Corp.	13,832	597,447	604,043
First Quantum Minerals Ltd.	1,123	129,532	157,838
Goldcorp Inc.	13,997	575,144	651,140
IAMGOLD Corp.	4,776	93,319	86,446
Kinross Gold Corp.	18,937	291,223	287,842
Labrador Iron Ore Royalty Corp.	2,481	61,685	96,015
Methanex Corp.	3,600	105,083	108,612
Potash Corporation of Saskatchewan Inc.	12,110	566,546	664,960
Silvercorp Metals Inc.	7,422	80,452	67,169
Teck Resources Ltd., Class B	5,734	279,372	280,106
		3,239,649	3,447,126
Telecommunication Services (0.83%)			
BCE Inc.	6,737	205,731	254,793
Rogers Communications Inc., Class B	16,542	612,020	629,589
		817,751	884,382
Utilities (0.39%)			
Canadian Utilities Ltd.	1,765	84,735	98,769
TransAlta Corp.	14,926	316,263	307,028
Valener Inc.	679	11,065	11,000
		412,063	416,797
Total Canadian Equities		18,764,592	19,759,131

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (46.87%)			
Altamira High Yield Bond Fund	2,206,014	18,485,423	19,148,202
National Bank Bond Fund	1,015,286	10,429,485	10,518,361
National Bank Mortgage Fund	1,941,926	19,850,152	20,040,670
		48,756,060	49,707,233
Index Equivalent (3.30%)			
iShares S&P/TSX 60	183,600	3,560,679	3,504,924
Total Investments (100.23%)		103,723,630*	106,309,543
Cash And Other Net Assets (-0.23%)			(243,518)
Net Assets (100%)			106,066,025

* Average cost of investments as at December 31, 2010 is \$71,157,439.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value \$	Percentage of Net Assets	Fair Value \$	Percentage of Net Assets
American Dollar	n/a	n/a	4,370	0.01%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$0 (\$219 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
Less than one year	19,076,172	9,232,036
Non-interest-bearing instruments	87,233,371	65,140,850
Total	106,309,543	74,372,886

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$6,786 (\$4,148 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Conservative Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (15%) - SC Mortgage Index (20%) - Merrill Lynch High Yield Index (15%) - DEX 182 Day Treasury Bill TR Index (15%) - S&P/TSX DVD Aristocrats Index (20%) - S&P/TSX Preferred Share Index TR (15%)	± 1,930,402	1.82%	± 1,393,391	1.86%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	19,076,172	n/a	19,076,172
Preferred Shares	10,644,780	3,552,823	64,480	14,262,083
Common Shares	19,759,131	n/a	n/a	19,759,131
Mutual Funds	49,707,233	n/a	n/a	49,707,233
Index Equivalent	3,504,924	n/a	n/a	3,504,924
Total Investments	83,616,068	22,628,995	64,480	106,309,543

During the period ended June 30, 2011, investments of \$2,793,886 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$658,647 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	9,232,036	n/a	9,232,036
Preferred Shares	9,854,945	1,152,045	4,502	11,011,492
Common Shares	15,325,778	n/a	n/a	15,325,778
Mutual Funds	38,803,580	n/a	n/a	38,803,580
Total Investments	63,984,303	10,384,081	4,502	74,372,886

During the year ended December 31, 2010, investments of \$462,114 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$2,015,103 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
Beginning Balance (January 1)	\$ 4,502	\$ -
Purchases	64,480	-
Sales	-	-
Transfers into Level 3	-	4,502
Transfers out of Level 3	(4,502)	-
Realized gains (losses)	-	-
Change in unrealized appreciation (depreciation)	-	-
Ending Balance (December 31)	64,480	4,502

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Conservative Income Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	106,309,543	74,372,886
Cash	109,342	182,931
Subscriptions receivable	158,764	660,560
Proceeds from sale of investments receivable	223,349	-
Interest and dividends receivable	102,883	93,077
Other assets receivable	29,452	24,689
	<u>106,933,333</u>	<u>75,334,143</u>
Liabilities		
Redeemed units payable	107,130	281,543
Investments payable	628,650	50,219
Accrued expenses	131,528	88,878
	<u>867,308</u>	<u>420,640</u>
Net assets	<u>106,066,025</u>	<u>74,913,503</u>
Net assets per Series:		
Investor Series	79,692,839	55,173,970
R Series	26,373,186	19,739,533
	<u>106,066,025</u>	<u>74,913,503</u>
Net assets per unit, per Series:		
Investor Series	10.32	10.31
R Series	9.73	9.82

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Conservative Income Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	61,821	110,996
Dividends	635,166	321,848
Income from investment funds	1,116,330	690,000
Income from securities lending	576	-
	<u>1,813,893</u>	<u>1,122,844</u>
Expenses		
Management fees	595,155	343,491
Custodial fees	14,819	9,592
Directors' fees of independent review committee	144	74
Audit fees	3,699	5,333
Legal fees	1,359	669
Rights and deposits	12,273	8,790
Securityholders' reporting costs	16,896	12,340
Fees paid by the manager	(3,862)	(17,605)
	<u>640,483</u>	<u>362,684</u>
Net investment income	<u>1,173,410</u>	<u>760,160</u>
Net losses		
Net realized gains on sale of investments	544,531	723,499
Net realized losses on foreign currencies	-	(164)
	<u>544,531</u>	<u>723,335</u>
Change in unrealized appreciation/depreciation on investments	(629,534)	(1,104,825)
Unrealized gains (losses) on foreign currencies	(145)	288
	<u>(629,679)</u>	<u>(1,104,537)</u>
Transaction costs on purchase and sale of investments	(75,554)	(24,394)
	<u>(160,702)</u>	<u>(405,596)</u>
Increase in net assets from operations	<u>1,012,708</u>	<u>354,564</u>
Increase in net assets from operations per Series:		
Investor Series	743,427	253,952
R Series	269,281	100,612
	<u>1,012,708</u>	<u>354,564</u>
Increase in net assets from operations per unit, per Series:		
Investor Series	0.11	0.06
R Series	0.12	0.07

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Conservative Income Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		R Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	55,173,970	36,582,393	19,739,533	13,307,367
Increase in net assets from operations	743,427	253,952	269,281	100,612
Capital unit transactions				
Units issued	29,614,904	11,480,102	8,233,570	3,961,649
Units issued on reinvestment of distributions	769,367	487,595	260,001	142,117
Units redeemed	(5,731,421)	(4,855,936)	(1,607,314)	(2,606,190)
	24,652,850	7,111,761	6,886,257	1,497,576
Distributions to investors				
Net investment income	877,408	578,932	298,230	191,157
Return of capital	-	6,448	223,655	110,495
	877,408	585,380	521,885	301,652
Increase in net assets for the period	24,518,869	6,780,333	6,633,653	1,296,536
Net assets, end of the period	79,692,839	43,362,726	26,373,186	14,603,903

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Moderate Income Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (3.30%)							
Treasury Bills (3.30%)							
Government of Canada							
0.97%, due July 11, 2011	500,000	499,840	499,878				
0.96%, due August 4, 2011	800,000	798,191	799,338				
0.94%, due August 18, 2011	500,000	498,925	499,407				
0.93%, due September 1, 2011	1,100,000	1,097,685	1,098,321				
		2,894,641	2,896,944				
	Number of Shares						
Preferred Shares (18.24%)							
Fixed-Rate, Redeemable (6.61%)							
AltaGas Ltd.							
5.00%, Series A	840	21,307	21,353				
Bank of Montreal							
4.50%, Class B, Series 13	405	9,121	10,020				
5.30%, Class B, Series 5	4,310	105,456	111,284				
5.40%, Class B, Series 23	5,415	143,796	145,447				
5.80%, Class B, Series 15	1,170	30,468	31,298				
BCE Inc.							
4.35%, Series AG	2,940	71,793	70,707				
4.65%, Series AI	8,160	179,838	193,800				
5.45%, Series AA	3,670	70,607	90,649				
5.54%, Series AC	5,570	129,116	135,072				
6.17%, Series R	5,330	99,056	128,453				
Brookfield Asset Management Inc.							
5.40%, Class A, Series 12	3,030	80,969	81,840				
5.50%, Class A, Series 11	4,550	118,313	115,798				
5.63%, Class A, Series 9	2,030	31,280	46,893				
5.75%, Class A, Series 10	2,050	50,132	51,516				
7.00%, Class A, Series 22	1,320	34,653	35,693				
Brookfield Properties Corp.							
5.20%, Class AAA, Series 1	3,540	89,957	88,571				
5.75%, Class AAA, Series H	6,065	116,715	155,203				
6.00%, Class AAA, Series F	1,800	41,928	45,450				
6.75%, Class AAA, Series L	1,100	28,820	28,985				
Brookfield Renewable Power Inc.							
5.25%, Series I	4,500	113,669	115,200				
Canadian Imperial Bank of Commerce							
5.35%, Class A, Series 33	1,220	32,642	32,220				
5.50%, Class A, Series 18	2,135	54,327	53,802				
5.75%, Class A, Series 26	2,160	53,118	54,259				
Canadian Utilities Ltd.							
5.80%, Series W	2,180	49,430	55,023				
6.00%, Series X	1,230	31,254	31,304				
Capital Power Corp.							
4.00%, Series 1	255	6,324	6,342				
Dundee Wealth Management Inc.							
4.75%, Series 1	4,610	101,374	120,321				
Fortis Inc.							
4.25%, Series H	2,180	54,854	55,045				
4.90%, Series E	6,900	181,290	184,920				
5.45%, Series C	10	255	258				
Manulife Financial Corp.							
4.10%, Class A, Series 1	6,960	173,336	176,158				
4.50%, Class A, Series 3	3,255	60,244	71,936				
National Bank of Canada							
4.85%, series 16	1,250	30,385	31,412				
6.00%, Series 20	1,020	26,639	27,040				
Power Corporation of Canada							
5.00%, Series D	9,970	233,783	236,887				
5.35%, Series B	4,100	84,017	99,302				
5.80%, Series C	3,660	86,400	91,427				
Fixed-Rate, Redeemable (6.61%) (continued)							
Power Financial Corp.							
4.95%, Series K	6,660	144,429	156,843				
5.10%, Series L	8,840	216,420	211,630				
5.90%, Series F	2,790	61,395	70,643				
6.00%, Series I	1,090	28,066	27,632				
6.00%, Series M	1,520	41,185	40,979				
Royal Bank of Canada							
5.65%, Series AH	1,250	32,766	32,812				
6.25%, Series AP	1,760	48,636	47,766				
6.25%, Series AT	7,645	210,723	209,320				
6.25%, Series AV	5,200	141,762	142,636				
Scotiabank Capital Trust							
5.25%, Series 12	3,890	91,977	98,845				
6.25%, Series 26	8,480	231,507	230,317				
Toronto-Dominion Bank							
4.60%, Class A, Series N	890	23,192	22,944				
4.85%, Class A, Series O	11,825	292,228	298,108				
5.25%, Class A, Series P	60	1,491	1,561				
5.60%, Class A, Series Q	3,030	71,266	79,507				
5.60%, Class A, Series R	6,825	172,829	180,180				
6.25%, Class A, Series AG	7,480	198,319	204,279				
6.25%, Class A, Series AI	5,010	138,102	137,675				
6.25%, Class A, Series AK	7,520	202,311	206,349				
TransCanada Corp.							
4.00%, Series 3	1,490	37,051	37,474				
5.60%, Series Y	960	48,967	48,096				
Westcoast Energy Inc.							
5.50%, Series 7	4,820	99,520	116,885				
5.60%, Series 8	50	962	1,213				
Yellow Media Inc.							
4.25%, Series 1	5,025	123,564	113,314				
5.00%, Series 2	3,025	64,478	45,798				
		5,549,812	5,793,694				
Fixed-Rate, Retractable (0.62%)							
Brookfield Properties Corp.							
5.00%, Class AAA, Series J	2,240	39,327	56,403				
5.20%, Class AAA, Series K	4,530	116,493	114,382				
Canadian General Investments Ltd.							
3.90%, Class A, Series 3	1,500	29,847	37,665				
Dundee Bancorp Inc.							
5.00%, Series 1	6,240	131,939	157,872				
National Bank of Canada							
5.85%, Series 15	2,390	61,034	61,208				
Power Financial Corp.							
5.75%, Series H	3,610	90,696	90,358				
RioCan Real Estate Investment Trust							
5.25%, Series A	855	21,058	21,802				
TransCanada Corp.							
5.60%, Series U	110	5,038	5,522				
		495,432	545,212				
Fixed-Rate, Non Redeemable (9.32%)							
Bank of Montreal							
5.14%, Series 14	6,030	145,889	155,333				
6.50%, Series 18	875	23,451	23,984				
6.50%, Series 21	5,405	147,135	149,286				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Moderate Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Fixed-Rate, Non Redeemable (9.32%) (continued)				Floating-Rate, Retractable or Redeemable (0.12%)			
BCE Inc.				TransCanada Corp.			
4.40%, Series 16	2,960	51,897	71,484	4.40%, Series 5	4,260	108,800	108,630
Canadian Imperial Bank of Commerce				Floating-Rate, Redeemable (1.57%)			
4.70%, Class A, Series 31	16,055	335,006	394,953	BCE Inc.			
4.80%, Class A, Series 30	14,155	308,785	363,925	4.15%, Series AK	1,500	37,200	37,200
5.40%, Class A, Series 29	9,400	206,033	235,564	4.50%, Series T	5,050	93,477	120,442
5.60%, Class A, Series 27	3,480	86,711	87,313	5.00%, Series AJ	2,745	54,912	65,331
6.50%, Class A, Series 35	7,700	212,871	210,672	Bell Aliant Inc.			
6.50%, Class A, Series 37	5,690	158,777	156,361	4.85%, Series A	1,900	47,408	47,500
CU Inc.				BPO Properties Ltd.			
4.60%, Series 1	3,220	61,152	72,611	Series G	2,990	30,916	44,850
6.70%, Series 2	3,985	107,851	110,624	Brookfield Asset Management Inc.			
George Weston Ltd.				Class A, Series 2	1,360	25,402	25,949
4.75%, Series 5	2,515	48,541	55,078	Class A, Series 4	4,685	95,941	89,249
5.20%, Series 3	3,190	65,520	74,486	Class A, Series 13	9,285	148,835	176,786
5.20%, Series 4	8,075	184,294	188,874	Co-Operators General Insurance Co.			
Great-West Lifeco Inc.				7.25%, Class E, Series D	1,420	38,727	38,837
4.50%, Series I	13,010	240,690	291,554	Dundee Bancorp Inc.			
4.85%, Series H	17,250	411,157	405,892	6.75%, Series 2	1,035	27,975	27,324
5.20%, Series G	5,570	123,969	137,356	First National Financial Corp.			
HSBC Bank Canada				4.65%, Series 1	380	8,835	8,645
5.00%, Series D	8,130	199,225	199,185	GMP Capital Inc.			
5.10%, Series C	8,505	189,595	210,924	5.50%, Series B	210	5,208	5,176
6.60%, Series E	6,635	181,750	181,799	Great-West Lifeco Inc.			
Industrial Alliance, Insurance & Financial Services Inc.				3.65%, Series N	2,600	64,480	63,492
4.60%, Class A, Series A	2,145	39,665	48,520	6.00%, Series J	8,205	219,506	219,484
Manulife Financial Corp.				Husky Energy Inc.			
4.65%, Class A, Series 2	14,060	315,843	318,318	4.45%, Series 1	2,150	53,320	55,062
5.60%, Class A, Series 1	8,660	230,283	228,711	Intact Financial Corp.			
6.60%, Class A, Series 4	18,760	518,472	508,396	4.20%, Series 1	1,500	37,200	37,200
Rona Inc.				Shaw Communications Inc.			
5.25%, Series 6	3,780	94,464	94,500	4.50%, Series A	1,100	27,280	27,775
Royal Bank of Canada				TransCanada Corp.			
4.50%, Series AE	1,500	35,475	36,450	4.60%, Series 1	9,050	234,744	233,490
4.60%, Series AC	3,160	69,148	77,420	Yellow Media Inc.			
4.70%, Series AB	8,545	195,472	212,429	6.75%, Series 3	3,625	87,555	55,136
4.90%, Series W	11,385	276,898	280,868			1,338,921	1,378,928
6.10%, Series AX	8,920	245,208	245,300				
6.25%, Series AN	4,035	108,817	109,389	Total Preferred Shares		15,240,391	16,003,425
6.25%, Series AR	6,260	170,560	170,397				
Scotiabank Capital Trust				Canadian Equities (31.96%)			
4.50%, Series 14	2,500	60,240	61,575	Consumer Discretionary (1.13%)			
4.50%, Series 15	700	17,080	17,213	Boston Pizza Royalties Income Fund	6,612	84,248	88,601
4.80%, Series 13	7,760	192,395	193,224	Magna International Inc., Class A	17,223	772,077	896,457
5.25%, Series 16	7,815	167,988	200,298			856,325	985,058
5.60%, Series 17	4,500	114,033	117,000				
6.25%, Series 28	3,590	94,364	96,966	Consumer Staples (1.40%)			
Sun Life Financial Inc.				Maple Leaf Foods Inc.	31,968	377,261	378,181
4.45%, Class A, Series 3	2,000	45,000	44,080	Metro Inc., Class A	6,233	288,165	299,059
4.45%, Class A, Series 4	1,720	34,232	37,892	Shoppers Drug Mart Corp.	13,944	563,002	553,158
4.50%, Class A, Series 5	4,320	89,464	95,904			1,228,428	1,230,398
4.75%, Class A, Series 1	15,940	319,572	370,127				
4.80%, Class A, Series 2	14,410	329,118	337,194				
6.00%, Class A, Series 6R	9,695	259,251	259,535				
Toronto-Dominion Bank							
6.25%, Class A, Series AE	8,405	227,211	230,297				
Union Gas Ltd.							
5.50%, Class A, Series A	100	4,500	5,062				
6.00%, Class A, Series D	50	2,374	2,638				
		7,747,426	8,176,961				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Moderate Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Energy (9.27%)				Telecommunication Services (1.43%)			
Baytex Energy Corp.	18,945	705,019	993,097	BCE Inc.	9,486	294,310	358,761
Canadian Natural Resources Ltd.	37,281	1,506,732	1,502,797	Rogers Communications Inc., Class B	23,587	872,669	897,721
Genovus Energy Inc.	25,620	775,101	930,262				
Crescent Point Energy Corp.	11,275	490,430	500,610			1,166,979	1,256,482
Husky Energy Inc.	20,400	572,364	535,704	Utilities (0.68%)			
Inter Pipeline Corridor Inc.	19,879	245,179	314,883	Canadian Utilities Ltd.	2,484	119,970	139,005
Penn West Petroleum Ltd.	18,124	415,942	402,715	TransAlta Corp.	21,283	450,970	437,791
Peyto Exploration & Development Corp.	17,324	306,116	371,773	Valener Inc.	959	15,628	15,536
Progress Energy Resources Corp.	12,700	181,588	174,244			586,568	592,332
Suncor Energy Inc.	44,234	1,672,124	1,666,737	Total Canadian Equities			
Talisman Energy Inc.	40	767	790			26,609,335	28,028,617
TransCanada Corp.	8,765	346,312	369,883				
Trilogy Energy Corp.	6,000	141,292	142,320				
Trinidad Drilling Ltd.	27,091	228,261	226,752				
		7,587,227	8,132,567				
Financials (8.71%)				Mutual Funds (41.41%)			
AGF Management Ltd., Class B	28,503	517,371	533,006	Altamira High Yield Bond Fund	2,297,619	19,443,510	19,943,332
Allied Properties Real Estate Investment Trust	6,313	138,252	150,060	National Bank Bond Fund	830,390	8,541,046	8,602,838
Bank of Montreal	3,900	233,879	238,797	National Bank Mortgage Fund	752,944	7,713,017	7,770,381
Bank of Nova Scotia	16,784	914,792	973,472			35,647,573	36,316,551
Boardwalk Real Estate Investment Trust	3,742	150,777	180,364	Index Equivalent (4.93%)			
Brookfield Asset Management Inc., Class A	5,846	171,973	186,780	iShares S&P/TSX 60	226,700	4,438,307	4,327,703
Canadian Imperial Bank of Commerce	7,755	591,155	590,156	Total Investments (99.84%)			
H&R Real Estate Investment Trust	11,643	184,386	250,907			84,880,247*	87,573,240
Industrial Alliance, Insurance & Financial Services Inc.	6,800	274,310	272,544	Cash And Other Net Assets (0.16%)			
Manulife Financial Corp.	16,176	268,852	275,477				138,388
Power Financial Corp.	8,800	275,880	261,448	Net Assets (100%)			
Royal Bank of Canada	27,946	1,513,660	1,536,751				87,711,628
Sun Life Financial Inc.	15,652	488,050	453,125	* Average cost of investments as at December 31, 2010 is \$62,714,299.			
Toronto-Dominion Bank	21,242	1,516,753	1,736,534	Currency Risk (note 4)			
		7,240,090	7,639,421	The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.			
Industrials (3.53%)				Credit Risk (note 4)			
Black Diamond Group Ltd.	5,600	146,160	176,288	Debt Securities by Credit Ratings			
Bombardier Inc., Class B	62,819	406,480	434,707			June 30, 2011	December 31, 2010
CAE Inc.	21,200	273,951	275,176	AAA/Aaa/A-1/P-1		100.00%	100.00%
Canadian Pacific Railway Co.	9,917	609,453	595,516	Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.			
CanWel Building Materials Group Ltd.	71,175	341,742	217,084	Interest Rate Risk (note 4)			
Finning International Inc.	24,469	644,912	697,611	Investments			
Russel Metals Inc.	6,100	148,535	149,511			June 30, 2011	December 31, 2010
SNC-Lavalin Group Inc.	8,013	473,762	471,164			\$	\$
Westshore Terminals Investment Corp.	3,362	81,123	80,184	Less than one year		2,896,944	2,395,745
		3,126,118	3,097,241	Non-interest-bearing instruments		84,676,296	63,991,723
Information Technology (0.26%)				Total		87,573,240	66,387,468
Macdonald Dettwiler & Associates Ltd.	4,159	230,678	225,709	Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$866 (\$1,118 in 2010).			
Materials (5.55%)				Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.			
Agnico-Eagle Mines Ltd.	2,200	138,137	134,156	Investments			
Agrium Inc.	5,825	512,605	492,504			June 30, 2011	December 31, 2010
Barrick Gold Corp.	19,471	854,945	850,299			\$	\$
First Quantum Minerals Ltd.	1,598	183,628	224,599	Less than one year		2,896,944	2,395,745
Goldcorp Inc.	19,705	809,500	916,677	Non-interest-bearing instruments		84,676,296	63,991,723
IAMGOLD Corp.	6,723	131,068	121,686	Total		87,573,240	66,387,468
Kinross Gold Corp.	27,766	426,908	422,043	Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$866 (\$1,118 in 2010).			
Labrador Iron Ore Royalty Corp.	2,870	65,370	111,069	Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.			
Methanex Corp.	5,100	148,868	153,867	Investments			
Potash Corporation of Saskatchewan Inc.	17,041	791,630	935,721			June 30, 2011	December 31, 2010
Silvercorp Metals Inc.	10,614	115,052	96,057			\$	\$
Teck Resources Ltd., Class B	8,408	409,211	410,731	Less than one year		2,896,944	2,395,745
		4,586,922	4,869,409	Non-interest-bearing instruments		84,676,296	63,991,723
				Total		87,573,240	66,387,468

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Moderate Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (15%) - SC Mortgage Index (10%) - Merrill Lynch High Yield Index (20%) - S&P/TSX DVD Aristocrats Index (35%) - S&P/TSX Preferred Share Index TR (20%)	± 315,762	0.36%	± 177,627	0.27%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	2,896,944	n/a	2,896,944
Preferred Shares	11,927,762	4,001,263	74,400	16,003,425
Common Shares	28,028,617	n/a	n/a	28,028,617
Mutual Funds	36,316,551	n/a	n/a	36,316,551
Index Equivalent	4,327,703	n/a	n/a	4,327,703
Total Investments	80,600,633	6,898,207	74,400	87,573,240

During the period ended June 30, 2011, investments of \$3,155,699 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$743,626 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	2,395,745	n/a	2,395,745
Preferred Shares	10,911,572	1,263,685	5,002	12,180,259
Common Shares	23,547,725	n/a	n/a	23,547,725
Mutual Funds	28,263,739	n/a	n/a	28,263,739
Total Investments	62,723,036	3,659,430	5,002	66,387,468

During the year ended December 31, 2010, investments of \$525,838 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$2,253,774 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	5,002	-
Purchases	74,400	-
Sales	-	-
Transfers into Level 3	-	5,002
Transfers out of Level 3	(5,002)	-
Realized gains (losses)	-	-
Change in unrealized appreciation (depreciation)	-	-
Ending Balance (December 31)	74,400	5,002

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Moderate Income Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	87,573,240	66,387,468
Cash	100,423	217,295
Subscriptions receivable	655,381	79,478
Proceeds from sale of investments receivable	321,748	755,845
Interest and dividends receivable	132,038	116,350
Other assets receivable	29,447	24,429
	<u>88,812,277</u>	<u>67,580,865</u>
Liabilities		
Redeemed units payable	159,096	24,611
Investments payable	812,506	1,669,406
Accrued expenses	129,047	98,994
	<u>1,100,649</u>	<u>1,793,011</u>
Net assets	<u>87,711,628</u>	<u>65,787,854</u>
Net assets per Series:		
Investor Series	68,578,477	50,874,978
R Series	19,133,151	14,912,876
	<u>87,711,628</u>	<u>65,787,854</u>
Net assets per unit, per Series:		
Investor Series	10.42	10.44
R Series	9.60	9.73

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Moderate Income Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	27,316	89,644
Dividends	783,608	390,776
Income from investment funds	941,670	584,070
Income from securities lending	817	-
	<u>1,753,411</u>	<u>1,064,490</u>
Expenses		
Management fees	611,025	345,719
Custodial fees	14,903	9,442
Directors' fees of independent review committee	143	70
Audit fees	3,386	4,934
Legal fees	1,244	618
Rights and deposits	11,319	8,358
Securityholders' reporting costs	16,705	11,774
Fees paid by the manager	(5,794)	(14,105)
	<u>652,931</u>	<u>366,810</u>
Net investment income	<u>1,100,480</u>	<u>697,680</u>
Net losses		
Net realized gains on sale of investments	638,025	917,485
Net realized losses on foreign currencies	-	(12)
	<u>638,025</u>	<u>917,473</u>
Change in unrealized appreciation/depreciation on investments	(980,176)	(1,410,120)
Unrealized gains (losses) on foreign currencies	(54)	106
	<u>(980,230)</u>	<u>(1,410,014)</u>
Transaction costs on purchase and sale of investments	(89,621)	(26,356)
	<u>(431,826)</u>	<u>(518,897)</u>
Increase in net assets from operations	<u>668,654</u>	<u>178,783</u>
Increase in net assets from operations per Series:		
Investor Series	508,066	115,838
R Series	160,588	62,945
	<u>668,654</u>	<u>178,783</u>
Increase in net assets from operations per unit, per Series:		
Investor Series	0.09	0.03
R Series	0.09	0.05

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Moderate Income Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		R Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	50,874,978	31,348,791	14,912,876	11,414,228
Increase in net assets from operations	508,066	115,838	160,588	62,945
Capital unit transactions				
Units issued	23,444,910	8,276,531	5,544,928	2,471,376
Units issued on reinvestment of distributions	719,820	432,811	161,798	120,019
Units redeemed	(6,133,174)	(3,631,373)	(1,215,932)	(3,259,643)
	18,031,556	5,077,969	4,490,794	(668,248)
Distributions to investors				
Net investment income	836,123	532,294	236,389	172,966
Return of capital	-	5,142	194,718	98,238
	836,123	537,436	431,107	271,204
Increase (decrease) in net assets for the period	17,703,499	4,656,371	4,220,275	(876,507)
Net assets, end of the period	68,578,477	36,005,162	19,133,151	10,537,721

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Income Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (0.60%)							
Treasury Bills (0.60%)							
Government of Canada							
0.96%, due August 4, 2011	700,000	698,378	699,421				
1.09%, due October 13, 2011	900,000	895,158	897,629				
		1,593,536	1,597,050				
	Number of Shares						
Preferred Shares (20.83%)							
Fixed-Rate, Redeemable (7.24%)							
AltaGas Ltd.							
5.00%, Series A	3,370	85,383	85,665				
Bank of Montreal							
4.50%, Class B, Series 13	2,680	57,821	66,303				
5.30%, Class B, Series 5	7,940	174,280	205,011				
5.40%, Class B, Series 23	9,240	235,588	248,186				
5.80%, Class B, Series 15	3,420	87,531	91,485				
BCE Inc.							
4.35%, Series AG	13,645	260,289	328,162				
4.65%, Series AI	30,250	726,348	718,438				
5.45%, Series AA	10,460	180,117	258,362				
5.54%, Series AC	12,600	276,553	305,550				
6.17%, Series R	17,780	287,348	428,498				
Brookfield Asset Management Inc.							
5.40%, Class A, Series 12	10,610	280,040	286,576				
5.50%, Class A, Series 11	14,200	378,008	361,390				
5.63%, Class A, Series 9	6,380	80,012	147,378				
5.75%, Class A, Series 10	6,860	181,036	172,392				
7.00%, Class A, Serie 22	3,505	87,761	94,775				
Brookfield Properties Corp.							
5.20%, Class AAA, Series 1	11,670	226,510	291,983				
5.75%, Class AAA, Series H	24,820	424,095	635,144				
6.00%, Class AAA, Series F	6,720	174,996	169,680				
6.75%, Class AAA, Series L	3,500	91,700	92,225				
Brookfield Renewable Power Inc.							
5.25%, Series I	14,180	355,175	363,008				
Canadian Imperial Bank of Commerce							
5.35%, Class A, Series 33	3,350	89,551	88,474				
5.50%, Class A, Series 18	2,250	56,944	56,700				
5.75%, Class A, Series 26	4,010	97,144	100,731				
Canadian Utilities Ltd.							
5.80%, Series W	8,780	215,436	221,607				
6.00%, Series X	6,450	165,106	164,152				
Capital Power Corp.							
4.00%, Series 1	1,060	26,288	26,362				
Dundee Wealth Management Inc.							
4.75%, Series 1	17,110	339,971	446,571				
Fortis Inc.							
4.25%, Series H	9,030	225,750	228,008				
4.90%, Series E	24,390	646,620	653,652				
5.45%, Series C	60	1,545	1,550				
Manulife Financial Corp.							
4.10%, Class A, Series 1	25,050	617,981	634,016				
4.50%, Class A, Series 3	10,440	185,589	230,724				
National Bank of Canada							
4.85%, Series 16	1,000	24,304	25,130				
6.00%, Series 20	2,710	70,711	71,842				
Power Corporation of Canada							
5.00%, Series D	37,165	797,866	883,040				
5.35%, Series B	17,120	428,906	414,646				
5.80%, Series C	9,145	233,491	228,442				
Power Financial Corp.							
4.95%, Series K	23,955	478,974	564,140				
5.10%, Series L	35,090	811,967	840,055				
5.90%, Series F	8,630	225,357	218,512				
6.00%, Series I	3,900	96,930	98,865				
6.00%, Series M	4,115	111,717	110,940				
Fixed-Rate, Redeemable (7.24%) (continued)							
Royal Bank of Canada							
6.25%, Series AP	8,900	245,655	241,546				
6.25%, Series AT	23,070	638,172	631,657				
6.25%, Series AV	20,270	549,875	556,006				
Scotiabank Capital Trust							
5.25%, Series 12	9,180	237,899	233,264				
6.25%, Series 26	25,970	710,826	705,345				
Toronto-Dominion Bank							
4.60%, Class A, Series N	5,620	146,451	144,884				
4.85%, Class A, Series O	39,720	757,197	1,001,341				
5.25%, Class A, Series P	270	6,710	7,023				
5.60%, Class A, Series Q	10,600	221,717	278,144				
5.60%, Class A, Series R	26,060	658,048	687,984				
6.25%, Class A, Series AG	28,120	740,334	767,957				
6.25%, Class A, Series AI	10,655	292,500	292,799				
6.25%, Class A, Series AK	29,980	801,953	822,651				
TransCanada Corp.							
4.00%, Series 3	3,725	92,628	93,684				
5.60%, Series Y	2,860	128,592	143,286				
Westcoast Energy Inc.							
5.50%, Series 7	21,640	542,503	524,770				
5.60%, Series 8	320	6,322	7,763				
Yellow Media Inc.							
4.25%, Series 1	18,800	459,400	423,940				
5.00%, Series 2	8,770	187,318	132,778				
		18,022,839	19,355,192				
Fixed-Rate, Retractable (0.67%)							
Brookfield Properties Corp.							
5.00%, Class AAA, Series J	4,850	117,946	122,123				
5.20%, Class AAA, Series K	16,870	407,896	425,968				
Canadian General Investments Ltd.							
3.90%, Class A, Series 3	8,490	210,519	213,184				
Dundee Bancorp Inc.							
5.00%, Series 1	22,060	467,565	558,118				
National Bank of Canada							
5.85%, Series 15	2,980	75,631	76,318				
Power Financial Corp.							
5.75%, Series H	10,965	274,576	274,454				
RioCan Real Estate Investment Trust							
5.25%, Series A	3,380	83,252	86,190				
TransCanada Corp.							
5.60%, Series U	720	37,470	36,144				
		1,674,855	1,792,499				
Fixed-Rate, Non Redeemable (11.05%)							
Bank of Montreal							
5.14%, Series 14	23,250	564,701	598,920				
6.50%, Series 18	3,030	81,022	83,052				
6.50%, Series 21	26,130	710,396	721,711				
BCE Inc.							
4.40%, Series 16	11,510	225,141	277,966				
Canadian Imperial Bank of Commerce							
4.70%, Class A, Series 31	54,285	1,017,054	1,335,411				
4.80%, Class A, Series 30	55,835	1,263,215	1,435,518				
5.40%, Class A, Series 29	44,850	1,118,387	1,123,941				
5.60%, Class A, Series 27	7,860	190,678	197,207				
6.50%, Class A, Series 35	25,455	698,199	696,449				
6.50%, Class A, Series 37	19,560	541,630	537,509				
CU Inc.							
4.60%, Series 1	11,705	242,935	263,948				
6.70%, Series 2	14,255	387,775	395,719				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Fixed-Rate, Non Redeemable (11.05%) (continued)				Floating-Rate, Redeemable (1.75%) (continued)			
George Weston Ltd.				BPO Properties Ltd.			
4.75%, Serie 5	7,240	131,968	158,556	Series G	9,200	150,565	138,000
5.20%, Series 3	9,370	229,377	218,790	Brookfield Asset Management Inc.			
5.20%, Series 4	32,435	733,219	758,655	Class A, Series 2	3,275	61,173	62,487
Great-West Lifeco Inc.				Class A, Series 4	11,510	132,600	219,266
4.50%, Series I	50,470	816,146	1,131,033	Class A, Series 13	42,335	811,235	806,058
4.85%, Series H	62,340	1,454,066	1,466,860	Co-Operators General Insurance Co.			
5.20%, Series G	15,130	346,675	373,106	7.25%, Class E, Series D	4,990	136,445	136,476
HSBC Bank Canada				Dundee Bancorp Inc.			
5.00%, Series D	27,580	561,947	675,710	6.75%, Series 2	3,870	105,205	102,168
5.10%, Series C	27,270	692,122	676,296	First National Financial Corp.			
6.60%, Series E	25,445	693,858	697,193	4.65%, Series 1	1,760	40,920	40,040
Industrial Alliance, Insurance & Financial Services Inc.				GMP Capital Inc.			
4.60%, Class A, Series A	8,880	147,859	200,866	5.50%, Series B	750	18,600	18,488
Manulife Financial Corp.				Great-West Lifeco Inc.			
4.65%, Class A, Series 2	50,010	1,100,805	1,132,226	3.65%, Series N	10,740	266,352	262,271
5.60%, Series 1	27,240	720,757	719,408	6.00%, Series J	27,625	738,887	738,969
6.60%, Series 4	71,950	1,990,361	1,949,845	Husky Energy Inc.			
Rona Inc.				4.45%, Series 1	8,250	204,600	211,282
5.25%, Series 6	7,680	191,878	192,000	Intact Financial Corp.			
Royal Bank of Canada				4.20%, Series 1	4,200	104,160	104,160
4.50%, Series AE	5,000	118,250	121,500	Shaw Communications Inc.			
4.60%, Series AC	6,620	132,247	162,190	4.50%, Series A	4,000	99,200	101,000
4.70%, Series AB	29,780	676,654	740,331	TransCanada Corp.			
4.90%, Series W	40,150	1,001,841	990,500	4.60%, Series 1	20,575	526,452	530,835
6.10%, Series AX	31,200	857,896	858,000	Yellow Media Inc.			
6.25%, Series AN	14,890	401,385	403,668	6.75%, Series 3	7,455	179,805	113,391
6.25%, Series AR	23,440	634,433	638,037			4,643,936	4,670,056
Scotiabank Capital Trust				Total Preferred Shares		52,182,710	55,682,802
4.50%, Series 14	8,795	173,752	216,621	Canadian Equities (50.55%)			
4.50%, Series 15	500	12,200	12,295	Consumer Discretionary (1.78%)			
4.80%, Series 13	25,910	497,008	645,159	Boston Pizza Royalties Income Fund	32,404	401,591	434,214
5.25%, Series 16	30,410	718,795	779,408	Magna International Inc., Class A	83,192	3,546,904	4,330,144
5.60%, Series 17	15,595	366,938	405,470			3,948,495	4,764,358
6.25%, Series 28	19,300	506,269	521,293	Consumer Staples (2.26%)			
Sun Life Financial Inc.				Maple Leaf Foods Inc.	156,634	1,856,691	1,852,980
4.45%, Class A, Series 3	5,000	108,900	110,200	Metro Inc., Class A	30,556	1,412,666	1,466,077
4.45%, Class A, Series 4	9,495	186,973	209,175	Shoppers Drug Mart Corp.	68,433	2,762,980	2,714,737
4.50%, Class A, Series 5	9,895	164,009	219,669			6,032,337	6,033,794
4.75%, Class A, Series 1	51,650	884,082	1,199,313	Energy (14.75%)			
4.80%, Class A, Series 2	59,730	1,365,085	1,397,682	Baytex Energy Corp.	90,964	3,080,803	4,768,333
6.00%, Class A, Series 6R	36,595	968,682	979,648	Canadian Natural Resources Ltd.	183,166	7,166,536	7,383,421
Toronto-Dominion Bank				Cenovus Energy Inc.	124,231	3,608,531	4,510,828
6.25%, Class A, Series AE	31,450	842,617	861,730	Crescent Point Energy Corp.	55,251	2,394,175	2,453,144
Union Gas Ltd.				Husky Energy Inc.	96,100	2,699,893	2,523,586
5.50%, Class A, Series A	710	33,130	35,940	Inter Pipeline Corridor Inc.	97,399	1,131,274	1,542,800
6.00%, Class A, Series D	320	15,195	16,883	Penn West Petroleum Ltd.	87,883	1,965,267	1,952,760
		27,518,512	29,542,607	Peyto Exploration & Development Corp.	84,893	1,477,747	1,821,804
Floating-Rate, Retractable or Redeemable (0.12%)				Progress Energy Resources Corp.	61,700	882,202	846,524
TransCanada Corp.				Suncor Energy Inc.	214,487	7,954,951	8,081,870
4.40%, Series 5	12,645	322,568	322,448	Talisman Energy Inc.	180	3,314	3,557
Floating-Rate, Redeemable (1.75%)				TransCanada Corp.	42,877	1,694,105	1,809,409
BCE Inc.				Trilogy Energy Corp.	27,400	645,235	649,928
4.15%, Series AK	4,900	121,520	121,520	Trinidad Drilling Ltd.	129,014	1,084,850	1,079,847
4.50%, Series T	21,850	520,205	521,122			35,788,883	39,427,811
5.00%, Series AJ	12,585	283,652	299,523				
Bell Aliant Inc.							
4.85%, Series A	5,720	142,360	143,000				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$
Financials (13.87%)			
AGF Management Ltd., Class B	140,861	2,527,542	2,634,101
Allied Properties Real Estate Investment Trust	31,394	687,544	746,235
Bank of Montreal	17,500	1,049,459	1,071,525
Bank of Nova Scotia	81,656	4,342,877	4,736,048
Boardwalk Real Estate Investment Trust	18,334	730,506	883,699
Brookfield Asset Management Inc., Class A	28,693	827,249	916,741
Canadian Imperial Bank of Commerce	37,603	2,828,925	2,861,588
H&R Real Estate Investment Trust	57,050	829,276	1,229,428
Industrial Alliance, Insurance & Financial Services Inc.	32,000	1,290,868	1,282,560
Manulife Financial Corp.	76,401	1,254,893	1,301,109
Power Financial Corp.	42,600	1,335,510	1,265,646
Royal Bank of Canada	135,507	7,352,572	7,451,530
Sun Life Financial Inc.	75,898	2,365,513	2,197,247
Toronto-Dominion Bank	104,078	7,227,028	8,508,376
		34,649,762	37,085,833
Industrials (5.53%)			
Black Diamond Group Ltd.	26,400	689,040	831,072
Bombardier Inc., Class B	283,003	1,823,989	1,958,381
CAE Inc.	103,700	1,340,032	1,346,026
Canadian Pacific Railway Co.	44,719	2,754,015	2,685,376
CanWel Building Materials Group Ltd.	390,992	1,920,168	1,192,526
Finning International Inc.	120,490	3,134,255	3,435,170
Russel Metals Inc.	27,300	664,755	669,123
SNC-Lavalin Group Inc.	38,773	2,298,339	2,279,852
Westshore Terminals Investment Corp.	16,472	397,868	392,857
		15,022,461	14,790,383
Information Technology (0.41%)			
Macdonald Dettwiler & Associates Ltd.	20,234	1,122,976	1,098,099
Materials (8.77%)			
Agnico-Eagle Mines Ltd.	10,700	671,850	652,486
Agrium Inc.	26,268	2,320,379	2,220,959
Barrick Gold Corp.	95,412	3,996,985	4,166,642
First Quantum Minerals Ltd.	7,786	892,095	1,094,322
Goldcorp Inc.	96,556	3,904,486	4,491,785
IAMGOLD Corp.	32,941	639,537	596,232
Kinross Gold Corp.	131,139	2,016,726	1,993,313
Labrador Iron Ore Royalty Corp.	14,068	278,896	544,432
Methanex Corp.	22,800	665,527	687,876
Potash Corporation of Saskatchewan Inc.	83,522	3,736,559	4,586,193
Silvercorp Metals Inc.	51,636	559,714	467,306
Teck Resources Ltd., Class B	39,709	1,862,039	1,939,785
		21,544,793	23,441,331
Telecommunication Services (2.16%)			
BCE Inc.	46,474	1,376,543	1,757,647
Rogers Communications Inc., Class B	105,797	3,914,264	4,026,634
		5,290,807	5,784,281
Utilities (1.02%)			
Canadian Utilities Ltd.	12,167	578,943	680,865
TransAlta Corp.	95,461	2,028,158	1,963,633
Valener Inc.	4,311	70,252	69,838
		,677,353	2,714,336
Total Canadian Equities		126,077,867	135,140,226

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (25.33%)			
Altamira High Yield Bond Fund	7,800,691	66,843,834	67,709,999
Index Equivalent (2.79%)			
iShares S&P/TSX60	390,700	7,597,770	7,458,463
Total Investments (100.10%)		254,295,717*	267,588,540
Cash And Other Net Assets (-0.10%)			(268,963)
Net Assets (100%)			267,319,577

* Average cost of investments as at December 31, 2010 is \$229,195,355.

Currency Risk (note 4)

The fund holds units in another fund. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	1,597,050	8,482,349
Non-interest-bearing instruments	265,991,490	240,138,699
Total	267,588,540	248,621,048

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$826 (\$4,244 in 2010).

Furthermore, the fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
Merrill Lynch High Yield Index (25%) - S&P/TSX DVD				
Aristocrats Index (50%) - S&P/TSX Preferred Share				
Index TR (25%)	± 20,797,463	7.78%	± 18,879,576	7.56%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	1,597,050	n/a	1,597,050
Preferred Shares	41,312,340	14,144,782	225,680	55,682,802
Common Shares	135,140,226	n/a	n/a	135,140,226
Mutual Funds	67,709,999	n/a	n/a	67,709,999
Index Equivalent	7,458,463	n/a	n/a	7,458,463
Total Investments	251,621,028	15,741,832	225,680	267,588,540

During the period ended June 30, 2011, investments of \$11,212,384 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$2,653,865 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	8,482,349	n/a	8,482,349
Preferred Shares	50,098,761	6,046,471	35,514	56,180,746
Common Shares	126,544,157	n/a	n/a	126,544,157
Mutual Funds	57,413,796	n/a	n/a	57,413,796
Total Investments	234,056,714	14,528,820	35,514	248,621,048

During the year ended December 31, 2010, investments of \$2,430,180 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$10,081,823 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	35,514	-
Purchases	225,680	-
Sales	-	-
Transfers into Level 3	-	35,514
Transfers out of Level 3	(35,514)	-
Realized gains (losses)	-	-
Change in unrealized appreciation (depreciation)	-	-
Ending Balance (December 31)	225,680	35,514

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Income Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	267,588,540	248,621,048
Cash	757,615	842,273
Subscriptions receivable	357,963	478,642
Proceeds from sale of investments receivable	1,542,348	-
Interest and dividends receivable	581,512	615,119
Other assets receivable	96,092	101,167
	<u>270,924,070</u>	<u>250,658,249</u>
Liabilities		
Redeemed units payable	164,184	179,436
Investments payable	3,034,949	369,589
Accrued expenses	405,360	379,379
	<u>3,604,493</u>	<u>928,404</u>
Net assets	<u>267,319,577</u>	<u>249,729,845</u>
Net assets per Series:		
Investor/Advisor Series	244,192,354	227,475,054
F Series	228,177	181,249
R Series	22,899,046	22,073,542
	<u>267,319,577</u>	<u>249,729,845</u>
Net assets per unit, per Series:		
Investor/Advisor Series	11.40	11.45
F Series	10.86	10.91
R Series	8.45	8.63

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Income Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	102,069	646,035
Dividends	3,337,538	2,655,667
Income from investment funds	2,514,054	2,730,663
Income from securities lending	3,532	-
	<u>5,957,193</u>	<u>6,032,365</u>
Expenses		
Management fees	2,111,429	1,811,456
Custodial fees	22,267	18,534
Directors' fees of independent review committee	703	499
Audit fees	8,230	14,404
Legal fees	3,023	1,805
Rights and deposits	12,342	10,429
Securityholders' reporting costs	101,010	87,164
Fees paid by the manager	(4,270)	(12,063)
	<u>2,254,734</u>	<u>1,932,228</u>
Net investment income	<u>3,702,459</u>	<u>4,100,137</u>
Net losses		
Net realized gains on sale of investments	4,717,645	8,009,910
Net realized losses on foreign currencies	-	(4,937)
	<u>4,717,645</u>	<u>8,004,973</u>
Change in unrealized appreciation/depreciation on investments	(6,132,870)	(11,809,439)
Unrealized gains (losses) on foreign currencies	(49)	97
	<u>(6,132,919)</u>	<u>(11,809,342)</u>
Transaction costs on purchase and sale of investments	(367,927)	(194,274)
	<u>(1,783,201)</u>	<u>(3,998,643)</u>
Increase in net assets from operations	<u>1,919,258</u>	<u>101,494</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	1,759,099	96,334
F Series	2,178	(50)
R Series	157,981	5,210
	<u>1,919,258</u>	<u>101,494</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.08	-
F Series	0.13	(0.24)
R Series	0.06	-

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Income Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		R Series	
	2011	2010	2011	2010 (126 days)	2011	2010
	\$	\$	\$	\$	\$	\$
Net assets, beginning of the period	227,475,054	209,684,618	181,249	-	22,073,542	19,927,895
Increase (decrease) in net assets from operations	1,759,099	96,334	2,178	(50)	157,981	5,210
Capital unit transactions						
Units issued	41,457,081	17,172,989	70,040	3,384	3,941,975	3,360,301
Units issued on reinvestment of distributions	2,908,961	3,344,841	2,880	29	295,816	262,561
Units redeemed	(26,139,356)	(20,427,574)	(24,799)	-	(2,892,268)	(3,067,303)
	18,226,686	90,256	48,121	3,413	1,345,523	555,559
Distributions to investors						
Net investment income	3,268,485	3,763,606	3,371	29	309,197	361,921
Return of capital	-	47,915	-	-	368,803	243,460
	3,268,485	3,811,521	3,371	29	678,000	605,381
Increase (decrease) in net assets for the period	16,717,300	(3,624,931)	46,928	3,334	825,504	(44,612)
Net assets, end of the period	244,192,354	206,059,687	228,177	3,334	22,899,046	19,883,283

The accompanying notes are an integral part of these financial statements.

National Bank Monthly High Income Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (0.76%)							
Treasury Bills (0.76%)							
Government of Canada							
0.95%, due July 21, 2011	100,000	99,796	99,951				
	Number of Shares						
Preferred Shares (5.99%)							
Fixed-Rate, Redeemable (2.20%)							
AltaGas Ltd.							
5.00%, Series A	50	1,266	1,271				
Bank of Montreal							
4.50%, Class B, Series 13	35	771	866				
5.30%, Class B, Series 5	150	3,456	3,873				
5.40%, Class B, Series 23	180	4,694	4,835				
5.80%, Class B, Series 15	60	1,474	1,605				
BCE Inc.							
4.35%, Series AG	200	4,883	4,810				
4.65%, Series AI	420	10,509	9,975				
5.45%, Series AA	260	4,934	6,422				
5.54%, Series AC	260	5,959	6,305				
Brookfield Asset Management Inc.							
5.40%, Class A, Series 12	100	2,730	2,701				
5.50%, Class A, Series 11	120	3,070	3,054				
5.63%, Class A, Series 9	110	1,308	2,541				
5.75%, Class A, Series 10	235	5,817	5,906				
7.00%, Class A, Serie 22	40	997	1,082				
Brookfield Properties Corp.							
5.20%, Class AAA, Series 1	190	3,858	4,754				
5.75%, Class AAA, Series H	340	9,078	8,701				
6.00%, Class AAA, Series F	90	1,949	2,272				
6.75%, Class AAA, Series L	50	1,310	1,318				
Brookfield Renewable Power Inc.							
5.25%, Series I	215	5,398	5,504				
Canadian Imperial Bank of Commerce							
5.35%, Class A, Series 33	40	1,069	1,056				
5.50%, Class A, Series 18	480	12,233	12,096				
5.75%, Class A, Series 26	40	907	1,005				
Canadian Utilities Ltd.							
5.80%, Series W	130	2,848	3,281				
6.00%, Series X	80	1,900	2,036				
Capital Power Corp.							
4.00%, Series 1	15	372	373				
Dundee Wealth Management Inc.							
4.75%, Series 1	235	4,754	6,134				
Fortis Inc.							
4.25%, Series H	115	2,875	2,904				
4.90%, Series E	370	10,014	9,916				
Manulife Financial Corp.							
4.10%, Class A, Series 1	380	9,408	9,618				
4.50%, Class A, Series 3	180	3,152	3,978				
National Bank of Canada							
4.85%, Series 16	30	729	754				
6.00%, Series 20	40	1,043	1,060				
Power Corporation of Canada							
5.00%, Series D	525	9,581	12,474				
5.35%, Series B	230	4,443	5,571				
5.80%, Series C	155	3,888	3,872				
Power Financial Corp.							
4.95%, Series K	215	5,295	5,063				
5.10%, Series L	395	8,699	9,456				
5.90%, Series F	70	1,517	1,772				
6.00%, Series I	50	1,276	1,268				
6.00%, Series M	65	1,765	1,752				
Fixed-Rate, Redeemable (2.20%) (continued)							
Royal Bank of Canada							
6.25%, Series AP	125	3,452	3,392				
6.25%, Series AT	375	10,385	10,268				
6.25%, Series AV	290	7,917	7,955				
Scotiabank Capital Trust							
5.25%, Series 12	160	3,545	4,066				
6.25%, Series 26	355	9,692	9,642				
Toronto-Dominion Bank							
4.60%, Class A, Series N	85	2,215	2,191				
4.85%, Class A, Series O	520	10,212	13,109				
5.25%, Class A, Series P	5	124	130				
5.60%, Class A, Series Q	155	3,225	4,067				
5.60%, Class A, Series R	340	8,734	8,976				
6.25%, Class A, Series AI	310	8,465	8,519				
6.25%, Class A, Series AG	475	12,524	12,972				
6.25%, Class A, Series AK	430	11,396	11,799				
TransCanada Corp.							
4.00%, Series 3	40	995	1,006				
5.60%, Series Y	50	2,614	2,505				
Westcoast Energy Inc.							
5.50%, Series 7	330	6,655	8,002				
Yellow Media Inc.							
4.25%, Series 1	260	6,389	5,863				
5.00%, Series 2	115	2,460	1,741				
		272,228	289,437				
Fixed-Rate, Retractable (0.24%)							
Brookfield Properties Corp.							
5.00%, Class AAA, Series J	40	552	1,007				
5.20%, Class AAA, Series K	310	5,050	7,828				
Canadian General Investments Ltd.							
3.90%, Class A, Series 3	100	1,899	2,511				
Dundee Bancorp Inc.							
5.00%, Series 1	330	5,521	8,349				
National Bank of Canada							
5.85%, Series 15	55	1,398	1,409				
Power Financial Corp.							
5.75%, Series H	370	9,299	9,261				
RioCan Real Estate Investment Trust							
5.25%, Series A	30	734	765				
TransCanada Corp.							
5.60%, Series U	10	458	502				
		24,911	31,632				
Fixed-Rate, Non Redeemable (2.97%)							
Bank of Montreal							
5.14%, Series 14	305	7,575	7,857				
6.50%, Series 18	65	1,741	1,782				
6.50%, Series 21	335	9,090	9,253				
BCE Inc.							
4.40%, Series 16	170	2,762	4,106				
Canadian Imperial Bank of Commerce							
4.70%, Class A, Series 31	675	11,776	16,605				
4.80%, Class A, Series 30	410	8,804	10,541				
5.40%, Class A, Series 29	620	11,879	15,537				
5.60%, Class A, Series 27	135	3,018	3,387				
6.50%, Class A, Series 35	350	9,615	9,576				
6.50%, Class A, Series 37	290	8,024	7,969				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly High Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Fixed-Rate, Non Redeemable (2.97%) (continued)				Floating-Rate, Redeemable (0.54%) (continued)			
CU Inc.				Brookfield Asset Management Inc.			
4.60%, Series 1	115	2,089	2,593	Class A, Series 2	40	747	763
6.70%, Series 2	200	5,390	5,552	Class A, Series 4	195	1,877	3,715
George Weston Ltd.				Class A, Series 13	640	12,327	12,186
4.75%, Series 5	265	5,107	5,804	Co-Operators General Insurance Co.			
5.20%, Series 3	110	1,980	2,568	7.25%, Class E, Series D	65	1,779	1,778
5.20%, Series 4	375	7,055	8,771	Dundee Bancorp Inc.			
Great-West Lifeco Inc.				6.75%, Series 2	65	1,756	1,716
4.50%, Series I	810	13,809	18,152	First National Financial Corp.			
4.85%, Series H	750	17,725	17,648	4.65%, Series 1	20	465	455
5.20%, Series G	250	5,152	6,165	GMP Capital Inc.			
HSBC Bank Canada				5.50%, Series B	10	248	246
5.00%, Series D	370	9,259	9,065	Great-West Lifeco Inc.			
5.10%, Series C	410	7,791	10,168	3.65%, Series N	120	2,976	2,930
6.60%, Series E	385	10,514	10,549	6.00%, Series J	370	9,880	9,898
Industrial Alliance, Insurance & Financial Services Inc.				Husky Energy Inc.			
4.60%, Class A, Series A	130	2,161	2,941	4.45%, Series 1	110	2,728	2,817
Manulife Financial Corp.				Intact Financial Corp.			
4.65%, Class A, Series 2	625	13,999	14,150	4.20%, Series 1	60	1,488	1,488
5.60%, Class A, Series 1	465	12,369	12,281	Shaw Communications Inc.			
6.60%, Class A, Series 4	870	24,063	23,577	4.50%, Series A	60	1,488	1,515
Rona Inc.				TransCanada Corp.			
5.25%, Series 6	100	2,498	2,500	4.60%, Series 1	400	10,312	10,320
Royal Bank of Canada				Yellow Media Inc.			
4.60%, Series AC	130	2,521	3,185	6.75%, Series 3	220	5,323	3,346
4.70%, Series AB	395	8,448	9,820			<u>66,612</u>	<u>70,294</u>
4.90%, Series W	520	13,120	12,828				
6.10%, Series AX	415	11,401	11,412	Total Preferred Shares		<u>723,550</u>	<u>785,489</u>
6.25%, Series AN	150	4,018	4,066				
6.25%, Series AR	275	7,443	7,486	Canadian Equities (53.27%)			
Scotiabank Capital Trust				Consumer Discretionary (1.86%)			
4.50%, Series 14	125	2,389	3,079	Boston Pizza Royalties Income Fund	1,662	21,079	22,271
4.80%, Series 13	390	9,872	9,711	Magna International Inc., Class A	4,247	186,605	221,056
5.25%, Series 16	480	10,218	12,302			<u>207,684</u>	<u>243,327</u>
5.60%, Series 17	210	5,046	5,460	Consumer Staples (2.36%)			
6.25%, Series 28	265	6,948	7,158	Maple Leaf Foods Inc.	8,032	95,495	95,019
Sun Life Financial Inc.				Metro Inc., Class A	1,579	73,000	75,760
4.45%, Class A, Series 3	350	7,455	7,714	Shoppers Drug Mart Corp.	3,487	140,778	138,329
4.45%, Class A, Series 4	115	1,890	2,533			<u>309,273</u>	<u>309,108</u>
4.50%, Class A, Series 5	110	2,473	2,442	Energy (15.46%)			
4.75%, Class A, Series 1	750	13,251	17,415	Baytex Energy Corp.	4,639	171,693	243,176
4.80%, Class A, Series 2	555	12,941	12,987	Canadian Natural Resources Ltd.	9,069	370,339	365,571
6.00%, Class A, Series 6R	545	14,416	14,590	Cenovus Energy Inc.	6,457	197,964	234,454
Toronto-Dominion Bank				Crescent Point Energy Corp.	2,834	123,556	125,830
6.25%, Class A, Series AE	205	5,522	5,617	Husky Energy Inc.	5,200	145,955	136,552
Union Gas Ltd.				Inter Pipeline Corridor Inc.	4,994	61,526	79,105
5.50%, Class A, Series A	10	450	506	Penn West Petroleum Ltd.	4,568	104,716	101,501
		<u>355,067</u>	<u>389,408</u>	Peyto Exploration & Development Corp.	4,355	76,875	93,458
Floating-Rate, Retractable or Redeemable (0.04%)				Progress Energy Resources Corp.	3,200	45,754	43,904
TransCanada Corp.				Suncor Energy Inc.	11,149	424,434	420,094
4.40%, Series 5	185	4,732	4,718	Talisman Energy Inc.	10	191	198
Floating-Rate, Redeemable (0.54%)				TransCanada Corp.	2,171	85,778	91,616
BCE Inc.				Trican Well Service Ltd.	2	40	45
4.15%, Series AK	70	1,736	1,736	Trilogy Energy Corp.	1,500	35,323	35,580
4.50%, Series T	260	4,160	6,201	Trinidad Drilling Ltd.	6,715	56,599	56,205
5.00%, Series AJ	180	3,533	4,284			<u>1,900,743</u>	<u>2,027,289</u>
Bell Aliant Inc.							
4.85%, Series A	100	2,509	2,500				
BPO Properties Ltd.							
Series G	160	1,280	2,400				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly High Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$
Financials (14.60%)			
AGF Management Ltd., Class B	7,127	129,442	133,275
Allied Properties Real Estate Investment Trust	1,543	33,792	36,677
Bank of Montreal	900	53,972	55,107
Bank of Nova Scotia	4,227	231,580	245,166
Boardwalk Real Estate Investment Trust	941	37,673	45,356
Brookfield Asset Management Inc., Class A	1,462	42,851	46,711
Canadian Imperial Bank of Commerce	1,955	150,152	148,776
H&R Real Estate Investment Trust	2,925	46,964	63,034
Industrial Alliance, Insurance & Financial Services Inc.	1,700	68,578	68,136
Manulife Financial Corp.	4,020	66,964	68,461
Power Financial Corp.	2,200	68,970	65,362
Royal Bank of Canada	7,043	394,392	387,295
Sun Life Financial Inc.	3,945	122,903	114,208
Toronto-Dominion Bank	5,338	394,783	436,382
		1,843,016	1,913,946
Industrials (5.81%)			
Black Diamond Group Ltd.	1,400	36,540	44,072
Bombardier Inc., Class B	15,102	97,859	104,506
CAE Inc.	5,300	68,488	68,794
Canadian Pacific Railway Co.	2,384	146,656	143,159
CanWel Building Materials Group Ltd.	17,641	85,413	53,805
Finning International Inc.	6,119	160,781	174,453
Russel Metals Inc.	1,500	36,525	36,765
SNC-Lavalin Group Inc.	1,977	116,578	116,248
Westshore Terminals Investment Corp.	845	20,362	20,153
		769,202	761,955
Information Technology (0.43%)			
Macdonald Dettwiler & Associates Ltd.	1,047	58,136	56,821
Materials (9.32%)			
Agnico-Eagle Mines Ltd.	600	37,674	36,588
Agrium Inc.	1,400	123,522	118,370
Barrick Gold Corp.	4,893	216,529	213,677
First Quantum Minerals Ltd.	397	45,786	55,798
Goldcorp Inc.	4,953	207,521	230,414
IAMGOLD Corp.	1,690	33,138	30,589
Kinross Gold Corp.	6,899	106,091	104,865
Labrador Iron Ore Royalty Corp.	869	22,495	33,630
Methanex Corp.	1,200	35,028	36,204
Potash Corporation of Saskatchewan Inc.	4,284	199,788	235,234
Silvercorp Metals Inc.	2,713	29,408	24,553
Teck Resources Ltd., Class B	2,089	100,322	102,048
		1,157,302	1,221,970
Telecommunication Services (2.33%)			
BCE Inc.	2,383	73,960	90,125
Rogers Communications Inc., Class B	5,672	209,851	215,876
		283,811	306,001
Utilities (1.10%)			
Canadian Utilities Ltd.	624	30,079	34,919
TransAlta Corp.	5,118	108,606	105,277
Valener Inc.	226	3,683	3,661
		142,368	143,857
Total Canadian Equities		6,671,535	6,984,274

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (34.72%)			
Altamira High Yield Bond Fund	228,261	1,931,955	1,981,303
National Bank Global Equity Fund	138,068	1,291,212	1,257,795
Omega Global Equity Fund	182,882	1,204,848	1,313,091
		4,428,015	4,552,189
Index Equivalent (4.97%)			
iShares S&P/TSX 60	34,100	666,446	650,965
Total Investments (99.71%)		12,589,342*	13,072,868
Cash And Other Net Assets (0.29%)			38,308
Net Assets (100%)			13,111,176

* Average cost of investments as at December 31, 2010 is \$9,139,151.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value \$	Percentage of Net Assets	Fair Value \$	Percentage of Net Assets
American Dollar	1,701	0.01%	1,759	0.02%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$85 (increased or decreased by \$88 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
Less than one year	\$ 99,951	\$ 399,317
Non-interest-bearing instruments	12,972,917	9,484,599
Total	13,072,868	9,883,916

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$15 (\$180 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

The accompanying notes are an integral part of these financial statements.

National Bank Monthly High Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI World Index TR (20%)				
CA New York 16:00 - Merrill				
Lynch High Yield Index (15%)				
CA New York 16:00 - S&P/TSX				
DVD Aristocrats Index (55%)				
CA New York 16:00 - S&P/TSX				
Preferred Share Index TR (10%)				
CA New York 16:00	± 827,315	6.31% ±	622,246	6.26%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	99,951	n/a	99,951
Preferred Shares	574,731	207,534	3,224	785,489
Common Shares	6,984,274	n/a	n/a	6,984,274
Mutual Funds	4,552,189	n/a	n/a	4,552,189
Index Equivalent	650,965	n/a	n/a	650,965
Total Investments	12,762,159	307,485	3,224	13,072,868

During the period ended June 30, 2011, investments of \$151,619 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$36,854 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	399,317	n/a	399,317
Preferred Shares	702,853	84,147	500	787,500
Common Shares	5,447,674	n/a	n/a	5,447,674
Mutual Funds	3,249,425	n/a	n/a	3,249,425
Total Investments	9,399,952	483,464	500	9,883,916

During the year ended December 31, 2010, investments of \$33,038 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$141,048 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	500	-
Purchases	3,224	-
Sales	-	-
Transfers into Level 3	-	500
Transfers out of Level 3	(500)	-
Realized gains (losses)	-	-
Change in unrealized appreciation (depreciation)	-	-
Ending Balance (December 31)	3,224	500

The accompanying notes are an integral part of these financial statements.

National Bank Monthly High Income Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	13,072,868	9,883,916
Cash	99,318	52,952
Subscriptions receivable	14,464	22,075
Proceeds from sale of investments receivable	80,010	-
Interest and dividends receivable	22,460	20,773
Other assets receivable	7,046	1,948
	<u>13,296,166</u>	<u>9,981,664</u>
Liabilities		
Redeemed units payable	4,229	31,790
Investments payable	161,098	2,375
Accrued expenses	19,663	7,474
	<u>184,990</u>	<u>41,639</u>
Net assets	<u>13,111,176</u>	<u>9,940,025</u>
Net assets per Series:		
Investor/Advisor Series	8,982,056	6,120,870
R Series	4,129,120	3,819,155
	<u>13,111,176</u>	<u>9,940,025</u>
Net assets per unit, per Series:		
Investor/Advisor Series	10.23	10.29
R Series	8.44	8.71

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Monthly High Income Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	5,268	28,940
Dividends	109,641	53,736
Income from investment funds	69,064	71,892
Income from securities lending	188	-
	<u>184,161</u>	<u>154,568</u>
Expenses		
Management fees	103,069	67,749
Custodial fees	10,082	6,594
Directors' fees of independent review committee	68	38
Audit fees	1,776	3,162
Legal fees	652	396
Rights and deposits	7,427	7,489
Securityholders' reporting costs	8,053	6,413
Fees paid by the manager	(30,098)	(33,542)
	<u>101,029</u>	<u>58,299</u>
Net investment income	<u>83,132</u>	<u>96,269</u>
Net losses		
Net realized gains on sale of investments	133,600	450,744
Net realized gains on foreign currencies	-	11
	<u>133,600</u>	<u>450,755</u>
Change in unrealized appreciation/depreciation on investments	(261,239)	(705,665)
Unrealized gains (losses) on foreign currencies	(58)	115
	<u>(261,297)</u>	<u>(705,550)</u>
Transaction costs on purchase and sale of investments	(21,493)	(8,500)
	<u>(149,190)</u>	<u>(263,295)</u>
Decrease in net assets from operations	<u>(66,058)</u>	<u>(167,026)</u>
Decrease in net assets from operations per Series:		
Investor/Advisor Series	(53,512)	(102,634)
R Series	(12,546)	(64,392)
	<u>(66,058)</u>	<u>(167,026)</u>
Decrease in net assets from operations per unit, per Series:		
Investor/Advisor Series	(0.07)	(0.21)
R Series	(0.03)	(0.16)

The accompanying notes are an integral part of these financial statements.

National Bank Monthly High Income Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		R Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	6,120,870	4,388,058	3,819,155	3,447,693
Decrease in net assets from operations	(53,512)	(102,634)	(12,546)	(64,392)
Capital unit transactions				
Units issued	3,548,173	919,386	611,419	222,793
Units issued on reinvestment of distributions	48,146	52,737	102,665	90,476
Units redeemed	(632,855)	(621,568)	(257,538)	(292,861)
	2,963,464	350,555	456,546	20,408
Distributions to investors				
Net investment income	48,766	53,057	29,824	42,141
Return of capital	-	1,429	104,211	68,650
	48,766	54,486	134,035	110,791
Increase (decrease) in net assets for the period	2,861,186	193,435	309,965	(154,775)
Net assets, end of the period	8,982,056	4,581,493	4,129,120	3,292,918

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Equity Income Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Canadian Equities (58.35%)				Information Technology (0.48%)			
Consumer Discretionary (2.06%)				Macdonald Dettwiler & Associates Ltd.			
Boston Pizza Royalties Income Fund	363	4,781	4,864	231	12,828	12,536	
Magna International Inc., Class A	944	43,970	49,135	Materials (10.08%)			
		48,751	53,999	Agnico-Eagle Mines Ltd.	100	6,279	6,098
Consumer Staples (2.56%)				Agrium Inc.	306	26,917	25,872
Maple Leaf Foods Inc.	1,754	20,782	20,750	Barrick Gold Corp.	1,069	49,621	46,683
Metro Inc., Class A	340	15,719	16,313	First Quantum Minerals Ltd.	87	10,141	12,228
Shoppers Drug Mart Corp.	763	30,779	30,268	Goldcorp Inc.	1,082	46,553	50,335
		67,280	67,331	IAMGOLD Corp.	370	7,345	6,697
Energy (16.95%)				Kinross Gold Corp.	1,507	23,174	22,906
Baytex Energy Corp.	1,018	43,001	53,364	Labrador Iron Ore Royalty Corp.	158	4,499	6,115
Canadian Natural Resources Ltd.	1,991	83,411	80,257	Methanex Corp.	300	8,757	9,051
Cenovus Energy Inc.	1,427	45,864	51,814	Potash Corporation of Saskatchewan Inc.	936	46,717	51,396
Crescent Point Energy Corp.	618	27,207	27,439	Silvercorp Metals Inc.	559	6,059	5,059
Husky Energy Inc.	1,100	30,878	28,886	Teck Resources Ltd., Class B	456	22,684	22,276
Inter Pipeline Corridor Inc.	1,090	14,530	17,266			258,746	264,716
Penn West Petroleum Ltd.	1,010	24,012	22,442	Telecommunication Services (2.55%)			
Peyto Exploration & Development Corp.	952	17,131	20,430	BCE Inc.	520	16,889	19,666
Progress Energy Resources Corp.	700	10,009	9,604	Rogers Communications Inc., Class B	1,239	45,840	47,156
Suncor Energy Inc.	2,464	96,460	92,844			62,729	66,822
Talisman Energy Inc.	2	40	40	Utilities (1.20%)			
TransCanada Corp.	500	19,755	21,100	Canadian Utilities Ltd.	136	6,657	7,611
Trilogy Energy Corp.	300	7,065	7,116	TransAlta Corp.	1,118	23,726	22,997
Trinidad Drilling Ltd.	1,470	12,418	12,304	Valener Inc.	54	880	875
		431,781	444,906			31,263	31,483
Financials (16.14%)				Total Canadian Equities			
AGF Management Ltd., Class B	1,555	28,667	29,078			1,496,620	1,531,643
Allied Properties Real Estate Investment Trust	393	8,610	9,342		Number of Units		
Bank of Montreal	200	11,994	12,246	Mutual Funds (36.21%)			
Bank of Nova Scotia	934	52,246	54,172	Altamira High Yield Bond Fund	19,118	164,926	165,940
Boardwalk Real Estate Investment Trust	205	8,361	9,881	National Bank Global Equity Fund	41,494	375,118	378,014
Brookfield Asset Management Inc., Class A	320	9,606	10,224	Omega Global Equity Fund	56,631	382,901	406,608
Canadian Imperial Bank of Commerce	432	33,759	32,875			922,945	950,562
H&R Real Estate Investment Trust	639	11,444	13,770	Index Equivalent (5.02%)			
Industrial Alliance, Insurance & Financial Services Inc.	400	16,136	16,032	iShares S&P/TSX 60	6,900	135,882	131,723
Manulife Financial Corp.	878	14,848	14,952	Total Investments (99.58%)			
Power Financial Corp.	500	15,675	14,855			2,554,845*	2,613,928
Royal Bank of Canada	1,557	87,657	85,619	Cash And Other Net Assets (0.42%)			
Sun Life Financial Inc.	872	27,076	25,244				10,979
Toronto-Dominion Bank	1,166	88,458	95,320	Net Assets (100%)			
		415,598	423,610				2,624,907
Industrials (6.33%)				Net Assets (100%)			
Black Diamond Group Ltd.	300	7,830	9,444				
Bombardier Inc., Class B	3,303	21,545	22,857	* Average cost of investments as at December 31, 2010 is \$1,509,795.			
CAE Inc.	1,200	15,507	15,576				
Canadian Pacific Railway Co.	521	32,051	31,286				
CanWel Building Materials Group Ltd.	3,835	18,305	11,697				
Finning International Inc.	1,335	35,688	38,061				
Russel Metals Inc.	300	7,305	7,353				
SNC-Lavalin Group Inc.	435	25,445	25,578				
Westshore Terminals Investment Corp.	184	4,429	4,388				
		168,105	166,240				

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Equity Income Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	n/a	100.00%

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	n/a	49,900
Non interest-bearing instruments	2,613,928	1,568,784
Total	2,613,928	1,618,684

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$0 (\$26 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
MSCI World Index TR (30%)	\$		\$	
CA New York 16:00 - Merrill Lynch High Yield Index (10%)				
CA New York 16:00 - S&P/TSX DVD Aristocrats Index (60%)				
CA New York 16:00	± 200,805	7.65% ±	123,591	7.53%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	1,531,643	n/a	n/a	1,531,643
Mutual Funds	950,562	n/a	n/a	950,562
Index Equivalent	131,723	n/a	n/a	131,723
Total Investments	2,613,928	n/a	n/a	2,613,928

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	49,900	n/a	49,900
Common Shares	970,702	n/a	n/a	970,702
Mutual Funds	598,082	n/a	n/a	598,082
Total Investments	1,568,784	49,900	n/a	1,618,684

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Equity Income Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	2,613,928	1,618,684
Cash	59,687	46,181
Subscriptions receivable	12,531	15,463
Proceeds from sale of investments receivable	17,513	45,049
Interest and dividends receivable	4,326	3,088
Other assets receivable	1,005	268
	<u>2,708,990</u>	<u>1,728,733</u>
Liabilities		
Redeemed units payable	46,296	-
Investments payable	33,482	86,023
Accrued expenses	4,305	1,396
	<u>84,083</u>	<u>87,419</u>
Net assets	<u>2,624,907</u>	<u>1,641,314</u>
Net assets per Series:		
Investor Series	1,470,487	772,026
R Series	1,154,420	869,288
	<u>2,624,907</u>	<u>1,641,314</u>
Net assets per unit, per Series:		
Investor Series	10.06	10.14
R Series	8.05	8.35

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Equity Income Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	994	2,993
Dividends	18,271	4,823
Income from investment funds	5,368	8,258
Income from securities lending	38	-
	<u>24,671</u>	<u>16,074</u>
Expenses		
Management fees	18,930	8,240
Custodial fees	8,179	4,290
Directors' fees of independent review committee	52	32
Audit fees	1,533	2,857
Legal fees	563	358
Rights and deposits	7,427	7,488
Securityholders' reporting costs	6,267	5,404
Fees paid by the manager	(21,129)	(19,648)
	<u>21,822</u>	<u>9,021</u>
Net investment income	<u>2,849</u>	<u>7,053</u>
Net losses		
Net realized gains on sale of investments	16,397	68,099
Change in unrealized appreciation/depreciation on investments	(49,806)	(111,097)
Transaction costs on purchase and sale of investments	(5,442)	(1,263)
	<u>(38,851)</u>	<u>(44,261)</u>
Decrease in net assets from operations	<u>(36,002)</u>	<u>(37,208)</u>
Decrease in net assets from operations per Series:		
Investor Series	(24,585)	(17,290)
R Series	(11,417)	(19,918)
	<u>(36,002)</u>	<u>(37,208)</u>
Decrease in net assets from operations per unit, per Series:		
Investor Series	(0.19)	(0.33)
R Series	(0.09)	(0.28)

The accompanying notes are an integral part of these financial statements.

National Bank Monthly Equity Income Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		R Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	772,026	470,422	869,288	515,995
Decrease in net assets from operations	(24,585)	(17,290)	(11,417)	(19,918)
Capital unit transactions				
Units issued	981,531	259,724	385,769	144,230
Units issued on reinvestment of distributions	1,052	3,056	26,481	16,496
Units redeemed	(258,485)	(240,502)	(83,877)	(38,548)
	724,098	22,278	328,373	122,178
Distributions to investors				
Net investment income	1,052	2,980	711	3,684
Return of capital	-	108	31,113	13,742
	1,052	3,088	31,824	17,426
Increase in net assets for the period	698,461	1,900	285,132	84,834
Net assets, end of the period	1,470,487	472,322	1,154,420	600,829

The accompanying notes are an integral part of these financial statements.

National Bank Secure Diversified Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Money Market (0.10%)			
Treasury Bills (0.10%)			
Government of Canada			
0.92%, due September 1, 2011	100,000	99,798	99,847
Bonds And Debentures (99.24%)			
Issued And Guaranteed By The Government Of Canada (40.76%)			
1.75%, due March 1, 2013	2,632,000	2,624,104	2,642,727
2.00%, due March 1, 2014	665,000	663,105	668,785
2.50%, due June 1, 2015	3,100,000	3,126,350	3,146,298
2.00%, due June 1, 2016	1,000,000	977,000	984,583
Canada Housing Trust			
4.60%, due September 15, 2011	1,315,000	1,324,784	1,323,955
3.55%, due September 15, 2013	6,800,000	7,050,562	7,064,197
2.20%, due March 15, 2014	5,565,000	5,646,360	5,607,936
3.15%, due June 15, 2015	6,491,000	6,603,052	6,699,275
2.75%, due June 15, 2016	11,780,000	11,855,414	11,875,878
PSP Capital Inc.			
2.94%, due December 3, 2015	3,000,000	2,998,740	3,018,479
		<u>42,869,471</u>	<u>43,032,113</u>
Issued And Guaranteed By a Province (25.25%)			
Ontario Infrastructure Projects Corp.			
3.95%, due June 3, 2013	980,000	1,018,886	1,017,859
Ontario Strategic Infrastructure Financing Authority			
4.60%, due June 1, 2015	410,000	408,766	439,663
Province of Ontario			
4.75%, due June 2, 2013	5,260,000	5,683,009	5,558,687
3.25%, due September 8, 2014	6,585,000	6,642,897	6,805,860
4.50%, due March 8, 2015	1,025,000	1,098,523	1,103,642
3.15%, due September 8, 2015	7,456,000	7,449,371	7,656,856
4.40%, due March 8, 2016	3,025,000	3,257,320	3,262,124
Province of Quebec			
5.50%, due December 1, 2014	570,000	635,037	630,678
4.50%, due December 1, 2016	175,000	190,449	189,243
		<u>26,384,258</u>	<u>26,664,612</u>
Corporations (33.23%)			
American Express Canada Credit Corp.			
4.85%, due October 3, 2014	725,000	730,912	764,089
Bank of Montreal			
3.93%, due April 27, 2015	1,750,000	1,760,000	1,822,090
Bank of Nova Scotia			
Floating, due November 1, 2012	2,200,000	2,320,516	2,292,141
Floating, due March 27, 2013	3,850,000	4,095,712	4,029,912
3.35%, due November 18, 2014	1,300,000	1,316,900	1,329,266
BMW Canada Inc.			
3.22%, due March 28, 2013	1,225,000	1,224,865	1,246,282
Canadian Imperial Bank of Commerce			
5.00%, due September 10, 2012	2,437,000	2,597,300	2,529,811
Floating, due April 30, 2015	1,400,000	1,409,562	1,451,725
Citigroup Finance Canada Inc.			
4.90%, due November 13, 2012	175,000	174,797	180,916
6.75%, due September 22, 2014	650,000	682,045	712,564
Ford Auto Securitization Trust			
3.84%, due January 15, 2015	475,000	475,000	490,269
General Electric Capital Canada Funding Co.			
5.29%, due August 17, 2012	1,100,000	1,097,030	1,142,061
Great-West Lifeco Inc.			
6.00%, due December 31, 2012	925,000	995,662	971,018
John Deere Credit Inc.			
2.40%, due February 1, 2013	750,000	749,588	754,428

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Corporations (33.23%) (continued)			
Manulife Financial (Delaware) L.P.			
4.90%, due June 2, 2014	1,250,000	1,310,660	1,311,152
NAV Canada			
3.43%, due April 17, 2012	1,325,000	1,331,278	1,344,277
RBC Subordinated Notes Trust			
Floating, due April 30, 2012	1,000,000	1,052,000	1,022,428
Royal Bank of Canada			
Floating, due March 11, 2013	1,519,000	1,609,908	1,585,557
Floating, due June 15, 2015	1,500,000	1,499,460	1,559,245
Toronto-Dominion Bank			
Floating, due November 1, 2012	1,400,000	1,421,440	1,461,274
4.85%, due February 13, 2013	650,000	662,151	681,104
Floating, due June 3, 2013	3,700,000	4,009,283	3,934,383
Toyota Credit Canada Inc.			
5.05%, due July 27, 2012	600,000	626,282	619,592
TransCanada Pipelines Ltd.			
5.05%, due August 20, 2013	700,000	714,035	740,883
Volkswagen Credit Canada Inc.			
2.55%, due November 18, 2013	1,100,000	1,098,583	1,104,505
		<u>34,964,969</u>	<u>35,080,972</u>

Total Bonds And Debentures

104,218,698 104,777,697

Total Investments (99.34%)

104,318,496* 104,877,544

Cash And Other Net Assets (0.66%)

700,789

Net Assets (100%)

105,578,333

* Average cost of investments as at December 31, 2010 is \$102,635,779.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	42.24%	40.54%
AA/Aa/A-2/P-2	47.21%	50.09%
A/A-3/P-3	10.55%	9.37%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	3,790,507	4,572,701
From 1 year to 3 years	47,145,207	57,181,611
From 3 years to 5 years	53,752,587	36,509,146
From 5 years to 10 years	189,243	4,689,546
Total	104,877,544	102,953,004

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$748,969 (\$711,841 in 2010).

The accompanying notes are an integral part of these financial statements.

► DIVERSIFIED FUNDS

National Bank Secure Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	99,847	n/a	99,847
Bonds and Debentures	7,442,395	97,335,302	n/a	104,777,697
Total Investments	7,442,395	97,435,149	n/a	104,877,544

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	998,010	n/a	998,010
Bonds and Debentures	17,699,233	84,255,761	n/a	101,954,994
Total Investments	17,699,233	85,253,771	n/a	102,953,004

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Secure Diversified Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	104,877,544	102,953,004	
Cash	59,461	36,119	
Subscriptions receivable	230,044	237,085	
Interest receivable	723,239	689,221	
Other assets receivable	32,864	19,322	
	<u>105,923,152</u>	<u>103,934,751</u>	
Liabilities			
Redeemed units payable	205,214	109,444	
Accrued expenses	139,605	138,087	
	<u>344,819</u>	<u>247,531</u>	
Net assets, Investor Series	<u>105,578,333</u>	<u>103,687,220</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Eric Laflamme, Director
Net assets per unit, Investor Series	10.34	10.32	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	1,936,977	1,530,008
Expenses		
Management fees	692,194	585,566
Custodial fees	6,217	6,154
Directors' fees of independent review committee	1,010	598
Audit fees	4,594	8,030
Legal fees	1,687	1,007
Rights and deposits	19,424	14,029
Securityholders' reporting costs	114,530	99,565
Fees paid by the manager	(68,329)	(62,441)
	<u>771,327</u>	<u>652,508</u>
Net investment income	1,165,650	877,500
Net gains		
Net realized losses on sale of investments	(70,799)	(105,034)
Change in unrealized appreciation/depreciation on investments	241,823	443,897
	<u>171,024</u>	<u>338,863</u>
Increase in net assets from operations		
Investor Series	<u>1,336,674</u>	<u>1,216,363</u>
Increase in net assets from operations per unit		
Investor Series	0.13	0.14

The accompanying notes are an integral part of these financial statements.

National Bank Secure Diversified Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	103,687,220	82,322,776
Increase in net assets from operations	1,336,674	1,216,363
Capital unit transactions		
Units issued	30,820,581	39,864,409
Units issued on reinvestment of distributions	1,173,449	879,427
Units redeemed	(30,259,767)	(21,728,236)
	1,734,263	19,015,600
Distributions to investors		
Net investment income	1,179,824	886,288
Increase in net assets for the period	1,891,113	19,345,675
Net assets, end of the period	105,578,333	101,668,451

The accompanying notes are an integral part of these financial statements.

National Bank Conservative Diversified Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (15.39%)							
Treasury Bills (15.39%)							
Government of Canada							
0.94%, due July 7, 2011	100,000	99,794	99,984				
0.96%, due July 11, 2011	100,000	99,971	99,976				
0.95%, due July 21, 2011	100,000	99,747	99,951				
0.96%, due August 4, 2011	9,700,000	9,678,316	9,691,974				
0.94%, due August 18, 2011	1,200,000	1,197,532	1,198,577				
0.93%, due September 1, 2011	200,000	199,578	199,695				
0.90%, due October 13, 2011	200,000	199,468	199,473				
		11,574,406	11,589,630				
Bonds And Debentures (49.28%)							
Issued And Guaranteed By							
The Government Of Canada (23.90%)							
1.50%, due December 1, 2012	179,000	178,593	179,179				
1.75%, due March 1, 2013	7,046,000	7,038,264	7,074,718				
3.50%, due June 1, 2013	205,000	215,080	212,403				
3.00%, due June 1, 2014	476,000	490,375	491,376				
3.75%, due June 1, 2019	1,580,000	1,665,587	1,676,755				
3.50%, due June 1, 2020	1,836,000	1,917,965	1,904,170				
3.25%, due June 1, 2021	1,034,000	1,052,679	1,046,029				
5.75%, due June 1, 2029	528,000	650,103	688,331				
5.75%, due June 1, 2033	607,000	775,917	810,529				
4.00%, due June 1, 2041	500,000	544,535	541,500				
Canada Housing Trust							
3.60%, due June 15, 2013	3,245,000	3,359,643	3,364,726				
3.15%, due June 15, 2014	5,000	5,138	5,165				
		17,893,879	17,994,881				
Issued And Guaranteed By a Province (17.95%)							
CDP Financial Inc.							
4.60%, due July 15, 2020	686,000	687,008	719,805				
Hydro-Québec							
6.50%, due January 16, 2035	186,000	237,040	240,570				
Newfoundland and Labrador Hydro							
4.30%, due October 13, 2016	795,000	783,997	852,764				
Province of British Columbia							
4.10%, due December 18, 2019	230,000	239,713	239,138				
4.70%, due June 18, 2037	546,000	548,867	577,776				
4.95%, due June 18, 2040	133,000	142,796	146,904				
Province of Manitoba							
4.60%, due March 5, 2038	71,000	70,269	73,946				
Province of Ontario							
4.50%, due March 8, 2015	177,000	189,193	190,580				
4.30%, due March 8, 2017	1,798,000	1,869,921	1,928,250				
4.20%, due March 8, 2018	333,000	339,438	352,940				
4.40%, due June 2, 2019	583,000	606,833	618,342				
4.20%, due June 2, 2020	1,270,000	1,310,269	1,316,612				
4.00%, due June 2, 2021	648,000	658,582	656,099				
8.10%, due September 8, 2023	56,000	75,320	78,137				
5.85%, due March 8, 2033	458,000	530,821	555,437				
4.70%, due June 2, 2037	121,000	119,208	127,225				
4.60%, due June 2, 2039	1,209,000	1,210,699	1,256,326				
Province of Quebec							
5.50%, due December 1, 2014	383,000	423,968	423,771				
4.50%, due December 1, 2020	690,000	693,823	726,578				
4.25%, due December 1, 2021	617,000	635,770	633,439				
6.25%, due June 1, 2032	111,000	133,982	139,199				
5.75%, due December 1, 2036	194,000	226,107	232,434				
5.00%, due December 1, 2038	828,000	853,058	901,984				
5.00%, due December 1, 2041	480,000	490,468	526,199				
		13,077,150	13,514,455				
Municipalities And Subsidized Issuers (0.69%)							
City of Montreal							
4.50%, due December 1, 2021	326,000	323,738	333,416				
City of Toronto							
5.20%, due June 1, 2040	47,000	48,374	50,512				
Regional Municipality of York							
4.50%, due September 28, 2016	130,000	129,558	139,172				
		501,670	523,100				
Corporations (6.75%)							
Bank of Montreal							
3.49%, due June 10, 2016	505,000	505,000	512,248				
Bank of Nova Scotia							
Floating, due November 1, 2012	799,000	844,607	832,464				
Floating, due March 27, 2013	320,000	340,099	334,954				
Cadillac Fairview							
3.24%, due January 25, 2016	422,000	421,979	427,874				
4.31%, due January 25, 2021	461,000	460,889	471,338				
Canadian Imperial Bank of Commerce							
5.00%, due September 10, 2012	641,000	677,934	665,412				
National Bank of Canada							
3.58%, due April 26, 2016	893,000	910,708	908,303				
Royal Bank of Canada							
Floating, due March 11, 2013	103,000	107,724	107,513				
Floating, due June 15, 2015	280,000	288,392	291,059				
Toronto-Dominion Bank							
Floating, due November 2, 2015	350,000	344,045	349,264				
TransLink							
3.80%, due November 2, 2020	184,000	183,864	181,123				
		5,085,241	5,081,552				
Total Bonds And Debentures						36,557,940	37,113,988
Mutual Funds (34.88%)							
Altamira Canadian Equity Growth Fund							
	278,774	3,422,702	3,674,242				
Altamira Corporate Bond Fund							
	1,091,221	11,072,841	11,283,228				
National Bank Canadian Equity Fund							
	210,431	3,104,159	3,695,166				
National Bank Global Equity Fund							
	835,379	7,764,711	7,610,303				
		25,364,413	26,262,939				
Total Investments (99.56%)						73,496,759*	74,966,557
Cash And Other Net Assets (0.44%)							330,526
Net Assets (100%)							75,297,083

* Average cost of investments as at December 31, 2010 is \$69,051,915.

The accompanying notes are an integral part of these financial statements.

National Bank Conservative Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	6,251	0.01%	6,465	0.01%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$313 (\$323 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	66.34%	71.07%
AA/Aa/A-2/P-2	30.86%	27.02%
A/A-3/P-3	2.80%	1.91%

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	11,589,630	11,713,619
From 1 year to 3 years	13,267,910	10,518,332
From 3 years to 5 years	3,103,099	1,473,676
From 5 years to 10 years	12,829,115	13,472,564
More than 10 years	7,913,864	7,194,115
Non-interest-bearing instruments	26,262,939	25,782,212
Total	74,966,557	70,154,518

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$596,689 (\$561,192 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (65%) - S&P/TSX Index				
TR (10%) - MSCI World Index				
TR (10%) - DEX 91 days				
T-Bills Index (15%)	± 2,386,918	3.17%	± 2,332,930	3.31%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	11,589,630	n/a	11,589,630
Bonds and Debentures	14,624,990	22,488,998	n/a	37,113,988
Mutual Funds	26,262,939	n/a	n/a	26,262,939
Total Investments	40,887,929	34,078,628	n/a	74,966,557

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	10,379,542	n/a	10,379,542
Bonds and Debentures	18,849,944	15,142,820	n/a	33,992,764
Mutual Funds	25,782,212	n/a	n/a	25,782,212
Total Investments	44,632,156	25,522,362	n/a	70,154,518

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	-	27,560
Purchases	-	-
Sales	-	(27,560)
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains	-	216
Change in unrealized appreciation (depreciation)	-	(216)
Ending Balance (December 31)	-	-

The accompanying notes are an integral part of these financial statements.

National Bank Conservative Diversified Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	74,966,557	70,154,518	
Cash	25,615	173,140	
Subscriptions receivable	248,750	123,092	
Interest receivable	216,302	192,566	
Other assets receivable	27,633	15,642	
	<u>75,484,857</u>	<u>70,658,958</u>	
Liabilities			
Redeemed units payable	70,029	66,029	
Accrued expenses	117,745	111,665	
	<u>187,774</u>	<u>177,694</u>	
Net assets, Investor Series	<u>75,297,083</u>	<u>70,481,264</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Eric Laflamme, Director
Net assets per unit, Investor Series	10.23	10.18	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	649,043	738,062
Income from investment funds	249,438	78,046
	<u>898,481</u>	<u>816,108</u>
Expenses		
Management fees	575,531	491,922
Custodial fees	5,192	5,805
Directors' fees of independent review committee	739	465
Audit fees	3,653	6,534
Legal fees	1,342	819
Rights and deposits	11,567	9,928
Securityholders' reporting costs	83,951	77,376
Fees paid by the manager	(44,324)	(47,832)
	<u>637,651</u>	<u>545,017</u>
Net investment income	<u>260,830</u>	<u>271,091</u>
Net gains (losses)		
Net realized gains (losses) on sale of investments	(2,880)	226,296
Change in unrealized appreciation/depreciation on investments	367,195	(278,589)
Unrealized gains (losses) on foreign currencies	(214)	116
	<u>366,981</u>	<u>(278,473)</u>
	<u>364,101</u>	<u>(52,177)</u>
Increase in net assets from operations		
Investor Series	<u>624,931</u>	<u>218,914</u>
Increase in net assets from operations per unit		
Investor Series	0.09	0.03

The accompanying notes are an integral part of these financial statements.

National Bank Conservative Diversified Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	70,481,264	60,500,174
Increase in net assets from operations	624,931	218,914
Capital unit transactions		
Units issued	19,234,388	15,675,833
Units issued on reinvestment of distributions	272,348	274,901
Units redeemed	(15,042,986)	(11,832,144)
	4,463,750	4,118,590
Distributions to investors		
Net investment income	272,862	275,238
Increase in net assets for the period	4,815,819	4,062,266
Net assets, end of the period	75,297,083	64,562,440

The accompanying notes are an integral part of these financial statements.

National Bank Moderate Diversified Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (2.00%)				Issued And Guaranteed By			
Treasury Bills (2.00%)				A Province (18.16%) (continued)			
Government of Canada				Province of Quebec			
0.92%, due July 6, 2011	400,000	399,808	399,948	5.50%, due December 1, 2014	354,000	394,391	391,684
0.94%, due July 7, 2011	200,000	199,588	199,969	4.50%, due December 1, 2020	3,062,000	3,185,523	3,224,320
0.94%, due August 18, 2011	1,300,000	1,297,286	1,298,458	4.25%, due December 1, 2021	1,008,000	1,038,682	1,034,856
0.92%, due September 1, 2011	500,000	498,993	499,237	9.38%, due January 16, 2023	65,000	99,065	96,820
0.90%, due October 13, 2011	100,000	99,734	99,737	6.25%, due June 1, 2032	500,000	599,514	627,022
				5.75%, due December 1, 2036	305,000	355,478	365,424
		2,495,409	2,497,349	5.00%, due December 1, 2038	1,305,000	1,336,486	1,421,604
				5.00%, due December 1, 2041	698,000	708,660	765,181
						21,961,166	22,694,512
Bonds And Debentures (64.31%)				Municipalities And Subsidized Issuers (0.65%)			
Issued And Guaranteed By				City of Montreal			
The Government Of Canada (24.34%)				4.50%, due December 1, 2021			
1.50%, due March 1, 2012	380,000	380,464	380,848	225,000	224,235	240,875	
1.50%, due December 1, 2012	195,000	194,473	195,195	4.50%, due September 28, 2016		780,349	813,614
1.75%, due March 1, 2013	8,987,000	8,975,842	9,023,629				
3.50%, due June 1, 2013	925,000	960,144	958,405	Corporations (21.02%)			
3.00%, due June 1, 2014	278,000	284,944	286,980	Aéroports de Montréal			
2.00%, due December 1, 2014	310,000	300,142	310,253	5.67%, due October 16, 2037			
4.00%, due June 1, 2016	675,000	711,922	727,324	AGT Limited			
3.75%, due June 1, 2019	1,985,000	2,092,357	2,106,556	8.80%, due September 22, 2025			
3.50%, due June 1, 2020	3,073,000	3,176,105	3,187,099	American Express Canada Credit Corp.			
3.25%, due June 1, 2021	3,000,000	3,022,286	3,034,900	4.85%, due October 3, 2014			
5.75%, due June 1, 2029	275,000	330,358	358,506	Bank of Montreal			
5.75%, due June 1, 2033	176,000	219,733	235,013	3.93%, due April 27, 2015			
5.00%, due June 1, 2037	945,000	1,177,056	1,170,520	5.18%, due June 10, 2015			
4.00%, due June 1, 2041	905,000	989,675	980,115	3.49%, due June 10, 2016			
Canada Housing Trust				4.55%, due August 1, 2017			
4.55%, due December 15, 2012	1,290,000	1,354,694	1,346,085	Bell Aliant Regional Communications Inc.			
3.60%, due June 15, 2013	5,445,000	5,635,526	5,645,895	5.41%, due September 26, 2016			
3.15%, due June 15, 2014	459,000	471,714	474,146	Bell Canada			
		30,277,435	30,421,469	7.00%, due September 24, 2027			
				BMW Canada Inc.			
Issued And Guaranteed By				3.22%, due March 28, 2013			
A Province (18.16%)				Brookfield Renewable Power Inc.			
CDP Financial Inc.				5.84%, due November 5, 2036			
4.60%, due July 15, 2020	1,100,000	1,097,734	1,154,206	Cadillac Fairview			
Hydro-Québec				3.24%, due January 25, 2016			
6.50%, due January 16, 2035	260,000	332,587	336,281	4.31%, due January 25, 2021			
Newfoundland and Labrador Hydro				Cameco Corp.			
4.30%, due October 13, 2016	1,005,000	991,091	1,078,023	5.67%, due September 2, 2019			
Province of British Columbia				Canadian Imperial Bank of Commerce			
4.10%, due December 18, 2019	185,000	192,813	192,350	5.00%, due September 10, 2012			
4.70%, due June 18, 2037	727,000	729,119	769,309	Floating, due June 6, 2018			
4.95%, due June 18, 2040	175,000	188,724	193,295	Canadian Natural Resources Ltd.			
Province of Manitoba				4.95%, due June 1, 2015			
4.60%, due March 5, 2038	119,000	117,774	123,938	Canadian Utilities Inc.			
Province of Ontario				5.18%, due November 21, 2035			
3.25%, due September 8, 2014	330,000	328,010	341,068	Citigroup Finance Canada Inc.			
4.50%, due March 8, 2015	638,000	682,623	686,950	4.90%, due November 13, 2012			
4.30%, due March 8, 2017	1,295,000	1,346,187	1,388,812	First Capital Realty Inc.			
4.20%, due March 8, 2018	1,458,000	1,484,548	1,545,304	5.36%, due January 31, 2014			
4.20%, due June 2, 2020	2,092,000	2,153,414	2,168,782				
4.00%, due June 2, 2021	1,134,000	1,152,860	1,148,173				
8.10%, due September 8, 2023	235,000	316,075	327,895				
6.50%, due March 8, 2029	127,000	155,554	162,724				
5.85%, due March 8, 2033	725,000	839,724	879,240				
4.70%, due June 2, 2037	650,000	634,718	683,438				
4.60%, due June 2, 2039	1,528,000	1,499,812	1,587,813				

The accompanying notes are an integral part of these financial statements.

National Bank Moderate Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Corporations (21.02%) (continued)			
General Electric Capital Canada Funding Co. 5.29%, due August 17, 2012	740,000	739,904	768,296
5.68%, due September 10, 2019	225,000	241,988	243,194
5.73%, due October 22, 2037	180,000	190,260	183,090
Greater Toronto Airport 5.26%, due April 17, 2018	810,000	830,925	889,966
Great-West Lifeco Delaware Finance LP Floating, due June 26, 2018	450,000	478,755	508,472
Intact Financial Corp. 6.40%, due November 23, 2039	225,000	222,754	240,339
Investors Group Inc. 7.35%, due April 8, 2019	485,000	484,728	575,407
John Deere Credit Inc. 3.90%, due July 29, 2013	475,000	494,000	491,256
Loblaw Companies Ltd. 5.90%, due January 18, 2036	255,000	237,993	246,151
Manitoba Telecom Services Inc. 6.15%, due June 10, 2014	175,000	190,505	188,711
Manulife Financial (Delaware) L.P. 4.90%, due June 2, 2014	250,000	260,750	262,230
Floating, due December 15, 2016	500,000	497,750	507,461
Floating, due December 15, 2036	310,000	285,154	261,516
National Bank of Canada 3.58%, due April 26, 2016	430,000	438,527	437,369
NAV Canada 5.30%, due April 17, 2019	215,000	218,586	237,580
NOVA Gas Transmission Ltd. 7.00%, due July 16, 2027	100,000	111,793	120,120
Omers 4.05%, due May 5, 2014	285,000	284,923	297,390
RioCan Real Estate Investment Trust 5.65%, due March 31, 2015	500,000	527,000	534,215
Rogers Communications Inc. 5.80%, due May 26, 2016	360,000	359,161	393,543
6.11%, due August 25, 2040	100,000	99,150	95,352
Rona Inc. 5.40%, due October 20, 2016	250,000	255,736	257,160
Royal Bank of Canada Floating, due March 11, 2013	192,000	200,805	200,413
Floating, due June 15, 2015	1,080,000	1,094,170	1,122,656
Floating, due November 1, 2015	635,000	633,222	628,907
Scotiabank Capital Trust Floating, due November 1, 2012	1,494,000	1,579,278	1,556,572
Floating, due March 27, 2013	1,380,000	1,467,683	1,444,488
Floating, due December 31, 2036	235,000	231,432	240,572
Shaw Communications Inc. 6.10%, due November 16, 2012	350,000	380,975	368,320
Sun Life Financial Inc. 6.15%, due June 30, 2022	235,000	252,679	243,786
TD Capital Trust IV Floating, due June 30, 2021	450,000	465,480	503,175
Telus Corp. 5.05%, due July 23, 2020	225,000	227,745	228,604
Terasen Gas Inc. 6.55%, due February 24, 2039	175,000	174,361	218,097
Thomson Reuters Corp. 6.00%, due March 31, 2016	320,000	319,242	357,685
Tim Hortons Inc. 4.20%, due June 1, 2017	375,000	374,932	387,443
Toronto-Dominion Bank Floating, due November 2, 2015	600,000	589,792	598,739
Floating, due December 14, 2016	475,000	459,445	497,926

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Corporations (21.02%) (continued)			
Toyota Credit Canada Inc. 5.05%, due July 27, 2012	365,000	374,110	376,918
TransCanada Pipelines Ltd. 5.05%, due August 20, 2013	460,000	471,870	486,866
8.05%, due February 17, 2039	110,000	125,606	155,988
TransLink 3.80%, due November 2, 2020	306,000	305,774	301,215
		<u>25,468,878</u>	<u>26,260,295</u>
Convertibles (0.14%)			
FortisAlberta Inc. 5.40%, due April 21, 2036	165,000	160,340	176,021
Total Bonds And Debentures			<u>78,648,168</u>
	Number of Units		<u>80,365,911</u>
Mutual Funds (33.25%)			
Altamira Canadian Equity Growth Fund	663,456	8,254,467	8,744,351
National Bank Canadian Equity Fund	510,321	7,753,775	8,961,239
National Bank Global Equity Fund	2,000,049	18,378,196	18,220,449
National Bank Small Capitalization	380,762	3,556,326	5,620,047
		<u>37,942,764</u>	<u>41,546,086</u>
Total Investments (99.56%)			<u>119,086,341*</u>
Cash And Other Net Assets (0.44%)			<u>555,749</u>
Net Assets (100%)			<u>124,965,095</u>
* Average cost of investments as at December 31, 2010 is \$112,283,800.			
Currency Risk (note 4)			
The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.			
Credit Risk (note 4)			
		June 30, 2011	December 31, 2010
Debt Securities by Credit Ratings			
AAA/Aaa/A-1/P-1		45.04%	46.05%
AA/Aa/A-2/P-2		36.53%	34.32%
A/A-3/P-3		12.58%	13.22%
BBB/Baa		5.85%	6.41%
The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.			

The accompanying notes are an integral part of these financial statements.

National Bank Moderate Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	2,878,197	2,489,469
From 1 year to 3 years	27,288,429	21,587,380
From 3 years to 5 years	9,285,062	9,220,708
From 5 years to 10 years	27,380,139	26,133,554
More than 10 years	16,031,433	16,270,947
Non-interest-bearing instruments	41,546,086	42,122,936
Total	124,409,346	117,824,994

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,237,856 (\$1,193,340 in 2010).

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (65%) - S&P/TSX Index				
TR (15%) - MSCI World Index				
TR (15%) - S&P/TSX Smallcap				
Index TR (5%)	± 4,661,198	3.73%	± 4,570,017	3.86%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	2,497,349	n/a	2,497,349
Bonds and Debentures	22,955,343	57,410,568	n/a	80,365,911
Mutual Funds	41,546,086	n/a	n/a	41,546,086
Total Investments	64,501,429	59,907,917	n/a	124,409,346

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	898,282	n/a	898,282
Bonds and Debentures	27,388,482	47,415,294	n/a	74,803,776
Mutual Funds	42,122,936	n/a	n/a	42,122,936
Total Investments	69,511,418	48,313,576	n/a	117,824,994

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	-	44,729
Purchases	-	-
Sales	-	(44,729)
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains	-	351
Change in unrealized appreciation (depreciation)	-	(351)
Ending Balance (December 31)	-	-

The accompanying notes are an integral part of these financial statements.

National Bank Moderate Diversified Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	124,409,346	117,824,994	
Cash	68,130	23,649	
Subscriptions receivable	218,584	274,982	
Interest receivable	542,168	517,276	
Other assets receivable	53,139	30,817	
	<u>125,291,367</u>	<u>118,671,718</u>	
Liabilities			
Redeemed units payable	100,398	61,806	
Accrued expenses	225,874	215,695	
	<u>326,272</u>	<u>277,501</u>	
Net assets, Investor Series	<u>124,965,095</u>	<u>118,394,217</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Eric Laflamme, Director
Net assets per unit, Investor Series	11.92	11.89	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	1,529,462	1,355,666
Other income	26,096	-
	<u>1,555,558</u>	<u>1,355,666</u>
Expenses		
Management fees	1,123,506	964,864
Custodial fees	7,350	7,587
Directors' fees of independent review committee	1,228	783
Audit fees	5,132	9,110
Legal fees	1,885	1,142
Rights and deposits	14,158	11,492
Securityholders' reporting costs	139,211	130,242
Fees paid by the manager	(58,925)	(71,092)
	<u>1,233,545</u>	<u>1,054,128</u>
Net investment income	<u>322,013</u>	<u>301,538</u>
Net gains (losses)		
Net realized gains on sale of investments	<u>558,708</u>	<u>584,916</u>
Change in unrealized appreciation/depreciation on investments	(218,189)	(1,512,455)
Unrealized gains (losses) on foreign currencies	(28)	15
	<u>(218,217)</u>	<u>(1,512,440)</u>
	<u>340,491</u>	<u>(927,524)</u>
Increase (decrease) in net assets from operations		
Investor Series	<u>662,504</u>	<u>(645,986)</u>
Increase (decrease) in net assets from operations per unit		
Investor Series	0.06	(0.07)

The accompanying notes are an integral part of these financial statements.

National Bank Moderate Diversified Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	118,394,217	102,657,788
Increase (decrease) in net assets from operations	662,504	(645,986)
Capital unit transactions		
Units issued	28,656,795	25,209,451
Units issued on reinvestment of distributions	298,726	306,470
Units redeemed	(22,748,267)	(20,220,437)
	6,207,254	5,295,484
Distributions to investors		
Net investment income	298,880	306,644
Increase in net assets for the period	6,570,878	4,342,854
Net assets, end of the period	124,965,095	107,000,642

The accompanying notes are an integral part of these financial statements.

National Bank Balanced Diversified Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (0.97%)							
Treasury Bills (0.97%)							
Government of Canada							
0.95%, due August 4, 2011	1,100,000	1,097,631	1,099,090				
0.92%, due September 1, 2011	500,000	498,956	499,237				
0.93%, due September 15, 2011	1,100,000	1,097,459	1,097,915				
0.90%, due October 13, 2011	200,000	199,468	199,473				
		<u>2,893,514</u>	<u>2,895,715</u>				
Bonds And Debentures (35.22%)							
Issued And Guaranteed By							
The Government Of Canada (15.65%)							
1.75%, due March 1, 2013	14,324,000	14,315,403	14,382,381				
3.50%, due June 1, 2013	760,000	796,894	787,446				
4.00%, due June 1, 2017	118,000	126,273	127,473				
3.75%, due June 1, 2019	2,274,000	2,368,981	2,413,254				
3.50%, due June 1, 2020	6,177,000	6,357,974	6,406,350				
3.25%, due June 1, 2021	4,410,000	4,446,055	4,461,303				
5.75%, due June 1, 2029	89,000	112,715	116,025				
5.75%, due June 1, 2033	5,000	6,262	6,677				
5.00%, due June 1, 2037	2,374,000	2,943,835	2,940,543				
4.00%, due June 1, 2041	920,000	1,008,320	996,360				
Canada Housing Trust							
3.60%, due June 15, 2013	13,395,000	13,864,576	13,889,214				
3.95%, due June 15, 2013	100,000	104,182	104,354				
3.15%, due June 15, 2014	25,000	25,692	25,825				
		<u>46,477,162</u>	<u>46,657,205</u>				
Issued And Guaranteed By							
a Province (12.79%)							
CDP Financial Inc.							
4.60%, due July 15, 2020	2,256,000	2,260,976	2,367,173				
Hydro-Québec							
6.50%, due January 16, 2035	819,000	1,008,677	1,059,286				
Newfoundland and Labrador Hydro							
4.30%, due October 13, 2016	1,745,000	1,727,732	1,871,791				
Province of British Columbia							
4.70%, due June 18, 2037	1,277,000	1,263,697	1,351,318				
4.95%, due June 18, 2040	454,000	487,085	501,462				
Province of Manitoba							
4.60%, due March 5, 2038	269,000	261,139	280,163				
Province of New Brunswick							
4.80%, due September 26, 2039	410,000	402,287	433,913				
Province of Ontario							
3.25%, due September 8, 2014	199,000	203,336	205,674				
4.50%, due March 8, 2015	695,000	743,376	748,323				
4.30%, due March 8, 2017	7,066,000	7,361,183	7,577,871				
4.20%, due March 8, 2018	560,000	572,539	593,532				
4.20%, due June 2, 2020	2,130,000	2,217,862	2,208,176				
4.00%, due June 2, 2021	1,900,000	1,931,470	1,923,747				
5.85%, due March 8, 2033	288,000	334,961	349,271				
4.70%, due June 2, 2037	2,740,000	2,689,014	2,880,954				
4.60%, due June 2, 2039	1,574,000	1,567,563	1,635,614				
Province of Quebec							
5.50%, due December 1, 2014	773,000	861,199	855,288				
4.50%, due December 1, 2020	3,334,000	3,400,494	3,510,739				
4.25%, due December 1, 2021	1,677,000	1,728,084	1,721,680				
9.38%, due January 16, 2023	364,000	524,263	542,190				
6.25%, due June 1, 2032	1,057,000	1,269,276	1,325,524				
5.75%, due December 1, 2036	890,000	1,037,295	1,066,319				
5.00%, due December 1, 2038	924,000	969,354	1,006,561				
5.00%, due December 1, 2041	1,557,000	1,593,268	1,706,859				
Province of Saskatchewan							
4.50%, due August 23, 2016	383,000	398,084	416,565				
		<u>36,814,214</u>	<u>38,139,993</u>				
Municipalities And Subsidized Issuers (0.70%)							
City of Montreal							
4.95%, due December 10, 2014	298,000	321,035	321,940				
4.50%, due December 1, 2021	955,000	948,372	976,725				
City of Toronto							
5.20%, due June 1, 2040	186,000	191,437	199,899				
Regional Municipality of York							
4.50%, due September 28, 2016	555,000	552,124	594,157				
		<u>2,012,968</u>	<u>2,092,721</u>				
Corporations (6.08%)							
Bank of Montreal							
3.49%, due June 10, 2016	1,510,000	1,510,000	1,531,673				
Bank of Nova Scotia							
Floating, due November 1, 2012	2,389,000	2,525,364	2,489,057				
Floating, due March 27, 2013	985,000	1,046,868	1,031,029				
Cadillac Fairview							
3.24%, due January 25, 2016	1,220,000	1,219,939	1,236,983				
4.31%, due January 25, 2021	1,416,000	1,415,660	1,447,755				
Canadian Imperial Bank of Commerce							
5.00%, due September 10, 2012	1,906,000	2,015,824	1,978,589				
3.40%, due January 14, 2016	3,115,000	3,105,348	3,157,716				
National Bank of Canada							
3.58%, due April 26, 2016	2,135,000	2,177,337	2,171,588				
Omers							
4.05%, due May 5, 2014	300,000	299,919	313,042				
Royal Bank of Canada							
Floating, due March 11, 2013	313,000	327,354	326,714				
Floating, due June 15, 2015	835,000	860,025	867,980				
Toronto-Dominion Bank							
Floating, due November 2, 2015	1,045,000	1,027,220	1,042,803				
TransLink							
3.80%, due November 2, 2020	546,000	545,596	537,463				
		<u>18,076,454</u>	<u>18,132,392</u>				
Total Bonds And Debentures		<u>103,380,798</u>	<u>105,022,311</u>				
	Number of Shares						
Canadian Equities (0.16%)							
Energy (0.16%)							
Talisman Energy Inc.	23,908	424,336	472,422				
Global Equities (23.30%)							
Australia (0.82%)							
BHP Billiton Ltd.	27,913	881,099	1,263,369				
Commonwealth Bank of Australia	22,100	1,117,293	1,193,189				
		<u>1,998,392</u>	<u>2,456,558</u>				
Brazil (0.35%)							
Vale SA	33,517	1,008,242	1,032,529				
China (0.24%)							
Tencent Holdings Ltd.	27,100	651,242	706,037				
France (0.98%)							
Arkema PLC	5,524	552,516	548,305				
AXA	51,707	1,122,361	1,133,214				
Compagnie Générale des							
Établissements Michelin	6,525	584,378	614,627				
Schneider Electric SA	3,913	366,559	630,458				
		<u>2,625,814</u>	<u>2,926,604</u>				

The accompanying notes are an integral part of these financial statements.

National Bank Balanced Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
		\$	\$			\$	\$
Germany (1.28%)							
Allianz AG	6,373	745,825	858,527				
BASF AG	14,075	893,169	1,329,151				
Bayerische Motoren Werke AG	16,828	1,069,587	1,616,428				
		2,708,581	3,804,106				
Hong Kong (0.45%)							
Cheung Kong Infrastructure Holdings Ltd.	104,969	525,596	524,314				
Hengan International Group Co. Ltd.	96,293	532,452	828,882				
		1,058,048	1,353,196				
Ireland (1.12%)							
Accenture PLC	24,978	1,286,659	1,455,354				
Experian Group Ltd.	82,808	698,148	1,015,108				
Ingersoll-Rand PLC	19,722	837,047	863,783				
		2,821,854	3,334,245				
Japan (0.99%)							
Aisin Seiki Co. Ltd.	23,800	804,408	881,033				
Canon Inc.	23,200	1,084,738	1,057,546				
Komatsu Ltd.	18,000	493,433	538,022				
Nitto Denko Corp.	9,700	522,172	470,634				
		2,904,751	2,947,235				
Netherlands (0.32%)							
ING Groep NV	80,219	1,009,758	952,417				
Switzerland (0.82%)							
ACE Ltd.	12,707	787,673	806,438				
Nestlé SA	27,211	1,310,432	1,629,357				
		2,098,105	2,435,795				
United Kingdom (1.87%)							
Aviva PLC	65,240	437,864	434,611				
Barclays PLC	102,222	520,108	405,753				
British American Tobacco PLC	27,548	930,299	1,155,298				
Centrica PLC	193,700	1,045,917	959,688				
Intertek Group PLC	33,242	600,787	1,012,575				
Vodafone Group PLC	638,690	1,645,484	1,615,808				
		5,180,459	5,583,733				
United States (14.07%)							
Abbott Laboratories	15,845	873,019	803,554				
Agilent Technologies Inc.	17,179	780,149	846,849				
Allergan Inc.	11,243	639,576	902,644				
Ameriprise Financial Inc.	16,771	918,466	932,525				
Apple Computer Inc.	8,140	1,404,175	2,634,413				
AT&T Inc.	39,963	1,151,927	1,209,906				
Chevron Corp.	15,365	1,255,460	1,522,856				
CIGNA Corp.	19,758	841,034	981,033				
Citigroup Inc.	18,410	863,443	738,668				
ConocoPhillips	15,735	1,112,783	1,140,355				
Cummins Inc.	10,832	959,887	1,080,581				
Diamond Offshore Drilling Inc.	13,271	898,286	900,856				
EMC Corp./Mass	45,414	715,208	1,206,740				
Freeport McMoran Copper & Gold Inc., Class B	13,248	768,847	675,685				
Helmerich & Payne Inc.	19,552	852,771	1,245,753				
Honeywell International Inc.	12,706	541,357	729,782				
Humana Inc.	10,575	807,676	821,169				
J. P. Morgan Chase & Co.	28,144	1,150,100	1,110,497				
Lockheed Martin Corp.	6,586	507,971	514,337				
LPL Investment Holdings Inc.	21,768	725,554	717,617				
United States (14.07%) (continued)							
Marathon Oil Corp.	20,283	1,014,121	1,029,403				
McKesson Corp.	12,453	904,252	1,004,593				
Medtronic Inc.	21,511	844,794	798,773				
Moodys Corp.	25,917	971,935	958,383				
Mylan Inc./PA	17,119	377,186	407,333				
National-Oilwell Inc.	18,738	963,745	1,412,209				
Occidental Petroleum Corp.	7,447	581,210	747,137				
Oracle Corp.	58,477	1,526,831	1,855,031				
Parker Hannifin Corp.	7,694	652,700	666,022				
Pepsico Inc.	23,302	1,519,397	1,581,775				
Philip Morris International Inc.	23,316	1,232,093	1,500,868				
Prudential Financial Inc.	18,171	1,151,950	1,114,299				
Ross Stores Inc.	12,237	698,483	945,623				
Time Warner Cable Inc.	20,511	1,022,976	1,544,052				
United Technologies Corp.	5,945	392,491	507,455				
UnitedHealth Group Inc.	22,738	826,926	1,131,410				
URS Corp.	13,854	626,998	597,958				
Varian Medical Systems Inc.	5,164	265,354	348,647				
Viacom Inc., Class B	17,004	799,416	835,926				
Walgreen Co.	28,294	1,160,683	1,158,442				
Yum! Brands Inc.	20,536	792,908	1,093,543				
		36,094,138	41,954,702				
Total Global Equities						60,159,384	69,487,157
				Number of Units			
Mutual Funds (40.19%)							
Altamira Canadian Equity Growth Fund	1,617,952	19,916,990	21,324,603				
Altamira Corporate Bond Fund	2,871,001	29,045,018	29,686,147				
National Bank Canadian Equity Fund	1,241,978	18,241,841	21,809,142				
National Bank Global Equity Fund	2,048,445	16,342,899	18,661,332				
National Bank Small Capitalization	1,923,306	18,575,195	28,387,996				
		102,121,943	119,869,220				
Total Investments (99.84%)						268,979,975*	297,746,825
Cash And Other Net Assets (0.16%)							463,509
Net Assets (100%)							298,210,334

* Average cost of investments as at December 31, 2010 is \$267,348,315.

The accompanying notes are an integral part of these financial statements.

National Bank Balanced Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	46,169,233	15.48%	41,214,064	13.74%
Australian Dollar	2,457,072	0.82%	2,468,479	0.82%
Danish Krone	n/a	n/a	1,439,218	0.48%
Euro	7,687,763	2.58%	5,779,047	1.93%
Hong Kong Dollar	2,059,145	0.69%	1,857,273	0.62%
Japanese Yen	2,969,573	1.00%	2,564,866	0.86%
Pound Sterling	6,641,157	2.23%	8,558,087	2.85%
Swedish Krona	n/a	n/a	3,356,340	1.12%
Swiss Franc	1,633,290	0.55%	2,720,846	0.91%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$3,480,862 (\$3,497,911 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	53.16%	62.09%
AA/Aa/A-2/P-2	43.69%	36.07%
A/A-3/P-3	3.15%	1.84%

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	2,895,715	2,048,997
From 1 year to 3 years	35,327,651	33,262,949
From 3 years to 5 years	12,139,968	7,110,566
From 5 years to 10 years	36,457,349	37,595,893
More than 10 years	21,097,343	21,015,928
Non-interest-bearing instruments	189,828,799	198,602,936
Total	297,746,825	299,637,269

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,670,400 (\$1,646,253 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (45%) - S&P/TSX Index TR (15%) - MSCI World Index TR (30%) - S&P/TSX Smallcap Index TR (10%)	± 16,431,389	5.51%	± 16,914,376	5.64%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	2,895,715	n/a	2,895,715
Bonds and Debentures	32,637,813	72,384,498	n/a	105,022,311
Common Shares	69,435,265	524,314	n/a	69,959,579
Mutual Funds	119,869,220	n/a	n/a	119,869,220
Total Investments	221,942,298	75,804,527	n/a	297,746,825

During the period ended June 30, 2011, investments of \$717,617 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	499,309	n/a	499,309
Bonds and Debentures	56,843,297	43,691,727	n/a	100,535,024
Common Shares	69,958,022	364,068	n/a	70,322,090
Mutual Funds	128,280,846	n/a	n/a	128,280,846
Total Investments	255,082,165	44,555,104	n/a	299,637,269
Derivative Assets	n/a	4,576,055	n/a	4,576,055
Derivative Liabilities	n/a	(4,541,073)	n/a	(4,541,073)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	-	108,433
Purchases	-	-
Sales	-	(108,433)
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains	-	363
Change in unrealized appreciation (depreciation)	-	(363)
Ending Balance (December 31)	-	-

The accompanying notes are an integral part of these financial statements.

National Bank Balanced Diversified Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	297,746,825	299,637,269	
Unrealized appreciation on foreign exchange contracts	-	46,879	
Cash	114,017	138,783	
Subscriptions receivable	243,304	256,363	
Interest and dividends receivable	740,778	683,448	
Other assets receivable	172,902	156,311	
	<u>299,017,826</u>	<u>300,919,053</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	-	11,897	
Redeemed units payable	194,906	376,824	
Accrued expenses	612,586	630,055	
	<u>807,492</u>	<u>1,018,776</u>	
Net assets, Investor Series	<u>298,210,334</u>	<u>299,900,277</u>	Approved on behalf of the Manager National Bank Securities Inc.
Net assets per unit, Investor Series	14.43	14.38	Charles Guay, Director Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Balanced Diversified Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	1,838,361	2,236,553
Dividends	650,750	670,060
Income from investment funds	657,221	298,452
Other income	-	27,637
	<u>3,146,332</u>	<u>3,232,702</u>
Expenses		
Management fees	3,174,580	2,956,928
Custodial fees	25,645	24,105
Directors' fees of independent review committee	2,438	1,711
Audit fees	10,149	19,067
Legal fees	3,728	2,390
Rights and deposits	16,976	25,047
Securityholders' reporting costs	276,165	284,423
Fees paid by the manager	(64,014)	(117,680)
	<u>3,445,667</u>	<u>3,195,991</u>
Net investment income (loss)	<u>(299,335)</u>	<u>36,711</u>
Net gains (losses)		
Net realized gains on sale of investments	4,932,062	1,948,797
Net realized gains (losses) on foreign currencies	61,203	(94,707)
	<u>4,993,265</u>	<u>1,854,090</u>
Change in unrealized appreciation/depreciation on investments	(3,557,286)	(10,241,434)
Unrealized gains (losses) on foreign currencies	8,130	(16,152)
	<u>(3,549,156)</u>	<u>(10,257,586)</u>
Transaction costs on purchase and sale of investments	(42,982)	(93,942)
	<u>1,401,127</u>	<u>(8,497,438)</u>
Increase (decrease) in net assets from operations		
Investor Series	<u>1,101,792</u>	<u>(8,460,727)</u>
Increase (decrease) in net assets from operations per unit		
Investor Series	0.05	(0.40)

The accompanying notes are an integral part of these financial statements.

National Bank Balanced Diversified Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	299,900,277	282,273,914
Increase (decrease) in net assets from operations	1,101,792	(8,460,727)
Capital unit transactions		
Units issued	39,170,524	38,361,274
Units issued on reinvestment of distributions	975	19,024
Units redeemed	(41,962,259)	(36,301,650)
	(2,790,760)	2,078,648
Distributions to investors		
Net investment income	975	19,039
Decrease in net assets for the period	(1,689,943)	(6,401,118)
Net assets, end of the period	298,210,334	275,872,796

The accompanying notes are an integral part of these financial statements.

National Bank Growth Diversified Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (0.32%)							
Treasury Bills (0.32%)							
Government of Canada							
0.93%, due September 15, 2011	200,000	199,538	199,621				
0.90%, due October 13, 2011	200,000	199,468	199,473				
		399,006	399,094				
Bonds And Debentures (20.78%)							
Issued And Guaranteed By The Government Of Canada (9.68%)							
1.50%, due December 1, 2012	151,000	150,623	151,151				
1.75%, due March 1, 2013	4,813,000	4,809,543	4,832,617				
3.50%, due June 1, 2013	160,000	167,804	165,778				
2.50%, due June 1, 2015	129,000	127,693	130,927				
4.00%, due June 1, 2017	133,000	142,972	143,677				
3.75%, due June 1, 2019	1,011,000	1,050,975	1,072,911				
3.50%, due June 1, 2020	1,813,000	1,875,709	1,880,316				
3.25%, due June 1, 2021	517,000	530,083	523,014				
5.75%, due June 1, 2029	34,000	43,060	44,324				
5.00%, due June 1, 2037	851,000	1,060,954	1,054,087				
4.00%, due June 1, 2041	127,000	138,614	137,541				
Canada Housing Trust							
3.60%, due June 15, 2013	1,785,000	1,848,499	1,850,858				
3.95%, due June 15, 2013	70,000	72,927	73,048				
3.15%, due June 15, 2014	10,000	10,277	10,330				
		12,029,733	12,070,579				
Issued An Guaranteed By A Province (7.49%)							
CDP Financial Inc.							
4.60%, due July 15, 2020	525,000	527,572	550,871				
Hydro-Québec							
6.50%, due January 16, 2035	124,000	157,287	160,380				
Newfoundland and Labrador Hydro							
4.30%, due October 13, 2016	235,000	231,748	252,075				
Province of British Columbia							
4.10%, due December 18, 2019	74,000	77,125	76,940				
4.70%, due June 18, 2037	268,000	269,705	283,597				
4.95%, due June 18, 2040	113,000	120,901	124,813				
Province of Manitoba							
4.60%, due March 5, 2038	40,000	39,588	41,660				
Province of New Brunswick							
4.80%, due September 26, 2039	61,000	60,757	64,558				
Province of Ontario							
3.25%, due September 8, 2014	181,000	181,995	187,071				
4.50%, due March 8, 2015	300,000	321,033	323,017				
4.30%, due March 8, 2017	1,700,000	1,777,236	1,823,150				
4.20%, due March 8, 2018	107,000	109,958	113,407				
4.20%, due June 2, 2020	525,000	533,009	544,269				
4.00%, due June 2, 2021	724,000	726,658	733,049				
8.10%, due September 8, 2023	68,000	91,460	94,880				
5.85%, due March 8, 2033	137,000	159,204	166,146				
4.70%, due June 2, 2037	356,000	350,942	374,314				
4.60%, due June 2, 2039	862,000	849,239	895,743				
Province of Quebec							
5.50%, due December 1, 2014	103,000	114,752	113,965				
4.50%, due December 1, 2020	1,082,000	1,117,017	1,139,358				
4.25%, due December 1, 2021	417,000	429,678	428,110				
9.38%, due January 16, 2023	42,000	64,742	62,560				
6.25%, due June 1, 2032	257,000	306,642	322,289				
5.00%, due December 1, 2041	378,000	388,524	414,382				
Province of Saskatchewan							
4.50%, due August 23, 2016	39,000	40,193	42,418				
		9,046,965	9,333,022				
Municipalities And Subsidized Issuers (0.31%)							
City of Montreal							
4.50%, due December 1, 2021	222,000	220,459	227,050				
City of Toronto							
5.20%, due June 1, 2040	71,000	73,076	76,306				
Regional Municipality of York							
4.50%, due September 28, 2016	75,000	74,745	80,292				
		368,280	383,648				
Corporations (3.30%)							
Bank of Montreal							
3.49%, due June 10, 2016	335,000	335,000	339,808				
Bank of Nova Scotia							
Floating, due November 1, 2012	470,000	496,828	489,685				
Floating, due March 27, 2013	220,000	233,818	230,281				
Cadillac Fairview							
3.24%, due January 25, 2016	268,000	267,987	271,731				
4.31%, due January 25, 2021	315,000	314,924	322,064				
Canadian Imperial Bank of Commerce							
5.00%, due September 10, 2012	425,000	449,488	441,186				
3.40%, due January 14, 2016	724,000	721,756	733,928				
National Bank of Canada							
3.58%, due April 26, 2016	680,000	693,484	691,653				
Royal Bank of Canada							
Floating, due March 11, 2013	59,000	61,706	61,585				
Floating, due June 15, 2015	185,000	190,544	192,307				
Toronto-Dominion Bank							
Floating, due November 2, 2015	230,000	226,087	229,516				
TransLink							
3.80%, due November 2, 2020	120,000	119,911	118,124				
		4,111,533	4,121,868				
Total Bonds And Debentures							
						25,556,511	25,909,117
Canadian Equities (9.05%)							
Consumer Discretionary (0.67%)							
Dollarama Inc.	8,509	250,459	277,138				
Gildan Activewear Inc.	2,676	94,614	90,583				
Magna International Inc., Class A	9,062	381,965	471,677				
		727,038	839,398				
Consumer Staples (0.50%)							
Maple Leaf Foods Inc.	17,080	202,187	202,056				
Shoppers Drug Mart Corp.	10,737	444,787	425,937				
		646,974	627,993				
Energy (2.97%)							
Americas Petrogas Inc.	8,927	18,185	17,497				
Americas Petrogas Inc., restricted until July 17, 2011	46,711	115,843	90,736				
Athabasca Oil Sands Corp.	17,930	246,193	271,640				
Baytex Energy Corp.	5,000	179,605	262,100				
BlackPearl Resources Inc.	28,536	175,408	194,045				
Bolivar Energy Corp.	374,400	63,648	24,336				
Bolivar Energy Corp. warrants due February 15, 2013	187,200	-	805				
Canadian Natural Resources Ltd.	11,409	436,353	459,897				
Celtic Exploration Ltd.	21,600	428,837	460,296				
Cenovus Energy Inc.	8,356	260,325	303,406				
Crew Energy Inc.	11,120	201,649	165,688				
Legacy Oil + Gas Inc.	10,276	126,888	120,229				
Painted Pony Petroleum Ltd.	5,400	65,505	60,156				

The accompanying notes are an integral part of these financial statements.

National Bank Growth Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Energy (2.97%) (continued)				Brazil (0.37%)			
Renegade Petroleum Ltd.	35,233	124,689	107,813	Vale SA	14,864	447,332	457,902
Suncor Energy Inc.	12,429	418,348	468,325	China (0.26%)			
Talisman Energy Inc.	11,272	194,650	222,735	Tencent Holdings Ltd.	12,200	292,562	317,847
Tourmaline Oil Corp.	9,220	203,856	295,040	France (1.10%)			
Whitecap Resources Inc.	19,666	95,932	122,519	Arkema PLC	2,561	256,154	254,201
Xtreme Coil Drilling Corp.	12,000	57,000	50,040	AXA	23,968	520,254	525,284
		3,412,914	3,697,303	Compagnie Générale des Établissements Michelin	2,941	263,395	277,030
Financials (2.02%)				Schneider Electric SA	1,956	188,220	315,148
Bank of Nova Scotia	10,134	564,483	587,772			1,228,023	1,371,663
Canadian Imperial Bank of Commerce	2,230	166,146	169,703	Germany (1.41%)			
Industrial Alliance, Insurance & Financial Services Inc.	3,100	125,053	124,248	Allianz AG	2,954	345,350	397,943
Manulife Financial Corp.	7,200	116,125	122,616	BASF AG	6,524	414,562	616,084
National Bank of Canada	2,514	166,375	196,369	Bayerische Motoren Werke AG	7,800	493,127	749,236
Royal Bank of Canada	9,799	572,217	538,847			1,253,039	1,763,263
Toronto-Dominion Bank	9,500	711,676	776,625	Hong Kong (0.49%)			
		2,422,075	2,516,180	Cheung Kong Infrastructure Holdings Ltd.	46,986	235,266	234,692
Industrials (0.67%)				Hengan International Group Co. Ltd.	43,448	223,457	373,996
Bombardier Inc., Class B	23,078	132,539	159,700			458,723	608,688
CAE Inc.	23,467	285,893	304,602	Ireland (1.18%)			
Canadian Pacific Railway Co.	4,124	258,897	247,646	Accenture PLC	10,219	522,643	595,415
CanWel Building Materials Group Ltd.	38,671	181,269	117,947	Experian Group Ltd.	38,384	316,111	470,533
		858,598	829,895	Ingersoll-Rand PLC	9,151	388,348	400,795
Materials (1.90%)						1,227,102	1,466,743
Goldcorp Inc.	8,647	376,396	402,258	Japan (1.08%)			
Gran Colombia Gold Corp.	57,863	96,823	45,712	Aisin Seiki Co. Ltd.	11,000	371,785	407,200
Gran Colombia Gold Corp. warrants due August 24, 2015	17,375	-	5,299	Canon Inc.	10,500	491,319	478,631
IAMGOLD Corp.	13,461	258,959	243,644	Komatsu Ltd.	8,100	222,299	242,110
Kinross Gold Corp.	12,100	185,268	183,920	Nitto Denko Corp.	4,500	242,245	218,335
Kinross Gold Corp. warrants due September 17, 2014	677	3,311	1,604			1,327,648	1,346,276
Lundin Mining Corp.	19,614	154,384	144,947	Netherlands (0.35%)			
Macarthur Minerals Ltd.	51,290	168,224	128,738	ING Groep NV	37,184	468,054	441,475
Macarthur Minerals Ltd. warrants due February 24, 2013	17,816	-	9,202	Switzerland (0.89%)			
Osisko Mining Corp.	14,394	188,742	215,190	ACE Ltd.	5,903	365,911	374,629
Potash Corporation of Saskatchewan Inc.	11,734	554,834	644,314	Nestlé SA	12,266	682,108	734,471
Teck Resources Ltd., Class B	7,132	298,071	348,398			1,048,019	1,109,100
		2,285,012	2,373,226	United Kingdom (2.08%)			
Telecommunication Services (0.32%)				Aviva PLC	29,408	197,374	195,908
BCE Inc.	5,240	190,247	198,177	Barclays PLC	46,078	237,866	182,899
Rogers Communications Inc., Class B	5,360	190,159	204,002	British American Tobacco PLC	12,769	430,673	535,502
		380,406	402,179	Centrica PLC	89,785	484,784	444,840
Total Canadian Equities		10,733,017	11,286,174	Intertek Group PLC	14,984	265,978	456,423
Global Equities (26.05%)				Lydian International Ltd.	26,800	60,300	60,568
Australia (0.90%)				Vodafone Group PLC	280,993	760,765	710,878
BHP Billiton Ltd.	12,938	390,811	585,586			2,437,740	2,587,018
Commonwealth Bank of Australia	9,962	502,773	537,853				
		893,584	1,123,439				

The accompanying notes are an integral part of these financial statements.

National Bank Growth Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value		Number of Units	Average Cost	Fair Value
		\$	\$			\$	\$
United States (15.94%)				United States (15.94%) (continued)			
Abbott Laboratories	7,352	413,672	372,845	Ross Stores Inc.	5,678	324,098	438,772
Agilent Technologies Inc.	8,596	390,370	423,745	Time Warner Cable Inc.	9,517	493,026	716,432
Allergan Inc.	5,216	302,302	418,766	Triquint Semiconductor Inc.	5,552	68,965	54,513
Allied Nevada Gold Corp.	8,425	219,710	284,934	United Technologies Corp.	2,636	176,463	225,004
Ameriprise Financial Inc.	7,782	426,414	432,706	UnitedHealth Group Inc.	10,771	391,599	535,949
Apple Computer Inc.	3,610	597,107	1,168,333	URS Corp.	6,466	292,635	279,081
AT&T Inc.	17,722	509,623	536,545	Varian Medical Systems Inc.	2,290	117,385	154,609
Chevron Corp.	6,376	506,848	631,938	Viacom Inc., Class B	7,541	354,528	370,720
CIGNA Corp.	9,886	420,815	490,864	Walgreen Co.	13,128	538,540	537,500
Citigroup Inc.	8,164	383,202	327,566	Yum! Brands Inc.	9,627	372,724	512,638
ConocoPhillips	7,483	550,337	542,312			17,233,127	19,875,877
Cummins Inc.	4,419	404,332	440,832				
Diamond Offshore Drilling Inc.	5,885	398,629	399,483	Total Global Equities		28,314,953	32,469,291
EMC Corp./Mass	25,490	456,996	677,320				
Freeport McMoran Copper & Gold Inc., Class B	6,276	364,227	320,093	Mutual Funds (43.21%)			
Google Inc., Class A	375	205,851	183,054	Altamira Corporate Bond Fund	609,073	6,161,797	6,297,811
Helmerich & Payne Inc.	8,157	331,899	519,722	National Bank Canadian Equity Fund	692,887	10,651,936	12,167,096
Honeywell International Inc.	5,635	239,464	323,652	National Bank Emerging Markets Fund	517,372	7,279,865	10,766,506
Humana Inc.	4,690	358,203	364,187	National Bank Global Equity Fund	1,403,493	11,420,300	12,785,819
J. P. Morgan Chase & Co.	14,246	596,333	562,114	National Bank Small Capitalization	802,673	7,895,104	11,847,454
Lockheed Martin Corp.	4,025	310,444	314,335			43,409,002	53,864,686
LPL Investment Holdings Inc.	9,653	321,740	318,227				
Marathon Oil Corp.	8,449	423,992	428,804	Total Investments (99.41%)		108,412,489*	123,928,362
McKesson Corp.	5,778	418,999	466,116				
Medtronic Inc.	9,539	375,566	354,214	Unrealized Appreciation On Foreign Exchange Contracts (0.01%)			7,870
Moody's Corp.	11,493	429,559	424,999				
Mylan Inc./PA	7,592	167,276	180,646	Cash And Other Net Assets (0.58%)			719,971
National-Oilwell Inc.	8,694	446,038	655,232				
Occidental Petroleum Corp.	3,455	269,650	346,631	Net Assets (100%)			124,656,203
Oracle Corp.	28,887	761,372	916,365				
Parker Hannifin Corp.	2,863	242,875	247,832				
Pepsico Inc.	10,334	689,255	701,488				
Philip Morris International Inc.	10,340	551,662	665,593				
Prudential Financial Inc.	8,059	503,216	494,201				
QUALCOMM Inc.	2,100	115,186	114,965				

* Average cost of investments as at December 31, 2010 is \$105,372,396.

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9755	US	33,000	31,896	CA	32,190	32,190	294
September 21, 2011	0.9803	US	580,000	560,604	CA	568,562	568,562	7,957
								8,251

Unrealized Depreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0193	CA	10,792	10,792	US	11,000	10,632	(160)
September 21, 2011	1.0208	CA	16,653	16,653	US	17,000	16,432	(221)
								(381)

Unrealized Appreciation On Foreign Exchange Contracts

7,870

The accompanying notes are an integral part of these financial statements.

National Bank Growth Diversified Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	20,876,280	16.75%	19,328,717	15.55%
Australian Dollar	1,125,647	0.90%	1,148,672	0.92%
Danish Krone	n/a	n/a	669,603	0.54%
Euro	3,580,422	2.87%	2,694,314	2.17%
Hong Kong Dollar	926,804	0.74%	875,537	0.70%
Japanese Yen	1,356,721	1.09%	1,198,664	0.96%
Pound Sterling	3,036,279	2.44%	4,022,115	3.24%
Swedish Krona	n/a	n/a	1,596,585	1.28%
Swiss Franc	737,054	0.59%	1,268,264	1.02%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,581,960 (\$1,640,124 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	53.90%	62.46%
AA/Aa/A-2/P-2	43.85%	36.47%
A/A-3/P-3	2.25%	1.07%

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	399,094	1,044,233
From 1 year to 3 years	8,306,519	7,410,794
From 3 years to 5 years	3,213,923	1,709,925
From 5 years to 10 years	9,415,935	8,487,086
More than 10 years	4,972,740	4,657,778
Non-interest-bearing instruments	97,620,151	100,413,098
Total	123,928,362	123,722,914

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$411,712 (\$371,956 in 2010).

Furthermore, the fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (25%) - S&P/TSX Index TR (20%) - MSCI World Index TR (35%) - MSCI Emerging Markets Index TR (10%) - S&P/TSX Smallcap Index TR (10%)	± 11,667,821	9.36%	± 11,684,906	9.40%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	399,094	n/a	399,094
Bonds and Debentures	10,136,344	15,772,773	n/a	25,909,117
Common Shares	43,423,133	332,332	n/a	43,755,465
Mutual Funds	53,864,686	n/a	n/a	53,864,686
Total Investments	107,424,163	16,504,199	n/a	123,928,362
Derivatives Assets	n/a	627,816	n/a	627,816
Derivatives Liabilities	n/a	(619,945)	n/a	(619,945)

During the period ended June 30, 2011, investments of \$613,267 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	498,991	n/a	498,991
Bonds and Debentures	12,967,546	9,843,279	n/a	22,810,825
Common Shares	45,312,599	348,789	n/a	45,661,388
Mutual Funds	54,751,710	n/a	n/a	54,751,710
Total Investments	113,031,855	10,691,059	n/a	123,722,914
Derivative Assets	n/a	393,693	n/a	393,693
Derivative Liabilities	n/a	(388,672)	n/a	(388,672)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	-	14,910
Purchases	-	-
Sales	-	(14,910)
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains	-	117
Change in unrealized appreciation (depreciation)	-	(117)
Ending Balance (December 31)	-	-

The accompanying notes are an integral part of these financial statements.

National Bank Growth Diversified Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	123,928,362	123,722,914	
Cash	593,370	-	
Subscriptions receivable	142,347	499,444	
Proceeds from sale of investments receivable	201,432	198,915	
Interest and dividends receivable	242,698	191,501	
Other assets receivable	55,892	45,978	
	<u>125,172,352</u>	<u>124,663,773</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	381	-	
Redeemed units payable	127,851	35,075	
Investments payable	152,553	103,796	
Accrued expenses	235,364	217,395	
	<u>516,149</u>	<u>356,266</u>	
Net assets, Investor Series	<u>124,656,203</u>	<u>124,307,507</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor Series	11.90	11.95	

The accompanying notes are an integral part of these financial statements.

National Bank Growth Diversified Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	426,154	435,133
Dividends	413,571	507,110
Income from investment funds	139,225	112,873
Income from securities lending	207	-
	<u>979,157</u>	<u>1,055,116</u>
Expenses		
Management fees	1,210,673	1,064,835
Custodial fees	17,736	16,200
Directors' fees of independent review committee	1,262	875
Audit fees	5,226	9,114
Legal fees	1,920	1,142
Rights and deposits	12,178	10,978
Securityholders' reporting costs	143,076	145,588
Fees paid by the manager	(61,041)	(72,453)
	<u>1,331,030</u>	<u>1,176,279</u>
Net investment loss	<u>(351,873)</u>	<u>(121,163)</u>
Net losses		
Net realized gains on sale of investments	2,609,706	1,337,357
Net realized gains (losses) on foreign currencies	18,556	(38,575)
	<u>2,628,262</u>	<u>1,298,782</u>
Change in unrealized appreciation/depreciation on investments	(2,831,796)	(6,703,011)
Unrealized gains (losses) on foreign currencies	(6,896)	761
	<u>(2,838,692)</u>	<u>(6,702,250)</u>
Transaction costs on purchase and sale of investments	(41,808)	(78,443)
	<u>(252,238)</u>	<u>(5,481,911)</u>
Decrease in net assets from operations		
Investor Series	<u>(604,111)</u>	<u>(5,603,074)</u>
Decrease in net assets from operations per unit		
Investor Series	<u>(0.06)</u>	<u>(0.55)</u>

The accompanying notes are an integral part of these financial statements.

National Bank Growth Diversified Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	124,307,507	110,147,720
Decrease in net assets from operations	(604,111)	(5,603,074)
Capital unit transactions		
Units issued	22,194,119	22,872,104
Units redeemed	(21,241,312)	(17,585,167)
	952,807	5,286,937
Increase (decrease) in net assets for the period	348,696	(316,137)
Net assets, end of the period	124,656,203	109,831,583

The accompanying notes are an integral part of these financial statements.

Altamira Dividend Fund Inc.

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (0.65%)							
Treasury Bills (0.65%)							
Government of Canada							
0.96%, due August 4, 2011	1,000,000	997,721	999,173				
	Number of Shares						
Preferred Shares (34.14%)							
Fixed-Rate, Redeemable (12.05%)							
AltaGas Ltd.							
5.00%, Series A	2,070	52,161	52,619				
Bank of Montreal							
4.50%, Class B, Series 13	2,600	38,688	64,324				
5.30%, Class B, Series 5	7,810	209,752	201,654				
5.40%, Class B, Series 23	7,150	179,871	192,049				
5.80%, Class B, Series 15	980	23,428	26,215				
Bank of Nova Scotia							
5.25%, Series 12	5,435	108,700	138,103				
6.25%, Series 26	22,585	616,948	613,409				
BCE Inc.							
4.35%, Series AG	12,330	272,131	296,536				
4.65%, Series AI	33,910	835,745	805,362				
5.45%, Series AA	10,195	173,417	251,816				
5.54%, Series AC	7,240	116,492	175,570				
6.17%, Series R	20,890	529,353	503,449				
Brookfield Asset Management Inc.							
5.40%, Class A, Series 12	11,830	215,306	319,528				
5.50%, Class A, Series 11	15,830	409,364	402,874				
5.63%, Class A, Series 9	9,820	243,238	226,842				
5.75%, Class A, Series 10	4,270	120,307	107,305				
7.00%, Class A, Serie 22	3,450	85,968	93,288				
Brookfield Properties Corp.							
5.20%, Class AAA, Series 1	10,220	220,392	255,704				
5.75%, Class AAA, Series H	23,070	402,651	590,361				
6.00%, Class AAA, Series F	4,160	109,530	105,040				
6.75%, Class AAA, Series L	3,000	78,600	79,050				
Brookfield Renewable Power Inc.							
5.25%, Series I	13,185	330,537	337,536				
Canadian Imperial Bank of Commerce							
5.35%, Class A, Series 33	2,905	77,702	76,721				
5.50%, Class A, Series 18	2,220	56,185	55,944				
5.75%, Class A, Series 26	4,120	99,184	103,494				
Canadian Utilities Ltd.							
5.80%, Series W	12,590	326,738	317,772				
6.00%, Series X	4,810	114,238	122,414				
Capital Power Corp.							
4.00%, Series 1	970	24,056	24,124				
Dundee Wealth Management Inc.							
4.75%, Series 1	14,725	335,727	384,322				
Fortis Inc.							
4.25%, Series H	7,765	194,125	196,066				
4.90%, Series E	26,020	686,836	697,336				
5.45%, Series C	60	1,530	1,550				
Manulife Financial Corp.							
4.10%, Class A, Series 1	26,550	649,173	671,980				
4.50%, Class A, Series 3	8,270	139,350	182,767				
National Bank of Canada							
4.85%, Series 16	1,500	36,439	37,695				
6.00%, Series 20	2,190	57,237	58,057				
Power Corporation of Canada							
5.00%, Series D	42,760	987,391	1,015,978				
5.35%, Series B	14,970	337,316	362,573				
5.80%, Series C	5,890	123,690	147,132				
Fixed-Rate, Redeemable (12.05%) (continued)							
Power Financial Corp.							
4.95%, Series K	27,780	605,854	654,219				
5.10%, Series L	35,755	904,912	855,975				
5.90%, Series F	12,770	337,413	323,336				
6.00%, Series I	3,210	83,326	81,374				
6.00%, Series M	4,170	113,190	112,423				
Royal Bank of Canada							
5.65%, Series AH	510	10,924	13,388				
6.25%, Series AP	8,180	225,822	222,005				
6.25%, Series AT	22,980	634,675	629,192				
6.25%, Series AV	14,325	386,217	392,935				
Toronto-Dominion Bank							
4.60%, Class A, Series N	5,050	131,592	130,189				
4.85%, Class A, Series O	38,160	937,339	962,014				
5.25%, Class A, Series P	240	5,964	6,242				
5.60%, Class A, Series Q	9,835	188,189	258,070				
5.60%, Class A, Series R	25,530	648,463	673,992				
6.25%, Class A, Series AG	24,480	637,672	668,549				
6.25%, Class A, Series AI	10,050	278,170	276,174				
6.25%, Class A, Series AK	29,365	784,220	805,776				
TransCanada Corp.							
4.00%, Series 3	2,600	64,653	65,390				
5.60%, Series Y	4,890	223,020	244,989				
Westcoast Energy Inc.							
5.50%, Series 7	21,200	560,952	514,100				
5.60%, Series 8	320	6,160	7,763				
Yellow Media Inc.							
4.25%, Series 1	11,080	271,196	249,854				
5.00%, Series 2	8,335	177,649	126,192				
		17,813,640	18,542,485				
Fixed-Rate, Retractable (0.96%)							
Brookfield Properties Corp.							
5.00%, Class AAA, Series J	8,150	95,762	205,217				
5.20%, Class AAA, Series K	15,480	185,915	390,870				
Canadian General Investments Ltd.							
3.90%, Class A, Series 3	7,380	140,146	185,312				
Dundee Bancorp Inc.							
5.00%, Series 1	19,160	479,000	484,748				
National Bank of Canada							
5.85%, Series 15	1,870	47,473	47,891				
Power Financial Corp.							
5.75%, Series H	2,070	54,138	51,812				
RioCan Real Estate Investment Trust							
5.25%, Series A	3,210	79,172	81,855				
TransCanada Corp.							
5.60%, Series U	700	32,060	35,140				
		1,113,666	1,482,845				
Fixed-Rate, Non Redeemable (18.20%)							
Bank of Montreal							
5.14%, Series 14	22,350	555,030	575,736				
6.50%, Series 18	2,860	75,730	78,393				
6.50%, Series 21	25,535	691,222	705,277				
BCE Inc.							
4.40%, Series 16	9,775	242,206	236,066				
Canadian Imperial Bank of Commerce							
4.70%, Class A, Series 31	54,710	1,330,842	1,345,866				
4.80%, Class A, Series 30	50,780	959,107	1,305,554				
5.40%, Class A, Series 29	42,290	1,076,240	1,059,787				
5.60%, Class A, Series 27	8,390	178,407	210,505				
6.50%, Class A, Series 35	25,205	692,574	689,609				
6.50%, Class A, Series 37	17,935	496,871	492,854				

The accompanying notes are an integral part of these financial statements.

Altamira Dividend Fund Inc. *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Fixed-Rate, Non Redeemable (18.20%) (continued)				Floating-Rate, Redeemable (2.78%) (continued)			
CU Inc.				BPO Properties Ltd.			
4.60%, Series 1	13,320	226,440	300,366	Series G	14,790	336,763	221,850
6.70%, Series 2	13,395	362,723	371,845	Brookfield Asset Management Inc.			
George Weston Ltd.				Class A, Series 2	2,400	44,831	45,792
4.75%, Series 5	6,470	141,881	141,693	Class A, Series 4	18,535	238,528	353,092
5.20%, Series 3	10,420	253,654	243,307	Class A, Series 13	36,145	468,673	688,201
5.20%, Series 4	30,280	787,885	708,249	Co-Operators General Insurance Co.			
Great-West Lifeco Inc.				7.25%, Class E, Series D	4,215	115,265	115,280
4.50%, Series I	47,730	1,040,276	1,069,629	Dundee Bancorp Inc.			
4.85%, Series H	61,930	1,281,806	1,457,213	6.75%, Series 2	2,780	76,061	73,392
5.20%, Series G	11,270	291,410	277,918	First National Financial Corp.			
HSBC Bank Canada				4.65%, Series 1	1,715	39,874	39,016
5.00%, Series D	27,330	618,801	669,585	GMP Capital Inc.			
5.10%, Series C	28,855	615,315	715,604	5.50%, B Series	830	20,584	20,460
6.60%, Series E	22,110	600,882	605,814	Great-West Lifeco Inc.			
Industrial Alliance, Insurance & Financial Services Inc.				3.65%, Series N	9,790	242,792	239,072
4.60%, Class A, Series A	7,940	131,963	179,603	6.00%, Series J	25,230	673,664	674,902
Manulife Financial Corp.				Husky Energy Inc.			
4.65%, Class A, Series 2	45,390	1,014,138	1,027,630	4.45%, Series 1	7,870	195,176	201,551
5.60%, Class A, Series 1	28,625	751,178	755,986	Intact Financial Corp.			
6.60%, Class A, Series 4	66,510	1,832,053	1,802,421	4.20%, Series 1	4,000	99,200	99,200
Rona Inc.				Shaw Communications Inc.			
5.25%, Series 6	7,330	183,180	183,250	4.50%, Series A	3,800	94,240	95,950
Royal Bank of Canada				TransCanada Corp.			
4.50%, Series AE	2,000	47,300	48,600	4.60%, Series 1	13,370	340,988	344,946
4.60%, Series AC	9,430	225,356	231,035	Yellow Media Inc.			
4.70%, Series AB	26,150	637,936	650,089	6.75%, Series 3	7,415	178,926	112,782
4.90%, Series W	38,080	968,124	939,434			3,987,704	4,281,889
6.10%, Series AX	29,145	799,757	801,488				
6.25%, Series AN	13,005	349,605	352,566	Total Preferred Shares		50,119,557	52,616,448
6.25%, Series AR	17,750	478,074	483,155	Canadian Equities (50.80%)			
Scotiabank Capital trust				Consumer Discretionary (1.80%)			
4.50%, Series 14	8,410	209,010	207,138	Boston Pizza Royalties Income Fund	18,787	234,677	251,746
4.80%, Series 13	26,060	515,156	648,894	Magna International Inc., Class A	48,312	2,041,630	2,514,640
5.25%, Series 16	28,690	583,842	735,325			2,276,307	2,766,386
5.60%, Series 17	15,010	376,155	390,260	Consumer Staples (2.28%)			
6.25%, Series 28	20,690	540,022	558,837	Maple Leaf Foods Inc.	90,790	1,076,011	1,074,046
Sun Life Financial Inc.				Metro Inc., Class A	18,125	837,956	869,638
4.45%, Class A, Series 3	4,000	90,000	88,160	Shoppers Drug Mart Corp.	39,707	1,603,203	1,575,177
4.45%, Class A, Series 4	8,490	147,386	187,035			3,517,170	3,518,861
4.50%, Class A, Series 5	7,240	157,922	160,728	Energy (14.85%)			
4.75%, Class A, Series 1	48,820	1,183,417	1,133,600	Baytex Energy Corp.	52,857	1,721,723	2,770,764
4.80%, Class A, Series 2	59,130	1,409,339	1,383,642	Canadian Natural Resources Ltd.	106,083	4,000,195	4,276,206
6.00%, Class A, Series 6R	34,930	922,046	935,076	Cenovus Energy Inc.	72,282	2,071,986	2,624,559
Toronto-Dominion Bank				Crescent Point Energy Corp.	32,040	1,385,799	1,422,576
6.25%, Class A, Series AE	31,045	825,973	850,633	Husky Energy Inc.	55,100	1,548,909	1,446,926
Union Gas Ltd.				Inter Pipeline Corridor Inc.	56,444	632,348	894,073
5.50%, Class A, Series A	690	32,430	34,928	Penn West Petroleum Ltd.	51,133	1,139,529	1,136,175
6.00%, Class A, Series D	320	15,194	16,883	Peyto Exploration & Development Corp.	49,227	854,174	1,056,411
		26,945,858	28,047,266	Progress Energy Resources Corp.	35,900	513,308	492,548
Floating-Rate, Retractable or Redeemable (0.15%)				Suncor Energy Inc.	124,795	4,540,919	4,702,276
TransCanada Corp.				Talisman Energy Inc.	103	1,859	2,035
4.40%, Series 5	9,245	235,261	235,748	TransCanada Corp.	24,922	984,688	1,051,708
Floating-Rate, Redeemable (2.78%)				Trilogy Energy Corp.	15,900	374,425	377,148
BCE Inc.				Trinidad Drilling Ltd.	75,034	624,989	628,035
4.15%, Series AK	4,500	111,600	111,600			20,394,851	22,881,440
4.50%, Series T	18,390	294,240	438,602				
5.00%, Series AJ	11,395	282,019	271,201				
Bell Aliant Inc.							
4.85%, Series A	5,400	134,280	135,000				

The accompanying notes are an integral part of these financial statements.

Altamira Dividend Fund Inc. *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$
Financials (13.97%)			
AGF Management Ltd., Class B	81,603	1,461,353	1,525,976
Allied Properties Real Estate Investment Trust	18,215	398,917	432,971
Bank of Montreal	10,000	599,691	612,300
Bank of Nova Scotia	47,511	2,558,375	2,755,638
Boardwalk Real Estate Investment Trust	10,628	397,965	512,270
Brookfield Asset Management Inc., Class A	16,649	477,166	531,936
Canadian Imperial Bank of Commerce	21,879	1,648,994	1,664,992
H&R Real Estate Investment Trust	33,067	436,916	712,594
Industrial Alliance, Insurance & Financial Services Inc.	18,600	750,318	745,488
Manulife Financial Corp.	44,464	729,765	757,222
Power Financial Corp.	24,800	777,480	736,808
Royal Bank of Canada	78,842	4,189,896	4,335,522
Sun Life Financial Inc.	44,160	1,376,770	1,278,432
Toronto-Dominion Bank	60,324	4,216,848	4,931,487
		20,020,454	21,533,636
Industrials (5.51%)			
Black Diamond Group Ltd.	15,344	400,478	483,029
Bombardier Inc., Class B	162,192	1,044,445	1,122,369
CAE Inc.	60,600	783,085	786,588
Canadian Pacific Railway Co.	25,629	1,579,217	1,539,021
CanWel Building Materials Group Ltd.	209,557	1,023,062	639,149
Finning International Inc.	69,791	1,813,467	1,989,741
Russel Metals Inc.	15,700	382,295	384,807
SNC-Lavalin Group Inc.	22,531	1,321,576	1,324,823
Westshore Terminals Investment Corp.	9,546	230,727	227,672
		8,578,352	8,497,199
Information Technology (0.41%)			
Macdonald Dettwiler & Associates Ltd.	11,773	653,378	638,921
Materials (8.81%)			
Agnico-Eagle Mines Ltd.	6,200	389,296	378,076
Argium Inc.	15,055	1,332,318	1,272,900
Barrick Gold Corp.	55,329	2,269,922	2,416,217
First Quantum Minerals Ltd.	4,525	524,996	635,989
Goldcorp Inc.	55,990	2,230,202	2,604,655
IAMGOLD Corp.	19,094	369,942	345,601
Kinross Gold Corp.	76,296	1,173,327	1,159,699
Labrador Iron Ore Royalty Corp.	8,154	159,538	315,560
Methanex Corp.	13,000	379,467	392,210
Potash Corporation of Saskatchewan Inc.	48,488	2,189,095	2,662,476
Silvercorp Metals Inc.	30,008	325,275	271,572
Teck Resources Ltd., Class B	23,102	1,067,395	1,128,533
		12,410,773	13,583,488
Telecommunication Services (2.16%)			
BCE Inc.	26,932	790,126	1,018,568
Rogers Communications Inc., Class B	60,640	2,243,551	2,307,958
		3,033,677	3,326,526
Utilities (1.01%)			
Canadian Utilities Ltd.	7,052	335,518	394,630
TransAlta Corp.	54,715	1,163,043	1,125,488
Valenc Inc.	2,468	40,218	39,982
		1,538,779	1,560,100
Total Canadian Equities		72,423,741	78,306,557

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (10.98%)			
National Bank Bond Fund	1,632,908	16,809,340	16,916,924
Index Equivalent (1.46%)			
iShares S&P/TSX 60	117,600	2,249,309	2,244,982
Total Investments (98.03%)		142,599,668*	151,084,084
Cash And Other Net Assets (1.97%)			3,023,821
Net Assets (100%)			154,107,905

* Average cost of investments as at December 31, 2010 is \$140,589,946.

Currency Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Furthermore, the fund holds units in another fund. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	999,173	3,642,732
Non-interest-bearing instruments	150,084,911	149,552,033
Total	151,084,084	153,194,765

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$250 (\$1,912 in 2010).

Furthermore, the fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
DEX Universe Overall Bond Index (15%) - S&P/TSX DVD Aristocrats Index (50%) - S&P/TSX Preferred Share Index TR (35%)	± 13,361,155	8.67%	± 13,246,523	8.40%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

The accompanying notes are an integral part of these financial statements.

Altamira Dividend Fund Inc. *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	999,173	n/a	999,173
Preferred Shares	38,349,161	14,056,487	210,800	52,616,448
Common Shares	78,306,557	n/a	n/a	78,306,557
Mutual Funds	16,916,924	n/a	n/a	16,916,924
Index Equivalent	2,244,982	n/a	n/a	2,244,982
Total Investments	135,817,624	15,055,660	210,800	151,084,084

During the period ended June 30, 2011, investments of \$11,006,665 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$2,562,842 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	3,642,732	n/a	3,642,732
Preferred Shares	44,950,349	5,519,883	34,514	50,504,746
Common Shares	78,875,699	n/a	n/a	78,875,699
Mutual Funds	20,171,588	n/a	n/a	20,171,588
Total Investments	143,997,636	9,162,615	34,514	153,194,765

During the year ended December 31, 2010, investments of \$2,126,775 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$9,282,163 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	34,514	-
Purchases	210,800	-
Sales	-	-
Transfers into Level 3	-	34,514
Transfers out of Level 3	(34,514)	-
Realized gains (losses)	-	-
Change in unrealized appreciation (depreciation)	-	-
Ending Balance (December 31)	210,800	34,514

The accompanying notes are an integral part of these financial statements.

Altamira Dividend Fund Inc.

Financial Statements

Statements of shareholder's equity as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	151,084,084	153,194,765	
Cash	529,785	1,054,999	
Subscriptions receivable	18,892	27,688	
Proceeds from sale of investments receivable	999,428	-	
Refundable dividend tax on hand	199,733	201,473	
Refundable capital gains tax on hand	2,046,781	2,320,826	
Income tax receivable	1,007,335	731,550	
Capital tax receivable	33,191	33,191	
Interest and dividends receivable	411,189	435,507	
Other assets receivable	-	253,156	
	<u>156,330,418</u>	<u>158,253,155</u>	
Liabilities			
Distributions payable	115,009	92,430	
Redeemed shares payable	80,534	114,007	
Investments payable	1,821,405	176,250	
Accrued expenses	205,565	173,767	
	<u>2,222,513</u>	<u>556,454</u>	
Shareholder's equity, Investor Series	<u>154,107,905</u>	<u>157,696,701</u>	Approved on behalf of the Board of Directors, Altamira Dividend Fund Inc. Pascal Désilets, Director Charles Guay, Director
Shareholder's equity per share, Investor Series	5.13	5.19	

The accompanying notes are an integral part of these financial statements.

Altamira Dividend Fund Inc. *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	45,250	501,124
Dividends	2,548,482	2,325,291
Income from investment funds	328,843	324,869
Income from securities lending	1,961	-
	<u>2,924,536</u>	<u>3,151,284</u>
Expenses		
Management fees	1,070,962	1,010,644
Custodial fees	15,269	14,492
Directors' fees of independent review committee	601	461
Audit fees	5,600	10,791
Legal fees	2,057	1,352
Rights and deposits	6,806	6,844
Securityholders' reporting costs	172,299	143,918
Capital tax	1,365	(47,028)
Fees paid by the manager	(2,817)	(14,438)
	<u>1,272,142</u>	<u>1,127,036</u>
Net investment income	<u>1,652,394</u>	<u>2,024,248</u>
Net losses		
Net realized gains on sale of investments	3,516,144	2,921,080
Net realized losses on foreign currencies	(304)	-
	<u>3,515,840</u>	<u>2,921,080</u>
Change in unrealized appreciation/depreciation on investments	(4,120,403)	(6,171,872)
Unrealized gains on foreign currencies	276	70
	<u>(4,120,127)</u>	<u>(6,171,802)</u>
Transaction costs on purchase and sale of investments	(197,296)	(139,686)
	<u>(801,583)</u>	<u>(3,390,408)</u>
Increase (decrease) in shareholder's equity from operations		
Investor Series	<u>850,811</u>	<u>(1,366,160)</u>
Increase (decrease) in shareholder's equity from operations per share		
Investor Series	0.03	(0.04)

The accompanying notes are an integral part of these financial statements.

Altamira Dividend Fund Inc. *(continued)*

Financial Statements

Statements of changes in shareholder's equity for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Shareholder's equity, beginning of the period	157,696,701	157,647,850
Increase (decrease) in shareholder's equity from operations	850,811	(1,366,160)
Capital share transactions		
Shares issued	7,121,556	4,966,754
Shares issued on reinvestment of distributions	2,283,663	2,265,916
Shares redeemed	(11,346,809)	(12,484,844)
	(1,941,590)	(5,252,174)
Distribution to shareholders		
Net investment income	2,498,017	2,486,361
Decrease in shareholder's equity for the period	(3,588,796)	(9,104,695)
Shareholder's equity, end of the period	154,107,905	148,543,155

The accompanying notes are an integral part of these financial statements.

Altamira Tactical Asset Allocation Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (4.47%)							
Treasury Bills (4.47%)							
Government of Canada							
0.91%, due July 6, 2011	100,000	99,965	99,987				
0.94%, due July 7, 2011	100,000	99,959	99,984				
0.98%, due August 4, 2011	900,000	897,677	899,255				
0.94%, due August 18, 2011	2,700,000	2,694,195	2,696,798				
		3,791,796	3,796,024				
	Number of Shares						
Canadian Equities (59.79%)							
Consumer Discretionary (5.01%)							
Dollarama Inc.	41,682	1,194,076	1,357,583				
Gildan Activewear Inc.	13,570	479,882	459,344				
Magna International Inc., Class A	46,842	1,967,814	2,438,126				
		3,641,772	4,255,053				
Consumer Staples (2.32%)							
Maple Leaf Foods Inc.	88,900	1,051,707	1,051,687				
Shoppers Drug Mart Corp.	23,244	967,425	922,089				
		2,019,132	1,973,776				
Energy (18.08%)							
Americas Petrogas Inc.	45,162	91,999	88,518				
Americas Petrogas Inc., restricted until July 17, 2011	237,036	587,849	460,442				
Athabasca Oil Sands Corp.	66,300	1,179,877	1,004,445				
Baytex Energy Corp.	22,330	658,115	1,170,539				
BlackPearl Resources Inc.	139,705	854,645	949,994				
Canadian Natural Resources Ltd.	51,889	1,743,750	2,091,646				
Celtic Exploration Ltd.	50,854	1,013,625	1,083,699				
Enovus Energy Inc.	41,895	1,263,123	1,521,207				
Crew Energy Inc.	75,010	1,225,152	1,117,649				
Legacy Oil + Gas Inc.	49,923	547,669	584,099				
Renegade Petroleum Ltd.	170,100	587,522	520,506				
Suncor Energy Inc.	62,506	2,109,376	2,355,226				
Tourmaline Oil Corp.	47,600	1,052,086	1,523,200				
Whitecap Resources Inc.	100,530	494,583	626,302				
Xtreme Coil Drilling Corp.	60,000	285,000	250,200				
		13,694,371	15,347,672				
Financials (14.10%)							
Bank of Nova Scotia	51,199	2,849,407	2,969,542				
Canadian Imperial Bank of Commerce	11,219	672,135	853,766				
Industrial Alliance, Insurance & Financial Services Inc.	15,900	641,400	637,272				
Manulife Financial Corp.	35,920	596,022	611,718				
National Bank of Canada	12,900	755,412	1,007,619				
Royal Bank of Canada	43,415	2,246,719	2,387,391				
Toronto-Dominion Bank	42,820	2,576,691	3,500,535				
		10,337,786	11,967,843				
Industrials (4.92%)							
Bombardier Inc., Class B	117,011	674,293	809,716				
CAE Inc.	116,708	1,418,280	1,514,870				
Canadian Pacific Railway Co.	21,089	1,322,393	1,266,394				
CanWel Building Materials Group Ltd.	193,516	861,620	590,224				
		4,276,586	4,181,204				
Materials (13.05%)							
Goldcorp Inc.	43,914	1,916,562	2,042,879				
Gran Colombia Gold Corp.	300,195	500,163	237,154				
Gran Colombia Gold Corp. warrants due August 24, 2015	94,000	-	28,670				
IAMGOLD Corp.	68,139	1,310,882	1,233,316				
Kinross Gold Corp.	61,500	941,840	934,800				
Kinross Gold Corp. warrants due September 17, 2014	3,215	15,752	7,620				
Lundin Mining Corp.	99,947	788,319	738,608				
Macarthur Minerals Ltd.	9,000	26,550	22,590				
Osisko Mining Corp.	72,857	845,483	1,089,212				
Potash Corporation of Saskatchewan Inc.	59,539	2,823,017	3,269,286				
Teck Resources Ltd., Class B	30,163	1,036,258	1,473,463				
		10,204,826	11,077,598				
Telecommunication Services (2.31%)							
BCE Inc.	27,700	1,005,499	1,047,614				
Rogers Communications Inc., Class B	24,040	763,625	914,962				
		1,769,124	1,962,576				
Total Canadian Equities						45,943,597	50,765,722
Global Equities (10.58%)							
United States (10.58%)							
Allied Nevada Gold Corp.	43,917	1,149,122	1,485,273				
EMC Corp./Mass	24,310	640,560	645,965				
Google Inc., Class A	1,909	1,039,207	931,865				
Lyidian International Ltd.	137,600	309,600	310,976				
Oracle Corp.	14,912	479,826	473,044				
Powershares QQQ	78,567	4,173,320	4,320,854				
QUALCOMM Inc.	9,200	504,854	503,654				
Triquint Semiconductor Inc.	28,549	354,010	280,312				
Xinergy Ltd. warrants due December 21, 2011	41,000	-	25,010				
		8,650,497	8,976,953				
	Number of Units						
Mutual Funds (22.50%)							
National Bank Bond Fund	1,843,813	18,977,215	19,101,904				
Index Equivalent (2.02%)							
United States (2.02%)							
Standard & Poor's 500, depositary receipt, Serie 1	13,500	1,776,244	1,718,218				
Total Investments (99.36%)						79,139,351*	84,358,821
Unrealized Appreciation On Foreign Exchange Contracts (0.14%)							121,987
Cash And Other Net Assets (0.50%)							420,747
Net Assets (100%)							84,901,555

* Average cost of investments as at December 31, 2010 is \$74,932,521.

The accompanying notes are an integral part of these financial statements.

Altamira Tactical Asset Allocation Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9886	US	145,000	140,151	CA	143,340	143,340	3,189
September 21, 2011	0.9758	US	212,000	204,910	CA	206,859	206,859	1,949
September 21, 2011	0.9802	US	8,984,000	8,683,563	CA	8,806,117	8,806,117	122,554
								127,692

Unrealized Depreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0144	CA	153,793	153,793	US	156,000	150,783	(3,010)
September 21, 2011	1.0205	CA	197,940	197,940	US	202,000	195,245	(2,695)
								(5,705)

Unrealized Appreciation On Foreign Exchange Contracts

121,987

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
American Dollar	\$ 206,964	0.24%	\$ 14,473	0.02%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$10,348 (increased or decreased by \$724 in 2010).

Furthermore, the fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Furthermore, the fund holds units in another fund. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	3,796,024	1,498,152
Non-interest-bearing instruments	80,562,797	85,901,699
Total	84,358,821	87,399,851

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,111 (\$487 in 2010).

Furthermore, the fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
DEX Universe Overall Bond Index (25%) - S&P/TSX Index	\$		\$	
TR (65%) - S&P 500 Index				
TR (10%)	± 7,573,219	8.92%	± 7,762,095	8.86%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	3,796,024	n/a	3,796,024
Common Shares	59,220,933	521,742	n/a	59,742,675
Mutual Funds	19,101,904	n/a	n/a	19,101,904
Index Equivalent	1,718,218	n/a	n/a	1,718,218
Total Investments	80,041,055	4,317,766	n/a	84,358,821
Derivatives Assets	n/a	9,502,344	n/a	9,502,344
Derivatives Liabilities	n/a	(9,380,357)	n/a	(9,380,357)

During the period ended June 30, 2011, investments of \$21,523,200 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	1,498,152	n/a	1,498,152
Common Shares	65,744,693	1,128,854	n/a	66,873,547
Mutual Funds	19,028,152	n/a	n/a	19,028,152
Total Investments	84,772,845	2,627,006	n/a	87,399,851
Derivative Assets	n/a	6,148,792	n/a	6,148,792
Derivative Liabilities	n/a	(6,069,874)	n/a	(6,069,874)

During the year ended December 31, 2010, investments of \$492,706 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Altamira Tactical Asset Allocation Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	84,358,821	87,399,851	
Unrealized appreciation on foreign exchange contracts	127,692	78,917	
Cash	61,909	48,261	
Subscriptions receivable	9,964	33,851	
Proceeds from sale of investments receivable	1,136,489	498,807	
Interest and dividends receivable	139,710	122,969	
Other assets receivable	27,226	16,338	
	<u>85,861,811</u>	<u>88,198,994</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	5,705	-	
Redeemed units payable	55,391	29,739	
Investments payable	784,209	518,980	
Accrued expenses	114,951	120,899	
	<u>960,256</u>	<u>669,618</u>	
Net assets, Investor Series	<u>84,901,555</u>	<u>87,529,376</u>	Approved on behalf of the Manager National Bank Securities Inc.
Net assets per unit, Investor Series	10.83	11.13	Charles Guay, Director Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Tactical Asset Allocation Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	24,818	54,768
Dividends	468,536	473,898
Income from investment funds	369,526	327,101
Other income	-	6,452
	<u>862,880</u>	<u>862,219</u>
Expenses		
Management fees	672,813	600,802
Custodial fees	10,779	12,577
Directors' fees of independent review committee	509	373
Audit fees	3,877	7,261
Legal fees	1,424	910
Rights and deposits	6,868	8,659
Securityholders' reporting costs	57,970	62,089
Fees paid by the manager	(81,667)	(91,869)
	<u>672,573</u>	<u>600,802</u>
Net investment income	<u>190,307</u>	<u>261,417</u>
Net losses		
Net realized gains on sale of investments	4,810,811	2,248,843
Net realized gains on foreign currencies	110,977	15,174
	<u>4,921,788</u>	<u>2,264,017</u>
Change in unrealized appreciation/depreciation on investments	(7,204,790)	(3,566,505)
Unrealized gains (losses) on foreign currencies	3,815	(45,739)
	<u>(7,200,975)</u>	<u>(3,612,244)</u>
Transaction costs on purchase and sale of investments	(122,560)	(164,045)
	<u>(2,401,747)</u>	<u>(1,512,272)</u>
Decrease in net assets from operations		
Investor Series	<u>(2,211,440)</u>	<u>(1,250,855)</u>
Decrease in net assets from operations per unit		
Investor Series	(0.28)	(0.15)

The accompanying notes are an integral part of these financial statements.

Altamira Tactical Asset Allocation Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	87,529,376	82,262,093
Decrease in net assets from operations	(2,211,440)	(1,250,855)
Capital unit transactions		
Units issued	5,788,477	4,061,435
Units issued on reinvestment of distributions	187,482	260,508
Units redeemed	(6,204,105)	(5,651,205)
	(228,146)	(1,329,262)
Distributions to investors		
Net investment income	188,235	262,158
Decrease in net assets for the period	(2,627,821)	(2,842,275)
Net assets, end of the period	84,901,555	79,419,818

The accompanying notes are an integral part of these financial statements.

Omega High Dividend Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (2.96%)							
Treasury Bills (2.96%)							
Government of Canada							
0.89%, due July 7, 2011	6,300,000	6,296,328	6,299,008				
	Number of Shares						
Canadian Equities (93.33%)							
Consumer Discretionary (2.83%)							
Cogeco Cable Inc.	22,300	859,915	1,003,723				
Groupe Aeroplan Inc.	45,700	603,180	607,810				
Magna International Inc., Class A	19,300	820,765	1,004,565				
Shaw Communications Inc., Class B	132,400	2,713,490	2,910,152				
Yellow Media Inc.	210,400	1,278,750	504,960				
		6,276,100	6,031,210				
Consumer Staples (3.53%)							
Empire Company Ltd., Class A	8,300	472,811	460,069				
George Weston Ltd.	9,000	626,850	626,490				
Loblaw Companies Ltd.	23,600	957,835	916,860				
Saputo Inc.	24,300	970,514	1,126,791				
Shoppers Drug Mart Corp.	110,200	4,362,585	4,371,634				
		7,390,595	7,501,844				
Energy (33.47%)							
AltaGas Ltd.	26,200	610,193	673,864				
ARC Resources Ltd.	156,300	3,990,590	3,902,811				
Baytex Energy Corp.	60,000	2,934,351	3,145,200				
Bonavista Energy Corp.	76,300	2,226,502	2,169,209				
Calfrac Well Services Ltd.	18,400	615,112	582,728				
Canadian Oil Sands Ltd.	85,700	2,504,296	2,380,746				
Cenovus Energy Inc.	123,700	4,056,331	4,491,547				
Crescent Point Energy Corp.	108,700	4,261,206	4,826,280				
Enbridge Pipelines Inc.	129,400	3,874,087	4,046,338				
EnCana Corp.	131,900	4,084,825	3,917,430				
Enerplus Corp.	147,200	4,616,634	4,474,880				
Gibson Energy Inc.	65,200	1,044,370	1,045,808				
Husky Energy Inc.	93,400	2,593,409	2,452,684				
Longview Oil Corp.	135,100	1,480,170	1,560,405				
Pembina Pipeline Corp.	95,500	2,116,114	2,420,925				
Pengrowth Energy Corp.	236,200	2,967,496	2,858,020				
Penn West Petroleum Ltd.	176,000	4,297,869	3,910,720				
PetroBakken Energy Ltd.	125,000	2,893,936	1,646,250				
Payto Exploration & Development Corp.	122,200	2,261,389	2,622,412				
Progress Energy Resources Corp.	73,600	911,974	1,009,792				
Provident Energy Ltd.	62,200	511,180	536,164				
Suncor Energy Inc.	60,800	2,547,736	2,290,944				
Talisman Energy Inc.	37,100	802,350	733,096				
TransCanada Corp.	222,800	8,954,170	9,402,160				
Trinidad Drilling Ltd.	46,900	445,550	392,553				
Vermilion Energy Inc.	72,500	3,439,667	3,687,350				
		71,041,507	71,180,316				
Financials (31.56%)							
Bank of Montreal	119,300	7,306,105	7,304,739				
Bank of Nova Scotia	51,000	2,910,071	2,958,000				
Brookfield Properties Corp.	80,600	1,410,473	1,498,354				
Canadian Imperial Bank of Commerce	98,200	7,801,314	7,473,020				
Canadian Western Bank	33,400	1,041,445	1,028,052				
H&R Real Estate Investment Trust	125,000	2,529,309	2,693,750				
Industrial Alliance Insurance & Financial Services Inc.	38,900	1,390,821	1,559,112				
Investors Group Inc.	61,100	2,999,595	3,084,328				
Killam Properties Inc.	77,800	583,948	833,238				
Financials (31.56%) (continued)							
Manulife Financial Corp.	275,700	4,897,710	4,695,171				
National Bank of Canada	67,500	5,082,398	5,272,425				
Power Corporation of Canada	76,700	2,113,133	2,055,560				
Power Financial Corp.	181,300	5,334,578	5,386,423				
Royal Bank of Canada	74,800	4,371,276	4,113,252				
Sun Life Financial Inc.	212,400	6,378,027	6,148,980				
TMX Group Inc.	34,500	1,307,505	1,499,025				
Toronto-Dominion Bank	112,000	8,868,613	9,156,000				
Tricon Capital Group Inc.	74,400	446,400	353,400				
		66,772,721	67,112,829				
Industrials (5.58%)							
Bombardier Inc., Class B	313,400	1,714,027	2,168,728				
Canadian National Railway Co.	62,100	4,263,072	4,781,079				
Canadian Pacific Railway Co.	55,000	3,424,571	3,302,750				
Finning International Inc.	57,000	1,510,853	1,625,070				
		10,912,523	11,877,627				
Materials (1.19%)							
Canexus Income Fund	47,600	293,678	317,968				
Chemtrade Logistics Income, Trust Units	59,400	807,840	855,360				
Methanex Corp.	18,300	431,138	552,111				
Sherritt International Corp.	131,100	970,504	803,643				
		2,503,160	2,529,082				
Telecommunication Services (11.41%)							
BCE Inc.	160,200	5,785,963	6,058,764				
Bell Aliant Inc.	31,800	838,148	912,660				
Manitoba Telecom Services Inc.	27,400	817,389	893,788				
Rogers Communications Inc., Class B	215,900	7,600,391	8,217,154				
Telus Corp.	115,200	6,104,241	6,112,512				
Telus Corp., non-voting	40,700	1,895,561	2,061,455				
		23,041,693	24,256,333				
Utilities (3.76%)							
Atco Ltd.	300	18,845	18,720				
Canadian Utilities Ltd.	45,700	2,279,418	2,557,372				
Emera Inc.	79,800	2,497,070	2,521,680				
Fortis Inc.	45,600	1,471,804	1,475,160				
TransAlta Corp.	68,700	1,423,830	1,413,159				
		7,690,967	7,986,091				
Total Canadian Equities							
		195,629,266	198,475,332				
Global Equities (2.55%)							
United States (2.55%)							
Thomson Reuters Corp.	150,200	5,767,491	5,431,232				
Total Investments (98.84%)							
		207,693,085*	210,205,572				
Cash And Other Net Assets (1.16%)							
							2,470,758
Net Assets (100%)							
							212,676,330

* Average cost of investments as at December 31, 2010 is \$178,209,279.

The accompanying notes are an integral part of these financial statements.

Omega High Dividend Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	42,114	0.02%	37,378	0.02%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$2,106 (\$1,869 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	6,299,008	4,850,315
Non-interest-bearing instruments	203,906,564	179,801,002
Total	210,205,572	184,651,317

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$315 (\$2,787 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P/TSX Index TR (100%)	± 15,100,019	7.10%	± 13,314,323	7.12%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month (26-month in 2009) historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	6,299,008	n/a	6,299,008
Common Shares	200,946,951	2,959,613	n/a	203,906,564
Total Investments	200,946,951	9,258,621	n/a	210,205,572

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	4,850,315	n/a	4,850,315
Common Shares	179,413,802	387,200	n/a	179,801,002
Total Investments	179,413,802	5,237,515	n/a	184,651,317

During the year ended December 31, 2010, investments of \$5,715,024 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Omega High Dividend Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	210,205,572	184,651,317	
Cash	1,279,119	265,527	
Subscriptions receivable	334,765	110,924	
Proceeds from sale of investments receivable	2,817,135	7,159,404	
Dividends receivable	1,023,427	1,220,436	
Other assets receivable	23,793	9,992	
	<u>215,683,811</u>	<u>193,417,600</u>	
Liabilities			
Redeemed units payable	47,336	48,437	
Investments payable	2,855,672	6,295,316	
Accrued expenses	104,473	74,929	
	<u>3,007,481</u>	<u>6,418,682</u>	
Net assets	<u>212,676,330</u>	<u>186,998,918</u>	
Net assets per Series:			
Investor/Advisor Series	55,809,053	39,096,978	
F Series	1,990,320	1,282,114	
O Series	154,875,745	146,619,826	
R Series	1,212	-	
	<u>212,676,330</u>	<u>186,998,918</u>	
Net assets per unit, per Series:			
Investor/Advisor Series	9.98	9.69	Approved on behalf of the Manager
F Series	9.64	9.35	National Bank Securities Inc.
O Series	9.92	9.65	Charles Guay, Director
R Series	9.70	-	Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Omega High Dividend Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	55,394	471,963
Dividends	5,385,817	3,125,084
	<u>5,441,211</u>	<u>3,597,047</u>
Expenses		
Management fees	457,716	201,861
Custodial fees	15,202	12,633
Directors' fees of independent review committee	325	145
Audit fees	6,550	8,284
Legal fees	2,406	1,038
Rights and deposits	37,663	8,942
Securityholders' reporting costs	37,620	24,056
Fees paid by the manager	(32,714)	(23,435)
	<u>524,768</u>	<u>233,524</u>
Net investment income	<u>4,916,443</u>	<u>3,363,523</u>
Net gains (losses)		
Net realized gains on sale of investments	<u>9,730,875</u>	<u>6,260,336</u>
Change in unrealized appreciation/depreciation on investments	(3,929,551)	(9,633,647)
Unrealized gains (losses) on foreign currencies	(135)	216
	<u>(3,929,686)</u>	<u>(9,633,431)</u>
Transaction costs on purchase and sale of investments	<u>(554,842)</u>	<u>(540,272)</u>
	<u>5,246,347</u>	<u>(3,913,367)</u>
Increase (decrease) in net assets from operations	<u>10,162,790</u>	<u>(549,844)</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	1,838,595	(471,734)
F Series	68,310	(15,821)
O Series	8,255,919	(62,289)
R Series	(34)	-
	<u>10,162,790</u>	<u>(549,844)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.37	(0.19)
F Series	0.41	(0.43)
O Series	0.54	(0.01)
R Series	(0.26)	-

The accompanying notes are an integral part of these financial statements.

Omega High Dividend Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		O Series	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
Net assets, beginning of the period	39,096,978	17,086,578	1,282,114	145,591	146,619,826	88,276,335
Increase (decrease) in net assets from operations	1,838,595	(471,734)	68,310	(15,821)	8,255,919	(62,289)
Capital unit transactions						
Units issued	22,140,971	12,148,642	722,801	377,891	-	91,561,837
Units issued on reinvestment of distributions	742,579	451,917	20,739	7,217	4,136,353	2,778,407
Units redeemed	(7,197,220)	(2,647,178)	(69,215)	(20,109)	-	(91,561,837)
	15,686,330	9,953,381	674,325	364,999	4,136,353	2,778,407
Distributions to investors						
Net investment income	812,850	467,974	34,429	8,191	4,136,353	2,778,407
Increase (decrease) in net assets for the period	16,712,075	9,013,673	708,206	340,987	8,255,919	(62,289)
Net assets, end of the period	55,809,053	26,100,251	1,990,320	486,578	154,875,745	88,214,046

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (2.75%)							
Treasury Bills (2.75%)							
Government of Canada							
0.91%, due July 6, 2011	1,000,000	999,650	999,869				
0.95%, due July 21, 2011	300,000	299,327	299,854				
0.96%, due August 4, 2011	5,200,000	5,188,139	5,195,697				
0.92%, due September 1, 2011	1,000,000	997,894	998,474				
0.91%, due October 13, 2011	1,600,000	1,595,534	1,595,785				
		9,080,544	9,089,679				
	Number of Shares						
Canadian Equities (96.51%)							
Consumer Discretionary (5.52%)							
Astral Media Inc., Class A	94,144	3,200,221	3,503,098				
Canadian Tire Ltd., Class A	48,900	3,124,147	3,081,189				
Dollarama Inc.	135,000	3,857,430	4,396,950				
Magna International Inc., Class A	91,800	3,525,334	4,778,190				
Quebecor Inc., Class B	26,000	893,045	821,860				
Shaw Communications Inc., Class B	75,900	1,251,842	1,668,282				
		15,852,019	18,249,569				
Consumer Staples (3.43%)							
Alimentation Couche-Tard Inc., Class B	117,923	3,076,086	3,304,202				
Loblaw Companies Ltd.	94,300	3,220,935	3,663,555				
Metro Inc., Class A	69,400	3,179,160	3,329,812				
Saputo Inc.	22,400	620,880	1,038,688				
		10,097,061	11,336,257				
Energy (24.17%)							
Bonavista Energy Corp.	85,900	2,473,018	2,442,137				
Canadian Natural Resources Ltd.	324,900	9,029,511	13,096,719				
Genovus Energy Inc.	161,100	3,951,407	5,849,541				
Crescent Point Energy Corp.	35,800	1,550,140	1,589,520				
Crew Energy Inc.	87,400	1,268,700	1,302,260				
EnCana Corp.	220,700	6,107,664	6,554,790				
Enerflex Ltd.	69,500	834,000	861,800				
Ensign Energy Services Inc.	135,300	2,137,224	2,585,583				
Legacy Oil + Gas Inc.	103,300	1,267,938	1,208,610				
MEG Energy Corp.	44,000	2,229,659	2,205,720				
Nexen Inc.	107,900	2,968,447	2,338,193				
Penn West Petroleum Ltd.	139,900	2,917,811	3,108,578				
PetroBakken Energy Ltd.	73,600	1,653,038	969,312				
Suncor Energy Inc.	442,772	16,687,429	16,683,649				
Talisman Energy Inc.	507,945	8,294,891	10,036,993				
TransCanada Corp.	203,400	7,497,900	8,583,480				
Uranium One Inc.	178,100	1,069,458	471,965				
		71,938,235	79,888,850				
Financials (29.40%)							
Bank of Montreal	106,775	4,887,403	6,537,833				
Bank of Nova Scotia	261,800	10,518,633	15,184,400				
Brookfield Asset Management Inc., Class A	193,900	4,975,205	6,195,105				
Canadian Imperial Bank of Commerce	123,200	8,134,549	9,375,520				
Industrial Alliance, Insurance & Financial Services Inc.	103,823	2,760,310	4,161,226				
Intact Financial Corp.	62,519	3,089,902	3,449,173				
Intact Financial Corp. warrants due January 31, 2012	22,700	1,085,060	1,240,555				
Manulife Financial Corp.	546,600	10,890,046	9,308,598				
Power Corporation of Canada	182,000	5,285,936	4,877,600				
Royal Bank of Canada	255,700	10,338,710	14,060,943				
Sun Life Financial Inc.	109,200	3,213,970	3,161,340				
Toronto-Dominion Bank	240,100	15,062,703	19,628,175				
		80,242,427	97,180,468				
Industrials (6.33%)							
Bombardier Inc., Class B	267,100	1,772,513	1,848,332				
Canadian National Railway Co.	105,400	4,371,785	8,114,746				
Canadian Pacific Railway Co.	142,700	7,831,296	8,569,135				
Stantec Inc.	38,011	1,113,048	1,060,887				
Toromont Industries Ltd.	69,500	1,332,641	1,316,330				
		16,421,283	20,909,430				
Information Technology (2.77%)							
CGI Group Inc., Class A	178,300	2,081,719	4,234,625				
Open Text Corp.	42,300	1,561,164	2,601,027				
Research In Motion Ltd.	83,790	5,542,947	2,329,362				
		9,185,830	9,165,014				
Materials (19.40%)							
Agnico-Eagle Mines Ltd.	15,600	983,453	951,288				
Agrium Inc.	93,500	5,443,383	7,905,425				
Barrick Gold Corp.	339,800	14,404,608	14,839,066				
Goldcorp Inc.	270,508	10,645,808	12,584,032				
Hudbay Minerals Inc.	66,700	1,070,848	959,146				
IAMGOLD Corp.	184,600	3,484,611	3,341,260				
Inmet Mining Corp.	27,400	1,907,809	1,901,560				
Potash Corporation of Saskatchewan Inc.	173,000	6,070,179	9,499,430				
Quadra FX Mining Ltd.	156,700	2,179,977	2,240,810				
Teck Resources Ltd., Class B	190,188	6,023,203	9,290,684				
Thompson Creek Metals Co. Inc.	62,611	711,044	602,318				
		52,924,923	64,115,019				
Telecommunication Services (5.49%)							
BCE Inc.	302,053	8,853,777	11,423,644				
Rogers Communications Inc., Class B	176,635	7,150,345	6,722,728				
		16,004,122	18,146,372				
Total Canadian Equities		272,665,900	318,990,979				
Global Equities (0.97%)							
United States (0.97%)							
Thomson Reuters Corp.	88,700	3,388,414	3,207,393				
Total Investments (100.23%)		285,134,858*	331,288,051				
Cash And Other Net Assets (-0.23%)			(765,850)				
Net Assets (100%)			330,522,201				

* Average cost of investments as at December 31, 2010 is \$278,961,909.

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	113,872	0.03%	41,908	0.01%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$5,694 (\$2,095 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	9,089,679	1,596,814
Non-interest-bearing instruments	322,198,372	343,732,148
Total	331,288,051	345,328,962

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$2,975 (\$838 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P/TSX Index TR (100%)	± 28,755,431	8.70%	± 29,911,934	8.65%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	9,089,679	n/a	9,089,679
Common Shares	320,096,017	2,102,355	n/a	322,198,372
Total Investments	320,096,017	11,192,034	n/a	331,288,051

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	1,596,814	n/a	1,596,814
Common Shares	343,732,148	n/a	n/a	343,732,148
Total Investments	343,732,148	1,596,814	n/a	345,328,962

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	331,288,051	345,328,962
Cash	321,230	413,126
Subscriptions receivable	117,714	94,193
Interest and dividends receivable	823,007	655,349
Other assets receivable	139,063	85,078
	<u>332,689,065</u>	<u>346,576,708</u>
Liabilities		
Redeemed units payable	144,099	157,590
Investments payable	1,447,833	-
Accrued expenses	574,932	616,414
	<u>2,166,864</u>	<u>774,004</u>
Net assets	<u>330,522,201</u>	<u>345,802,704</u>
Net assets per Series:		
Investor/Advisor Series	278,193,783	291,458,933
O Series	52,328,418	54,343,771
	<u>330,522,201</u>	<u>345,802,704</u>
Net assets per unit, per Series:		
Investor/Advisor Series	9.71	9.85
O Series	17.52	17.59

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Equity Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	32,281	5,915
Dividends	3,613,580	5,546,758
Income from securities lending	711	-
	<u>3,646,572</u>	<u>5,552,673</u>
Expenses		
Management fees	3,064,438	4,758,378
Custodial fees	18,839	25,825
Directors' fees of independent review committee	5,243	3,720
Audit fees	12,920	33,544
Legal fees	4,746	4,204
Rights and deposits	21,279	32,063
Securityholders' reporting costs	592,606	618,405
Fees paid by the manager	(358,372)	(258,666)
	<u>3,361,699</u>	<u>5,217,473</u>
Net investment income	<u>284,873</u>	<u>335,200</u>
Net losses		
Net realized gains on sale of investments	15,722,062	622,591
Net realized losses on foreign currencies	-	(1,380)
	<u>15,722,062</u>	<u>621,211</u>
Change in unrealized appreciation/depreciation on investments	(20,213,860)	(27,382,061)
Unrealized gains (losses) on foreign currencies	(538)	1,194
	<u>(20,214,398)</u>	<u>(27,380,867)</u>
Transaction costs on purchase and sale of investments	(153,264)	(133,119)
	<u>(4,645,600)</u>	<u>(26,892,775)</u>
Decrease in net assets from operations	<u>(4,360,727)</u>	<u>(26,557,575)</u>
Decrease in net assets from operations per Series:		
Investor/Advisor Series	(4,179,802)	(25,866,119)
O Series	(180,925)	(691,456)
	<u>(4,360,727)</u>	<u>(26,557,575)</u>
Decrease in net assets from operations per unit, per Series:		
Investor/Advisor Series	(0.14)	(0.51)
O Series	(0.06)	(0.18)

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		O Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	291,458,933	457,623,812	54,343,771	69,155,182
Decrease in net assets from operations	(4,179,802)	(25,866,119)	(180,925)	(691,456)
Capital unit transactions				
Units issued	29,909,360	45,309,933	1,220,000	3,388,356
Units redeemed	(38,994,708)	(47,558,600)	(3,054,428)	(35,221,205)
	(9,085,348)	(2,248,667)	(1,834,428)	(31,832,849)
Distributions to investors				
Decrease in net assets for the period	(13,265,150)	(28,114,786)	(2,015,353)	(32,524,305)
Net assets, end of the period	278,193,783	429,509,026	52,328,418	36,630,877

The accompanying notes are an integral part of these financial statements.

Omega Canadian Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Canadian Equities (79.03%)				Information Technology (10.27%) (continued)			
Consumer Discretionary (5.96%)				Macdonald Dettwiler & Associates Ltd.			
Dollarama Inc.	150,000	4,530,502	4,885,500		75,000	2,899,844	4,070,250
Great Canadian Gaming Corp.	355,800	2,684,963	2,728,986		160,000	1,440,000	1,409,600
Magna International Inc., Class A	125,000	4,189,129	6,506,250		200,000	10,464,761	5,560,000
Tim Hortons Inc.	50,000	1,615,310	2,352,500				
Uni-Select Inc.	150,000	4,109,166	4,048,500			35,805,479	35,380,600
		17,129,070	20,521,736				
Consumer Staples (4.15%)				Materials (7.88%)			
Alimentation Couche-Tard Inc., Class B	200,000	4,332,060	5,604,000		75,000	6,004,401	6,341,250
Brick Brewing Co. Ltd.	1,280,278	1,424,778	1,715,573		200,000	8,693,944	8,734,000
George Weston Ltd.	100,000	7,065,631	6,961,000		500,000	4,288,130	3,695,000
					150,000	6,680,595	7,327,500
		12,822,469	14,280,573		86,200	974,963	1,047,330
						26,642,033	27,145,080
Energy (19.79%)				Total Canadian Equities			
Canadian Energy Services & Technology Corp.	175,000	3,988,110	5,444,250			232,302,819	272,145,297
Canadian Natural Resources Ltd.	300,000	8,937,609	12,093,000	Global Equities (11.24%)			
Celtic Exploration Ltd.	300,000	5,884,740	6,393,000	Austria (0.41%)			
Genovus Energy Inc.	300,000	8,657,367	10,893,000	Austriamicrosystems AG			
Keyera Corp.	250,000	5,890,715	10,922,500		30,000	1,475,329	1,428,139
Mullen Group Ltd.	200,000	3,134,091	4,054,000	Bermuda (2.10%)			
Penn West Petroleum Ltd.	250,000	5,321,868	5,555,000	Brookfield Infrastructure Partners LP			
Tourmaline Oil Corp.	400,000	8,374,710	12,800,000		300,000	7,076,205	7,215,000
		50,189,210	68,154,750	Germany (0.99%)			
				Bertrandt AG			
					27,500	1,877,389	1,991,152
				LPKF Laser & Electronics AG			
					75,000	1,388,190	1,404,544
						3,265,579	3,395,696
Financials (15.78%)				Panama (0.56%)			
Canadian Western Bank	200,000	5,407,084	6,156,000	Copa Holdings SA			
Cominar Real Estate Investment Trust	250,000	5,231,410	5,505,000		30,000	1,517,662	1,931,701
Fiera Sceptre Inc.	575,000	3,947,212	4,168,750	United Kingdom (0.34%)			
National Bank of Canada	100,000	5,471,042	7,811,000	IQE PLC			
Onex Corp.	200,000	5,362,938	7,428,000		1,750,000	1,198,648	1,171,490
Royal Bank of Canada	200,000	10,453,223	10,998,000	United States (6.84%)			
Toronto-Dominion Bank	150,000	10,289,618	12,262,500	Advanced Energy Industries Inc.			
		46,162,527	54,329,250		75,000	1,085,989	1,068,425
				Akamai Technologies Inc.			
					50,000	1,754,839	1,517,641
				Apple Computer Inc.			
					9,000	2,323,888	2,912,742
				Bauer Performance Sports Ltd.			
					52,200	336,248	339,300
				BTU International Inc.			
					103,085	892,140	695,978
				Cray Inc.			
					250,000	1,528,537	1,540,789
				Cymer Inc.			
					50,000	2,097,019	2,384,726
				Deere & Co.			
					25,000	2,041,099	1,988,076
				Frequency Electronics Inc.			
					196,400	1,440,890	1,799,564
				Innospec Inc.			
					50,000	1,634,122	1,620,842
				ISE Ltd.			
					164,500	945,673	-
				J. P. Morgan Chase & Co.			
					75,000	3,187,391	2,959,327
				Newport Corp.			
					75,000	1,304,087	1,312,926
				NL Industries Inc.			
					75,000	1,254,994	1,326,670
				Rofin-Sinar Technologies Inc.			
					25,000	854,307	822,477
				Zygo Corp.			
					100,000	1,409,326	1,275,069
						24,090,549	23,564,552
				Total Global Equities			
						38,623,972	38,706,578
				Total Investments (90.27%)			
						270,926,791*	310,851,875
Information Technology (10.27%)				Cash And Other Net Assets (9.73%)			
5N Plus Inc.	350,000	2,325,131	3,146,500				33,495,289
Bridgewater Systems Corp.	500,000	4,269,666	4,070,000	Net Assets (100%)			
Calian Technologies Ltd.	200,000	3,352,045	3,750,000				344,347,164
CGI Group Inc., Class A	300,000	4,311,937	7,125,000				
Enghouse Systems Ltd.	250,000	2,459,861	2,425,000				
EXFO Inc.	200,000	1,754,397	1,468,000				
Gennum Corp.	325,000	2,527,837	2,356,250				

* Average cost of investments as at December 31, 2010 is \$271,029,614.

The accompanying notes are an integral part of these financial statements.

Omega Canadian Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	25,227,461	7.33%	26,284,106	7.94%
Euro	3,395,686	0.99%	n/a	n/a
Japanese Yen	n/a	n/a	4,810,115	1.45%
Pound Sterling	3,876,602	1.13%	2,738,352	0.83%
Swiss Franc	1,428,139	0.41%	n/a	n/a

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,696,394 (\$1,691,629 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P/TSX Index TR (100%)	± 30,405,855	8.83%	± 29,759,970	8.99%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	292,127,583	18,724,292	n/a	310,851,875

During the period ended June 30, 2011, investments of \$7,068,750 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$15,640,960 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	303,911,541	16,160,620	n/a	320,072,161

During the year ended December 31, 2010, investments of \$6,840,620 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Omega Canadian Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	310,851,875	320,072,161
Cash	34,451,824	13,525,347
Subscriptions receivable	287,313	214,431
Dividends receivable	514,587	454,487
Other assets receivable	3,159,060	176,419
	<u>349,264,659</u>	<u>334,442,845</u>
Liabilities		
Redeemed units payable	235,289	162,358
Investments payable	1,218,258	2,544,206
Accrued expenses	3,463,948	702,129
	<u>4,917,495</u>	<u>3,408,693</u>
Net assets	<u>344,347,164</u>	<u>331,034,152</u>
Net assets per Series:		
Investor/Advisor Series	344,159,648	330,954,507
F Series	183,156	79,645
R Series	4,360	-
	<u>344,347,164</u>	<u>331,034,152</u>
Net assets per unit, per Series:		
Investor/Advisor Series	20.15	19.47
F Series	11.90	11.44
R Series	9.85	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Omega Canadian Equity Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	179,335	497,722
Dividends	3,061,717	1,693,392
Other income	28,476	-
	<u>3,269,528</u>	<u>2,191,114</u>
Expenses		
Management fees	3,693,652	2,533,625
Custodial fees	25,826	15,100
Directors' fees of independent review committee	4,705	2,554
Audit fees	12,691	18,765
Legal fees	4,661	2,352
Rights and deposits	18,480	16,220
Securityholders' reporting costs	531,897	424,883
Fees paid by the manager	(246,635)	(238,593)
	<u>4,045,277</u>	<u>2,774,906</u>
Net investment loss	<u>(775,749)</u>	<u>(583,792)</u>
Net gains (losses)		
Net realized gains on sale of investments	22,596,616	6,047,112
Net realized losses on foreign currencies	(355,117)	(151,733)
	<u>2,241,499</u>	<u>5,895,379</u>
Change in unrealized appreciation/depreciation on investments	(9,117,463)	(15,070,179)
Unrealized gains on foreign currencies	62,674	36,539
	<u>(9,054,789)</u>	<u>(15,033,640)</u>
Transaction costs on purchase and sale of investments	(743,003)	(376,346)
	<u>12,443,707</u>	<u>(9,514,607)</u>
Increase (decrease) in net assets from operations	<u>11,667,958</u>	<u>(10,098,399)</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	11,666,508	(10,094,036)
F Series	1,496	(4,363)
R Series	(46)	-
	<u>11,667,958</u>	<u>(10,098,399)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.68	(0.74)
F Series	0.16	(0.82)
R Series	(0.10)	-

The accompanying notes are an integral part of these financial statements.

Omega Canadian Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		R Series
	2011 \$	2010 \$	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	330,954,507	230,444,363	79,645	15,430	-
Increase (decrease) in net assets from operations	11,666,508	(10,094,036)	1,496	(4,363)	(46)
Capital unit transactions					
Units issued	59,101,622	45,105,714	116,252	64,000	4,543
Units issued on reinvestment of distributions	256	74	-	-	25
Units redeemed	(57,562,989)	(29,124,503)	(14,237)	-	(137)
	1,538,889	15,981,285	102,015	64,000	4,431
Distributions to investors					
Net investment income	256	74	-	-	-
Return of capital	-	-	-	-	25
	256	74	-	-	25
Increase in net assets for the period	13,205,141	5,887,175	103,511	59,637	4,360
Net assets, end of the period	344,159,648	236,331,538	183,156	75,067	4,360

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Equity Growth Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (8.36%)							
Treasury Bills (8.36%)							
Government of Canada							
0.92%, due July 6, 2011	15,900,000	15,894,038	15,897,914				
0.98%, due August 4, 2011	22,600,000	22,541,110	22,581,300				
0.94%, due August 18, 2011	27,800,000	27,741,236	27,767,026				
0.90%, due October 13, 2011	4,300,000	4,288,464	4,288,672				
		70,464,848	70,534,912				
	Number of Shares						
Canadian Equities (84.04%)							
Consumer Discretionary (6.56%)							
Dollarama Inc.	535,323	15,545,878	17,435,470				
Gildan Activewear Inc.	177,365	6,275,954	6,003,805				
Magna International Inc., Class A	612,566	26,073,395	31,884,060				
		47,895,227	55,323,335				
Consumer Staples (2.99%)							
Maple Leaf Foods Inc.	1,179,400	13,963,680	13,952,302				
Shoppers Drug Mart Corp.	284,464	11,823,302	11,284,687				
		25,786,982	25,236,989				
Energy (25.65%)							
Americas Petrogas Inc.	590,789	1,203,490	1,157,946				
Americas Petrogas Inc., restricted until July 17, 2011	3,208,678	7,957,521	6,232,857				
Athabasca Oil Sands Corp.	1,221,900	21,312,950	18,511,785				
Baytex Energy Corp.	355,930	11,390,732	18,657,851				
BlackPearl Resources Inc.	1,876,502	11,520,796	12,760,214				
Bolivar Energy Corp.	25,684,600	4,366,382	1,669,499				
Bolivar Energy Corp. warrants due February 15, 2013	12,842,300	-	55,222				
Canadian Natural Resources Ltd.	737,141	20,829,267	29,714,154				
Celtic Exploration Ltd.	674,555	13,410,815	14,374,767				
Enovus Energy Inc.	554,964	16,713,315	20,150,743				
Crew Energy Inc.	756,700	12,709,530	11,274,830				
Legacy Oil + Gas Inc.	666,990	7,539,188	7,803,783				
Painted Pony Petroleum Ltd.	357,700	4,339,055	3,984,778				
Renegade Petroleum Ltd.	2,500,450	8,603,417	7,651,377				
Suncor Energy Inc.	830,315	27,940,960	31,286,269				
Tourmaline Oil Corp.	629,500	13,895,165	20,144,000				
Whitecap Resources Inc.	1,215,150	6,172,406	7,570,384				
Xtreme Coil Drilling Corp.	800,000	3,800,000	3,336,000				
		193,704,989	216,336,459				
Financials (20.45%)							
Bank of Nova Scotia	689,334	38,325,315	39,981,372				
Canadian Imperial Bank of Commerce	147,812	9,348,649	11,248,493				
Industrial Alliance, Insurance & Financial Services Inc.	208,600	8,414,850	8,360,688				
Manulife Financial Corp.	514,540	8,334,435	8,762,616				
National Bank of Canada	167,833	11,081,782	13,109,436				
Royal Bank of Canada	676,424	34,654,118	37,196,556				
Toronto-Dominion Bank	658,537	41,324,502	53,835,400				
		151,483,651	172,494,561				
Industrials (6.51%)							
Bombardier Inc., Class B	1,545,277	8,832,518	10,693,317				
CAE Inc.	1,537,528	18,691,139	19,957,113				
Canadian Pacific Railway Co.	272,029	17,088,169	16,335,341				
CanWel Building Materials Group Ltd.	2,596,062	11,546,275	7,917,989				
		56,158,101	54,903,760				
Materials (18.52%)							
Goldcorp Inc.	573,164	24,894,786	26,663,589				
Gran Colombia Gold Corp.	4,210,823	6,974,100	3,326,550				
Gran Colombia Gold Corp. warrants due August 24, 2015	969,750	-	295,774				
IAMGOLD Corp.	893,980	17,204,434	16,181,038				
Kinross Gold Corp.	797,400	12,212,614	12,120,480				
Kinross Gold Corp. warrants due September 17, 2014	42,139	206,477	99,869				
Lundin Mining Corp.	1,325,175	10,426,887	9,793,043				
Macarthur Minerals Ltd.	3,488,007	11,463,289	8,754,898				
Macarthur Minerals Ltd. warrants due February 24, 2013	1,221,744	-	631,031				
Otisko Mining Corp.	961,688	12,246,779	14,377,236				
Potash Corporation of Saskatchewan Inc.	778,557	37,397,950	42,750,565				
Teck Resources Ltd., Class B	434,370	15,276,629	21,218,974				
		148,303,945	156,213,047				
Telecommunication Services (3.36%)							
BCE Inc.	377,960	13,691,929	14,294,447				
Rogers Communications Inc., Class B	367,530	12,071,676	13,988,192				
		25,763,605	28,282,639				
Total Canadian Equities							
		649,096,500	708,790,790				
Global Equities (7.17%)							
United States (7.17%)							
Allied Nevada Gold Corp.	563,230	14,878,398	19,048,439				
EMC Corp./Mass	317,481	8,350,554	8,436,097				
Google Inc., Class A	24,834	13,586,622	12,122,546				
Lydian International Ltd.	1,805,500	4,062,375	4,080,430				
Oracle Corp.	194,267	6,248,496	6,162,616				
QUALCOMM Inc.	122,762	6,737,156	6,720,608				
Triquint Semiconductor Inc.	368,292	4,567,595	3,616,116				
Xinergy Ltd. warrants due December 21, 2011	439,500	-	268,095				
		58,431,196	60,454,947				
Total Investments (99.57%)							
		777,992,544*	839,780,649				
Unrealized Appreciation On Foreign Exchange Contracts (0.06%)							
			528,943				
Cash And Other Net Assets (0.37%)							
			3,113,207				
Net Assets (100%)							
			843,422,799				

* Average cost of investments as at December 31, 2010 is \$738,433,691.

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Equity Growth Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts								
Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9886	US	1,850,000	1,788,133	CA	1,828,916	1,828,916	40,783
September 21, 2011	0.9907	US	150,000	144,984	CA	148,605	148,605	3,621
September 21, 2011	0.9802	US	37,265,000	36,018,807	CA	36,529,016	36,529,016	510,209
								554,613
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0193	CA	713,252	713,252	US	727,000	702,688	(10,564)
September 21, 2011	1.028	CA	145,908	145,908	US	150,000	144,984	(924)
September 21, 2011	1.0205	CA	1,041,634	1,041,634	US	1,063,000	1,027,452	(14,182)
								(25,670)
Unrealized Appreciation On Foreign Exchange Contracts								528,943

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
American Dollar	\$ 994,155	0.12%	\$ 151,115	0.02%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$49,708 (increased or decreased by \$7,556 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
	100.00%	100.00%
AAA/Aaa/A-1/P-1		

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$ 70,534,912	\$ 8,485,357
Less than one year		
Non-interest-bearing instruments	769,245,737	884,810,984
Total	839,780,649	893,296,341

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$18,574 (\$3,606 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
S&P/TSX Index TR (100%)	\$ ± 80,293,850	9.52%	\$ ± 85,143,224	9.53%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	70,534,912	n/a	70,534,912
Common Shares	762,349,142	6,896,595	n/a	769,245,737
Total Investments	762,349,142	77,431,507	n/a	839,780,649
Derivatives Assets	n/a	40,381,661	n/a	40,381,661
Derivatives Liabilities	n/a	(39,852,718)	n/a	(39,852,718)

During the period ended June 30, 2011, investments of \$20,144,000 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	8,485,357	n/a	8,485,357
Common Shares	870,566,179	14,244,805	n/a	884,810,984
Total Investments	870,566,179	22,730,162	n/a	893,296,341
Derivative Assets	n/a	17,775,396	n/a	17,775,396
Derivative Liabilities	n/a	(17,564,686)	n/a	(17,564,686)

During the year ended December 31, 2010, investments of \$7,555,850 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Equity Growth Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	839,780,649	893,296,341
Unrealized appreciation on foreign exchange contracts	554,613	217,224
Cash	73,862	317
Subscriptions receivable	252,343	177,649
Proceeds from sale of investments receivable	12,686,647	9,973,738
Interest and dividends receivable	1,702,390	1,689,696
Other assets receivable	1,036,160	338,067
	<u>856,086,664</u>	<u>905,693,032</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	25,670	6,514
Redeemed units payable	650,984	593,353
Investments payable	10,307,617	9,771,659
Accrued expenses	1,679,594	1,898,375
	<u>12,663,865</u>	<u>12,269,901</u>
Net assets	<u>843,422,799</u>	<u>893,423,131</u>
Net assets per Series:		
Investor/Advisor Series	785,590,804	845,513,421
O Series	57,828,560	47,909,710
R Series	3,435	-
	<u>843,422,799</u>	<u>893,423,131</u>
Net assets per unit, per Series:		
Investor/Advisor Series	40.29	42.16
O Series	13.14	13.59
R Series	9.56	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Equity Growth Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	162,169	564,297
Dividends	6,433,696	4,776,712
Income from securities lending	14,006	-
	<u>6,609,871</u>	<u>5,341,009</u>
Expenses		
Management fees	9,066,261	6,351,034
Custodial fees	49,725	38,975
Directors' fees of independent review committee	7,110	1,903
Audit fees	27,061	35,342
Legal fees	9,939	4,430
Rights and deposits	19,652	11,295
Securityholders' reporting costs	804,661	428,113
Fees paid by the manager	(62,258)	(21,127)
	<u>9,922,151</u>	<u>6,849,965</u>
Net investment loss	<u>(3,312,280)</u>	<u>(1,508,956)</u>
Net losses		
Net realized gains on sale of investments	60,155,269	38,821,201
Net realized gains on foreign currencies	303,601	743,409
	<u>60,458,870</u>	<u>39,564,610</u>
Change in unrealized appreciation/depreciation on investments	(92,756,312)	(62,763,322)
Unrealized gains (losses) on foreign currencies	(3,893)	4,009
	<u>(92,760,205)</u>	<u>(62,759,313)</u>
Transaction costs on purchase and sale of investments	(1,585,964)	(1,462,075)
	<u>(33,887,299)</u>	<u>(24,656,778)</u>
Decrease in net assets from operations	<u>(37,199,579)</u>	<u>(26,165,734)</u>
Decrease in net assets from operations per Series:		
Investor/Advisor Series	(35,716,631)	(22,856,019)
F Series	-	(3,309,715)
O Series	(1,482,821)	-
R Series	(127)	-
	<u>(37,199,579)</u>	<u>(26,165,734)</u>
Decrease in net assets from operations per unit, per Series:		
Investor/Advisor Series	(1.81)	(1.39)
O Series	(0.42)	(2.08)
R Series	(0.36)	-

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Equity Growth Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		O Series		R Series
	2011 \$	2010 \$	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	845,513,421	609,766,650	47,909,710	7,146,383	-
Decrease in net assets from operations	(35,716,631)	(22,856,019)	(1,482,821)	(3,309,715)	(127)
Capital unit transactions					
Units issued	56,129,865	24,076,257	14,258,321	36,268,100	3,562
Units issued on reinvestment of distributions	12,531	17,121	-	-	20
Units redeemed	(80,335,851)	(41,379,776)	(2,856,650)	(42,980)	-
	(24,193,455)	(17,286,398)	11,401,671	36,225,120	3,582
Distributions to investors					
Net investment income	12,531	17,121	-	-	-
Return of capital	-	-	-	-	20
	12,531	17,121	-	-	20
Increase (decrease) in net assets for the period	(59,922,617)	(40,159,538)	9,918,850	32,915,405	3,435
Net assets, end of the period	785,590,804	569,607,112	57,828,560	40,061,788	3,435

The accompanying notes are an integral part of these financial statements.

AltaFund Investment Corp.

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (4.01%)							
Treasury Bills (4.01%)							
Government of Canada							
0.91%, due July 6, 2011	400,000	399,860	399,948				
0.94%, due July 7, 2011	700,000	699,713	699,890				
0.95%, due August 7, 2011	900,000	898,059	899,255				
0.95%, due September 1, 2011	200,000	199,554	199,695				
		2,197,186	2,198,788				
	Number of Shares						
Canadian Equities (89.82%)							
Consumer Discretionary (6.23%)							
Dollarama Inc.	36,790	1,061,169	1,198,250				
Gildan Activewear Inc.	12,012	425,451	406,606				
Magna International Inc., Class A	34,820	1,413,588	1,812,381				
		2,900,208	3,417,237				
Consumer Staples (1.18%)							
Shoppers Drug Mart Corp.	16,349	680,220	648,565				
Energy (38.74%)							
Advantage Oil & Gas Ltd.	74,000	637,880	565,360				
Americas Petrogas Inc.	334,761	735,739	656,132				
Athabasca Oil Sands Corp.	84,700	1,416,512	1,283,205				
Baytex Energy Corp.	41,800	1,116,303	2,191,156				
BlackPearl Resources Inc.	201,573	820,726	1,370,696				
Bolivar Energy Corp.	1,747,100	297,007	113,562				
Bolivar Energy Corp. warrants due February 15, 2013	873,550	-	3,756				
Bowood Energy Inc.	730,000	268,871	313,900				
Calfrac Well Services Ltd.	9,500	285,208	300,865				
Canadian Natural Resources Ltd.	60,952	1,785,085	2,456,975				
Celtic Exploration Ltd.	45,815	914,163	976,318				
Genovus Energy Inc.	37,435	1,144,165	1,359,265				
Crew Energy Inc.	51,600	824,941	768,840				
Legacy Oil + Gas Inc.	53,946	579,663	631,168				
Painted Pony Petroleum Ltd.	24,400	295,982	271,816				
Renegade Petroleum Ltd.	228,260	565,638	698,476				
Suncor Energy Inc.	98,752	3,360,475	3,720,975				
Tourmaline Oil Corp.	41,800	922,592	1,337,600				
Trilogy Energy Corp.	32,000	753,559	759,040				
Whitecap Resources Inc.	86,200	406,601	537,026				
Wild Stream Exploration Inc.	53,400	615,640	605,022				
Xtreme Coil Drilling Corp.	80,313	404,222	334,905				
		18,150,972	21,256,058				
Financials (15.30%)							
Bank of Nova Scotia	38,033	2,119,837	2,205,914				
Canadian Imperial Bank of Commerce	7,415	453,164	564,282				
Industrial Alliance, Insurance & Financial Services Inc.	14,100	568,789	565,128				
Manulife Financial Corp.	28,800	474,435	490,464				
National Bank of Canada	9,106	665,943	711,270				
Royal Bank of Canada	25,053	1,211,045	1,377,664				
Toronto-Dominion Bank	30,350	1,698,919	2,481,112				
		7,192,132	8,395,834				
Industrials (5.78%)							
Bombardier Inc., Class B	81,709	561,449	565,426				
CAE Inc.	94,570	1,172,678	1,227,519				
Canadian Pacific Railway Co.	13,897	879,121	834,515				
CanWel Building Materials Group Ltd.	178,977	769,404	545,880				
		3,382,652	3,173,340				
Materials (19.36%)							
Claude Resources Inc.	180,000	450,000	329,400				
Copper Mountain Mining Corp.	61,300	236,005	456,685				
Geologix Explorations Inc.	400,000	264,000	156,000				
Goldcorp Inc.	38,819	1,647,528	1,805,860				
Gran Colombia Gold Corp.	263,667	439,415	208,297				
Gran Colombia Gold Corp. warrants due August 24, 2015	82,125	-	25,048				
IAMGOLD Corp.	39,056	751,797	706,914				
Kinross Gold Corp.	54,500	834,739	828,400				
Lundin Mining Corp.	69,186	540,976	511,285				
Macarthur Minerals Ltd.	236,232	777,989	592,942				
Macarthur Minerals Ltd. warrants due February 24, 2013	83,738	-	43,251				
Osisko Mining Corp.	52,301	606,306	781,900				
Potash Corporation of Saskatchewan Inc.	46,063	2,192,914	2,529,319				
Tahoe Resources Inc.	24,264	232,449	433,355				
Teck Resources Ltd., Class B	24,879	797,850	1,215,359				
		9,771,968	10,623,995				
Telecommunication Services (3.23%)							
BCE Inc.	19,900	721,928	752,618				
Telus Corp., non-voting	20,100	761,921	1,018,065				
		1,483,849	1,770,683				
Total Canadian Equities							
		43,562,001	49,285,712				
Global Equities (6.39%)							
United States (6.39%)							
Allied Nevada Gold Corp.	29,369	762,734	993,260				
EMC Corp./Mass	17,099	446,358	454,354				
Google Inc., Class A	1,402	794,994	684,377				
Lydian International Ltd.	118,700	267,075	268,262				
Oracle Corp.	13,348	429,073	423,431				
QUALCOMM Inc.	8,343	457,937	456,738				
Triquint Semiconductor Inc.	19,883	247,358	195,223				
Xinergy Ltd. warrants due December 21, 2011	40,500	-	24,704				
		3,405,529	3,500,349				
Total Investments (100.22%)							
		49,164,716*	54,984,849				
Unrealized Appreciation On Foreign Exchange Contracts (0.06%)							
			31,566				
Cash And Other Net Assets (-0.28%)							
			(151,230)				
Net Assets (100%)							
			54,865,185				

* Average cost of investments as at December 31, 2010 is \$46,404,324.

The accompanying notes are an integral part of these financial statements.

AltaFund Investment Corp. *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts								
Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9887	US	130,000	125,653	CA	128,531	128,531	2,878
September 21, 2011	0.9802	US	2,202,000	2,128,362	CA	2,158,510	2,158,510	30,148
								33,026
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0193	CA	43,168	43,168	US	44,000	42,529	(639)
September 21, 2011	1.0208	CA	61,714	61,714	US	63,000	60,893	(821)
								(1,460)
Unrealized Appreciation On Foreign Exchange Contracts								31,566

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Shareholder's Equity	Fair Value	Percentage of Shareholder's Equity
American Dollar	\$ 64,001	0.12%	\$ 38,344	0.06%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$3,200 (\$1,917 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	2,198,788	199,678
Non-interest-bearing instruments	52,786,061	59,896,074
Total	54,984,849	60,095,752

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$365 (\$85 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
S&P/TSX Composite Index (80%) - S&P/TSX Energy Index TR (20%)	\$ ± 5,733,412	10.45%	\$ ± 6,297,655	10.47%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	2,198,788	n/a	2,198,788
Common Shares	52,736,308	49,753	n/a	52,786,061
Total Investments	52,736,308	2,248,541	n/a	54,984,849
Derivatives Assets	n/a	2,390,463	n/a	2,390,463
Derivatives Liabilities	n/a	(2,358,897)	n/a	(2,358,897)

During the period ended June 30, 2011, investments of \$1,337,600 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	199,678	n/a	199,678
Common Shares	58,263,212	1,632,862	n/a	59,896,074
Total Investments	58,263,212	1,832,540	n/a	60,095,752
Derivative Assets	n/a	736,461	n/a	736,461
Derivative Liabilities	n/a	(727,785)	n/a	(727,785)

During the year ended December 31, 2010, investments of \$502,530 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$588,672 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

AltaFund Investment Corp.

Financial Statements

Statements of shareholder's equity as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	54,984,849	60,095,752	
Unrealized appreciation on foreign exchange contracts	33,026	9,076	
Cash	-	364,805	
Subscriptions receivable	526	10,478	
Proceeds from sale of investments receivable	767,835	-	
Interest and dividends receivable	108,720	108,328	
Other assets receivable	28,887	17,711	
	<u>55,923,843</u>	<u>60,606,150</u>	
Liabilities			
Bank overdraft	173,853	-	
Unrealized depreciation on foreign exchange contracts	1,460	400	
Redeemed shares payable	46,357	27,960	
Investments payable	719,189	296,560	
Accrued expenses	117,799	131,704	
	<u>1,058,658</u>	<u>456,624</u>	
Shareholder's equity, Investor Series	<u>54,865,185</u>	<u>60,149,526</u>	Approved on behalf of the Board of Directors, AltaFund Investment Corp. Pascal Désilets, Director Josie Pampena, Director
Shareholder's equity per share, Investor Series	38.87	41.50	

The accompanying notes are an integral part of these financial statements.

AltaFund Investment Corp. *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	7,812	76,405
Dividends	394,453	359,729
Income from securities lending	2,314	-
	<u>404,579</u>	<u>436,134</u>
Expenses		
Management fees	648,341	595,971
Custodial fees	8,015	7,113
Directors' fees of independent review committee	351	262
Audit fees	3,099	5,890
Legal fees	1,138	738
Rights and deposits	6,787	6,844
Securityholders' reporting costs	58,367	46,294
Capital tax	322	(11,375)
Fees paid by the manager	(894)	(1,613)
	<u>725,526</u>	<u>650,124</u>
Net investment loss	<u>(320,947)</u>	<u>(213,990)</u>
Net losses		
Net realized gains on sale of investments	4,551,550	3,945,672
Net realized gains on foreign currencies	14,587	48,073
	<u>4,566,137</u>	<u>3,993,745</u>
Change in unrealized appreciation/depreciation on investments	(7,848,405)	(7,839,947)
Unrealized gains (losses) on foreign currencies	(88)	513
	<u>(7,848,493)</u>	<u>(7,839,434)</u>
Transaction costs on purchase and sale of investments	(148,903)	(201,545)
	<u>(3,431,259)</u>	<u>(4,047,234)</u>
Decrease in shareholder's equity from operations		
Investor Series	<u>(3,752,206)</u>	<u>(4,261,224)</u>
Decrease in shareholder's equity from operations per share		
Investor Series	(2.61)	(2.71)

The accompanying notes are an integral part of these financial statements.

AltaFund Investment Corp. *(continued)*

Financial Statements

Statements of changes in shareholder's equity for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Shareholder's equity, beginning of the period	60,149,526	57,253,370
Decrease in shareholder's equity from operations	(3,752,206)	(4,261,224)
Capital share transactions		
Shares issued	2,026,204	2,334,473
Shares issued on reinvestment of distributions	-	1,574
Shares redeemed	(3,558,339)	(3,795,239)
	(1,532,135)	(1,459,192)
Distribution to shareholders		
Net investment income	-	1,574
Decrease in shareholder's equity for the period	(5,284,341)	(5,721,990)
Shareholder's equity, end of the period	54,865,185	51,531,380

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Opportunities Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (6.17%)							
Treasury Bills (6.17%)							
Government of Canada							
0.97%, due July 7, 2011	3,200,000	3,199,232	3,199,496				
0.95%, due August 4, 2011	5,900,000	5,887,320	5,895,118				
0.93%, due September 1, 2011	400,000	399,158	399,389				
0.93%, due September 15, 2011	1,000,000	997,690	998,105				
0.92%, due October 13, 2011	3,000,000	2,991,600	2,992,097				
		13,475,000	13,484,205				
	Number of Shares						
Canadian Equities (90.65%)							
Consumer Discretionary (14.54%)							
Astral Media Inc., Class A	118,300	3,696,417	4,401,943				
Canadian Tire Ltd., Class A	54,000	3,104,371	3,402,540				
Corus Entertainment Inc., Class B	50,000	692,513	1,024,500				
Dollarama Inc.	241,486	6,769,435	7,865,199				
Dorel Industries Inc., Class B	191,027	4,898,779	5,119,524				
Linamar Corp.	27,503	220,712	594,615				
Magna International Inc., Class A	114,700	3,912,244	5,970,135				
Quebecor Inc., Class B	107,900	2,303,785	3,410,719				
		25,598,256	31,789,175				
Consumer Staples (2.33%)							
Metro Inc., Class A	72,800	3,323,340	3,492,944				
Shoppers Drug Mart Corp.	40,300	1,664,853	1,598,701				
		4,988,193	5,091,645				
Energy (25.24%)							
Advantage Oil & Gas Ltd.	254,100	1,645,155	1,941,324				
Angle Energy Inc.	89,169	735,386	891,690				
Athabasca Oil Sands Corp.	156,200	2,641,334	2,366,430				
C&C Energia Ltd.	77,295	935,270	750,534				
Canadian Natural Resources Ltd.	250,700	8,311,596	10,105,717				
EnCana Corp.	97,600	3,112,279	2,898,720				
Enseco Energy Services Corp.	2,055,700	411,140	205,570				
IROC Energy Services Corp.	604,330	846,062	1,208,660				
Legacy Oil + Gas Inc.	154,500	1,750,551	1,807,650				
MEG Energy Corp.	44,200	1,720,051	2,215,746				
Painted Pony Petroleum Ltd.	97,200	923,400	1,082,808				
Parex Resources Inc.	162,500	1,137,500	1,202,500				
PetroBakken Energy Ltd.	70,635	1,640,913	930,263				
Peyto Exploration & Development Corp.	63,252	1,371,359	1,357,388				
Progress Energy Resources Corp.	148,700	2,166,278	2,040,164				
Range Energy Resources Inc.	3,750,000	750,000	262,500				
Secure Energy Services Inc.	76,800	230,400	733,440				
Shoal Point Energy Ltd.	920,000	414,000	257,600				
Shoal Point Energy Ltd. warrants due March 11, 2012	460,000	-	13,340				
Spartan Oil Corp.	87,502	187,378	229,255				
Suncor Energy Inc.	267,360	8,376,367	10,074,125				
Talisman Energy Inc.	205,800	3,030,165	4,066,608				
Trican Well Service Ltd.	74,516	1,595,352	1,687,042				
Whitecap Resources Inc.	100,000	710,000	623,000				
		50,179,976	55,165,779				
Financials (18.68%)							
AGF Management Ltd., Class B	213,400	3,700,688	3,990,580				
Canadian Imperial Bank of Commerce	77,500	5,783,778	5,897,750				
Industrial Alliance, Insurance & Financial Services Inc.	68,500	1,682,567	2,745,480				
Intact Financial Corp.	79,800	4,225,410	4,402,566				
Intact Financial Corp., subscription receipts	15,200	726,560	830,680				
Manulife Financial Corp.	480,200	9,241,374	8,177,806				
Sun Life Financial Inc.	138,100	5,069,907	3,997,995				
Toronto-Dominion Bank	132,100	10,077,327	10,799,175				
		40,507,611	40,842,032				
Industrials (7.39%)							
Aecon Group Inc.	125,700	1,513,879	1,014,399				
Bombardier Inc., Class B	926,800	5,788,821	6,413,456				
CAE Inc.	200,234	2,030,473	2,599,037				
Canadian Pacific Railway Co.	27,000	1,131,987	1,621,350				
SNC-Lavalin Group Inc.	40,700	2,270,367	2,393,160				
Westjet Airlines Ltd.	139,650	1,666,244	2,110,112				
		14,401,771	16,151,514				
Information Technology (5.17%)							
Celestica Inc.	367,500	2,717,821	3,087,000				
CGI Group Inc., Class A	148,000	3,252,132	3,515,000				
Open Text Corp.	76,300	3,235,027	4,691,687				
		9,204,980	11,293,687				
Materials (11.69%)							
Agrium Inc.	50,600	3,620,386	4,278,230				
Allana Potash Corp.	263,800	408,890	402,875				
Barrick Gold Corp.	86,469	3,514,999	3,776,101				
Conifex Timber Inc.	45,000	371,250	434,250				
Galway Resources Ltd.	850,000	850,000	790,500				
Galway Resources Ltd. warrants due January 13, 2013	425,000	-	67,830				
Goldcorp Inc.	68,100	2,891,037	3,168,012				
Inmet Mining Corp.	16,800	894,050	1,165,920				
Potash Corporation of Saskatchewan Inc.	45,000	1,710,172	2,470,950				
Quadra FNX Mining Ltd.	144,300	1,619,945	2,063,490				
Teck Resources Ltd., Class B	142,100	6,232,071	6,941,585				
		22,112,800	25,559,743				
Telecommunication Services (5.61%)							
BCE Inc.	123,900	4,532,304	4,685,898				
Telus Corp.	142,700	7,114,935	7,571,662				
		11,647,239	12,257,560				
Total Canadian Equities		178,640,826	198,151,135				

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Opportunities Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value		Average Cost	Fair Value
		\$	\$		\$	\$
Global Equities (4.92%)				Total Global Equities	13,705,588	10,761,267
Columbia (0.16%)						
Petrominerales Ltd.	12,652	196,402	356,661	Total Investments (101.74%)	205,821,414*	222,396,607
United States (4.76%)						
Aecom Technology Corp.	39,562	1,128,915	1,043,991	Unrealized Appreciation On Foreign Exchange Contracts (0.04%)		95,094
Bank of America Corp.	75,000	1,142,493	792,096			
Cisco Systems Inc.	40,000	937,600	601,848	Cash And Other Net Assets (-1.78%)		(3,909,899)
Citigroup Inc.	20,000	2,169,583	802,464			
Intel Corp.	74,500	1,469,136	1,590,875	Net Assets (100%)		218,581,802
Sector SPDR HOLDERS Trust	150,000	3,194,428	2,219,314			
Symantec Corp.	65,000	1,201,874	1,235,042			
Thomson Reuters Corp.	58,600	2,265,157	2,118,976			
		13,509,186	10,404,606			

* Average cost of investments as at December 31, 2010 is \$188,968,223.

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9802	US	8,773,000	8,479,619	CA	8,599,733	8,599,733	120,114

Unrealized Depreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0115	CA	1,122,064	1,122,064	US	1,135,000	1,097,044	(25,020)

Unrealized Appreciation On Foreign Exchange Contracts

95,094

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
American Dollar	\$ 963,229	0.44%	\$ 1,152,583	0.51%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$48,161 (\$57,629 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	13,484,205	12,955,530
Non-interest-bearing instruments	208,912,402	214,926,584
Total	222,396,607	227,882,114

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$4,497 (\$6,044 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
S&P/TSX Index TR (100%)	\$ ± 15,431,875	7.06%	\$ ± 15,737,297	6.93%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Opportunities Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	13,484,205	n/a	13,484,205
Common Shares	207,589,967	1,322,435	n/a	208,912,402
Total Investments	207,589,967	14,806,640	n/a	222,396,607
Derivatives Assets	n/a	9,696,777	n/a	9,696,777
Derivatives Liabilities	n/a	(9,601,683)	n/a	(9,601,683)

During the period ended June 30, 2011, investments of \$262,500 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	12,955,530	n/a	12,955,530
Common Shares	213,170,992	466,153	n/a	213,637,445
Index Equivalent	1,289,439	n/a	n/a	1,289,439
Total Investments	214,460,431	13,421,683	n/a	227,882,114
Derivative Assets	n/a	10,122,179	n/a	10,122,179
Derivative Liabilities	n/a	(9,991,562)	n/a	(9,991,562)

During the year ended December 31, 2010, investments of \$86,838 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Opportunities Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	222,396,607	227,882,114
Unrealized appreciation on foreign exchange contracts	120,114	130,617
Cash	147,584	102,325
Subscriptions receivable	4,575	28,944
Proceeds from sale of investments receivable	183,197	-
Interest and dividends receivable	359,902	180,599
Other assets receivable	6,654	4,062
	<u>223,218,633</u>	<u>228,328,661</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	25,020	-
Redeemed units payable	176,358	13,827
Investments payable	4,052,746	850,000
Accrued expenses	382,707	375,417
	<u>4,636,831</u>	<u>1,239,244</u>
Net assets	<u>218,581,802</u>	<u>227,089,417</u>
Net assets per Series:		
Investor/Advisor Series	11,027,255	12,061,278
F Series	358,578	358,998
O Series	207,195,969	214,669,141
	<u>218,581,802</u>	<u>227,089,417</u>
Net assets per unit, per Series:		
Investor/Advisor Series	12.78	13.34
F Series	11.28	11.69
O Series	12.89	13.30

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Opportunities Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	84,342	14,536
Dividends	1,593,702	1,068,750
Income from securities lending	3,565	-
	<u>1,681,609</u>	<u>1,083,286</u>
Expenses		
Management fees	127,523	132,222
Custodial fees	14,269	15,424
Directors' fees of independent review committee	171	116
Audit fees	7,003	12,506
Legal fees	2,572	1,568
Rights and deposits	8,067	30,362
Securityholders' reporting costs	20,315	20,413
Fees paid by the manager	(18,691)	(48,461)
	<u>161,229</u>	<u>164,150</u>
Net investment income	<u>1,520,380</u>	<u>919,136</u>
Net losses		
Net realized gains on sale of investments	13,508,013	6,252,078
Net realized gains on foreign currencies	453,643	255,547
	<u>13,961,656</u>	<u>6,507,625</u>
Change in unrealized appreciation/depreciation on investments	(22,374,221)	(12,005,591)
Unrealized gains on foreign currencies	17,327	7,430
	<u>(22,356,894)</u>	<u>(11,998,161)</u>
Transaction costs on purchase and sale of investments	(260,960)	(208,086)
	<u>(8,656,198)</u>	<u>(5,698,622)</u>
Decrease in net assets from operations	<u>(7,135,818)</u>	<u>(4,779,486)</u>
Decrease in net assets from operations per Series:		
Investor/Advisor Series	(498,434)	(413,929)
F Series	(13,854)	(8,677)
O Series	(6,623,530)	(4,356,880)
	<u>(7,135,818)</u>	<u>(4,779,486)</u>
Decrease in net assets from operations per unit, per Series:		
Investor/Advisor Series	(0.55)	(0.40)
F Series	(0.44)	(0.29)
O Series	(0.41)	(0.27)

The accompanying notes are an integral part of these financial statements.

National Bank Canadian Opportunities Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		O Series	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
Net assets, beginning of the period	12,061,278	12,164,290	358,998	314,438	214,669,141	187,243,700
Decrease in net assets from operations	(498,434)	(413,929)	(13,854)	(8,677)	(6,623,530)	(4,356,880)
Capital unit transactions						
Units issued	1,094,809	1,494,372	15,000	-	28,500	26,800
Units redeemed	(1,630,398)	(1,766,491)	(1,566)	(2,082)	(878,142)	(651,054)
	(535,589)	(272,119)	13,434	(2,082)	(849,642)	(624,254)
Decrease in net assets for the period	(1,034,023)	(686,048)	(420)	(10,759)	(7,473,172)	(4,981,134)
Net assets, end of the period	11,027,255	11,478,242	358,578	303,679	207,195,969	182,262,566

The accompanying notes are an integral part of these financial statements.

National Bank Small Cap Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (4.77%)							
Treasury Bills (4.77%)							
Government of Canada							
0.95%, due August 4, 2011	13,200,000	13,170,442	13,189,078				
0.94%, due August 18, 2011	12,500,000	12,473,226	12,485,174				
		25,643,668	25,674,252				
	Number of Shares						
Canadian Equities (85.37%)							
Consumer Discretionary (13.45%)							
Cogeco Cable Inc.	371,347	13,301,479	16,714,328				
Forzani Group Ltd., Class A	1,012,285	14,305,839	26,663,587				
Le Château Inc., Class A	439,200	4,710,690	3,724,416				
MartinRea International Inc.	1,680,922	12,144,435	13,531,422				
Uni-Select Inc.	434,883	9,797,728	11,737,492				
		54,260,171	72,371,245				
Consumer Staples (3.63%)							
Atrium Innovations Inc.	1,238,381	17,937,149	19,541,652				
Energy (15.37%)							
Advantage Oil & Gas Ltd.	1,608,988	10,361,566	12,292,668				
Celtic Exploration Ltd.	371,526	2,576,681	7,917,219				
Crew Energy Inc.	291,172	2,617,159	4,338,463				
Daylight Energy Ltd.	872,800	7,971,209	8,125,768				
Emerge Oil & Gas Inc.	2,482,842	9,141,914	5,089,826				
Gran Tierra Energy Inc.	986,638	5,694,895	6,225,686				
Mullen Group Ltd.	570,074	8,781,249	11,555,400				
Transglobe Energy Corp.	881,788	4,415,760	9,682,032				
Trinidad Drilling Ltd.	1,299,514	7,221,652	10,876,932				
Whitecap Resources Inc.	1,053,639	7,282,722	6,564,171				
		66,064,807	82,668,165				
Financials (6.16%)							
Canaccord Capital Inc.	638,100	7,646,572	7,886,916				
Extencare Real Estate Investment Trust	907,675	5,629,341	9,412,590				
FirstService Corp.	476,064	6,494,267	15,819,607				
		19,770,180	33,119,113				
Health Care (1.03%)							
Cangene Corp.	3,576,691	22,923,731	5,543,871				
Industrials (19.48%)							
Aecon Group Inc.	2,261,840	24,773,165	18,253,049				
Garda World Security Corp., Class A	2,242,640	27,990,054	21,641,476				
GLV Inc., Class A	686,698	5,614,096	4,539,074				
Héroux-Devtek Inc.	1,776,371	10,223,140	14,601,770				
Richelieu Hardware Ltd.	215,092	2,985,737	5,874,163				
Transat A.T. Inc., Class B	1,041,104	18,971,278	11,681,187				
TransForce Inc.	1,395,902	9,315,516	20,771,022				
Westjet Airlines Ltd.	490,167	6,213,492	7,406,423				
		106,086,478	104,768,164				
Information Technology (7.19%)							
Celestica Inc.				628,038	4,515,322	5,275,519	
Enghouse Systems Ltd.				915,310	6,106,283	8,878,507	
Mediagrif Interactive Technologies Inc.				1,133,518	7,665,165	13,024,122	
Route1 Inc.				37,519,053	4,948,871	6,753,430	
Sierra Wireless Inc.				425,341	3,972,553	4,768,073	
					27,208,194	38,699,651	
Materials (19.06%)							
Allana Potash Corp.				429,626	782,772	653,032	
Allana Potash Corp., restricted until July 2, 2011				1,489,600	2,308,880	2,274,917	
AuRico Gold Inc.				1,628,810	11,580,394	17,200,234	
Capstone Mining Corp.				1,278,917	2,446,416	4,565,734	
Cline Mining Corp.				2,094,515	6,815,228	4,775,494	
Dundee Precious Metals Inc.				1,033,625	9,272,393	8,062,275	
Eastern Platinum Ltd.				5,938,986	6,565,550	4,691,799	
Gran Colombia Gold Corp.				3,140,067	4,061,135	2,480,653	
Great Basin Gold Ltd.				2,946,319	6,670,224	5,804,248	
Lake Shore Gold Corp.				3,277,751	12,215,238	9,177,703	
Northgate Minerals Corp.				5,027,181	13,666,192	12,567,952	
Orbit Garant Drilling Inc.				1,255,300	5,682,010	6,904,150	
Stella-Jones Inc.				429,714	9,361,469	15,697,452	
Winpak Ltd.				633,425	4,783,027	7,696,114	
					96,210,928	102,551,757	
Total Canadian Equities						410,461,638	459,263,618
Global Equities (8.58%)							
United States (8.58%)							
Alliance Data Systems Corp.				74,297	4,659,537	6,741,722	
Blue Coat Systems Inc.				167,106	3,412,853	3,521,646	
City National Corp.				145,659	7,776,588	7,618,670	
Complete Production				132,633	3,684,360	4,267,562	
Comstock Resources Inc.				251,139	6,070,146	6,973,616	
KIT Digital Inc.				534,798	6,272,509	6,158,803	
Mercator Minerals Ltd.				1,612,216	4,115,345	4,610,938	
US Airways Group Inc.				727,648	5,986,637	6,253,184	
					41,977,975	46,146,141	
Total Investments (98.72%)						478,083,281*	531,084,011
Unrealized Appreciation On Foreign Exchange Contracts (0.11%)							611,762
Cash And Other Net Assets (1.17%)							6,284,717
Net Assets (100%)							537,980,490

* Average cost of investments as at December 31, 2010 is \$469,636,351.

The accompanying notes are an integral part of these financial statements.

National Bank Small Cap Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts								
Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9887	US	490,000	473,614	CA	484,463	484,463	10,849
September 21, 2011	0.986	US	5,630,000	5,441,725	CA	5,551,236	5,551,236	109,511
September 21, 2011	0.9727	US	2,670,000	2,580,712	CA	2,597,162	2,597,162	16,450
September 21, 2011	0.9761	US	500,000	483,279	CA	488,050	488,050	4,771
September 21, 2011	0.9803	US	34,950,000	33,781,224	CA	34,260,786	34,260,786	479,562
								621,143
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0247	CA	975,940	975,940	US	1,000,000	966,559	(9,381)
Unrealized Appreciation On Foreign Exchange Contracts								611,762

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
American Dollar	\$ 1,158,613	0.22%	\$ 1,095,986	0.19%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$57,931 (\$54,799 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	25,674,252	14,882,598
Non-interest-bearing instruments	505,409,759	572,099,101
Total	531,084,011	586,981,699

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$7,355 (\$4,535 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
S&P/TSX Smallcap Index TR (100%)	\$ ± 43,146,035	8.02%	\$ ± 47,275,692	8.06%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	25,674,252	n/a	25,674,252
Common Shares	441,082,142	64,327,617	n/a	505,409,759
Total Investments	441,082,142	90,001,869	n/a	531,084,011
Derivatives Assets	n/a	44,348,256	n/a	44,348,256
Derivatives Liabilities	n/a	(43,736,494)	n/a	(43,736,494)

During the period ended June 30, 2011, investments of \$40,934,051 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$8,878,507 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	14,882,598	n/a	14,882,598
Common Shares	542,757,266	29,341,835	n/a	572,099,101
Total Investments	542,757,266	44,224,433	n/a	586,981,699
Derivative Assets	n/a	48,688,289	n/a	48,688,289
Derivative Liabilities	n/a	(48,190,534)	n/a	(48,190,534)

During the year ended December 31, 2010, investments of \$7,780,135 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$71,859,431 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

National Bank Small Cap Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	531,084,011	586,981,699	
Unrealized appreciation on foreign exchange contracts	621,143	546,504	
Cash	96,367	536,508	
Subscriptions receivable	409,022	256,764	
Proceeds from sale of investments receivable	7,561,371	399,006	
Interest and dividends receivable	755,051	836,394	
Other assets receivable	347,437	293,561	
	<u>540,874,402</u>	<u>589,850,436</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	9,381	48,749	
Redeemed units payable	340,185	351,231	
Investments payable	1,491,041	1,756,734	
Accrued expenses	1,053,305	1,146,680	
	<u>2,893,912</u>	<u>3,303,394</u>	
Net assets	<u>537,980,490</u>	<u>586,547,042</u>	
Net assets per Series:			
Investor/Advisor Series	488,004,774	527,693,215	
F Series	774,345	755,096	
O Series	49,200,056	58,098,731	
R Series	1,315	-	
	<u>537,980,490</u>	<u>586,547,042</u>	
Net assets per unit, per Series:			
Investor/Advisor Series	46.27	48.70	Approved on behalf of the Manager,
F Series	9.89	10.35	National Bank Securities Inc.
O Series	14.70	15.29	Charles Guay, Director
R Series	9.29	-	Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Small Cap Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	572,177	476,684
Dividends	2,412,445	1,780,594
	<u>2,984,622</u>	<u>2,257,278</u>
Expenses		
Management fees	5,571,150	5,356,639
Custodial fees	37,509	38,161
Directors' fees of independent review committee	5,420	3,777
Audit fees	18,637	35,973
Legal fees	6,845	4,509
Rights and deposits	22,379	21,916
Securityholders' reporting costs	613,201	627,826
Fees paid by the manager	(35,672)	(88,907)
	<u>6,239,469</u>	<u>5,999,894</u>
Net investment loss	<u>(3,254,847)</u>	<u>(3,742,616)</u>
Net losses		
Net realized gains on sale of investments	39,449,976	27,684,395
Net realized gains on foreign currencies	1,161,290	1,811,876
	<u>40,611,266</u>	<u>29,496,271</u>
Change in unrealized appreciation/depreciation on investments	(64,230,611)	(42,194,941)
Unrealized gains on foreign currencies	56,608	19,949
	<u>(64,174,003)</u>	<u>(42,174,992)</u>
Transaction costs on purchase and sale of investments	(624,923)	(598,351)
	<u>(24,187,660)</u>	<u>(13,277,072)</u>
Decrease in net assets from operations	<u>(27,442,507)</u>	<u>(17,019,688)</u>
Decrease in net assets from operations per Series:		
Investor/Advisor Series	(25,539,343)	(15,640,579)
F Series	(37,235)	(23,523)
O Series	(1,865,841)	(1,355,586)
R Series	(88)	-
	<u>(27,442,507)</u>	<u>(17,019,688)</u>
Decrease in net assets from operations per unit, per Series:		
Investor/Advisor Series	(2.39)	(1.27)
F Series	(0.49)	(0.37)
O Series	(0.55)	(0.34)
R Series	(0.64)	-

The accompanying notes are an integral part of these financial statements.

National Bank Small Cap Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		O Series		R Series
	2011	2010	2011	2010	2011	2010	2011 (34 days)
	\$	\$	\$	\$	\$	\$	\$
Net assets, beginning of the period	527,693,215	513,934,843	755,096	417,216	58,098,731	49,319,341	-
Decrease in net assets from operations	(25,539,343)	(15,640,579)	(37,235)	(23,523)	(1,865,841)	(1,355,586)	(88)
Capital unit transactions							
Units issued	57,907,545	56,134,112	81,898	189,762	-	1,032,000	1,403
Units issued on reinvestment of distributions	841	-	-	-	-	-	8
Units redeemed	(72,056,643)	(95,207,101)	(25,414)	(18,258)	(7,032,834)	(283,530)	-
	(14,148,257)	(39,072,989)	56,484	171,504	(7,032,834)	748,470	1,411
Distributions to investors							
Net investment income	841	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	8
	841	-	-	-	-	-	8
Increase (decrease) in net assets for the period	(39,688,441)	(54,713,568)	19,249	147,981	(8,898,675)	(607,116)	1,315
Net assets, end of the period	488,004,774	459,221,275	774,345	565,197	49,200,056	48,712,225	1,315

The accompanying notes are an integral part of these financial statements.

Altamira Quebec Growth Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (3.21%)							
Treasury Bills (3.21%)							
Government of Canada							
0.97%, due July 11, 2011	100,000	99,968	99,976				
0.94%, due August 4, 2011	200,000	199,597	199,834				
0.94%, due August 18, 2011	400,000	399,149	399,526				
		698,714	699,336				
				Number of Shares			
Canadian Equities (97.28%)							
Consumer Discretionary (22.21%)							
Brick Ltd/The	147,400	355,834	405,350				
Cogeco Cable Inc.	11,300	354,978	508,613				
Dollarama Inc.	12,600	303,309	410,382				
Forzani Group Ltd., Class A	31,000	451,834	816,540				
Gildan Activewear Inc.	19,700	529,049	666,845				
Le Château Inc., Class A	22,700	340,759	192,496				
MTY Food Group Inc.	86,700	342,863	1,273,623				
Pixman Nomadic	136,200	54,480	-				
Quebecor Inc., Class B	18,000	523,329	568,980				
		3,256,435	4,842,829				
Consumer Staples (8.47%)							
Alimentation Couche-Tard Inc., Class B	10,200	212,513	285,804				
Atrium Innovations Inc.	39,396	627,921	621,669				
Colabor Group Inc.	31,600	329,651	308,732				
Lassonde Industries Inc., Class A	4,800	67,816	337,728				
Saputo Inc.	6,300	244,962	292,131				
		1,482,863	1,846,064				
Energy (0.40%)							
Petrolia Inc.	35,000	79,677	87,850				
Financials (11.20%)							
FirstService Corp.	9,700	150,613	322,331				
Industrial Alliance, Insurance & Financial Services Inc.	13,500	485,518	541,080				
Intact Financial Corp.	2,450	117,110	133,892				
National Bank of Canada	8,200	302,338	640,502				
Power Corporation of Canada	12,300	332,270	329,640				
Power Financial Corp.	15,300	448,754	454,563				
Westaim Corp.	41,700	21,684	20,850				
		1,858,287	2,442,858				
Health Care (2.22%)							
Paladin Labs Inc.	12,000	120,000	483,120				
Industrials (29.17%)							
Bombardier Inc., Class B	47,000	328,840	325,240				
CAE Inc.	42,000	430,940	545,160				
Canadian Helicopters Group Inc.	29,200	462,556	693,500				
Canadian National Railway Co.	5,500	301,604	423,445				
CVTech Group Inc.	221,817	286,641	246,217				
Garda World Security Corp., Class A	62,700	1,178,399	605,055				
Genivar Inc.	27,600	480,917	709,872				
Héroux-Devtek Inc.	57,300	256,251	471,006				
Newalta Inc.	27,100	241,423	328,723				
Richelieu Hardware Ltd.	15,300	260,473	417,843				
SNC-Lavalin Group Inc.	6,400	374,278	376,320				
Transat A.T. Inc., Class B	16,100	266,184	180,642				
TransForce Inc.	69,600	421,077	1,035,648				
		5,289,583	6,358,671				
Information Technology (12.00%)							
5N Plus Inc.				53,600	293,017	481,864	
CGI Group Inc., Class A				27,800	277,989	660,250	
EXFO Inc.				41,500	235,926	304,610	
Mediagrif Interactive Technologies Inc.				44,609	383,325	512,557	
Miranda Technologies Inc.				50,000	325,000	377,000	
Route1 Inc.				1,550,000	214,025	279,000	
					1,729,282	2,615,281	
Materials (10.68%)							
Canam Group Inc.				50,500	373,137	339,360	
Orbit Garant Drilling Inc.				79,800	291,770	438,900	
Osisko Mining Corp.				12,000	105,600	179,400	
Richmont Mines Inc.				68,400	374,897	465,120	
SEMAFO Inc.				16,500	83,516	121,275	
Stella-Jones Inc.				21,500	546,068	785,395	
					1,774,988	2,329,450	
Utilities (0.93%)							
Valener Inc.				12,548	213,888	203,278	
Total Canadian Equities							
					15,805,003	21,209,401	
Total Investments (100.49%)							
					16,503,717*	21,908,737	
Cash And Other Net Assets (-0.49%)							
							(106,808)
Net Assets (100%)							
							21,801,929
* Average cost of investments as at December 31, 2010 is \$15,323,214.							
Credit Risk (note 4)							
Debt Securities by Credit Ratings							
					June 30, 2011	December 31, 2010	
AAA/Aaa/A-1/P-1					100.00%	100.00%	
Interest Rate Risk (note 4)							
Investments							
					June 30, 2011	December 31, 2010	
					\$	\$	
Less than one year					699,336	998,464	
Non-interest-bearing instruments					21,209,401	18,834,239	
Total					21,908,737	19,832,703	
Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$187 (\$404 in 2010).							

The accompanying notes are an integral part of these financial statements.

Altamira Quebec Growth Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
Scotia Quebec Equity 90 Index TR (50%) - Scotia Capital Quebec Eqty 60 (50%)	± 1,748,515	8.02%	± 1,602,185	8.11%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	699,336	n/a	699,336
Common Shares	17,266,110	3,943,291	n/a	21,209,401
Total Investments	17,266,110	4,642,627	n/a	21,908,737

During the period ended June 30, 2011, investments of \$2,777,786 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$483,120 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	998,464	n/a	998,464
Common Shares	17,333,204	1,501,035	n/a	18,834,239
Total Investments	17,333,204	2,499,499	n/a	19,832,703

During the year ended December 31, 2010, investments of \$1,644,910 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	-	4,059
Purchases	-	-
Sales	-	-
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains (losses)	-	-
Change in unrealized depreciation	-	(4,059)
Ending Balance (December 31)	-	-

On February 2nd 2010, Pixman Corporation Inc. filed a notice of intention to make a proposal to creditors under the *Bankruptcy and Insolvency Act*. As at December 31, 2010, the write-off took place.

The accompanying notes are an integral part of these financial statements.

Altamira Quebec Growth Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	21,908,737	19,832,703	
Cash	35,969	18,827	
Subscriptions receivable	18,159	4,847	
Interest and dividends receivable	51,575	51,172	
Other assets receivable	14,421	5,543	
	<u>22,028,861</u>	<u>19,913,092</u>	
Liabilities			
Redeemed units payable	31,716	37,781	
Investments payable	149,118	77,480	
Accrued expenses	46,098	42,161	
	<u>226,932</u>	<u>157,422</u>	
Net assets, Investor/Advisor Series	<u>21,801,929</u>	<u>19,755,670</u>	Approved on behalf of the Manager, National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor/Advisor Series	27.78	26.11	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	6,236	29,219
Dividends	174,191	98,769
Other income	277	-
	<u>180,704</u>	<u>127,988</u>
Expenses		
Management fees	224,915	172,381
Custodial fees	2,280	1,740
Directors' fees of independent review committee	182	122
Audit fees	2,070	3,750
Legal fees	760	470
Rights and deposits	7,101	6,843
Securityholders' reporting costs	20,972	20,412
Fees paid by the manager	(6,589)	(12,815)
	<u>251,691</u>	<u>192,903</u>
Net investment loss	<u>(70,987)</u>	<u>(64,915)</u>
Net gains		
Net realized gains on sale of investments	448,395	276,274
Change in unrealized appreciation/depreciation on investments	895,531	100,755
Transaction costs on purchase and sale of investments	(12,931)	(9,436)
	<u>1,330,995</u>	<u>367,593</u>
Increase in net assets from operations		
Investor/Advisor Series	<u>1,260,008</u>	<u>302,678</u>
Increase in net assets from operations per unit		
Investor/Advisor Series	1.62	0.41

The accompanying notes are an integral part of these financial statements.

Altamira Quebec Growth Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	<u>Investor/Advisor Series</u>	
	<u>2011</u>	<u>2010</u>
	\$	\$
Net assets, beginning of the period	<u>19,755,670</u>	<u>15,150,891</u>
Increase in net assets from operations	<u>1,260,008</u>	<u>302,678</u>
Capital unit transactions		
Units issued	3,772,371	2,666,251
Units redeemed	<u>(2,986,120)</u>	<u>(1,732,839)</u>
	<u>786,251</u>	<u>933,412</u>
Increase in net assets for the period	<u>2,046,259</u>	<u>1,236,090</u>
Net assets, end of the period	<u><u>21,801,929</u></u>	<u><u>16,386,981</u></u>

The accompanying notes are an integral part of these financial statements.

National Bank Global Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (1.63%)							
Treasury Bills (1.63%)							
Government of Canada							
0.94%, due September 1, 2011	5,800,000	5,787,484	5,791,147				
0.90%, due October 13, 2011	3,100,000	3,091,740	3,091,833				
		8,879,224	8,882,980				
	Number of Shares						
Canadian Equities (0.62%)							
Energy (0.62%)							
Talisman Energy Inc.	170,856	3,127,517	3,376,115				
Global Equities (95.74%)							
Australia (3.44%)							
BHP Billiton Ltd.	218,353	6,721,851	9,882,868				
Commonwealth Bank of Australia	164,088	8,379,792	8,859,187				
		15,101,643	18,742,055				
Brazil (1.38%)							
Vale SA	244,687	7,191,873	7,537,860				
China (0.96%)							
Tencent Holdings Ltd.	201,273	4,973,263	5,243,771				
France (4.67%)							
Arkema PLC	54,114	4,979,802	5,371,282				
AXA	404,492	8,640,981	8,864,872				
Compagnie Générale des Établissements Michelin	66,623	6,007,043	6,275,601				
Schneider Electric SA	30,610	2,900,386	4,931,844				
		22,528,212	25,443,599				
Germany (5.46%)							
Allianz AG	49,855	5,819,339	6,716,124				
BASF AG	110,103	7,709,431	10,397,409				
Bayerische Motoren Werke AG	131,645	7,573,045	12,645,272				
		21,101,815	29,758,805				
Hong Kong (1.90%)							
Cheung Kong Infrastructure Holdings Ltd.	838,981	4,203,216	4,190,662				
Hengan International Group Co. Ltd.	713,907	4,365,731	6,145,248				
		8,568,947	10,335,910				
Ireland (4.46%)							
Accenture PLC	182,350	9,523,750	10,624,704				
Experian Group Ltd.	647,789	5,174,323	7,940,971				
Ingersoll-Rand PLC	131,047	5,334,344	5,739,589				
		20,032,417	24,305,264				
Japan (4.11%)							
Aisin Seiki Co. Ltd.	186,200	6,892,647	6,892,787				
Canon Inc.	172,300	8,027,413	7,854,104				
Komatsu Ltd.	133,300	3,576,985	3,984,349				
Nitto Denko Corp.	75,800	4,298,349	3,677,739				
		22,795,394	22,408,979				
Netherlands (1.37%)							
ING Groep NV	627,530	7,691,590	7,450,485				
Switzerland (3.42%)							
ACE Ltd.	102,481	6,340,605	6,503,864				
Nestlé SA	202,039	9,737,216	12,097,816				
		16,077,821	18,601,680				
United Kingdom (6.90%)							
Aviva PLC	627,243	4,275,815	4,178,524				
British American Tobacco PLC	215,502	7,195,842	9,037,645				
United Kingdom (6.90%) (continued)							
Centrica PLC	1,515,262	8,068,711	7,507,377				
Intertek Group PLC	246,814	4,587,747	7,518,128				
Vodafone Group PLC	3,693,720	9,395,620	9,344,665				
		33,523,735	37,586,339				
United States (57.67%)							
Abbott Laboratories	124,050	7,044,533	6,290,998				
Agilent Technologies Inc.	134,494	5,748,157	6,629,962				
Allergan Inc.	88,018	5,250,758	7,066,523				
Ameriprise Financial Inc.	131,300	6,786,785	7,300,730				
Apple Computer Inc.	59,424	10,142,829	19,231,863				
AT&T Inc.	291,740	8,394,692	8,832,620				
Chevron Corp.	112,172	9,088,667	11,117,593				
CIGNA Corp.	154,685	6,506,095	7,680,491				
Citigroup Inc.	134,399	6,117,986	5,392,518				
ConocoPhillips	123,191	9,394,595	8,927,963				
Cummins Inc.	72,743	6,344,723	7,256,713				
Diamond Offshore Drilling Inc.	96,879	7,224,403	6,576,623				
EMC Corp./Mass	369,849	6,353,194	6,827,618				
Freeport McMoran Copper & Gold Inc., Class B	107,430	6,030,650	5,479,226				
Helmerich & Payne Inc.	142,735	6,287,066	9,094,342				
Honeywell International Inc.	92,756	4,009,548	5,327,531				
Humana Inc.	77,200	5,825,062	5,994,726				
J. P. Morgan Chase & Co.	206,745	8,914,484	8,157,681				
Lockheed Martin Corp.	48,884	3,770,368	3,817,624				
LPL Investment Holdings Inc.	158,911	5,504,990	5,238,757				
Marathon Oil Corp.	148,069	6,506,649	7,514,796				
McKesson Corp.	97,493	7,051,694	7,864,836				
Medtronic Inc.	157,036	6,306,238	5,831,257				
Moodys Corp.	189,199	6,233,625	6,996,377				
Mylan Inc./PA	124,972	2,750,768	2,973,611				
National-Oilwell Inc.	146,700	6,238,519	11,056,197				
Occidental Petroleum Corp.	68,740	5,965,982	6,896,498				
Oracle Corp.	426,898	11,207,651	13,542,231				
Parker Hannifin Corp.	47,138	4,311,103	4,080,448				
Pepsico Inc.	170,113	11,611,825	11,547,527				
Philip Morris International Inc.	170,215	9,149,467	10,956,864				
Prudential Financial Inc.	132,657	7,996,221	8,134,913				
Ross Stores Inc.	95,800	5,114,305	7,403,016				
Time Warner Cable Inc.	160,576	8,184,869	12,088,037				
United Technologies Corp.	43,400	3,005,059	3,704,548				
UnitedHealth Group Inc.	171,300	6,439,630	8,523,640				
URS Corp.	99,211	4,484,960	4,282,083				
Varian Medical Systems Inc.	37,697	1,946,203	2,545,113				
Viacom Inc., Class B	124,131	6,058,753	6,102,350				
Walgreen Co.	221,512	9,216,522	9,069,371				
Yum! Brands Inc.	146,473	5,359,462	7,799,694				
		269,879,090	314,155,179				
Total Global Equities						449,465,800	521,569,926
						Number of Units	
Mutual Funds (1.97%)							
Altamira Canadian Equity Growth Fund	815,851	10,500,000	10,752,914				
Total Investments (99.96%)						471,972,541*	544,581,935
Unrealized Depreciation On Foreign Exchange Contracts (-0.02%)							(95,521)
Cash And Other Net Assets (0.06%)							214,511
Net Assets (100%)							544,700,925

* Average cost of investments as at December 31, 2010 is \$452,745,510.

The accompanying notes are an integral part of these financial statements.

National Bank Global Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts								
Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9802	US	5,100,000	4,929,449	CA	4,999,275	4,999,275	69,826
September 21, 2011	6.3734	US	4,215,700	4,138,028	SE	26,868,174	4,149,112	11,084
September 21, 2011	1.2368	US	5,360,400	5,245,990	SG	6,629,904	5,282,742	36,752
September 21, 2011	0.9574	US	4,220,000	4,150,860	AU	4,040,211	4,214,695	63,835
								181,497
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0346	AU	4,078,769	4,168,102	US	4,220,000	4,064,742	(103,360)
September 21, 2011	0.1532	SE	27,518,779	4,144,470	US	4,215,700	4,034,452	(110,018)
September 21, 2011	0.6141	US	2,550,000	2,492,576	GB	1,565,906	2,454,118	(38,458)
September 21, 2011	0.8365	US	5,620,800	5,479,106	CH	4,701,659	5,453,924	(25,182)
								(277,018)
Unrealized Depreciation On Foreign Exchange Contracts								(95,521)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	326,580,886	59.96%	293,172,655	54.74%
Australian Dollar	18,790,234	3.45%	34,275,206	6.40%
Danish Krone	n/a	n/a	8,378,401	1.56%
Euro	62,652,954	11.50%	55,981,788	10.45%
Hong Kong Dollar	15,579,873	2.86%	14,023,878	2.62%
Japanese Yen	22,515,607	4.13%	19,917,313	3.72%
Pound Sterling	48,537,576	8.91%	54,251,873	10.13%
Singapore Dollar	5,284,168	0.97%	n/a	n/a
Swedish Krona	n/a	n/a	18,550,737	3.46%
Swiss Franc	17,557,480	3.22%	21,028,931	3.93%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$25,874,939 (\$25,979,039 in 2010).

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	8,882,980	10,179,949
Non-interest-bearing instruments	535,698,955	521,929,012
Total	544,581,935	532,108,961

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$4,703 (\$5,275 in 2010).

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI World Index TR (100%)				
CA New York 16:00	± 46,081,698	8.46%	± 46,007,097	8.59%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

The accompanying notes are an integral part of these financial statements.

National Bank Global Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	8,882,980	n/a	8,882,980
Common Shares	520,755,379	4,190,662	n/a	524,946,041
Mutual Funds	10,752,914	n/a	n/a	10,752,914
Total Investments	531,508,294	13,073,642	n/a	544,581,935
Derivatives Assets	n/a	34,653,060	n/a	34,653,060
Derivatives Liabilities	n/a	(34,748,581)	n/a	(34,748,581)

During the period ended June 30, 2011, investments of \$5,238,757 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	10,179,949	n/a	10,179,949
Common Shares	519,186,259	2,742,753	n/a	521,929,012
Total Investments	519,186,259	12,922,702	n/a	532,108,961
Derivative Assets	n/a	28,849,465	n/a	28,849,465
Derivative Liabilities	n/a	(28,241,215)	n/a	(28,241,215)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Global Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	544,581,935	532,108,961
Unrealized appreciation on foreign exchange contracts	181,497	617,055
Cash	237,152	269,224
Subscriptions receivable	173,859	206,057
Proceeds from sale of investments receivable	-	2,894,372
Interest and dividends receivable	853,547	698,693
Other assets receivable	357,844	162,812
	<u>546,385,834</u>	<u>536,957,174</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	277,018	8,805
Redeemed units payable	283,214	184,368
Accrued expenses	1,124,677	1,174,981
	<u>1,684,909</u>	<u>1,368,154</u>
Net assets	<u>544,700,925</u>	<u>535,589,020</u>
Net assets per Series:		
Investor/Advisor Series	480,609,365	474,780,854
O Series	64,091,560	60,808,166
	<u>544,700,925</u>	<u>535,589,020</u>
Net assets per unit, per Series:		
Investor/Advisor Series	6.55	6.42
O Series	9.09	8.79

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Global Equity Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	71,333	23,550
Dividends	5,640,455	5,180,027
	<u>5,711,788</u>	<u>5,203,577</u>
Expenses		
Management fees	5,690,597	5,347,416
Custodial fees	67,831	65,602
Directors' fees of independent review committee	4,934	3,443
Audit fees	17,508	32,197
Legal fees	6,431	4,036
Rights and deposits	28,524	26,995
Securityholders' reporting costs	558,319	572,436
Fees paid by the manager	(75,086)	(153,005)
	<u>6,299,058</u>	<u>5,899,120</u>
Net investment loss	<u>(587,270)</u>	<u>(695,543)</u>
Net gains (losses)		
Net realized gains (losses) on sale of investments	19,796,409	(5,323,359)
Net realized gains (losses) on foreign currencies	626,884	(2,393,595)
	<u>20,423,293</u>	<u>(7,716,954)</u>
Change in unrealized appreciation/depreciation on investments	(7,457,828)	(36,027,202)
Unrealized gains (losses) on foreign currencies	(96,096)	765,415
	<u>(7,553,924)</u>	<u>(35,261,787)</u>
Transaction costs on purchase and sale of investments	(326,797)	(748,456)
	<u>12,542,572</u>	<u>(43,727,197)</u>
Increase (decrease) in net assets from operations	<u>11,955,302</u>	<u>(44,422,740)</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	9,829,157	(41,233,094)
O Series	2,126,145	(3,189,646)
	<u>11,955,302</u>	<u>(44,422,740)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.13	(0.55)
O Series	0.30	(0.62)

The accompanying notes are an integral part of these financial statements.

National Bank Global Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		O Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	474,780,854	454,857,951	60,808,166	38,832,297
Increase (decrease) in net assets from operations	9,829,157	(41,233,094)	2,126,145	(3,189,646)
Capital unit transactions				
Units issued	55,835,219	69,437,962	3,525,100	11,090,928
Units redeemed	(59,835,865)	(47,782,302)	(2,367,851)	(2,023,779)
	(4,000,646)	21,655,660	1,157,249	9,067,149
Increase (decrease) in net assets for the period	5,828,511	(19,577,434)	3,283,394	5,877,503
Net assets, end of the period	480,609,365	435,280,517	64,091,560	44,709,800

The accompanying notes are an integral part of these financial statements.

Omega Global Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Canadian Equities (5.74%)				Australia (4.05%) (continued)			
Consumer Discretionary (0.19%)							
Dollarama Inc.	26,600	653,051	866,362	Newcrest Mining Ltd.	44,502	1,286,577	1,734,351
Consumer Staples (0.15%)							
Alimentation Couche-Tard Inc., Class B	24,600	461,672	689,292	Origin Energy Ltd.	49,481	666,369	806,057
Energy (1.14%)							
Canadian Oil Sands Ltd.	30,300	972,718	841,734	OZ Minerals Ltd.	16,692	260,095	227,892
Petrobank Energy and Resources Ltd.	5,500	160,099	77,825	QBE Insurance Group Ltd.	20,730	390,374	368,357
Suncor Energy Inc.	55,500	1,964,927	2,091,240	Rio Tinto Ltd.	24,181	1,585,143	2,069,611
Talisman Energy Inc.	72,800	1,296,805	1,438,528	Suncorp-Metway Ltd.	56,666	482,899	474,738
TransCanada Corp.	20,000	832,400	844,000	Telstra Corp. Ltd.	268,936	762,794	803,884
				Treasury Wine Estates Ltd.	74,949	249,729	255,815
				Wesfarmers Ltd.	18,918	545,718	622,227
				Westfield Group	84,347	847,413	753,754
				Woodside Petroleum Ltd.	6,800	325,070	288,363
						16,513,594	18,783,425
Financials (2.23%)				Austria (0.18%)			
Bank of Montreal	28,200	1,706,284	1,726,686	Erste Bank der oesterreichischen Sparkassen AG	6,170	243,622	309,449
Brookfield Properties Corp.	44,000	697,855	817,960	Oest Elektrizitats	13,000	463,957	543,454
Canadian Imperial Bank of Commerce	23,700	1,735,574	1,803,570				
Industrial Alliance, Insurance & Financial Services Inc.	23,700	831,526	949,896			707,579	852,903
Intact Financial Corp.	14,700	673,270	810,999	Belgium (0.54%)			
Public Storage	15,800	1,581,095	1,736,800	Ageas	169,300	577,951	442,784
Toronto-Dominion Bank	17,300	1,326,733	1,414,275	KPC GROEP NV	15,742	694,247	594,673
Ventas Inc.	21,500	1,155,771	1,093,241	Unimicore	27,879	761,931	1,466,473
						2,034,129	2,503,930
				Bermuda (0.17%)			
				Marvell Technology Group Ltd.	56,200	983,733	800,064
Health Care (0.13%)				Columbia (0.20%)			
Valeant Pharmaceuticals International Inc.	12,200	465,532	611,098	Petrominerales Ltd.	32,416	919,968	913,807
Industrials (0.36%)				Denmark (1.14%)			
Bombardier Inc., Class B	169,300	832,032	1,171,556	Carlsberg	8,050	703,339	843,741
Westjet Airlines Ltd.	33,500	504,826	506,185	Danske Bank A/S	38,740	759,501	690,056
				Novo Nordisk A/S, Series B	27,376	1,944,271	3,310,785
				William Demant Holding	5,275	412,141	458,925
						3,819,252	5,303,507
Information Technology (0.19%)				Finland (0.20%)			
Open Text Corp.	13,900	632,132	854,711	Fortum Oyj	18,400	476,444	512,883
Materials (1.22%)				Sampo OYJ Ltd., Series A			
Eldorado Gold Corp. Ltd.	16,700	245,096	236,639		12,600	398,634	392,450
European Goldfields Ltd.	120,600	1,206,011	1,218,060				
First Quantum Minerals Ltd.	7,400	603,751	1,040,070			875,078	905,333
Goldcorp Inc.	28,500	1,156,783	1,325,820	France (4.68%)			
Potash Corporation of Saskatchewan Inc.	25,500	1,106,802	1,400,749	Air Liquide SA	4,046	510,676	559,309
Silver Wheaton Corp.	13,800	554,584	439,116	Alstom RGPT	21,336	1,132,379	1,268,819
				AXA	67,400	1,384,895	1,477,143
				BNP Paribas	29,568	2,159,957	2,201,263
				Cap Gemini SA	11,300	654,795	638,489
				Christian Dior	3,000	294,665	455,244
				Credit agricole SA	67,558	1,014,585	978,881
				Danone Group	15,500	1,056,629	1,114,915
				Eiffage SA	5,800	331,059	369,293
				Iliad SA	5,010	583,445	648,356
				L'Oréal SA	10,500	1,241,030	1,314,041
				Louis Vuitton Moet Hennessy	7,667	829,629	1,330,196
				Pinault-Printemps-Redoute SA	6,400	896,587	1,099,188
				Safran SA	26,700	784,567	1,099,740
				Sanofi-Aventis	32,758	2,393,442	2,537,253
				Schneider Electric SA	9,236	881,337	1,488,092
				Société Générale	32,000	1,826,511	1,831,383
				Vallourec	2,100	253,127	246,684
				Vinci	16,500	915,182	1,019,307
						19,144,497	21,677,596
Total Canadian Equities							
				Global Equities (92.78%)			
				Australia (4.05%)			
Australia and New Zealand Banking Group Ltd.	92,597	1,982,265	2,106,050				
BHP Billiton Ltd.	31,292	1,003,690	1,416,306				
Billabong International Ltd.	45,848	384,436	282,152				
Commonwealth Bank of Australia	40,396	1,672,097	2,180,999				
CSL Ltd.	35,133	1,149,719	1,200,973				
Foster's Group Ltd.	168,873	903,173	899,527				
Incitec Pivot Ltd.	70,653	272,015	280,613				
Macquarie Airports	379,465	885,547	1,306,961				
Macquarie Group Ltd.	16,926	671,602	545,855				
Medusa Mining Ltd.	23,354	186,869	158,940				

The accompanying notes are an integral part of these financial statements.

Omega Global Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost \$	Fair Value \$		Number of Shares	Average Cost \$	Fair Value \$
Germany (4.45%)				Japan (9.08%) (continued)			
Allianz AG	6,322	870,681	851,657	Dena Co. Ltd.	7,300	219,161	302,153
BASF AG	17,211	850,943	1,625,294	Denso Corp.	16,500	491,009	588,859
Bayer AG	22,358	1,730,815	1,733,603	Elpida Memory Inc.	35,900	500,282	403,417
Bayerische Motoren Werke AG	14,082	682,674	1,352,658	Fanuc Ltd.	7,100	944,647	1,138,076
Deutsche Boerse AG	11,900	1,004,410	873,442	Fuji Heavy Industries Ltd.	51,000	250,054	380,029
Fresenius Medical Care AG	9,400	497,674	675,485	FUJIFILM Holdings Corp.	19,500	659,821	583,791
Gea Group AG	16,091	290,230	556,095	Fujitsu Ltd.	37,000	220,507	202,570
HeidelbergCement AG	9,200	594,635	564,416	Gree Inc.	15,900	294,277	332,962
K+S AG	2,900	225,740	214,965	Hirose Electric Co. Ltd.	3,800	396,431	373,752
Lanxess	7,600	332,007	598,433	Hitachi High-Tech Electronics Engineering Co.	8,700	175,162	182,708
Linde AG	7,742	784,056	1,303,687	Hitachi Ltd.	78,000	394,135	441,056
MAN AG	5,832	603,612	748,127	Hitachi Metals Ltd.	16,000	212,862	216,407
Metro AG	11,100	648,279	648,301	Honda Motor Co. Ltd.	22,600	784,383	835,257
ProSiebenSat.1 Media AG	19,000	473,036	520,307	Hoya Corp.	21,600	493,565	458,796
SAP AG	27,678	1,424,073	1,615,194	Itochu Corp.	69,700	549,392	694,725
Siemens AG	21,333	1,797,192	2,825,202	Japan Tobacco Inc.	250	901,747	925,455
ThyssenKrupp AG	13,000	555,746	649,999	JSR Corp.	26,000	458,146	482,482
Volkswagen AG	14,100	1,927,772	2,797,319	Kamigumi Co. Ltd.	28,000	265,077	251,244
Wacker Chemie AG	2,200	407,949	460,000	KDDI Corp.	119	744,909	822,583
		15,701,524	20,614,184	Kubota Corp.	45,000	427,615	481,683
Guernsey (0.14%)				Lawson Inc.			
Resolution Ltd.	137,000	547,282	622,575	Makita Corp.	7,200	204,624	320,872
Hong Kong (1.17%)				Marubeni Corp.			
AIA Group Ltd.	335,600	995,190	1,121,002	Mazda Motor Corp.	95,000	224,692	240,139
Cheung Kong Holdings Ltd.	47,000	733,547	661,179	Mitsubishi Chemical Holdings Corp.	20,000	120,589	135,853
Hang Seng Bank	39,600	598,125	608,124	Mitsubishi Corp.	44,100	1,034,085	1,056,107
Henderson Land Development Co. Ltd.	81,000	579,074	502,475	Mitsubishi Estate Co. Ltd.	41,000	723,798	690,108
Li & Fung Ltd.	388,000	130,243	745,399	Mitsubishi Materials Corp.	98,000	313,651	294,684
Orient Overseas International Ltd.	12,500	94,088	77,465	Mitsubishi UFJ Financial Group Inc.	177,800	798,215	830,717
SJM Holdings Ltd.	128,000	288,282	291,913	Mitsubishi UFJ Lease & Finance Co. Ltd.	7,110	236,889	263,199
Swire Pacific Ltd., Series A	44,500	496,318	627,113	Mitsui & Co. Ltd.	65,400	943,956	1,082,002
Wharf Holdings	119,000	650,122	797,202	Mitsui Chemicals Inc.	89,000	308,786	310,270
		4,564,989	5,431,872	Mitsui Sumitomo Insurance Group Holdings Inc.	13,950	403,315	313,185
Ireland (1.66%)				NHK Spring Co. Ltd.			
Accenture PLC	32,200	1,298,023	1,876,147	Nintendo Co. Ltd.	600	183,039	107,676
Covidien PLC	36,300	1,530,436	1,862,254	Nippon Electric Glass Co. Ltd.	20,000	266,657	245,830
Experian Group Ltd.	38,000	406,968	465,826	Nippon Telegraph & Telephone Corp.	18,200	846,720	842,709
Ingersoll-Rand PLC	36,100	1,240,938	1,581,106	Nippon Yusen Kabushiki Kaisha	118,000	501,887	419,851
Shire Ltd.	63,400	1,184,899	1,906,676	Nitto Denko Corp.	7,400	333,763	359,040
		5,661,264	7,692,009	NKSJ Holdings Inc	72,000	473,875	455,432
Israel (0.11%)				Nok Corp.			
Mizrahi Tefahot Bank Ltd.	51,100	445,073	521,490	Nomura Holdings Inc.	33,400	301,539	158,452
Italy (1.12%)				NSK Ltd.			
Enel SPA	296,011	1,774,093	1,856,380	NTT DoCoMo Inc.	47,000	401,216	448,759
Fiat Industrial SPA	59,400	780,899	736,061	Obayashi Corp.	218	359,220	372,942
Intesa Sanpaolo	193,047	687,589	495,442	Orix Corp.	9,070	684,520	845,364
Saipem SPA	41,960	1,458,194	2,082,153	Panasonic Corp.	33,400	455,855	391,729
		4,700,775	5,170,036	Promise Co. Ltd.	51,150	537,697	415,463
Japan (9.08%)				Rakuten Inc.			
ABC-Mart Inc.	9,400	325,898	365,989	Rohto Pharmaceutical Co. Ltd.	630	472,183	626,434
Air Water Inc.	23,000	290,372	265,896	Sekisui House Ltd.	26,000	324,406	280,020
Aisin Seiki Co. Ltd.	13,100	410,939	484,938	Seven & I Holdings Co.	49,000	464,468	437,330
Asahi Glass Company Ltd.	47,000	527,944	527,024	Shin-Etsu Chemical Co. Ltd.	27,300	680,982	704,147
Astellas Pharma Inc.	18,700	749,551	696,721	SMC Corp.	13,700	803,665	703,280
Bridgestone Corp.	34,100	600,980	754,124	Softbank Corp.	3,200	487,252	552,422
Chiyoda Corp.	23,000	226,445	254,048	Sony Corp.	24,900	622,822	902,363
Chubu Electric Power Co. Inc.	37,100	681,488	696,465	Sony Financial Holdings Inc.	18,100	655,994	458,829
Coca-Cola West Co. Ltd.	14,600	272,850	268,659	Start Today Co. Ltd.	27,300	478,402	472,593
				Sumitomo Chemical Co. Ltd.	19,800	250,174	379,764
				Sumitomo Heavy Industries Ltd.	85,000	400,732	406,302
				Sumitomo Mitsui Financial Group Inc.	36,000	239,592	240,223
				Sumitomo Trust Holdings Inc.	68,700	2,707,390	2,028,759
				T&D Holdings Inc.	186,610	678,820	621,493
					15,750	390,077	358,690

The accompanying notes are an integral part of these financial statements.

Omega Global Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
		\$	\$			\$	\$
Japan (9.08%) (continued)				Switzerland (3.91%)			
Tanabe Seiyaku Co. Ltd.	62,600	933,643	1,007,930	Compagnie Financiere Richemont SA	22,316	967,859	1,409,208
TDK Corp.	10,300	644,520	544,167	Kuehne + Nagel International AG	8,600	870,633	1,254,836
Terumo Corp.	11,200	592,185	580,982	Nestlé SA	84,689	3,986,520	5,071,060
Tokyo Electron Ltd.	11,400	704,874	596,137	Roche Holding AG	12,233	1,934,313	1,971,563
Tokyo Gas Co. Ltd.	40,000	175,899	173,950	Schindler Holding AG	4,404	508,328	515,792
Toshiba Corp.	145,000	711,052	731,319	STMicroelectronics NV	43,700	509,473	419,947
Toyo Suisan Kaisha Ltd.	12,000	263,332	272,569	Swisscom AG	4,350	1,571,090	1,922,104
Toyota Motor Corp.	68,800	2,811,709	2,711,696	Transocean Ltd.	23,730	1,856,901	1,481,532
UBE Industries Ltd.	105,000	274,285	301,896	UBS AG	136,850	2,320,824	2,406,513
		41,963,985	42,076,790	Xstrata PLC	79,900	1,430,509	1,690,558
						15,956,450	18,143,113
Netherlands (2.70%)				United Kingdom (7.51%)			
Aegon NV	141,500	956,138	930,139	Amec PLC	21,990	408,936	369,973
Akzo Nobel NV	3,331	246,711	202,632	Anglo American PLC	40,400	1,736,349	1,930,023
Gemalto NV	9,855	366,148	453,674	ARM Holdings PLC	60,300	500,414	546,928
ING Groep NV	119,100	1,261,799	1,414,040	Barclays PLC	551,317	2,708,098	2,188,361
LyondellBasell Industries NV	32,300	1,381,877	1,200,339	BG Group PLC	107,817	2,043,464	2,353,830
Royal Dutch Shell PLC, Series B	51,490	1,513,199	1,755,708	BHP Billiton PLC	9,058	257,884	343,069
Royal Dutch Shell PLC, Series A	91,200	2,654,310	3,130,209	BP PLC	479,000	1,891,207	1,665,219
Royal Philips Electronics NV	52,346	1,432,687	1,295,837	British American Tobacco PLC	42,100	1,679,054	1,765,575
Unilever NV	68,000	2,088,159	2,149,844	British Land Co. PLC	72,031	520,034	678,414
		11,901,028	12,532,422	British Sky Broadcasting Group PLC	51,300	642,392	671,742
				BT Group PLC	177,200	530,073	552,380
Norway (0.70%)				Norway (0.70%)			
Aker Solutions ASA	29,900	431,573	575,777	Burberry Group PLC	27,900	326,521	625,731
Storebrand ASA	100,000	507,513	820,692	Carphone Warehouse Group PLC	106,200	216,585	695,312
Telenor ASA	69,300	980,137	1,094,111	Diageo PLC	5,880	120,261	113,854
Yara International ASA	13,600	715,238	738,015	GlaxoSmithKline PLC	72,800	1,432,999	1,486,247
		2,634,461	3,228,595	HSBC Holdings PLC	320,874	3,164,250	3,067,303
				IG Group Holding PLC	34,100	218,055	230,173
Papua New Guinea (0.09%)				International Power PLC			
Oil Search Ltd.	65,084	318,256	438,230	ITV PLC	282,600	246,364	312,528
				Johnson Matthey PLC	29,900	740,148	907,998
Portugal (0.13%)				Kazakhmys			
Galp Energia SGPS SA	26,225	547,842	602,991	Kingfisher PLC	37,100	140,709	153,378
				Lloyds TSB Group PLC	1,117,600	1,091,670	847,526
Singapore (0.72%)				National Grid PLC			
Keppel Corp. Ltd.	116,800	686,835	1,014,410	Pearson PLC	20,900	295,424	380,424
Keppel Land Ltd.	102,000	338,664	289,150	Prudential Corp. PLC	53,733	544,902	589,245
Singapore Telecommunication Ltd.	336,000	799,847	831,123	Reckitt Benckiser Group PLC	35,000	1,821,381	1,858,134
United Overseas Bank Ltd.	78,000	1,178,134	1,201,736	Rio Tinto PLC	13,900	944,605	953,734
		3,003,480	3,336,419	SABMiller PLC	26,100	796,067	917,631
				TalkTalk Telecom Group PLC	409,900	768,309	907,254
South Korea (0.03%)				Unilever PLC			
Toyo Seikan Kaisha Ltd.	8,700	129,480	140,288	United Business Media Ltd.	40,900	378,593	352,292
				Vodafone Group PLC	1,125,800	2,572,457	2,848,138
Spain (1.32%)				William Hill PLC			
Banco Bilbao Vizcaya SA	158,680	2,034,075	1,794,081	WPP PLC	40,500	138,873	143,049
Banco Santander Central Hispano SA	125,307	1,479,707	1,395,025		26,694	232,953	322,272
Gas Natural SA	22,700	439,355	457,968			33,167,310	34,806,932
Inditex	13,491	968,636	1,185,697	United States (46.05%)			
Indra Sistemas SA	22,000	410,307	437,846	Advanced Auto Parts	24,100	1,187,719	1,359,568
Telefonica SA	36,349	903,987	857,124	Advanced Micro Devices	152,100	1,403,808	1,023,969
		6,236,067	6,127,741	AFLAC Inc.	24,700	1,218,041	1,112,065
				Agilent Technologies Inc.	42,200	1,297,034	2,080,274
Sweden (0.73%)				Alpha Natural Resources Inc.			
Assa Abloy AB, Series B	11,600	303,987	300,730	Altria Group Inc.	127,900	3,206,338	3,256,692
Elektta AB, Series B	22,800	596,107	1,038,928	Amazon.com Inc.	11,900	1,559,689	2,346,470
Ericsson (LM) TEL-SP, Series B, ADR	109,808	1,358,873	1,527,210	American Electric Power Co. Inc.	28,100	1,059,588	1,020,407
Modern Times Group AB	8,200	433,693	521,834	American Tower Corp.	14,100	738,670	711,115
		2,692,660	3,388,702	Amgen Inc.	15,500	910,695	872,019
				Anadarko Petroleum Corp.	13,600	880,330	1,006,483

The accompanying notes are an integral part of these financial statements.

Omega Global Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
		\$	\$			\$	\$
United States (46.05%) (continued)				United States (46.05%) (continued)			
Apple Computer Inc.	21,800	4,295,765	7,055,308	Merck & Co. Inc.	51,500	1,746,320	1,751,923
Applied Materials Inc.	73,500	977,611	922,289	Microsoft Corp.	88,050	2,357,566	2,206,331
Ashland Inc.	16,100	928,417	1,004,225	Morgan Stanley	80,900	2,411,243	1,796,296
AT&T Inc.	122,800	3,426,899	3,717,850	Newmont Mining Corp.	34,400	1,798,439	1,789,996
Bank of New York Mellon Corp./The	51,600	1,492,180	1,274,564	NextEra Energy Inc.	25,000	1,361,455	1,384,781
Baxter International Inc.	24,500	1,324,628	1,409,308	NII Holdings Inc.	37,400	1,346,596	1,528,383
Berkshire Hathaway Inc.	34,200	2,600,133	2,551,789	NVIDIA Corp.	80,000	1,029,892	1,229,159
Biogen Idec Inc.	27,700	1,776,479	2,856,277	Occidental Petroleum Corp.	44,900	3,524,099	4,504,695
Biomarin Pharmaceutical Inc.	45,100	1,134,596	1,183,606	ON Semiconductor Corp.	75,600	834,225	762,703
BMC Software Inc.	23,400	923,890	1,234,541	Oneok Inc.	17,900	1,166,822	1,277,749
Boeing Co.	22,000	1,564,025	1,568,721	Oracle Corp.	112,290	2,955,812	3,562,109
Boston Properties Inc.	9,000	838,701	921,522	Pepsico Inc.	30,000	1,888,001	2,036,445
Boston Scientific Corp.	218,900	1,627,867	1,458,902	Pfizer Inc.	216,630	3,757,086	4,302,067
Calpine Corp.	88,900	1,058,283	1,383,052	PPG Industries Inc.	19,700	1,479,477	1,724,499
CenturyLink Inc.	43,428	1,238,906	1,692,626	PPL Corp.	50,700	1,293,579	1,360,891
Chevron Corp.	64,000	6,403,930	6,343,169	Praxair Inc.	13,900	1,128,195	1,452,600
CIGNA Corp.	45,700	1,473,861	2,269,117	Precision Castparts Corp.	12,800	1,325,480	2,031,468
Citigroup Inc.	89,660	3,553,154	3,597,446	Procter & Gamble Co.	36,800	2,250,711	2,254,553
Citrix Systems Inc.	12,300	492,589	948,000	QUALCOMM Inc.	49,400	2,192,496	2,704,404
Clearwire Corp.	134,617	1,086,176	490,788	Regions Financial Corp.	194,200	1,399,280	1,159,424
CME Group Inc.	5,400	1,809,942	1,518,636	Republic Services Inc.	46,900	1,241,444	1,394,597
Coach Inc.	27,700	1,019,484	1,707,995	Schlumberger Ltd.	39,400	2,468,215	3,281,412
Coca-Cola Co.	68,600	3,908,564	4,451,561	Sprint Nextel Corp.	190,000	841,367	985,912
Cognizant Technology Solutions Corp., Class A	16,800	1,235,934	1,188,372	Stanley Black & Decker Inc.	22,000	1,266,351	1,527,556
Colgate-Palmolive Co.	17,700	1,485,704	1,491,721	SunTrust Banks Inc.	47,900	1,323,721	1,190,562
Comcast Corp., Class A	86,500	1,920,537	2,113,263	Sysco Corp.	40,000	1,107,141	1,203,310
Comerica Inc.	21,300	771,917	710,201	Target Corp.	25,700	1,288,945	1,162,541
Corning Inc.	77,800	1,439,700	1,361,191	TD Ameritrade Holding Corp.	52,500	1,109,978	987,407
Costco Wholesale Corp.	31,900	1,915,880	2,499,556	Theravance Inc.	38,200	968,767	818,303
CSX Corp.	61,500	992,362	1,554,692	Thermo Fisher Scientific Inc.	21,800	1,294,647	1,353,450
Cummins Inc.	19,100	853,701	1,905,382	Time Warner Inc.	39,300	1,394,272	1,378,599
CVS Caremark Corp.	20,380	732,463	738,102	Triquint Semiconductor Inc.	71,000	773,345	697,121
Danaher Corp.	34,000	1,181,903	1,737,373	Trw Automotive Holdings	17,400	953,189	990,491
Discover Financial Services	48,900	548,077	1,261,167	Union Pacific Corp.	28,000	1,687,179	2,818,616
Dow Chemical Co./The	36,700	769,767	1,274,297	United Technologies Corp.	36,420	2,300,842	3,108,747
Dr Pepper Snapple Group Inc.	46,400	1,706,863	1,876,485	Viacom Inc., Class B	30,900	1,164,517	1,519,061
eBay Inc.	56,500	1,365,352	1,757,984	Virgin Media Inc.	101,000	1,098,071	2,915,616
EMC Corp./Mass	52,100	1,356,556	1,384,400	Walt Disney Co.	47,100	1,441,263	1,772,599
Emerson Electric Co.	18,500	1,078,798	1,003,326	Wells Fargo & Co.	130,880	3,493,174	3,540,857
Express Scripts Inc., Class A	31,900	1,228,511	1,660,525	Western Digital Corp.	34,100	1,077,035	1,195,532
Exxon Mobil Corp.	51,300	3,582,754	4,023,125	Williams Companies Inc.	61,000	1,578,541	1,778,567
Flowserve Corp.	10,100	1,293,678	1,070,488	Wyndham Worldwide Corp.	36,600	675,222	1,187,163
Fluor Corp.	18,900	1,270,083	1,178,508	Xerox Corp.	111,400	1,297,659	1,118,506
General Electric Co.	176,800	2,901,426	3,212,665			187,439,222	213,480,227
General Motors Co.	32,000	1,090,788	937,340				
Gilead Sciences Inc.	49,200	1,817,096	1,964,571	Total Global Equities		382,628,978	430,095,181
Google Inc., Class A	6,320	3,249,455	3,085,064				
Halliburton Co.	52,900	1,801,423	2,601,614	Total Investments (98.52%)		406,564,435*	456,714,357
Hasbro Inc.	23,500	1,065,188	995,706				
Hewlett-Packard Co.	13,400	602,536	470,445	Unrealized Depreciation On Foreign Exchange Contracts (0.00%)			(4,347)
Huntington Bancshares Inc./OH	167,600	826,732	1,058,809				
J. P. Morgan Chase & Co.	106,800	4,205,071	4,214,082	Cash And Other Net Assets (1.48%)			6,861,802
Juniper Networks Inc.	31,700	835,553	963,101				
KLA Tencor Corp.	19,600	658,704	764,675	Net Assets (100%)			463,578,812
Kraft Foods Inc., Class A	33,000	1,121,275	1,121,000				
Lincoln National Corp.	45,900	1,259,144	1,259,940				
Lorillard Inc.	12,400	1,235,781	1,302,183				
Lowe's Companies Inc.	34,200	770,396	768,901				
Macy's Inc.	33,100	790,181	932,847				
Marathon Oil Corp.	87,100	2,929,482	4,420,498				
McDonald's Corp.	16,200	1,143,612	1,316,867				
Mckesson Corp.	17,000	1,266,873	1,371,403				
Mead Johnson Nutrition Co	34,400	1,762,251	2,241,228				

* Average cost of investments as at December 31, 2010 is \$407,516,557.

The accompanying notes are an integral part of these financial statements.

Omega Global Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts

Unrealized Depreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
July 4, 2011	1.032	AU	141,430	146,281	CA	145,956	145,956	(325)
July 4, 2011	1.396	EU	34,872	48,772	CA	48,681	48,681	(91)
July 4, 2011	1.396	EU	15,373	21,501	CA	21,461	21,461	(40)
July 4, 2011	1.395	EU	122,694	171,600	CA	171,158	171,158	(442)
July 4, 2011	83.4201	CA	390,512	390,512	JP	32,576,533	390,267	(245)
July 4, 2011	0.1238	HK	25,138	3,116	CA	3,113	3,113	(3)
July 5, 2011	8.042	CA	92,784	92,784	HK	746,171	92,483	(301)
July 5, 2011	0.8655	CA	360,211	360,211	CH	311,762	357,623	(2,588)
July 5, 2011	1.032	AU	135,645	140,297	CA	139,985	139,985	(312)
								(4,347)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	225,041,500	48.54%	229,396,244	49.31%
Australian Dollar	19,346,992	4.17%	18,818,900	4.05%
Danish Krone	5,303,507	1.14%	4,260,515	0.92%
Euro	65,444,808	14.12%	61,088,828	13.13%
Hong Kong Dollar	5,431,871	1.17%	6,415,664	1.38%
Israeli New Shekel	521,490	0.11%	1,392,485	0.30%
Japanese Yen	42,567,067	9.18%	47,072,914	10.12%
Norwegian Krone	3,228,595	0.70%	3,982,498	0.86%
Pound Sterling	46,462,951	10.02%	45,894,025	9.87%
Singapore Dollar	3,364,688	0.73%	3,066,468	0.66%
Swedish Krona	3,388,702	0.73%	4,781,171	1.03%
Swiss Franc	15,303,845	3.30%	15,219,885	3.27%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$21,770,301 (\$22,069,480 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI World Index TR (100%)				
CA New York 16:00	± 42,649,251	9.20%	± 43,777,092	9.41%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	454,400,732	2,313,625	n/a	456,714,357
Total Investments	454,700,732	2,313,625	n/a	456,714,357
Derivatives Assets	n/a	1,370,727	n/a	1,370,727
Derivatives Liabilities	n/a	(1,375,074)	n/a	(1,375,074)

During the period ended June 30, 2011, investments of \$2,057,810 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$4,251,210 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	459,898,204	4,872,931	n/a	464,771,135
Total Investments	459,898,204	4,872,931	n/a	464,771,135
Derivative Assets	n/a	429,653	n/a	429,653
Derivative Liabilities	n/a	(430,778)	n/a	(430,778)

During the year ended December 31, 2010, investments of \$3,307,290 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$425,912 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Omega Global Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	456,714,357	464,771,135	
Unrealized appreciation on foreign exchange contracts	-	480	
Cash	7,416,824	494,993	
Subscriptions receivable	170,634	204,384	
Proceeds from sale of investments receivable	676,851	955,471	
Dividends receivable	884,702	474,860	
Other assets receivable	307,338	274,285	
	<u>466,170,706</u>	<u>467,175,608</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	4,347	1,605	
Redeemed units payable	271,280	191,771	
Investments payable	1,373,651	833,762	
Accrued expenses	952,616	929,642	
	<u>2,601,894</u>	<u>1,956,780</u>	
Net assets, Investor/Advisor Series	<u>463,568,812</u>	<u>465,218,828</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay , Director Eric Laflamme , Director
Net assets per unit, Investor/Advisor Series	7.17	7.12	

The accompanying notes are an integral part of these financial statements.

Omega Global Equity Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	15,118	6,397
Dividends	5,924,702	4,466,781
	<u>5,939,820</u>	<u>4,473,178</u>
Expenses		
Management fees	4,963,408	4,275,095
Custodial fees	159,405	58,806
Directors' fees of independent review committee	4,726	3,269
Audit fees	15,674	27,822
Legal fees	5,757	3,487
Rights and deposits	22,600	20,876
Securityholders' reporting costs	534,605	543,532
Fees paid by the manager	(270,002)	(352,336)
	<u>5,436,173</u>	<u>4,580,551</u>
Net investment income (loss)	<u>503,647</u>	<u>(107,373)</u>
Net gains (losses)		
Net realized gains on sale of investments	10,292,629	4,640,309
Net realized losses on foreign currencies	(420,514)	(243,931)
	<u>9,872,115</u>	<u>4,396,378</u>
Change in unrealized appreciation/depreciation on investments	(7,089,750)	(43,961,372)
Unrealized gains (losses) on foreign currencies	14,213	(9,413)
	<u>(7,075,537)</u>	<u>(43,970,785)</u>
Transaction costs on purchase and sale of investments	(346,001)	(349,735)
	<u>2,450,577</u>	<u>(39,924,142)</u>
Increase (decrease) in net assets from operations		
Investor/Advisor Series	<u>2,954,224</u>	<u>(40,031,515)</u>
Increase (decrease) in net assets from operations per unit		
Investor/Advisor Series	0.05	(0.64)

The accompanying notes are an integral part of these financial statements.

Omega Global Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	465,218,828	407,290,202
Increase (decrease) in net assets from operations	2,954,224	(40,031,515)
Capital unit transactions		
Units issued	54,720,795	64,786,137
Units redeemed	(59,325,035)	(42,166,944)
	(4,604,240)	22,619,193
Decrease in net assets for the period	(1,650,016)	(17,412,322)
Net assets, end of the period	463,568,812	389,877,880

The accompanying notes are an integral part of these financial statements.

Omega Global Opportunities Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Money Market (54.75%)			
Treasury Bills (54.75%)			
Government of Canada			
0.97%, due July 11, 2011	400,000	399,872	399,903
0.95%, due July 21, 2011	700,000	698,500	699,659
0.96%, due August 4, 2011	3,400,000	3,392,254	3,397,187
0.94%, due August 18, 2011	200,000	199,572	199,763
		4,690,198	4,696,512
	Number of Shares		
Canadian Equities (2.61%)			
Industrials (1.55%)			
AG Growth International Inc.	2,900	93,705	132,791
Materials (1.06%)			
Goldcorp Inc.	1,960	90,146	91,179
Total Canadian Equities			
		183,851	223,970
Global Equities (31.99%)			
Bermuda (17.52%)			
Golar LNG Ltd.	44,690	577,851	1,502,588
United States (14.47%)			
Baker Hughes Inc.	6,180	361,055	432,383
Cabot Oil & Gas Corp.	6,500	415,506	415,714
Halliburton Co.	8,000	386,747	393,438
		1,163,308	1,241,535
Total Global Equities			
		1,741,159	2,744,123
Total Investments (89.35%)			
		6,615,208*	7,664,605
Cash And Other Net Assets (10.65%)			
			913,682
Net Assets (100%)			
			8,578,287

* Average cost of investments as at December 31, 2010 is \$6,852,240.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	3,603,149	42.00%	3,989,423	53.49%
Euro	3,755	0.04%	248,162	3.33%
Hong Kong Dollar	496	0.01%	512	0.01%
Japanese Yen	2,196	0.03%	217,441	2.92%
Pound Sterling	2,080	0.02%	2,090	0.03%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$180,584 (\$222,881 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	4,696,512	1,197,750
Non-interest-bearing instruments	2,968,093	6,270,470
Total	7,664,605	7,468,220

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,049 (\$509 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI World Index TR (100%)				
CA New York 16:00	± 336,269	3.92% ±	261,020	3.50%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 22-month (10-month in 2009) historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	4,696,512	n/a	4,696,512
Common Shares	2,968,093	n/a	n/a	2,968,093
Total Investments	2,968,093	4,696,511	n/a	7,664,605

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	1,197,750	n/a	1,197,750
Common Shares	6,270,470	n/a	n/a	6,270,470
Total Investments	6,270,470	1,197,750	n/a	7,468,220

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Omega Global Opportunities Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	7,664,605	7,468,220
Cash	464,187	13,593
Subscriptions receivable	34,425	80
Proceeds from sale of investments receivable	844,691	-
Dividends receivable	580	1,452
Other assets receivable	3,178	1,783
	<u>9,011,666</u>	<u>7,485,128</u>
Liabilities		
Redeemed units payable	11,434	14,482
Investments payable	408,248	-
Accrued expenses	13,697	12,919
	<u>433,379</u>	<u>27,401</u>
Net assets	<u>8,578,287</u>	<u>7,457,727</u>
Net assets per Series:		
Advisor Series	7,047,538	6,791,933
F Series	1,530,749	665,794
	<u>8,578,287</u>	<u>7,457,727</u>
Net assets per unit, per Series:		
Advisor Series	10.72	10.11
F Series	10.97	10.30

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Omega Global Opportunities Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	4,395	2,289
Dividends	38,364	21,377
	<u>42,759</u>	<u>23,666</u>
Expenses		
Management fees	64,886	63,970
Custodial fees	2,991	4,025
Directors' fees of independent review committee	62	44
Audit fees	1,670	3,199
Legal fees	613	401
Rights and deposits	7,427	7,634
Securityholders' reporting costs	7,429	7,189
Fees paid by the manager	(12,329)	(14,706)
	<u>72,750</u>	<u>71,756</u>
Net investment loss	<u>(29,991)</u>	<u>(48,090)</u>
Net gains (losses)		
Net realized gains (losses) on sale of investments	53,457	(472,485)
Net realized gains on foreign currencies	19,245	6,697
	<u>72,702</u>	<u>(465,788)</u>
Change in unrealized appreciation/depreciation on investments	433,417	(216,377)
Unrealized gains (losses) on foreign currencies	(11,830)	20,397
	<u>421,587</u>	<u>(195,980)</u>
Transaction costs on purchase and sale of investments	(18,223)	(36,717)
	<u>476,066</u>	<u>(698,485)</u>
Increase (decrease) in net assets from operations	<u>446,075</u>	<u>(746,575)</u>
Increase (decrease) in net assets from operations per Series:		
Advisor Series	400,585	(650,436)
F Series	45,490	(96,139)
	<u>446,075</u>	<u>(746,575)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Advisor Series	0.61	(0.93)
F Series	0.50	(0.90)

The accompanying notes are an integral part of these financial statements.

Omega Global Opportunities Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Advisor Series		F Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	6,791,933	6,756,979	665,794	1,073,335
Increase (decrease) in net assets from operations	400,585	(650,436)	45,490	(96,139)
Capital unit transactions				
Units issued	250,336	1,018,643	898,620	175,422
Units redeemed	(395,316)	(655,564)	(79,155)	(224,564)
	(144,980)	363,079	819,465	(49,142)
Increase (decrease) in net assets for the period	255,605	(287,357)	864,955	(145,281)
Net assets, end of the period	7,047,538	6,469,622	1,530,749	928,054

The accompanying notes are an integral part of these financial statements.

Omega Consensus American Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (0.93%)							
Treasury Bills (0.93%)							
Government of Canada							
0.97%, due July 7, 2011	100,000	99,976	99,984				
0.97%, due July 11, 2011	100,000	99,968	99,976				
0.94%, due August 18, 2011	700,000	698,533	699,170				
0.90%, due October 13, 2011	200,000	199,468	199,473				
		1,097,945	1,098,603				
	Number of Shares						
American Equities (99.31%)							
Abbott Laboratories	23,700	1,130,402	1,201,908	Guess Inc.	32,800	1,214,431	1,330,910
Aecom Technology Corp.	39,900	1,035,341	1,052,910	H&R Block Inc.	90,300	1,171,955	1,396,993
Aerostale Inc.	46,000	906,496	776,866	Home Depot Inc.	32,400	1,132,889	1,130,930
Alliant Travel Co.	21,300	996,918	1,016,921	Impax Laboratories Inc.	59,500	1,157,175	1,248,757
Alliant Techsystems Inc.	15,000	1,128,435	1,031,967	Intel Corp.	51,100	1,119,790	1,091,191
Almost Family Inc.	33,500	1,071,853	884,668	ITT Educational Services	18,400	1,340,086	1,388,332
Amedisys Inc.	41,600	1,384,277	1,068,481	Johnson & Johnson	17,900	1,101,747	1,147,402
American Capital Agency Corp.	39,700	1,138,654	1,114,258	JOS A Bank Clothiers Inc.	27,600	1,196,179	1,330,211
American Capital Ltd.	115,200	1,121,116	1,102,215	Kirkland's Inc.	83,100	1,145,293	962,601
American Financial Group Inc.	34,200	1,136,153	1,177,597	Kraft Foods Inc., Class A	35,800	1,127,230	1,216,115
Ameron International Corp.	19,100	1,245,798	1,208,664	Lender Processing Services Inc.	37,300	1,135,201	752,255
Amgen Inc.	23,200	1,229,855	1,305,215	LHC Group Inc.	45,100	1,212,142	1,001,781
Apollo Group Inc.	30,200	1,279,039	1,272,307	LifePoint Hospitals Inc.	31,500	1,196,102	1,186,407
Apple Computer Inc.	3,400	1,107,263	1,100,369	Lorillard Inc.	13,800	1,093,714	1,449,204
Ares Capital Corp.	67,100	1,128,908	1,040,665	Marathon Oil Corp.	31,900	1,201,152	1,618,988
AT&T Inc.	38,700	1,123,492	1,171,668	McDermott International Inc.	56,400	913,492	1,077,076
Atwood Oceanics Inc.	30,100	1,211,403	1,280,577	McGraw-Hill Companies Inc.	30,800	954,149	1,245,004
Best Buy Co. Inc.	42,400	1,205,087	1,284,506	Micron Technology Inc.	105,400	1,123,722	759,388
Big Lots Inc.	39,300	1,325,398	1,256,167	Microsoft Corp.	41,100	1,115,228	1,029,872
Boeing Co.	17,300	1,146,896	1,233,585	Moody's Corp.	41,000	952,135	1,516,136
Bridgepoint Education Inc.	67,900	1,106,579	1,634,619	NRG Energy Inc.	59,500	1,339,676	1,409,443
Bristow Group Inc.	24,000	937,175	1,180,085	NutriSystem Inc.	54,700	1,012,977	740,724
Buffalo Wild Wings Inc.	24,100	1,200,288	1,541,107	OM Group Inc.	39,700	1,249,292	1,554,600
Bunge Ltd.	17,800	1,221,180	1,183,569	Orion Marine Group Inc.	71,900	863,518	651,173
CA Inc.	46,600	928,692	1,026,560	Oshkosh Truck Corp.	31,700	1,018,779	884,830
Career Education Corp.	58,100	1,282,461	1,184,632	Pepsico Inc.	17,200	1,123,189	1,167,562
Carlisle Companies Inc.	28,000	921,073	1,328,695	Pfizer Inc.	66,400	1,150,503	1,318,641
Cash America International Inc.	28,700	1,222,245	1,601,631	Philip Morris International Inc.	18,700	1,131,790	1,203,733
Chevron Corp.	12,800	1,150,138	1,268,634	Pinnacle West Capital Corp.	27,400	1,123,787	1,177,072
CIT Group Inc.	23,200	1,093,430	989,261	Pitney Bowes Inc.	46,500	1,119,298	1,030,187
CMS Energy Corp.	57,500	1,118,873	1,091,983	PolyOne Corp.	97,200	1,264,481	1,451,241
Coca-Cola Co.	17,200	1,120,496	1,116,135	Pre-Paid Legal Services Inc.	17,500	837,896	1,122,268
Comtech Telecommunications Corp.	46,500	1,232,457	1,256,676	Procter & Gamble Co.	17,600	1,118,322	1,078,265
ConocoPhillips	17,200	1,150,655	1,246,528	Quaker Chemical Corporation	27,400	1,043,512	1,134,788
Corning Inc.	64,300	1,211,651	1,124,995	Quasar Corp.	63,300	1,444,571	1,081,856
Curtiss-Wright Corp.	38,300	1,210,664	1,195,020	Raytheon Co.	24,300	1,208,025	1,167,883
Dollar Tree Inc.	20,000	1,010,530	1,285,100	Ross Stores Inc.	16,900	986,870	1,305,960
DPL Inc.	42,400	1,127,455	1,233,796	SEACOR Holdings Inc.	9,900	854,078	952,945
DTE Energy Co.	24,600	1,142,207	1,187,047	Skechers U.S.A. Inc.	67,100	1,390,362	937,116
E. I. du Pont de Nemours and Co.	23,000	1,137,237	1,198,574	Skywest Inc.	82,100	1,244,058	1,192,533
Edison International	31,500	1,147,363	1,176,685	Tetra Tech Inc.	45,000	956,738	975,688
Eli Lilly & Co.	32,800	1,145,455	1,186,968	Transatlantic Holdings Inc.	21,900	1,114,640	1,035,639
EMCOR Group Inc.	38,800	1,007,114	1,095,734	United Parcel Service Inc.	15,200	1,120,947	1,069,183
Entergy Corp.	15,000	1,086,950	987,841	Universal Corp.	30,100	1,213,057	1,094,195
Exelon Corp.	28,000	1,256,250	1,156,667	URS Corp.	28,700	1,207,158	1,238,731
Fluor Corp.	17,900	987,312	1,116,153	Valley National Bancorp	87,705	1,136,294	1,151,290
Fuel Systems Solutions Inc.	35,200	950,157	846,044	Verizon Communications Inc.	33,300	1,141,924	1,195,105
Gamestop Corp., Class A	51,400	1,173,851	1,321,182	Western Digital Corp.	31,700	934,786	1,111,389
General Dynamics Corp.	17,800	1,212,686	1,279,538	World Fuel Services Corp.	35,000	1,008,780	1,212,232
General Electric Co.	65,100	1,157,094	1,182,944			112,509,884	117,259,035
GT Solar International Inc.	123,500	844,262	1,927,293				
				Total Investments (100.24%)		113,607,829*	118,357,638
				Cash And Other Net Assets (-0.24%)			(285,899)
				Net Assets (100%)			118,071,739

* Average cost of investments as at December 31, 2010 is \$88,571,614.

The accompanying notes are an integral part of these financial statements.

Omega Consensus American Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	116,900,816	99.01%	93,908,568	99.55%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$5,845,041 (\$4,695,428 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	1,098,603	399,204
Non-interest-bearing instruments	117,259,035	93,861,758
Total	118,357,638	94,260,962

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$384 (\$210 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P 500 Index TR (100%) CA New York 16:00	± 12,999,698	11.01%	± 10,442,387	11.07%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month (26-month in 2009) historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Money Market	n/a	1,098,603	n/a	1,098,603
Common Shares	117,259,035	n/a	n/a	117,259,035
Total Investments	117,259,035	1,098,603	n/a	118,357,638

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Money Market	n/a	399,204	n/a	399,204
Common Shares	93,861,758	n/a	n/a	93,861,758
Total Investments	93,861,758	399,204	n/a	94,260,962
Derivative Assets	n/a	413,971	n/a	413,971
Derivative Liabilities	n/a	(413,838)	n/a	(413,838)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Omega Consensus American Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	118,357,638	94,260,962
Unrealized appreciation on foreign exchange contracts	-	133
Cash	169,434	87,536
Subscriptions receivable	186,132	104,058
Proceeds from sale of investments receivable	-	498,911
Interest and dividends receivable	144,289	45,340
Other assets receivable	48,168	24,060
	<u>118,905,661</u>	<u>95,021,000</u>
Liabilities		
Redeemed units payable	73,755	57,584
Investments payable	549,321	454,150
Accrued expenses	210,846	178,756
	<u>833,922</u>	<u>690,490</u>
Net assets	<u>118,071,739</u>	<u>94,330,510</u>
Net assets per Series:		
Investor/Advisor Series	117,870,466	94,151,814
F Series	197,202	178,696
R Series	4,071	-
	<u>18,071,739</u>	<u>94,330,510</u>
Net assets per unit, per Series:		
Investor/Advisor Series	8.77	8.51
F Series	8.42	8.13
R Series	9.73	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Omega Consensus American Equity Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	6,195	1,298
Dividends	889,747	593,596
	<u>895,942</u>	<u>594,894</u>
Expenses		
Management fees	990,650	679,426
Custodial fees	39,652	41,807
Directors' fees of independent review committee	806	505
Audit fees	4,536	7,251
Legal fees	1,666	909
Rights and deposits	12,640	9,980
Securityholders' reporting costs	91,557	84,011
Fees paid by the manager	(39,738)	(68,198)
	<u>1,101,769</u>	<u>755,691</u>
Net investment loss	<u>(205,827)</u>	<u>(160,797)</u>
Net gains (losses)		
Net realized gains on sale of investments	4,132,051	4,484,803
Net realized gains (losses) on foreign currencies	(760)	40,825
	<u>4,131,291</u>	<u>4,525,628</u>
Change in unrealized appreciation/depreciation on investments	(939,672)	(7,380,850)
Unrealized gains (losses) on foreign currencies	21,043	(13,721)
	<u>(918,629)</u>	<u>(7,394,571)</u>
Transaction costs on purchase and sale of investments	(107,952)	(109,443)
	<u>3,104,710</u>	<u>(2,978,386)</u>
Increase (decrease) in net assets from operations	<u>2,898,883</u>	<u>(3,139,183)</u>
Increase (decrease) in net assets from operations per Series:		
Investor/Advisor Series	2,892,592	(3,131,754)
F Series	6,379	(7,429)
R Series	(88)	-
	<u>2,898,883</u>	<u>(3,139,183)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor/Advisor Series	0.23	(0.35)
F Series	0.29	(0.28)
R Series	(0.21)	-

The accompanying notes are an integral part of these financial statements.

Omega Consensus American Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		R Series
	2011 \$	2010 \$	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	94,151,814	66,595,673	178,696	219,182	-
Increase (decrease) in net assets from operations	2,892,592	(3,131,754)	6,379	(7,429)	(88)
Capital unit transactions					
Units issued	31,740,744	23,269,171	29,374	23,400	4,166
Units issued on reinvestment of distributions	-	-	-	-	23
Units redeemed	(10,914,684)	(5,990,899)	(17,247)	(22,870)	(7)
	20,826,060	17,278,272	12,127	530	4,182
Distributions to investors					
Return of capital	-	-	-	-	23
Increase (decrease) in net assets for the period	23,718,652	14,146,518	18,506	(6,899)	4,071
Net assets, end of the period	117,870,466	80,742,191	197,202	212,283	4,071

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (2.46%)							
Treasury Bills (2.46%)							
Government of Canada							
0.95%, due September 1, 2011	900,000	898,105	898,626				
	Number of Shares						
American Equities (89.44%)							
Consumer Discretionary (8.03%)							
Education Management Corp.	19,300	374,618	444,895				
Ross Stores Inc.	7,319	391,123	565,581				
Time Warner Cable Inc.	12,074	553,679	908,921				
Viacom Inc.	8,434	413,882	414,620				
Yum! Brands Inc.	11,379	418,631	605,932				
		2,151,933	2,939,949			2,917,403	3,178,640
Consumer Staples (10.33%)							
Coca-Cola Enterprises Inc.	17,860	447,728	502,482				
Constellation Brands Inc.	23,165	449,281	465,174				
Pepsico Inc.	11,176	720,773	758,644				
Philip Morris International Inc.	14,191	735,938	913,485				
Safeway Inc.	20,847	494,957	469,698				
Walgreen Co.	16,374	682,878	670,401				
		3,531,555	3,779,884				
Energy (15.01%)							
Chevron Corp.	11,064	890,052	1,096,575				
ConocoPhillips	10,603	717,257	768,426				
Diamond Offshore Drilling Inc.	6,591	491,703	447,407				
Helmerich & Payne Inc.	9,507	420,630	605,737				
Marathon Oil Corp.	11,113	409,848	564,007				
Murphy Oil Corp.	3,202	216,352	202,749				
National-Oilwell Inc.	8,916	406,163	671,964				
Occidental Petroleum Corp.	6,098	551,700	611,796				
SEACOR Holdings Inc.	5,418	512,747	521,521				
		4,616,452	5,490,182				
Financials (12.12%)							
Ameriprise Financial Inc.	9,550	503,730	531,013				
Assurant Inc.	12,787	496,473	447,443				
Citigroup Inc.	14,560	651,755	584,194				
J. P. Morgan Chase & Co.	21,494	888,261	848,104				
LPL Investment Holdings Inc.	10,812	375,466	356,435				
Moodys Corp.	13,067	423,547	483,204				
Nasdaq Stock Market Inc./The	22,355	531,266	545,288				
Prudential Financial Inc.	10,396	625,910	637,513				
		4,496,408	4,433,194				
Health Care (14.67%)							
Abbott Laboratories	9,233	503,358	468,237				
Agilent Technologies Inc.	9,626	411,718	474,519				
Allergan Inc.	7,218	398,634	579,497				
CIGNA Corp.	10,821	455,091	537,289				
Humana Inc.	5,270	397,646	409,225				
McKesson Corp.	7,238	512,596	583,895				
Medtronic Inc.	12,507	512,711	464,426				
Mylan Inc./PA	11,056	242,298	263,069				
Pfizer Inc.	34,446	594,462	684,065				
UnitedHealth Group Inc.	13,434	506,364	668,456				
Varian Medical Systems Inc.	3,465	173,110	233,939				
		4,707,988	5,366,617				
Industrials (8.69%)							
Avery Dennison Corp.	14,222	586,874	529,618				
Cummins Inc.	5,297	458,308	528,419				
Honeywell International Inc.	7,886	326,222	452,940				
Lockheed Martin Corp.	3,479	268,331	271,694				
Parker Hannifin Corp.	3,352	306,565	290,162				
Union Pacific Corp.	3,791	350,901	381,620				
United Technologies Corp.	4,941	303,417	421,755				
URS Corp.	7,007	316,785	302,432				
		2,917,403	3,178,640				
Information Technology (15.69%)							
Apple Computer Inc.	5,554	876,607	1,797,485				
Corning Inc.	25,704	551,706	449,718				
EMC Corp./Mass	29,560	492,629	785,468				
International Business Machines Corp.	6,240	907,043	1,031,688				
Oracle Corp.	35,377	903,853	1,122,244				
Western Union Co.	28,781	602,889	555,741				
		4,334,727	5,742,344				
Materials (1.91%)							
Freeport McMoran Copper & Gold Inc.	9,193	489,520	468,868				
MeadWestvaco Corp.	7,186	201,218	230,591				
		690,738	699,459				
Telecommunication Services (2.48%)							
AT&T Inc.	29,973	853,537	907,452				
Utilities (0.51%)							
AES Corp.	15,095	175,530	185,338				
Total american equities							
						28,476,271	32,723,059
Global Equities (8.18%)							
Brazil (0.65%)							
Vale SA	7,782	236,266	239,733				
Ireland (3.09%)							
Accenture PLC	11,788	615,737	686,833				
Ingersoll-Rand PLC	10,146	386,659	444,374				
		1,002,396	1,131,207				
Panama (1.59%)							
Copa Holdings SA	9,022	473,469	580,927				
Sweden (1.55%)							
Autoliv Inc.	7,512	570,906	568,468				
Switzerland (1.30%)							
ACE Ltd.	7,473	461,976	474,268				
Total Global Equities							
						2,745,013	2,994,603
Total Investments (100.08%)							
						32,119,389*	36,616,288
Cash And Other Net Assets (-0.08%)							
							(28,252)
Net Assets (100%)							
							36,588,036

* Average cost of investments as at December 31, 2010 is \$33,849,507.

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	35,752,311	97.71%	37,554,072	99.43%
Pound Sterling	8,025	0.02%	8,064	0.02%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,788,017 (\$1,878,107 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	898,626	299,403
Non-interest-bearing instruments	35,717,662	37,514,186
Total	36,616,288	37,813,589

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$382 (\$157 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P 500 Index TR (100%) CA				
New York 16:00	± 3,399,029	9.29%	± 3,527,544	9.34%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	898,626	n/a	898,626
Common Shares	35,717,662	n/a	n/a	35,717,662
Total Investments	35,717,662	898,626	n/a	36,616,288

During the period ended June 30, 2011, investments of \$356,435 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	299,403	n/a	299,403
Common Shares	37,242,087	272,099	n/a	37,514,186
Total Investments	37,242,087	571,502	n/a	37,813,589

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	36,616,288	37,813,589	
Cash	28,295	14,398	
Subscriptions receivable	7,338	3,388	
Interest and dividends receivable	19,518	35,213	
Other assets receivable	18,465	11,418	
	<u>36,689,904</u>	<u>37,878,006</u>	
Liabilities			
Redeemed units payable	22,367	25,041	
Accrued expenses	79,501	84,824	
	<u>101,868</u>	<u>109,865</u>	
Net assets, Investor/Advisor Series	<u>36,588,036</u>	<u>37,768,141</u>	Approved on behalf of the Manager, National Bank Securities Inc. Charles Guay , Director Eric Laflamme , Director
Net assets per unit, Investor/Advisor Series	10.75	10.45	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	1,908	1,246
Dividends	259,845	307,732
Income from securities lending	1,984	-
	<u>263,737</u>	<u>308,978</u>
Expenses		
Management fees	409,836	437,220
Custodial fees	7,393	10,656
Directors' fees of independent review committee	532	416
Audit fees	2,671	5,472
Legal fees	981	686
Rights and deposits	6,787	7,324
Securityholders' reporting costs	60,463	69,235
Fees paid by the manager	(30,037)	(42,000)
	<u>458,626</u>	<u>489,009</u>
Net investment loss	<u>(194,889)</u>	<u>(180,031)</u>
Net gains (losses)		
Net realized gains (losses) on sale of investments	776,099	(448,666)
Net realized gains on foreign currencies	6,411	8,229
	<u>782,510</u>	<u>(440,437)</u>
Change in unrealized appreciation/depreciation on investments	532,817	(2,782,860)
Unrealized gains (losses) on foreign currencies	(19,065)	84,137
	<u>513,752</u>	<u>(2,698,723)</u>
Transaction costs on purchase and sale of investments	(24,832)	(46,148)
	<u>1,271,430</u>	<u>(3,185,308)</u>
Increase (decrease) in net assets from operations		
Investor/Advisor Series	<u>1,076,541</u>	<u>(3,365,339)</u>
Increase (decrease) in net assets from operations per unit		
Investor/Advisor Series	0.31	(0.81)

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	37,768,141	47,770,879
Increase (decrease) in net assets from operations	1,076,541	(3,365,339)
Capital unit transactions		
Units issued	895,749	705,348
Units issued on reinvestment of distributions	-	263
Units redeemed	(3,152,395)	(7,812,339)
	(2,256,646)	(7,106,728)
Distributions to investors		
Net investment income	-	263
Decrease in net assets for the period	(1,180,105)	(10,472,330)
Net assets, end of the period	36,588,036	37,298,549

The accompanying notes are an integral part of these financial statements.

Omega Consensus International Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (0.94%)							
Treasury Bills (0.94%)							
Government of Canada							
0.91%, due July 6, 2011	500,000	499,800	499,934				
0.97%, due July 7, 2011	100,000	99,976	99,984				
0.96%, due July 11, 2011	100,000	99,971	99,976				
0.90%, due October 13, 2011	100,000	99,734	99,737				
		799,481	799,631				
				Number of Shares			
Global Equities (99.06%)							
Argentina (5.70%)							
Banco Macro SA	32,300	1,102,162	1,173,858				
MercadoLibre Inc.	25,500	1,807,240	1,951,347				
Telecom Argentina SA	68,800	1,734,318	1,729,279				
		4,643,720	4,854,484				
Bermuda (1.91%)							
Xyratex Ltd.	164,700	1,549,581	1,629,833				
Brazil (5.17%)							
Cia Paranaense de Energia	69,200	1,351,267	1,810,748				
Companhia de Saneamento Basico do Estado de Sao Paulo	18,100	988,811	1,040,639				
Petroleo Brasileiro SA, ADR	47,700	1,720,025	1,556,865				
		4,060,103	4,408,252				
Cayman Islands (2.15%)							
Fresh Del Monte Produce Inc.	71,400	1,779,580	1,834,572				
China (8.61%)							
China Petroleum & Chemical Corp.	18,700	1,780,186	1,827,964				
Ctrip.com International Ltd.	38,700	1,544,471	1,606,517				
Netease.com	45,900	1,848,235	1,994,388				
SouFun Holdings Ltd.	95,600	1,773,870	1,909,590				
		6,946,762	7,338,459				
Denmark (2.33%)							
Novo-Nordisk A/S, ADR	16,400	1,413,731	1,982,603				
France (6.49%)							
France Telecom SA	80,800	1,962,867	1,659,943				
Sanofi-Aventis	52,700	1,854,969	2,040,282				
Total SA, ADR	32,800	1,773,283	1,830,119				
		5,591,119	5,530,344				
Germany (4.36%)							
Aixtron AG	48,100	1,834,865	1,581,519				
Fresenius Medical Care AG & Co KGaA	29,600	1,791,424	2,132,625				
		3,626,289	3,714,144				
Hong Kong (3.57%)							
China Mobile Ltd.	34,300	1,680,832	1,546,269				
CNOOC Ltd., ADR	6,600	1,565,723	1,498,486				
		3,246,555	3,044,755				
India (2.13%)							
HDFC Bank Ltd.	10,700	1,751,642	1,816,966				
Israel (0.78%)							
Cellcom Israel Ltd.	24,700	776,616	659,663				
Italy (4.22%)							
ENI SPA	39,500	1,782,510	1,810,786				
Telecom Italia SpA	133,400	1,778,715	1,788,434				
		3,561,225	3,599,220				
Japan (3.96%)							
Mitsubishi UFJ Financial Group Inc.	335,900	1,734,384	1,564,802				
Nippon Telegraph & Telephone Corp., ADR	77,400	1,770,684	1,805,839				
		3,505,068	3,370,641				
Luxembourg (2.31%)							
Ternium SA	69,200	1,948,438	1,972,267				
Netherlands (7.08%)							
ASM International NV	23,000	927,529	876,914				
Core Laboratories NV	18,100	1,625,252	1,947,204				
Royal Philips Electronics NV, ADR	58,200	1,750,317	1,441,519				
Unilever NV	55,800	1,770,438	1,767,419				
		6,073,536	6,033,056				
Norway (2.22%)							
Statoil ASA, ADR	77,300	1,787,947	1,895,955				
Singapore (1.50%)							
China Yuchai International Ltd.	63,100	1,727,662	1,281,711				
Spain (6.18%)							
Banco Bilbao Vizcaya Argentaria SA	159,500	1,757,552	1,801,440				
Banco Santander SA	152,700	1,714,019	1,695,183				
Telefonica SA	74,800	1,748,865	1,765,378				
		5,220,436	5,262,001				
Switzerland (8.23%)							
ACE Ltd.	28,700	1,749,172	1,821,420				
Garmin Ltd.	57,400	1,791,734	1,826,956				
Novartis AG, ADR	31,700	1,719,258	1,867,500				
Transocean Ltd.	24,000	1,738,796	1,494,898				
		6,998,960	7,010,774				
United Kingdom (14.22%)							
AstraZeneca PLC	36,100	1,724,467	1,742,315				
BHP Billiton PLC	21,400	1,695,698	1,618,200				
BP PLC, ADR	40,200	1,760,950	1,716,864				
Ensc International PLC	34,300	1,764,731	1,763,620				
GlaxoSmithKline PLC, ADR	43,400	1,711,230	1,796,183				
Smith & Nephew PLC	34,200	1,787,582	1,785,857				
Vodafone Group PLC	65,900	1,787,377	1,697,702				
		12,232,035	12,120,741				
United States (5.94%)							
Aerostale Inc.	69,200	1,699,451	1,168,677				
Gamestop Corp., Class A	80,700	1,783,269	2,074,307				
Raytheon Co.	37,900	1,773,442	1,821,513				
		5,256,162	5,064,497				
Total Global Equities						83,697,167	84,424,938
Total Investments (100.00%)						84,496,648*	85,224,569
Cash And Other Net Assets (0.00%)							(1,578)
Net Assets (100%)							85,222,991

* Average cost of investments as at December 31, 2010 is \$59,909,340.

The accompanying notes are an integral part of these financial statements.

Omega Consensus International Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	84,343,798	98.97%	59,949,244	98.81%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$4,217,190 (\$2,997,462 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	799,631	99,787
Non-interest-bearing instruments	84,424,938	60,518,324
Total	85,224,569	60,618,111

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$110 (\$42 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI EAFE Index TR (100%)				
CA New York 16:00	± 2,854,970	3.35% ±	2,080,986	3.43%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month (26-month in 2009) historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	799,631	n/a	799,631
Common Shares	73,406,165	11,018,773	n/a	84,424,938
Total Investments	73,406,165	11,818,404	n/a	85,224,569

During the period ended June 30, 2011, investments of \$10,218,204 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	99,787	n/a	99,787
Common Shares	44,841,098	15,677,226	n/a	60,518,324
Total Investments	44,841,098	15,777,013	n/a	60,618,111

During the year ended December 31, 2010, investments of \$1,182,500 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$3,598,929 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Omega Consensus International Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	85,224,569	60,618,111
Cash	140,651	289,697
Subscriptions receivable	195,074	96,622
Proceeds from sale of investments receivable	-	399,120
Interest and dividends receivable	208,369	17,823
Other assets receivable	34,143	14,797
	<u>85,802,806</u>	<u>61,436,170</u>
Liabilities		
Redeemed units payable	49,882	64,702
Investments payable	381,470	591,388
Accrued expenses	148,463	109,941
	<u>579,815</u>	<u>766,031</u>
Net assets	<u>85,222,991</u>	<u>60,670,139</u>
Net assets per Series:		
Investor/Advisor Series	84,764,924	60,534,750
F Series	455,332	135,389
R Series	2,735	-
	<u>85,222,991</u>	<u>60,670,139</u>
Net assets per unit, per Series:		
Investor/Advisor Series	7.47	7.59
F Series	7.04	7.12
R Series	9.77	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Omega Consensus International Equity Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	5,087	548
Dividends	1,376,052	661,676
	<u>1,381,139</u>	<u>662,224</u>
Expenses		
Management fees	671,639	442,651
Custodial fees	21,973	23,633
Directors' fees of independent review committee	807	496
Audit fees	3,706	5,997
Legal fees	1,361	752
Rights and deposits	10,604	9,172
Securityholders' reporting costs	91,533	82,640
Fees paid by the manager	(55,986)	(73,409)
	<u>745,637</u>	<u>491,932</u>
Net investment income	<u>635,502</u>	<u>170,292</u>
Net losses		
Net realized losses on sale of investments	(1,848,256)	(733,037)
Net realized gains (losses) on foreign currencies	(34,276)	43,136
	<u>(1,882,532)</u>	<u>(689,901)</u>
Change in unrealized appreciation/depreciation on investments	19,150	(2,302,763)
Unrealized gains (losses) on foreign currencies	34,499	(27,607)
	<u>53,649</u>	<u>(2,330,370)</u>
Transaction costs on purchase and sale of investments	(46,197)	(31,399)
	<u>(1,875,080)</u>	<u>(3,051,670)</u>
Decrease in net assets from operations	<u>(1,239,578)</u>	<u>(2,881,378)</u>
Decrease in net assets from operations per Series:		
Investor/Advisor Series	(1,233,398)	(2,873,429)
F Series	(6,138)	(7,949)
R Series	(42)	-
	<u>(1,239,578)</u>	<u>(2,881,378)</u>
Decrease in net assets from operations per unit, per Series:		
Investor/Advisor Series	(0.13)	(0.44)
F Series	(0.13)	(0.39)
R Series	(0.16)	-

The accompanying notes are an integral part of these financial statements.

Omega Consensus International Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		F Series		R Series
	2011 \$	2010 \$	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	60,534,750	46,289,072	135,389	136,593	-
Decrease in net assets from operations	(1,233,398)	(2,873,429)	(6,138)	(7,949)	(42)
Capital unit transactions					
Units issued	32,566,435	13,590,259	326,181	22,154	2,779
Units issued on reinvestment of distributions	1,467	409	-	-	16
Units redeemed	(7,102,863)	(7,988,513)	(100)	(32,937)	(2)
	25,465,039	5,602,155	326,081	(10,783)	2,793
Distributions to investors					
Net investment income	1,467	409	-	-	-
Return of capital	-	-	-	-	16
	1,467	409	-	-	16
Increase (decrease) in net assets for the period	24,230,174	2,728,317	319,943	(18,732)	2,735
Net assets, end of the period	84,764,924	49,017,389	455,332	117,861	2,735

The accompanying notes are an integral part of these financial statements.

Altamira European Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (2.70%)							
Treasury Bills (2.70%)							
Government of Canada							
0.97%, due July 7, 2011	300,000	299,928	299,953				
0.95%, due August 18, 2011	300,000	299,349	299,644				
0.90%, due October 13, 2011	300,000	299,202	299,210				
		898,479	898,807				
	Number of Shares						
International Equities (97.03%)							
Belgium (2.62%)							
InBev NV	8,679	478,812	485,356				
KPC GROEP NV	10,283	406,878	388,453				
		885,690	873,809				
Denmark (1.06%)							
H Lundbeck A/S	13,980	334,267	353,869				
Finland (2.00%)							
Nokia Corp.	52,765	484,424	329,873				
Wartsila OYJ	10,313	363,182	335,785				
		847,606	665,658				
France (20.21%)							
Arkema PLC	5,575	515,581	553,367				
AXA	41,438	885,737	908,158				
BNP Paribas	8,827	636,937	657,148				
Casino Guichard Perrachon SA	3,579	284,821	325,063				
Compagnie Générale des Établissements Michelin	6,218	560,656	585,709				
Renault	7,349	350,733	420,229				
Sanofi-Aventis	9,671	689,013	749,062				
Schneider Electric SA	3,810	417,875	613,862				
Société Générale	9,143	484,893	523,260				
Total SA	15,969	879,907	889,685				
Vivendi Universal SA	19,036	485,124	510,510				
		6,191,277	6,736,053				
Germany (12.87%)							
Allianz AG	5,758	683,215	775,678				
BASF AG	12,300	833,429	1,161,532				
Bayerische Motoren Werke AG	11,636	651,723	1,117,706				
Fresenius SE	3,904	380,539	391,273				
Siemens AG	6,379	671,225	844,793				
		3,220,131	4,290,982				
Ireland (2.38%)							
Experian Group Ltd.	64,799	554,602	794,343				
Italy (4.48%)							
Enel SPA	83,979	531,880	526,659				
ENI SPA	26,372	580,883	600,470				
Telecom Italia SPA	273,344	363,206	366,434				
		1,475,969	1,493,563				
Netherlands (6.20%)							
ASM Holding NV	10,366	436,304	368,246				
ING Groep NV	66,994	821,370	795,401				
Royal Dutch Shell PLC, Series A	26,271	869,191	901,685				
		2,126,865	2,065,332				
Norway (1.80%)							
Fred Olsen Energy ASA	8,822	362,129	300,490				
Marine Harvest ASA	387,485	337,196	299,715				
		699,325	600,205				
Portugal (0.99%)							
Brisa-Auto Estradas de Portugal SA	56,298	330,593	331,174				
Spain (4.24%)							
Banco Bilbao Vizcaya SA	38,233	400,109	432,273				
Banco Santander Central Hispano SA	45,962	487,193	511,688				
Repsol SA	14,004	456,837	468,497				
		1,344,139	1,412,458				
Sweden (3.59%)							
Ericsson (LM) TEL-SP, Series B, ADR	33,582	447,715	467,058				
Meda AB	31,997	277,032	335,713				
Swedbank AB, Series A	24,237	408,793	392,900				
		1,133,540	1,195,671				
Switzerland (7.63%)							
Nestlé SA	28,516	1,300,897	1,707,499				
Roche Holding AG	5,183	793,759	835,331				
		2,094,656	2,542,830				
United Kingdom (26.96%)							
AstraZeneca PLC	12,966	585,932	622,533				
Aviva PLC	80,136	545,766	533,844				
BHP Billiton PLC	30,616	915,573	1,159,571				
British American Tobacco PLC	24,731	714,490	1,037,160				
BT Group PLC	154,055	346,622	480,231				
Centrica PLC	164,075	874,703	812,911				
FirstGroup PLC	62,875	366,331	331,659				
Imperial Tobacco Group PLC	14,333	432,954	458,556				
Intertek Group PLC	24,133	453,178	735,108				
ITV PLC	329,688	446,822	364,603				
Legal & General Group PLC	160,814	258,332	293,711				
Marks & Spencer Group PLC	65,019	355,497	362,996				
Rio Tinto PLC	11,164	716,158	766,006				
Vodafone Group PLC	406,232	1,017,536	1,027,718				
		8,029,894	8,986,607				
Total International Equities		29,268,554	32,342,554				
Total Investments (99.73%)		30,167,033*	33,241,361				
Unrealized Depreciation On Foreign Exchange Contracts (-0.08%)			(24,306)				
Cash And Other Net Assets (0.35%)			111,852				
Net Assets (100%)			33,328,907				

* Average cost of investments as at December 31, 2010 is \$31,031,382.

The accompanying notes are an integral part of these financial statements.

Altamira European Equity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.1849	EU	687,200	952,982	CH	814,253	928,676	(24,306)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	3,506	0.01%	1,001,786	2.85%
Danish Krone	353,878	1.06%	1,119,327	3.18%
Euro	16,018,047	48.06%	13,288,340	7.81%
Norwegian Krone	627,419	1.88%	1,134,590	3.22%
Pound Sterling	10,767,277	32.31%	11,569,796	32.92%
Swedish Krona	1,195,875	3.59%	1,971,636	5.61%
Swiss Franc	3,472,413	10.42%	4,150,661	11.81%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,621,921 (\$1,711,807 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	898,807	548,905
Non-interest-bearing instruments	32,342,554	34,139,025
Total	33,241,361	34,687,930

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$329 (\$350 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI Europe Index TR (100%)				
CA New York 16:00	± 2,439,676	7.32% ±	2,600,769	7.40%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	898,807	n/a	898,807
Common Shares	32,342,554	n/a	n/a	32,342,554
Total Investments	32,342,554	898,807	n/a	33,241,361
Derivatives Assets	n/a	928,676	n/a	928,676
Derivatives Liabilities	n/a	(952,982)	n/a	(952,982)

During the period ended June 30, 2011, investments of \$901,685 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	548,905	n/a	548,905
Common Shares	33,821,106	317,919	n/a	34,139,025
Total Investments	33,821,106	866,824	n/a	34,687,930
Derivative Assets	n/a	1,449,863	n/a	1,449,863
Derivative Liabilities	n/a	(1,434,423)	n/a	(1,434,423)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira European Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	33,241,361	34,687,930	
Unrealized appreciation on foreign exchange contracts	-	16,657	
Cash	68,923	96,335	
Subscriptions receivable	1,819	2,001	
Proceeds from sale of investments receivable	-	399,570	
Interest and dividends receivable	109,634	55,815	
Other assets receivable	17,926	11,881	
	<u>33,439,663</u>	<u>35,270,189</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	24,306	1,217	
Redeemed units payable	14,176	43,972	
Accrued expenses	72,274	79,369	
	<u>110,756</u>	<u>124,558</u>	
Net assets, Investor/Advisor Series	<u>33,328,907</u>	<u>35,145,631</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Eric Laflamme, Director
Net assets per unit, Investor/Advisor Series	15.56	15.09	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	4,956	-
Dividends	862,701	926,670
	<u>867,657</u>	<u>926,670</u>
Expenses		
Management fees	375,627	387,717
Custodial fees	23,958	11,175
Directors' fees of independent review committee	478	383
Audit fees	2,567	5,193
Legal fees	943	651
Rights and deposits	6,787	7,582
Securityholders' reporting costs	54,334	63,865
Other expenses	-	920
Fees paid by the manager	(45,182)	(43,545)
	<u>419,512</u>	<u>433,941</u>
Net investment income	<u>448,145</u>	<u>492,729</u>
Net gains (losses)		
Net realized gains (losses) on sale of investments	1,311,711	(2,330,345)
Net realized losses on foreign currencies	(15,562)	(7,831)
	<u>1,296,149</u>	<u>(2,338,176)</u>
Change in unrealized appreciation/depreciation on investments	(621,966)	(3,682,317)
Unrealized gains on foreign currencies	2,004	10,169
	<u>(619,962)</u>	<u>(3,672,148)</u>
Transaction costs on purchase and sale of investments	(42,584)	(91,805)
	<u>633,603</u>	<u>(6,102,129)</u>
Increase (decrease) in net assets from operations		
Investor/Advisor Series	<u>1,081,748</u>	<u>(5,609,400)</u>
Increase (decrease) in net assets from operations per unit		
Investor/Advisor Series	0.49	(2.11)

The accompanying notes are an integral part of these financial statements.

Altamira European Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	35,145,631	42,425,519
Increase (decrease) in net assets from operations	1,081,748	(5,609,400)
Capital unit transactions		
Units issued	446,310	738,740
Units issued on reinvestment of distributions	834	854
Units redeemed	(3,344,782)	(4,778,811)
	(2,897,638)	(4,039,217)
Distributions to investors		
Net investment income	834	854
Decrease in net assets for the period	(1,816,724)	(9,649,471)
Net assets, end of the period	33,328,907	32,776,048

The accompanying notes are an integral part of these financial statements.

Altamira Asia Pacific Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (2.47%)							
Treasury Bills (2.47%)							
Government of Canada							
0.93%, due September 1, 2011	900,000	898,200	898,626				
	Number of Shares						
International Equities (97.65%)							
Australia (26.25%)							
BHP Billiton Ltd.	53,951	923,844	2,441,874				
Caltex Australia Ltd.	47,386	561,776	568,532				
Challenger Ltd/AU	112,885	551,878	570,942				
Commonwealth Bank of Australia	32,304	1,647,905	1,744,108				
Flight Centre Ltd.	30,160	644,438	672,865				
Fortescue Metals Group Ltd.	122,900	804,380	803,370				
John Fairfax Holdings Ltd.	621,386	786,285	626,632				
MacArthur Coal Ltd.	31,810	369,614	357,306				
Macquarie Airports	146,807	435,822	505,635				
Westpac Banking Corp. Ltd.	54,064	1,223,353	1,241,388				
		7,949,295	9,532,652				
China (2.73%)							
Shui On Land Ltd.	975,300	483,904	411,001				
Tencent Holdings Ltd.	22,293	528,720	580,800				
		1,012,624	991,801				
Hong Kong (15.15%)							
ASM Pacific Technology Ltd.	21,300	274,015	281,161				
Cathay Pacific Airways Ltd.	108,000	303,226	240,679				
Cheung Kong Infrastructure Holdings Ltd.	100,006	501,075	499,524				
Hengan International Group Co. Ltd.	75,087	459,013	646,342				
Hong Kong Land Holdings Ltd.	101,000	716,037	691,643				
Kingboard Chemical Holdings Ltd.	57,500	273,458	255,139				
New World Development Ltd.	468,528	880,699	681,756				
PCCW Ltd.	769,000	319,546	318,345				
Swire Pacific Ltd., Series A	60,200	714,233	848,364				
Television Broadcasts Ltd.	55,000	354,099	350,049				
Wharf Holdings	103,000	470,247	690,015				
		5,265,648	5,503,017				
Japan (44.99%)							
Aeon Co. Ltd.	56,200	681,093	650,384				
Aisin Seiki Co. Ltd.	20,000	627,181	740,364				
Bank of Yokohama Ltd.	160,000	816,973	764,803				
Canon Inc.	24,300	1,130,485	1,107,688				
Chiba Bank Ltd/The	127,000	801,598	763,773				
Dainippon Sumitomo Pharma Co. Ltd.	74,000	653,880	674,642				
Daito Trust Construction Co. Ltd.	9,200	496,229	749,469				
Eisai Co. Ltd.	16,800	592,078	630,962				
Fuji Heavy Industries Ltd.	91,000	539,452	678,092				
Japan (44.99%) (continued)							
Fujitsu Ltd.	74,000	517,373	405,140				
Hitachi Ltd.	49,000	242,285	277,073				
Itochu Corp.	59,900	530,822	597,045				
Iyo Bank Ltd/The	34,000	280,347	299,787				
Japan Petroleum	5,900	279,572	265,411				
JX Holdings Inc.	43,200	278,186	278,434				
KDDI Corp.	40	286,740	276,498				
Komatsu Ltd.	15,500	407,319	463,296				
Kuraray Co. Ltd.	29,900	392,144	420,171				
Marubeni Corp.	79,000	473,558	503,495				
MEIJI Holdings Co. Ltd.	4,200	167,761	170,068				
Mitsubishi Chemical Holdings Corp.	100,300	574,569	681,304				
Mizuho Financial Group Inc.	428,600	1,614,169	672,636				
Nippon Electric Glass Co. Ltd.	20,000	263,655	245,830				
Nitto Denko Corp.	8,300	344,472	402,708				
Sony Corp.	31,000	1,085,547	785,840				
Sumitomo Corp.	56,600	651,851	738,416				
Sumitomo Mitsui Financial Group Inc.	12,000	710,916	354,368				
Sumitomo Mitsui Trust Holdings Inc.	87,070	301,864	289,981				
Sumitomo Rubber Industries Inc.	33,400	397,491	388,128				
Takeda Pharmaceutical Co. Ltd.	10,900	609,214	484,459				
Yamazaki Baking Co. Ltd.	45,000	559,838	578,993				
		17,308,662	16,339,258				
New Zealand (2.97%)							
Telecom Corp of New Zealand Ltd.	413,842	715,557	808,564				
Vector Ltd.	132,901	269,764	269,751				
		985,321	1,078,315				
Singapore (5.56%)							
SembCorp Industries Ltd.	194,000	595,272	760,182				
SembCorp Marine Ltd.	171,000	520,918	711,684				
Singapore Airlines Ltd.	49,000	544,866	545,619				
		1,661,056	2,017,485				
Total International Equities						34,182,606	35,462,528
Total Investments (100.12%)						35,080,806*	36,361,154
Unrealized Appreciation On Foreign Exchange Contracts (0.04%)							14,927
Cash And Other Net Assets (-0.16%)							(60,803)
Net Assets (100%)							36,315,278

* Average cost of investments as at December 31, 2010 is \$35,711,505.

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.123	HK	8,182,016	1,032,683	AU	1,006,200	1,047,610	14,927

The accompanying notes are an integral part of these financial statements.

Altamira Asia Pacific Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	692,964	1.91%	2,111,636	5.15%
Australian Dollar	10,599,772	29.19%	10,045,262	24.48%
Hong Kong Dollar	4,781,024	13.17%	6,926,846	16.88%
Japanese Yen	16,357,866	45.04%	17,980,799	43.82%
New Zealand Dollar	1,078,562	2.97%	376,482	0.92%
Singapore Dollar	2,037,282	5.61%	2,953,123	7.20%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,777,374 (\$2,019,707 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	898,626	698,606
Non-interest-bearing instruments	35,462,528	40,295,575
Total	36,361,154	40,994,181

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$382 (\$367 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI Daily TR Net Japan (50%)				
CA New York 16:00 - MSCI Daily TR Net Pacific ex Japan (50%)				
CA New York 16:00	± 2,683,699	7.39% ±	3,184,278	7.76%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	898,626	n/a	898,626
Common Shares	34,693,253	769,275	n/a	35,462,528
Total Investments	34,693,253	1,667,901	n/a	36,361,154
Derivatives Assets	n/a	1,047,610	n/a	1,047,610
Derivatives Liabilities	n/a	(1,032,683)	n/a	(1,032,683)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	698,606	n/a	698,606
Common Shares	37,973,214	2,322,361	n/a	40,295,575
Total Investments	37,973,214	3,020,967	n/a	40,994,181
Derivative Assets	n/a	2,055,780	n/a	2,055,780
Derivative Liabilities	n/a	(1,998,985)	n/a	(1,998,985)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira Asia Pacific Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	36,361,154	40,994,181	
Unrealized appreciation on foreign exchange contracts	14,927	56,795	
Cash	80,280	78,723	
Subscriptions receivable	450	3,345	
Interest and dividends receivable	33,612	13,997	
Other assets receivable	18,708	12,633	
	<u>36,509,131</u>	<u>41,159,674</u>	
Liabilities			
Redeemed units payable	113,324	31,964	
Accrued expenses	80,529	93,202	
	<u>193,853</u>	<u>125,166</u>	
Net assets, Investor/Advisor Series	<u>36,315,278</u>	<u>41,034,508</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Eric Laflamme, Director
Net assets per unit, Investor/Advisor Series	14.51	15.29	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	2,473	427
Dividends	726,698	581,334
	<u>729,171</u>	<u>581,761</u>
Expenses		
Management fees	414,606	433,701
Custodial fees	18,519	10,549
Directors' fees of independent review committee	526	416
Audit fees	2,679	5,457
Legal fees	984	684
Rights and deposits	6,787	7,262
Securityholders' reporting costs	59,442	69,297
Fees paid by the manager	(29,712)	(31,711)
	<u>473,831</u>	<u>495,655</u>
Net investment income	<u>255,340</u>	<u>86,106</u>
Net losses		
Net realized gains (losses) on sale of investments	1,573,189	(1,709,082)
Net realized gains (losses) on foreign currencies	227,883	(10,912)
	<u>1,801,072</u>	<u>(1,719,994)</u>
Change in unrealized appreciation/depreciation on investments	(4,044,196)	(1,413,455)
Unrealized losses on foreign currencies	(31,419)	(883)
	<u>(4,075,615)</u>	<u>(1,414,338)</u>
Transaction costs on purchase and sale of investments	(29,264)	(77,785)
	<u>(2,303,807)</u>	<u>(3,212,117)</u>
Decrease in net assets from operations		
Investor/Advisor Series	<u>(2,048,467)</u>	<u>(3,126,011)</u>
Decrease in net assets from operations per unit		
Investor/Advisor Series	(0.79)	(1.03)

The accompanying notes are an integral part of these financial statements.

Altamira Asia Pacific Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	41,034,508	44,375,098
Decrease in net assets from operations	(2,048,467)	(3,126,011)
Capital unit transactions		
Units issued	1,005,762	1,383,403
Units redeemed	(3,676,525)	(4,389,230)
	(2,670,763)	(3,005,827)
Decrease in net assets for the period	(4,719,230)	(6,131,838)
Net assets, end of the period	36,315,278	38,243,260

The accompanying notes are an integral part of these financial statements.

Altamira Japanese Opportunity Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
American Dollar	\$ 1,442	0.02%	\$ 1,491	0.02%
Australian Dollar	311	0.01%	n/a	n/a
Hong Kong Dollar	832	0.01%	859	0.01%
Japanese Yen	5,922,963	95.58%	6,601,547	98.31%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$296,277 (\$330,195 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	199,728	n/a
Non-interest-bearing instruments	5,916,118	n/a
Total	6,115,846	n/a

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$75 (\$0 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
TOPIX Index TR (100%) CA New York 16:00	± \$444,290	7.17% ±	505,618	7.53%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	199,728	n/a	199,728
Common Shares	5,916,118	n/a	n/a	5,916,118
Total Investments	5,916,118	199,728	n/a	6,115,846

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	6,596,291	n/a	n/a	6,596,291
Total Investments	6,596,291	n/a	n/a	6,596,291
Derivative Assets	n/a	99,875	n/a	99,875
Derivative Liabilities	n/a	(100,696)	n/a	(100,696)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira Japanese Opportunity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	6,115,846	6,596,291	
Cash	95,423	35,772	
Subscriptions receivable	252	700	
Proceeds from sale of investments receivable	-	100,621	
Dividends receivable	6,195	4,722	
Other assets receivable	3,073	2,042	
	<u>6,220,789</u>	<u>6,740,148</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	-	821	
Redeemed units payable	10,655	9,325	
Accrued expenses	13,627	15,294	
	<u>24,282</u>	<u>25,440</u>	
Net assets, Investor/Advisor Series	<u>6,196,507</u>	<u>6,714,708</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor/Advisor Series	3.50	3.77	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	380	60
Dividends	78,326	60,700
	<u>78,706</u>	<u>60,760</u>
Expenses		
Management fees	69,121	71,993
Custodial fees	5,683	1,765
Directors' fees of independent review committee	146	109
Audit fees	1,686	3,279
Legal fees	619	411
Rights and deposits	6,788	6,844
Securityholders' reporting costs	16,845	18,201
Fees paid by the manager	(21,892)	(20,325)
	<u>78,996</u>	<u>82,277</u>
Net investment loss	<u>(290)</u>	<u>(21,517)</u>
Net losses		
Net realized gains (losses) on sale of investments	14,164	(982,080)
Net realized gains (losses) on foreign currencies	4,638	(1,986)
	<u>18,802</u>	<u>(984,066)</u>
Change in unrealized appreciation/depreciation on investments	(456,594)	839,283
Unrealized losses on foreign currencies	(1,533)	(1,495)
	<u>(458,127)</u>	<u>837,788</u>
Transaction costs on purchase and sale of investments	(3,139)	(6,290)
	<u>(442,464)</u>	<u>(152,568)</u>
Decrease in net assets from operations		
Investor/Advisor Series	<u>(442,754)</u>	<u>(174,085)</u>
Decrease in net assets from operations per unit		
Investor/Advisor Series	(0.25)	(0.09)

The accompanying notes are an integral part of these financial statements.

Altamira Japanese Opportunity Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	<u>Investor/Advisor Series</u>	
	<u>2011</u>	<u>2010</u>
	\$	\$
Net assets, beginning of the period	<u>6,714,708</u>	<u>7,016,233</u>
Decrease in net assets from operations	<u>(442,754)</u>	<u>(174,085)</u>
Capital unit transactions		
Units issued	868,970	525,243
Units redeemed	<u>(944,417)</u>	<u>(933,199)</u>
	<u>(75,447)</u>	<u>(407,956)</u>
Decrease in net assets for the period	<u>(518,201)</u>	<u>(582,041)</u>
Net assets, end of the period	<u><u>6,196,507</u></u>	<u><u>6,434,192</u></u>

The accompanying notes are an integral part of these financial statements.

Omega Emerging Markets Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
		\$	\$			\$	\$
International Equities (97.02%)							
Argentina (0.87%)							
MercadoLibre Inc.	21,900	1,118,615	1,675,863				
Brazil (17.90%)							
All America Latina Logistica SA	256,790	2,339,106	2,082,453				
Banco Bradesco SA	157,823	2,466,973	3,072,479				
BM&FBOVESPA SA	243,900	1,784,988	1,554,619				
Cia Brasileira de Distribuicao Grupo Pao de Acucar	36,100	1,491,224	1,603,129				
Itau Unibanco Banco Multiplo SA	213,802	2,748,581	4,852,169				
OGX Petroleo e Gas Participacoes SA	293,100	1,941,760	2,633,973				
Petroleo Brasileiro SA, ADR	290,300	9,788,508	9,475,009				
Vale SA	292,100	7,759,346	8,998,471				
		30,320,486	34,272,302				
China (18.26%)							
Alibaba.com Ltd.	1,244,000	2,533,812	1,905,743				
Aluminum Corporation of China Ltd., Series H	2,104,000	1,960,983	1,708,097				
Baidu.com	65,100	1,624,504	8,800,499				
Bank of China Ltd.	4,677,200	2,174,887	2,197,104				
China Construction Bank Corp.	4,285,720	3,233,949	3,426,171				
China Life Insurance Co. Ltd., Series H	469,000	2,199,257	1,543,344				
China Merchants Bank Co. Ltd.	1,052,100	1,765,059	2,454,156				
China National Building Material Co. Ltd.	2,188,000	2,313,322	4,132,927				
China Shenhua Energy Co., Series H	989,000	3,488,005	4,547,741				
Focus Media Holding Ltd.	29,876	882,799	895,295				
Ping An Insurance Group Co. of China Ltd.	337,500	3,166,730	3,352,763				
		25,343,307	34,963,840				
Hong Kong (2.36%)							
China Mobile (Hong Kong) Ltd.	507,000	5,128,890	4,521,310				
India (4.37%)							
Hero Honda Motors Ltd.	21,620	818,111	877,085				
Housing Development Finance Corp.	145,500	1,318,520	2,208,000				
Infosys Technologies Ltd.	28,400	1,885,359	1,758,586				
Infrastructure Development Finance Co. Ltd.	559,820	1,849,985	1,581,245				
Jindal Steel & Power Ltd.	139,007	1,751,444	1,944,092				
		7,623,419	8,369,008				
Indonesia (4.55%)							
Bank Rakyat Indonesia	3,162,000	1,702,614	2,311,801				
Bumi Resources Tbk PT	8,265,500	2,342,581	2,719,382				
PT Astra International Tbk	313,500	1,807,379	2,240,930				
Telekomunikasi Indonesia TBK PT	1,746,000	1,331,678	1,433,647				
		7,184,252	8,705,760				
Luxembourg (0.45%)							
Evrz Group SA	28,700	1,085,544	862,268				
Mexico (5.25%)							
America Movil SA de CV, ADR, Series L	65,800	2,671,278	3,418,176				
Cemex SA, ADR	259,584	2,115,457	2,150,668				
Wal-Mart de Mexico SA, Series V	1,574,900	2,683,452	4,494,954				
		7,470,187	10,063,798				
Netherlands (0.36%)							
VimpelCom Ltd.	56,800	708,814	697,943				
Peru (0.87%)							
Credicorp Ltd.	20,057	1,429,859	1,666,570				
Russia (5.78%)							
Gazprom	316,000	5,387,988	4,370,574				
Lukoil Holding, ADR	36,150	2,123,887	2,222,751				
Magnit OJSC	14,885	439,589	386,733				
Mobile Telesystems SP, ADR	13,236	207,914	242,556				
NovaTek OAO	6,900	927,325	915,069				
Rosneft Ojsc	101,700	947,582	825,915				
Severstal	67,700	908,153	1,194,276				
VTB Bank OJSC	153,100	938,307	1,106,228				
		11,880,745	11,068,228				
South Africa (8.08%)							
AngloGold Ashanti Ltd.	70,400	3,181,743	2,856,587				
Gold Fields Ltd.	130,200	1,857,764	1,829,640				
Impala Platinum Holdings Ltd.	60,200	2,040,924	1,563,211				
Massmart Holdings Ltd.	73,588	805,246	1,467,176				
Naspers Ltd.	85,488	2,487,718	4,643,726				
Sasol Ltd.	61,700	3,181,496	3,110,331				
		13,554,891	15,470,671				
South Korea (16.22%)							
E-Mart Co. Ltd.	7,478	1,563,141	1,641,773				
Glovis Co. Ltd.	6,900	973,635	1,069,140				
Hyundai Mobis	25,606	3,822,541	9,230,728				
KB Financial Group Inc.	32,230	1,515,193	1,470,527				
NHN Corp.	13,806	1,945,904	2,357,496				
Samsung Electronics Co. Ltd.	12,635	6,137,166	9,417,822				
Samsung Fire & Marine Insurance Co. Ltd.	22,720	3,839,526	5,070,217				
Shinsegae Co. Ltd.	2,642	2,637,289	809,196				
		22,434,395	31,066,899				
Taiwan (7.89%)							
HON HAI Precision Industry Ltd.	2,334,470	6,807,912	7,671,550				
MediaTek Inc.	193,460	2,701,479	2,017,842				
Taiwan Semiconductor Manufacturing Co. Ltd.	2,249,522	4,654,810	5,414,571				
		14,164,201	15,103,963				
Turkey (1.40%)							
Turkiye Garanti Bankasi AS	422,070	1,161,851	1,846,064				
Turkiye Is Bankasi, Series C	282,372	698,502	832,313				
		1,860,353	2,678,377				
United Kingdom (2.41%)							
Cairn Energy PLC	146,998	923,769	942,857				
Petropavlovsk PLC	120,400	2,060,422	1,357,597				
Tullow Oil PLC	122,500	2,490,796	2,322,667				
		5,474,987	4,623,121				
Total International Equities		156,782,945	185,809,922				
Total Investments (97.02%)		156,782,945*	185,809,921				
Unrealized Appreciation On Foreign Exchange Contracts (0.00%)			118				
Cash And Other Net Assets (2.98%)			5,701,411				
Net Assets (100%)			191,511,450				

* Average cost of investments as at December 31, 2010 is \$145,972,762.

The accompanying notes are an integral part of these financial statements.

Omega Emerging Markets Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts								
Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
July 5, 2011	1.0376	CA	173,332	173,332	US	179,842	173,457	126
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
June 30, 2011	1.0348	CA	4,136	4,136	US	4,280	4,128	(8)
Unrealized Appreciation On Foreign Exchange Contracts								118

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	57,607,375	30.08%	55,882,980	28.52%
Brazilian Real	10,984,501	5.74%	12,208,458	6.23%
Chinese Renminbi	81,518	0.04%	n/a	n/a
Hong Kong Dollar	30,062,897	15.70%	27,809,196	14.19%
Indian Rupee	8,420,734	4.40%	11,901,967	6.07%
Indonesian Rupiah	8,755,193	4.57%	9,796,676	5.00%
Mexican Nuevo Peso	4,494,954	2.35%	6,753,873	3.45%
New Turkish Lira	2,678,375	1.40%	5,374,756	2.74%
Poland Zlotych	n/a	n/a	1,622,423	0.83%
Pound Sterling	4,636,166	2.42%	7,289,149	3.72%
South African Unitary Rand	12,614,084	6.59%	12,152,236	6.20%
South Korean Won	31,132,329	16.26%	27,956,232	14.27%
Taiwanese New Dollar	15,285,537	7.98%	14,839,134	7.57%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$9,337,683 (\$9,679,354 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI Emerging Markets Index TR (100%) CA New York 16:00	± 16,125,264	8.42%	± 16,217,237	8.54%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	177,450,444	8,359,477	n/a	185,809,921
Total Investments	177,450,444	8,359,477	n/a	185,809,921
Derivatives Assets	n/a	177,586	n/a	177,586
Derivatives Liabilities	n/a	(177,468)	n/a	(177,468)

During the period ended June 30, 2011, investments of \$4,494,954 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the period ended June 30, 2011, investments of \$3,637,072 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	185,617,068	7,533,181	n/a	193,150,249
Total Investments	185,617,068	7,533,181	n/a	193,150,249
Derivative Assets	n/a	261,105	n/a	261,105
Derivative Liabilities	n/a	(261,930)	n/a	(261,930)

During the year ended December 31, 2010, investments of \$1,811,549 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$1,532,361 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Omega Emerging Markets Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	185,809,921	193,150,249
Unrealized appreciation on foreign exchange contracts	126	28
Cash	5,668,351	3,203,496
Subscriptions receivable	151,487	120,988
Proceeds from sale of investments receivable	195,915	133,135
Dividends receivable	615,804	150,573
Other assets receivable	117,629	106,035
	<u>192,559,233</u>	<u>196,864,504</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	8	854
Redeemed units payable	85,355	148,638
Investments payable	469,052	270,581
Accrued expenses	493,368	519,255
	<u>1,047,783</u>	<u>939,328</u>
Net assets	<u>191,511,450</u>	<u>195,925,176</u>
Net assets per Series:		
Investor/Advisor Series	191,509,331	195,925,176
R Series	2,119	-
	<u>191,511,450</u>	<u>195,925,176</u>
Net assets per unit, per Series:		
Investor/Advisor Series	20.70	21.99
R Series	9.77	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Omega Emerging Markets Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	1,735	-
Dividends	3,490,398	1,443,177
	<u>3,492,133</u>	<u>1,443,177</u>
Expenses		
Management fees	2,573,131	2,310,311
Custodial fees	187,901	155,037
Directors' fees of independent review committee	2,029	1,412
Audit fees	7,319	13,590
Legal fees	2,688	1,703
Rights and deposits	13,297	11,719
Securityholders' reporting costs	229,722	234,804
Other expenses	-	65,053
Fees paid by the manager	(217,550)	(215,882)
	<u>2,798,537</u>	<u>2,577,747</u>
Net investment income (loss)	<u>693,596</u>	<u>(1,134,570)</u>
Net losses		
Net realized gains on sale of investments	6,165,521	2,808,371
Net realized losses on foreign currencies	(25,956)	(89,245)
	<u>6,139,565</u>	<u>2,719,126</u>
Change in unrealized appreciation/depreciation on investments	(18,149,569)	(15,845,716)
Unrealized gains (losses) on foreign currencies	(36,295)	7,452
	<u>(18,185,864)</u>	<u>(15,838,264)</u>
Transaction costs on purchase and sale of investments	(122,095)	(108,619)
	<u>(12,168,394)</u>	<u>(13,227,757)</u>
Decrease in net assets from operations	<u>(11,474,798)</u>	<u>(14,362,327)</u>
Decrease in net assets from operations per Series:		
Investor/Advisor Series	(11,474,760)	(14,362,527)
R Series	(38)	-
	<u>(11,474,798)</u>	<u>(14,362,527)</u>
Decrease in net assets from operations per unit, per Series:		
Investor/Advisor Series	(1.26)	(1.58)
R Series	(0.18)	-

The accompanying notes are an integral part of these financial statements.

Omega Emerging Markets Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		R Series
	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	195,925,176	177,670,739	-
Decrease in net assets from operations	(11,474,760)	(14,362,327)	(38)
Capital unit transactions			
Units issued	31,010,659	31,950,125	2,160
Units issued on reinvestment of distributions	-	-	12
Units redeemed	(23,951,744)	(18,252,527)	(3)
	7,058,915	13,697,598	2,169
Distributions to investors			
Return of capital	-	-	12
Increase (decrease) in net assets for the period	(4,415,845)	(664,729)	2,119
Net assets, end of the period	191,509,331	177,006,010	2,119

The accompanying notes are an integral part of these financial statements.

Altamira Global Small Company Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (1.73%)							
Treasury Bills (1.73%)							
Government of Canada							
0.91%, due July 6, 2011	100,000	99,965	99,987				
0.92%, due September 1, 2011	700,000	698,550	698,932				
		798,515	798,919				
	Number of Shares						
Canadian Equities (10.54%)							
Energy (1.12%)							
Transglobe Energy Corp.	46,908	184,318	515,050				
Industrials (5.38%)							
Garda World Security Corp., Class A	125,150	1,408,560	1,207,698				
TransForce Inc.	85,438	566,259	1,271,317				
		1,974,819	2,479,015				
Information Technology (1.53%)							
Route1 Inc.	3,914,303	812,333	704,575				
Materials (2.51%)							
AuRico Gold Inc.	63,895	403,431	674,731				
Lake Shore Gold Corp.	172,707	697,001	483,580				
		1,100,432	1,158,311				
Total Canadian Equities		4,071,902	4,856,951				
Global Equities (85.42%)							
China (1.77%)							
Peak Sport Products Co. Ltd.	1,206,000	772,751	816,141				
France (6.35%)							
Euler Hermes SA	7,125	346,098	580,463				
Maurel Et Prom	28,382	472,170	670,847				
Rubis	9,751	814,355	1,192,076				
Transgene SA	29,113	494,634	482,502				
		2,127,257	2,925,888				
Germany (3.09%)							
Gerry Weber International AG	12,900	424,980	817,661				
Rheinmetall AG	7,104	443,103	607,168				
		868,083	1,424,829				
Greece (1.18%)							
Folli Follie Group	39,100	651,476	542,478				
Hong Kong (4.34%)							
China Glass Holdings Ltd.	1,051,431	497,772	400,078				
China Green Holdings Ltd.	684,509	630,311	418,265				
China Lumena New Materials Corp.	1,710,000	590,104	663,385				
VODone Ltd	2,292,500	669,077	519,979				
		2,387,264	2,001,707				
Japan (1.38%)							
Nidec Sankyo Corp.	100,000	693,340	633,742				
Panama (2.98%)							
Orthofix International NV	33,500	1,026,330	1,371,268				
Sweden (1.73%)							
Loomis AB	59,182	853,586	796,479				
Switzerland (3.30%)							
Gategroup Holding AG	21,371	897,276	907,043				
Vontobel Holding AG	18,826	587,009	614,382				
		1,484,285	1,521,425				
United Kingdom (3.90%)							
Chemring Group PLC	103,500	842,997	1,024,462				
IG Group Holding PLC	114,512	733,069	772,951				
		1,576,066	1,797,413				
United States (55.40%)							
Allegiant Travel Co.	14,300	590,369	682,721				
Blue Coat Systems Inc.	18,300	352,098	385,660				
Bridgepoint Education Inc.	19,000	314,696	457,404				
Brinker International Inc.	24,800	472,396	584,834				
Brocade Communications Systems Inc.	100,000	638,858	623,067				
Career Education Corp.	15,400	318,920	313,999				
CIRCOR International Inc.	11,500	407,355	474,949				
City National Corp.	19,512	1,067,919	1,020,572				
Coinstar Inc.	15,648	643,633	822,692				
Columbia Banking System Inc.	57,699	1,149,865	957,748				
Community Health Systems Inc.	43,000	1,209,256	1,065,039				
Complete Production	11,401	316,704	366,835				
Comstock Resources Inc.	20,673	500,165	574,047				
Coventry Health Care Inc.	46,600	1,013,688	1,637,821				
East West Bancorp Inc.	32,092	585,917	625,555				
Forest Oil Corp.	16,896	395,880	434,782				
Gamestop Corp., Class A	23,100	592,100	593,761				
IIT Educational Services	5,300	338,278	399,900				
Jack in the Box Inc.	44,650	1,073,082	980,158				
JDS Uniphase Corp.	27,663	262,244	444,238				
John Bean Technologies Corp.	47,000	749,197	874,445				
Landstar System Inc.	10,705	441,983	479,905				
MB Financial Inc.	45,100	836,001	836,485				
Middleby Corp.	5,410	181,795	490,696				
Netscout Systems Inc.	23,500	462,414	472,808				
Office Depot Inc.	155,000	748,503	629,384				
PetSmart Inc.	16,950	401,321	741,721				
Piper Jaffray Cos	34,900	1,352,728	968,092				
PrivateBancorp Inc.	65,084	929,605	865,647				
Raymond James Financial Inc.	32,590	782,624	1,010,887				
Regal-Beloit Corp.	12,500	812,698	805,237				
Sally Beauty Holdings Inc.	66,300	525,660	1,092,843				
Snap-On Inc.	19,000	827,676	1,145,160				
STEC Inc.	41,400	592,556	678,815				
US Airways Group Inc.	115,106	985,140	989,186				
		22,873,324	25,527,093				
Total Global Equities		35,313,762	39,358,463				
Total Investments (97.69%)		40,184,179*	45,014,333				
Unrealized Depreciation On Foreign Exchange Contracts (0.00%)			(1,182)				
Cash And Other Net Assets (2.31%)			1,063,650				
Net Assets (100%)			46,076,801				

* Average cost of investments as at December 31, 2010 is \$37,952,836.

The accompanying notes are an integral part of these financial statements.

Altamira Global Small Company Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts								
Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
July 5, 2011	0.7161	CA	34,912	34,912	EU	25,000	34,965	53
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
July 4, 2011	0.7125	CA	35,086	35,086	EU	25,000	34,965	(121)
July 4, 2011	0.8571	CA	7,000	7,000	CH	6,000	6,883	(117)
July 5, 2011	0.8646	CA	121,443	121,443	CH	105,000	120,446	(997)
								(1,235)
Unrealized Depreciation On Foreign Exchange Contracts								(1,182)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	28,115,009	61.02%	25,571,460	55.21%
Australian Dollar	4,206	0.01%	4,144	0.01%
Euro	4,903,894	10.64%	3,705,656	8.00%
Hong Kong Dollar	2,818,529	6.12%	2,783,691	6.01%
Japanese Yen	634,126	1.38%	2,734	0.01%
Pound Sterling	1,804,102	3.92%	1,770,745	3.82%
Swedish Krona	797,063	1.73%	n/a	n/a
Swiss Franc	1,523,797	3.31%	3,217,786	6.95%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$2,030,036 (\$1,852,811 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	798,919	1,197,611
Non-interest-bearing instruments	44,215,418	45,203,314
Total	45,014,337	46,400,925

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$302 (\$629 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI World Small Cap (100%)				
CA New York 16:00	± 4,322,004	9.38%	± 4,330,374	9.35%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	June 30, 2011		December 31, 2010	
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	798,919	n/a	798,919
Common Shares	42,424,808	1,790,606	n/a	44,215,414
Total Investments	42,424,808	2,589,525	n/a	45,014,333
Derivatives Assets	n/a	197,259	n/a	197,259
Derivatives Liabilities	n/a	(198,441)	n/a	(198,441)

During the period ended June 30, 2011, investments of \$580,463 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010	December 31, 2010		December 31, 2010	
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	1,197,611	n/a	1,197,611
Common Shares	43,786,873	1,416,441	n/a	45,203,314
Total Investments	43,786,873	2,614,052	n/a	46,400,925

During the year ended December 31, 2010, investments of \$1,416,441 were transferred from Level 1 to Level 2 as they ceased to be traded in an active market.

During the year ended December 31, 2010, investments of \$1,901,680 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Altamira Global Small Company Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>
	\$	\$
Assets		
Investments, at fair value	45,014,333	46,400,925
Unrealized appreciation on foreign exchange contracts	53	-
Cash	106,762	73,835
Subscriptions receivable	24,568	39,707
Proceeds from sale of investments receivable	1,247,806	-
Interest and dividends receivable	46,340	16,176
Other assets receivable	24,000	14,691
	<u>46,463,862</u>	<u>46,545,334</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	1,235	-
Redeemed units payable	16,170	55,448
Investments payable	267,090	67,181
Accrued expenses	102,566	108,546
	<u>387,061</u>	<u>231,175</u>
Net assets	<u>46,076,801</u>	<u>46,314,159</u>
Net assets per Series:		
Investor/Advisor Series	46,075,612	46,314,159
R Series	1,189	-
	<u>46,076,801</u>	<u>46,314,159</u>
Net assets per unit, per Series:		
Investor/Advisor Series	8.96	9.00
R Series	9.54	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Global Small Company Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	6,913	1,879
Dividends	297,069	240,462
	<u>303,982</u>	<u>242,341</u>
Expenses		
Management fees	511,026	478,059
Custodial fees	21,454	10,853
Directors' fees of independent review committee	541	403
Audit fees	2,907	5,630
Legal fees	1,068	706
Rights and deposits	7,574	8,006
Securityholders' reporting costs	61,519	67,088
Fees paid by the manager	(22,363)	(31,506)
	<u>583,726</u>	<u>539,239</u>
Net investment loss	<u>(279,744)</u>	<u>(296,898)</u>
Net gains (losses)		
Net realized gains on sale of investments	3,749,005	3,011,409
Net realized gains (losses) on foreign currencies	(21,038)	9,640
	<u>3,727,967</u>	<u>3,021,049</u>
Change in unrealized appreciation/depreciation on investments	(3,619,117)	(4,817,100)
Unrealized gains (losses) on foreign currencies	3,481	(11,751)
	<u>(3,615,636)</u>	<u>(4,828,851)</u>
Transaction costs on purchase and sale of investments	(81,058)	(59,208)
	<u>31,273</u>	<u>(1,867,010)</u>
Decrease in net assets from operations	<u>(248,471)</u>	<u>(2,163,908)</u>
Decrease in net assets from operations per Series:		
Investor/Advisor Series	(248,422)	(2,163,908)
R Series	(49)	-
	<u>(248,471)</u>	<u>-</u>
Decrease in net assets from operations per unit, per Series:		
Investor/Advisor Series	(0.05)	(0.39)
R Series	(0.40)	-

The accompanying notes are an integral part of these financial statements.

Altamira Global Small Company Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		R Series
	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	46,314,159	46,280,045	-
Decrease in net assets from operations	(248,422)	(2,163,908)	(49)
Capital unit transactions			
Units issued	5,423,678	5,403,664	1,238
Units issued on reinvestment of distributions	301	7,111	7
Units redeemed	(5,413,803)	(7,798,896)	-
	10,176	(2,388,121)	1,245
Distributions to investors			
Net investment income	301	7,111	-
Return of capital	-	-	7
	301	7,111	7
Increase (decrease) in net assets for the period	(238,547)	(4,559,140)	1,189
Net assets, end of the period	46,075,612	41,720,905	1,189

The accompanying notes are an integral part of these financial statements.

National Bank Strategic Yield Class

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value \$	Average Cost \$	Fair Value \$
Money Market (100.12%)			
Treasury Bills (66.28%)			
Government of Canada (60.01%)			
0.92%, due September 15, 2011	1,000,000	997,700	998,031
1.08%, due September 15, 2011	7,800,000	7,758,192	7,784,644
1.01%, due October 13, 2011	500,000	498,080	498,629
1.09%, due November 10, 2011	400,000	397,912	398,564
0.99%, due November 24, 2011	300,000	298,752	298,790
1.25%, due March 15, 2012	4,400,000	4,345,836	4,364,909
		<u>14,296,472</u>	<u>14,343,567</u>
Province of Newfoundland and Labrador (6.27%)			
1.06%, due August 18, 2011	1,500,000	1,496,400	1,498,078
Total Treasury Bills		<u>15,792,872</u>	<u>15,841,645</u>
Government Guaranteed Investments (15.88%)			
Canadian Wheat Board			
1.05%, due August 18, 2011	3,300,000	3,285,546	3,295,771
Soci�t� de transport de Montreal			
1.14%, due September 15, 2011	500,000	498,785	498,816
Total Government Guaranteed Investments		<u>3,784,331</u>	<u>3,794,587</u>
Promissory Notes (3.76%)			
Province of British Columbia			
1.07%, due July 11, 2011	400,000	398,960	399,886
Province of Nova Scotia			
1.05%, due August 22, 2011	500,000	498,825	499,306
Total Promissory Notes		<u>897,785</u>	<u>899,192</u>
Bankers' Acceptances (5.85%)			
Bank of Montreal			
1.15%, due August 4, 2011	700,000	698,089	699,233
Bank of Nova Scotia			
1.14%, due September 6, 2011	700,000	698,187	698,381
Total Bankers' Acceptances		<u>1,396,276</u>	<u>1,397,614</u>
Bank Deposit Note (8.35%)			
Toronto-Dominion Bank			
1.28%, due September 6, 2011	2,000,000	1,987,520	1,995,376
Total Money Market		<u>23,858,784</u>	<u>23,928,414</u>
Total Investments (100.12%)		<u>23,858,784*</u>	<u>23,928,414</u>
Cash and Other Net Assets (-0.12%)			<u>(28,607)</u>
Net Assets (100%)			<u>23,899,807</u>

* Average cost of investments as at December 31, 2010 is \$50,354,503.

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	98.41%
AA/Aa/A-2/P-2	n/a	1.59%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
Less than one year	\$ 23,928,414	\$ 50,406,918

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$16,870 (\$21,105 in 2010).

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	23,928,414	n/a	23,928,414

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	50,406,918	n/a	50,406,918

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Strategic Yield Class

Financial Statements

Statements of Shareholders' Equity as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	23,928,414	50,406,918
Cash	38,052	36,536
Subscriptions receivable	-	1,000
Other assets receivable	59,423	340,622
	<u>24,025,889</u>	<u>50,785,076</u>
Liabilities		
Redeemed shares payable	110,048	5,006
Accrued expenses	16,034	33,804
	<u>126,082</u>	<u>38,810</u>
Shareholders' Equity	<u>23,899,807</u>	<u>50,746,266</u>
Shareholders' Equity per Series:		
Investor/Advisor Series	4,238,079	6,747,360
Institutional Series	11,838,909	16,377,061
M Series	7,822,819	27,621,845
	<u>23,899,807</u>	<u>50,746,266</u>
Shareholders' Equity per share, per Series:		
Investor/Advisor Series	105.826	105.645
Institutional Series	108.324	107.964
M Series	109.936	109.478

Approved on behalf of the
National Bank Fund Corporation Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

National Bank Strategic Yield Class *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	201,651	144,248
Expenses		
Management fees	130,385	253,495
Custodial fees	3,053	5,145
Directors' fees of independent review committee	60	49
Audit fees	2,371	6,328
Legal fees	871	793
Rights and deposits	8,653	8,134
Securityholders' reporting costs	6,822	10,657
Fees paid by the manager	(66,417)	(262,494)
	<u>85,798</u>	<u>22,107</u>
Net investment income	<u>115,853</u>	<u>122,141</u>
Net gains (losses)		
Change in unrealized appreciation/depreciation of investments	11,298	17,076
Increase in Shareholders' Equity from operations	<u>127,151</u>	<u>139,217</u>
Increase in Shareholders' Equity from operations per Series:		
Investor/Advisor Series	8,541	3,666
Institutional Series	47,696	45,557
M Series	70,914	89,994
	<u>127,151</u>	<u>139,217</u>
Increase in Shareholders' Equity from operations per share per Series:		
Investor/Advisor Series	0.177	0.050
Institutional Series	0.356	0.172
M Series	0.441	0.252

The accompanying notes are an integral part of these financial statements.

National Bank Strategic Yield Class *(continued)*

Financial Statements

Statements of changes in Shareholders' Equity per Series for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series		Institutional Series		M Series	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
Shareholders' Equity, beginning of period	6,747,360	8,521,271	16,377,061	32,716,812	27,621,845	47,987,707
Increase in Shareholders' Equity from operations	8,541	3,666	47,696	45,557	70,914	89,994
Capital share transactions						
Shares issued	998,232	1,552,393	604,768	1,593,994	-	1,574,500
Shares issued on reinvestment of distributions	-	-	-	-	-	-
Shares redeemed	(3,516,054)	(3,558,007)	(5,190,616)	(11,732,200)	(19,869,940)	(25,981,582)
	(2,517,822)	(2,005,614)	(4,585,848)	(10,138,206)	(19,869,940)	(24,407,082)
Decrease in Shareholders' Equity for the period	(2,509,281)	(2,001,948)	(4,538,152)	(10,092,649)	(19,799,026)	(24,317,088)
Shareholders' Equity, end of period	4,238,079	6,519,323	11,838,909	22,624,163	7,822,819	23,670,619

The accompanying notes are an integral part of these financial statements.

Altamira Resource Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (1.44%)							
Treasury Bills (1.44%)							
Government of Canada							
0.95%, due September 1, 2011	400,000	399,131	399,389				
1.07%, due September 15, 2011	2,500,000	2,493,700	2,495,262				
		2,892,831	2,894,651				
	Number of Shares						
Equities (98.56%)							
Chemicals (5.12%)							
Allana Potash Corp.	1,130,300	1,751,966	1,726,193				
Potash Corporation of Saskatchewan Inc.	143,481	7,025,935	7,878,542				
Stonegate Agricom Ltd.	700,000	1,225,000	728,000				
		10,002,901	10,332,735				
Energy Equipment And Services (6.00%)							
Precision Drilling Corp.	550,000	5,002,220	7,595,500				
Savanna Energy Services Corp.	150,000	1,290,974	1,300,500				
Secure Energy Services Inc.	150,000	1,129,170	1,432,500				
Xtreme Coil Drilling Corp.	425,147	2,059,186	1,772,863				
		9,481,550	12,101,363				
Metals And Mining (48.20%)							
Alacer Gold Corp.	110,000	1,003,684	883,300				
Allied Nevada Gold Corp.	226,100	4,211,279	7,646,702				
Avalon Rare Metals Inc.	395,000	968,191	2,646,500				
Barrick Gold Corp.	124,598	5,879,627	5,441,195				
Century Iron Mines Corp.	685,900	2,000,000	2,030,264				
Claude Resources Inc.	1,003,114	2,466,824	1,835,699				
Cline Mining Corp.	785,000	2,011,047	1,789,800				
Copper Mountain Mining Corp.	284,000	483,352	2,115,800				
Detour Gold Corp.	181,789	5,694,467	5,073,731				
First Quantum Minerals Ltd.	40,000	4,185,873	5,622,000				
Franco-Nevada Corp.							
warrants due June 16, 2017	15,250	-	93,025				
Goldcorp Inc.	177,295	9,104,670	8,247,763				
Gran Colombia Gold Corp.	875,000	1,400,000	691,250				
Gran Colombia Gold Corp.							
warrants due August 24, 2015	437,500	-	133,438				
Great Western Minerals Group Ltd.	2,100,000	693,000	1,449,000				
Great Western Minerals Group Ltd.							
warrants due October 19, 2012	1,050,000	-	340,725				
Hana Mining Ltd.	300,000	1,334,073	429,000				
Kinross Gold Corp.							
warrants due September 17, 2014	13,233	64,842	31,362				
Lake Shore Gold Corp.	550,000	2,407,817	1,540,000				
Lundin Mining Corp.	480,000	3,852,895	3,547,200				
Lydian International Ltd.	625,000	1,590,000	1,412,500				
Macarthur Minerals Ltd.	700,000	2,520,000	1,757,000				
Macarthur Minerals Ltd.							
warrants due February 24, 2013	350,000	-	180,775				
New Gold Inc.	440,000	3,540,950	4,364,800				
Osisko Mining Corp.	453,059	5,096,320	6,773,232				
Rare Element Resources Ltd.	160,000	1,593,797	1,664,000				
Reunion Gold Corp.	340,695	736,868	521,263				
Romarco Minerals Inc.	1,396,700	1,994,505	2,248,687				
Metals And Mining (48.20%) (continued)							
Sabina Gold & Silver Corp.				376,469	2,268,393	2,221,167	
SEMAFO Inc.				522,829	5,064,333	3,842,793	
Silver Standard Resources Inc.				152,879	4,095,301	3,925,933	
Silver Wheaton Corp.				283,378	6,226,183	9,017,088	
Stans Energy Corp.				700,000	1,295,000	1,002,610	
Stans Energy Corp.							
warrants due April 28, 2013				350,000	-	183,015	
Teck Resources Ltd., Class B				123,700	4,363,572	6,042,745	
Wildcat Silver Corp.				311,500	893,399	501,515	
					89,040,262	97,246,877	
Oil, Gas And Consumable Fuels (39.24%)							
Advantage Oil & Gas Ltd.				326,000	2,744,120	2,490,640	
Americas Petrogas Inc.				220,000	594,154	431,200	
Americas Petrogas Inc., restricted until July 17, 2011				741,900	1,839,912	1,441,141	
Athabasca Oil Sands Corp.				250,000	3,947,500	3,787,500	
Bankers Petroleum Ltd.				335,386	3,047,020	2,307,456	
Baytex Energy Corp.				146,450	5,673,047	7,676,909	
Bellatrix Exploration Ltd.				400,000	2,240,000	1,816,000	
BlackPearl Resources Inc.				1,002,022	1,374,892	6,813,750	
Canadian Natural Resources Ltd.				113,400	4,114,307	4,571,154	
Celtic Exploration Ltd.				314,315	5,720,183	6,698,053	
Cenovus Energy Inc.				145,000	4,990,436	5,264,950	
Crew Energy Inc.				120,000	1,221,265	1,788,000	
Legacy Oil + Gas Inc.				164,347	1,742,078	1,922,860	
Midway Energy Ltd.				445,400	731,740	1,866,226	
Painted Pony Petroleum Ltd.				325,000	3,412,500	3,620,500	
Parex Resources Inc.				191,100	1,337,700	1,414,140	
Peyto Exploration & Development Corp.				185,000	3,261,727	3,970,100	
Suncor Energy Inc.				130,724	4,656,746	4,925,680	
Tourmaline Oil Corp.				262,000	5,767,000	8,384,000	
Trilogy Energy Corp.				198,500	2,229,002	4,708,420	
Vero Energy Inc.				183,000	1,121,790	995,520	
Whitecap Resources Inc.				161,700	1,102,370	1,007,391	
Wild Stream Exploration Inc.				100,000	1,155,000	1,133,000	
Xinergy Ltd.							
warrants due December 21, 2011				225,000	-	137,250	
					64,024,489	79,171,840	
Total Equities					172,549,202	198,852,815	
Total Investments (100.00%)					175,442,033*	201,747,466	
Cash And Other Net Assets (0.00%)						4,664	
Net Assets (100%)						201,752,130	

* Average cost of investments as at December 31, 2010 is \$152,510,271.

The accompanying notes are an integral part of these financial statements.

► SPECIALIZED FUNDS

Altamira Resource Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
American Dollar	\$ 10,621	0.01%	\$ (108,628)	(0.05%)

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have increased or decreased, respectively, by approximately \$531 (\$5,431 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	2,894,651	99,800
Non-interest-bearing instruments	198,852,815	213,346,098
Total	201,747,466	213,445,898

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,480 (\$52 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
S&P/TSX Materials Index TR (50%) - S&P/TSX CAP Energy TR (50%)	\$ ± 19,247,153	9.54%	\$ ± 20,364,047	9.50%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	2,894,651	n/a	2,894,651
Common Shares	194,986,336	3,866,479	n/a	198,852,815
Total Investments	194,986,336	6,761,130	n/a	201,747,466

During the period ended June 30, 2011, investments of \$8,384,000 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	99,800	n/a	99,800
Common Shares	207,855,874	5,490,224	n/a	213,346,098
Total Investments	207,855,874	5,590,024	n/a	213,445,898
Derivative Assets	n/a	26,014,834	n/a	26,014,834
Derivative Liabilities	n/a	(25,783,143)	n/a	(25,783,143)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira Resource Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	201,747,466	213,445,898	
Unrealized appreciation on foreign exchange contracts	-	251,068	
Cash	99,453	57,712	
Subscriptions receivable	232,723	329,092	
Proceeds from sale of investments receivable	-	8,397,179	
Interest and dividends receivable	87,295	149,088	
Other assets receivable	106,379	80,748	
	<u>202,273,316</u>	<u>222,710,785</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	-	19,377	
Redeemed units payable	84,389	163,933	
Investments payable	-	7,735,540	
Accrued expenses	436,797	433,551	
	<u>521,186</u>	<u>8,352,401</u>	
Net assets, Investor/Advisor Series	<u>201,752,130</u>	<u>214,358,384</u>	Approved on behalf of the Manager National Bank Securities Inc.
Net assets per unit, Investor/Advisor Series	45.66	48.69	Charles Guay, Director Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Resource Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	30,558	362,537
Dividends	565,623	457,802
Income from securities lending	125,275	-
Other income	-	18,452
	<u>721,456</u>	<u>838,791</u>
Expenses		
Management fees	2,360,488	1,747,859
Custodial fees	18,406	18,597
Directors' fees of independent review committee	882	608
Audit fees	7,188	11,646
Legal fees	2,640	1,460
Rights and deposits	8,064	11,085
Securityholders' reporting costs	243,837	123,088
Fees paid by the manager	(3,862)	(2,612)
	<u>2,637,643</u>	<u>1,911,731</u>
Net investment loss	<u>(1,916,187)</u>	<u>(1,072,940)</u>
Net losses		
Net realized gains on sale of investments	22,883,216	8,833,978
Net realized gains on foreign currencies	671,405	450,912
	<u>23,554,621</u>	<u>9,284,890</u>
Change in unrealized appreciation/depreciation on investments	(34,861,885)	(9,605,859)
Unrealized gains (losses) on foreign currencies	(853)	36,859
	<u>(34,862,738)</u>	<u>(9,569,000)</u>
Transaction costs on purchase and sale of investments	(552,697)	(650,056)
	<u>(11,860,814)</u>	<u>(934,166)</u>
Decrease in net assets from operations		
Investor/Advisor Series	<u>(13,777,001)</u>	<u>(2,007,106)</u>
Decrease in net assets from operations per unit		
Investor/Advisor Series	(3.08)	(0.44)

The accompanying notes are an integral part of these financial statements.

Altamira Resource Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	214,358,384	163,952,870
Decrease in net assets from operations	(13,777,001)	(2,007,106)
Capital unit transactions		
Units issued	18,556,222	9,981,802
Units issued on reinvestment of distributions	3,862	2,612
Units redeemed	(17,385,475)	(15,137,608)
	1,174,609	(5,153,194)
Distributions to investors		
Net investment income	3,862	2,612
Decrease in net assets for the period	(12,606,254)	(7,162,912)
Net assets, end of the period	201,752,130	156,789,958

The accompanying notes are an integral part of these financial statements.

Altamira Energy Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Money Market (0.45%)			
Treasury Bills (0.45%)			
Government of Canada			
0.97%, due July 11, 2011	100,000	99,971	99,976
	Number of Shares		
Equities (99.35%)			
Energy Equipment And Services (17.45%)			
Canyon Services Group Inc.	50,000	597,721	665,500
Cathedral Energy Services Ltd.	70,000	602,390	499,800
PHX Energy Services Corp.	30,000	354,282	326,700
Precision Drilling Corp.	45,000	349,996	621,450
Savanna Energy Services Corp.	65,000	523,211	563,550
Secure Energy Services Inc.	19,300	128,345	184,315
Trican Well Service Ltd.	15,000	275,552	339,600
Trinidad Drilling Ltd.	70,000	533,267	585,900
Xtreme Coil Drilling Corp.	24,840	127,620	103,583
		3,492,384	3,890,398
Materials (0.61%)			
Cline Mining Corp.	60,000	263,994	136,800
Oil, Gas And Consumable Fuels (81.29%)			
Advantage Oil & Gas Ltd.	70,000	587,905	534,800
Americas Petrogas Inc.	50,000	135,035	98,000
Athabasca Oil Sands Corp.	65,300	1,112,616	989,295
Bankers Petroleum Ltd.	60,600	533,646	416,928
Baytex Energy Corp.	21,550	658,339	1,129,651
Bellatrix Exploration Ltd.	100,000	446,026	454,000
BlackPearl Resources Inc.	171,515	266,540	1,166,302
C&C Energia Ltd.	35,000	456,500	339,850
Canadian Natural Resources Ltd.	17,000	668,622	685,270
Celtic Exploration Ltd.	50,000	692,294	1,065,500
Cenovus Energy Inc.	15,000	515,742	544,650
Cimarex Energy Co	5,000	386,503	433,736
Concho Resources Inc./Midland TX	6,000	324,324	531,767
Continental Resources Inc./OK	7,000	437,280	438,037
Crew Energy Inc.	15,000	202,702	223,500
Legacy Oil + Gas Inc.	37,732	478,062	441,464
MEG Energy Corp.	13,100	614,830	656,703
Midway Energy Ltd.	101,000	216,838	423,190
Painted Pony Petroleum Ltd.	70,000	555,687	779,800
Paramount Resources Ltd., Class A	22,000	479,912	606,100
Parex Resources Inc.	50,000	362,000	394,000
Peyto Exploration & Development Corp.	30,000	544,860	643,800
Renegade Petroleum Ltd.	14,700	53,655	44,982
Suncor Energy Inc.	24,700	984,670	930,696
Surge Energy Inc.	65,000	491,848	629,850
TAG Oil Ltd.	65,000	459,498	396,500
Tourmaline Oil Corp.	45,000	982,100	1,440,000

	Number of Shares	Average Cost	Fair Value
		\$	\$
Oil, Gas And Consumable Fuels (81.29%) (continued)			
Trilogy Energy Corp.	36,500	414,562	865,780
Vero Energy Inc.	42,000	257,460	228,480
Whitecap Resources Inc.	38,300	261,106	238,609
Wild Stream Exploration Inc.	31,600	342,860	358,028
		14,924,022	18,129,268
Total Equities		18,680,400	22,156,466
Total Investments (99.80%)		18,780,371*	22,256,442
Cash And Other Net Assets (0.20%)			45,501
Net Assets (100%)			22,301,943

* Average cost of investments as at December 31, 2010 is \$16,151,074.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	1,416,019	6.35%	2,969,471	13.76%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$70,801 (\$148,474 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	99,976	199,602
Non-interest-bearing instruments	22,156,466	21,273,810
Total	22,256,442	21,473,412

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$7 (\$105 in 2010).

The accompanying notes are an integral part of these financial statements.

► SPECIALIZED FUNDS

Altamira Energy Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
MSCI World Energy TR (25%)				
CA New York 16:00 - S&P/TSX				
CAP Energy TR (75%) CA				
New York 16:00	± 2,221,274	9.96%	± 2,155,988	9.99%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	99,976	n/a	99,976
Common Shares	22,156,466	n/a	n/a	22,156,466
Total Investments	22,156,466	99,976	n/a	22,256,442

During the period ended June 30, 2011, investments of \$1,440,000 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	199,602	n/a	199,602
Common Shares	20,447,310	826,500	n/a	21,273,810
Total Investments	20,447,310	1,026,102	n/a	21,473,412
Derivative Assets	n/a	264,343	n/a	264,343
Derivative Liabilities	n/a	(264,258)	n/a	(264,258)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira Energy Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	22,256,442	21,473,412	
Unrealized appreciation on foreign exchange contracts	-	85	
Cash	117,202	65,083	
Subscriptions receivable	27,374	58,060	
Proceeds from sale of investments receivable	-	625,521	
Interest and dividends receivable	18,567	22,361	
Other assets receivable	12,958	6,471	
	<u>22,432,543</u>	<u>22,250,993</u>	
Liabilities			
Redeemed units payable	77,769	42,069	
Investments payable	-	577,240	
Accrued expenses	52,831	50,224	
	<u>130,600</u>	<u>669,533</u>	
Net assets, Investor/Advisor Series	<u>22,301,943</u>	<u>21,581,460</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor/Advisor Series	20.55	20.71	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	4,831	96,654
Dividends	84,770	59,096
Income from securities lending	4,124	-
	<u>93,725</u>	<u>155,750</u>
Expenses		
Management fees	292,646	219,164
Custodial fees	3,524	3,913
Directors' fees of independent review committee	197	126
Audit fees	2,163	3,897
Legal fees	794	489
Rights and deposits	6,943	6,844
Securityholders' reporting costs	22,635	21,110
Fees paid by the manager	(3,847)	(12,108)
	<u>325,055</u>	<u>243,435</u>
Net investment loss	<u>(231,330)</u>	<u>(87,685)</u>
Net losses		
Net realized gains on sale of investments	1,711,745	1,233,621
Net realized gains (losses) on foreign currencies	3,315	(401)
	<u>1,715,060</u>	<u>1,233,220</u>
Change in unrealized appreciation/depreciation on investments	(1,846,352)	(2,351,233)
Unrealized gains (losses) on foreign currencies	(595)	1,093
	<u>(1,846,947)</u>	<u>(2,350,140)</u>
Transaction costs on purchase and sale of investments	(77,934)	(82,204)
	<u>(209,821)</u>	<u>(1,199,124)</u>
Decrease in net assets from operations		
Investor/Advisor Series	<u>(441,151)</u>	<u>(1,286,809)</u>
Decrease in net assets from operations per unit		
Investor/Advisor Series	(0.38)	(1.14)

The accompanying notes are an integral part of these financial statements.

Altamira Energy Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	21,581,460	17,620,524
Decrease in net assets from operations	(441,151)	(1,286,809)
Capital unit transactions		
Units issued	9,110,005	6,661,101
Units redeemed	(7,948,371)	(4,843,127)
	1,161,634	1,817,974
Increase in net assets for the period	720,483	531,165
Net assets, end of the period	22,301,943	18,151,689

The accompanying notes are an integral part of these financial statements.

Altamira Precious and Strategic Metal Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (1.68%)							
Treasury Bills (1.68%)							
Government of Canada							
0.97%, due July 11, 2011	300,000	299,913	299,927				
0.94%, due July 21, 2011	300,000	299,249	299,854				
1.08%, due August 4, 2011	800,000	798,013	799,338				
		1,397,175	1,399,119				
	Number of Shares						
Equities (97.49%)							
Energy (1.44%)							
Quest Rare Minerals Ltd.	140,000	595,000	931,000				
Quest Rare Minerals Ltd. warrants due April 21, 2012	95,000	-	262,742				
		595,000	1,193,742				
Metals And Mining (96.05%)							
Alacer Gold Corp.	150,000	1,394,198	1,204,500				
Allied Nevada Gold Corp.	129,100	1,647,617	4,366,162				
American Bonanza Gold Corp.	4,000,000	1,400,000	1,380,000				
American Bonanza Gold Corp. warrants due July 21, 2012	2,000,000	-	87,000				
Avion Gold Corp.	1,400,000	1,056,000	2,716,000				
Barrick Gold Corp.	75,500	3,662,722	3,297,085				
Canaco Resources Inc.	325,000	1,444,391	1,079,000				
CGA Mining Ltd.	285,000	850,775	840,750				
Claude Resources Inc.	1,235,828	2,855,910	2,261,565				
Continental Gold Ltd.	260,000	1,973,545	1,908,400				
Detour Gold Corp.	74,164	1,940,729	2,069,917				
Extorre Gold Mines Ltd.	269,600	610,396	3,321,472				
Franco-Nevada Corp. warrants due July 8, 2013	27,410	-	3,700				
Franco-Nevada Corp. warrants due June 16, 2017	17,500	-	106,750				
Geologix Explorations Inc.	4,128,700	2,611,259	1,610,193				
Goldcorp Inc.	133,869	6,526,888	6,227,586				
Gran Colombia Gold Corp.	1,335,800	2,196,211	1,055,282				
Gran Colombia Gold Corp. warrants due August 24, 2015	500,000	-	152,500				
Great Western Minerals Group Ltd.	1,763,200	581,856	1,216,608				
Great Western Minerals Group Ltd. warrants due October 19, 2012	881,600	-	286,079				
IAMGOLD Corp.	192,836	3,993,396	3,490,332				
Intrepid Mines Ltd.	500,000	994,700	725,000				
Kinross Gold Corp.	87,477	1,726,422	1,329,650				
Kinross Gold Corp. warrants due September 17, 2014	5,412	26,519	12,826				
Lake Shore Gold Corp.	672,024	2,710,667	1,881,667				
Lucara Diamond Corp.	750,000	721,500	877,500				
Lydian International Ltd.	1,025,000	2,377,000	2,316,500				
New Gold Inc.	315,000	1,801,848	3,124,800				
New Hana Copper Mining Ltd.	57,500	50,600	18,688				
Novagold Resources Inc.	200,000	2,055,519	1,774,000				
Orezone Gold Corp.	250,000	978,780	817,500				
Osisko Mining Corp.	223,473	2,775,708	3,340,921				
Metals And Mining (96.06%) (continued)							
Peregrine Metals Ltd. warrants due September 11, 2011	300,000	-	3,000				
Perseus Mining Ltd.	620,000	1,907,285	1,661,600				
Rainy River Resources Ltd.	255,000	1,351,450	2,374,050				
Rainy River Resources Ltd. warrants due February 25, 2012	75,000	-	180,502				
Regis Resources Ltd.	475,000	107,919	1,188,928				
Reunion Gold Corp.	769,105	1,561,990	1,176,731				
Rockgate Capital Corp.	415,400	983,265	506,788				
Romarco Minerals Inc.	428,028	499,826	689,125				
Sabina Gold & Silver Corp.	425,000	1,939,210	2,507,500				
Sandspring Resources Ltd.	100,000	328,974	201,000				
SEMAFO Inc.	398,284	2,424,824	2,927,387				
Silver Standard Resources Inc.	60,453	1,579,333	1,552,433				
Silver Wheaton Corp.	101,500	1,971,206	3,229,730				
Silver Wheaton Corp. warrants due September 5, 2013	3,700	-	54,424				
Sulliden Gold Corp. Ltd.	757,500	991,826	1,302,900				
Tahoe Resources Inc.	73,906	674,802	1,319,961				
Volta Resources Inc.	1,667,113	3,019,493	2,700,723				
Wildcat Silver Corp.	811,979	851,676	1,307,286				
		71,158,235	79,783,999				
Total Canadian Equities		71,753,235	80,977,743				
Total Investments (99.17%)		73,150,410*	82,376,862				
Unrealized Depreciation On Foreign Exchange Contracts (0.00%)			(1,637)				
Cash And Other Net Assets (0.83%)			693,237				
Net Assets (100%)			83,068,462				

* Average cost of investments as at December 31, 2010 is \$65,311,918.

The accompanying notes are an integral part of these financial statements.

Altamira Precious and Strategic Metal Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts								
Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0255	AU	71,000	72,801	CA	72,813	72,813	12
September 21, 2011	0.9806	US	76,000	73,458	CA	74,526	74,526	1,068
								1,080
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0228	AU	1,078,000	1,105,349	CA	1,102,632	1,102,632	(2,717)
								(1,637)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	1,646,118	1.98%	2,165,430	2.18%
Australian Dollar	15,677	0.02%	20,156	0.02%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$83 090 (\$109,279 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	1,399,119	3,194,053
Non-interest-bearing instruments	80,977,743	97,795,285
Total	82,376,862	100,989,338

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$267 (\$1,497 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P/TSX Materials Index TR (100%)	± 7,874,890	9.48%	± 9,290,873	9.34%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	1,399,119	n/a	1,399,119
Common Shares	80,644,544	333,199	n/a	80,977,743
Total Investments	80,644,544	1,732,318	n/a	82,376,862
Derivatives Assets	n/a	1,249,971	n/a	1,249,971
Derivatives Liabilities	n/a	(1,251,608)	n/a	(1,251,608)

During the period ended June 30, 2011, investments of \$896,188 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	3,194,053	n/a	3,194,053
Common Shares	94,630,886	1,633,599	1,530,800	97,795,285
Total Investments	94,630,886	4,827,652	1,530,800	100,989,338
Derivative Assets	n/a	10,918,609	n/a	10,918,609
Derivative Liabilities	n/a	(11,033,327)	n/a	(11,033,327)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

Table Of Changes In Fair Value Of Financial Instruments Of Level 3

The categories of financial instruments whose fair values are classified in Level 3 consist mainly of equity securities that ceased to be traded in an active market. The following table summarizes the changes in the fair value of financial instruments classified in Level 3 as at June 30, 2011 and December 31, 2010.

	June 30, 2011	December 31, 2010
	\$	\$
Beginning Balance (January 1)	1,530,800	-
Purchases	-	1,400,000
Sales	(1,400,000)	-
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Realized gains (losses)	-	-
Change in unrealized appreciation (depreciation)	(130,800)	130,800
Ending Balance (December 31)	-	1,530,800

The accompanying notes are an integral part of these financial statements.

Altamira Precious and Strategic Metal Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	82,376,862	100,989,338	
Unrealized appreciation on foreign exchange contracts	1,080	63,843	
Cash	44,638	27,786	
Subscriptions receivable	118,791	269,476	
Proceeds from sale of investments receivable	1,604,790	-	
Interest and dividends receivable	18,601	1,915	
Other assets receivable	44,876	26,300	
	<u>84,209,638</u>	<u>101,378,658</u>	
Liabilities			
Unrealized depreciation on foreign exchange contracts	2,717	178,562	
Redeemed units payable	19,142	122,314	
Investments payable	935,479	1,400,000	
Accrued expenses	183,838	203,766	
	<u>1,141,176</u>	<u>1,904,642</u>	
Net assets, Investor/Advisor Series	<u>83,068,462</u>	<u>99,474,016</u>	Approved on behalf of the Manager National Bank Securities Inc.
Net assets per unit, Investor/Advisor Series	20.54	24.42	Charles Guay, Director Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Precious and Strategic Metal Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	10,065	1,619
Dividends	105,203	23,946
Income from securities lending	78,824	-
	<u>194,092</u>	<u>25,565</u>
Expenses		
Management fees	1,007,645	621,758
Custodial fees	12,159	14,577
Directors' fees of independent review committee	378	235
Audit fees	2,591	5,955
Legal fees	952	746
Rights and deposits	7,631	6,961
Securityholders' reporting costs	96,249	45,546
	<u>1,127,605</u>	<u>695,778</u>
Net investment loss	<u>(933,513)</u>	<u>(670,213)</u>
Net gains (losses)		
Net realized gains on sale of investments	11,754,010	9,457,876
Net realized gains (losses) on foreign currencies	(120,224)	237,000
	<u>11,633,786</u>	<u>9,694,876</u>
Change in unrealized appreciation/depreciation on investments	(26,337,886)	(1,420,817)
Unrealized gains (losses) on foreign currencies	6,113	(37,593)
	<u>(26,331,773)</u>	<u>(1,458,410)</u>
Transaction costs on purchase and sale of investments	(248,565)	(275,776)
	<u>(14,946,552)</u>	<u>7,960,690</u>
Increase (decrease) in net assets from operations		
Investor/Advisor Series	<u>(15,880,065)</u>	<u>7,290,477</u>
Increase (decrease) in net assets from operations per unit		
Investor/Advisor Series	(3.90)	1.80

The accompanying notes are an integral part of these financial statements.

Altamira Precious and Strategic Metal Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	99,474,016	58,318,079
Increase (decrease) in net assets from operations	(15,880,065)	7,290,477
Capital unit transactions		
Units issued	12,639,154	6,346,596
Units redeemed	(13,164,643)	(9,920,967)
	(525,489)	(3,574,371)
Increase (decrease) in net assets for the period	(16,405,554)	3,716,106
Net assets, end of the period	83,068,462	62,034,185

The accompanying notes are an integral part of these financial statements.

Altamira Science and Technology Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Shares	Average Cost	Fair Value
		\$	\$
Equities (87.26%)			
Communications Equipment (4.41%)			
Corning Inc.	40,200	888,936	703,340
Ericsson (LM) TEL-SP, Series B, ADR	32,026	456,255	445,418
Nokia Corp.	89,484	899,126	559,431
		<u>2,244,317</u>	<u>1,708,189</u>
Computers And Peripherals (25.46%)			
Apple Computer Inc.	12,088	3,765,823	3,912,136
Dell Inc.	48,627	650,367	781,835
EMC Corp./Mass	61,190	1,401,148	1,625,939
International Business Machines Corp.	18,376	2,546,640	3,038,188
Western Digital Corp.	14,269	486,061	500,265
		<u>8,850,039</u>	<u>9,858,363</u>
Electronic Equipment And Instruments (3.20%)			
Arrow Electronics Inc.	10,720	362,296	428,673
Avnet Inc.	13,638	464,381	419,213
Flextronics International Ltd.	63,100	494,488	390,112
		<u>1,321,165</u>	<u>1,237,998</u>
Internet Software And Services (4.52%)			
Open Text Corp.	7,186	403,019	441,867
Tencent Holdings Ltd.	18,278	461,402	476,197
United Internet AG	20,249	324,297	410,785
VeriSign Inc.	13,000	381,447	419,538
		<u>1,570,165</u>	<u>1,748,387</u>
IT Services (9.05%)			
Accenture PLC	25,782	1,138,032	1,502,200
Alliance Data Systems Corp.	5,210	453,302	472,756
Computer Sciences Corp.	9,100	428,105	333,173
Fiserv Inc.	5,400	328,937	326,144
Visa Inc.	3,858	296,678	313,572
Western Union Co.	28,800	543,949	556,108
		<u>3,189,003</u>	<u>3,503,953</u>
Office Electronics (3.46%)			
Canon Inc.	29,400	1,420,551	1,340,166
Semiconductors And Semiconductor Equipment (9.33%)			
Altera Corp.	10,450	436,313	467,163
Analog Devices Inc.	14,100	530,776	532,282
Applied Materials Inc.	45,500	702,984	570,941
ASM Holding NV	16,304	605,088	579,190
ASM Pacific Technology Ltd.	34,300	375,440	452,761
Infineon Technologies AG	31,257	338,633	338,974
KLA Tencor Corp.	7,700	284,555	300,408
Texas Instruments Inc.	11,784	388,100	372,794
		<u>3,661,889</u>	<u>3,614,513</u>

	Number of Shares	Average Cost	Fair Value
		\$	\$
Software (27.83%)			
Activision Blizzard Inc.	39,000	470,310	439,349
Ansys Inc.	7,300	381,303	384,923
AutoDesk Inc.	12,900	468,650	480,139
BMC Software Inc.	10,400	496,965	548,685
CA Inc.	21,100	518,434	464,816
Check Point Software Technologies Ltd.	7,588	394,964	416,064
Microsoft Corp.	115,270	2,722,854	2,888,402
Oracle Corp.	83,589	2,353,716	2,651,644
Rovi Corp.	6,792	379,376	375,759
Software AG	3,405	173,479	196,514
Solera Holdings Inc.	7,067	363,803	403,378
Symantec Corp.	32,400	561,517	615,621
Synopsis Inc.	16,100	434,146	399,236
VMware Inc.	5,292	430,757	511,230
		<u>10,150,274</u>	<u>10,775,760</u>

Total Equities 32,407,403 33,787,329

Number of Units

Mutual Funds (10.07%)			
Altamira Health Sciences Fund	292,782	3,554,378	3,899,861

Total Investments (97.33%) 35,961,781* 37,687,190

Cash And Other Net Assets (2.67%) 1,033,462

Net Assets (100%) 38,720,652

* Average cost of investments as at December 31, 2010 is \$39,957,847.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	29,540,995	76.29%	30,162,128	72.39%
Euro	2,091,495	5.40%	2,143,572	5.14%
Hong Kong Dollar	929,581	2.40%	856,647	2.06%
Japanese Yen	1,361,236	3.52%	n/a	n/a
Korean Won	n/a	n/a	2,962,051	7.11%
Pound Sterling	6,147	0.02%	n/a	n/a
Swiss Franc	n/a	n/a	441,421	1.06%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$1,718,755 (\$1,828,291 in 2010).

Furthermore, the fund holds units in another fund. The value of these investments may be indirectly exposed to this risk.

The accompanying notes are an integral part of these financial statements.

► SPECIALIZED FUNDS

Altamira Science and Technology Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Credit Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
MSCI Daily TR World Net Health Care USD (10%) CA	\$		\$	
New York 16:00 - MSCI Daily TR World Net Information Technology USD (90%) CA				
New York 16:00	± 3,906,914	10.09%	± 4,158,405	9.98%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	33,787,329	n/a	n/a	33,787,329
Mutual Funds	3,899,861	n/a	n/a	3,899,861
Total Investments	37,687,190	n/a	n/a	37,687,190

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common Shares	37,188,678	n/a	n/a	37,188,678
Mutual Funds	4,126,787	n/a	n/a	4,126,787
Total Investments	41,315,465	n/a	n/a	41,315,465

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira Science and Technology Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	37,687,190	41,315,465	
Cash	1,097,212	518,309	
Subscriptions receivable	3,391	588	
Dividends receivable	19,508	18,688	
Other assets receivable	17,537	12,471	
	<u>38,824,838</u>	<u>41,865,521</u>	
Liabilities			
Redeemed units payable	28,497	108,776	
Accrued expenses	75,689	89,359	
	<u>104,186</u>	<u>198,135</u>	
Net assets, Investor/Advisor Series	<u>38,720,652</u>	<u>41,667,386</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay , Director Éric Laflamme , Director
Net assets per unit, Investor/Advisor Series	8.22	8.20	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	-	1,058
Dividends	238,428	191,662
Other income	-	1,935
	<u>238,428</u>	<u>194,655</u>
Expenses		
Management fees	399,034	445,007
Custodial fees	10,216	7,711
Directors' fees of independent review committee	945	754
Audit fees	3,002	6,138
Legal fees	1,103	769
Rights and deposits	6,787	6,921
Securityholders' reporting costs	107,063	125,506
Other expenses	69	-
Fees paid by the manager	(81,817)	(95,782)
	<u>446,402</u>	<u>497,024</u>
Net investment loss	<u>(207,974)</u>	<u>(302,369)</u>
Net gains (losses)		
Net realized gains on sale of investments	39,587	2,397,395
Net realized gains (losses) on foreign currencies	12,775	(54,115)
	<u>52,362</u>	<u>2,343,280</u>
Change in unrealized appreciation/depreciation on investments	367,791	(4,637,335)
Unrealized gains (losses) on foreign currencies	(45,294)	210,409
	<u>322,497</u>	<u>(4,426,926)</u>
Transaction costs on purchase and sale of investments	(18,230)	(191,384)
	<u>356,629</u>	<u>(2,275,030)</u>
Increase (decrease) in net assets from operations		
Investor/Advisor Series	<u>148,655</u>	<u>(2,577,399)</u>
Increase (decrease) in net assets from operations per unit		
Investor/Advisor Series	0.03	(0.45)

The accompanying notes are an integral part of these financial statements.

Altamira Science and Technology Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor/Advisor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	41,667,386	45,229,246
Increase (decrease) in net assets from operations	148,655	(2,577,399)
Capital unit transactions		
Units issued	1,198,617	741,702
Units issued on reinvestment of distributions	206	961
Units redeemed	(4,294,006)	(3,827,115)
	(3,095,183)	(3,084,452)
Distributions to investors		
Net investment income	206	961
Decrease in net assets for the period	(2,946,734)	(5,662,812)
Net assets, end of the period	38,720,652	39,566,434

The accompanying notes are an integral part of these financial statements.

Altamira Health Sciences Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value
	\$	\$	\$
Money Market (1.79%)			
Treasury Bills (1.79%)			
Government of Canada			
1.09%, due October 13, 2011	300,000	299,202	299,210
	Number of Shares		
Equities (97.89%)			
Biotechnology (6.82%)			
Amgen Inc.	4,337	263,075	243,997
Biogen Idec Inc.	2,667	250,239	275,007
Cephalon Inc.	2,778	214,787	214,109
Gilead Sciences Inc.	6,228	241,207	248,686
Myriad Genetics Inc.	7,148	174,466	156,568
		1,143,774	1,138,367
Health Care Equipment And Supplies (20.94%)			
Baxter International Inc.	4,262	240,842	245,162
Beckman Coulter Inc.	2,646	213,026	213,021
Becton, Dickinson and Co.	2,909	234,964	241,742
Boston Scientific Corp.	37,010	247,733	246,660
CareFusion Corp.	5,307	149,919	139,021
CR Bard Inc.	2,262	246,032	239,725
Hologic Inc.	6,318	104,438	122,910
Idexx Laboratories Inc.	2,193	173,109	164,051
Medtronic Inc.	13,805	604,785	512,625
Orion Systems Ltd.	48,880	564,405	684,057
St. Jude Medical Inc.	4,915	247,557	225,980
Stryker Corp.	4,012	249,091	227,028
Varian Medical Systems Inc.	3,467	232,541	234,074
		3,508,442	3,496,056
Health Care Providers And Services (26.99%)			
Aetna Inc.	5,549	247,084	235,810
AmerisourceBergen Corp.	6,081	246,763	242,816
Cardinal Health Inc.	5,651	211,092	247,502
Celesio AG	7,920	188,777	152,086
CIGNA Corp.	8,697	417,883	431,827
Coventry Health Care Inc.	6,181	137,357	217,240
Humana Inc.	4,509	343,027	350,132
Laboratory Corp of America Holdings	2,506	244,857	233,848
McKesson Corp.	8,843	735,841	713,372
Omnicare Inc.	6,463	200,068	198,664
Sonic Healthcare Ltd.	16,103	205,090	213,521
UnitedHealth Group Inc.	14,636	717,728	728,266
Universal Health Services, Class B	3,308	172,521	164,282
Wellpoint Inc.	4,972	312,912	377,693
		4,381,000	4,507,059
Health Care Technology (1.36%)			
Cerner Corp.	3,868	233,020	227,800
Life Sciences Tools And Services (3.88%)			
Agilent Technologies Inc.	8,567	425,183	422,315
Waters Corp.	2,433	234,987	224,690
		660,170	647,005
Pharmaceuticals (37.90%)			
Abbott Laboratories	13,720	760,441	695,788
Allergan Inc.	6,346	403,876	509,488
AstraZeneca PLC	13,418	657,393	647,601
Bristol-Myers Squibb Co.	8,642	228,264	241,221
Daiichi Sankyo Co. Ltd.	13,300	241,024	249,676
Dainippon Sumitomo Pharma Co. Ltd.	20,500	182,591	186,894
Eisai Co. Ltd.	6,600	234,828	247,878
Eli Lilly & Co.	12,000	432,946	434,256

	Number of Shares	Average Cost	Fair Value
		\$	\$
Pharmaceuticals (37.90%) (continued)			
Forest Laboratories Inc.	7,048	241,219	267,425
H Lundbeck A/S	7,098	172,554	179,668
Meda AB	16,035	173,194	168,239
Mylan Inc./PA	13,337	206,253	317,343
Ono Pharmaceutical Co. Ltd.	4,100	199,123	211,207
Pfizer Inc.	52,841	931,670	1,049,372
Roche Holding AG	1,453	235,370	234,176
Sanofi-Aventis	3,258	209,269	252,347
Takeda Pharmaceutical Co. Ltd.	5,600	251,717	248,896
Warner Chilcott PLC	8,057	196,087	187,514
		5,957,819	6,328,989
Total Equities		15,884,225	16,345,276
Total Investments (99.68%)		16,183,427*	16,644,486
Cash And Other Net Assets (0.32%)			52,936
Net Assets (100%)			16,697,422

* Average cost of investments as at December 31, 2010 is \$17,602,085.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	13,330,211	79.83%	13,094,871	76.54%
Australian Dollar	223,047	1.34%	229,589	1.34%
Danish Krone	179,681	1.08%	392,825	2.30%
Euro	414,083	2.48%	227,878	1.33%
Japanese Yen	1,145,141	6.86%	n/a	n/a
Pound Sterling	918,598	0.06%	936,382	5.47%
Swedish Krona	168,391	1.01%	n/a	n/a
Swiss Franc	10,417	5.50%	1,161,584	6.79%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$819,478 (\$802,156 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	299,210	399,204
Non-interest-bearing instruments	16,345,276	16,720,824
Total	16,644,486	17,120,028

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$217 (\$210 in 2010).

The accompanying notes are an integral part of these financial statements.

Altamira Health Sciences Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI Daily TR World Net Health Care USD (100%) CA New York 16:00	± 1,307,408	7.83%	± 1,353,260	7.91%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	299,210	n/a	299,210
Common Shares	16,345,276	n/a	n/a	16,345,276
Total Investments	16,345,276	299,210	n/a	16,644,486

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	399,204	n/a	399,204
Common Shares	16,720,824	n/a	n/a	16,720,824
Total Investments	16,720,824	399,204	n/a	17,120,028

During the year ended December 31, 2010, investments of \$1,263,917 were transferred from Level 2 to Level 1 as they started to be traded in an active market.

The accompanying notes are an integral part of these financial statements.

Altamira Health Sciences Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	16,644,486	17,120,028	
Cash	75,679	24,210	
Subscriptions receivable	3,410	488	
Dividends receivable	17,689	17,030	
Other assets receivable	9,528	4,828	
	<u>16,750,792</u>	<u>17,166,584</u>	
Liabilities			
Redeemed units payable	12,182	19,887	
Accrued expenses	41,188	38,485	
	<u>53,370</u>	<u>58,372</u>	
Net assets, Investor Series	<u>16,697,422</u>	<u>17,108,212</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Eric Laflamme, Director
Net assets per unit, Investor Series	13.30	12.15	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	1,091	272
Dividends	168,229	130,128
Income from securities lending	129	-
	<u>169,449</u>	<u>130,400</u>
Expenses		
Management fees	211,243	174,354
Custodial fees	10,185	2,758
Directors' fees of independent review committee	268	214
Audit fees	2,020	3,844
Legal fees	742	482
Rights and deposits	7,162	6,844
Securityholders' reporting costs	30,666	35,694
Fees paid by the manager	(28,689)	(31,386)
	<u>233,597</u>	<u>192,804</u>
Net investment loss	<u>(64,148)</u>	<u>(62,404)</u>
Net gains (losses)		
Net realized gains on sale of investments	696,671	124,546
Net realized gains on foreign currencies	5,479	17,021
	<u>702,150</u>	<u>141,567</u>
Change in unrealized appreciation/depreciation on investments	943,116	(1,342,963)
Unrealized gains (losses) on foreign currencies	(8,985)	5,997
	<u>934,131</u>	<u>(1,336,966)</u>
Transaction costs on purchase and sale of investments	<u>(17,271)</u>	<u>(11,678)</u>
	<u>1,619,010</u>	<u>(1,207,077)</u>
Increase (decrease) in net assets from operations		
Investor Series	<u>1,554,862</u>	<u>(1,269,481)</u>
Increase (decrease) in net assets from operations per unit		
Investor Series	1.16	(1.03)

The accompanying notes are an integral part of these financial statements.

Altamira Health Sciences Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	17,108,212	15,824,596
Increase (decrease) in net assets from operations	1,554,862	(1,269,481)
Capital unit transactions		
Units issued	749,446	455,169
Units redeemed	(2,715,098)	(1,764,510)
	(1,965,652)	(1,309,341)
Decrease in net assets for the period	(410,790)	(2,578,822)
Net assets, end of the period	16,697,422	13,245,774

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Index Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Shares	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (0.38%)							
Treasury Bills (0.38%)							
Government of Canada							
0.91%, due July 6, 2011	100,000	99,960	99,987				
0.97%, due July 7, 2011	100,000	99,976	99,984				
0.96%, due July 11, 2011	200,000	199,942	199,951				
0.90%, due October 13, 2011	300,000	299,202	299,210				
1.12%, due October 13, 2011	400,000	397,948	398,946				
		1,097,028	1,098,078				
				Number of Shares			
Canadian Equities (98.28%)							
Consumer Discretionary (3.29%)							
Canadian Tire Ltd., Class A	19,761	922,406	1,245,141				
Gildan Activewear Inc.	26,200	890,452	886,870				
Magna International Inc., Class A	60,600	2,132,542	3,154,230				
Shaw Communications Inc., Class B	88,800	1,494,221	1,951,824				
Tim Hortons Inc.	41,100	1,314,022	1,933,755				
Yellow Media Inc.	131,700	1,429,992	316,080				
		8,183,635	9,487,900				
Consumer Staples (2.35%)							
George Weston Ltd.	12,000	945,405	835,320				
Loblaw Companies Ltd.	25,400	1,156,659	986,790				
Metro Inc., Class A	25,700	965,339	1,233,086				
Saputo Inc.	33,700	843,096	1,562,669				
Shoppers Drug Mart Corp.	54,500	2,292,623	2,162,015				
		6,203,122	6,779,880				
Energy (26.36%)							
ARC Resources Ltd.	71,600	1,429,599	1,787,852				
Cameco Corp.	98,900	2,155,834	2,508,104				
Canadian Natural Resources Ltd.	274,800	6,006,737	11,077,188				
Canadian Oil Sands Ltd.	121,400	4,083,187	3,372,492				
Enbridge Pipelines Inc.	188,948	3,660,135	6,860,702				
Enbridge Pipelines Inc.	194,000	3,323,194	6,066,380				
EnCana Corp.	184,248	3,951,328	5,472,166				
Enerplus Corp.	45,000	1,709,601	1,368,000				
Husky Energy Inc.	65,160	1,405,758	1,711,102				
Imperial Oil Ltd.	63,700	2,043,615	2,856,945				
Nexen Inc.	132,100	2,394,166	2,862,607				
Penn West Petroleum Ltd.	116,800	3,307,610	2,595,296				
Suncor Energy Inc.	394,168	10,392,645	14,852,250				
Talisman Energy Inc.	258,200	3,364,590	5,102,032				
TransCanada Corp.	176,000	5,412,190	7,427,200				
		54,640,189	75,920,316				
Financials (31.76%)							
Bank of Montreal	142,700	6,854,993	8,737,521				
Bank of Nova Scotia	271,182	10,156,656	15,728,556				
Brookfield Asset Management Inc., Class A	132,284	2,476,099	4,226,474				
Canadian Imperial Bank of Commerce	99,500	6,130,335	7,571,950				
Manulife Financial Corp.	446,800	9,898,404	7,609,004				
National Bank of Canada	40,700	1,873,505	3,179,077				
Power Corporation of Canada	84,400	2,047,057	2,261,920				
Royal Bank of Canada	359,600	14,057,095	19,774,404				
Sun Life Financial Inc.	144,900	4,908,037	4,194,855				
Toronto-Dominion Bank	222,400	12,329,470	18,181,200				
		70,731,651	91,464,961				
Health Care (1.29%)							
Valeant Pharmaceuticals International Inc.	74,100	2,348,413	3,711,669				
Industrials (5.59%)							
Bombardier Inc., Class B	364,900	2,525,524	2,525,108				
Canadian National Railway Co.	114,200	4,392,226	8,792,258				
Canadian Pacific Railway Co.	42,450	1,719,376	2,549,122				
SNC-Lavalin Group Inc.	37,800	1,752,159	2,222,640				
		10,389,285	16,089,128				
Information Technology (1.13%)							
Research In Motion Ltd.	116,800	5,783,040	3,247,040				
Materials (20.09%)							
Agnico-Eagle Mines Ltd.	42,400	2,220,469	2,585,552				
Agrium Inc.	39,500	1,643,543	3,339,725				
Barrick Gold Corp.	250,400	8,919,459	10,934,968				
Eldorado Gold Corp. Ltd.	137,600	1,800,106	1,949,792				
First Quantum Minerals Ltd.	21,600	1,774,376	3,035,880				
Goldcorp Inc.	200,100	6,768,478	9,308,652				
IAMGOLD Corp.	93,900	1,503,085	1,699,590				
Inmet Mining Corp.	12,700	954,865	881,380				
Kinross Gold Corp.	284,600	4,816,013	4,325,920				
Potash Corporation of Saskatchewan Inc.	214,226	4,644,660	11,763,150				
Teck Resources Ltd., Class B	121,400	2,798,232	5,930,390				
Yamana Gold Inc.	186,650	2,450,564	2,090,480				
		40,293,850	57,845,479				
Telecommunication Services (5.53%)							
BCE Inc.	194,445	6,628,692	7,353,910				
Rogers Communications Inc., Class B	112,300	2,714,248	4,274,138				
Telus Corp.	81,248	2,912,868	4,311,019				
		12,255,808	15,939,067				
Utilities (0.89%)							
Fortis Inc.	44,000	1,143,577	1,423,400				
TransAlta Corp.	55,600	1,150,570	1,143,692				
		2,294,147	2,567,092				
Total Canadian Equities					213,123,140		283,052,532
Global Equities (1.19%)							
United States (1.19%)							
Thomson Reuters Corp.	94,200	3,713,360	3,406,271				
Total Investments (99.85%)					217,933,528*		287,556,881
Cash And Other Net Assets (0.15%)							
							442,969
Net Assets (100%)							
							287,999,850

* Average cost of investments as at December 31, 2010 is \$201,409,813.

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Index Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	1,098,078	8,589,728
Non-interest-bearing instruments	286,458,803	265,121,330
Total	287,556,881	273,711,058

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$531 (\$2,666 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P/TSX 60 Index TR (100%) ±	27,071,986	9.40%	± 25,918,481	9.42%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	1,098,078	n/a	1,098,078
Common Shares	286,458,803	n/a	n/a	286,458,803
Total Investments	286,458,803	1,098,078	n/a	287,556,881

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	8,589,728	n/a	8,589,728
Common Shares	265,121,330	n/a	n/a	265,121,330
Total Investments	265,121,330	8,589,728	n/a	273,711,058
Derivative Assets	8,744,940	n/a	n/a	8,744,940
Derivative Liabilities	(8,726,700)	n/a	n/a	(8,726,700)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Index Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	287,556,881	273,711,058
Cash	167,616	37,759
Margin deposited on futures contracts	500	902,585
Subscriptions receivable	285,476	259,300
Interest and dividends receivable	723,503	628,650
Other assets receivable	37,875	44,914
	<u>288,771,851</u>	<u>275,584,266</u>
Liabilities		
Redeemed units payable	190,077	258,989
Investments payable	419,337	-
Accrued expenses	162,587	182,164
	<u>772,001</u>	<u>441,153</u>
Net assets	<u>287,999,850</u>	<u>275,143,113</u>
Net assets per Series:		
Investor Series	286,976,444	274,124,539
O Series	1,020,682	1,018,574
R Series	2,724	-
	<u>287,999,850</u>	<u>275,143,113</u>
Net assets per unit, per Series:		
Investor Series	21.41	21.37
O Series	11.91	11.85
R Series	9.62	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Index Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	31,372	308,293
Dividends	3,481,735	2,605,749
Income from securities lending	236	-
Income from derivatives	216,576	-
Other income	58,216	43,650
	<u>3,788,135</u>	<u>2,957,692</u>
Expenses		
Management fees	698,279	559,851
Custodial fees	30,019	37,408
Directors' fees of independent review committee	1,521	1,030
Audit fees	9,283	15,760
Legal fees	3,410	1,975
Rights and deposits	14,976	17,579
Securityholders' reporting costs	172,689	171,083
Loss from derivatives	-	340,744
Fees paid by the manager	(10,052)	(182,540)
	<u>920,125</u>	<u>962,890</u>
Net investment income	<u>2,868,010</u>	<u>1,994,802</u>
Net losses		
Net realized gains on sale of investments	<u>405,355</u>	<u>428,582</u>
Change in unrealized appreciation/depreciation on investments	<u>(2,677,892)</u>	<u>(10,375,626)</u>
Transaction costs on purchase and sale of investments	<u>(22,033)</u>	<u>(18,522)</u>
	<u>(2,294,570)</u>	<u>(9,965,566)</u>
Increase (decrease) in net assets from operations	<u>573,440</u>	<u>(7,970,764)</u>
Increase (decrease) in net assets from operations per Series:		
Investor Series	568,215	(7,943,133)
O Series	5,312	(27,631)
R Series	(87)	-
	<u>573,440</u>	<u>(7,970,764)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor Series	0.04	(0.65)
O Series	0.06	(0.33)
R Series	(0.31)	-

The accompanying notes are an integral part of these financial statements.

Altamira Canadian Index Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		O Series		R Series
	2011 \$	2010 \$	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	274,124,539	226,727,860	1,018,574	899,667	-
Increase (decrease) in net assets from operations	568,215	(7,943,133)	5,312	(27,631)	(87)
Capital unit transactions					
Units issued	47,792,816	40,807,533	-	-	2,825
Units issued on reinvestment of distributions	-	-	-	-	16
Units redeemed	(35,509,126)	(25,454,792)	(3,204)	(2,752)	(15)
	12,283,690	15,352,741	(3,204)	(2,752)	2,826
Distributions to investors					
Net investment income	-	-	-	-	2
Return of capital	-	-	-	-	13
	-	-	-	-	15
Increase (decrease) in net assets for the period	12,851,905	7,409,608	2,108	(30,383)	2,724
Net assets, end of the period	286,976,444	234,137,468	1,020,682	869,284	2,724

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Index Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Number of Units	Average Cost	Fair Value
	\$	\$	\$			\$	\$
Money Market (95.20%)							
Treasury Bills (95.20%)							
Government of Canada							
0.92%, due July 6, 2011	100,000	99,965	99,987				
0.91%, due July 6, 2011	100,000	99,965	99,987				
0.97%, due July 7, 2011	100,000	99,976	99,984				
0.97%, due July 11, 2011	300,000	299,904	299,927				
0.94%, due July 21, 2011	1,900,000	1,895,266	1,899,075				
1.08%, due August 4, 2011	2,200,000	2,194,880	2,198,180				
1.12%, due August 4, 2011	1,800,000	1,795,302	1,798,511				
1.10%, due August 18, 2011	10,000,000	9,978,490	9,988,139				
0.95%, due September 1, 2011	100,000	99,788	99,847				
	<u>16,563,536</u>	<u>16,583,637</u>					
Foreign Mutual Funds (1.75%)							
United States (1.75%)							
Dow Jones Industrial Average ETF Trust				2,550	273,033		304,606
Total Investments (96.95%)					<u>16,836,569*</u>		<u>16,888,243</u>
Unrealized Depreciation On Foreign Exchange Contracts (-0.60%)							<u>(105,209)</u>
Margin Deposited On Futures Contracts (3.13%)							<u>546,067</u>
Cash And Other Net Assets (0.52%)							<u>90,882</u>
Net Assets (100%)							<u><u>17,419,983</u></u>

* Average cost of investments as at December 31, 2010 is \$12,940,498.

Index Futures (32.08%)						
	Position	Number Of Futures	Maturity Date	Market Exposure ⁽¹⁾	Fair Value Positive (Negative)	
				\$	\$	
United States (32.08%)						
Mini Dow Jones Index	Long	96	September 2011	5,715,241	58,796	
Dow Jones Index	Long	95	September 2011	11,311,415	116,367	
				<u>17,026,656</u>	<u>175,163</u>	
					<u>175,163</u>	
Currency Futures (-12.10%)						
Currency To Be Received	Currency To Be Delivered	Position	Number Of Futures	Maturity Date	Currency Exposure ⁽¹⁾	Fair Value Positive (Negative)
					\$	\$
Canadian Dollar	US	Short	89	September 2011	(8,891,359)	(66,097)
Assets Placed In Collateral (80.02%)						<u>437,001</u>
Margin Deposited On Futures Contracts (100%)						<u><u>546,067</u></u>

⁽¹⁾ Market exposures represents the portfolio's exposure to particular stock market fluctuations resulting from investments in futures.

Foreign Exchange Contracts								
Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9928	US	100,000	96,656	CA	99,285	99,285	2,629
September 21, 2011	0.9882	US	100,000	96,656	CA	98,815	98,815	2,159
September 21, 2011	0.9794	US	100,000	96,656	CA	97,935	97,935	1,279
								<u>6,067</u>
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0252	CA	195,090	195,090	US	200,000	193,312	(1,778)
September 21, 2011	1.0239	CA	97,663	97,663	US	100,000	96,656	(1,007)
September 21, 2011	1.0239	CA	97,670	97,670	US	100,000	96,656	(1,014)
September 21, 2011	1.0201	CA	7,694,962	7,694,962	US	7,850,000	7,587,485	(107,477)
								<u>(111,276)</u>
Unrealized Depreciation On Foreign Exchange Contracts								<u>(105,209)</u>

The accompanying notes are an integral part of these financial statements.

▶ INDEX FUNDS

Altamira U.S. Index Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	17,427,921	99.93%	13,341,127	100.62%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$871,396 (\$667,056 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	16,583,637	12,683,576
Non-interest-bearing instruments	304,606	294,125
Total	16,888,243	12,977,701

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$4,610 (\$4,346 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P 500 Index TR (100%) CA New York 16:00	± 1,562,572	8.97% ±	1,169,497	8.81%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	June 30, 2011			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Money Market	n/a	16,583,637	n/a	16,583,637
Common Shares	304,606	n/a	n/a	304,606
Total Investments	304,606	16,583,637	n/a	16,888,243
Derivatives Assets	25,851,918	8,270,144	n/a	34,122,062
Derivatives Liabilities	(25,742,852)	(8,375,353)	n/a	(34,118,205)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	December 31, 2010			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Money Market	n/a	12,683,576	n/a	12,683,576
Common Shares	294,125	n/a	n/a	294,125
Total Investments	294,125	12,683,576	n/a	12,977,701
Derivative Assets	18,499,412	7,163,950	n/a	25,663,362
Derivative Liabilities	(18,540,794)	(7,256,950)	n/a	(25,797,744)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Index Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	16,888,242	12,977,701
Unrealized appreciation on foreign exchange contracts	6,067	-
Cash	24,113	114,894
Margin deposited on futures contracts	546,067	241,027
Subscriptions receivable	92,226	43,596
Interest and dividends receivable	435	1,105
Other assets receivable	2,121	998
	<u>17,559,272</u>	<u>13,379,321</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	111,276	93,000
Redeemed units payable	17,706	19,397
Accrued expenses	10,307	8,305
	<u>139,289</u>	<u>120,702</u>
Net assets	<u>17,419,983</u>	<u>13,258,619</u>
Net assets per Series:		
Investor Series	16,595,696	12,470,900
O Series	824,287	787,719
	<u>17,419,983</u>	<u>13,258,619</u>
Net assets per unit, per Series (CAD):		
Investor Series	6.28	6.00
O Series	9.52	9.07
Net assets per unit, per Series (US\$):		
Investor Series	6.06	5.97
O Series	s.o.	s.o.

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Eric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Index Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	68,943	12,869
Dividends	2,947	2,522
Income from derivatives	904,167	-
	<u>976,057</u>	<u>15,391</u>
Expenses		
Management fees	35,979	25,606
Custodial fees	6,162	3,454
Directors' fees of independent review committee	188	126
Audit fees	1,944	3,532
Legal fees	714	443
Rights and deposits	7,427	7,960
Securityholders' reporting costs	21,590	21,142
Loss from derivatives	-	562,731
Fees paid by the manager	(27,014)	(28,898)
	<u>46,990</u>	<u>596,096</u>
Net investment income (loss)	<u>929,067</u>	<u>(580,705)</u>
Net gains (losses)		
Net realized gains on sale of investments	408	449
Net realized losses on foreign currencies	(271,940)	(143,951)
	<u>(271,532)</u>	<u>(143,502)</u>
Change in unrealized appreciation/depreciation on investments	2,261	242,234
Unrealized gains (losses) on foreign currencies	(5,907)	12,253
	<u>(3,646)</u>	<u>254,487</u>
Transaction costs on purchase and sale of investments	(4,532)	(3,196)
	<u>(279,710)</u>	<u>107,789</u>
Increase (decrease) in net assets from operations	<u>649,357</u>	<u>(472,916)</u>
Increase (decrease) in net assets from operations per Series:		
Investor Series	610,248	(446,234)
0 Series	39,109	(26,682)
	<u>649,357</u>	<u>(472,916)</u>
Increase (decrease) in net assets from operations per unit, per Series (CA\$):		
Investor Series	0.25	(0.23)
0 Series	0.45	(0.31)
Increase (decrease) in net assets from operations per unit, per Series (US\$):		
Investor Series	0.24	(0.26)
0 Series	s.o.	s.o.

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Index Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		O Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	12,470,900	10,746,258	787,719	733,523
Increase (decrease) in net assets from operations	610,248	(446,234)	39,109	(26,682)
Capital unit transactions				
Units issued	5,297,716	1,870,819	-	-
Units issued on reinvestment of distributions	497	445	-	-
Units redeemed	(1,783,168)	(1,466,056)	(2,541)	(2,258)
	3,515,045	405,208	(2,541)	(2,258)
Distributions to investors				
Net investment income	497	445	-	-
Increase (decrease) in net assets for the period	4,124,796	(41,471)	36,568	(28,940)
Net assets, end of the period	16,595,696	10,704,787	824,287	704,583

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Currency Neutral Index Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (90.35%)				Short-Term Notes (11.79%)			
Treasury Bills (68.80%)				Bank of Nova Scotia			
Government of Canada (47.17%)				1.17%, due July 11, 2011	10,000,000	9,971,900	9,996,716
0.91%, due July 6, 2011	1,000,000	999,650	999,869	Caisse Centrale Desjardins du Québec			
0.94%, due July 7, 2011	100,000	99,836	99,984	1.30%, due November 4, 2011	1,800,000	1,789,290	1,791,367
0.94%, due August 4, 2011	9,400,000	9,379,696	9,392,222	Financement-Québec			
0.97%, due August 4, 2011	29,600,000	29,512,088	29,575,508	1.34%, due April 12, 2012	5,000,000	4,942,500	4,935,418
0.94%, due August 18, 2011	1,000,000	997,970	998,814			<u>16,703,690</u>	<u>16,723,501</u>
1.11%, due August 18, 2011	500,000	497,265	499,407				
1.13%, due September 1, 2011	1,400,000	1,392,076	1,397,863				
1.08%, due September 15, 2011	700,000	696,248	698,673	Total Money Market		<u>127,892,260</u>	<u>128,131,238</u>
1.01%, due October 13, 2011	18,000,000	17,930,880	17,952,582				
1.12%, due October 13, 2011	900,000	895,428	897,629	Bonds And Debentures (6.25%)			
0.99%, due November 24, 2011	1,800,000	1,792,512	1,792,893	Issued And Guaranteed By			
1.25%, due March 15, 2012	2,600,000	2,567,994	2,579,741	The Government Of Canada (3.41%)			
		<u>66,761,643</u>	<u>66,885,185</u>	Canada Housing Trust			
Province of British Columbia (2.04%)				4.60%, due September 15, 2011	4,800,000	4,836,533	4,832,686
1.06%, due July 13, 2011	1,500,000	1,496,400	1,499,409				
1.22%, due August 19, 2011	1,400,000	1,391,208	1,397,658	Issued And Guaranteed By			
		<u>2,887,608</u>	<u>2,897,067</u>	a Province (1.43%)			
Province of Manitoba (1.90%)				Hydro-Québec			
1.07%, due July 6, 2011	2,700,000	2,693,223	2,699,557	Floating, due August 22, 2011	2,000,000	2,018,800	2,025,580
Province of Newfoundland (0.78%)							
1.06%, due August 18, 2011	1,100,000	1,097,360	1,098,198	Corporations (1.41%)			
Province of Nova Scotia (2.11%)				Canadian Imperial Bank of Commerce			
1.05%, due August 22, 2011	3,000,000	2,992,950	2,994,676	Floating, due July 14, 2011	2,000,000	2,000,000	2,001,400
Province of Ontario (14.80%)							
1.10%, due July 6, 2011	3,800,000	3,785,066	3,799,376	Total Bonds And Debentures		<u>8,855,333</u>	<u>8,859,666</u>
1.06%, due July 13, 2011	10,900,000	10,871,551	10,895,705				
1.08%, due August 10, 2011	6,300,000	6,283,998	6,291,395	Total Investments (96.60%)		<u>136,747,593*</u>	136,990,904
		<u>20,940,615</u>	<u>20,986,476</u>				
Total Treasury Bills		<u>97,373,399</u>	<u>97,561,159</u>	Unrealized Depreciation On Foreign Exchange Contracts (-0.14%)			
							<u>(195,036)</u>
Bankers' Acceptances (7.65%)				Margin Deposited On Futures Contracts (3.40%)			
Bank of Montreal							<u>4,827,004</u>
1.15%, due August 4, 2011	4,300,000	4,288,261	4,295,007	Cash And Other Net Assets (0.14%)			
Canadian Imperial Bank of Commerce							<u>184,681</u>
1.15%, due August 3, 2011	600,000	598,380	599,324	Net Assets (100%)			
1.38%, due December 14, 2011	5,000,000	4,948,750	4,968,456				<u>141,807,553</u>
1.54%, due May 25, 2012	1,000,000	985,120	985,170				
		<u>10,820,511</u>	<u>10,847,957</u>				
Commercial Paper (2.11%)							
Société des Transports de Montréal							
1.14%, due July 15, 2011	3,000,000	2,994,660	2,998,621				

* Average cost of investments as at December 31, 2010 is \$121,744,776.

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Currency Neutral Index Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

<i>Index Futures (24.74%)</i>						
	Position	Number of Futures	Maturity Date	Market Exposure ⁽¹⁾	Fair Value Positive (Negative)	
United States (3.37%)						
S&P 500 Index	Long	334	September 2011	105,944,779	902,001	
S&P 500 EMINI	Long	541	September 2011	34,321,033	292,205	
				<u>140,265,812</u>	<u>1,194,206</u>	
Currency Futures (3.37%)						
Currency To Be Received	Currency To Be Delivered	Position	Number Of Futures	Maturity Date	Currency Exposure ⁽¹⁾	Fair Value Positive (Negative)
					\$	\$
Canadian Dollar	US	Long	219	September 2011	21,878,737	162,643
Assets Placed In Collateral (71.89%)						3,470,155
Margin Deposited On Futures Contracts (100%)						<u>4,827,004</u>

⁽¹⁾ Market exposures represents the portfolio's exposure to particular stock market fluctuations resulting from investments in futures.

Unrealized Appreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.9927	US	2,000,000	1,933,117	CA	1,985,304	1,985,304	52,187
September 21, 2011	0.9882	US	1,200,000	1,159,870	CA	1,185,781	1,185,781	25,911
September 21, 2011	0.9794	US	800,000	773,247	CA	783,480	783,480	10,233
								<u>88,331</u>
Unrealized Depreciation On Foreign Exchange Contracts								
Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0324	CA	1,452,900	1,452,900	US	1,500,000	1,449,838	(3,062)
September 21, 2011	1.0252	CA	1,950,900	1,950,900	US	2,000,000	1,933,117	(17,783)
September 21, 2011	1.0239	CA	1,171,956	1,171,956	US	1,200,000	1,159,870	(12,086)
September 21, 2011	1.0239	CA	1,465,050	1,465,050	US	1,500,000	1,449,838	(15,212)
September 21, 2011	1.0204	CA	17,150,000	17,150,000	US	17,500,000	16,914,776	(235,224)
								<u>(283,367)</u>
Unrealized Depreciation On Foreign Exchange Contracts								<u>(195,036)</u>

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Currency Neutral Index Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	1,492,249	1.05%	24,710	0.02%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$74,612 (\$1,236 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	97.06%	98.34%
AA/Aa/A-2/P-2	2.94%	1.66%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	136,990,904	119,898,821
From 3 years to 5 years	n/a	2,024,352
Total	136,990,904	121,923,173

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$61,547 (\$44,562 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
S&P 500 Index TR (100%) CA New York 16:00	15,187,589	10.71% ±	13,087,366	10.45%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	128,131,238	n/a	128,131,238
Bonds and Debentures	n/a	8,859,666	n/a	8,859,666
Total Investments	n/a	136,990,904	n/a	136,990,904
Derivatives Assets	162,144,549	26,862,004	n/a	189,006,553
Derivatives Liabilities	(160,787,700)	(27,057,040)	n/a	(187,844,740)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	119,898,821	n/a	119,898,821
Bonds and Debentures	n/a	2,024,352	n/a	2,024,352
Total Investments	n/a	121,923,173	n/a	121,923,173
Derivative Assets	141,382,869	13,588,525	n/a	154,971,394
Derivative Liabilities	(141,441,019)	(13,767,845)	n/a	(155,208,864)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Currency Neutral Index Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	136,990,904	121,923,173
Unrealized appreciation on foreign exchange contracts	88,331	-
Cash	102,027	109,755
Margin deposited on futures contracts	4,827,004	3,263,027
Subscriptions receivable	155,377	108,154
Interest receivable	70,005	4,193
Other assets receivable	18,512	12,734
	<u>142,252,160</u>	<u>125,421,036</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	283,367	179,320
Redeemed units payable	81,778	118,299
Accrued expenses	79,462	78,368
	<u>444,607</u>	<u>375,987</u>
Net assets	<u>141,807,553</u>	<u>125,045,049</u>
Net assets per Series:		
Investor Series	141,804,876	-
R Series	2,677	-
	<u>141,807,553</u>	<u>-</u>
Net assets per unit, per Series:		
Investor Series	10.11	9.57
R Series	9.87	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Currency Neutral Index Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	703,753	158,365
Income from derivatives	7,596,663	-
	<u>8,300,416</u>	<u>158,365</u>
Expenses		
Management fees	333,925	257,497
Custodial fees	13,698	11,328
Directors' fees of independent review committee	1,057	725
Audit fees	5,371	9,188
Legal fees	1,973	1,152
Rights and deposits	10,706	8,715
Securityholders' reporting costs	119,921	120,671
Loss from derivatives	-	9,297,018
Fees paid by the manager	(46,686)	(123,168)
	<u>439,965</u>	<u>9,583,126</u>
Net investment income (loss)	<u>7,860,451</u>	<u>(9,424,761)</u>
Net gains (losses)		
Net realized losses on sale of investments	(32,362)	(6,854)
Net realized gains (losses) on foreign currencies	(612,356)	800,333
	<u>(644,718)</u>	<u>793,479</u>
Change in unrealized appreciation/depreciation on investments	49,198	(314,317)
Unrealized gains (losses) on foreign currencies	(28,496)	90,844
	<u>20,702</u>	<u>(223,473)</u>
Transaction costs on purchase and sale of investments	(21,794)	(22,255)
	<u>(645,810)</u>	<u>547,751</u>
Increase (decrease) in net assets from operations	<u>7,214,641</u>	<u>(8,877,010)</u>
Increase (decrease) in net assets from operations per Series:		
Investor Series	7,214,660	(8,877,010)
R Series	(19)	-
	<u>7,214,641</u>	<u>-</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor Series	0.53	(0.69)
R Series	(0.07)	-

The accompanying notes are an integral part of these financial statements.

Altamira U.S. Currency Neutral Index Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		R Series
	2011	2010	2011 (34 days)
	\$	\$	\$
Net assets, beginning of the period	125,045,049	103,742,109	-
Increase (decrease) in net assets from operations	7,214,660	(8,877,010)	(19)
Capital unit transactions			
Units issued	25,977,773	20,554,464	2,700
Units issued on reinvestment of distributions	-	-	15
Units redeemed	(16,432,606)	(10,458,535)	(4)
	9,545,167	10,095,929	2,711
Distributions to investors			
Return of capital	-	-	15
Increase in net assets for the period	16,759,827	1,218,919	2,677
Net assets, end of the period	141,804,876	104,961,028	2,677

The accompanying notes are an integral part of these financial statements.

Altamira International Index Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Average Cost	Fair Value
	\$	\$	\$		\$	\$
Money Market (92.84%)				Total Investments (92.84%)	14,065,460*	14,086,664
Treasury Bills (92.84%)				Unrealized Depreciation On Foreign Exchange Contracts (-1.03%)		(156,918)
Government of Canada				Margin Deposited On Futures Contracts (6.91%)		1,048,904
0.97%, due July 7, 2011	200,000	199,952	199,969	Cash And Other Net Assets (1.28%)		192,991
0.95%, due July 21, 2011	1,700,000	1,695,806	1,699,172	Net Assets (100%)		15,171,641
0.98%, due August 4, 2011	8,900,000	8,876,736	8,892,636			
0.92%, due September 1, 2011	3,100,000	3,093,428	3,095,268			
0.93%, due September 15, 2011	200,000	199,538	199,621			
		14,065,460	14,086,664			

* Average cost of investments as at December 31, 2010 is \$13,844,005.

Index Futures (17.74%)

	Position	Number Of Futures	Maturity Date	Market Exposure ⁽¹⁾	Fair Value Positive (Negative)
				\$	\$
Asia (4.64%)					
Australia – SPI 200 Index	Long	11	September 2011	1,308,674	23,324
Hong-kong – HANG SENG Index	Long	3	July 2011	416,972	5,782
Japan – NIKKEI 225 Index	Long	7	September 2011	823,505	2,516
Japan – TOPIX STK Index	Long	22	September 2011	2,238,947	14,501
Singapore – MSCI Singapore Index	Long	4	July 2011	226,407	2,576
				5,014,505	48,699
Europe (13.10%)					
Austrian – Austrian Index	Long	1	September 2011	38,641	457
Denmark – KFX Index	Long	20	July 2011	161,681	3,150
France – CAC40 Index	Long	30	July 2011	1,669,719	25,385
Germany – DAX Index	Long	5	September 2011	1,292,219	12,063
Greece – ASE20 Index	Long	9	September 2011	36,130	406
Milan – S&P/MIB Index	Long	3	September 2011	424,048	6,965
Netherlands – Amsterdam Index	Long	4	July 2011	380,139	4,811
Norway – OBX Index	Long	19	July 2011	131,560	1,376
Portugal – PSI-20 Index	Long	5	September 2011	51,328	1,531
Spain – IBEX 35 Index	Long	4	July 2011	571,712	11,244
Sweeden – OMXS30 Index	Long	29	July 2011	493,108	7,407
Switzerland – SWISS MARKET Index	Long	19	September 2011	1,348,668	18,743
United-Kingdom – New Financial Times Stock Exchange 100 Index	Long	38	September 2011	3,471,638	43,818
				10,070,591	137,356
Total Index Futures					186,055

Currency Futures (3.91%)

Currency To Be Received	Currency To Be Delivered	Position	Number Of Futures	Maturity Date	Currency Exposure ⁽¹⁾	Fair Value Positive (Negative)
					\$	\$
Australian Dollar	US	Long	21	September 2011	2,152,243	12,355
British Pound	US	Long	38	September 2011	3,676,782	2,975
Canadian Dollar	US	Short	44	September 2011	(4,395,728)	(32,677)
Euro	US	Long	41	September 2011	7,161,509	46,465
Japanese Yen	US	Long	31	September 2011	4,646,756	24,667
Swiss Franc	US	Long	13	September 2011	1,866,199	(12,695)
					15,107,761	41,090
Assets Placed In Collateral (78.35%)						821,759
Margin Deposited On Futures Contracts (100%)						1,048,904

⁽¹⁾ Market exposures represents the portfolio's exposure to particular stock market fluctuations resulting from investments in futures.

The accompanying notes are an integral part of these financial statements.

Altamira International Index Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.6468	CA	100,496	100,496	GB	65,000	100,713	217
September 21, 2011	0.9819	US	150,000	144,984	CA	147,285	147,285	2,301
September 21, 2011	1.5895	GB	65,000	100,713	CA	103,318	103,318	2,605
September 21, 2011	0.9768	US	75,000	72,492	CA	73,260	73,260	768
September 21, 2011	0.9714	US	100,000	96,656	CA	97,140	97,140	484
September 21, 2011	1.5952	GB	349,000	540,752	CA	556,735	556,735	15,983
September 21, 2011	1.4043	EU	1,823,000	2,548,874	CA	2,560,039	2,560,039	11,165
September 21, 2011	1.1722	CH	519,650	597,680	CA	609,149	609,149	11,469
September 21, 2011	0.0122	JP	141,254,000	1,696,632	CA	1,724,250	1,724,250	27,618
								72,610

Unrealized Depreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	1.0201	CA	15,458,542	15,458,542	US	15,770,000	15,242,630	(215,912)
September 21, 2011	6.4987	CA	437,009	437,009	SE	2,840,000	431,875	(5,134)
September 21, 2011	5.5982	CA	51,802	51,802	NO	290,000	51,676	(126)
September 21, 2011	5.3102	CA	82,860	82,860	DK	440,000	82,503	(357)
September 21, 2011	1.264	CA	217,562	217,562	SG	275,000	216,432	(1,130)
September 21, 2011	1.0225	AU	870,000	892,072	CA	889,575	889,575	(2,497)
September 21, 2011	7.9461	CA	349,228	349,228	HK	2,775,000	344,856	(4,372)
								(229,528)

Unrealized Depreciation On Foreign Exchange Contracts

(156,918)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	(45,446)	(0.30%)	5,732	0.04%
Australian Dollar	1,289,095	8.49%	1,319,756	8.93%
Danish Krone	151,252	1.00%	153,918	1.04%
Euro	4,770,725	31.40%	4,341,355	29.37%
Hong Kong Dollar	417,728	2.75%	436,543	2.95%
Japanese Yen	3,089,627	20.34%	3,272,688	22.14%
Norwegian Krone	117,211	0.77%	119,728	0.81%
Pound Sterling	3,232,748	21.28%	3,185,281	21.55%
Singapore Dollar	227,342	1.50%	246,594	1.67%
Swedish Krona	469,085	3.09%	465,665	3.15%
Swiss Franc	1,252,889	8.25%	1,196,020	8.09%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$748,613 (\$737,164 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	14,086,664	13,880,690

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$3,908 (\$4,597 in 2010).

The accompanying notes are an integral part of these financial statements.

Altamira International Index Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI EAFE Index TR (100%)				
CA New York 16:00	± 1,333,587	8.79%	± 1,339,611	9.04%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	14,086,664	n/a	14,086,664
Total Investments	n/a	14,086,664	n/a	14,086,664
Derivatives Assets	38,954,636	23,231,436	n/a	62,186,072
Derivatives Liabilities	(38,727,491)	(23,388,354)	n/a	(62,115,846)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	13,880,690	n/a	13,880,690
Total Investments	n/a	13,880,690	n/a	13,880,690
Derivative Assets	29,564,937	23,095,212	n/a	52,660,149
Derivative Liabilities	(29,484,865)	(23,341,850)	n/a	(52,826,715)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira International Index Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	14,086,664	13,880,690
Unrealized appreciation on foreign exchange contracts	72,610	30,242
Cash	154,381	73,663
Margin deposited on futures contracts	1,048,904	1,020,300
Subscriptions receivable	6,815	33,405
Interest receivable	37,090	44,023
Other assets receivable	1,942	1,162
	<u>15,408,406</u>	<u>15,083,485</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	229,528	276,880
Redeemed units payable	50	18,427
Accrued expenses	7,187	7,223
	<u>236,765</u>	<u>302,530</u>
Net assets	<u>15,171,641</u>	<u>14,780,955</u>
Net assets per Series:		
Investor Series	14,828,437	14,444,683
O Series	343,204	336,272
	<u>15,171,641</u>	<u>14,780,955</u>
Net assets per unit, per Series:		
Investor Series	7.22	7.08
O Series	9.65	9.43

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira International Index Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	86,555	6,696
Dividends	372	-
Income from derivatives	950,024	-
	<u>1,036,951</u>	<u>6,696</u>
Expenses		
Management fees	34,608	31,587
Custodial fees	8,301	6,325
Directors' fees of independent review committee	141	103
Audit fees	1,891	3,586
Legal fees	695	450
Rights and deposits	7,427	7,489
Securityholders' reporting costs	16,422	17,216
Loss from derivatives	-	2,545,126
Fees paid by the manager	(33,114)	(33,577)
	<u>36,371</u>	<u>2,578,305</u>
Net investment income (loss)	<u>1,000,580</u>	<u>(2,571,609)</u>
Net gains (losses)		
Net realized gains on sale of investments	-	373,011
Net realized losses on foreign currencies	(745,321)	-
	<u>(745,321)</u>	<u>373,011</u>
Change in unrealized appreciation/depreciation on investments	74,239	171,668
Unrealized gains (losses) on foreign currencies	(3,768)	6,125
	<u>70,471</u>	<u>177,793</u>
Transaction costs on purchase and sale of investments	(13,814)	(14,470)
	<u>(688,664)</u>	<u>536,334</u>
Increase (decrease) in net assets from operations	<u>311,916</u>	<u>(2,035,275)</u>
Increase (decrease) in net assets from operations per Series:		
Investor Series	303,922	(1,989,821)
O Series	7,994	(45,454)
	<u>311,916</u>	<u>(2,035,275)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor Series	0.15	(0.97)
O Series	0.22	(1.27)

The accompanying notes are an integral part of these financial statements.

Altamira International Index Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		O Series	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net assets, beginning of the period	14,444,683	14,234,228	336,272	333,394
Increase (decrease) in net assets from operations	303,922	(1,989,821)	7,994	(45,454)
Capital unit transactions				
Units issued	923,549	857,404	-	-
Units issued on reinvestment of distributions	9,261	8,470	-	-
Units redeemed	(843,717)	(655,080)	(1,062)	(965)
	89,093	210,794	(1,062)	(965)
Distributions to investors				
Net investment income	9,261	8,470	-	-
Increase (decrease) in net assets for the period	383,754	(1,787,497)	6,932	(46,419)
Net assets, end of the period	14,828,437	12,446,731	343,204	286,975

The accompanying notes are an integral part of these financial statements.

Altamira International Currency Neutral Index Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Par Value	Average Cost	Fair Value		Par Value	Average Cost	Fair Value
	\$	\$	\$		\$	\$	\$
Money Market (92.50%)				Short-Term Notes (10.01%)			
Treasury Bills (71.76%)				Bank of Nova Scotia			
Government of Canada (59.13%)				1.17%, due July 11, 2011	5,000,000	4,985,950	4,998,358
0.94%, due July 7, 2011	300,000	299,508	299,953	Financement-Québec			
0.94%, due August 4, 2011	18,900,000	18,859,176	18,884,362	1.34%, due April 12, 2012	5,000,000	4,942,500	4,935,419
0.97%, due August 4, 2011	10,000,000	9,970,300	9,991,726			9,928,450	9,933,777
1.13%, due September 1, 2011	600,000	596,604	599,084				
0.93%, due September 15, 2011	8,000,000	7,982,400	7,984,837				
1.08%, due September 15, 2011	3,000,000	2,983,920	2,994,314				
1.01%, due October 13, 2011	8,600,000	8,566,976	8,577,345				
1.19%, due October 27, 2011	500,000	494,345	498,484				
0.99%, due November 24, 2011	5,900,000	5,875,456	5,876,705				
1.25%, due March 15, 2012	3,000,000	2,963,070	2,976,624				
		58,591,755	58,683,434				
Province of British Columbia (2.21%)				Total Money Market		91,659,999	91,803,624
1.06%, due July 13, 2011	500,000	498,800	499,803				
1.04%, due August 29, 2011	1,700,000	1,696,090	1,696,577	Bonds And Debentures (2.61%)			
		2,194,890	2,196,380	Issued And guaranteed By			
Province of Manitoba (1.51%)				The Government Of Canada (2.61%)			
1.07%, due July 6, 2011	1,500,000	1,496,235	1,499,754	Canada Housing Trust			
Province of Nova Scotia (2.21%)				4.60%, due September 15, 2011	2,575,000	2,595,308	2,592,535
1.05%, due August 22, 2011	2,200,000	2,194,830	2,196,095				
Province of Ontario (6.70%)							
1.06%, due July 13, 2011	5,100,000	5,086,689	5,097,990	International Equities (0.00%)			
1.07%, due August 3, 2011	600,000	598,524	599,324	Italy (0.00%)			
1.08%, due August 10, 2011	950,000	947,587	948,702	Unione di Banche Italiane SCPA			
		6,632,800	6,646,016	warrants due June 30, 2011	1,633	128	-
Total Treasury Bills		71,110,510	71,221,679				
Bankers' Acceptances (10.73%)				Total Investments (95.11%)		94,255,435*	94,396,159
Bank of Montreal							
1.15%, due August 4, 2011	4,700,000	4,687,169	4,694,542	Unrealized Appreciation On Foreign Exchange Contracts (0.00%)			1,880
Canadian Imperial Bank of Commerce				Margin Deposited On Futures Contracts (4.64%)			4,603,505
1.38%, due December 14, 2011	5,000,000	4,948,750	4,968,456				
1.54%, due May 25, 2012	1,000,000	985,120	985,170	Cash And Other Net Assets (0.25%)			243,031
		10,621,039	10,648,168	Net Assets (100%)			99,244,575

* Average cost of investments as at December 31, 2010 is \$82,993,039.

The accompanying notes are an integral part of these financial statements.

Altamira International Currency Neutral Index Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Index Futures (26.59%)

	Position	Number Of Futures	Maturity Date	Market Exposure ⁽¹⁾	Fair Value Positive (Negative)
				\$	\$
Asia (7.29%)					
Australia – SPI 200 Index	Long	72	September 2011	8,565,865	152,659
Hong Kong – HANG SENG Index	Long	20	July 2011	2,779,816	38,547
Japan – NIKKEI 225 Index	Long	6	September 2011	715,862	2,157
Japan – TOPIX STK Index	Long	188	September 2011	19,132,773	123,873
Singapore – MSCI Singapore Index	Long	29	July 2011	1,641,452	18,673
				<u>32,825,768</u>	<u>335,909</u>
Europe (19.30%)					
Austrian – Austrian Index	Long	9	September 2011	347,775	4,117
Denmark – KFX Index	Long	133	July 2011	1,075,180	20,947
France – CAC40 Index	Long	193	July 2011	10,741,856	163,308
Germany – DAX Index	Long	36	September 2011	9,303,976	86,853
Greece – ASE20 Index	Long	56	September 2011	224,810	2,530
Milan – S&P/MIB Index	Long	20	September 2011	2,826,990	46,434
Netherlands – Amsterdam Index	Long	27	July 2011	2,565,942	32,476
Norway – OBX Index	Long	132	July 2011	913,995	9,559
Portugal – PSI-20 Index	Long	24	September 2011	246,377	7,351
Spain – IBEX 35 Index	Long	26	July 2011	3,735,633	73,091
Sweden – OMXS30 Index	Long	188	July 2011	3,196,704	47,919
Switzerland – SWISS MARKET Index	Long	121	September 2011	8,588,888	119,367
United Kingdom – New Financial Times Stock Exchange 100 Index	Long	218	September 2011	21,743,417	274,441
				<u>65,511,543</u>	<u>888,393</u>
Total Index Futures					<u>1,224,302</u>
Assets Placed In Collateral (73.41%)					<u>3,379,203</u>
Margin Deposited On Futures Contracts (100%)					<u>4,603,505</u>

⁽¹⁾ Market exposures represents the portfolio's exposure to particular stock market fluctuations resulting from investments in futures.

Foreign Exchange Contracts

Unrealized Appreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Appreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	0.1539	SE	500,000	76,034	CA	76,938	76,938	904
September 21, 2011	0.1786	NO	515,000	91,770	CA	91,994	91,994	224
September 21, 2011	0.1258	HK	550,000	68,350	CA	69,216	69,216	866
								<u>1,994</u>

Unrealized Depreciation On Foreign Exchange Contracts

Settlement Date	Contract Rates	Currency To Be Delivered			Currency To Be Received			Unrealized Depreciation (CA)
		Currency	Par Value	Canadian Value as at June 30, 2011	Currency	Par Value	Canadian Value as at June 30, 2011	
September 21, 2011	5.3101	CA	26,365	26,365	DK	140,000	26,251	(114)

Unrealized Appreciation On Foreign Exchange Contracts

1,880

The accompanying notes are an integral part of these financial statements.

Altamira International Currency Neutral Index Fund *(continued)*

Investment Portfolio as at June 30, 2011 (unaudited)

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value	Percentage of Net Assets	Fair Value	Percentage of Net Assets
	\$		\$	
American Dollar	71,710	0.07%	74,165	0.09%
Australian Dollar	307,190	0.31%	(57,696)	(0.07%)
Danish Krone	79,436	0.08%	128,956	0.15%
Euro	380,664	0.38%	93,776	0.11%
Hong Kong Dollar	45,266	0.05%	(37,779)	(0.04%)
Japanese Yen	109,263	0.11%	332,376	0.39%
Norwegian Krone	(18,125)	(0.02%)	126,910	0.15%
Pound Sterling	185,852	0.19%	29,089	0.03%
Singapore Dollar	6,366	0.01%	57,826	0.07%
Swedish Krona	40,174	0.04%	(22,232)	(0.03%)
Swiss Franc	366,575	0.37%	18,327	0.02%

Numbers shown include monetary, non-monetary and derivative instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$78,719 (decreased or increased by \$37,186 in 2010).

Credit Risk (note 4)

Debt Securities by Credit Ratings	June 30, 2011	December 31, 2010
AAA/Aaa/A-1/P-1	100.00%	100.00%

Interest Rate Risk (note 4)

Investments	June 30, 2011	December 31, 2010
	\$	\$
Less than one year	94,396,159	83,114,758
Non-interest-bearing instruments	n/a	8
Total	94,396,159	83,114,766

Based on the assumption that prevailing interest rates had been raised or lowered by 0.25%, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$54,163 (\$30,652 in 2010).

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets	Percentage Of Net Assets	Impact On Net Assets	Percentage Of Net Assets
	\$		\$	
MSCI EAFE Index TR (100%)				
CA New York 16:00	± 7,949,792	8.01%	± 6,996,290	8.27%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	91,803,624	n/a	91,803,624
Bonds and Debentures	n/a	2,592,535	n/a	2,592,535
Common Shares	n/a	n/a	n/a	n/a
Total Investments	n/a	94,396,159	n/a	94,396,159
Derivatives Assets	98,337,311	264,399	n/a	98,601,710
Derivatives Liabilities	(97,113,009)	(262,519)	n/a	(97,375,528)

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Money Market	n/a	83,114,758	n/a	83,114,758
Common Shares	n/a	8	n/a	8
Total Investments	n/a	83,114,766	n/a	83,114,766
Derivative Assets	84,897,788	255,391	n/a	85,153,179
Derivative Liabilities	(84,984,966)	(258,006)	n/a	(85,242,972)

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

Altamira International Currency Neutral Index Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value	94,396,159	83,114,766
Unrealized appreciation on foreign exchange contracts	1,994	904
Cash	81,134	85,052
Margin deposited on futures contracts	4,603,505	1,182,587
Subscriptions receivable	95,284	54,965
Interest receivable	277,989	258,714
Other assets receivable	12,075	8,931
	<u>99,468,140</u>	<u>84,705,919</u>
Liabilities		
Unrealized depreciation on foreign exchange contracts	114	3,519
Redeemed units payable	170,277	76,530
Accrued expenses	53,174	56,759
	<u>223,565</u>	<u>136,808</u>
Net assets	<u>99,244,575</u>	<u>84,569,111</u>
Net assets per Series:		
Investor Series	99,242,874	84,569,111
R Series	1,701	-
	<u>99,244,575</u>	<u>84,569,111</u>
Net assets per unit, per Series:		
Investor Series	8.32	8.31
R Series	9.97	-

Approved on behalf of the Manager
National Bank Securities Inc.
Charles Guay, Director
Éric Laflamme, Director

The accompanying notes are an integral part of these financial statements.

Altamira International Currency Neutral Index Fund *(continued)*

Financial Statements

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	505,950	105,870
Dividends	10,408	20,654
Income from derivatives	339,838	-
	<u>856,196</u>	<u>126,524</u>
Expenses		
Management fees	217,656	190,040
Custodial fees	8,022	7,284
Directors' fees of independent review committee	1,023	720
Audit fees	4,207	7,848
Legal fees	1,545	984
Rights and deposits	8,664	8,090
Securityholders' reporting costs	116,023	119,833
Loss from derivatives	-	8,217,361
Fees paid by the manager	(70,367)	(123,643)
	<u>286,773</u>	<u>8,428,517</u>
Net investment income (loss)	<u>569,423</u>	<u>(8,301,993)</u>
Net losses		
Net realized losses on sale of investments	(64,132)	(4,911)
Net realized gains (losses) on foreign currencies	(54,700)	30,104
	<u>(118,832)</u>	<u>25,193</u>
Change in unrealized appreciation/depreciation on investments	23,492	(54,280)
Unrealized gains (losses) on foreign currencies	(19,458)	90,429
	<u>4,034</u>	<u>36,149</u>
Transaction costs on purchase and sale of investments	(64,154)	(66,432)
	<u>(178,952)</u>	<u>(5,090)</u>
Increase (decrease) in net assets from operations	<u>390,471</u>	<u>(8,307,083)</u>
Increase (decrease) in net assets from operations per Series:		
Investor Series	390,458	(8,307,083)
R Series	13	-
	<u>390,471</u>	<u>(8,307,083)</u>
Increase (decrease) in net assets from operations per unit, per Series:		
Investor Series	0.04	(0.82)
R Series	0.08	-

The accompanying notes are an integral part of these financial statements.

Altamira International Currency Neutral Index Fund *(continued)*

Financial Statements

Statements of changes in net assets per Series for the 6-month periods ended June 30 (unaudited)

	Investor Series		R Series
	2011 \$	2010 \$	2011 (34 days) \$
Net assets, beginning of the period	84,569,111	82,059,406	-
Increase (decrease) in net assets from operations	390,458	(8,307,083)	13
Capital unit transactions			
Units issued	24,721,177	10,629,831	1,688
Units issued on reinvestment of distributions	-	-	10
Units redeemed	(10,437,872)	(11,394,049)	-
	14,283,305	(764,218)	1,698
Distributions to investors			
Return of capital	-	-	10
Increase (decrease) in net assets for the period	14,673,763	(9,071,301)	1,701
Net assets, end of the period	99,242,874	72,988,105	1,701

The accompanying notes are an integral part of these financial statements.

National Bank Protected Canadian Bond Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (100.16%)			
National Bank Bond Fund	59,938	619,243	620,955
Total Investments (100.16%)		<u>619,243*</u>	620,955
Cash And Other Net Assets (-0.16%)			(1,013)
Net Assets (100%)			<u>619,942</u>

* Average cost of investments as at December 31, 2010 is \$695,545.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value \$	Percentage of Net Assets	Fair Value \$	Percentage of Net Assets
American Dollar	45	0.01%	46	0.01%
Euro	112	0.02%	107	0.02%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$8 (\$8 in 2010).

Furthermore, the fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Credit Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets \$	Percentage Of Net Assets	Impact On Net Assets \$	Percentage Of Net Assets
DEX Universe Overall Bond Index (100%)	± 62,366	10.06% ±	69,260	9.98%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	620,955	n/a	n/a	620,955

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	694,725	n/a	n/a	694,725

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Protected Canadian Bond Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	620,955	694,725	
Cash	120	3,672	
Other assets receivable	361	448	
	<u>621,436</u>	<u>698,845</u>	
Liabilities			
Redeemed units payable	-	3,184	
Accrued expenses	1,494	1,674	
	<u>1,494</u>	<u>4,858</u>	
Net assets, Investor Series	<u>619,942</u>	<u>693,987</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor Series	10.52	10.42	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	-	15,931
Income from investment funds	12,867	672
	<u>12,867</u>	<u>16,603</u>
Expenses		
Management fees	7,843	9,994
Custodial fees	629	1,549
Directors' fees of independent review committee	48	32
Audit fees	1,490	2,856
Legal fees	547	358
Rights and deposits	1,339	-
Securityholders' reporting costs	5,760	6,739
Other expenses	213	-
Fees paid by the manager	(8,983)	(10,476)
	<u>8,886</u>	<u>11,052</u>
Net investment income	<u>3,981</u>	<u>5,551</u>
Net gains		
Net realized gains (losses) on sale of investments	(169)	789
Change in unrealized appreciation/depreciation on investments	2,532	15,542
Unrealized gains (losses) on foreign currencies	4	(15)
	<u>2,536</u>	<u>15,527</u>
	<u>2,367</u>	<u>16,316</u>
Increase in net assets from operations		
Investor Series	<u>6,348</u>	<u>21,867</u>
Increase in net assets from operations per unit		
Investor Series	0.10	0.26

The accompanying notes are an integral part of these financial statements.

National Bank Protected Canadian Bond Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	693,987	949,897
Increase in net assets from operations	6,348	21,867
Capital unit transactions		
Units redeemed	(80,393)	(179,546)
Decrease in net assets for the period	(74,045)	(157,679)
Net assets, end of the period	619,942	792,218

The accompanying notes are an integral part of these financial statements.

National Bank Protected Retirement Balanced Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (100.22%)			
National Bank Bond Fund	98,130	1,014,218	1,016,629
National Bank Canadian Equity Fund	17,846	265,816	313,368
National Bank Global Equity Fund	75,804	611,886	690,573
National Bank Small Capitalization	14,692	181,573	216,852
		<u>2,073,493</u>	<u>2,237,422</u>
Total Investments (100.22%)		<u>2,073,493*</u>	<u>2,237,422</u>
Cash And Other Net Assets (-0.22%)			<u>(4,823)</u>
Net Assets (100%)			<u>2,232,599</u>

* Average cost of investments as at December 31, 2010 is \$2,435,860.

Currency Risk (note 4)

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets \$	Percentage Of Net Assets	Impact On Net Assets \$	Percentage Of Net Assets
DEX Universe Overall Bond Index (45%) - S&P/TSX Index TR (15%) - MSCI World Index TR (30%) - S&P/TSX Smallcap Index TR (10%)	± 125,249	5.61% ±	149,133	5.74%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	2,237,422	n/a	n/a	2,237,422

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	2,609,391	n/a	n/a	2,609,391

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Protected Retirement Balanced Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	2,237,422	2,609,391	
Cash	194	-	
Other assets receivable	1,577	1,137	
	<u>2,239,193</u>	<u>2,610,528</u>	
Liabilities			
Bank overdraft	-	4,387	
Accrued expenses	6,594	8,001	
	<u>6,594</u>	<u>12,388</u>	
Net assets, Investor Series	<u>2,232,599</u>	<u>2,598,140</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor Series	11.14	11.12	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	-	30,409
Dividends	311	11,072
Income from investment funds	20,075	1,477
	<u>20,386</u>	<u>42,958</u>
Expenses		
Management fees	35,672	52,947
Custodial fees	1,674	5,139
Directors' fees of independent review committee	63	48
Audit fees	1,539	3,008
Legal fees	565	377
Rights and deposits	1,328	-
Securityholders' reporting costs	7,503	9,405
Other expenses	7	-
Fees paid by the manager	(9,744)	(13,630)
	<u>38,607</u>	<u>57,294</u>
Net investment loss	<u>(18,221)</u>	<u>(14,336)</u>
Net gains (losses)		
Net realized gains on sale of investments	32,171	39,527
Net realized gains (losses) on foreign currencies	8	(721)
	<u>32,179</u>	<u>38,806</u>
Change in unrealized appreciation/depreciation on investments	(9,603)	(133,658)
Unrealized gains on foreign currencies	-	739
	<u>(9,603)</u>	<u>(132,919)</u>
Transaction costs on purchase and sale of investments	-	(1,449)
	<u>22,576</u>	<u>(95,562)</u>
Increase (decrease) in net assets from operations		
Investor Series	<u>4,355</u>	<u>(109,898)</u>
Increase (decrease) in net assets from operations per unit		
Investor Series	0.02	(0.33)

The accompanying notes are an integral part of these financial statements.

National Bank Protected Retirement Balanced Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	2,598,140	4,044,003
Increase (decrease) in net assets from operations	4,355	(109,898)
Capital unit transactions		
Units issued	137	-
Units redeemed	(370,033)	(910,284)
	(369,896)	(910,284)
Decrease in net assets for the period	(365,541)	(1,020,182)
Net assets, end of the period	2,232,599	3,023,821

The accompanying notes are an integral part of these financial statements.

National Bank Protected Growth Balanced Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (100.21%)			
National Bank Bond Fund	44,907	464,093	465,232
National Bank Canadian Equity Fund	28,770	455,770	505,197
National Bank Global Equity Fund	57,047	459,680	519,695
National Bank Small Capitalization	11,096	136,360	163,778
		<u>1,515,903</u>	<u>1,653,902</u>
Total Investments (100.21%)		<u>1,515,903*</u>	<u>1,653,902</u>
Cash And Other Net Assets (-0.21%)			<u>(3,482)</u>
Net Assets (100%)			<u>1,650,420</u>

* Average cost of investments as at December 31, 2010 is \$1,849,747.

Currency Risk (note 4)

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Credit Risk (note 4)

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

The fund holds units in other funds. The value of these investments may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets \$	Percentage Of Net Assets	Impact On Net Assets \$	Percentage Of Net Assets
S&P/TSX Index TR (100%)	77,405	4.69% ±	94,363	4.68%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	<u>1,653,902</u>	n/a	n/a	<u>1,653,902</u>

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	<u>2,010,155</u>	n/a	n/a	<u>2,010,155</u>

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Protected Growth Balanced Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	<u>2011</u>	<u>2010</u>	
	\$	\$	
Assets			
Investments, at fair value	1,653,902	2,010,155	
Cash	237	11,419	
Other assets receivable	1,208	865	
	<u>1,655,347</u>	<u>2,022,439</u>	
Liabilities			
Accrued expenses	4,927	6,133	
Net assets, Investor Series	<u>1,650,420</u>	<u>2,016,306</u>	Approved on behalf of the Manager National Bank Securities Inc.
Net assets per unit, Investor Series	11.67	11.68	Charles Guay, Director Éric Laflamme, Director

Statements of operations for the 6-month periods ended June 30 (unaudited)

	<u>2011</u>	<u>2010</u>
	\$	\$
Income		
Interest	21	16,939
Dividends	264	19,458
Income from investment funds	10,396	1,425
	<u>10,681</u>	<u>37,822</u>
Expenses		
Management fees	27,716	48,094
Custodial fees	1,556	5,902
Directors' fees of independent review committee	60	47
Audit fees	1,525	2,992
Legal fees	560	375
Rights and deposits	1,328	-
Securityholders' reporting costs	7,171	9,267
Fees paid by the manager	(9,925)	(14,634)
	<u>29,991</u>	<u>52,043</u>
Net investment loss	<u>(19,310)</u>	<u>(14,221)</u>
Net gains (losses)		
Net realized gains on sale of investments	42,324	87,169
Net realized gains (losses) on foreign currencies	7	(727)
	<u>42,331</u>	<u>86,442</u>
Change in unrealized appreciation/depreciation on investments	(22,409)	(202,114)
Unrealized gains on foreign currencies	-	663
	<u>(22,409)</u>	<u>(201,451)</u>
Transaction costs on purchase and sale of investments	-	(1,817)
	<u>19,922</u>	<u>(116,826)</u>
Increase (decrease) in net assets from operations		
Investor Series	<u>612</u>	<u>(131,047)</u>
Increase (decrease) in net assets from operations per unit		
Investor Series	-	(0.45)

The accompanying notes are an integral part of these financial statements.

National Bank Protected Growth Balanced Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	2,016,306	3,805,778
Increase (decrease) in net assets from operations	612	(131,047)
Capital unit transactions		
Units redeemed	(366,498)	(1,148,353)
Decrease in net assets for the period	(365,886)	(1,279,400)
Net assets, end of the period	1,650,420	2,526,378

The accompanying notes are an integral part of these financial statements.

National Bank Protected Canadian Equity Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (100.13%)			
National Bank Canadian Equity Fund	150,642	2,354,536	2,645,275
Total Investments (100.13%)		<u>2,354,536*</u>	2,645,275
Cash And Other Net Assets (-0.13%)			<u>(3,525)</u>
Net Assets (100%)			<u>2,641,750</u>

* Average cost of investments as at December 31, 2010 is \$2,679,636.

Currency Risk (note 4)

Currency	June 30, 2011		December 31, 2010	
	Fair Value \$	Percentage of Net Assets	Fair Value \$	Percentage of Net Assets
American Dollar	418	0.02%	432	0.01%

Numbers shown include monetary and non-monetary instruments.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have decreased or increased, respectively, by approximately \$21 (\$22 in 2010).

Furthermore, the fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Credit Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets \$	Percentage Of Net Assets	Impact On Net Assets \$	Percentage Of Net Assets
S&P/TSX Index TR (100%)	± 234,587	8.88% ±	266,512	8.84%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	<u>2,645,275</u>	n/a	n/a	<u>2,645,275</u>

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	<u>3,019,091</u>	n/a	n/a	<u>3,019,091</u>

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Protected Canadian Equity Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	2,645,275	3,019,091	
Cash	2,385	3,687	
Other assets receivable	1,938	1,310	
	<u>2,649,598</u>	<u>3,024,088</u>	
Liabilities			
Accrued expenses	7,848	9,245	
	<u>7,848</u>	<u>9,245</u>	
Net assets, Investor Series	<u>2,641,750</u>	<u>3,014,843</u>	Approved on behalf of the Manager National Bank Securities Inc.
Net assets per unit, Investor Series	13.78	14.05	Charles Guay, Director Éric Laflamme, Director

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Dividends	-	43,978
Expenses		
Management fees	43,955	71,044
Custodial fees	1,197	1,910
Directors' fees of independent review committee	68	54
Audit fees	1,554	3,072
Legal fees	571	385
Rights and deposits	1,328	-
Securityholders' reporting costs	8,045	10,482
Other expenses	25	157
Fees paid by the manager	(9,215)	(10,169)
	<u>47,528</u>	<u>76,935</u>
Net investment loss	<u>(47,528)</u>	<u>(32,957)</u>
Net losses		
Net realized gains on sale of investments	48,058	199,410
Change in unrealized appreciation/depreciation on investments	(48,716)	(435,257)
Unrealized gains (losses) on foreign currencies	(14)	8
	<u>(48,730)</u>	<u>(435,249)</u>
Transaction costs on purchase and sale of investments	-	(1,953)
	<u>(672)</u>	<u>(237,792)</u>
Decrease in net assets from operations		
Investor Series	<u>(48,200)</u>	<u>(270,749)</u>
Decrease in net assets from operations per unit		
Investor Series	(0.24)	(0.75)

The accompanying notes are an integral part of these financial statements.

National Bank Protected Canadian Equity Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	3,014,843	5,573,656
Decrease in net assets from operations	(48,200)	(270,749)
Capital unit transactions		
Units redeemed	(324,893)	(1,620,199)
Decrease in net assets for the period	(373,093)	(1,890,948)
Net assets, end of the period	2,641,750	3,682,708

The accompanying notes are an integral part of these financial statements.

National Bank Protected Global Fund

Investment Portfolio as at June 30, 2011 (unaudited)

	Number of Units	Average Cost \$	Fair Value \$
Mutual Funds (100.25%)			
National Bank Global Equity Fund	98,377	795,170	896,215
Total Investments (100.25%)		795,170*	896,215
Cash And Other Net Assets (-0.25%)			(2,261)
Net Assets (100%)			893,954

* Average cost of investments as at December 31, 2010 is \$936,136.

Currency Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Credit Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Interest Rate Risk (note 4)

The fund holds units in another fund. The value of this investment may be indirectly exposed to this risk.

Price Risk (note 4)

The Funds' Benchmark Composition	June 30, 2011		December 31, 2010	
	Impact On Net Assets \$	Percentage Of Net Assets	Impact On Net Assets \$	Percentage Of Net Assets
MSCI World Index TR (100%)				
CA New York 16:00	± 78,042	8.73% ±	89,923	8.86%

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fluctuating performance.

In practice, actual results may differ from this sensitivity analysis and the difference can be significant.

Fair Value Of Financial Instruments Table (note 4)

June 30, 2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	896,215	n/a	n/a	896,215

During the period ended June 30, 2011, there were no significant transfer of investments between Level 1 and Level 2.

December 31, 2010	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Mutual Funds	1,018,032	n/a	n/a	1,018,032

During the year ended December 31, 2010, there were no significant transfers of investments between Level 1 and Level 2.

The accompanying notes are an integral part of these financial statements.

National Bank Protected Global Fund

Financial Statements

Statements of net assets as at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010	
	\$	\$	
Assets			
Investments, at fair value	896,215	1,018,032	
Cash	64	1,562	
Other assets receivable	747	520	
	<u>897,026</u>	<u>1,020,114</u>	
Liabilities			
Redeemed units payable	-	1,539	
Accrued expenses	3,072	3,646	
	<u>3,072</u>	<u>5,185</u>	
Net assets, Investor Series	<u>893,954</u>	<u>1,014,929</u>	Approved on behalf of the Manager National Bank Securities Inc. Charles Guay, Director Éric Laflamme, Director
Net assets per unit, Investor Series	5.92	5.81	

Statements of operations for the 6-month periods ended June 30 (unaudited)

	2011	2010
	\$	\$
Income		
Interest	-	19,557
Dividends	661	-
Other income	2,012	-
	<u>2,673</u>	<u>19,557</u>
Expenses		
Management fees	17,120	37,204
Custodial fees	922	3,585
Directors' fees of independent review committee	62	50
Audit fees	1,505	2,947
Legal fees	553	369
Rights and deposits	1,328	-
Securityholders' reporting costs	7,311	9,862
Other expenses	-	368
Fees paid by the manager	(10,498)	(14,245)
	<u>18,303</u>	<u>40,140</u>
Net investment loss	<u>(15,630)</u>	<u>(20,583)</u>
Net gains (losses)		
Net realized gains on sale of investments	15,034	71,934
Net realized gains on foreign currencies	16	553
	<u>15,050</u>	<u>72,487</u>
Change in unrealized appreciation/depreciation on investments	19,149	(241,151)
Unrealized gains on foreign currencies	-	1,102
	<u>19,149</u>	<u>(240,049)</u>
Transaction costs on purchase and sale of investments	-	(2,989)
	<u>34,199</u>	<u>(170,551)</u>
Increase (decrease) in net assets from operations		
Investor Series	<u>18,569</u>	<u>(191,134)</u>
Increase (decrease) in net assets from operations per unit		
Investor Series	0.11	(0.51)

The accompanying notes are an integral part of these financial statements.

National Bank Protected Global Fund *(continued)*

Financial Statements

Statements of changes in net assets for the 6-month periods ended June 30 (unaudited)

	Investor Series	
	2011	2010
	\$	\$
Net assets, beginning of the period	1,014,929	2,825,600
Increase (decrease) in net assets from operations	18,569	(191,134)
Capital unit transactions		
Units redeemed	(139,544)	(1,121,141)
Decrease in net assets for the period	(120,975)	(1,312,275)
Net assets, end of the period	893,954	1,513,325

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

as at June 30, 2011 (unaudited)

1- GOVERNING STATUTES

The following are open-ended mutual fund trusts formed under the laws of the Province of Ontario by an instrument of trust on the following dates:

Funds	Date Established
National Bank Money Market Fund	December 21, 1990
National Bank Corporate Cash Management Fund	January 10, 1995
National Bank Treasury Management Fund	August 7, 1997
National Bank U.S. Money Market Fund	August 1, 1991
National Bank Short Term Canadian Income Fund	March 5, 1997
National Bank Mortgage Fund	August 1, 1991
National Bank Bond Fund	November 18, 1966
Altamira Income Fund	February 19, 1970
Altamira Long Term Bond Fund	July 21, 1987
National Bank Dividend Fund	August 10, 1992
Altamira Global Bond Fund	January 10, 1995
Altamira Corporate Bond Fund	June 1, 2010
Altamira High Yield Bond Fund	December 19, 2001
Omega Preferred Equity Fund	November 22, 2007
National Bank Monthly Secure Income Fund	May 4, 2006
National Bank Monthly Conservative Income Fund	May 4, 2006
National Bank Monthly Moderate Income Fund	May 4, 2006
National Bank Monthly Income Fund	November 17, 2003
National Bank Monthly High Income Fund	May 4, 2006
National Bank Monthly Equity Income Fund	May 4, 2006
National Bank Secure Diversified Fund	July 29, 1998
National Bank Conservative Diversified Fund	July 29, 1998
National Bank Moderate Diversified Fund	July 29, 1998
National Bank Balanced Diversified Fund	December 22, 1986
National Bank Growth Diversified Fund	July 29, 1998
Altamira Tactical Asset Allocation Fund	March 18, 1986
Omega High Dividend Fund	November 22, 2007
National Bank Canadian Equity Fund	November 14, 1988
Omega Canadian Equity Fund	October 15, 2001
Altamira Canadian Equity Growth Fund	September 30, 1987
National Bank Canadian Opportunities Fund	December 8, 1999
National Bank Small Capitalization Fund	February 25, 1988
Altamira Quebec Growth Fund	July 23, 1999
National Bank Global Equity Fund	January 28, 2000
Omega Global Equity Fund	October 11, 2000
Omega Global Opportunities Fund	March 20, 2009
Omega Consensus American Equity Fund	November 22, 2007
Altamira U.S. Equity Fund	May 18, 1993
Omega Consensus International Equity Fund	November 22, 2007
Altamira European Equity Fund	May 18, 1993
Altamira Asia Pacific Fund	June 26, 1992
Altamira Japanese Opportunity Fund	July 27, 1994
Omega Emerging Markets Fund	September 21, 2000
Altamira Global Small Company Fund	August 8, 1996
Altamira Resource Fund	November 10, 1989
Altamira Energy Fund	November 1, 2004
Altamira Precious and Strategic Metal Fund	July 27, 1994
Altamira Science and Technology Fund	August 3, 1995
Altamira Health Sciences Fund	July 14, 1999
Altamira Canadian Index Fund	November 5, 1998
Altamira U.S. Index Fund	January 27, 1999
Altamira U.S. Currency Neutral Index Fund	November 5, 1998
Altamira International Index Fund	July 29, 1998
Altamira International Currency Neutral Index Fund	November 5, 1998
National Bank Protected Canadian Bond Fund	January 20, 1998
National Bank Protected Retirement Balanced Fund	January 20, 1998
National Bank Protected Growth Balanced Fund	January 20, 1998
National Bank Protected Canadian Equity Fund	January 20, 1998
National Bank Protected Global Fund	January 20, 1998

The following are open-ended mutual fund corporations constituted under the laws of Canada and were incorporated on the following dates:

Funds	Date Established
National Bank Strategic Yield Class	October 16, 2002
Altamira Dividend Fund Inc.	December 31, 1985
AltaFund Investment Corp.	July 17, 1986

The National Bank Funds Corporation, a mutual fund corporation incorporated May 22, 2001 under the laws of Canada, provides the public with five classes of shares: the Strategic Yield Class which includes four Series, and the four Meritage Portfolios incorporated which includes three Series each. The Corporation may also offer additional classes and Series at any time.

Collectively the mutual fund trusts and the mutual fund corporations are known as the "Funds". The manager of the Funds, National Bank Securities Inc., and the trustee of the Funds, Natcan Trust Company, are wholly-owned subsidiaries of National Bank of Canada.

2- SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and with the Regulation 81-106 on continuous information.

The following is a summary of the significant accounting policies consistently followed by the Funds:

Valuation of investments

Investments are valued at fair value and include accrued interest on the money market securities, except for Money Market Funds. The fair value of investments as at the financial reporting date is determined as follows:

- Investments held that are traded in an active market through recognized public stock exchanges, over-the-counter market, or through recognized investment dealers are valued at their bid prices at their valuation date. Investments held include money market instruments, bonds and debentures as well as shares;
- Investments held that are not traded in an active market are valued based on the results of valuation techniques, using observable market inputs, on criteria which is designated by the manager. The fair value of certain securities may be estimated using valuation techniques based on assumptions that are not supported by observable market inputs;
- Mortgages are valued using the prevailing rate of return on new mortgages of similar types and terms;
- The units of the underlying funds are valued at the last published price.

Cost is determined according to the average cost method.

An adjustment factor is calculated each valuation day for securities traded on international markets. This factor reflects the impact on the fair value of securities, of an event that would have occurred after the closing of the foreign markets. This information is taken into consideration when determining the fair value of the securities.

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

Transaction costs

Transaction costs, such as brokerage commissions, incurred at the time of purchase and sale of securities by the Funds are recognized as "Transaction costs on purchase and sale of investments" in the Statement of Operations.

Short Selling

The National Bank Canadian Opportunities Fund has the option to engage in selective short selling. Short selling involves transactions whereby a mutual fund borrows securities from a lender to sell them on the market. At a future date, the mutual fund buys the same number of securities and returns them to the lender. In the meantime, the proceeds from the first sale are deposited with the lender, who receives the interest. If the value of the securities declines between the date that the fund borrows the securities and the date that the mutual fund buys the securities and returns them to the lender, then the mutual fund realizes a gain on the difference.

Short selling exposes the mutual fund to certain risks. There is no guarantee that the value of the securities borrowed and sold short will sufficiently decrease during the period that the securities are sold short to offset the interest paid to the lender by the mutual fund and to make a profit. Conversely, the value of the securities borrowed could increase. In addition, the mutual fund could have difficulty buying the securities on the market and returning them to the lender, if there is no liquid market for them. Lastly, the lender from whom the mutual fund borrowed the securities could go bankrupt and the mutual fund could lose the collateral deposited with the lender. Strict control limit will be followed by the National Bank Canadian Opportunities Fund in order to manage the risks associated with short selling. More specifically, the fund will sell only liquid securities of issuers having a large market capitalization and will deposit collateral only with lenders that meet certain creditworthiness criteria. The fund will limit its short sale exposure to a maximum percentage of the fund's assets; moreover short selling is valued at the price on the valuation date.

Derivatives

Futures contracts

To gain exposure to different financial markets, the Funds can enter into futures contracts under which they are entitled to receive or required to pay a sum of money based upon increases or decreases in the value of the underlying financial instrument. These payments are either received or made daily through brokers acting as intermediaries and are presented under "Margin deposited on futures contracts" in the Statement of Net Assets. These daily payments, as well as payments made or received when the Funds exit the futures contracts, are reported on the Statement of Operations under "Income (losses) from derivatives". The futures contracts are traded at fair value that corresponds to the closing price.

The types of futures contracts that the Funds can enter into, but are not limited to, are future contracts on stock indexes, foreign exchange, interest rates as well as on bankers' acceptances.

Forward currency contracts

The Funds can also enter into forward currency contracts to gain exposure to international currency markets or to reduce foreign currency risk within their portfolio. The gains or losses on these forward contracts are reported on the Statement of Operations under "gains (losses) from derivatives". The forward currency contracts' fair value corresponds to the gain (loss) that would be realized if they were liquidated at the valuation date.

Investment transactions and recognition of income and expenses

Investment transactions are accounted for on the trade date except for the Strategic Yield Class and Money Market Funds for which the investment transactions are accounted for on the settlement date. Income and expenses are recorded using the accrual basis of accounting. Interest income is recorded as earned and dividend income is recorded on the ex-dividend date. Foreign revenue is presented net of the withholding taxes deducted by foreign countries. Gains or losses arising from the sale of investments and unrealized appreciation or depreciation on investments are determined from the cost using the average cost basis.

The income, the realized and unrealized gains (losses) are divided between the different series to pro rata of net asset value of each series.

The method of dividing specific expenses is made directly between the Funds and different series of the same fund. Specific expenses include the custodial fees and the rights and deposits.

The method of splitting common expenses to the various funds or all funds as well as to different series, is calculated based on a percentage determined by the pro rata of the average net asset value, of the number of unitholders/shareholders of each fund, or series, and according to the total number of funds. Common expenses include the directors' fees of independent review committee, audit fees, legal fees and securityholders' reporting costs.

Financial instruments

The classification of financial assets and liabilities under Section 3862 is as follows:

- Investments, cash and bank overdraft are classified as held for trading and are recorded at fair value;
- Margin deposited on futures contracts, subscriptions receivable, proceeds from sale of investments receivable, interest and dividends receivable and other assets receivable are classified as loans and amounts receivable and are recorded at amortized cost;
- Redeemed units/shares payable, investments payable, distributions payable and accrued expenses are classified as other financial liabilities and are recorded at amortized cost.

Accounting estimates

The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and disclosed

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

in the notes. These estimates, including the fair value of investments and accrued expenses, are based on management's best knowledge of current events and actions that the Funds may undertake in the future. Actual results may differ from these estimates.

Valuation of units/shares

The net asset value (NAV) of a unit/share of each series within a fund is determined each business day when the Toronto Stock Exchange is open by dividing net asset value attributable to each serie by the number of units/shares outstanding for the corresponding serie.

Canadian Securities Administration (CSA) regulations allow funds to respect the provisions of Section 3855 of the Canadian Institute of Chartered Accountants (CICA) Handbook for financial statements reporting according to Canadian GAAP, without changing their method of calculating the transactional net asset value for the purposes of unit/share purchases, transfers and redemptions. According to the requirements of the CSA, reconciliation between the transactional NAV and the net assets calculated under Section 3855 of the Funds is presented in note 5 of the financial statements.

Increase in net assets from operations per unit/share

The increase or decrease in net assets from operations per unit/share presented in the Statement of Operations represents the increase or decrease in net assets from operations for the period, divided by the average number of units/shares outstanding during the period.

Distributions to unitholders/shareholders

The net income and net realized capital gains of each of the Funds are distributed to unitholders/shareholders of record of the relevant fund according to the period specified in the following table, pro rata to the units/shares held by them. In order to maintain the net asset value of units of the Money Market Fund, U.S. Money Market Fund, Corporate Cash Management Fund and Treasury Management Fund at a stable level, the aggregate net income of such funds accrued and receivable is recorded on a daily basis to the account of the unitholders pro rata to the number of units held by them.

Funds	Distribution of Net Income	Distribution of Net Realized Capital Gains
National Bank Money Market Fund	Monthly	n/a
National Bank Corporate Cash Management Fund	Monthly	n/a
National Bank Treasury Management Fund	Monthly	n/a
National Bank U.S. Money Market Fund	Monthly	n/a
National Bank Short Term Canadian Income Fund*	Monthly	Annually
National Bank Mortgage Fund	Monthly	Annually
National Bank Bond Fund*	Monthly	Annually
Altamira Income Fund	Monthly	Annually
Altamira Long Term Bond Fund*	Quarterly	Annually
National Bank Dividend Fund*	Quarterly	Annually
Altamira Global Bond Fund	Quarterly	Annually
Altamira Corporate Bond Fund	Monthly	Annually
Altamira High Yield Bond Fund*	Monthly	Annually
Omega Preferred Equity Fund	Quarterly	Annually
National Bank Monthly Secure Income Fund*	Monthly	Annually
National Bank Monthly Conservative Income Fund*	Monthly	Annually
National Bank Monthly Moderate Income Fund*	Monthly	Annually
National Bank Monthly Income Fund*	Monthly	Annually
National Bank Monthly High Income Fund*	Monthly	Annually
National Bank Monthly Equity Income Fund*	Monthly	Annually

(continued)

Funds	Distribution of Net Income	Distribution of Net Realized Capital Gains
National Bank Secure Diversified Fund	Monthly	Annually
National Bank Conservative Diversified Fund	Monthly	Annually
National Bank Moderate Diversified Fund	Quarterly	Annually
National Bank Balanced Diversified Fund	Quarterly	Annually
National Bank Growth Diversified Fund	Quarterly	Annually
Altamira Dividend Fund Inc.	Quarterly	Annually
Altamira Tactical Asset Allocation Fund	Quarterly	Annually
Omega High Dividend Fund*	Quarterly	Annually
National Bank Strategic Yield Class Fund	n/a	Monthly
Omega Canadian Equity Fund*	Annually	Annually
Altamira Canadian Equity Growth Fund*	Annually	Annually
National Bank Small Capitalization Fund*	Annually	Annually
Omega Consensus American Equity Fund*	Annually	Annually
Omega Consensus International Equity Fund*	Annually	Annually
Altamira Global Small Company Fund*	Annually	Annually
Omega Emerging Markets Fund*	Annually	Annually
Altamira Canadian Index Fund*	Annually	Annually
Altamira US Currency Neutral Index Fund*	Annually	Annually
Altamira International Currency Neutral Index Fund*	Annually	Annually
All other funds	Annually	Annually

* These funds units which may offer Series R distribute return of capital on a monthly basis.

All annual distributions take place in December of each year.

Foreign currency translation

The fair value of investments and all other assets and liabilities in foreign currencies is translated into Canadian dollars at exchange rates in effect at the date of the statement of net assets.

Purchases and sales of investments, as well as income and expenses in foreign currencies are translated at the prevailing exchange rates on the respective dates of such transactions.

Realized and unrealized foreign exchange gains and losses are presented in "Net realized gains (losses) on foreign currencies" and "Unrealized gains (losses) on foreign currencies".

Securities lending

Certain funds participate in securities lending activities whereby they lend securities they own to other parties. Any such securities lending requires collateral in cash and/or high-quality debt instruments, which correspond to at least 102% of the value of the securities lent. The collateral is deposited in a trust account. The total value of securities collateral has been recognized in financial statements as assets and liabilities.

3- FUTURE ACCOUNTING STANDARDS CHANGES

In February 2008, the Canadian Accounting Standards Board (AcSB) confirmed that all publicly accountable enterprises would be required to report under International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) for fiscal years beginning on or after January 1, 2011. However, in January 2011, the AcSB approved a deferral of the effective date of entry in force of IFRS from January 1, 2011 to January 1, 2013 for investment companies that are currently applying the Accounting Guideline AcG-18 "Investment Companies".

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

The deferral of the transition date to IFRS has been put into place to ensure that investment companies will not have to modify their actual accounting treatment for entities in which they have control while the IASB is completing the standard about investment companies it plans to publish.

Consequently, the Funds will publish their first audited financial statements in accordance with IFRS for the year ending December 31, 2013 and will present comparative figures in accordance with IFRS for the year ending December 31, 2012, including an opening balance sheet as at January 1, 2012.

Given the deferral of the effective transition date to IFRS, management is closely monitoring the evolution of the standards and is adjusting its plan consequently. In the periods preceding the first fiscal year in which IFRS will be adopted, the impacts of transitioning to IFRS on the financial statements of the Funds will be disclosed as they become known.

4- RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

Investment activities of the Funds expose them to some financial risks. The manager of the Funds seeks to minimize these risks by employing experienced portfolio managers that manage the security portfolios of the Funds on a daily basis according to market events and the investment policy of each fund.

The Funds apply the requirements of Section 3862 of CICA Handbook on presenting information with respect to the nature and extent of risks arising from financial instruments and how the entity manages those risks. This accounting standard has no impact on the daily net asset value of the Funds.

Currency risk

Changes in the value of the Canadian Dollar compared to foreign currencies will affect the Canadian Dollar value of any foreign securities in a fund. Bonds issued in foreign currencies are listed in the investment portfolio. Foreign stocks are also exposed to currency risks since the value of such stocks are translated to Canadian dollars to determine their fair value. In order to quantify the currency risk, a table appears at the investment portfolio of each fund having a significant exposure to foreign currencies at the end of the period. Numbers shown include monetary, non-monetary and derivative instruments. In practice, actual results may differ from this analysis and the difference can be significant.

Credit risk

Credit risk is the risk that a commitment with the fund is not respected by the counterparty of the financial instrument. The credit risk of the Funds is derived primarily from debt securities. The fair value of investments represents the maximum credit risk at the end of the period. The fair value of a financial instrument reflects the creditworthiness and the credit rating of the issuer. The Funds invest in financial assets whose rating was established by recognized rating agencies. A table containing the distribution of securities under their credit rating is in portfolio investments for each fund whose exposure to credit risk is important at

the end of the period. In practice, actual results may differ from this analysis and the difference can be significant.

The securities transactions are settled upon delivery by brokers. The default risk is considered low because the supply of securities is conducted once the broker has received payment. The transaction fails when a party fails to meet its commitments.

The credit risk is monitored regularly by the fund's manager.

Interest rate risk

Changes in market interest rates expose income securities, such as bonds, to interest rate risk. Funds that hold income securities are exposed to this risk since changes in prevailing market interest rates will affect the value of income securities. The sensitivity of the Funds' interest rate was evaluated according to the weighted duration of the portfolio. In order to quantify the interest rate risk, a table appears at the investment portfolio of each fund having a significant exposure to interest rate risks at the end of the period. In practice, actual results may differ from this analysis and the difference can be significant.

Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices caused by factors specific to a security, its issuer or all factors affecting a market or a market segment (other than those arising from currency risk and interest rate risk). Maximum risk resulting from financial instruments is equivalent to their fair value, except for certain futures contracts whose loss can be unlimited.

In order to quantify the price risk, a table appears at the investment portfolio of each fund having a significant exposure to price risk at the end of the period. In practice, actual results may differ from this analysis and the difference can be significant.

Liquidity risk

Liquidity risk is defined as the risk of an entity having difficulty meeting its obligations or making a commitment and suffering a financial loss to another party. The unitholders/shareholders may redeem their units/shares each valuation day. In accordance with securities regulations, at least 90% of a portfolio should be composed of liquid investments traded on active markets as it can fluctuate and since the Funds invest in active markets, this allows them to dispose of their assets quickly. The deadlines for financial liabilities remain below three months for all funds, thereby the Funds maintain a level of cash and short-term investments that the manager consider sufficient to maintain the necessary liquidity.

Fair value of financial instruments

For presentation purposes, the information on financial instruments are required to be presented according to a hierarchy of assessments of fair value. This three-level hierarchy is established according to the transparency of data taken into account in assessing the fair value of assets and liabilities and is presented below:

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

- Level 1 — Inputs are quoted prices (unadjusted) of identical instruments in active markets that the reporting entity has the ability to access at the measurement date;
- Level 2 — Inputs are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means;
- Level 3 — One or more significant inputs used in a valuation technique are unobservable for the instruments.

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

A table indicating the breakdown of securities according to their level appears in the investment portfolio.

5- RECONCILIATION OF NET ASSET VALUE AND NET ASSETS

Following the application of the Section 3855, net assets under GAAP, as at June 30, 2011, was determined by measuring the fair value of financial assets and liabilities quoted in an active market. This fair value is defined as the bid price for assets and the asking price for liabilities. The net asset value of operations is measured using the closing price of assets and liabilities. The adjustment included in the Statement of Operations under "Change in unrealized appreciation/depreciation on investments" is presented in the following table:

Funds	Transactional		GAAP
	Net Asset Value	Adjustment	
	\$	\$	\$
National Bank Money Market Fund	270,962,834	-	270,962,834
National Bank Corporate Cash Management Fund	186,773,458	-	186,773,458
National Bank Treasury Management Fund	328,019,434	-	328,019,434
National Bank U.S. Money Market Fund	18,111,884	-	18,111,884
National Bank Short Term Canadian Income Fund	197,567,275	(70,678)	197,496,596
Investor Series	197,562,269	(70,676)	197,491,593
R Series	5,006	(2)	5,004
National Bank Mortgage Fund	1,120,635,732	(357,005)	1,120,278,727
Investor/Advisor Series	1,041,339,430	(331,744)	1,041,007,686
F Series	39,206,721	(12,490)	39,194,231
O Series	40,089,581	(12,771)	40,076,810
National Bank Bond Fund	1,416,278,569	(1,735,444)	1,414,543,125
Investor/Advisor Series	1,136,002,066	(1,392,005)	1,134,610,061
O Series	280,268,155	(343,428)	279,924,727
R Series	8,348	(11)	8,337
Altamira Income Fund	231,237,229	(287,290)	230,949,939
Altamira Long Term Bond Fund	207,417,043	(242,169)	207,174,874
Investor/Advisor Series	207,414,765	(242,167)	207,172,598
R Series	2,278	(2)	2,276
National Bank Dividend Fund	934,963,382	(2,229,226)	932,734,156
Investor/Advisor Series	920,419,277	(2,194,549)	918,224,728
F Series	618,931	(1,476)	617,455
O Series	13,913,905	(33,174)	13,880,731
R Series	11,269	(27)	11,242

(continued)

Funds	Transactional		GAAP
	Net Asset Value	Adjustment	
	\$	\$	\$
Altamira Global Bond Fund	174,278,664	(225,028)	174,053,636
Investor/Advisor Series	168,895,151	(218,077)	168,677,074
O Series	5,383,513	(6,951)	5,376,562
Altamira Corporate Bond Fund	449,941,989	(1,139,110)	448,802,879
Investor/Advisor Series	402,592,489	(1,019,237)	401,573,252
F Series	76,904	(194)	76,710
O Series	47,272,596	(119,679)	47,152,917
Altamira High Yield Bond Fund	573,596,876	(2,396,743)	571,200,133
Investor/Advisor Series	447,115,802	(1,868,250)	445,247,552
F Series	3,265,911	(13,646)	3,252,265
O Series	123,210,296	(514,827)	122,695,469
R Series	4,867	(20)	4,847
Omega Preferred Equity Fund	380,343,902	(1,231,123)	379,112,779
Advisor Series	218,118,799	(706,022)	217,412,777
F Series	30,462,834	(98,604)	30,364,230
O Series	131,762,269	(426,497)	131,335,772
National Bank Monthly Secure Income Fund	51,209,487	(14,687)	51,194,800
Investor Series	32,979,577	(9,459)	32,970,118
R Series	18,229,910	(5,228)	18,224,682
National Bank Monthly Conservative Income Fund	106,165,127	(99,102)	106,066,025
Investor Series	79,767,299	(74,460)	79,692,839
R Series	26,397,828	(24,642)	26,373,186
National Bank Monthly Moderate Income Fund	87,837,707	(126,079)	87,711,628
Investor Series	68,677,053	(98,576)	68,578,477
R Series	19,160,654	(27,503)	19,133,151
National Bank Monthly Income Fund	267,839,599	(520,022)	267,319,577
Investor/Advisor Series	244,667,386	(475,032)	244,192,354
F Series	228,621	(444)	228,177
R Series	22,943,592	(44,546)	22,899,046
National Bank Monthly High Income Fund	13,131,175	(19,999)	13,111,176
Investor Series	8,995,756	(13,700)	8,982,056
R Series	4,135,419	(6,299)	4,129,120
National Bank Monthly Equity Income Fund	2,628,711	(3,804)	2,624,907
Investor Series	1,472,618	(2,131)	1,470,487
R Series	1,156,093	(1,673)	1,154,420
National Bank Secure Diversified Fund	105,654,945	(76,612)	105,578,333
National Bank Conservative Diversified Fund	75,319,146	(22,063)	75,297,083
National Bank Moderate Diversified Fund	125,044,914	(79,819)	124,965,095
National Bank Balanced Diversified Fund	298,421,063	(210,729)	298,210,334
National Bank Growth Diversified Fund	124,772,397	(116,194)	124,656,203
Altamira Dividend Fund Inc	154,471,664	(363,759)	154,107,905
Altamira Tactical Asset Allocation Fund	85,052,622	(151,067)	84,901,555
Omega High Dividend Fund	213,153,848	(477,518)	212,676,330
Advisor Series	55,934,360	(125,307)	55,809,053
F Series	1,994,789	(4,469)	1,990,320
O Series	155,223,484	(347,739)	154,875,745
R Series	1,215	(3)	1,212
National Bank Canadian Equity Fund	331,292,425	(770,224)	330,522,201
Investor/Advisor Series	278,842,065	(648,282)	278,193,783
O Series	52,450,360	(121,942)	52,328,418
Omega Canadian Equity Fund	345,566,902	(1,219,738)	344,347,164
Investor/Advisor Series	345,378,722	(1,219,074)	344,159,648
F Series	183,805	(649)	183,156
R Series	4,375	(15)	4,360
Altamira Canadian Equity Growth Fund	845,916,592	(2,493,793)	843,422,799
Investor/Advisor Series	787,913,602	(2,322,798)	785,590,804
O Series	57,999,545	(170,985)	57,828,560
R Series	3,445	(10)	3,435

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

(continued)

Funds	Transactional Net Asset		GAAP Net Assets
	Value	Adjustment	
	\$	\$	\$
AltaFund Investment Corp.	55,055,036	(189,850)	54,865,186
National Bank Canadian Opportunities Fund	219,140,737	(558,935)	218,581,802
Investor/Advisor Series	11,055,453	(28,198)	11,027,255
F Series	359,495	(917)	358,578
O Series	207,725,789	(529,820)	207,195,969
National Bank Small Capitalization Fund	540,020,588	(2,040,098)	537,980,490
Investor/Advisor Series	489,855,357	(1,850,583)	488,004,774
F Series	777,281	(2,936)	774,345
O Series	49,386,630	(186,574)	49,200,056
R Series	1,320	(5)	1,315
Altamira Quebec Growth Fund	21,924,037	(122,108)	21,801,929
National Bank Global Equity	545,723,705	(1,022,780)	544,700,925
Investor/Advisor Series	481,511,801	(902,436)	480,609,365
O Series	64,211,904	(120,344)	64,091,560
Omega Global Equity Fund	464,481,297	(912,485)	463,568,812
Omega Global Opportunities Fund	8,579,795	(1,508)	8,578,287
Advisor Series	7,048,777	(1,239)	7,047,538
F Series	1,531,018	(269)	1,530,749
Omega Consensus American Equity Fund	118,122,621	(50,882)	118,071,739
Advisor Series	117,921,262	(50,796)	117,870,466
F Series	197,287	(85)	197,202
R Series	4,072	(1)	4,071
Altamira U.S. Equity Fund	36,602,697	(14,661)	36,588,036
Omega Consensus International Equity Fund	85,257,402	(34,411)	85,222,991
Advisor Series	84,799,150	(34,226)	84,764,924
F Series	455,516	(184)	455,332
R Series	2,736	(1)	2,735
Altamira European Equity Fund	33,401,613	(72,706)	33,328,907
Altamira Asia Pacific Fund	36,561,302	(246,024)	36,315,278
Altamira Japanese Opportunity Fund	6,236,048	(39,541)	6,196,507
Omega Emerging Markets Fund	192,485,236	(973,786)	191,511,450
Investor/Advisor Series	192,483,106	(973,775)	191,509,331
R Series	2,130	(11)	2,119
Altamira Global Small Company Fund	46,142,879	(66,078)	46,076,801
Investor Series	46,141,689	(66,077)	46,075,612
R Series	1,190	(1)	1,189
National Bank Strategic Yield Class Fund	23,893,894	5,913	23,899,807
Investor/Advisor Series	4,237,034	1,045	4,238,079
Institutional Series	11,835,967	2,942	11,838,909
M Series	7,820,893	1,926	7,822,819
Altamira Resource Fund	202,671,142	(919,012)	201,752,130
Altamira Energy Fund	22,364,714	(62,771)	22,301,943
Altamira Precious & Strategic Metal Fund	83,539,331	(470,869)	83,068,462
Altamira Science & Technology Fund	38,754,719	(34,067)	38,720,652
Altamira Health Sciences Fund	16,723,403	(25,981)	16,697,422
Altamira Canadian Index Fund	288,636,060	(636,210)	287,999,850
Investor Series	287,610,393	(633,949)	286,976,444
O Series	1,022,937	(2,255)	1,020,682
R Series	2,730	(6)	2,724
Altamira U.S. Index Fund	17,419,152	831	17,419,983
Investor Series	16,594,905	791	16,595,696
O Series	824,247	40	824,287
Altamira U.S. Currency Neutral Index Fund	141,816,531	(8,978)	141,807,553
Investor Series	141,813,854	(8,978)	141,804,876
R Series	2,677	-	2,677
Altamira International Index Fund	15,170,767	874	15,171,641
Investor Series	14,827,582	855	14,828,437
O Series	343,185	19	343,204

(continued)

Funds	Transactional Net Asset		GAAP Net Assets
	Value	Adjustment	
	\$	\$	\$
Altamira International Currency Neutral Index Fund	99,253,143	(8,568)	99,244,575
Investor Series	99,251,441	(8,567)	99,242,874
R Series	1,702	(1)	1,701
National Bank Protected Canadian Bond Fund	619,942	-	619,942
National Bank Protected Retirement Balanced Fund	2,232,599	-	2,232,599
National Bank Protected Growth Balanced Fund	1,650,420	-	1,650,420
National Bank Protected Canadian Equity Fund	2,641,750	-	2,641,750
National Bank Protected Global Fund	893,954	-	893,954

Funds	Transactional Net Asset		GAAP Net Assets per unit/share
	Value per unit/share	Adjustment per unit/share	
	\$	\$	\$
National Bank Money Market Fund	10.00	-	10.00
National Bank Corporate Cash Management Fund	10.00	-	10.00
National Bank Treasury Management Fund	10.00	-	10.00
National Bank U.S. Money Market Fund	10.00	-	10.00
National Bank Short Term Canadian Income Fund			
Investor Series	9.88	-	9.88
R Series	9.99	-	9.99
National Bank Mortgage Fund			
Investor/Advisor Series	10.99	-	10.99
F Series	10.21	-	10.21
O Series	10.32	(0.01)	10.31
National Bank Bond Fund			
Investor/Advisor Series	11.49	(0.02)	11.47
O Series	10.36	(0.01)	10.35
R Series	9.97	(0.01)	9.96
Altamira Income Fund	8.46	(0.01)	8.45
Altamira Long Term Bond Fund			
Investor/Advisor Series	18.88	(0.02)	18.86
R Series	9.96	(0.01)	9.95
National Bank Dividend Fund			
Investor/Advisor Series	15.93	(0.03)	15.90
F Series	8.73	(0.02)	8.71
O Series	11.73	(0.03)	11.70
R Series	9.92	(0.03)	9.89
Altamira Global Bond Fund			
Investor/Advisor Series	8.25	(0.01)	8.24
O Series	8.36	(0.01)	8.35
Altamira Corporate Bond Fund			
Investor/Advisor Series	10.28	(0.03)	10.25
F Series	10.30	(0.03)	10.27
O Series	10.34	(0.03)	10.31
Altamira High Yield Bond Fund			
Investor/Advisor Series	8.08	(0.03)	8.05
F Series	9.82	(0.04)	9.78
O Series	8.68	(0.04)	8.64
R Series	9.86	(0.04)	9.82
Omega Preferred Equity Fund			
Advisor Series	10.68	(0.03)	10.65
F Series	10.79	(0.03)	10.76
O Series	10.62	(0.03)	10.59
National Bank Monthly Secure Income Fund			
Investor Series	10.10	(0.01)	10.09
R Series	9.58	(0.01)	9.57

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

(continued)

Funds	Transactional Net Asset Value per unit/share	Adjustment per unit/share	GAAP Net Assets per unit/share
	\$	\$	\$
National Bank Monthly Conservative Income Fund			
Investor Series	10.33	(0.01)	10.32
R Series	9.74	(0.01)	9.73
National Bank Monthly Moderate Income Fund			
Investor Series	10.43	(0.01)	10.42
R Series	9.62	(0.02)	9.60
National Bank Monthly Income Fund			
Investor/Advisor Series	11.42	(0.02)	11.40
F Series	10.88	(0.02)	10.86
R Series	8.46	(0.01)	8.45
National Bank Monthly High Income Fund			
Investor Series	10.25	(0.02)	10.23
R Series	8.45	(0.01)	8.44
National Bank Monthly Equity Income Fund			
Investor Series	10.07	(0.01)	10.06
R Series	8.06	(0.01)	8.05
National Bank Secure Diversified Fund	10.35	(0.01)	10.34
National Bank Conservative Diversified Fund	10.23	-	10.23
National Bank Moderate Diversified Fund	11.93	(0.01)	11.92
National Bank Balanced Diversified Fund	14.44	(0.01)	14.43
National Bank Growth Diversified Fund	11.91	(0.01)	11.90
Altamira Dividend Fund Inc	5.14	(0.01)	5.13
Altamira Tactical Asset Allocation Fund	10.85	(0.02)	10.83
Omega High Dividend Fund			
Advisor Series	10.01	(0.03)	9.98
F Series	9.66	(0.02)	9.64
O Series	9.94	(0.02)	9.92
R Series	9.72	(0.02)	9.70
National Bank Canadian Equity Fund			
Investor/Advisor Series	9.73	(0.02)	9.71
O Series	17.56	(0.04)	17.52
Omega Canadian Equity Fund			
Investor/Advisor Series	20.22	(0.07)	20.15
F Series	11.94	(0.04)	11.90
R Series	9.88	(0.03)	9.85
Altamira Canadian Equity Growth Fund			
Investor/Advisor Series	40.41	(0.12)	40.29
O Series	13.18	(0.04)	13.14
R Series	9.59	(0.03)	9.56
AltaFund Investment Corp.	39.00	(0.13)	38.87
National Bank Canadian Opportunities Fund			
Investor/Advisor Series	12.81	(0.03)	12.78
F Series	11.31	(0.03)	11.28
O Series	12.92	(0.03)	12.89
National Bank Small Capitalization Fund			
Investor/Advisor Series	46.45	(0.18)	46.27
F Series	9.93	(0.04)	9.89
O Series	14.76	(0.06)	14.70
R Series	9.32	(0.03)	9.29
Altamira Quebec Growth Fund	27.93	(0.15)	27.78
National Bank Global Equity			
Investor/Advisor Series	6.57	(0.02)	6.55
O Series	9.11	(0.02)	9.09
Omega Global Equity Fund	7.18	(0.01)	7.17

(continued)

Funds	Transactional Net Asset Value per unit/share	Adjustment per unit/share	GAAP Net Assets per unit/share
	\$	\$	\$
Omega Global Opportunities Fund			
Advisor Series	10.72	-	10.72
F Series	10.97	-	10.97
Omega Consensus American Equity Fund			
Advisor Series	8.77	-	8.77
F Series	8.42	-	8.42
R Series	9.73	-	9.73
Altamira U.S. Equity Fund	10.75	-	10.75
Omega Consensus International Equity Fund			
Advisor Series	7.48	(0.01)	7.47
F Series	7.04	-	7.04
R Series	9.77	-	9.77
Altamira European Equity Fund	15.60	(0.04)	15.56
Altamira Asia Pacific Fund	14.61	(0.10)	14.51
Altamira Japanese Opportunity Fund	3.53	(0.03)	3.50
Omega Emerging Markets Fund			
Investor/Advisor Series	20.81	(0.11)	20.70
R Series	9.82	(0.05)	9.77
Altamira Global Small Company Fund			
Investor Series	8.97	(0.01)	8.96
R Series	9.55	(0.01)	9.54
National Bank Strategic Yield Class Fund			
Investor/Advisor Series	105.800	0.026	105.826
Institutional Series	108.297	0.027	108.324
M Series	109.909	0.027	109.936
Altamira Resource Fund	45.87	(0.21)	45.66
Altamira Energy Fund	20.61	(0.06)	20.55
Altamira Precious & Strategic Metal Fund	20.66	(0.12)	20.54
Altamira Science & Technology Fund	8.23	(0.01)	8.22
Altamira Health Sciences Fund	13.32	(0.02)	13.30
Altamira Canadian Index Fund			
Investor Series	21.46	(0.05)	21.41
O Series	11.94	(0.03)	11.91
R Series	9.64	(0.02)	9.62
Altamira U.S. Index Fund			
Investor Series	6.28	-	6.28
O Series	9.52	-	9.52
Altamira U.S. Currency Neutral Index Fund			
Investor Series	10.11	-	10.11
R Series	9.87	-	9.87
Altamira International Index Fund			
Investor Series	7.22	-	7.22
O Series	9.65	-	9.65
Altamira International Currency Neutral Fund Index			
Investor Series	8.32	-	8.32
R Series	9.97	-	9.97
National Bank Protected Canadian Bond Fund	10.52	-	10.52
National Bank Protected Retirement Balanced Fund	11.14	-	11.14
National Bank Protected Growth Balanced Fund	11.67	-	11.67
National Bank Protected Canadian Equity Fund	13.78	-	13.78
National Bank Protected Global Fund	5.92	-	5.92

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

6- UNITS/SHARES

The number of outstanding units/shares of the Investor and Advisor Series as at June 30, 2011 and December 31, 2010 and the number of issued and redeemed units/shares of the Investor and Advisor Series for the period ended June 30, 2010 and the year ended December 31, 2010 is indicated in the following table:

	National Bank Money Market Fund		National Bank Money Market Fund		National Bank Corporate Cash Management Fund		National Bank Treasury Management Fund		National Bank U.S. Money Market Fund	
	Investors Series		Advisors Series		Investors Series		Investors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	29,254,891	49,426,655	1,875,526	2,029,508	24,367,221	36,172,776	37,843,977	44,847,112	1,659,502	2,006,131
Units issued	3,945,845	11,674,391	461,630	2,219,672	3,606,329	12,509,761	17,734,263	51,445,770	845,394	1,216,877
Units redeemed	(7,431,181)	(31,846,155)	(1,010,448)	(2,373,654)	(9,296,255)	(24,315,316)	(22,776,297)	(58,448,905)	(693,708)	(1,563,506)
Ending balance of the year	25,769,555	29,254,891	1,326,708	1,875,526	18,677,295	24,367,221	32,801,943	37,843,977	1,811,188	1,659,502
	National Bank Short term Canadian Income Fund		National Bank Mortgage Fund		National Bank Mortgage Fund		National Bank Bond fund		National Bank Bond fund	
	Investors Series		Investors Series		Advisors Series		Investors Series		Advisors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	17,956,200	2,939,857	46,734,845	40,125,813	66,133,882	69,132,988	91,608,175	91,913,134	608,344	534,678
Units issued	4,533,511	17,142,106	5,113,837	21,774,503	6,110,963	30,216,373	18,722,947	34,045,898	110,858	297,673
Units redeemed	(2,497,709)	(2,125,763)	(11,206,543)	(15,165,471)	(18,138,111)	(33,215,479)	(12,039,063)	(34,350,857)	(130,930)	(224,007)
Ending balance of the year	19,992,002	17,956,200	40,642,139	46,734,845	54,106,734	66,133,882	98,292,059	91,608,175	588,272	608,344
	Altamira Income fund		Altamira Long Term Bond Fund		Altamira Long Term Bond Fund		National Bank Dividend Fund		National Bank Dividend Fund	
	Investors Series		Investors Series		Advisors Series		Investors Series		Advisors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	28,803,175	29,124,244	10,759,217	10,983,859	32,533	-	53,129,419	75,345,911	1,482,935	1,659,279
Units issued	1,680,296	4,995,143	1,734,193	2,241,358	22,506	172,378	9,810,885	18,416,803	114,533	246,942
Units redeemed	(3,155,186)	(5,316,212)	(1,530,407)	(2,466,000)	(33,703)	(139,845)	(6,593,254)	(40,633,295)	(181,845)	(423,286)
Ending balance of the year	27,328,285	28,803,175	10,963,003	10,759,217	21,336	32,533	56,347,052	53,129,419	1,415,623	1,482,935
	Altamira Global Bond Fund		Altamira Global Bond Fund		Altamira Corporate Bond Fund		Altamira Corporate Bond Fund		Altamira High Yield Bond Fund	
	Investors Series		Advisors Series		Investors Series		Advisors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	19,470,990	31,478,411	6,806	350,540	37,700,062	-	107,540	-	42,763,746	9,856,994
Units issued	3,423,332	7,803,968	5,814	505,110	6,037,802	40,426,996	57,841	147,084	10,119,385	37,257,049
Units redeemed	(2,438,364)	(19,811,389)	(564)	(848,844)	(4,719,073)	(2,726,934)	(23,129)	(39,544)	(6,180,658)	(4,350,297)
Ending balance of the year	20,455,958	19,470,990	12,056	6,806	39,018,791	37,700,062	142,252	107,540	46,702,473	42,763,746
	Altamira High Yield Bond Fund		Omega Preferred Equity Fund		National Bank Monthly Secure Income Fund		National Bank Monthly Conservative Income Fund		National Bank Monthly Moderate Income Fund	
	Advisors Series		Advisors Series		Investors Series		Investors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	8,415,206	8,066,337	15,622,969	10,239,073	2,317,219	1,325,228	5,353,082	3,713,988	4,874,650	3,209,858
Units issued	1,257,801	2,509,129	6,178,872	8,018,896	1,444,988	1,568,580	2,922,586	2,587,223	2,290,030	2,403,159
Units redeemed	(1,053,378)	(2,160,260)	(1,385,207)	(2,635,000)	(495,805)	(576,589)	(551,188)	(948,129)	(581,583)	(738,367)
Ending balance of the year	8,619,629	8,415,206	20,416,633	15,622,969	3,266,402	2,317,219	7,724,480	5,353,082	6,583,097	4,874,650
	National Bank Monthly Income Fund		National Bank Monthly Income Fund		National Bank Monthly High Income fund		National Bank Monthly Equity Income Fund		National Bank Secure Diversified Fund	
	Investors Series		Advisors Series		Investors Series		Investors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	18,332,539	18,717,828	1,528,635	1,307,077	594,650	468,650	76,164	51,487	10,044,676	7,965,511
Units issued	3,546,284	3,435,876	259,238	472,633	343,966	231,789	95,123	58,238	3,103,361	7,099,481
Units redeemed	(2,084,111)	(3,821,165)	(161,683)	(251,075)	(60,659)	(105,789)	(25,110)	(33,561)	(2,935,129)	(5,020,316)
Ending balance of the year	19,794,712	18,332,539	1,626,190	1,528,635	877,957	594,650	146,177	76,164	10,212,907	10,044,676

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

	National Bank Conservative Diversified Fund		National Bank Moderate Diversified Fund		National Bank Balanced Diversified Fund		National Bank Growth Diversified Fund		Altamira Dividend Fund Inc.	
	Investors Series		Investors Series		Investors Series		Investors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	6,924,134	6,083,101	9,961,420	9,109,258	20,861,830	20,879,635	10,399,910	9,876,987	30,409,145	32,547,834
Units issued	1,915,810	2,986,083	2,429,468	3,871,605	2,705,826	4,574,897	1,846,074	3,180,818	1,793,899	2,715,989
Units redeemed	(1,477,169)	(2,145,050)	(1,909,214)	(3,019,443)	(2,899,743)	(4,592,702)	(1,767,470)	(2,657,895)	(2,158,681)	(4,854,678)
Ending balance of the year	7,362,775	6,924,134	10,481,674	9,961,420	20,667,913	20,861,830	10,478,514	10,399,910	30,044,363	30,409,145
	Altamira Tactical Asset Allocation Fund		Omega High Dividend Fund		Omega High Dividend Fund		National Bank Canadian Equity Fund		National Bank Canadian Equity Fund	
	Investors Series		Investors Series		Advisors Series		Investors Series		Advisors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	7,861,240	8,112,919	2,022,732	1,029,396	2,010,848	874,760	29,346,067	50,519,839	229,029	284,473
Units issued	529,333	841,861	979,584	1,333,831	1,297,432	1,426,568	2,355,749	7,102,380	615,650	13,632
Units redeemed	(553,064)	(1,093,540)	(460,897)	(340,495)	(259,421)	(290,480)	(3,860,944)	(28,276,152)	(30,166)	(69,076)
Ending balance of the year	7,837,509	7,861,240	2,541,419	2,022,732	3,048,859	2,010,848	27,840,872	29,346,067	814,514	229,029
	Omega Canadian Equity Fund		Omega Canadian Equity Fund		Altamira Canadian Equity Growth Fund		Altamira Canadian Equity Growth Fund		AltaFund Investment Corp.	
	Investors Series		Advisors Series		Investors Series		Advisors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	16,776,496	13,041,308	225,031	98,906	20,052,006	16,654,111	4,457	-	1,443,757	1,580,725
Units issued	2,864,564	6,970,424	29,842	141,081	1,320,334	5,966,566	2,713	5,125	46,454	93,122
Units redeemed	(2,801,358)	(3,235,236)	(14,220)	(14,956)	(1,879,177)	(2,568,671)	(414)	(668)	(85,275)	(230,090)
Ending balance of the year	16,839,702	16,776,496	240,653	225,031	19,493,163	20,052,006	6,756	4,457	1,404,936	1,443,757
	AltaFund Investment Corp		National Bank Canadian Opportunities Fund		National Bank Canadian Opportunities Fund		National Bank Small Capitalization Fund		National Bank Small Capitalization Fund	
	Advisors Series		Investors Series		Advisors Series		Investors Series		Advisors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	5,770	-	583,230	654,059	320,963	370,743	10,713,762	12,662,504	121,423	113,684
Units issued	970	5,770	61,805	130,309	19,756	30,125	1,140,909	2,260,680	34,982	114,272
Units redeemed	-	-	85,038	201,138	37,904	79,905	1,451,057	4,209,422	14,232	106,533
Ending balance of the year	6,740	5,770	559,997	583,230	302,815	320,963	10,403,613	10,713,762	142,173	121,423
	Altamira Quebec Growth Fund		Altamira Quebec Growth Fund		National Bank Global Equity Fund		National bank Global Equity Fund		Omega Global Equity Fund	
	Investors Series		Advisors Series		Investors Series		Advisors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	722,447	665,865	34,189	43,793	73,843,611	72,807,805	113,552	131,866	65,360,802	60,041,673
Units issued	133,310	214,383	3,922	3,371	8,595,766	17,890,440	4,927	9,672	7,530,046	17,602,314
Units redeemed	(105,971)	(157,801)	(2,961)	(12,975)	(9,210,250)	(16,854,634)	(14,204)	(27,986)	(8,195,921)	(12,283,185)
Ending balance of the year	749,786	722,447	35,150	34,189	73,229,127	73,843,611	104,275	113,552	64,694,927	65,360,802
	Omega Global Opportunities Fund		Omega Consensus American Equity Fund		Omega Consensus American Equity Fund		Altamira U.S. Equity Fund		Altamira U.S. Equity Fund	
	Advisors Series		Investors Series		Advisors Series		Investors Series		Advisors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	671,630	665,285	10,428,956	7,211,747	633,112	738,028	3,615,067	4,653,715	-	-
Units issued	24,296	117,331	3,277,079	5,051,670	349,639	466,936	82,800	117,234	966	-
Units redeemed	(38,559)	(110,986)	(1,014,349)	(1,834,461)	(234,155)	(571,852)	(294,201)	(1,155,882)	(942)	-
Ending balance of the year	657,367	671,630	12,691,686	10,428,956	748,596	633,112	3,403,666	3,615,067	24	-

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

	Omega Consensus International Equity Fund		Omega Consensus International Equity Fund		Altamira European Equity Fund		Altamira European Equity Fund		Altamira Asia Pacific Fund	
	Investors Series		Advisors Series		Investors Series		Advisors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	7,042,823	5,107,219	932,392	765,946	2,307,718	2,823,096	20,662	8,417	2,678,305	3,139,245
Units issued	3,620,174	3,766,278	679,905	697,271	27,883	84,864	890	14,373	67,058	165,231
Units redeemed	(676,415)	(1,830,674)	(258,727)	(530,825)	(214,111)	(600,242)	(1,674)	(2,128)	(248,061)	(626,171)
Ending balance of the year	9,986,582	7,042,823	1,353,570	932,392	2,121,490	2,307,718	19,878	20,662	2,497,302	2,678,305

	Altamira Asia Pacific Fund		Altamira Japanese Opportunitie Fund		Altamira Japanese Opportunitie Fund		Omega Emerging Markets Fund		Omega Emerging Markets Fund	
	Advisors Series		Investors Series		Advisors Series		Investors Series		Advisors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	4,752	7,949	1,753,677	2,013,389	28,830	-	8,873,927	8,593,686	37,071	40,943
Units issued	577	231	210,005	236,941	37,677	28,830	1,463,799	2,396,406	6,929	23,262
Units redeemed	(440)	(3,428)	(261,896)	(496,653)	-	-	(1,127,486)	(2,116,165)	(3,088)	(27,134)
Ending balance of the year	4,889	4,752	1,701,786	1,753,677	66,507	28,830	9,210,240	8,873,927	40,912	37,071

	Altamira Global Small Company Fund		Altamira Global Small Company Fund		Altamira Resource Fund		Altamira Resource Fund		Altamira Energy Fund	
	Investors Series		Advisors Series		Investors Series		Advisors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	5,114,342	5,697,463	31,906	47,784	4,289,317	4,533,490	113,166	131,267	1,025,150	1,041,871
Units issued	592,441	970,343	1,533	187,553	294,692	463,205	82,309	48,800	404,290	579,365
Units redeemed	(592,575)	(1,553,464)	(2,551)	(203,431)	(341,589)	(707,378)	(19,535)	(66,901)	(366,017)	(596,086)
Ending balance of the year	5,114,208	5,114,342	30,888	31,906	4,242,420	4,289,317	175,940	113,166	1,063,423	1,025,150

	Altamira Energy Fund		Altamira Precious and Strategic Metal Fund		Altamira Precious and Strategic Metal Fund		Altamira Science and Technology Fund		Altamira Science and Technology Fund	
	Advisors Series		Investors Series		Advisors Series		Investors Series		Advisors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	17,004	362	3,960,520	4,114,427	112,495	40,171	5,075,417	5,941,719	6,427	1,515
Units issued	7,281	16,642	482,587	1,078,893	69,921	77,052	141,773	163,381	687	5,183
Units redeemed	(2,414)	-	(565,499)	(1,232,800)	(16,545)	(4,728)	(513,860)	(1,029,683)	(275)	(271)
Ending balance of the year	21,871	17,004	3,877,608	3,960,520	165,871	112,495	4,703,330	5,075,417	6,839	6,427

	Altamira Health Sciences Fund		Altamira Health Sciences Fund		Altamira Canadian Index Fund		Altamira U.S. Index Fund		Altamira U.S. Currency Neutral Index Fund	
	Investors Series		Advisors Series		Investors Series		Investors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	1,404,413	1,287,629	4,249	-	12,829,716	11,749,939	2,079,570	1,924,723	13,068,232	12,241,383
Units issued	57,422	397,395	-	4,249	2,186,151	3,771,001	850,924	575,579	2,594,793	3,855,015
Units redeemed	(207,479)	(280,611)	(3,009)	-	(1,613,267)	(2,691,224)	(286,582)	(420,732)	(1,642,362)	(3,028,166)
Ending balance of the year	1,254,356	1,404,413	1,240	4,249	13,402,600	12,829,716	2,643,912	2,079,570	14,020,663	13,068,232

	Altamira International IndexFund		Altamira International Currency Neutral Index Fund		National Bank Protected Canadian Bond Fund		National Bank Retirement Balanced Fund		National Bank Protected Growth Balanced Fund	
	Investors Series		Investors Series		Investors Series		Investors Series		Investors Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	2,040,884	2,028,926	10,177,796	10,098,720	66,601	92,924	233,674	383,662	172,684	345,761
Units issued	129,116	214,248	2,994,155	2,569,004	-	-	-	-	-	-
Units redeemed	(117,468)	(202,290)	(1,241,178)	(2,489,928)	(7,697)	(26,323)	(33,242)	(149,988)	(31,202)	(173,077)
Ending balance of the year	2,052,532	2,040,884	11,930,773	10,177,796	58,904	66,601	200,433	233,674	141,482	172,684

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

	National Bank Protected Canadian Equity Fund		National Bank Protected Global Fund	
	Investors Series		Investors Series	
	2011	2010	2011	2010
Beginning balance of the year	214,603	429,985	174,781	500,490
Units issued	-	-	-	-
Units redeemed	(22,866)	(215,382)	(23,849)	(325,709)
Ending balance of the year	191,737	214,603	150,932	174,781

Some funds offer units of the F Series. These units are only available to investors with a fixed fee account with dealers who have entered into an agreement regarding an F Series account with these funds, as described in the simplified prospectus of the Funds. The number of outstanding units of the F Series as at June 30, 2011 and December 31, 2010 and the number of issued and redeemed units of the F Series for the period ended June 30, 2011 and the year ended December 31, 2010 are indicated in the following table:

	National Bank Mortgage Fund		National Bank Dividend Fund		Altamira Corporate Bond fund		Altamira High Yield Bond Fund		Omega Preferred Equity Fund	
	F Series		F Series		F Series		F Series		F Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	5,211,809	6,637,217	68,859	95,310	6,085	-	283,733	248,192	2,017,753	769,516
Units issued	673,131	3,046,382	21,572	3,808	2,503	6,085	80,437	130,505	1,292,852	2,018,468
Units redeemed	(2,046,013)	(4,471,790)	(19,536)	(30,259)	(1,121)	-	(31,491)	(94,964)	(488,150)	(770,231)
Ending balance of the year	3,838,927	5,211,809	70,895	68,859	7,467	6,085	332,679	283,733	2,822,455	2,017,753

	National Bank Monthly Income		Omega High Dividend Fund		Omega Canadian Equity Fund		National Bank Canadian Opportunities Fund		National Bank Small Capitalization Fund	
	F Series		F Series		F Series		F Series		F Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	16,611	-	137,096	17,003	6,964	1,513	30,700	30,619	72,991	49,500
Units issued	6,635	18,441	76,546	134,828	9,594	6,811	1,234	274	7,724	30,804
Units redeemed	(2,228)	(1,830)	(7,100)	(14,735)	(1,161)	(1,360)	(138)	(193)	(2,451)	(7,313)
Ending balance of the year	21,019	16,611	206,542	137,096	15,397	6,964	31,796	30,700	78,265	72,991

	Omega Global opportunities Fund		Omega Consensus American Equity Fund		Omega Consensus International Equity Fund	
	F Series		F Series		F Series	
	2011	2010	2011	2010	2011	2010
Beginning balance of the year	64,651	104,824	21,992	26,644	19,024	18,201
Units issued	82,568	33,779	3,525	5,549	45,648	7,607
Units redeemed	(7,713)	(73,952)	(2,084)	(10,201)	(14)	(6,784)
Ending balance of the year	139,506	64,651	23,433	21,992	64,658	19,024

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

Some funds offer units of the 0 Series. These units are only available to selected investors that have been approved and have entered into an agreement regarding an 0 Series account with these funds, as described in the simplified prospectus of the Funds. The number of outstanding units of the 0 Series as at June 30, 2011 and December 31, 2010 and the number of issued and redeemed units of the 0 Series for the period ended June 30, 2011 and the year ended December 31, 2010 are indicated in the following table:

	National Bank Mortgage Fund		National Bank Bond fund		National Bank Dividend Fund		Altamira Global Bond Fund		Altamira Corporate Bond Fund	
	0 Series		0 Series		0 Series		0 Series		0 Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	3,128,286	1,790,118	27,731,752	29,144,305	1,161,277	1,077,011	635,493	134,858	4,546,177	-
Units issued	1,283,326	1,396,055	2,498,360	9,789,452	106,341	276,412	10,246	503,525	101,663	4,603,842
Units redeemed	(525,888)	(57,887)	(3,179,722)	(11,202,005)	(81,105)	(192,146)	(1,997)	(2,890)	(73,937)	(57,665)
Ending balance of the year	3,885,724	3,128,286	27,050,390	27,731,752	1,186,513	1,161,277	643,742	635,493	4,573,903	4,546,177

	Altamira High Yield Bond Fund		Omega Preferred Equity Fund		Omega High Dividend Fund		National Bank Canadian Equity Fund		Altamira Canadian Equity Growth Fund	
	0 Series		0 Series		0 Series		0 Series		0 Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	11,208,106	9,065,875	12,078,563	11,447,293	15,199,065	9,866,577	3,090,348	4,402,091	3,526,246	619,637
Units issued	3,197,952	3,325,427	327,762	631,270	417,148	15,199,065	68,490	1,043,930	1,083,918	3,055,170
Units redeemed	(210,795)	(1,183,196)	-	-	-	(9,866,577)	(172,431)	(2,355,673)	(208,285)	(148,561)
Ending balance of the year	14,195,261	11,208,106	12,406,325	12,078,563	15,616,213	15,199,065	2,986,407	3,090,348	4,401,879	3,526,246

	National Bank Canadian Opportunities Fund		National Bank Small Capitalization Fund		National Bank Global Equity Fund		Altamira Canadian Index Fund		Altamira U.S. Index Fund	
	0 Series		0 Series		0 Series		0 Series		0 Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	16,144,582	16,191,329	3,799,294	3,998,073	6,919,137	4,668,295	85,932	84,064	86,817	87,355
Units issued	2,090	146,851	-	97,794	397,969	2,763,898	-	2,378	-	-
Units redeemed	(66,474)	(193,598)	(452,651)	(296,573)	(265,502)	(513,056)	(262)	(510)	(268)	(538)
Ending balance of the year	16,080,198	16,144,582	3,346,643	3,799,294	7,051,604	6,919,137	85,670	85,932	86,549	86,817

	Altamira International Index Fund	
	0 Series	
	2011	2010
Beginning balance of the year	35,673	35,895
Units issued	-	-
Units redeemed	(111)	(222)
Ending balance of the year	35,562	35,673

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

Some funds offer units of the R Series as described in the simplified prospectus of the Funds. The number of outstanding units of the R Series as at June 30, 2011 and December 31, 2010 and the number of issued and redeemed units of the R Series for the period ending June 30, 2010 and the year ending December 31, 2010 are indicated in the following table:

	National Bank Short Term Canadian Income		National Bank Bond Fund		Altamira Long Term Bond Fund		National Bank Dividend Fund		Altamira High Yield Fund	
	R Series ⁽¹⁾		R Series ⁽¹⁾		R Series ⁽¹⁾		R Series ⁽¹⁾		R Series ⁽¹⁾	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	-	-	-	-	-	-	-	-	-	-
Units issued	501	-	855	-	251	-	1,148	-	498	-
Units redeemed	-	-	(18)	-	(22)	-	(12)	-	(5)	-
Ending balance of the year	501	-	837	-	229	-	1,136	-	493	-

	National Bank Monthly Secure Income Fund		National Bank Monthly Conservative Income Fund		National Bank Monthly Moderate Income Fund		National Bank Monthly Income Fund		National Bank Monthly High Income Fund	
	R Series		R Series		R Series		R Series		R Series	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	1,474,683	550,991	2,010,123	1,394,535	1,532,433	1,229,365	2,558,834	2,463,681	438,564	416,997
Units issued	598,947	1,221,572	862,314	1,059,181	584,770	777,956	486,282	718,201	81,263	98,859
Units redeemed	(169,956)	(297,880)	(163,102)	(443,593)	(124,945)	(474,888)	(333,819)	(623,048)	(30,592)	(77,292)
Ending balance of the year	1,903,674	1,474,683	2,709,335	2,010,123	1,992,258	1,532,433	2,711,297	2,558,834	489,235	438,564

	National Bank Monthly Equity Income Fund		Omega High Dividend Fund		Omega Canadian Equity Fund		Altamira Canadian Equity Growth Fund		National Bank Small Capitalization Fund	
	R Series		R Series ⁽¹⁾		R Series ⁽¹⁾		R Series ⁽¹⁾		R Series ⁽¹⁾	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	104,059	64,974	-	-	-	-	-	-	-	-
Units issued	49,461	51,378	133	-	457	-	359	-	142	-
Units redeemed	(10,140)	(12,293)	(8)	-	(14)	-	-	-	-	-
Ending balance of the year	143,380	104,059	125	-	443	-	359	-	142	-

	Omega Consensus American Equity Fund		Omega Consensus International Equity Fund		Omega Emerging Market Fund		Altamira Global Small Company Fund		Altamira Canadian Index Fund	
	R Series ⁽¹⁾		R Series ⁽¹⁾		R Series ⁽¹⁾		R Series ⁽¹⁾		R Series ⁽¹⁾	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	-	-	-	-	-	-	-	-	-	-
Units issued	419	-	280	-	217	-	125	-	285	-
Units redeemed	(1)	-	-	-	-	-	-	-	(2)	-
Ending balance of the year	418	-	280	-	217	-	125	-	283	-

	Altamira US Currency Neutral Index Fund		Altamira International Currency Neutral Index Fund	
	R Series ⁽¹⁾		R Series ⁽¹⁾	
	2011	2010	2011	2010
Beginning balance of the year	-	-	-	-
Units issued	271	-	171	-
Units redeemed	-	-	-	-
Ending balance of the year	271	-	171	-

⁽¹⁾ For these funds, the R Series was created on May 27, 2011.

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

The National Bank Strategic Yield Class offers shares of the Investor, Advisor, Institutional and M Series. The number of outstanding shares for these Series as at June 30, 2011 and December 31, 2010 and the number of issued and redeemed shares for the National Bank Strategic Yield Class for the period ended June 30, 2011 and the year ended December 3, 2011 are indicated in the following table:

	National Bank Strategic Yield Class		National Bank Strategic Yield Class		National Bank Strategic Yield Class		National Bank Strategic Yield Class	
	Investors Series		Advisors Series		Institutional Series		M Series	
	2011	2010	2011	2010	2011	2010	2011	2010
Beginning balance of the year	27,992	44,655	35,876	36,065	151,691	303,847	252,304	440,008
Units issued	987	9,362	8,454	22,874	5,594	32,032	-	90,276
Units redeemed	(6,820)	(26,025)	(26,442)	(23,063)	(47,993)	(184,188)	(181,146)	(277,980)
Ending balance of the year	22,159	27,992	17,888	35,876	109,292	151,691	71,158	252,304

7- MANAGEMENT FEES AND OTHER FEES

As manager of the Funds, National Bank Securities Inc. provides investment and administrative services. In exchange for these services, each series of every fund pays management fees based on the average daily net asset value of each fund for the year which are paid monthly to the manager. The maximum annual management fees for the Investor Series are indicated in the following table:

Funds	Annual management fees (maximum)
National Bank Money Market Fund ⁽¹⁾	0.75%
National Bank Corporate Cash Management Fund	0.40%
National Bank Treasury Management Fund	0.25%
National Bank U.S. Money Market Fund	0.75%
National Bank Short Term Canadian Income Fund ⁽²⁾	0.30%
National Bank Mortgage Fund ⁽¹⁾	1.50%
National Bank Bond Fund ⁽¹⁾⁽²⁾	1.25%
Altamira Income Fund	1.00%
Altamira Long Term Bond Fund ⁽¹⁾⁽²⁾	1.50%
National Bank Dividend Fund ⁽¹⁾⁽²⁾	1.50%
Altamira Global Bond Fund ⁽¹⁾	1.50%
Altamira Corporate Bond Fund ⁽¹⁾	1.50%
Altamira High Yield Bond Fund ⁽¹⁾⁽²⁾	1.75%
National Bank Monthly Secure Income Fund ⁽²⁾	1.25%
National Bank Monthly Conservative Income Fund ⁽²⁾	1.25%
National Bank Monthly Moderate Income Fund ⁽²⁾	1.50%
National Bank Monthly Income Fund Fund ⁽¹⁾⁽²⁾	1.50%
National Bank Monthly High Income ⁽²⁾	1.80%
National Bank Monthly Equity Income Fund ⁽²⁾	1.80%
National Bank Secure Diversified Fund	1.25%
National Bank Conservative Diversified Fund	1.50%
National Bank Moderate Diversified Fund	1.75%
National Bank Balanced Diversified Fund	2.00%
National Bank Growth Diversified Fund	2.00%
Altamira Dividend Fund Inc.	1.25%
Altamira Tactical Asset Allocation Fund	1.40%
National Bank Canadian Equity Fund ⁽¹⁾	2.00%
Omega Canadian Equity Fund ⁽¹⁾⁽²⁾	2.00%
Altamira Canadian Equity Growth Fund ⁽¹⁾⁽²⁾	2.00%
AltaFund Investment Corp.	2.00%
National Bank Canadian Opportunities Fund ⁽¹⁾	2.00%
National Bank Small Capitalization Fund ⁽¹⁾⁽²⁾	2.00%
Altamira Quebec Growth Fund ⁽¹⁾	2.00%
National Bank Global Equity Fund ⁽¹⁾	2.00%
Omega Global Equity Fund	2.25%
Altamira U.S. Equity Fund	2.00%
Altamira European Equity Fund ⁽¹⁾	2.00%
Altamira Asia Pacific Fund ⁽¹⁾	2.00%
Altamira Japanese Opportunity Fund	2.00%
Omega Emerging Markets Fund ⁽¹⁾⁽²⁾	2.00%
Altamira Global Small Company Fund ⁽¹⁾⁽²⁾	2.50%
National Bank Strategic Yield Class Fund ⁽¹⁾	2.00%

(continued)

Funds	Annual management fees (maximum)
Altamira Resource Fund ⁽¹⁾	1.25%
Altamira Energy Fund ⁽¹⁾	2.00%
Altamira Precious & Strategic Metal Fund ⁽¹⁾	2.15%
Altamira Science & Technology Fund ⁽¹⁾	2.00%
Altamira Health Sciences Fund ⁽¹⁾	2.00%
Altamira Canadian Index Fund ⁽²⁾	2.25%
Altamira U.S. Index Fund	0.45%
Altamira U.S. Currency Neutral Index Fund ⁽²⁾	0.45%
Altamira International Index Fund	0.45%
Altamira International Currency Neutral Index Fund ⁽²⁾	0.45%

⁽¹⁾ These funds also offer units of the Advisor Series for which the annual management fees are identical to those of the Investor Series.

⁽²⁾ These funds also offer units of the R Series for which the annual management fees are identical to those of the Investor Series.

The maximum annual management fees for the Advisor Series of Omega Funds which do not offer units of Investor Series are indicated in the following table:

Funds	Annual management fees (maximum)
Omega Preferred Equity Fund	1.25%
Omega High Dividend Fund ⁽¹⁾	1.70%
Omega Global Opportunities Fund	1.70%
Omega Consensus American Equity Fund ⁽¹⁾	1.70%
Omega Consensus International Equity Fund ⁽¹⁾	1.70%

⁽¹⁾ These funds also offer units of the R Series for which the annual management fees are identical to those of the Advisors Series.

There are no management fees charged to funds with regards to units of the O Series.

The maximum annual management fees for the F Series are indicated in the following table:

Funds	Annual management fees (maximum)
National Bank Mortgage Fund	1.00%
National Bank Dividend Fund	0.75%
Altamira Corporate Bond Fund	0.75%
Altamira High Yield Bond Fund	1.00%
Omega Preferred Equity Fund	0.50%
National Bank Monthly Income Fund	0.75%
Omega High Dividend Fund	0.70%
Omega Canadian Equity Fund	1.00%
National Bank Canadian Opportunities Fund	0.75%
National Bank Small Capitalization Fund	0.75%
Omega Global Opportunities Fund	0.70%
Omega Consensus American Equity Fund	0.70%
Omega Consensus International Equity Fund	0.70%

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

The National Bank Strategic Yield Class also offers shares of the Institutional and M Series which have a maximum annual management fees of 1.00% and 0.75% respectively.

The Protected Funds offer a protection of invested capital at the end of a ten-year period or at death, which are detailed in the Funds' simplified prospectus. The management fees of the Protected Funds include insurance costs related to the guarantee for the protection of invested capital.

Since March 31, 2005, the Protected Funds are no longer available for buying or exchange share.

Funds	Annual management fees before insurance cost		Annual management fees (maximum)
	insurance cost	cost	
National Bank Protected Canadian Bond	1.50%	0.75%	2.25%
National Bank Protected Retirement Balanced	2.00%	0.90%	2.90%
National Bank Protected Growth Balanced	2.00%	0.90%	2.90%
National Bank Protected Canadian Equity	2.00%	0.95%	2.95%
National Bank Protected Global	2.25%	1.20%	3.45%

As at June 30, 2011, the National Bank Dividend Fund, the Altamira Global Bond Fund, the National Bank Monthly Secure Income Fund, the National Bank Monthly Conservative Income Fund, the National Bank Monthly Moderate Income Fund, the National Bank Monthly High Income Fund, the National Bank Monthly Equity Income Fund, the National Bank Monthly Income Fund, the National Bank Conservative Diversified Fund, the National Bank Moderate Diversified Fund, the National Bank Balanced Diversified Fund, the National Bank Growth Diversified Fund, the Altamira Dividend Fund Inc., the Altamira Tactical Asset Allocation Fund, the National Bank Protected Canadian Bond Fund, the National Bank Protected retirement Balanced Fund, the National Bank Protected Growth Balanced Fund, and the National Bank Global Protected Fund ("parent funds") hold units of other National Bank Mutual Funds ("underlying funds"). The parent funds benefit from a reduction of their management fees since these funds already pay, indirectly, a portion of the management fees of the underlying funds.

Management fees are incurred in the normal course of business and have been recorded at the exchange amounts.

In addition to the management fees, the Funds are responsible for the payment of taxes pertaining to the Funds brokerage commissions and other expenses on the purchase and sale of securities of their portfolios. With the exception of the Altamira Income Fund and the Tactical Asset Allocation Fund, the Funds are also responsible for the payment of all expenses related to their operations, including legal, audit, trustee, custodial and safekeeping fees, interest, operating and administrative costs (other than advertising and promotional expenses which are the responsibility of the manager), the costs of investor servicing and financial reports, prospectuses and other documents used by the fund.

The manager may also negotiate a lower management fee for institutional accounts or other large investors in certain of the funds.

8- TRAILER AND SALES CHARGES

Commissions

As the manager of the Funds, National Bank Securities Inc. pays sales charges to the brokers according to the rates are as follows:

- No commission are paid for the Investor, F, M, O, R and Institutional Series.
- For the Advisor Series with initial sales charge option, a commission is paid up to 5%.
- For the Advisor Series with deferred sales charge option, a commission of 5% is paid.
- For the Advisor Series with low sales charge option, a commission of 2.5% is paid.

Trailer fees

As the manager of the Funds, National Bank Securities Inc. pays a commission to the brokers according to the rates listed below:

Investor Series Fund category	Maximum annual trailing commission
Money Market Funds	up to 0.25%
Short Term & Income Funds	up to 0.75%
Monthly Income Portfolios	up to 1.00%
Diversified Funds	up to 1.00%
Canadian Equity Funds	up to 1.25%
Global Equity Funds	up to 1.25%
Specialized Funds	up to 1.25%
Strategic Yield Class	up to 0.25%
Index Funds	up to 0.25%

Maximum annual trailing commissions				
Advisor Series	Low sales charge 2 option			
Fund category	Initial sales charge option	Deferred sales charge option	Trailing commission (1-3 year)	Trailing commission (+ 4 years)
Money Market Funds	up to 0.25%	up to 0.25%	up to 0.25%	up to 0.25%
Short Term & Income Funds	up to 0.75%	up to 0.25%	up to 0.25%	up to 0.75%
Monthly Income Portfolios	up to 0.75%	up to 0.25%	up to 0.25%	up to 0.75%
Canadian Equity Funds	up to 1.25%	up to 0.50%	up to 0.50%	up to 1.00%
Global Equity Funds	up to 1.25%	up to 0.50%	up to 0.50%	up to 1.00%
Specialised Funds	up to 1.25%	up to 0.50%	up to 0.50%	up to 1.00%
Strategic Yield Class	up to 0.25%	up to 0.25%	up to 0.25%	up to 0.25%

The maximum annual trailing commission rate for Institutional Series of the Strategic Yield Class is 0.25% and the annual trailing commission rate for M Series of the Strategic Yield class is 0.15%.

O Series and F Series

No trailing commissions are paid for the F Series and O Series.

R Series

The maximum annual trailing commission rate for R Series is 1.00%.

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

9- SECURITIES LENDING

The monetary value of securities lent and collateral as at June 30, 2011 are shown below:

Funds	Value of securities lent	Value of collateral
	\$	\$
National Bank Dividend Fund	1,435,984	1,464,703
National Bank Monthly Conservative Income Fund	510,095	520,297
National Bank Monthly Moderate Income Fund	648,093	661,055
National Bank Monthly Income Fund	2,413,834	2,462,110
National Bank Monthly High Income Fund	137,827	140,584
National Bank Monthly Equity Income Fund	32,666	33,319
National Bank Growth Diversified Fund	38,880	39,658
Altamira Dividend Inc. Fund	747,228	762,172
National Bank Canadian Equity Fund	2,951,662	3,010,695
Altamira Canadian Equity Growth Fund	2,780,873	2,836,490
AltaFund Investment Corp.	767,062	782,403
National Bank Canadian Opportunities Fund	1,726,727	1,761,261
Altamira Resource Fund	9,294,294	9,480,180
Altamira Energy Fund	830,315	846,921
Altamira Precious & Strategic Metals Fund	6,851,392	6,988,419
Altamira Health Sciences Fund	595,915	607,833
Altamira Canadian Index Fund	484,418	494,106

As at June 30, 2010, the Funds did not participate in any securities lending program.

10- BROKERAGE COMMISSIONS

Total commissions paid to brokers in connection with investment portfolio transactions including the related entities for the six-month periods ended June 30, 2011 and 2010 are indicated in the following table. National Bank Financial and National Bank Direct Brokerage are the related party to which commissions may be paid.

Funds	2011		2010	
	Total commissions	Related entities	Total commissions	Related entities
	\$	\$	\$	\$
National Bank Bond Fund	29,372	-	37,742	-
Altamira Long Term Bond Fund	1,872	-	-	-
National Bank Dividend Fund	627,020	23,428	640,425	19,702
Altamira Global Bond Fund	38,548	-	11,717	-
Altamira Corporate Bond Fund	1,620	-	-	-
Omega Preferred Equity Fund	577,645	5,848	296,007	16,391
National Bank Monthly Secure Income Fund	2,039	429	677	27
National Bank Monthly Conservative Income Fund	75,624	1,904	24,394	351
National Bank Monthly Moderate Income Fund	89,748	1,976	26,297	499
National Bank Monthly Income Fund	368,520	8,204	194,245	3,848
National Bank Monthly High Income Fund	21,519	356	8,490	121
National Bank Monthly Equity Income Fund	5,449	68	1,108	15
National Bank Balanced Diversified Fund	29,359	-	75,919	-
National Bank Growth Diversified Fund	38,375	910	70,312	521
Altamira Dividend Fund Inc.	197,077	5,178	139,862	3,015
Altamira Tactical Asset Allocation Fund	122,673	4,304	163,952	1,531
Omega High Dividend Fund	559,412	14,752	536,261	13,930
National Bank Canadian Equity Fund	153,264	11,406	133,119	5,250
Omega Canadian Equity Fund	724,948	171,732	371,043	95,390

(continued)

Funds	2011		2010	
	Total commissions	Related entities	Total commissions	Related entities
	\$	\$	\$	\$
Altamira Canadian Equity Growth Fund	1,588,997	64,184	1,461,556	19,099
AltaFund Investment Corp.	149,122	4,721	201,513	1,168
National Bank Canadian Opportunities Fund	261,694	10,940	208,077	12,215
National Bank Small Capitalization Fund	624,391	50,839	597,796	48,230
Altamira Quebec Growth Fund	12,931	2,388	9,437	1,642
National Bank Global Equity Fund	266,646	-	610,213	-
Omega Global Equity Fund	262,757	227,364	200,549	134,678
Omega Global Opportunities Fund	18,025	-	33,473	1,220
Omega Consensus American Equity Fund	107,208	-	108,969	1,655
Altamira U.S. Equity Fund	24,442	-	45,681	-
Omega Consensus International Equity Fund	46,064	-	31,283	1,536
Altamira European Equity Fund	23,494	-	49,869	-
Altamira Asia Pacific Fund	20,093	-	66,433	-
Altamira Japanese Opportunity Fund	3,139	-	6,240	-
Altamira Global Small Company Fund	70,742	1,481	50,097	709
Altamira Resource Fund	552,144	14,850	649,561	7,216
Altamira Energy Fund	77,877	175	82,175	-
Altamira Precious & Strategic Metal Fund	248,439	1,497	275,701	3,407
Altamira Science & Technology Fund	17,424	-	186,507	-
Altamira Health Sciences Fund	17,065	-	9,665	820
Altamira Canadian Index Fund	22,033	-	18,522	2,877
Altamira U.S. Index Fund	4,532	-	3,196	-
Altamira U.S. Currency Neutral Index Fund	21,794	-	22,255	-
Altamira International Index Fund	13,814	-	14,470	-
Altamira International Currency Neutral Index Fund	64,154	-	66,432	-
National Bank Protected Retirement Balanced Fund	-	-	1,141	-
National Bank Protected Growth Balanced Fund	-	-	1,543	9
National Bank Protected Canadian equity Fund	-	-	1,953	45
National Bank Protected Global Fund	-	-	2,513	-

The soft dollars allocated to the goods and services related to the investment portfolio transactions of the Funds for the six-month periods ended June 30, 2011 and 2010 are indicated in the following table:

Funds	Soft dollars	
	2011	2010
	\$	\$
National Bank Dividend Fund	79,111	13,091
National Bank Monthly Secure Income Fund	332	40
National Bank Monthly Conservative Income Fund	6,001	6,125
National Bank Monthly Moderate Income Fund	6,727	6,288
National Bank Monthly Income Fund	167,639	24,376
National Bank Monthly High Income Fund	951	1,302
National Bank Monthly Equity Income Fund	235	116
National Bank Growth Diversified Fund	5,480	3,105
Altamira Dividend Fund Inc.	11,390	6,954
Altamira Tactical Asset Allocation Fund	12,392	23,539
National Bank Canadian Equity Fund	30,920	44,850
Omega Canadian Equity Fund	21,549	21,549
Altamira Canadian Equity Growth Fund	178,080	54,954
AltaFund Investment Corp.	9,488	4,803

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

(continued)

Funds	Soft dollars	
	2011	2010
	\$	\$
National Bank Canadian Opportunities Fund	35,323	19,210
National Bank Small Capitalization Fund	164,540	136,649
Altamira Quebec Growth Fund	-	30
National Bank Global Equity Fund	14,200	119,413
Omega Global Equity Fund	28,346	49,235
Omega Global Opportunities Fund	-	105
Omega Consensus American Equity Fund	42,315	77,428
Altamira U.S. Equity Fund	7,542	5,082
Omega Consensus International Equity Fund	3,006	6,135
Altamira Asia Pacific Fund	17,443	61,868
Altamira Japanese Opportunity Fund	1,426	-
Altamira European Equity Fund	16,273	8,659
Altamira Global Small Company Fund	18,828	3,154
Altamira Resource Fund	14,165	5,680
Altamira Energy Fund	78	400
Altamira Precious & Strategic Metal Fund	4,615	14,773
Altamira Science & Technology Fund	7,971	-
National Bank Protected Growth Balanced Fund	-	48
National Bank Protected Canadian Equity Fund	-	275

11- RELATED ENTITIES HOLDINGS

As at June 30, 2011 and December 31, 2010 the National Bank of Canada was holding units of the following funds:

Funds	2011		2010	
	Units	Percentage of Net asset	Units	Percentage of Net asset
National Bank Mortgage Fund, Series F	110,324	3%	108,939	2%
National Bank Mortgage Fund, Series O	1,251	-	-	-
National Bank Bond Fund, Series O	1,972,435	7%	1,914,079	7%
National Bank Dividend Fund, Series O	215,713	18%	211,517	18%
Altamira Global Bond Fund, Series O	643,742	100%	635,493	100%
Altamira Corporate Bond Fund, Series Investors/Advisors	10,295	-	-	-
Altamira Corporate Bond Fund, Series F	2,591	35%	-	-
Altamira Corporate Bond Fund, Series O	2,608	-	-	-
Altamira High Yield Bond Fund, Series Investors/Advisors	1,308,865	2%	1,304,004	2%
Altamira High Yield Bond Fund, Series F	1,310	-	-	-
Altamira High Yield Bond Fund, Series O	1,635	-	-	-
National Bank Monthly Moderate Income Fund, Series R	-	-	13	-
National Bank Monthly Income Fund, Series F	105	1%	103	1%
National Bank Monthly High Income Fund, Series Investors	158,889	18%	157,323	26%
National Bank Monthly High Income Fund, Series R	218,686	45%	211,172	48%
National Bank Monthly Equity Fund, Series R	48,129	34%	46,701	45%
Omega High Dividend Fund, Series F	11,580	6%	11,349	45%
Omega Canadian Equity Fund, Series F	1,011	7%	-	-

(continued)

Funds	2011		2010	
	Units	Percentage of Net asset	Units	Percentage of Net asset
National Bank Canadian Equity Fund, Series O	133,532	4%	133,945	4%
Altamira Canadian Equity Growth Fund, Series Investors/Advisors	38,705	-	38,930	-
Altamira Canadian Equity Growth Fund, Series O	1,000	-	-	-
National Bank Canadian Opportunities Fund, Series F	29,144	97%	15,759,436	98%
National Bank Canadian Opportunities Fund, Series O	15,566,431	92%	-	-
National Bank Small Capitalization Fund, Series F	37,638	48%	214,880	6%
National Bank Small Capitalization Fund, Series O	214,114	6%	-	-
National Bank Global Equity Fund, Series O	353,449	5%	355,618	5%
Omega Global Opportunities Fund, Series Advisors	260,000	40%	250,000	37%
Omega Global Opportunities Fund, Series F	5,000	4%	15,000	2%
Omega Consensus American Equity Fund, Series F	12,420	53%	12,420	57%
Omega Consensus International Equity Fund, Series F	14,171	22%	14,171	75%
Altamira Global Small Company Fund, Series Investors/Advisors	-	-	138	-
Altamira Canadian Index Fund, Series O	85,670	100%	82,791	96%
Altamira American Index Fund, Series Investors	64,553	3%	64,475	3%
Altamira American Index Fund, Series O	86,549	100%	87,083	100%
Altamira International Index Fund, Series Investors	1,040,003	51%	1,040,365	51%
Altamira International Index Fund, Series O	35,562	100%	35,782	100%

As at June 30, 2011 and December 31, 2010 the Intact Investment Management, portfolio advisor, was holding units of the following funds:

Funds	2011		2010	
	Units	Percentage of Net asset	Units	Percentage of Net asset
Omega Preferred Equity, Series O	12,406,325	100%	11,766,088	100%
Omega High Dividend, Series O	15,616,213	100%	10,171,797	100%

The transactions between the Funds and related entities are traded at net asset value on valuation date in the normal course of operation.

Some conditions related to redemption of the Funds' units held by the related entities apply. Which are detailed in the simplified prospectus.

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

12- CAPITAL STOCK AND CAPITAL MANAGEMENT

Capital stock

The authorized capital stock for the National Bank Funds Corporation, which offers Strategic Yield Class, is established as follows:

- An unlimited number of shares without nominal value, with non voting rights except on questions regarding their rights, participating and redeemable at market value.

The share capital of Altamira Dividend Fund Inc. and AltaFund Investment Corp. include an unlimited number of shares with voting rights, redeemable at the holder's option. All shares participate equally in the income, distributions and transactional net asset value on redemption or liquidation of the Corporations.

Capital Management

The Fund's capital corresponds to the net assets. The Fund's capital is managed in accordance with each of the Fund's investment objectives, policies, and restrictions, as outlined in the Fund's prospectus. Changes in the Fund's capital during the period are reflected in the Statements of Changes in Net Assets.

13- INCOME TAXES

The Funds are qualified as mutual fund trusts under the *Income Tax Act* (Canada) and the *Taxation Act* (Quebec), with the exception of the National Bank Protected Bond Fund, the National Bank Strategic Yield Class, the Altamira Dividend Fund Inc. and the AltaFund Investment Corp. Each trust distributes all of its net income and a sufficient portion of its net realized capital gains in order to not be subject to income taxes.

Under the *Income Tax Act* and the *Taxation Act*, the National Bank Protected Bond Fund is qualified as a unit. Since the net income and the realized gain are entirely distributed to unitholders, the Fund does not declare any taxable income. Therefore, no charge for income taxes has been recorded in these financial statements.

Under the *Income Tax Act*, mutual funds may claim a refund of the capital gains tax. A mathematical formula taking units redeemed during the year into account is utilized to maximize the claim in order to retain capital gains in the Funds and minimize income taxes payable by unitholders.

The fiscal year of the open-ended mutual fund trusts ends on December 15 with the exception of the Money Market Funds for which it ends on December 31.

As determined on the tax returns of 2010, accumulated capital losses that can be used to reduce capital gains in future years and accumulated non-capital losses that can be used to reduce capital gains or net income in future years are as follows:

Funds	Capital Losses	Non-capital Losses	Maximum due date
	2010	2010	
	\$	\$	
National Bank Short Term Canadian Income Fund	705,547	-	n/a
National Bank Mortgage Fund	5,478,913	-	n/a
Altamira Income Fund	3,739,022	-	n/a
Altamira Long Term Bond Fund	8,945,990	-	n/a
National Bank Dividend Fund	114,447,189	-	n/a
Altamira Global Bond Fund	8,685,639	-	n/a
Omega Preferred Equity Fund	1,338,697	-	n/a
National Bank Monthly Secure Income Fund	320,318	-	n/a
National Bank Monthly Conservative Income Fund	2,442,116	-	n/a
National Bank Monthly Moderate Income Fund	2,829,174	-	n/a
National Bank Monthly Income Fund	23,010,631	-	n/a
National Bank Monthly High Income Fund	490,346	-	n/a
National Bank Monthly Equity Income Fund	617,469	-	n/a
National Bank Secure Diversified Fund	150,405	-	n/a
National Bank Balanced Diversified Fund	19,553,618	-	n/a
National Bank Growth Diversified Fund	15,677,638	-	n/a
Altamira Tactical Asset Allocation Fund Fund	259,999	-	n/a
Omega High Dividend Fund	309,490	-	n/a
National Bank Canadian Equity	58,380,981	-	n/a
Omega Canadian Equity Fund	228,742	294,240	2030
Altamira Canadian Equity Growth Fund	325,112,385	-	n/a
National Bank Canadian Opportunities Fund	8,127,279	-	n/a
Altamira Quebec Growth Fund	284,378	-	n/a
National Bank Global Equity Fund	188,940,807	3,189,019	2030
Omega Global Equity Fund	122,623,079	1,837,430	2030
Omega Global Opportunities Fund	668,332	79,584	2030
Altamira U.S. Equity Fund	57,358,191	1,211,128	2030
Altamira European Equity Fund	26,751,225	356,379	2025
Altamira Asia Pacific Fund	103,769,974	-	n/a
Altamira Japanese Opportunity Fund	15,185,577	718,397	2030
Omega Emerging Markets Fund	7,685,752	1,338,817	2030
Altamira Global Small Company Fund	14,534,512	320,018	2030
Altamira Resource Fund	30,684,439	705,161	2030
Altamira Energy Fund	2,777,713	26,940	2030
Altamira Precious & Strategic Metal Fund	36,923,941	-	n/a
Altamira Science & Technology Fund	473,459,233	7,698,105	2030
Altamira Health Sciences Fund	32,924,602	2,528,590	2030
Altamira Canadian Index Fund	15,774,625	-	n/a
Altamira U.S. Index Fund	7,423,445	235,953	2029
Altamira U.S. Currency Neutral Index Fund	2,580,941	17,115,469	2028
Altamira International Index Fund	9,622,240	8,089,792	2029
Altamira International Currency Neutral Index Fund	2,151,880	29,071,932	2028
National Bank Protected Canadian Bond Fund	111,076	-	n/a
National Bank Protected Retirement Balanced Fund	3,392,590	-	n/a
National Bank Protected Growth Balanced Fund	3,523,595	-	n/a
National Bank Protected Canadian Equity Fund	5,100,962	-	n/a
National Bank Protected Global Fund	6,000,673	98,492	2030

With respect to the income taxes, the non-capital losses incurred between 2004 and 2005 can be carried forward ten years. Since 2006, the new losses can be carried forward for up to 20 years and capital losses can be carried forward indefinitely.

Notes to Financial Statements *(continued)*

as at June 30, 2011 (unaudited)

Open-ended fund corporations (mutual fund Corporation)

Under the *Income Tax Act* and the *Taxation Act*, the National Bank Mutual Funds Corporation (which includes the National Bank Strategic Yield Class), the Altamira Dividend Fund Inc. and the AltaFund Investment Corp. are qualified as mutual fund corporation. In general, the Corporation will not pay taxes on taxable dividends received from taxable Canadian corporations or on net capital gains realized because it will pay sufficient ordinary dividends and capital gains dividends to its shareholders to eliminate its tax liability thereon.

The Corporations are liable for taxes on income from other sources (income from derivatives, interest and foreign income) at full corporate rates.

The fiscal year of the National Bank Fund Corporations ends on December 31.

The Altamira Dividend Fund has \$19,912,617 capital losses and has \$652,060 non-capital losses carried forward. For the year ended December 31, 2010, the Corporation has paid a provincial capital taxes of \$20,640 (2009 –\$76,427). The capital taxes were eliminated on January 1, 2011.

The AltaFund Investment Corp. has \$11,710,912 capital losses and \$2,091,440 non-capital losses that can be deducted from capital gains and income in future years. For the year ended December 31, 2010, the Corporation has paid a provincial capital taxes of \$3,505 (2009 – \$2,319).

14- GUARANTEES

The futures contracts are guaranteed by cash and cash equivalents, such as money market instruments. The Funds have sufficient cash and cash equivalents in order to cover their full obligation with respect to these contracts.

15- COMPARATIVE FIGURES

Certain comparative figures have been reclassified or recalculated so that their presentation is identical to the one adopted in the current period.

16- STATEMENTS OF DETAILED PORTFOLIO MOVEMENTS

Unaudited statements of detailed portfolio movements of the Funds for the period ended June 30, 2011, may be obtained, without charge, by writing to National Bank Securities Inc.,

National Bank Securities Inc.
1100, University Street
10th floor
Montreal, Quebec H3B 2G7

Redemption of Units

When you invest in the National Bank Strategic Yield Class, the Altamira Dividend Fund Inc. and the AltaFund Investment Corp., you purchase shares of a corporation and you become a shareholder. When you invest in one of the other National Bank Mutual Funds, you purchase units of a trust and become a unitholder. We refer to shares and units collectively as “securities” and holders of shares and units are collectively called “security holders”.

When National Bank Securities Inc. (“NBSI”) receives your request to redeem securities of a National Bank Mutual Fund (“fund” or “funds”), the redemption of the securities is made at their net asset value. If the redemption request is received after 4:00 p.m., Montreal time, NBSI will redeem the securities at their net asset value calculated on the following valuation day. Orders to redeem funds shall be made in accordance with the minimum redemption and the minimum balance requirements contained in the Simplified Prospectus.

Securities of the funds may be redeemed:

- By mail, by sending a written request for redemption to National Bank Securities Inc., National Bank Securities Advisory Service, 1100 University Street, 10th Floor, Montreal, Quebec, H3B 2G7. A written request for redemption must indicate the security holder’s name, the name of the subject fund, the number of securities or the dollar amount to be redeemed and the address to which the redemption proceeds are to be sent. The request must be signed by the security holder with the signature guaranteed by a Canadian chartered bank or trust company or by any member firm of a recognized stock exchange in Canada. NBSI may require further documentation from corporations, fiduciaries and partnerships. The redemption proceeds will be sent to the address specified in the request for redemption without charge.
- Through a representative in a branch of the National Bank of Canada (“Bank”) or in a CABN Investment Inc. (“Investments”) office by means of a form provided for such purpose.
- Through a representative of a Registered Dealer from whom security holders have purchased securities by completing formalities required by this representative of a Registered Dealer.
- By telephone or through the Internet, provided the security holder has completed the requisite forms.

Each fund will make payment for all securities redeemed as soon as possible, but, in any event, within three business days after the valuation day upon which the net asset value used for purposes of the redemption was determined. Redemption fees may be charged for securities of the Advisor Series.

Under some circumstances, we may purchase back on your behalf the securities you redeemed before we pay you for the securities. This will happen if we do not receive the instructions necessary to complete the transaction within 10 business days of the redemption. If we buy the securities back for less than you redeemed them for, we will pay the excess to the fund. If we purchase the securities back for more than you redeemed them for, we will collect the difference plus costs, charges and expenses from the dealer who placed the order. The dealer may have the right to collect this amount from you under the terms of your account agreement.

Please refer to the Simplified Prospectus and the Annual Information Form for more details on redemption of securities.

How to contact us

If you have any questions or would like to carry out National Bank Securities Funds transactions, contact the National Bank Securities Advisory Service, Monday to Friday, from 8 a.m. to 8 p.m.:

1-888-270-3941 or (514) 871-2082

You can also e-mail us at the following address:

securities@nbc.ca

National Bank Mutual Funds (hereinafter called the "Funds") and National Bank Strategic Portfolios are offered by National Bank Securities Inc., which is a wholly-owned subsidiary of National Bank of Canada. Trailing commissions, management fees and expenses all may be associated with investments in the Funds and the use of the Strategic Portfolios. Please read the prospectus of the Funds or the prospectus of the Funds in which investment may be made under the Strategic Portfolios before investing.

The Funds' securities are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the Money Market Funds will be able to maintain their net asset value per security at a constant amount or that the full amount of your investment in these Funds will be returned to you. Past performance may not be repeated.

Legal Deposit: 3rd quarter 2011
Bibliothèque Nationale du Québec

