

*The University of Western Ontario Pension Plan*



# Performance and Manager Review First Quarter 2011

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**May 19th, 2011**

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INVESTED FOR  
**75**  
YEARS

# Capital Markets Commentary

## First Quarter 2011

### Stocks rise despite headlines in the news

Global equity markets started off the New Year on a positive note with most major markets reporting fairly strong performance over the first quarter of the year. The favourable market returns were notable given a number of macro events that occurred during the first quarter that included political and social unrest in the Middle East and north Africa (the MENA region), the earthquake and tsunami in Japan, and the continued sovereign debt contagion in Europe. The energy sector was the strongest-performing sector over the quarter as a result of rising crude oil prices and the opportunity for producers to benefit from potential supply disruptions in the Middle East.

### Canadian equities rise on broad-based support

While the world was awash with macro uncertainty, Canada's economy held up well. Healthy gross domestic product (GDP) numbers, an improving employment picture, higher commodity prices and a strengthening U.S. economy underpinned Canada's economic growth.

The Canadian equity market, as measured by the S&P/TSX Composite Index, returned +5.6% over the first quarter of 2011. The Financials (+9.1%), Industrials (+8.7%) and Energy (+8.7%) sectors led the index. It was, however, the Health Care sector that produced the strongest absolute return; advancing 51.2% over the quarter. Eight of ten sectors closed the quarter in positive territory, with the Consumer Discretionary (-1.8%) and Materials (-1.5%) sectors lagging. The Materials sector was negatively impacted by the weak performance of base metals and gold stocks. The Canadian dollar traded above parity with the US dollar, and closed the quarter at US\$1.03.

Increasing signs of economic recovery pushed Canadian government bond prices lower across the yield curve over the reporting period. As a result the Canadian bond market sold off slightly, with the DEX Universe Bond Index down -0.3% in the quarter. Corporate bonds (+0.3%) outperformed Government of Canada (-0.4%) and provincial bonds (-0.7%), while shorter-duration bonds outperformed longer-duration issues across all sectors. The Canadian bond market underperformed its global bond market peers during the quarter.

### U.S. markets up though caution continues in the housing market

The major U.S. equity markets rose over the first quarter of 2011, with the Russell 1000 Index up +4.0% (in \$CAD). Economic indicators in the first quarter generally pointed to continued U.S. growth. Employment numbers, consumer spending, and corporate profits all trended stronger, while home sales and prices dropped over the period. While the Fed has indicated it will leave interest rates at their current low levels for the remainder of the year, other central banks – including those of the European Union (EU) and China – have begun the move toward tightening biases.

# Capital Markets Commentary

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### Global markets gains start the year off on a positive note

Global Equity markets generally posted positive returns over the first quarter, with the broad Russell Global Index returning +2.4% while MSCI EAFE was up +1.3%. After posting strong returns over January and February, markets dipped in mid-March before returning to positive territory toward the end of the quarter.

The earthquake and subsequent tsunami in Japan in March devastated much of the country's North East Coast. Not surprisingly, Japan was the worst-performing of the major markets in the first quarter, returning -7.0% over the period (as measured by the Russell Global Large Cap Japan Index).

In Europe, Portugal appeared to be the next country likely to require a financial bailout.

The Russell Emerging Markets Index declined -0.7% over the quarter. Emerging Markets stocks trailed the performance of their developed counterparts, as geopolitical and macroeconomic risk increased over much of the period.

The following are returns for several major indexes over the quarter, year and four years in Canadian dollars.

	1 <sup>st</sup> Quarter 2011	1 Year	4 Years
S&P/TSX Composite	5.6%	20.4%	4.7%
Russell 3000	4.1%	12.6%	-3.2%
MSCI EAFE	1.3%	6.3%	-6.5%
DEX Universe Bonds	-0.3%	5.1%	5.2%
CPI (Inflation)	1.6%	3.3%	1.8%

# Capital Market Returns (In Canadian \$)

Periods Ending March 31, 2011

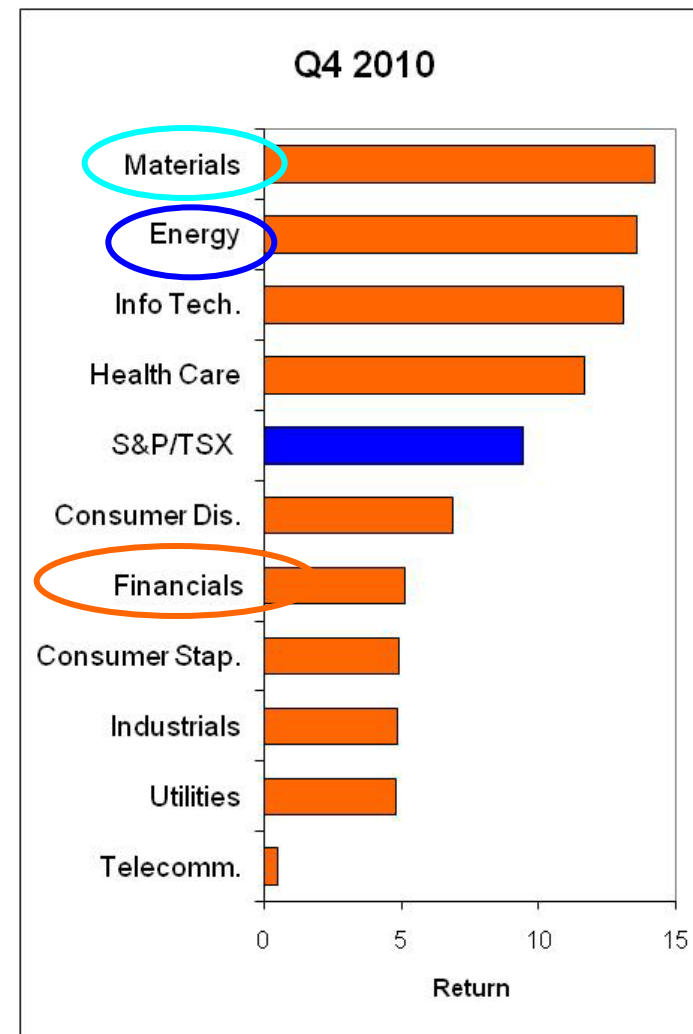
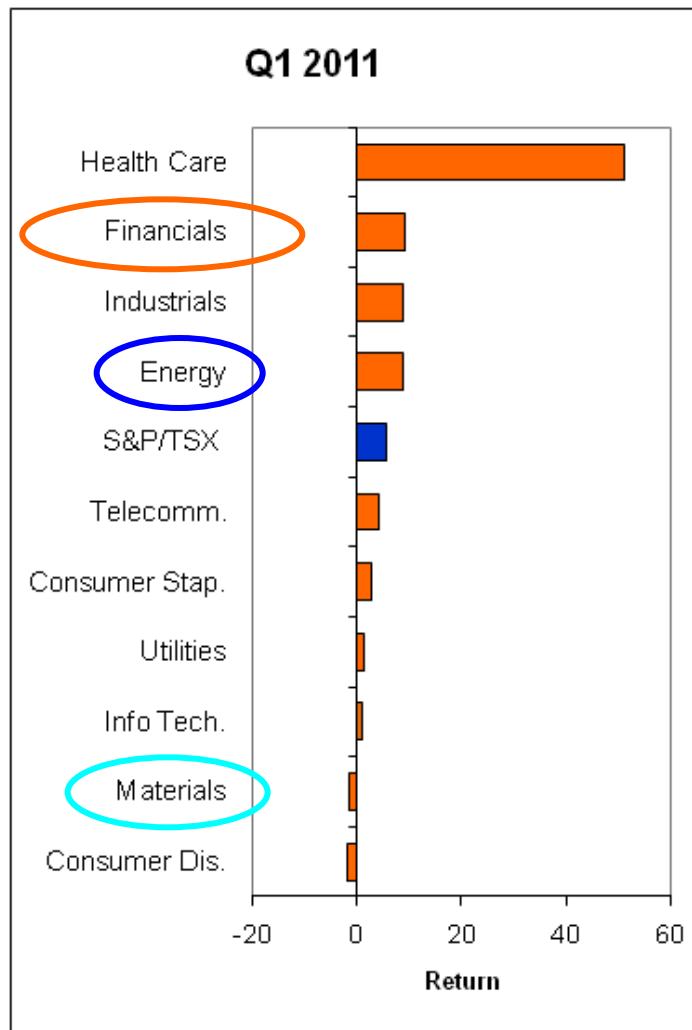
	3 Mths	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	2010	2009	2008	2007
S&P/TSX Composite	5.60	5.60	20.41	30.83	4.97	4.73	6.03	42.15	(32.42)	4.00	11.42
MSCI Canada Value	7.60	7.60	14.89	34.28	7.79	4.71	6.04	56.94	(30.54)	(4.00)	11.51
MSCI Canada Growth	3.52	3.52	21.13	22.29	0.40	4.02	5.44	23.46	(32.32)	15.69	11.28
DEX Universe Bonds	(0.27)	(0.27)	5.13	5.13	5.07	5.24	5.29	5.13	4.93	5.78	5.46
DEX Long Term Bonds	(1.35)	(1.35)	8.19	8.05	5.73	5.45	5.66	7.91	1.24	4.60	6.51
DEX 91 Day T-Bill	0.28	0.28	0.77	0.55	1.17	2.02	2.45	0.34	2.41	4.63	4.18
BC Aggregate Bd (\$Cdn)	(1.69)	(1.69)	0.79	(6.44)	3.44	1.46	2.24	(13.16)	26.45	(4.24)	5.41
S&P 500	3.69	3.69	10.88	15.72	0.55	(3.75)	(1.04)	20.77	(24.08)	(15.58)	10.59
S&P 500 \$Cdn Hedged	6.04	6.04	14.60	29.76	0.19	(1.48)	0.85	46.91	(40.26)	(6.35)	10.74
S&P 400 MidCap	7.06	7.06	21.72	26.90	8.06	1.09	2.29	32.31	(21.64)	(17.26)	7.24
S&P 400 MidCap \$Cdn Hdgd (1)	9.44	9.44	25.71	42.13	7.15	3.05	3.90	60.71	(39.11)	(8.31)	7.36
Russell 1000	4.01	4.01	11.89	16.95	1.17	(3.39)	(0.74)	22.25	(24.30)	(15.87)	10.59
Russell 2000	5.67	5.67	20.61	25.82	6.65	(1.57)	(0.34)	31.25	(23.36)	(22.62)	4.73
Russell 3000	4.14	4.14	12.58	17.64	1.60	(3.25)	(0.73)	22.93	(24.22)	(16.45)	10.04
Russell 3000 \$Cdn Hedged	6.49	6.49	16.32	31.85	1.13	(1.06)	1.10	49.46	(40.50)	(7.34)	10.20
Russell 3000 Value	4.23	4.23	10.84	17.49	(0.69)	(6.06)	(2.19)	24.55	(29.06)	(20.49)	14.93
Russell 3000 Growth	4.06	4.06	14.33	17.80	3.72	(0.56)	0.60	21.36	(19.59)	(12.35)	5.35
MSCI EAFE	1.27	1.27	6.33	15.36	(4.25)	(6.54)	(1.85)	25.15	(34.03)	(13.08)	19.35
MSCI EAFE Value	2.44	2.44	4.34	15.84	(4.67)	(7.94)	(2.63)	28.61	(35.44)	(17.08)	21.85
MSCI EAFE Growth	0.15	0.15	8.23	14.87	(3.88)	(5.20)	(1.16)	21.91	(32.70)	(9.04)	16.80
MSCI EAFE \$Cdn Hedged	1.15	1.15	2.28	20.77	(3.01)	(6.17)	(2.59)	42.60	(37.45)	(15.05)	13.17
MSCI Emerging Mkts	(0.05)	(0.05)	13.89	29.13	2.78	4.11	7.05	46.40	(34.89)	8.20	19.69
CPI	1.62	1.62	3.29	2.34	1.97	1.82	1.91	1.40	1.24	1.35	2.30

(1) S&P 400 MidCap \$Cdn Hedged Index is the exclusive property of Standard & Poor's Financial Services LLC (S&P). Russell has contracted with S&P to maintain and calculate the Index. S&P and its affiliates shall have no liability for any errors or omissions in calculating the Index.

# Sector Performance:

## Q1 2011 Sector Returns versus Q4 2010

Less sector breadth in Q1 2011 narrow again with only 4 out of 10 sectors ahead



# Fund and Manager Review

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# ***1. Asset and Performance Summary***

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## University of Western Ontario (Pension Plan)

### Asset Summary As of March 31, 2011

	Total Market Value	% of Total Fund	% of Asset Class	Equity		Fixed Income		Cash & Equivalents		Alternatives	
				\$	%	\$	%	\$	%	\$	%
<b>Total</b>	<b>\$ 1,124.3</b>	<b>100.00%</b>	<b>100.0%</b>	<b>\$ 637.2</b>	<b>56.7%</b>	<b>\$ 420.8</b>	<b>37.4%</b>	<b>\$ 66.3</b>	<b>5.9%</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Diversified Equity Fund</b>	<b>498.00</b>	<b>44.29%</b>	<b>100.0%</b>	<b>498.00</b>	<b>100.0%</b>						
<b>Canadian Stocks</b>	<b>152.54</b>	<b>13.57%</b>	<b>100.0%</b>	<b>152.54</b>	<b>100.0%</b>						
Beutel, Goodman Cap	50.84	4.52%	33.3%	50.84	100.0%						
Connor, Clark & Lunn	51.33	4.57%	33.7%	51.33	100.0%						
Greystone Cap.	50.37	4.48%	33.0%	50.37	100.0%						
<b>US Equity</b>	<b>114.60</b>	<b>10.19%</b>	<b>100.0%</b>	<b>114.60</b>	<b>100.0%</b>						
Pan Agora	12.73	1.13%	11.1%	12.73	100.0%						
SSGA S&P 400 Midcap	13.25	1.18%	11.6%	13.25	100.0%						
SSGA S&P 500	88.62	7.88%	77.3%	88.62	100.0%						
<b>Non North American</b>	<b>144.42</b>	<b>12.85%</b>	<b>100.0%</b>	<b>144.42</b>	<b>100.0%</b>						
Alliance Bernstein	71.07	6.32%	49.2%	71.07	100.0%						
Fidelity EAFE	73.35	6.52%	50.8%	73.35	100.0%						
<b>Global Stocks</b>	<b>86.43</b>	<b>7.69%</b>	<b>100.0%</b>	<b>86.43</b>	<b>100.0%</b>						
Harris Assoc.	42.47	3.78%	49.1%	42.47	100.0%						
T Rowe Price	43.96	3.91%	50.9%	43.96	100.0%						
<b>Canadian Equity Fund</b>	<b>98.17</b>	<b>8.73%</b>	<b>100.0%</b>	<b>98.17</b>	<b>100.0%</b>						
Beutel, Goodman Cap	32.98	2.93%	33.6%	32.98	100.0%						
Connor, Clark & Lunn	32.75	2.91%	33.4%	32.75	100.0%						
Greystone Cap.	32.43	2.88%	33.0%	32.43	100.0%						
<b>US Equity Hedged</b>	<b>15.99</b>	<b>1.42%</b>	<b>100.0%</b>	<b>15.99</b>	<b>100.0%</b>						
SSGA Northwater Hedged	15.99	1.42%	100.0%	15.99	100.0%						

Source: Northern Trust



## University of Western Ontario (Pension Plan)

### Asset Summary As of March 31, 2011

	Total Market Value	% of Total Fund	% of Asset Class	Equity		Fixed Income		Cash & Equivalents		Alternatives	
<b>US Equity Unhedged</b>	<b>8.43</b>	<b>0.75%</b>	<b>100.0%</b>	<b>8.43</b>	<b>100.0%</b>						
SSGA Northwater Unhedged	8.43	0.75%	100.0%	8.43	100.0%						
<b>EAFE Fund</b>	<b>16.62</b>	<b>1.48%</b>	<b>100.0%</b>	<b>16.62</b>	<b>100.0%</b>						
Alliance Bernstein	8.19	0.73%	49.3%	8.19	100.0%						
Pyramis/Fidelity	8.43	0.75%	50.7%	8.43	100.0%						
<b>MacKenzie SRI Global</b>	<b>2.77</b>	<b>0.25%</b>	<b>100.0%</b>					<b>2.77</b>	<b>100.0%</b>		
MacKenzie	2.77	0.25%	100.0%					2.77	100.0%		
<b>Target Date Funds</b>	<b>48.69</b>	<b>4.33%</b>	<b>100.0%</b>			<b>48.69</b>	<b>100.0%</b>				
TDF 2012	18.69	1.66%	38.4%			18.69	100.0%				
TDF 2014	18.73	1.67%	38.5%			18.73	100.0%				
TDF 2016	11.28	1.00%	23.2%			11.28	100.0%				
<b>Canadian Bond Fund</b>	<b>67.33</b>	<b>5.99%</b>	<b>100.0%</b>			<b>67.33</b>	<b>100.0%</b>				
SSGA Canadian Bond Fund	67.33	5.99%	100.0%			67.33	100.0%				
<b>Long Term Bond Fund</b>	<b>25.91</b>	<b>2.30%</b>	<b>100.0%</b>			<b>25.91</b>	<b>100.0%</b>				
SSGA Long Term Bond Fund	25.91	2.30%	100.0%			25.91	100.0%				
<b>Diversified Bond Fund</b>	<b>257.10</b>	<b>22.87%</b>	<b>100.0%</b>			<b>257.10</b>	<b>100.0%</b>				
Alliance Bernstein	172.30	15.33%	67.0%			172.30	100.0%				
SSGA	84.80	7.54%	33.0%			84.80	100.0%				
<b>Liquidating Trust</b>	<b>15.47</b>	<b>1.38%</b>	<b>100.0%</b>			<b>15.47</b>	<b>100.0%</b>				
Operating Account	15.47	1.38%	100.0%			15.47	100.0%				

Source: Northern Trust

## University of Western Ontario (Pension Plan)

### Asset Summary As of March 31, 2011

	Total Market Value	% of Total Fund	% of Asset Class	Equity	Fixed Income	Cash & Equivalents	Alternatives
<b>Money Market Fund</b>	<b>63.56</b>	<b>5.65%</b>	<b>100.0%</b>			<b>63.56</b>	<b>100.0%</b>
SSGA MMF	63.56	5.65%	100.0%			63.56	100.0%
<b>Immunized Bond Fund</b>	<b>6.30</b>	<b>0.56%</b>	<b>100.0%</b>		<b>6.30</b>		
Acad. Imm. Bd. Fund	4.48	0.40%	71.1%		4.48		
Immunized Bond Fund	1.82	0.16%	28.9%		1.82		
<b>Cash</b>	<b>0.00</b>	<b>0.00%</b>	<b>100.0%</b>			<b>0.00</b>	<b>100.0%</b>

All dollars in millions, numbers may not add due to rounding

**University of Western Ontario  
Performance Summary  
Period Ending March 31, 2011**

Account / Group Name	Market Value	Annualized						
		3 Mos RoR	1 Yr RoR	2 Yr RoR	3 Yr RoR	4 Yr RoR	5 Yr RoR	10 Yr RoR
<b>University of Western Ontario</b>	<b>\$1,124,324,499</b>	<b>1.91</b>	<b>8.91</b>	<b>15.30</b>	<b>2.16</b>	<b>0.68</b>	<b>2.50</b>	<b>4.30</b>
UWO Balanced Growth Policy	--	2.72	10.82	17.91	2.46	0.87	2.83	4.43
Dex bond universe index	--	(0.27)	5.13	5.13	5.07	5.24	5.29	6.12
<b>Diversified Equity Fund</b>	<b>\$497,995,697</b>	<b>3.05</b>	<b>11.27</b>	<b>23.37</b>	<b>0.20</b>	<b>(2.36)</b>	<b>0.49</b>	<b>3.39</b>
UWO Div. Equity Fund Policy	--	3.97	13.35	23.56	0.97	(1.26)	1.47	3.61
S&P/TSX Equity Index (CAD)	--	5.16	19.52	29.69	4.36	4.07	6.02	--
<b>Canadian Stocks</b>	<b>\$152,542,625</b>	<b>4.21</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
S&P / TSX 300 Composite	--	5.60	--	--	--	--	--	--
Beutel, Goodman Cap	\$50,839,091	4.45	15.62	--	--	--	--	--
S&P / TSX 300 Composite	--	5.60	20.41	--	--	--	--	--
Connor, Clark & Lunn	\$51,332,137	4.22	20.51	31.78	6.50	5.44	6.35	--
S&P / TSX 300 Composite	--	5.60	20.41	30.83	4.97	4.73	6.03	--
Greystone Cap.	\$50,371,397	3.96	17.55	27.87	1.80	1.84	4.73	--
S&P / TSX 300 Composite	--	5.60	20.41	30.83	4.97	4.73	6.03	--
<b>US Equity</b>	<b>\$114,599,704</b>	<b>6.36</b>	<b>16.49</b>	<b>32.42</b>	<b>3.15</b>	<b>(1.67)</b>	<b>0.50</b>	<b>1.55</b>
S&P 500 C\$ Hedged	--	6.03	14.59	29.76	0.19	(1.49)	0.85	2.50
UWO US Equity Policy	--	6.37	16.49	30.76	2.12	(1.68)	0.51	1.56
Pan Agora	\$12,729,067	5.27	20.77	26.11	5.32	(7.15)	(4.83)	0.48
Russell 2000	--	5.67	20.61	25.82	6.65	(1.57)	(0.34)	2.80
SSGA S&P 400 Midcap	\$13,253,870	9.37	25.49	--	--	--	--	--
S&P 400 Hgd CAD	--	9.44	25.71	--	--	--	--	--
SSGA S&P 500	\$88,616,767	6.07	14.60	28.45	--	--	--	--
S&P 500 C\$ Hedged	--	6.03	14.59	29.76	--	--	--	--
<b>Non North American</b>	<b>\$144,422,593</b>	<b>0.32</b>	<b>3.63</b>	<b>13.90</b>	<b>(6.29)</b>	<b>(8.28)</b>	<b>(4.09)</b>	<b>0.99</b>
MSCI EAFE GD	--	1.27	6.33	15.36	(4.25)	(6.54)	(1.85)	0.85
Alliance Bernstein	\$71,069,615	(0.15)	(0.48)	12.50	(8.86)	(11.23)	(5.70)	1.27
Fidelity EAFE	\$73,352,977	0.79	7.53	15.25	(3.52)	(5.15)	(1.43)	--
<b>Global Stocks</b>	<b>\$86,430,775</b>	<b>1.45</b>	<b>7.95</b>	<b>20.64</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
MSCI World GD	--	2.71	9.33	16.23	--	--	--	--
Harris Assoc.	\$42,467,492	0.91	7.48	24.00	--	--	--	--
T Rowe Price	\$43,963,283	1.91	8.31	17.08	--	--	--	--

Source: Northern Trust

**University of Western Ontario  
Performance Summary  
Period Ending March 31, 2011**

Account / Group Name	Market Value	3 Mos RoR	Annualized					
			1 Yr RoR	2 Yr RoR	3 Yr RoR	4 Yr RoR	5 Yr RoR	10 Yr RoR
<b>Canadian Equity Fund</b>	<b>\$98,165,789</b>	<b>4.20</b>	<b>16.79</b>	<b>27.85</b>	<b>2.66</b>	<b>2.46</b>	<b>4.46</b>	<b>8.05</b>
Beutel, Goodman Cap	\$32,979,273	4.45	15.46	--	--	--	--	--
Connor, Clark & Lunn	\$32,752,086	4.23	20.49	31.89	6.51	5.46	6.40	--
Greystone Cap.	\$32,434,430	3.96	17.56	27.84	1.79	1.82	4.72	--
<b>US Equity Hedged</b>	<b>\$15,987,522</b>	<b>6.05</b>	<b>14.53</b>	<b>30.90</b>	<b>1.13</b>	<b>(1.46)</b>	<b>0.86</b>	<b>2.49</b>
S&P 500 C\$ Hedged	--	6.03	14.59	29.76	0.19	(1.49)	0.85	2.50
SSGA Northwater Hedged	\$15,987,522	6.05	14.53	30.90	1.13	(1.46)	0.86	2.49
<b>US Equity Unhedged</b>	<b>\$8,428,517</b>	<b>3.71</b>	<b>11.02</b>	<b>15.87</b>	<b>0.28</b>	<b>(4.18)</b>	<b>(1.41)</b>	<b>(1.92)</b>
S&P 500	--	3.69	10.88	15.72	0.55	(3.75)	(1.04)	(1.56)
SSGA Northwater Unhedged	\$8,428,517	3.71	11.02	15.87	0.28	(4.18)	(1.41)	(1.92)
<b>EAFE Fund</b>	<b>\$16,622,482</b>	<b>0.36</b>	<b>4.38</b>	<b>14.46</b>	<b>(6.24)</b>	<b>(8.05)</b>	<b>(3.37)</b>	<b>1.40</b>
Alliance Bernstein	\$8,187,982	(0.16)	1.23	13.64	(8.43)	(10.64)	--	--
Pyramis/Fidelity	\$8,434,500	0.79	7.51	15.24	(3.36)	(4.98)	--	--
<b>MacKenzie SRI Global</b>	<b>\$2,772,224</b>	<b>(0.73)</b>	<b>7.70</b>	<b>18.26</b>	<b>(3.36)</b>	<b>--</b>	<b>--</b>	<b>--</b>
MacKenzie	\$2,772,224	(0.73)	7.70	18.26	(3.36)	--	--	--
<b>Target Date Funds</b>	<b>\$48,691,178</b>	<b>0.21</b>	<b>3.90</b>	<b>2.63</b>	<b>4.11</b>	<b>4.54</b>	<b>4.58</b>	<b>4.76</b>
TDF 2012	\$18,686,633	0.52	2.81	2.23	4.02	4.92	--	--
TDF 2014	\$18,726,932	0.21	5.05	3.19	--	--	--	--
TDF 2016	\$11,277,613	(0.31)	--	--	--	--	--	--
<b>Canadian Bond Fund</b>	<b>\$67,331,898</b>	<b>(0.26)</b>	<b>5.11</b>	<b>5.32</b>	<b>5.12</b>	<b>5.27</b>	<b>5.29</b>	<b>--</b>
Dex bond universe index	--	(0.27)	5.13	5.13	5.07	5.24	5.29	--
SSGA Canadian Bond Fund	\$67,331,898	(0.26)	5.11	5.32	5.12	5.27	5.29	--
<b>Long Term Bond Fund</b>	<b>\$25,905,814</b>	<b>(1.34)</b>	<b>8.08</b>	<b>8.06</b>	<b>5.77</b>	<b>5.48</b>	<b>5.69</b>	<b>--</b>
Dex LTB Overall	--	(1.35)	8.19	8.05	5.73	5.45	5.66	--
SSGA Long Term Bond Fund	\$25,905,814	(1.34)	8.08	8.06	5.77	5.48	5.69	--
Dex LTB Overall	--	(1.35)	8.19	8.05	5.73	5.45	5.66	--
<b>Diversified Bond Fund</b>	<b>\$257,101,578</b>	<b>0.15</b>	<b>6.13</b>	<b>10.26</b>	<b>5.57</b>	<b>5.38</b>	<b>5.54</b>	<b>5.69</b>
UWO Diversified Bond Policy	--	(0.19)	4.50	5.09	4.90	5.11	5.29	5.60

Source: Northern Trust

**University of Western Ontario  
Performance Summary  
Period Ending March 31, 2011**

Account / Group Name	Market Value	3 Mos RoR	Annualized					
			1 Yr RoR	2 Yr RoR	3 Yr RoR	4 Yr RoR	5 Yr RoR	10 Yr RoR
Alliance Bernstein	\$172,304,528	0.35	6.64	12.88	5.97	5.56	5.76	--
UWO AllianceBernstein	--	(0.15)	4.19	5.06	4.82	5.04	5.29	--
SSGA	\$84,797,050	(0.26)	5.12	5.33	5.11	5.26	5.28	--
<b>Money Market Fund</b>	<b>\$63,557,995</b>	<b>0.29</b>	<b>0.91</b>	<b>0.99</b>	<b>1.42</b>	<b>2.23</b>	<b>2.63</b>	<b>--</b>
SSGA MMF	\$63,557,995	0.29	0.91	0.99	1.42	2.23	2.63	--
<b>Immunized Bond Fund</b>	<b>\$6,295,963</b>	<b>(0.06)</b>	<b>4.93</b>	<b>3.77</b>	<b>4.39</b>	<b>5.01</b>	<b>--</b>	<b>--</b>
Acad. Imm. Bd. Fund	\$4,475,545	(0.05)	--	--	--	--	--	--
Immunized Bond Fund	\$1,820,418	(0.10)	5.18	3.89	4.47	5.07	--	--
<b>Balanced Funds</b>	<b>\$114,249,225</b>	<b>1.83</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
UWO BAL GROWTH FD	\$83,344,675	2.15	9.64	18.90	1.83	(0.02)	2.05	--
UWO Balanced Growth Policy	--	2.72	10.82	17.91	2.46	0.87	2.83	--
UWO INCOME FUND	\$30,904,550	1.01	7.67	13.92	4.25	3.35	4.29	--
UWO Balanced Income Policy	--	1.05	7.27	10.51	4.04	3.43	4.36	--

\* Balanced Funds are not included in the University of Western Ontario total plan market value and return

**University of Western Ontario  
Performance Summary  
Period Ending March 31, 2011**

Account / Group Name	Market Value	Annual Returns				
		31-Mar-11	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07
<b>University of Western Ontario</b>	<b>\$1,124,324,499</b>	<b>8.91</b>	<b>22.07</b>	<b>-19.79</b>	<b>-3.65</b>	<b>10.14</b>
UWO Balanced Growth Policy	–	10.82	25.46	-22.62	-3.75	11.04
Dex bond universe index	–	5.13	5.13	4.93	5.78	5.46
<b>Diversified Equity Fund</b>	<b>\$497,995,697</b>	<b>11.27</b>	<b>36.80</b>	<b>-33.90</b>	<b>-9.67</b>	<b>12.76</b>
UWO Div. Equity Fund Policy	–	13.35	34.70	-32.58	-7.67	13.17
S&P/TSX Equity Index (CAD)	–	19.52	40.73	-32.43	3.21	14.19
<b>Canadian Stocks</b>	<b>\$152,542,625</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
S&P / TSX 300 Composite	–	--	--	--	--	--
Beutel, Goodman Cap	\$50,839,091	15.62	--	--	--	--
S&P / TSX 300 Composite	–	20.41	--	--	--	--
Connor, Clark & Lunn	\$51,332,137	20.51	44.10	-30.45	2.33	10.08
S&P / TSX 300 Composite	–	20.41	42.15	-32.42	4.00	11.42
Greystone Cap.	\$50,371,397	17.55	39.10	-35.48	1.96	17.12
S&P / TSX 300 Composite	–	20.41	42.15	-32.42	4.00	11.42
<b>US Equity</b>	<b>\$114,599,704</b>	<b>16.49</b>	<b>50.53</b>	<b>-37.42</b>	<b>-14.80</b>	<b>9.65</b>
S&P 500 C\$ Hedged	–	14.59	46.94	-40.26	-6.36	10.74
UWO US Equity Policy	–	16.49	46.78	-37.73	-12.25	9.78
Pan Agora	\$12,729,067	20.77	31.69	-26.54	-36.38	5.03
Russell 2000	–	20.61	31.25	-23.36	-22.62	4.73
SSGA S&P 400 Midcap	\$13,253,870	25.49	--	--	--	--
S&P 400 Hgd CAD	–	25.71	--	--	--	--
SSGA S&P 500	\$88,616,767	14.60	43.99	--	--	--
S&P 500 C\$ Hedged	–	14.59	46.94	--	--	--
<b>Non North American</b>	<b>\$144,422,593</b>	<b>3.63</b>	<b>25.19</b>	<b>-36.56</b>	<b>-14.01</b>	<b>14.68</b>
MSCI EAFE GD	–	6.33	25.15	-34.03	-13.08	19.35
Alliance Bernstein	\$71,069,615	(0.48)	27.17	-40.18	-17.99	20.07
Fidelity EAFE	\$73,352,977	7.53	23.54	-32.38	-9.89	14.99
<b>Global Stocks</b>	<b>\$86,430,775</b>	<b>7.95</b>	<b>34.82</b>	<b>--</b>	<b>--</b>	<b>--</b>
MSCI World GD	–	9.33	23.56	--	--	--

Source: Northern Trust

**University of Western Ontario  
Performance Summary  
Period Ending March 31, 2011**

Account / Group Name	Market Value	Annual Returns				
		31-Mar-11	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07
Harris Assoc.	\$42,467,492	7.48	43.06	--	--	--
T Rowe Price	\$43,963,283	8.31	26.55	--	--	--
<b>Canadian Equity Fund</b>	<b>\$98,165,789</b>	<b>16.79</b>	<b>39.97</b>	<b>-33.81</b>	<b>1.87</b>	<b>12.84</b>
Beutel, Goodman Cap	\$32,979,273	15.46	--	--	--	--
Connor, Clark & Lunn	\$32,752,086	20.49	44.38	-30.55	2.37	10.23
Greystone Cap.	\$32,434,430	17.56	39.01	-35.47	1.93	17.14
<b>US Equity Hedged</b>	<b>\$15,987,522</b>	<b>14.53</b>	<b>49.61</b>	<b>-39.65</b>	<b>-8.84</b>	<b>10.70</b>
S&P 500 C\$ Hedged	--	14.59	46.94	-40.26	-6.36	10.74
SSGA Northwater Hedged	\$15,987,522	14.53	49.61	-39.65	-8.84	10.70
<b>US Equity Unhedged</b>	<b>\$8,428,517</b>	<b>11.02</b>	<b>20.94</b>	<b>-24.89</b>	<b>-16.41</b>	<b>10.47</b>
S&P 500	--	10.88	20.77	-24.08	-15.58	10.59
SSGA Northwater Unhedged	\$8,428,517	11.02	20.94	-24.89	-16.41	10.47
<b>EAFE Fund</b>	<b>\$16,622,482</b>	<b>4.38</b>	<b>25.52</b>	<b>-37.10</b>	<b>-13.27</b>	<b>17.86</b>
Alliance Bernstein	\$8,187,982	1.23	27.57	-40.55	-16.97	--
Pyramis/Fidelity	\$8,434,500	7.51	23.52	-32.04	-9.66	--
<b>MacKenzie SRI Global</b>	<b>\$2,772,224</b>	<b>7.70</b>	<b>29.85</b>	<b>-35.47</b>	<b>--</b>	<b>--</b>
MacKenzie	\$2,772,224	7.70	29.85	-35.47	--	--
<b>Target Date Funds</b>	<b>\$48,691,178</b>	<b>3.90</b>	<b>1.38</b>	<b>7.14</b>	<b>5.82</b>	<b>4.76</b>
TDF 2012	\$18,686,633	2.81	1.66	7.69	7.66	--
TDF 2014	\$18,726,932	5.05	1.37	--	--	--
TDF 2016	\$11,277,613	--	--	--	--	--
<b>Canadian Bond Fund</b>	<b>\$67,331,898</b>	<b>5.11</b>	<b>5.53</b>	<b>4.71</b>	<b>5.73</b>	<b>5.36</b>
Dex bond universe index	--	5.13	5.13	4.93	5.78	5.46
SSGA Canadian Bond Fund	\$67,331,898	5.11	5.53	4.71	5.73	5.36
<b>Long Term Bond Fund</b>	<b>\$25,905,814</b>	<b>8.08</b>	<b>8.05</b>	<b>1.33</b>	<b>4.61</b>	<b>6.56</b>
Dex LTB Overall	--	8.19	7.91	1.24	4.60	6.51
SSGA Long Term Bond Fund	\$25,905,814	8.08	8.05	1.33	4.61	6.56

Source: Northern Trust

**University of Western Ontario  
Performance Summary  
Period Ending March 31, 2011**

Account / Group Name	Market Value	Annual Returns				
		31-Mar-11	31-Mar-10	31-Mar-09	31-Mar-08	31-Mar-07
Dex LTB Overall	–	8.19	7.91	1.24	4.60	6.51
<b>Diversified Bond Fund</b>	<b>\$257,101,578</b>	<b>6.13</b>	<b>14.54</b>	<b>-3.20</b>	<b>4.80</b>	<b>6.18</b>
UWO Diversified Bond Policy	–	4.50	5.68	4.54	5.74	6.00
Alliance Bernstein	\$172,304,528	6.64	19.49	-6.62	4.34	6.56
UWO Alliance Bernstein	–	4.19	5.95	4.34	5.72	6.26
SSGA	\$84,797,050	5.12	5.54	4.68	5.70	5.38
<b>Money Market Fund</b>	<b>\$63,557,995</b>	<b>0.91</b>	<b>1.07</b>	<b>2.29</b>	<b>4.67</b>	<b>4.29</b>
SSGA MMF	\$63,557,995	0.91	1.07	2.29	4.67	4.29
<b>Immunized Bond Fund</b>	<b>\$6,295,963</b>	<b>4.93</b>	<b>2.62</b>	<b>5.64</b>	<b>6.90</b>	<b>--</b>
Acad. Imm. Bd. Fund	\$4,475,545	–	–	–	–	–
Immunized Bond Fund	\$1,820,418	5.18	2.62	5.64	6.90	--
<b>Balanced Funds</b>	<b>\$114,249,225</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
UWO BAL GROWTH FD	\$83,344,675	9.64	28.94	-25.31	-5.38	10.77
UWO Balanced Growth Policy	–	10.82	25.46	-22.62	-3.75	11.04
UWO INCOME FUND	\$30,904,550	7.67	20.52	-12.69	0.69	8.14
UWO Balanced Income Policy	–	7.27	13.86	-7.80	1.62	8.17

\* Balanced Funds are not included in the University of Western Ontario total plan market value and return



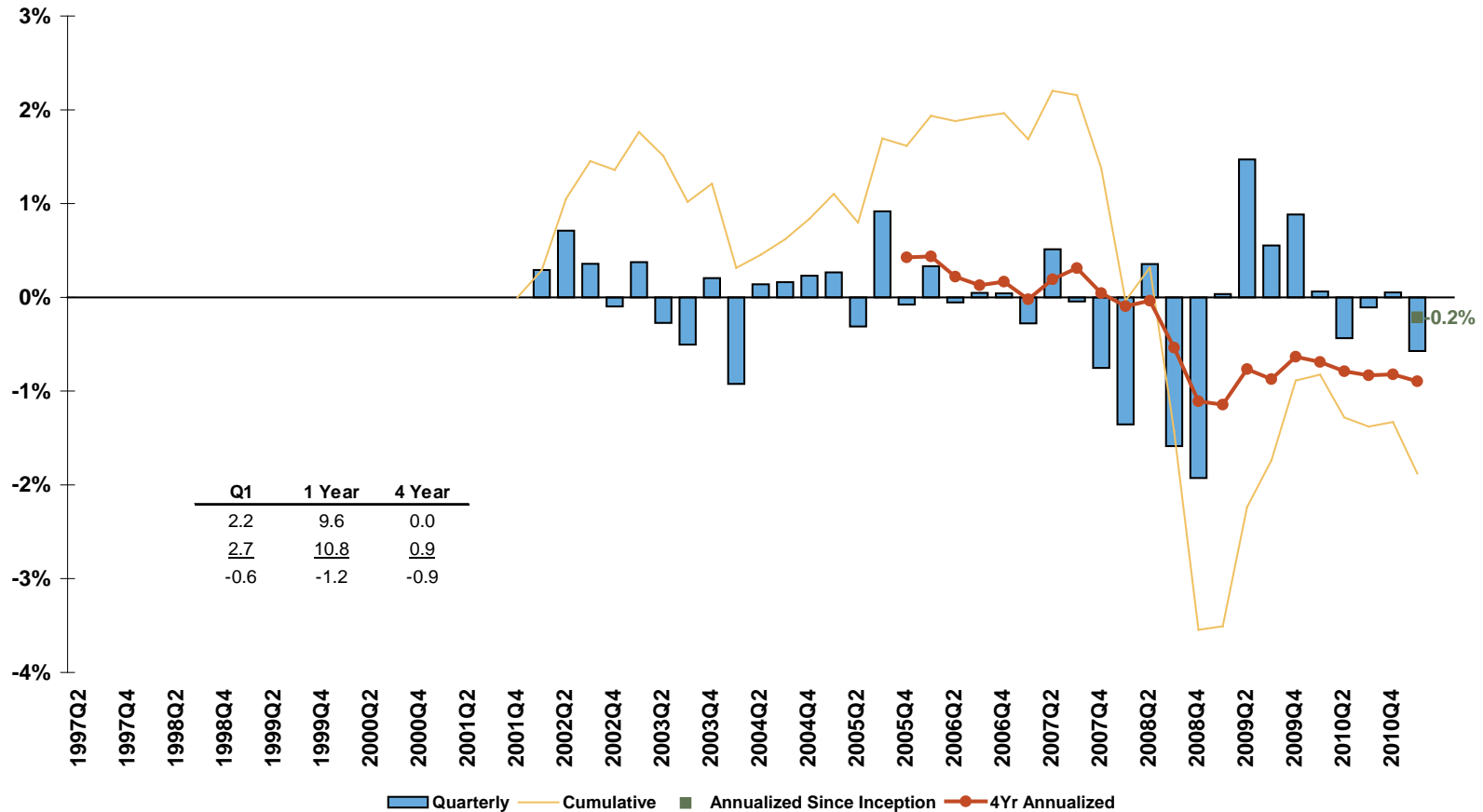
## ***2. Balanced Funds***

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# Balanced Growth Fund

Value Added Over Policy\*

Value lost over the first quarter of -57 bps (above median)



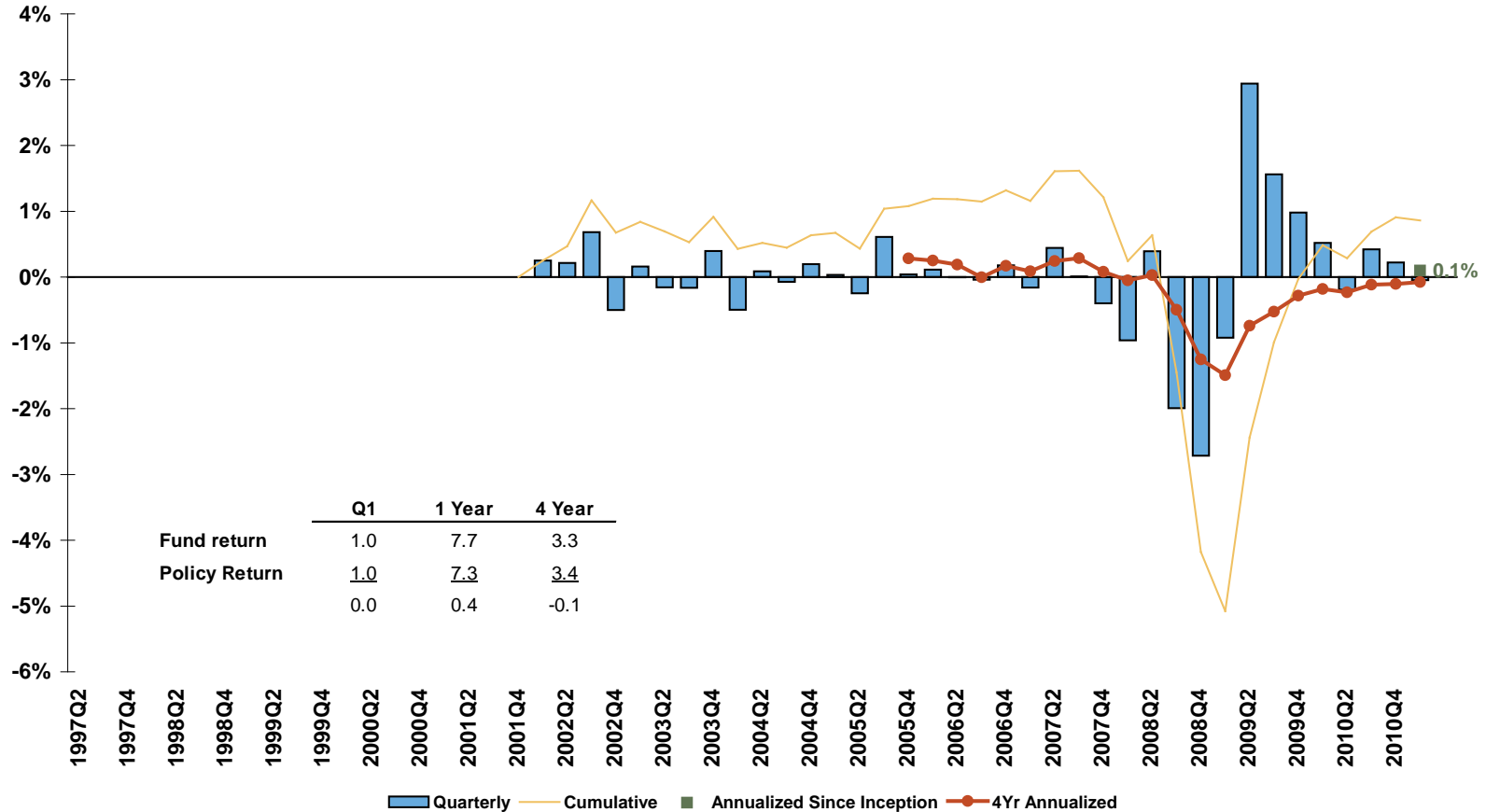
- Value lost of -118 bps versus benchmark for the year but added 0.9% over 2 years (1<sup>st</sup> quartile)
- Value lost of -0.9% for 4 years and -0.2% since inception

\* Policy: 70% Diversified Equity Fund Policy, 30% Diversified Bond Fund Policy

# Balanced Income Fund

Value Added Over Policy\*

Value added for last year of +40 bps



- Value lost of -4 bps in 1<sup>st</sup> quarter
- Underperformed by -0.1% over 4 years (1<sup>st</sup> quartile) but added +0.1% over Policy since inception

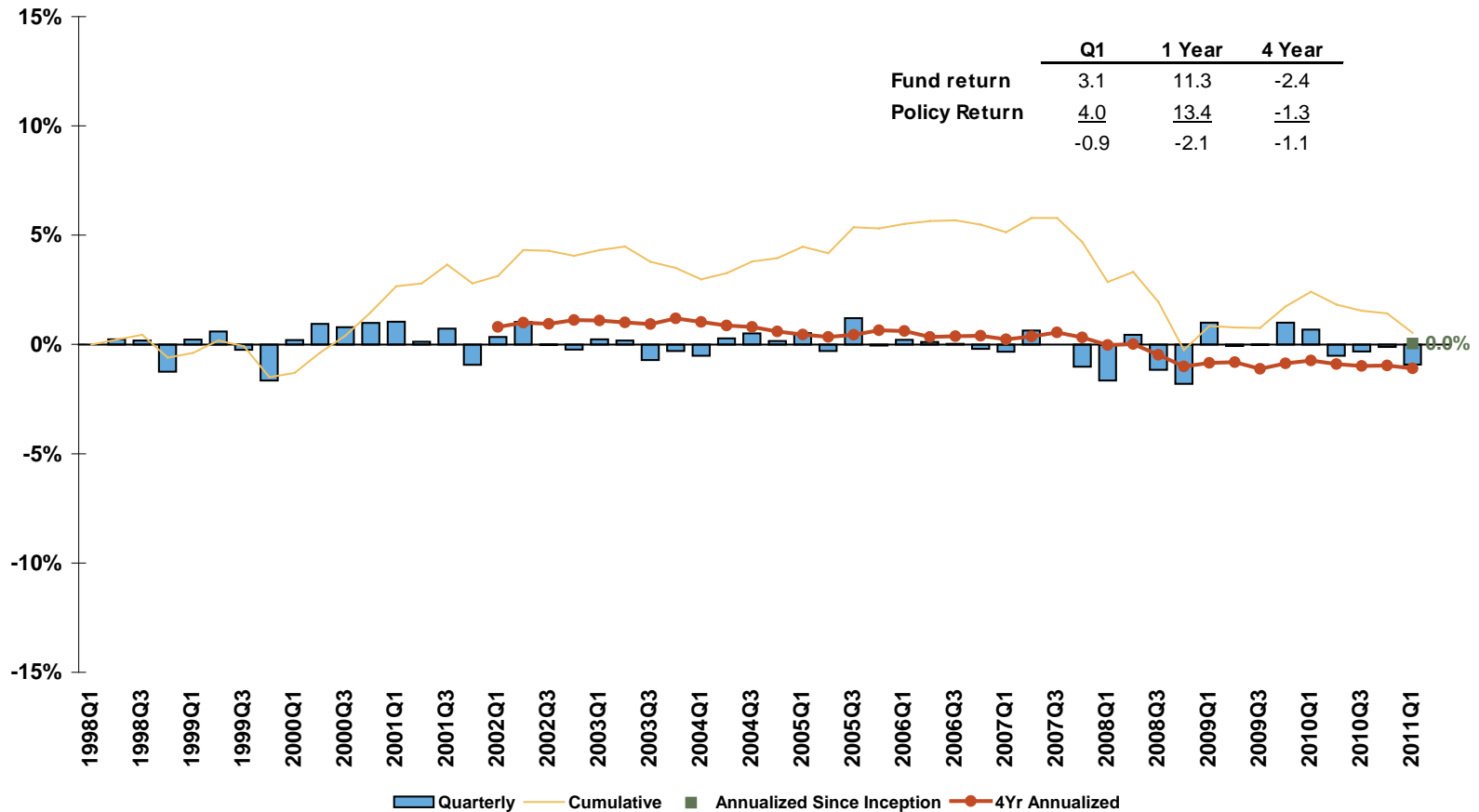
\* Policy: 30% Diversified Equity Fund Policy, 70% Diversified Bond Fund Policy

## ***3. Equity Funds***

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# Diversified Equity Fund

## Value Added Over Policy\*

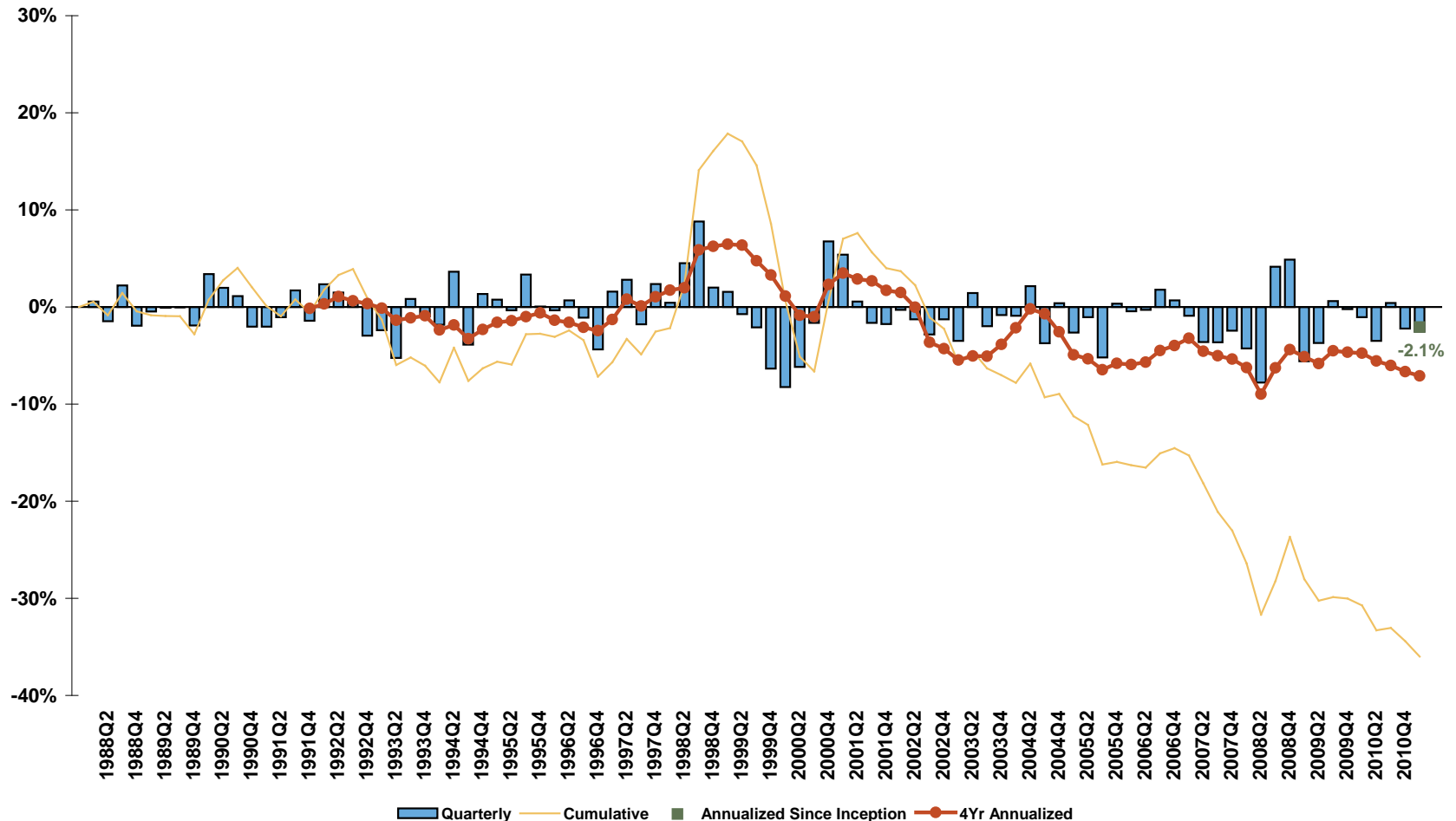


- Underperformed policy return for the year by -208 bps
- Value lost of -92 bps for Q1 and -1.1% over 4 years

\* Policy as of Q4 2008 is 30% S&P/TSX Composite, 17.5% S&P 500 Hedged, 2.5% S&P 400 Hedged, 2.5% Russell 2000, 30% MSCI EAFE and 17.5% MSCI World. Previously 30% S&P/TSX Composite, 32% S&P 500 (50% hedged), 4% S&P 400 (hedged), 4% Russell 2000, 30% EAFE

# Diversified Equity Fund

## Value Added Over S&P/TSX Composite

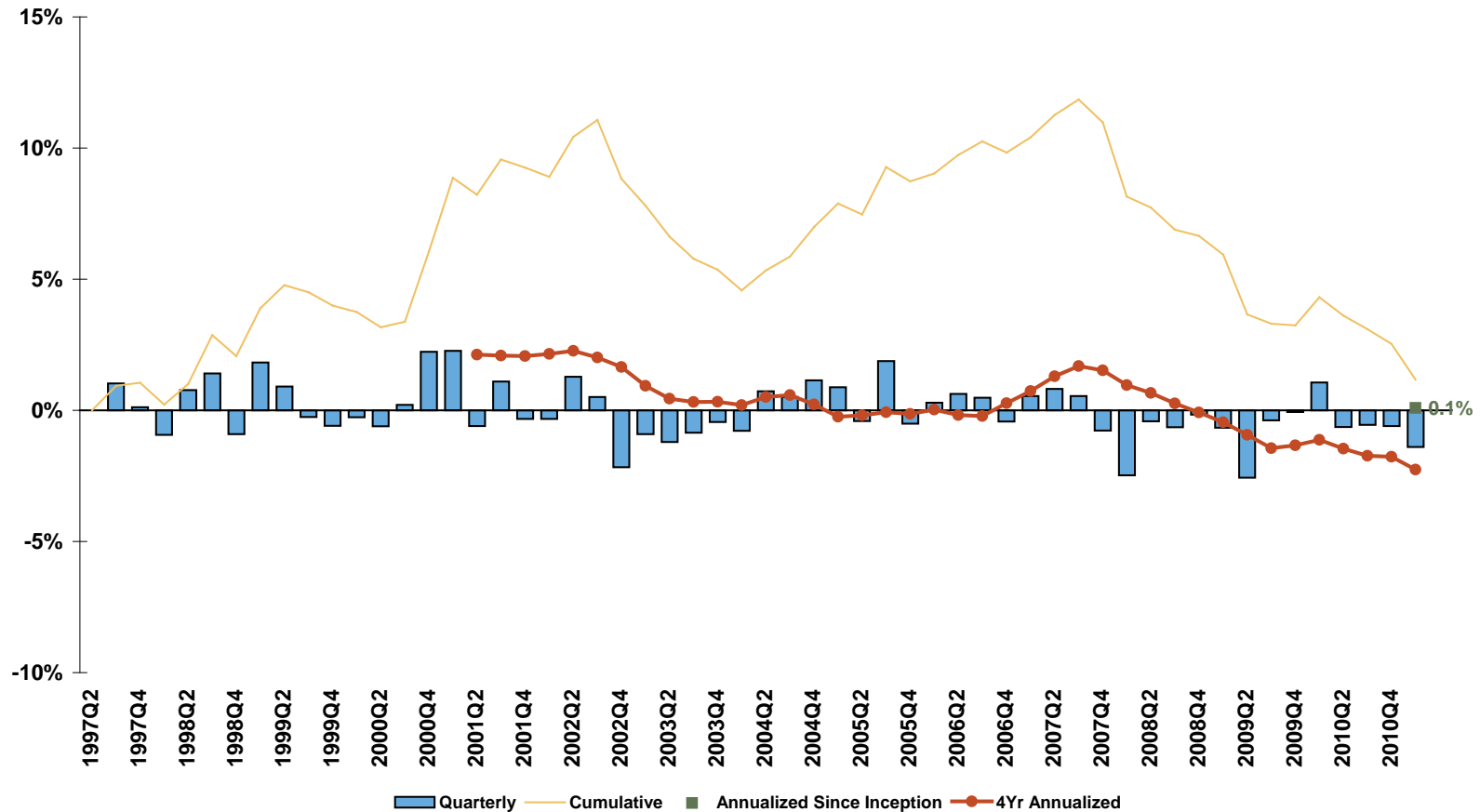


- Chart is for reference; TSX is not a performance benchmark
- Value detracted of -255 bps in Q1, lost -9.1% over the last year

# Canadian Equity Fund

Value Added Over S&P/TSX Composite

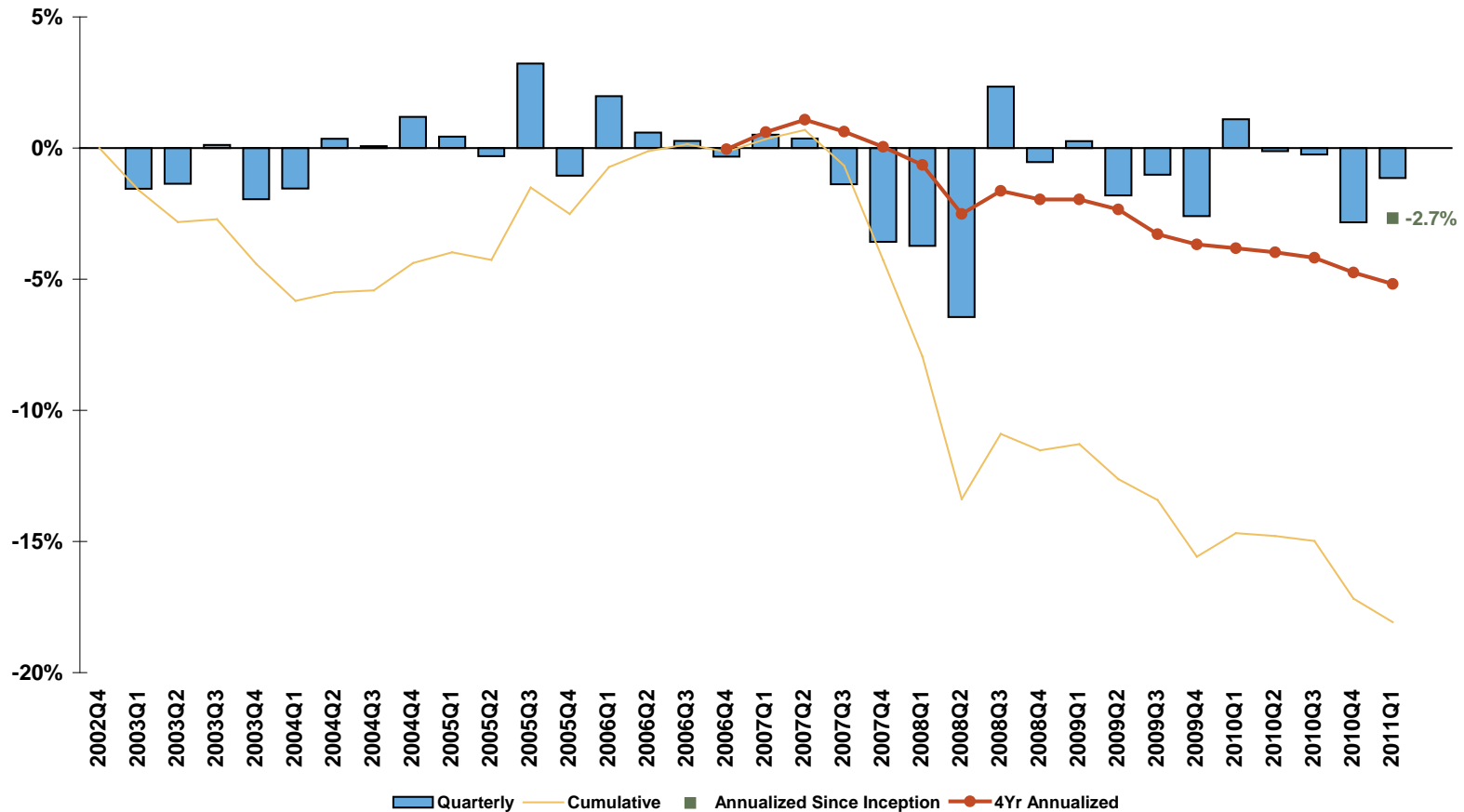
Over 4 years below benchmark (-2.3% value lost)



- Combined Canadian equity managers underperformed S&P/TSX Composite by -140 bps in 1st quarter and by -362 bps for the year (3<sup>rd</sup> quartile)

# Canadian Stocks–Beutel, Goodman/AllianceBernstein\*

## Value Added Over S&P/TSX Composite



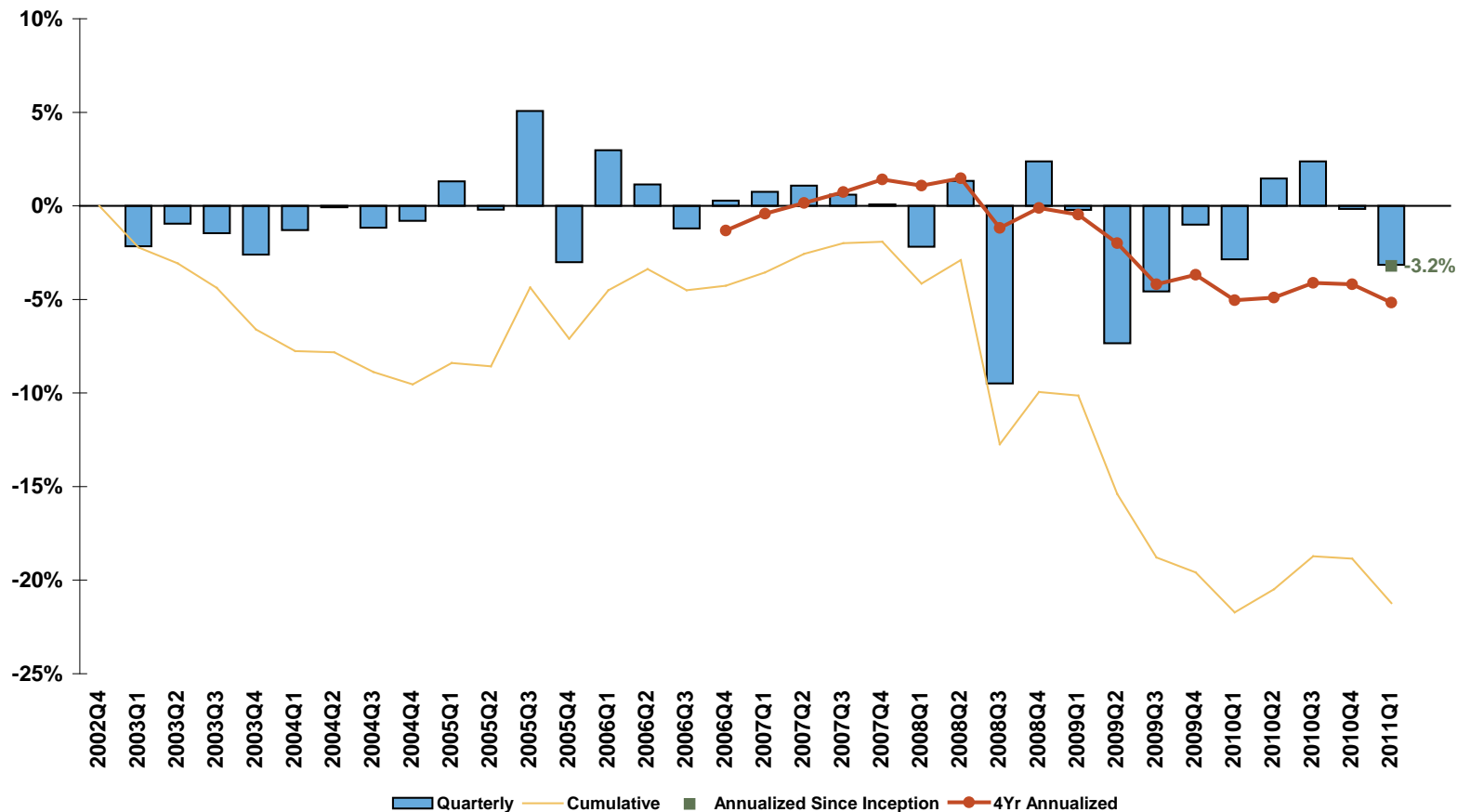
- Underperformed by -115 bps in Q1 and trailed by -479 bps for the year (4<sup>th</sup> Quartile)
- Russell rank: Retain

\*Beutel, Goodman return for September 2009 linked to AllianceBernstein back history



# Canadian Stocks—Beutel, Goodman/AllianceBernstein\*

Value Added Over MSCI Canada Value Index



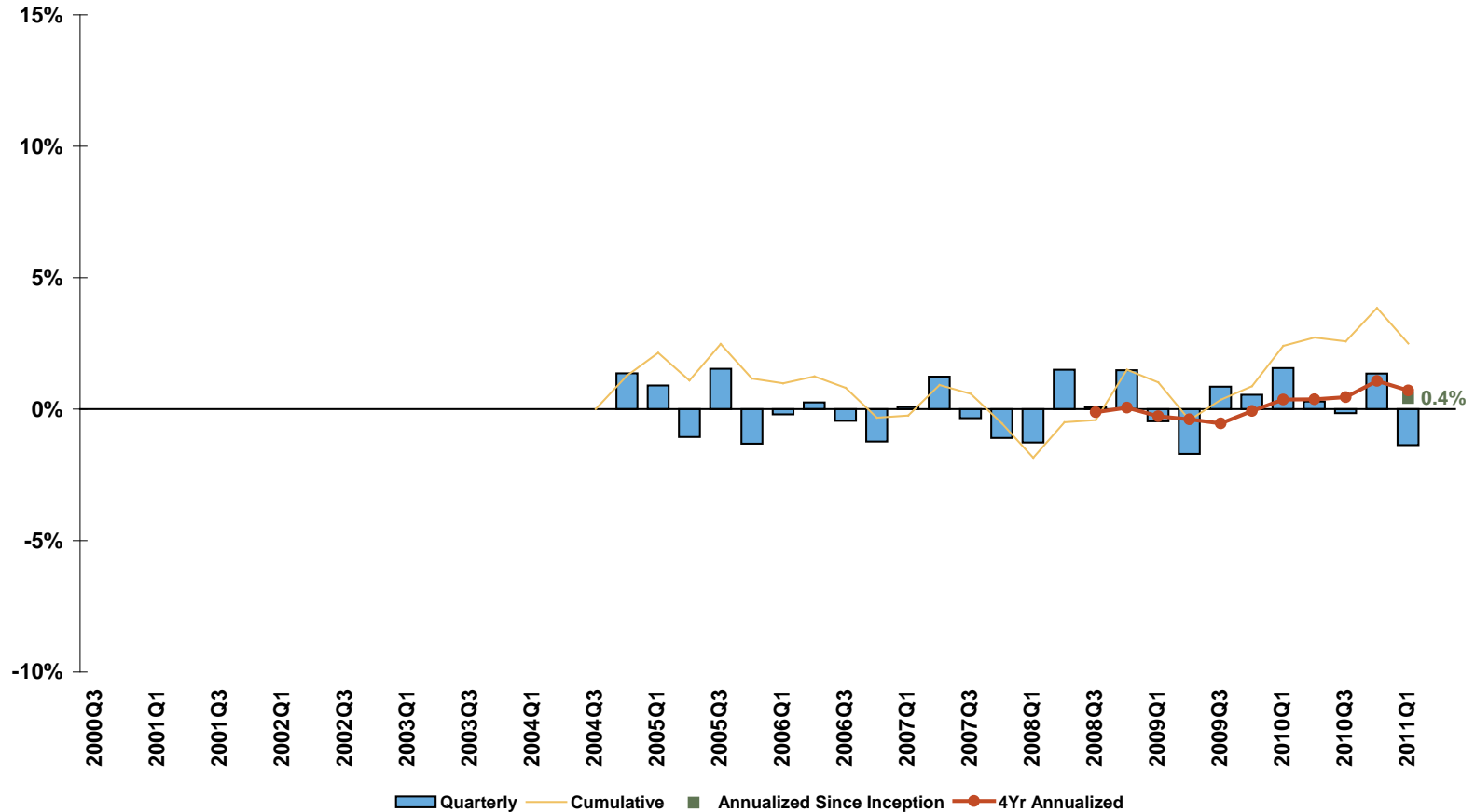
- Underperformed by -315 bps in the quarter but outperformed by +73 bps for the year

\*Beutel, Goodman return for September 2009 linked to AllianceBernstein backhistory

# Canadian Stocks – Connor, Clark & Lunn

Value Added Over S&P/TSX Composite

Above benchmark by +0.7% over 4 years (2<sup>nd</sup> Quartile)

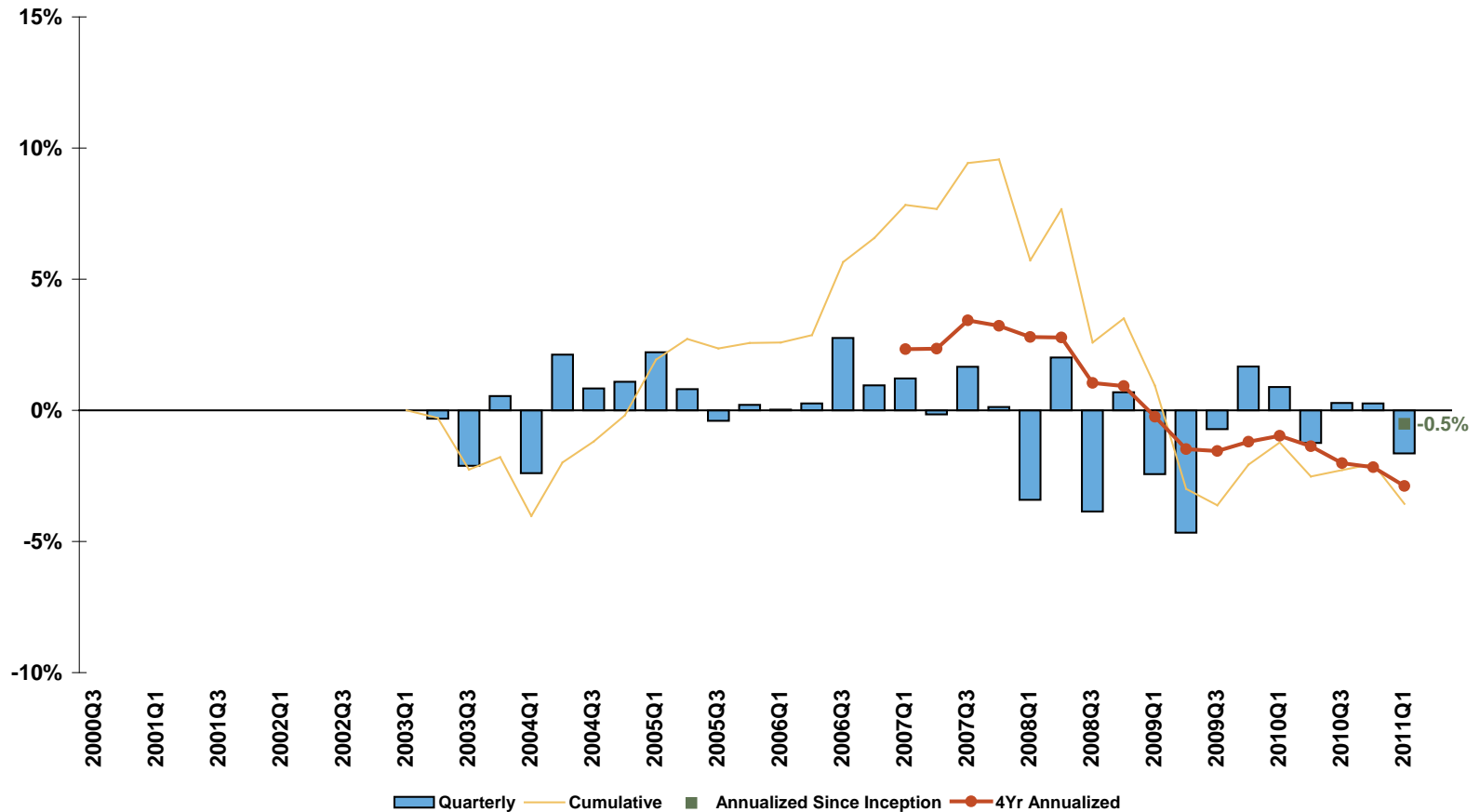


- Underperformed by -138 bps in 1<sup>st</sup> quarter but added value of +10 bps for the year (2<sup>nd</sup> quartile)
- Russell Rank: Hire

# Canadian Stocks – Greystone

Value Added Over S&P/TSX Composite

Value lost since inception (-0.5%)

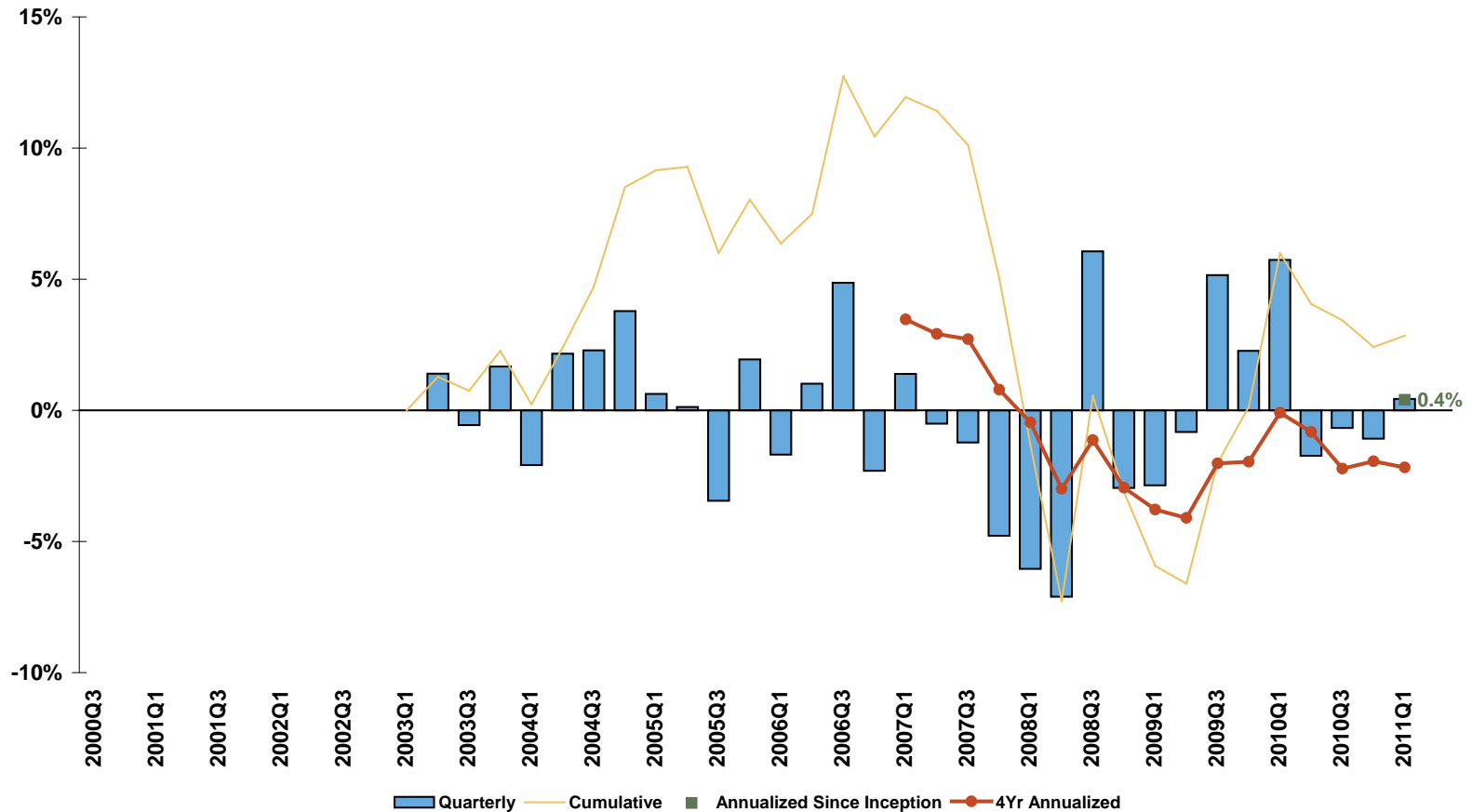


- Value lost of -164 bps in 1<sup>st</sup> quarter and by -286 bps for the year
- Value lost of -2.9% over 4 years
- Russell rank: Retain

# Canadian Stocks – Greystone

Value Added Over MSCI Canada Growth Index

Below style index over 4 years (-2.2%)



- Outperformed by +44 bps in 1<sup>st</sup> quarter
- Value lost of -3.6% for the year

# Canadian Stock Profile

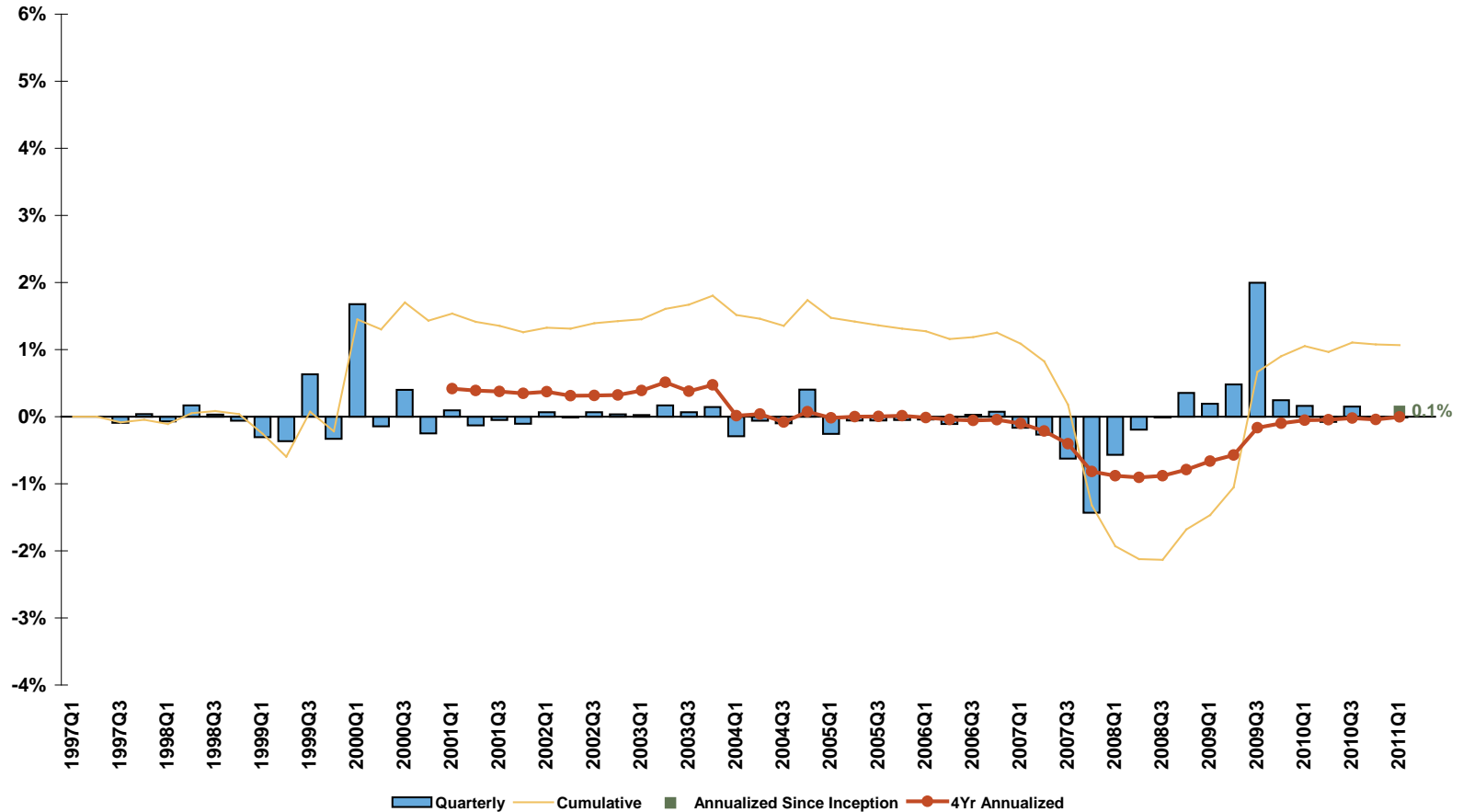
at March 31, 2011

	Beutel, Goodman	CC&L	Greystone	Composite	S&P/TSX Comp.
<b>Portfolio Allocations</b>					
Portfolio Size (\$M)	83.8	84.1	82.8	250.7	1.6 T
% of structure	33.4%	33.6%	33.0%	100.0%	---
Cash	1.6%	5.6%	1.8%	3.0%	0.0%
<b>Style</b>					
	RELATIVELY STYLE NEUTRAL				
Price/Book	2.1 x	2.3 x	2.2 x	2.2 x	2.2 x
Price/Earnings (Exc. Neg. Earnings)	16.1 x	16.8 x	17.7 x	16.8 x	17.6 x
Dividend Yield	2.8%	2.1%	1.6%	2.2%	2.3%
Price/Cash Flow	8.7 x	9.8 x	10.7 x	9.7 x	10.2 x
<b>Company Size</b>					
	CAP NEUTRAL				
Large Cap (Over \$16.0B)	66.1%	55.6%	51.5%	57.8%	58.1%
Medium Cap (\$4.1B -- \$16.0B)	24.2%	22.6%	37.3%	28.0%	25.8%
Small Cap (Under \$ 4.1B)	9.7%	21.3%	9.2%	13.4%	16.1%
Market Cap Average Nlog (\$Bil)	19.2	14.0	18.6	17.1	17.1
<b>Sector Weights</b> (Red = 3% or more below index, Green = 3% or more above index)					
	MODERATE SECTOR BETS				
Information Technology	0.0	3.7	6.1	3.2	2.3
Health Care	0.0	1.8	2.8	1.5	1.2
Consumer Discretionary	10.4	2.8	7.6	7.0	4.1
Consumer Staples	9.0	2.2	2.7	4.7	2.4
Energy	21.5	25.4	21.5	22.8	27.4
Materials	4.1	24.4	24.0	17.4	22.9
Industrials	7.2	6.5	5.6	6.4	5.6
Financial	38.8	24.5	26.1	29.9	28.6
Telecommunication Services	9.0	7.0	1.6	5.9	3.9
Utilities	0.0	1.6	0.0	0.5	1.6
Sector Deviation	25	6	9	9	---
<b>Concentration</b>					
% in Ten Largest Holdings	52.2	37.1	44.2	34.7	33.7
Number of Holdings	34	202	46	218	250

# Total U.S. Equity

Value Added over US Equity Benchmark\*

Matched benchmark over 4 years



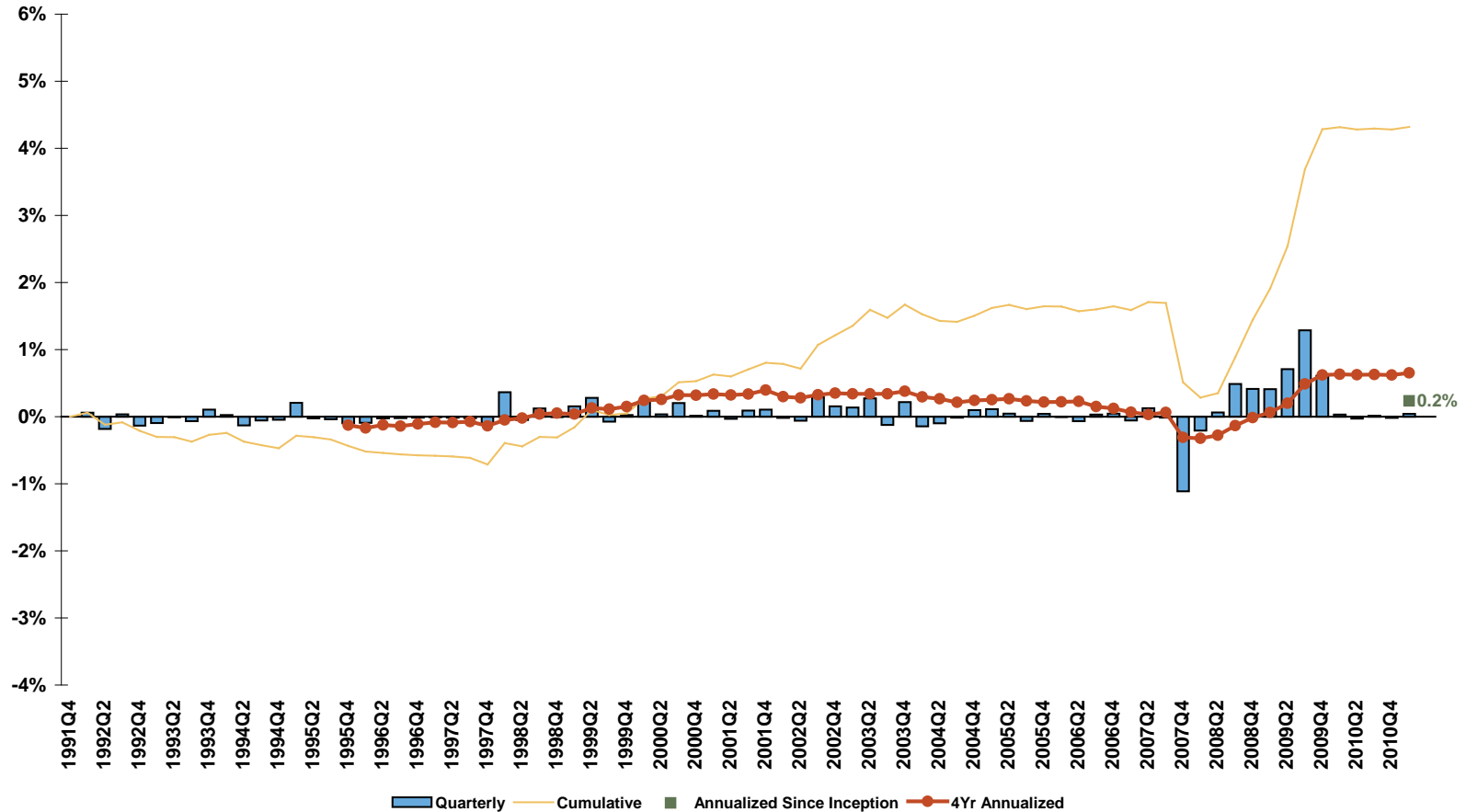
- Matched benchmark in 1<sup>st</sup> quarter and over the year
- Currency hedging has been beneficial over the long term

\*Benchmark returns from BNY Mellon, inception date of benchmark is 6/30/1997

# U.S. Equity Hedged – SSgA/Northwater S&P 500\*

Value Added vs. S&P 500 C\$ Hdg/US Large Cap Synthetic C\$ Hedged Index\*\*

Value Added of +0.2% since inception



- Matched benchmark in 1<sup>st</sup> quarter and for the year

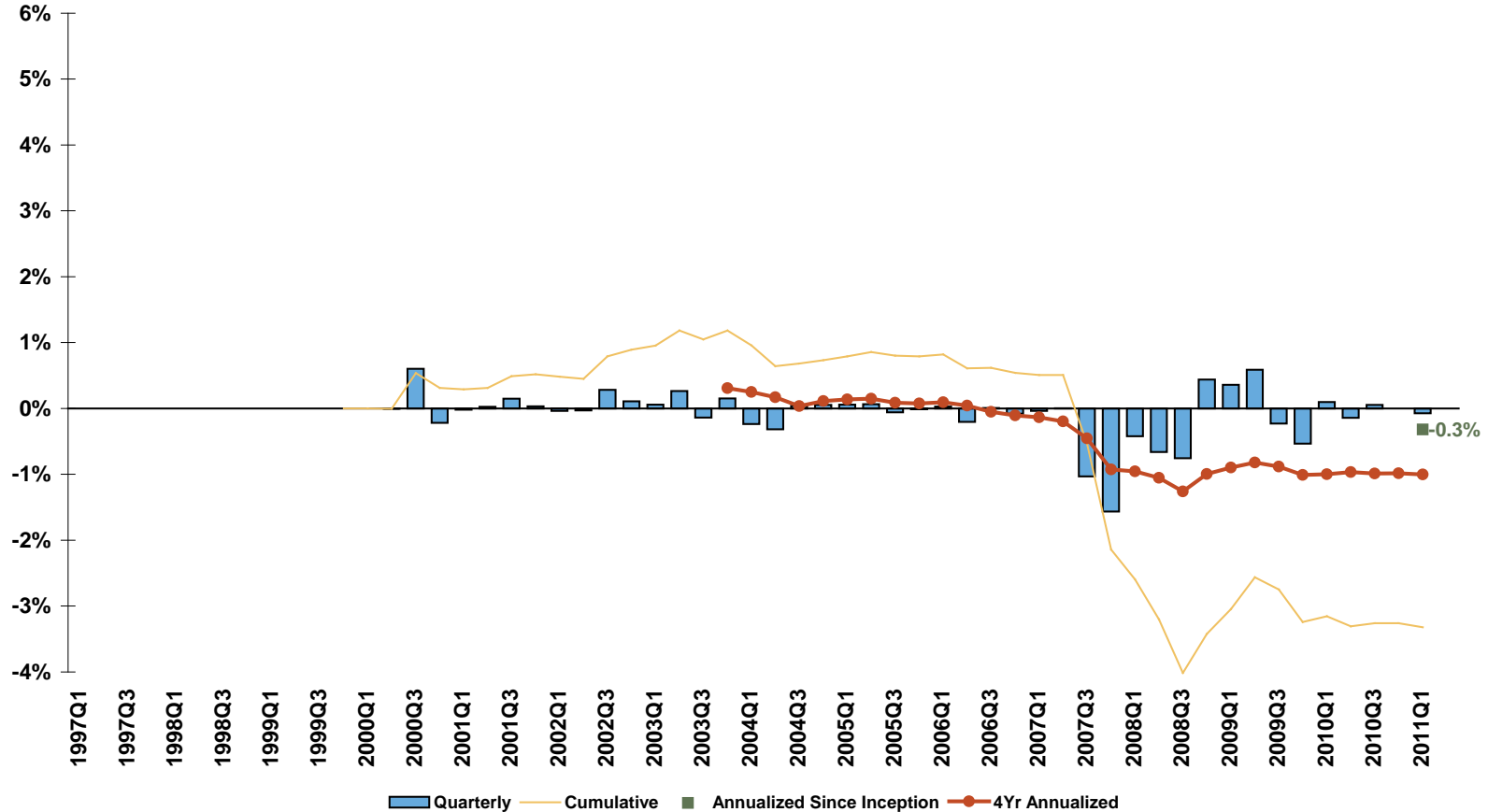
\*History prior to May 2009 represents Northwater

\*\*Custom index calculated by BNY Mellon

# U.S. Mid-Cap Equity Hedged – SSgA/Northwater\*

Value Added vs. Custom S&P 400 C\$ Hedged Index\*\*

Value lost of -0.3% since inception



- Just below benchmark in the quarter and for the year
- Loss in Q4 2007 due to write-down on ABS CP

\*SSgA S&P 400 Midcap Hedged B for September 2009. Prior to September, represents Northwater Diversified Equity Midcap. History prior to 3/31/2009 from BNY Mellon.

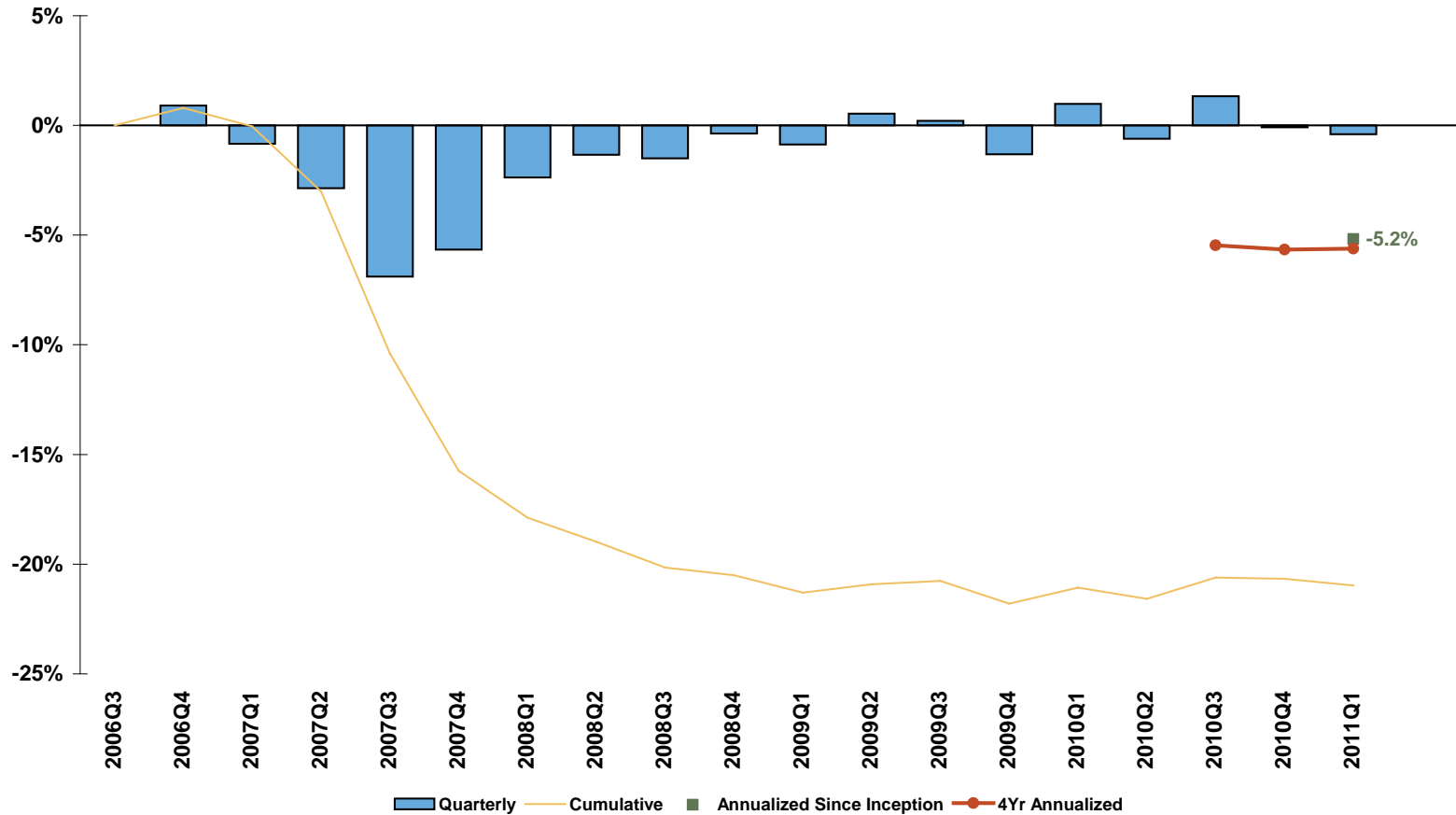
\*\*Currently represents S&P 400 C\$ Hedged since 4Q 2008 and US MidCap Syn C\$ Hdg previously. Data from BNY Mellon.



# U.S. SC Equity Unhedged – PanAgora

Value Added vs. Russell 2000

Value lost of -5.2% since inception



- Value lost of -40 bps in 1<sup>st</sup> quarter but outperformed by +16 bps for the year
- Transition in October 2006 from Northwater
- Russell rank: Review

# US Stock Profile

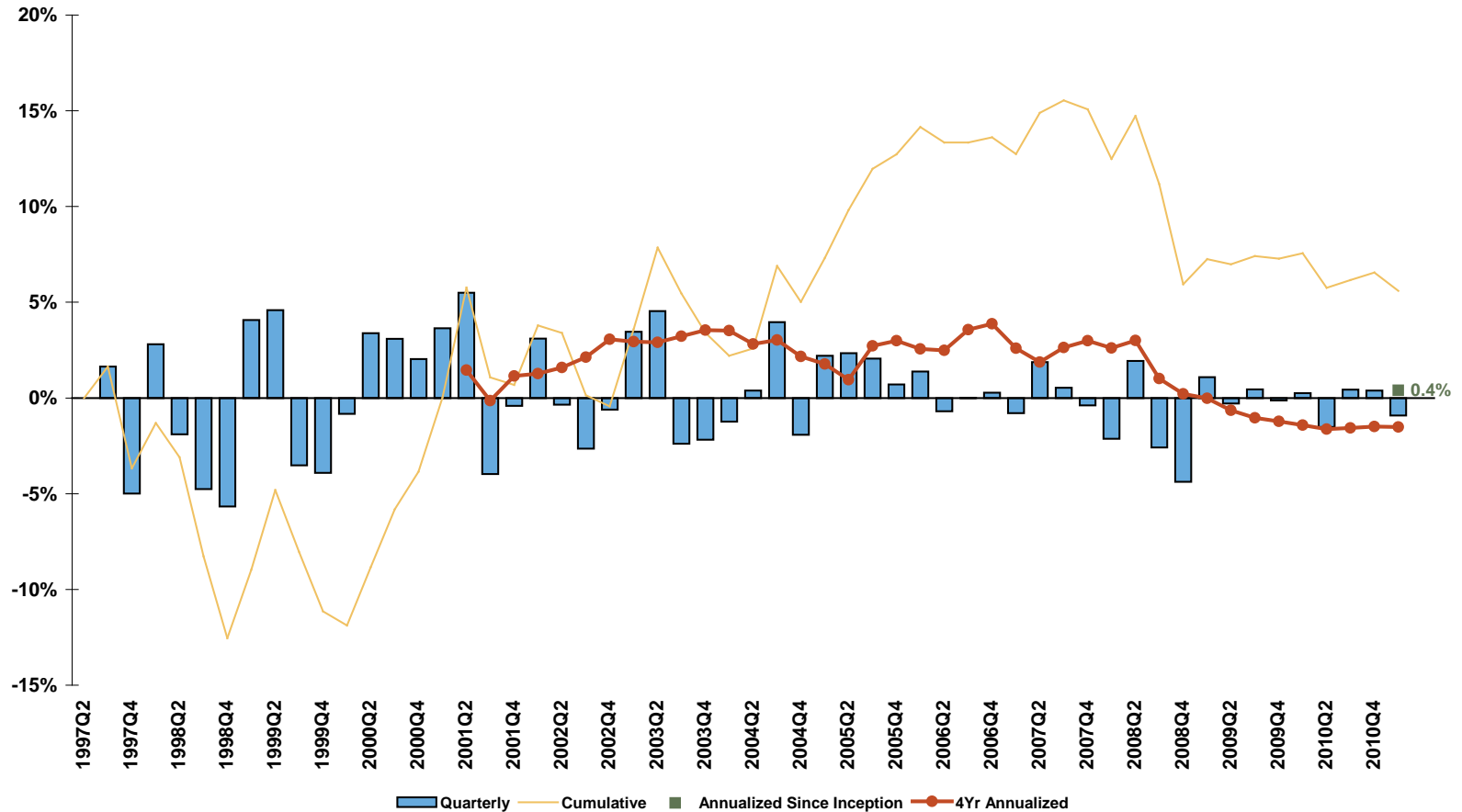
## at March 31, 2011

	PanAgora	Russell 2000
<b>Portfolio Allocations</b>		
Portfolio Size (\$M)	12.7 M	1.2 T
Cash	0.4%	0.0%
<b>Style</b>		
		<b>SLIGHT VALUE TILT</b>
Price/Book	2.1 x	2.1 x
Price/Earnings (Exc. Neg. Earnings)	17.9 x	20.5 x
Dividend Yield	1.1%	1.1%
Price/Cash Flow	11.6 x	15.3 x
<b>Company Size</b>		
		<b>SMALL CAP</b>
Large Cap (Over \$50.8B)	0.0%	0.0%
Medium Cap (\$5.5 B -- \$50.8B)	0.4%	0.0%
Small Cap (Under \$5.5 B)	99.6%	100.0%
Market Cap Average Nlog (\$Bil)	0.9	1.1
<b>Sector Weights (Red = 3% or more below index, Green = 3% or more above index)</b>		
		<b>MODEST SECTOR BETS</b>
Information Technology	22.5	19.3
Health Care	12.4	12.5
Consumer Discretionary	13.1	13.0
Consumer Staples	2.6	2.9
Energy	6.7	7.1
Materials	6.8	5.8
Industrials	15.8	15.7
Financial	19.0	20.0
Telecommunication Services	0.3	0.8
Utilities	0.8	3.0
Sector Deviation	4	---
<b>Concentration</b>		
% in Ten Largest Holdings	10.7	3.2
Number of Holdings	305	1948

# Non-North American Equity (EAFE) Fund

Value Added over MSCI EAFE Index

Long term value added, but -1.5% value lost over 4 years

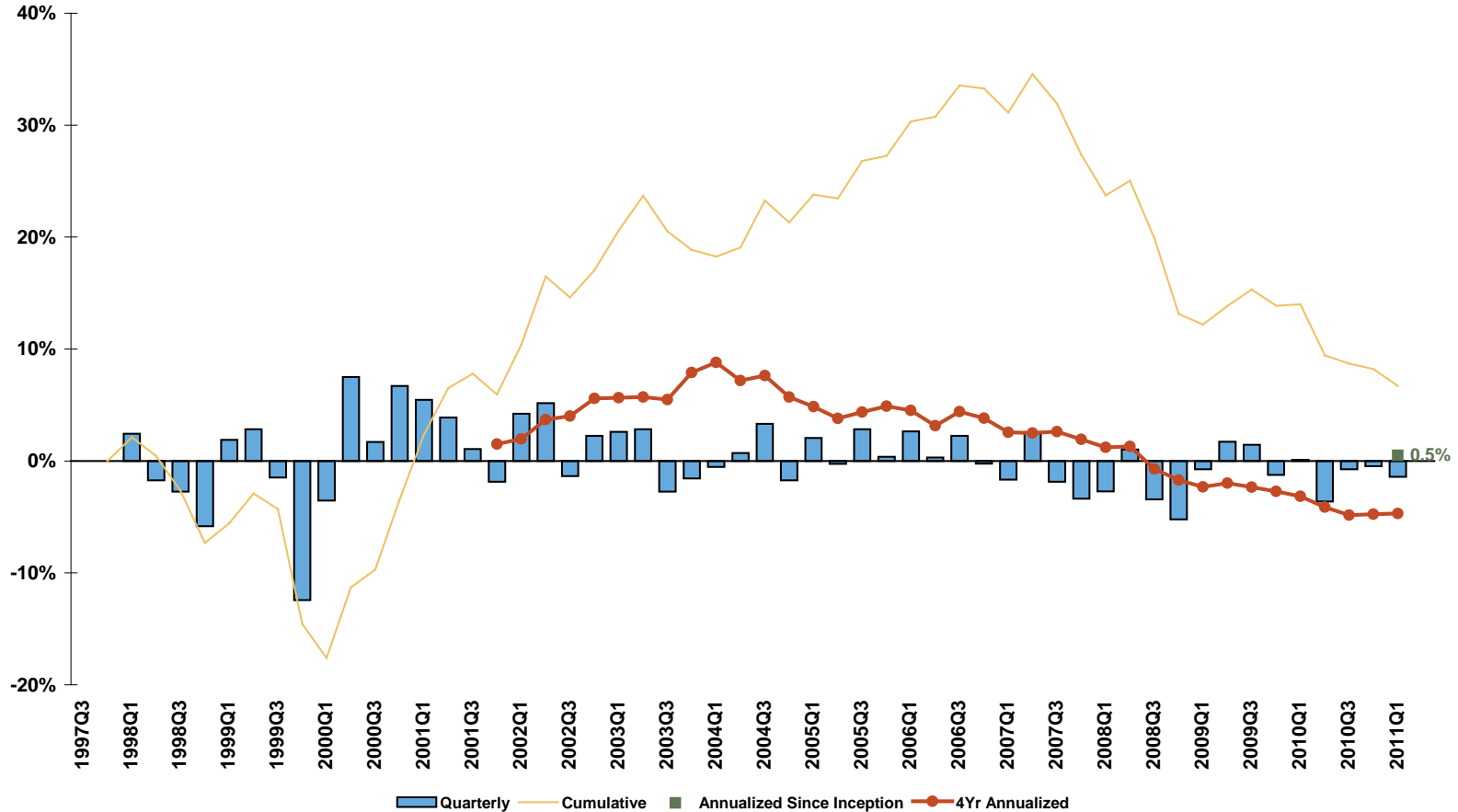


- Underperformed MSCI EAFE in 1<sup>st</sup> quarter by -91 bps and by -195 bps for the year

# NNA Stocks - Alliance Bernstein

Value Added Over MSCI EAFE

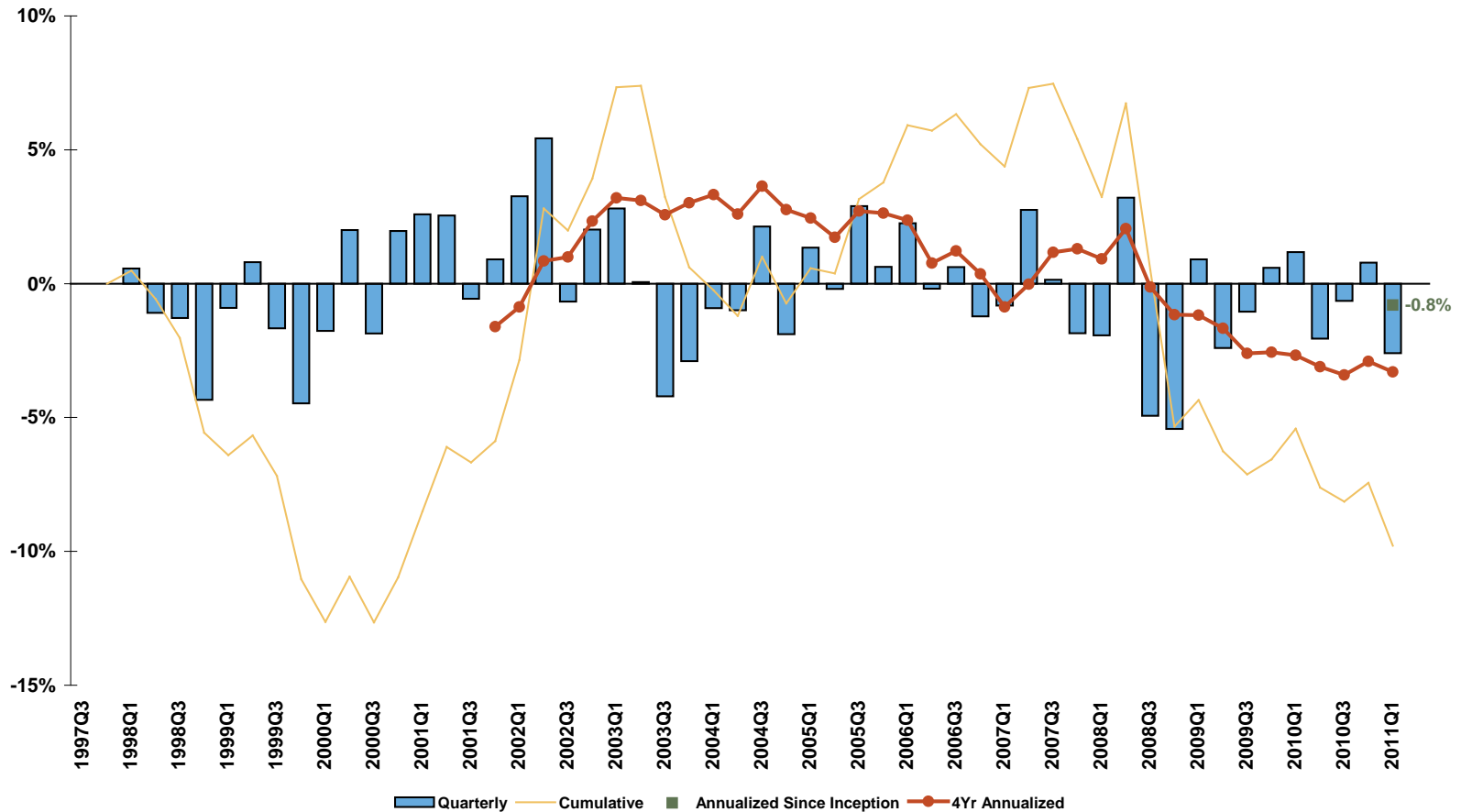
Long term value added since inception (+0.5%)



- Underperformed by -142 bps in 1<sup>st</sup> quarter and by -681 bps over the year
- Underperformed by -4.7% over last 4 years
- Russell rank: Review

# NNA Stocks - Alliance Bernstein

## Value Added Over MSCI EAFE Value Index

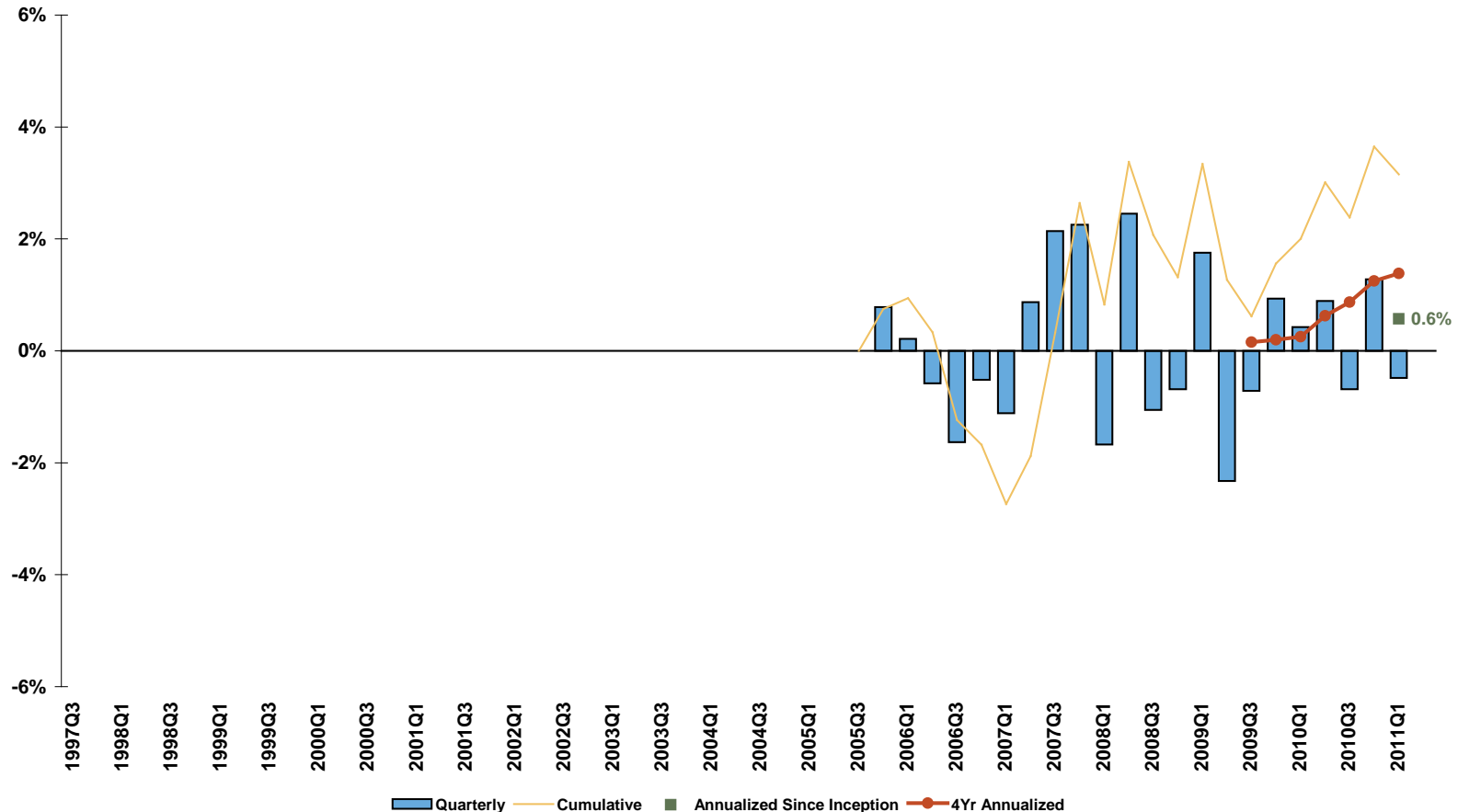


- Underperformed by -259 bps in the 1<sup>st</sup> quarter and by -482 bps over the year
- Below value index over last 4 years (-3.3%)

# NNA Stocks – Pyramis / Fidelity

Value Added Over MSCI EAFE Index

Above benchmark since inception by +0.6%

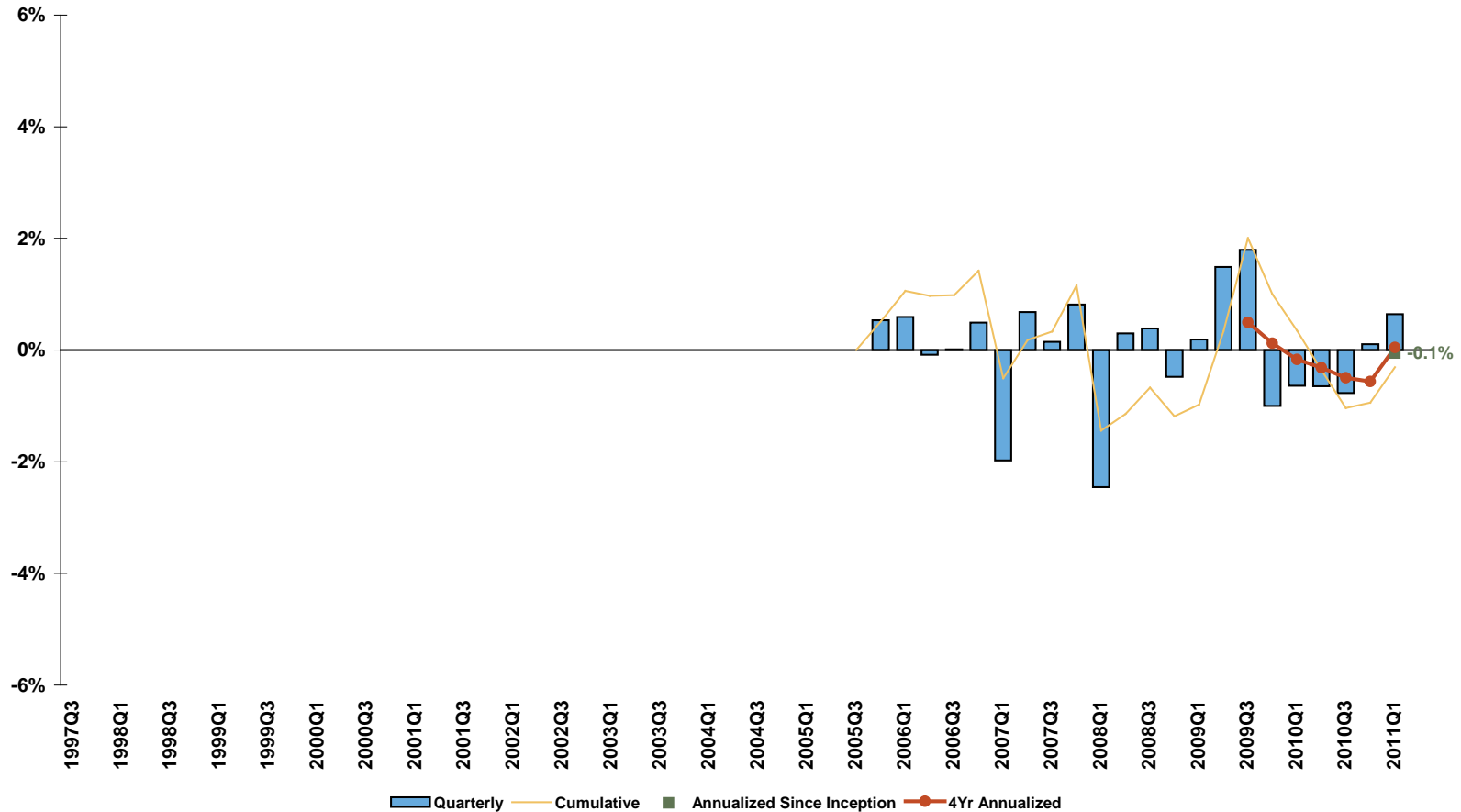


- Value lost of -48 bps in 1<sup>st</sup> quarter but value added of +120 bps for the year
- Exceeded benchmark by +1.4% over 4 years
- Russell rank: Review

# NNA Stocks – Pyramis / Fidelity

## Value Added Over MSCI EAFE Growth Index

### About Benchmark since Inception



- Outperformed by +64 bps in the 1<sup>st</sup> quarter but underperformed by -70 bps over the year

# EAFE Stock Profile

at March 31, 2011

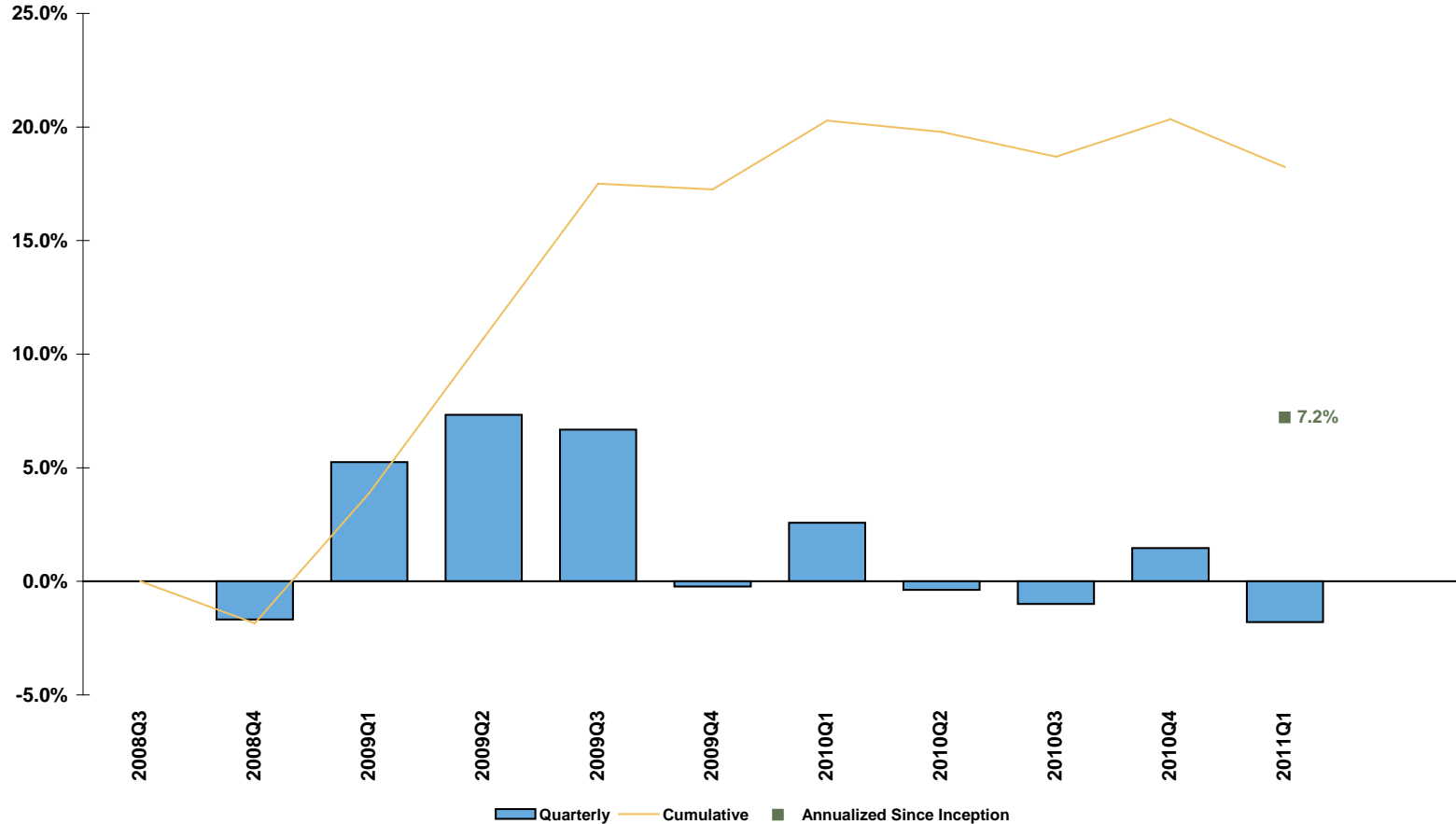
	AllianceBernstein (EAFE Fund)	Fidelity	EAFE Composite	MSCI EAFE
<b>Portfolio Allocations</b>				
Portfolio Size (\$M)	79.3	81.8	161.1	11.1 T
% of structure	49.2%	50.8%	100.0%	---
Cash	1.8%	1.5%	1.7%	0.0%
<b>Style</b>				
<b>SLIGHT VALUE TILT</b>				
Price/Book	1.1 x	1.7 x	1.3 x	1.5 x
Price/Earnings (Exc. Neg. Earnings)	10.7 x	14.2 x	12.2 x	13.0 x
Dividend Yield	3.2%	2.5%	2.8%	3.2%
Price/Cash Flow	5.0 x	7.5 x	6.0 x	6.9 x
<b>Cap Size</b>				
<b>CAP NEUTRAL</b>				
Large Cap (Over \$22.0B)	58.5%	60.7%	59.6%	62.2%
Medium Cap (\$3.3B -- \$22.0B)	36.1%	34.1%	35.0%	34.7%
Small Cap (Under \$3.3 B)	4.6%	4.4%	4.5%	2.8%
Market Cap Average Nlog (\$Bil)	28.2	30.4	29.3	31.5
<b>Sector Weights (Red = 3% or more below index, Green = 3% or more above index)</b>				
<b>MODEST SECTOR BETS</b>				
Information Technology	5.3	4.5	4.9	4.8
Health Care	7.1	7.9	7.5	8.0
Consumer Discretionary	14.0	13.2	13.6	10.2
Consumer Staples	6.0	10.0	8.0	9.7
Energy	8.7	8.9	8.8	8.5
Materials	10.4	11.7	11.0	11.3
Industrials	11.1	14.2	12.7	13.1
Financial	25.4	23.7	24.6	24.0
Telecommunication Services	8.2	3.9	6.0	5.7
Utilities	3.9	2.0	2.9	4.8
Sector Deviation	7	5	4	---
<b>Country Allocation</b>				
<b>MODEST COUNTRY BETS</b>				
United Kingdom	21.2	25.6	23.5	21.3
Total Europe Ex United Kingdom	38.4	38.7	38.6	45.0
Japan	26.7	20.4	23.5	20.3
Pacific Basin Ex Japan	11.8	13.9	12.9	13.4
% in Emerging Market Countries	6.7	1.2	3.9	0.0
Country Deviation (Equity MV)	10.4	6.6	6.4	---
% in Non Index Countries	6.4	2.0	4.1	---
<b>Concentration</b>				
% in Ten Largest Holdings	22.6	16.8	16.2	12.5
Number of Holdings	120	204	290	966



# Global Stocks – Harris

Value Added Over MSCI World Index

Significant value added of +7.2% since inception

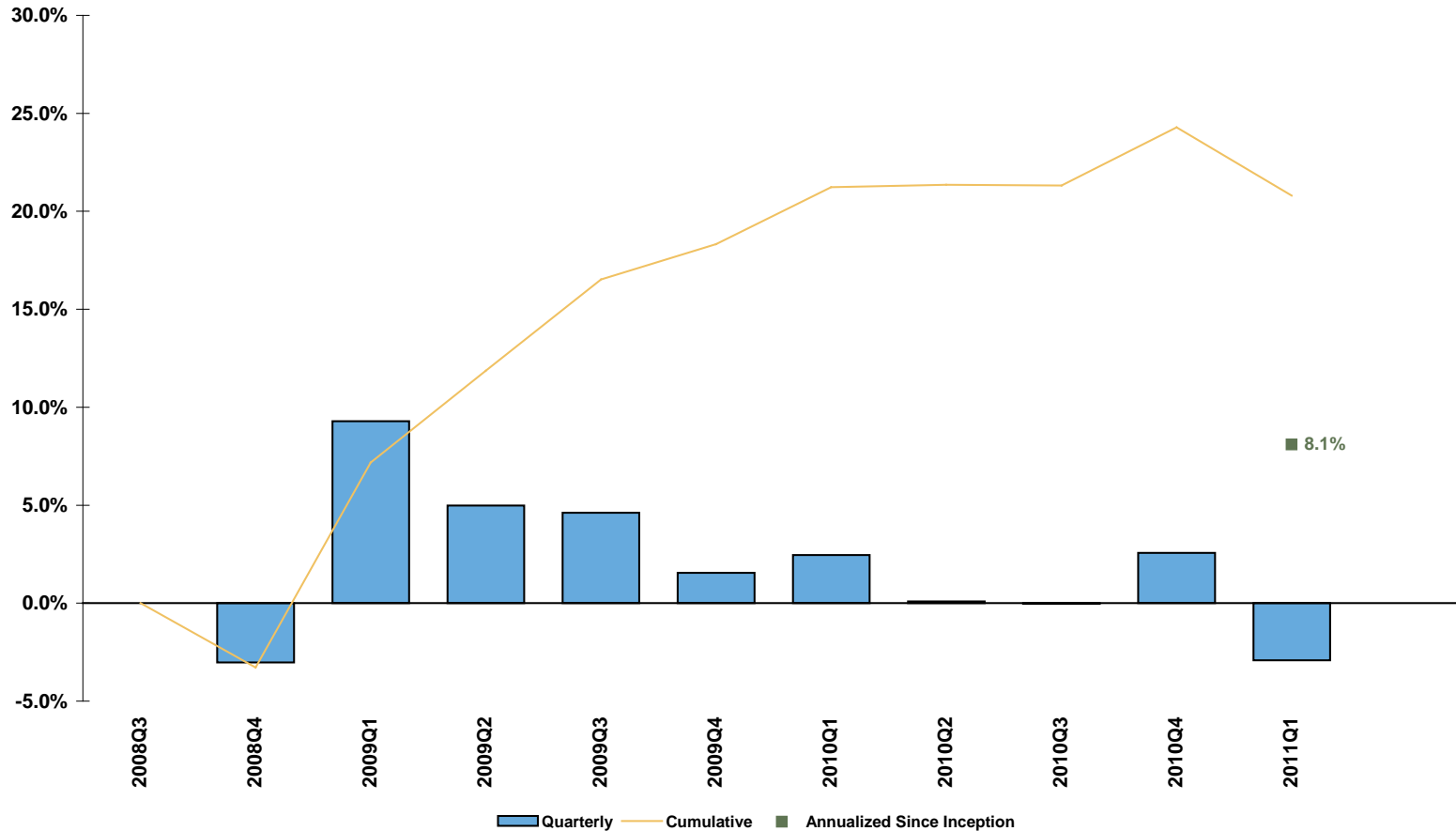


- Value lost of -180 bps in 1<sup>st</sup> quarter and of -185 bps for the year
- Russell Rank: Hire

# Global Stocks – Harris

Value Added Over MSCI World Value Index

Significant value added of 8.1% since inception

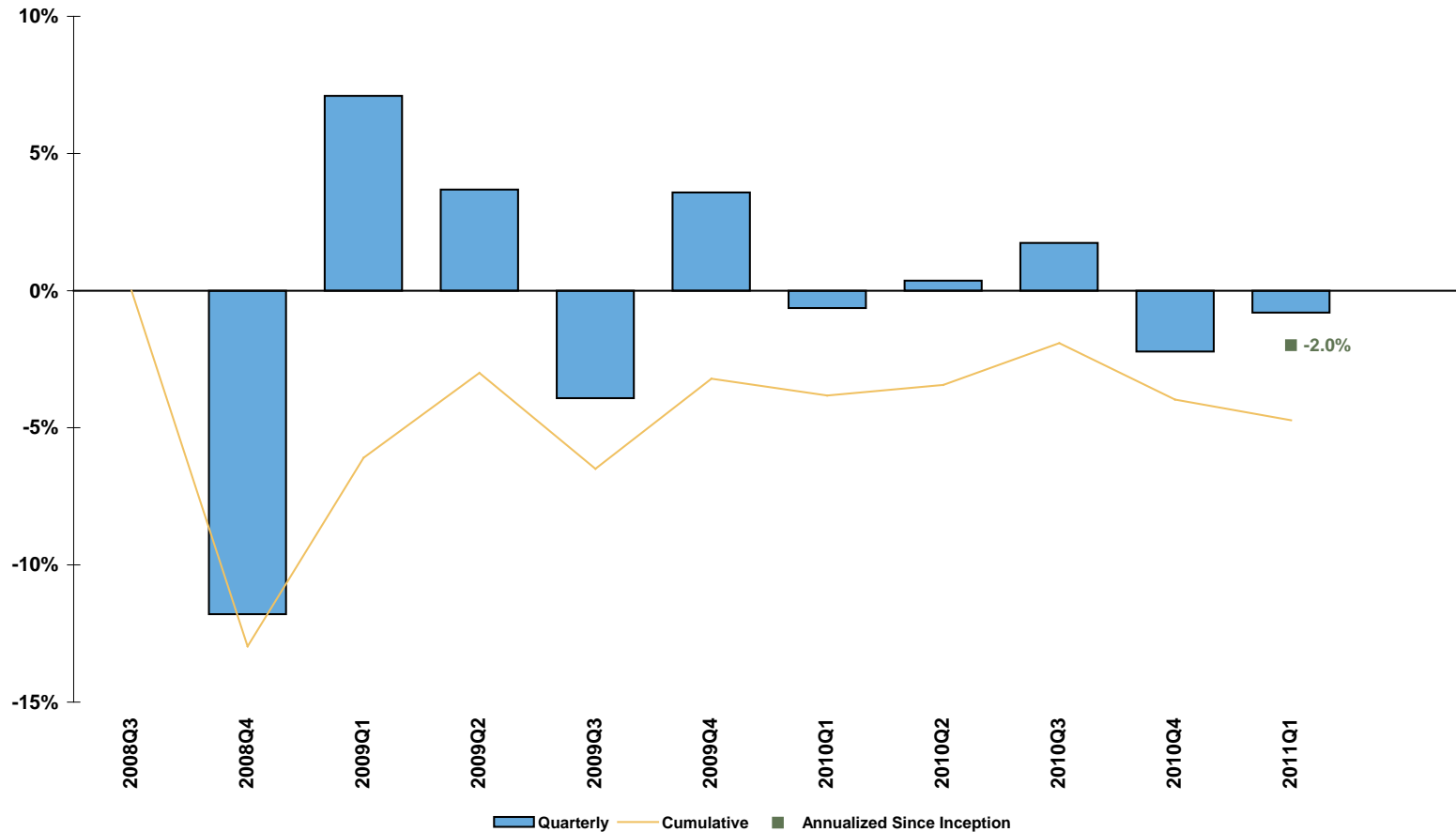


- Value lost of -292 bps in 1<sup>st</sup> quarter and -38 bps for the year

# Global Stocks – T. Rowe Price

Value Added Over MSCI World Index

Value Lost of -2.0% since inception

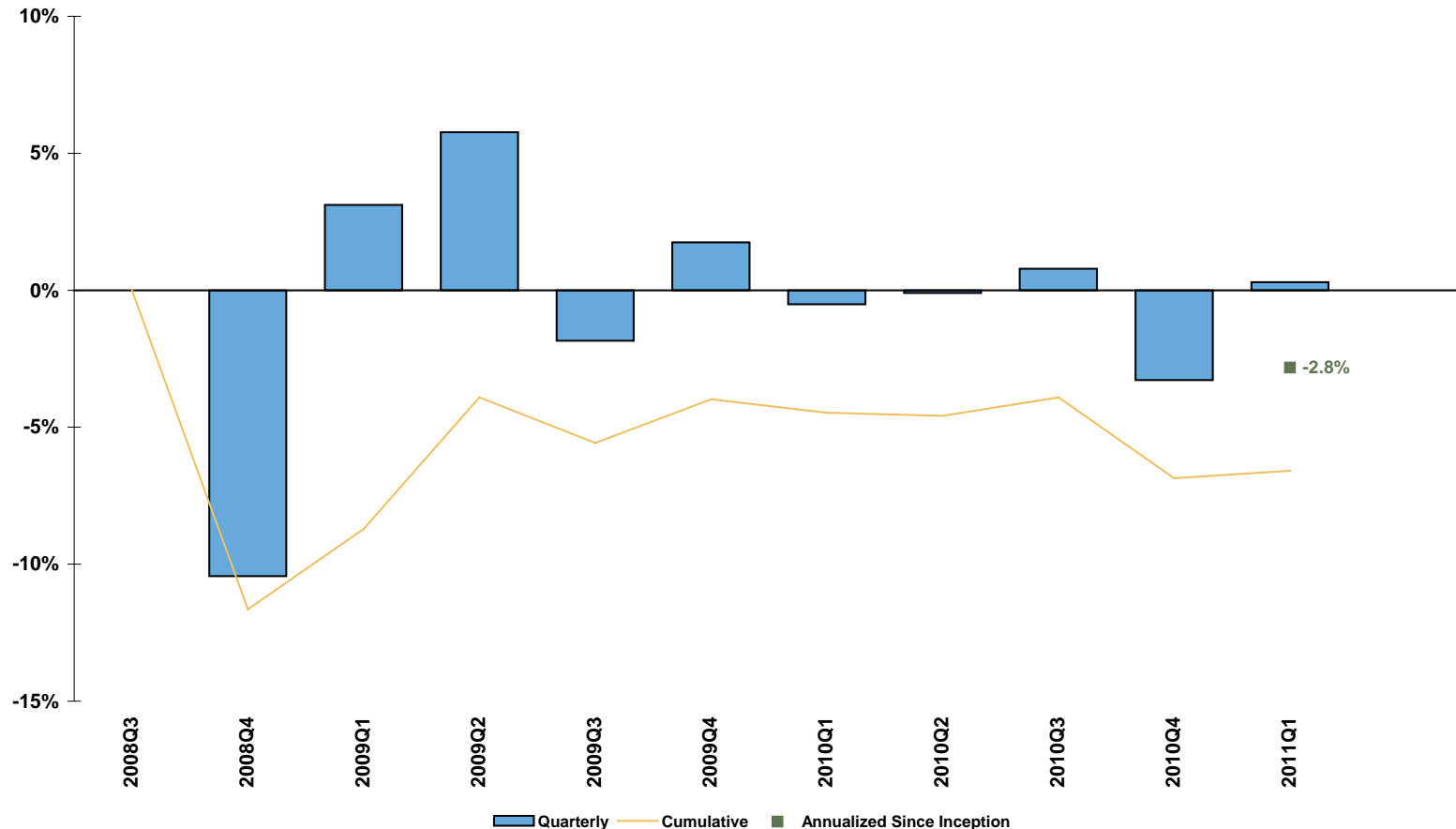


- Value lost of -80 bps in 1<sup>st</sup> quarter and of -102 bps for the year
- Russell Rank: Hire

# Global Stocks – T. Rowe Price

Value Added Over MSCI World Growth Index

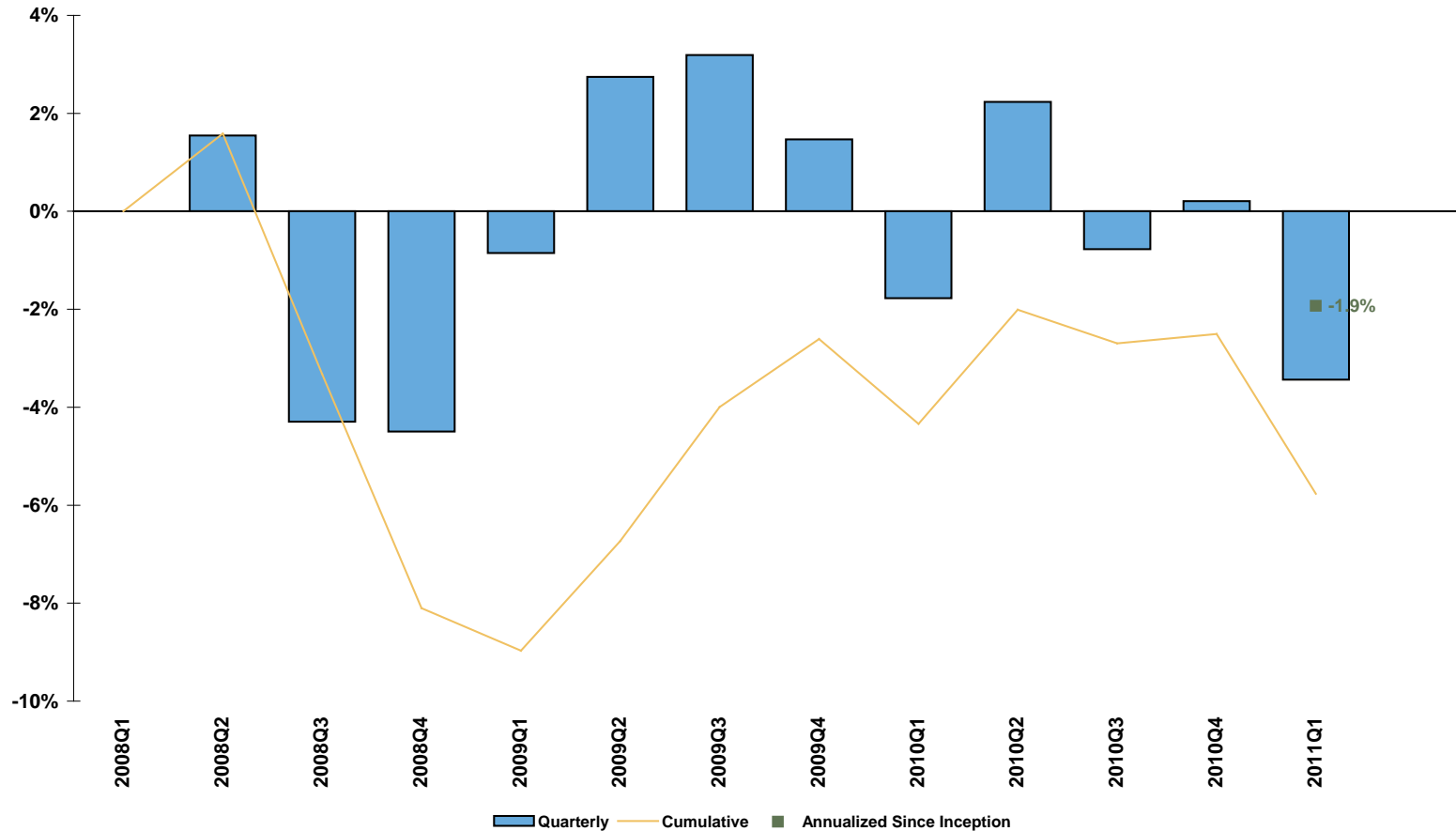
Value Lost of -2.8% since Inception



- Value added of +30 bps in 1<sup>st</sup> quarter but underperformed by -246 bps for the year

# Global Stocks – Mackenzie

## Value Added Over MSCI World Index



- Underperformed by -344 bps in 1<sup>st</sup> quarter and by -163 bps for the year

# Global Stock Profile

at March 31, 2011

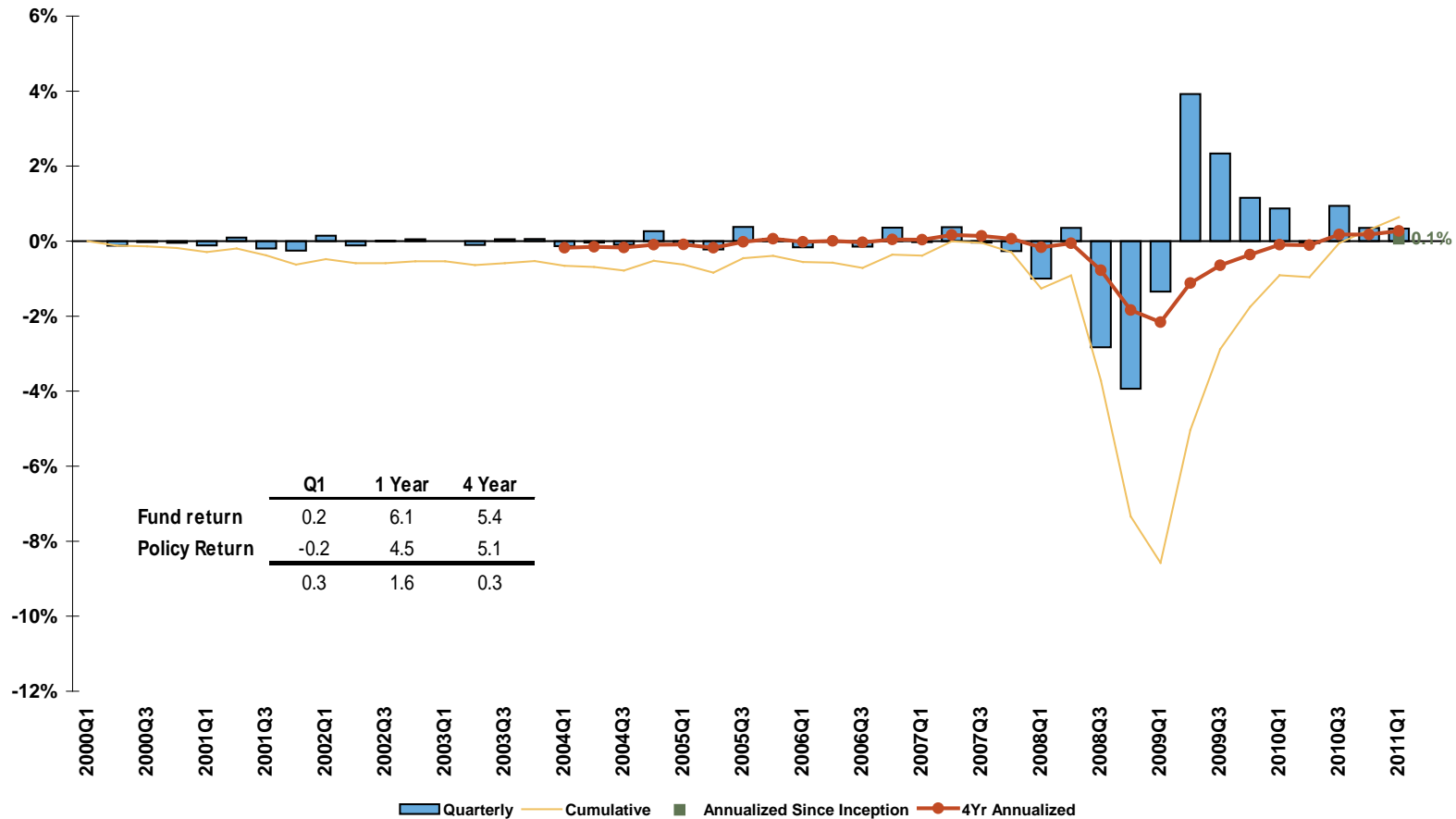
	Harris Associates	T. Rowe Price	Global Equity Comp.	Mackenzie SRI	MSCI World Index
<b>Portfolio Allocations</b>					
Portfolio Size (\$M)	42.5	44.0	86.4	2.7	24.7 T
% of structure	49.2%	50.9%	100.0%	---	---
Cash	1.8%	1.9%	1.9%	1.9%	0.0%
<b>Style</b>					
			SLIGHT GROWTH BIAS	SLIGHT VALUE BIAS	
Price/Book	1.7 x	2.8 x	2.1 x	1.9 x	1.9 x
Price/Earnings (Exc. Neg. Earnings)	14.6 x	18.2 x	16.2 x	13.8 x	14.6 x
Dividend Yield	2.1%	1.1%	1.6%	3.1%	2.5%
Price/Cash Flow	8.4 x	11.8 x	9.8 x	9.1 x	8.6 x
<b>Cap Size</b>					
			CAP NEUTRAL	MC UNDERWEIGHT	
Large Cap (Over \$22.0B)	68.2%	63.7%	65.9%	72.1%	65.0%
Medium Cap (\$3.3B -- \$22.0B)	31.7%	35.1%	33.4%	21.9%	33.3%
Small Cap (Under \$3.3 B)	0.1%	1.2%	0.7%	3.1%	1.4%
Market Cap Average Nlog (\$Bil)	34.3	35.8	35.0	38.1	37.1
<b>Sector Weights (Red = 3% or more below index, Green = 3% or more above index)</b>					
			SIGNIFICANT SECTOR BETS		
Information Technology	22.4	23.2	22.8	15.3	11.4
Health Care	3.5	2.9	3.2	12.2	9.2
Consumer Discretionary	15.4	14.7	15.1	1.9	10.1
Consumer Staples	7.5	6.4	6.9	9.5	9.4
Energy	5.3	14.4	9.9	17.5	12.0
Materials	5.0	7.7	6.4	1.5	8.2
Industrials	10.6	9.9	10.2	10.5	11.6
Financial	29.2	18.0	23.5	22.6	20.2
Telecommunication Services	0.0	2.2	1.1	9.0	4.2
Utilities	1.1	0.7	0.9	0.0	3.8
Sector Deviation	19	15	15	15	---
<b>Country Allocation</b>					
			MODERATE BETS	LARGE BETS	
United Kingdom	6.1	12.3	9.2	8.9	9.6
Total Europe Ex United Kingdom	25.3	10.5	17.8	30.6	20.2
Japan	13.1	0.1	6.5	12.3	9.1
Pacific Basin Ex Japan	2.5	15.8	9.3	20.6	6.0
United States	39.1	48.9	44.1	18.2	49.5
% in Emerging Market Countries	3.5	25.4	14.7	14.5	0.0
Country Deviation (Equity MV)	20.6	18.6	12.9	34.4	---
% in Non Index Countries	5.7	25.9	16.0	18.1	---
<b>Concentration</b>					
% in Ten Largest Holdings	34.8	33.7	21.6	36.4	9.1
Number of Holdings	47	69	111	42	1657

## ***4. Fixed Income***

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# Diversified Bond Fund

## Value Added Over Policy\*



- Outperformed by +34 bps over 1<sup>st</sup> quarter and by +163 bps for the year (1st quartile)
- Added value over benchmark by +27 bps over 4 years

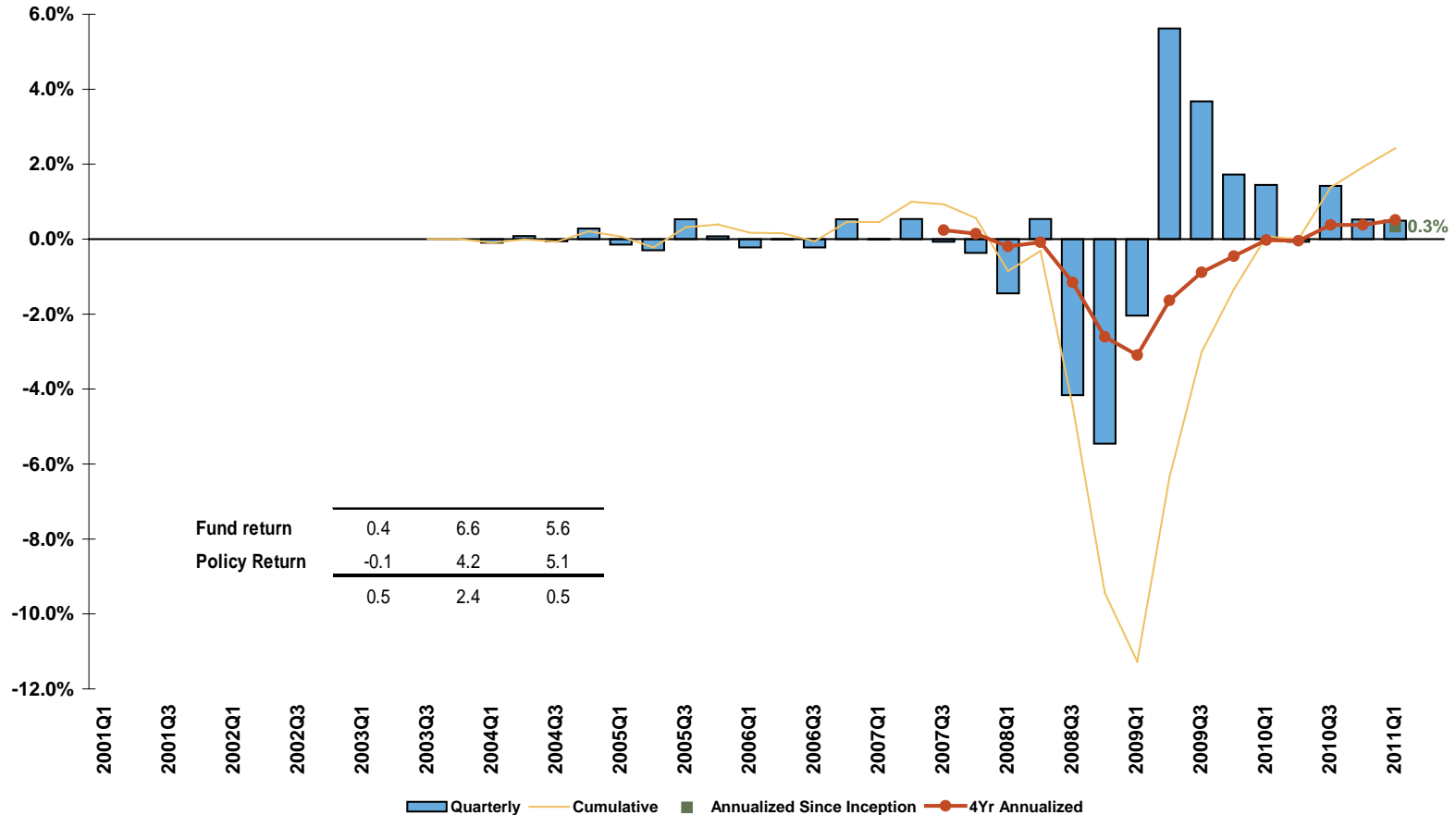
\* Policy: 66.5% DEX Universe Index, 33.5% BC Global Aggregate Hdg CAD since 01/31/07



# Bonds – AllianceBernstein Core +

Value Added Over AllianceBernstein Benchmark\*

Value added of 0.5% over 4 years



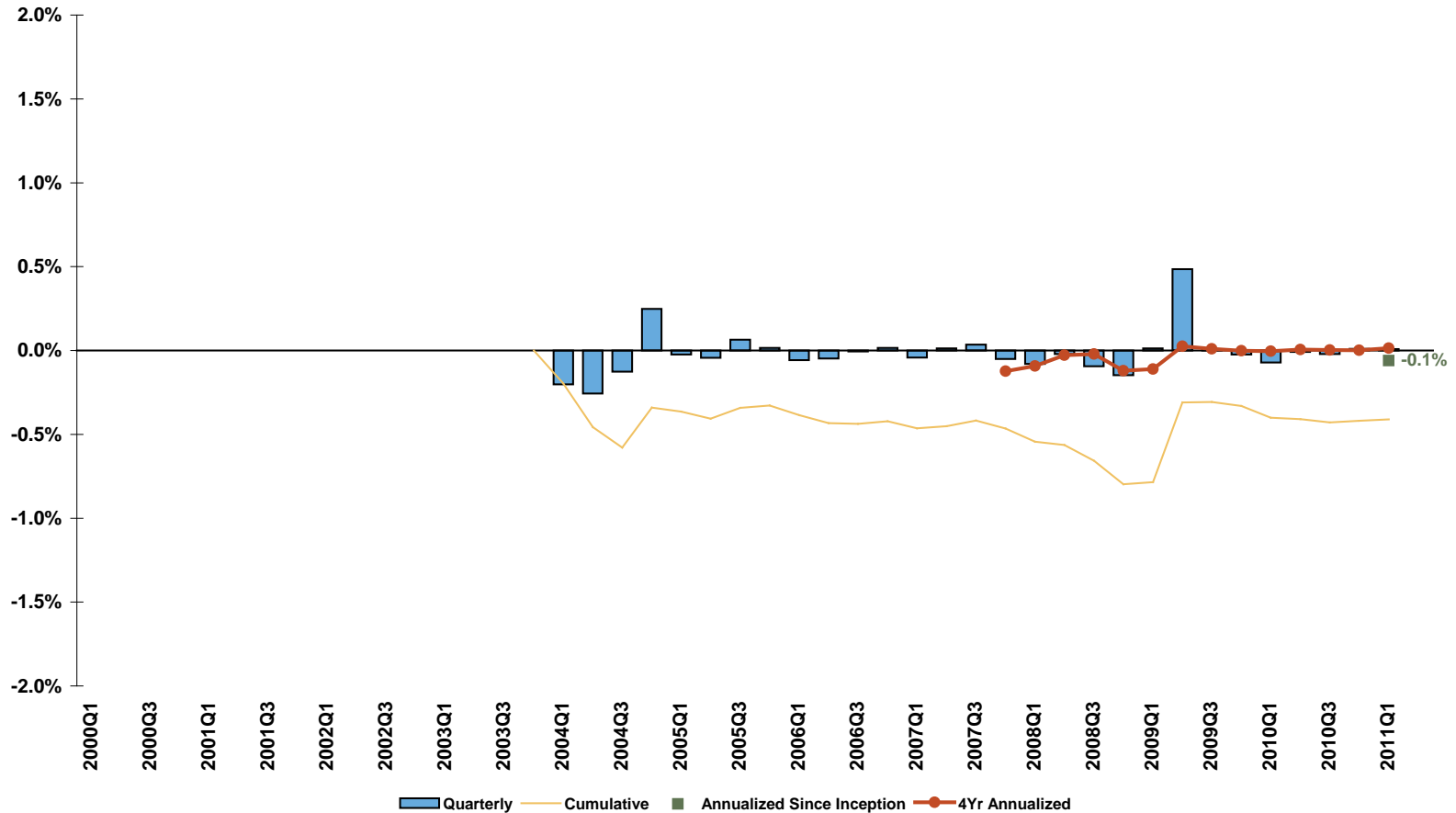
- Outperformed by +50 bps in the 1<sup>st</sup> quarter and by +245 bps for the year (1<sup>st</sup> quartile)
- Russell rank: Hire

\* Benchmark history from manager

# Bonds (State Street)

Value Added Over DEX Universe

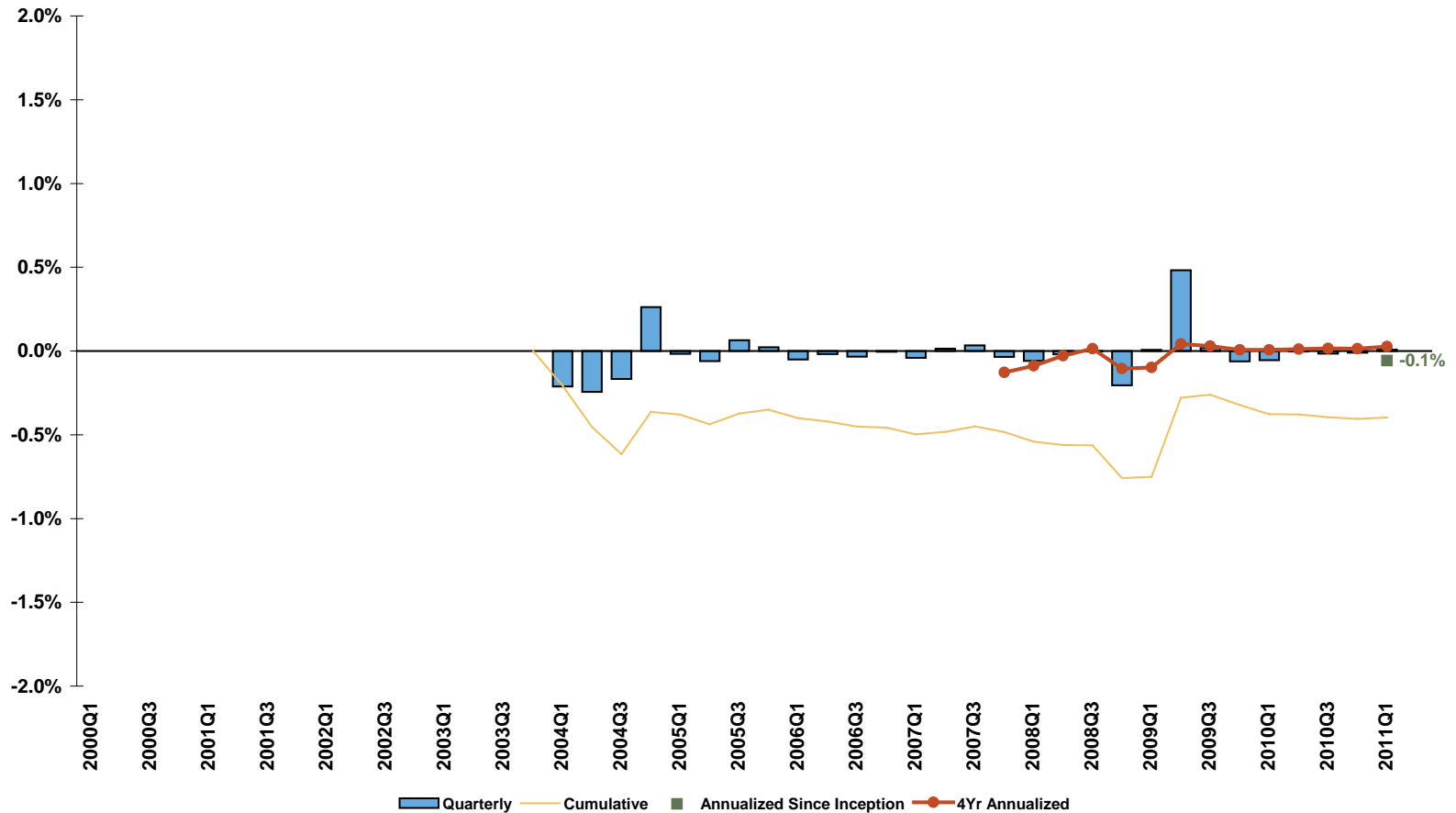
Slightly trailing benchmark since inception



- Matched benchmark in 1<sup>st</sup> quarter and for the year
- Russell rank: Retain

# Canadian Bond Fund - State Street

## Value Added Over DEX Universe

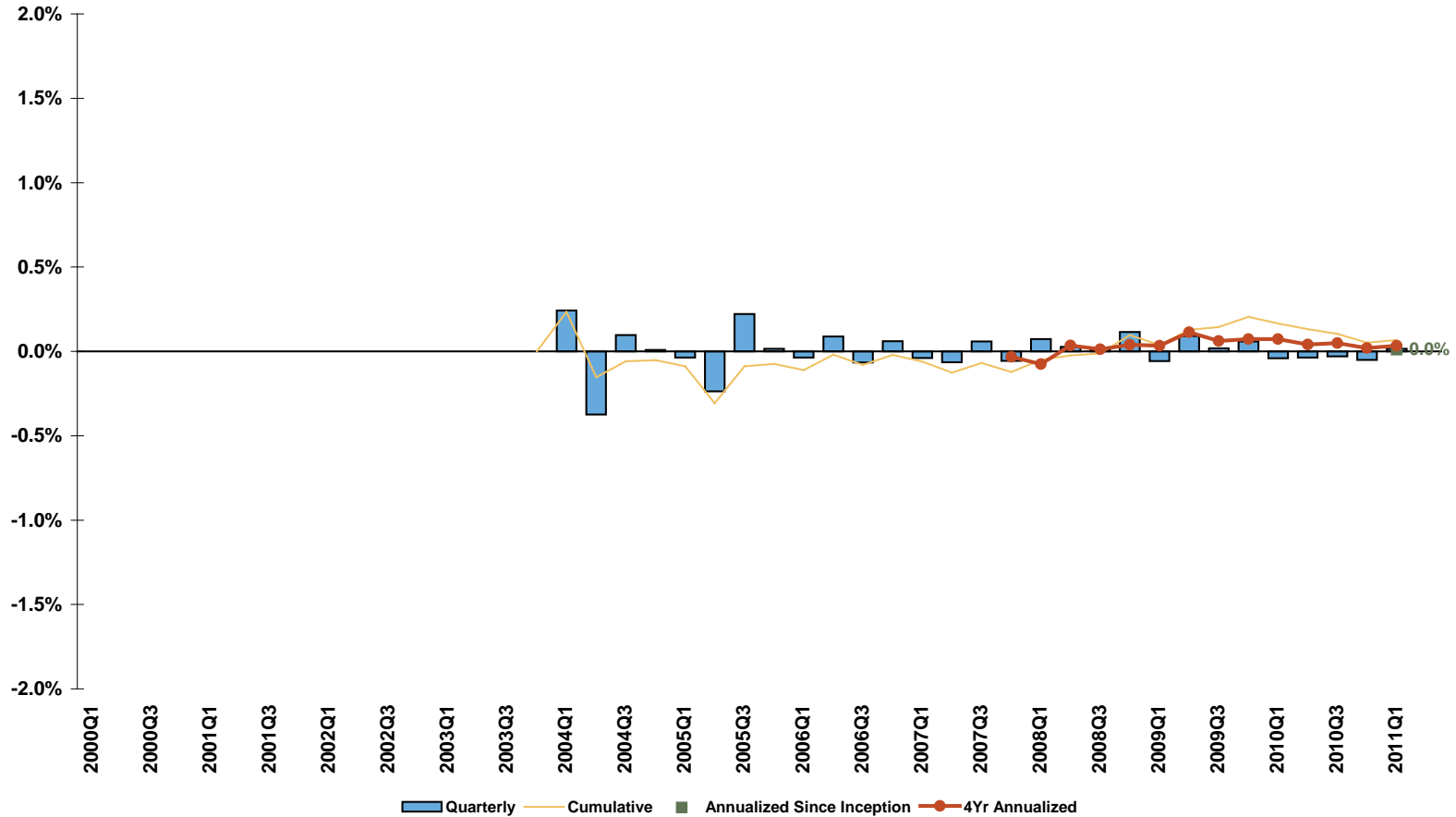


- Slightly below benchmark since inception

# Long Term Bond Fund – State Street

Value Added Over DEX Long Term Index

Keeping pace with the benchmark



- Russell rank: Moderate Interest

# Canadian Bond Profile\*

at March 31, 2011

	AllianceBernstein	StateStreet	Fund Composite**	DEX Universe
<b>Portfolio Allocations</b>				
Portfolio Size (\$M)	\$172.3	\$84.8	\$257.1	\$1,068.8B
% of Structure	67%	33%	100%	--
Number of Holdings	343	779	n/a	1,134
<b>Characteristics</b>				
			<b>SHORTER DURATION</b>	
Modified Duration (Yrs)	5.6	6.0	5.7	6.1
Yield to Maturity	4.0%	3.3%	3.8%	3.3%
<b>Term Structure (%)</b>				
			<b>MID TERM OVERWEIGHT</b>	
Cash	6	0	4	0
Short (1-5 years)	31	49	37	49
Medium (5-10 years)	44	25	38	25
Long (10+ years)	19	26	21	26
<b>Sector Weights (% of Portfolio)</b>				
			<b>CORPORATE OVERWEIGHT</b>	
Federal Bonds	46	37	43	46
Provincial & Municipal Bonds	9	28	16	27
Corporate Bonds	37	35	36	27
Foreign Government	1	0	1	0
Foreign Corporate	0	0	0	0
Other (MBS, CMBS, ABS, etc.)	4	0	2	0
Cash	3	0	2	0
<b>Quality:</b>				
			<b>LOWER QUALITY BIAS</b>	
AAA	50	48	49	51
AA	12	25	16	23
A	16	21	18	19
BBB	17	6	13	6
Lower than BBB	5	0	3	0

\*Manager supplied data

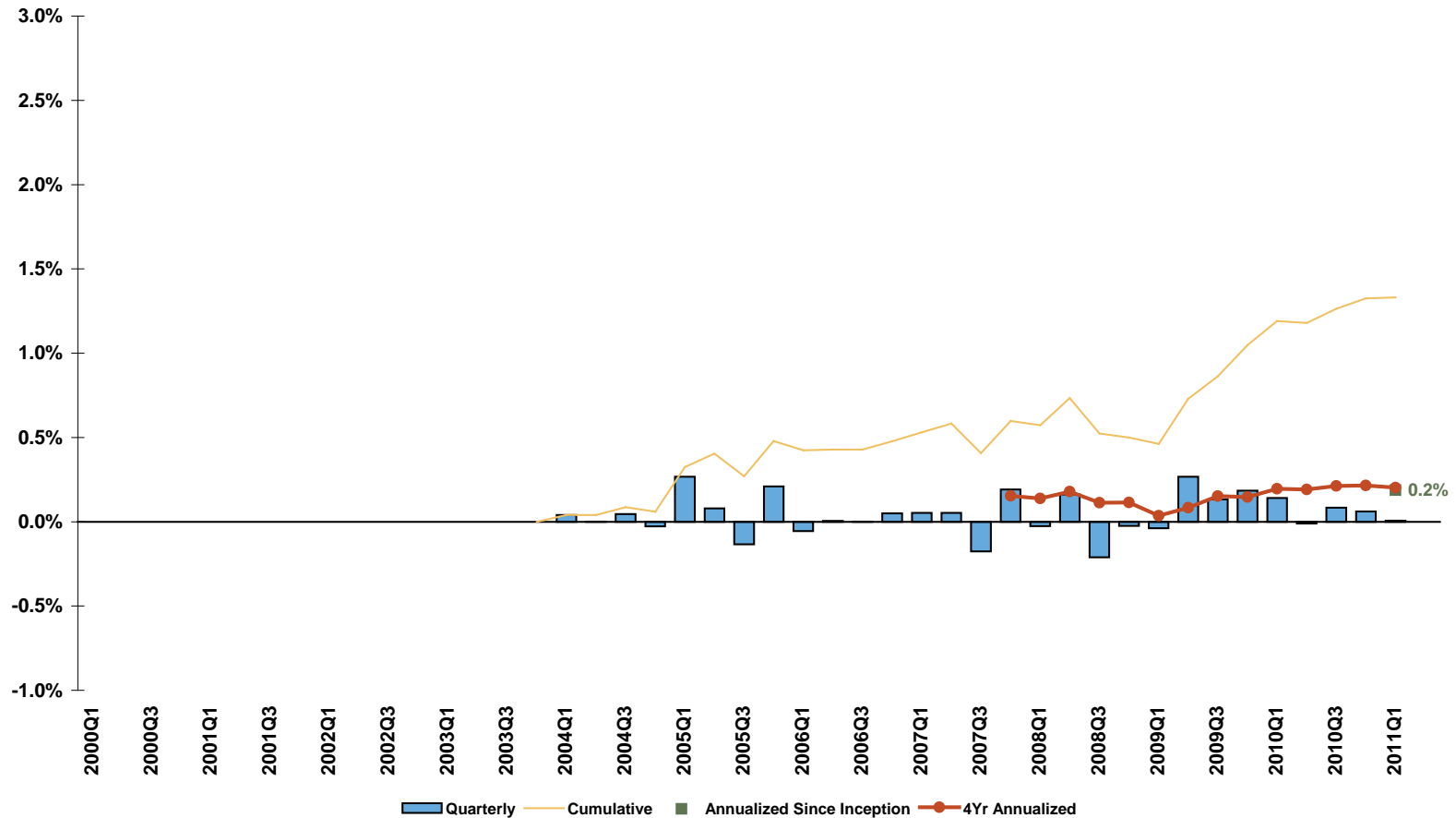
\*\*Fund composite represents a dollar-weighted combination of the manager supplied information

## ***5. Money Market Fund***

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# Money Market – State Street

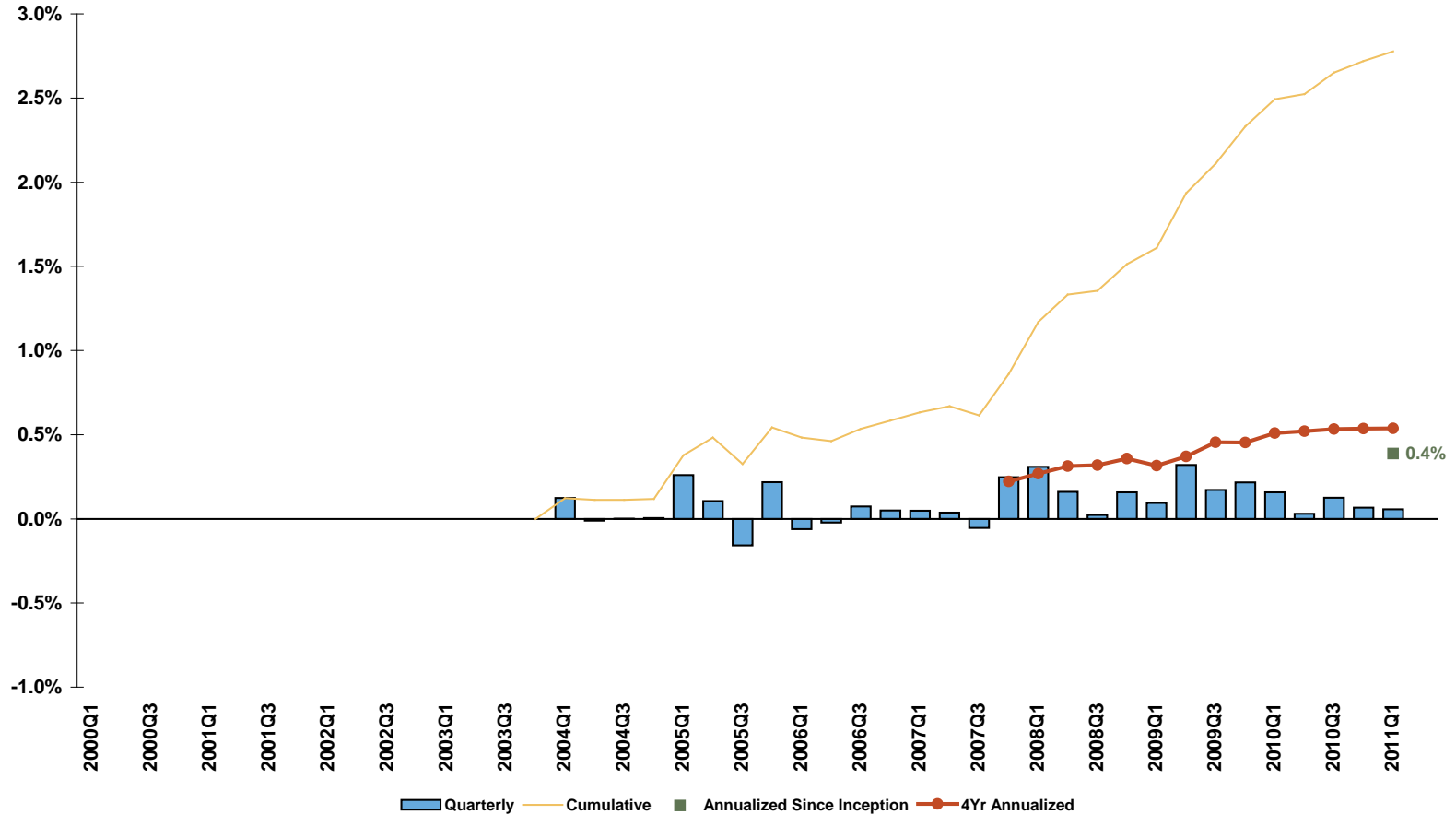
## Value Added Over DEX 91 Day T-Bills



- Outperformed by +1 bp for 1<sup>st</sup> quarter and by +14 bps for the year
- Value added of +0.2% since inception

# Money Market – State Street

Value Added Over DEX 30 Day T-Bills



- Secondary benchmark



## ***6. Target Date Funds***

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# Target Date Funds

Portfolio Positions: March 31, 2011

## A. Duration

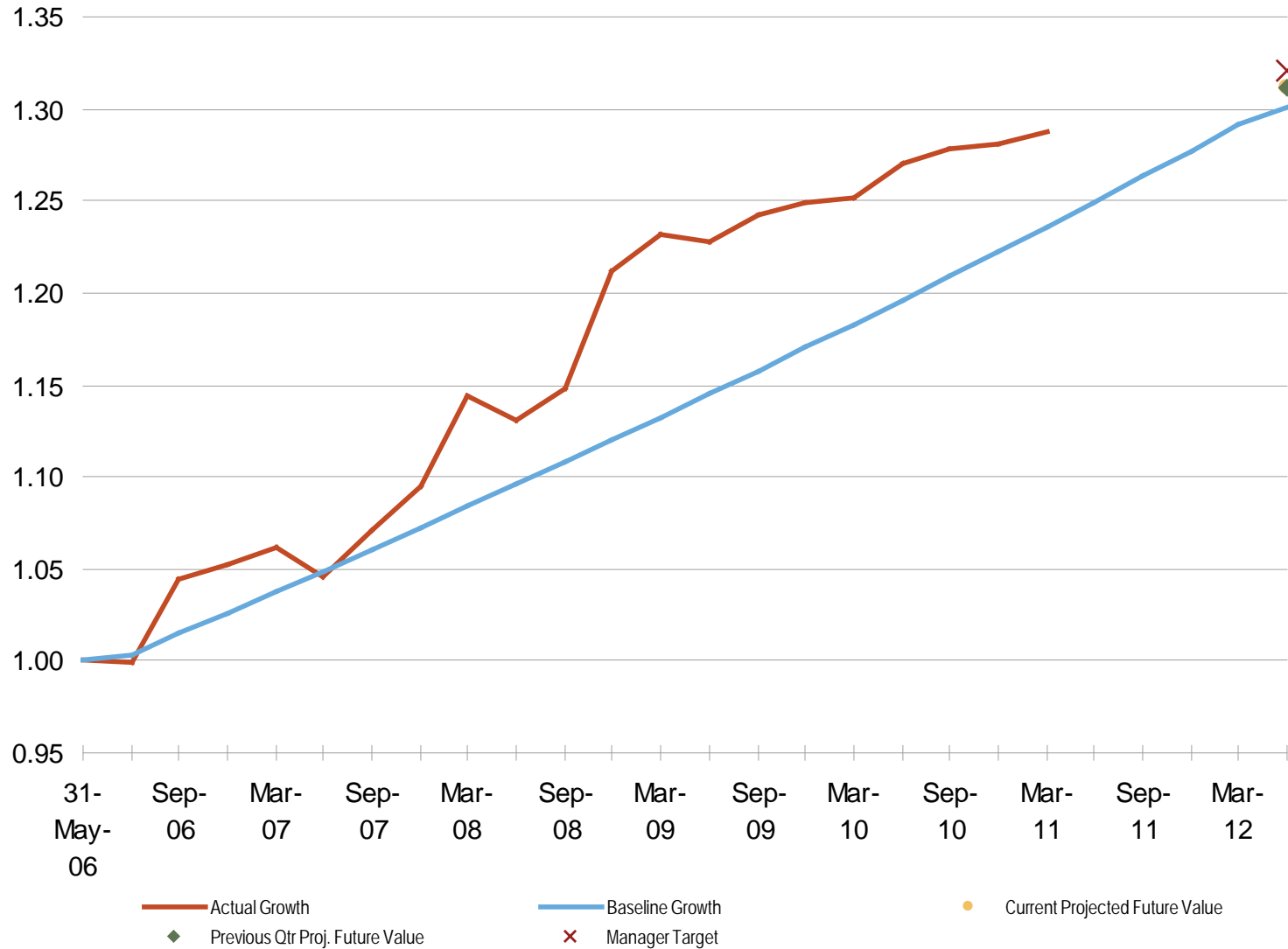
Fund	Duration		Deviation	
	Target	Actual	Actual	Maximum
June 1, 2012	1.17	1.20	0.03	0.06
June 1, 2014	3.17	3.27	0.10	0.16
June 1, 2016	5.17	5.18	0.01	0.26

## B. Dispersion

Fund	Years to Maturity	Short Term Holdings	
		Actual	Maximum
June 1, 2012	1.17	1.8%	100%
June 1, 2014	3.17	0.4%	25%
June 1, 2016	5.17	0.6%	25%

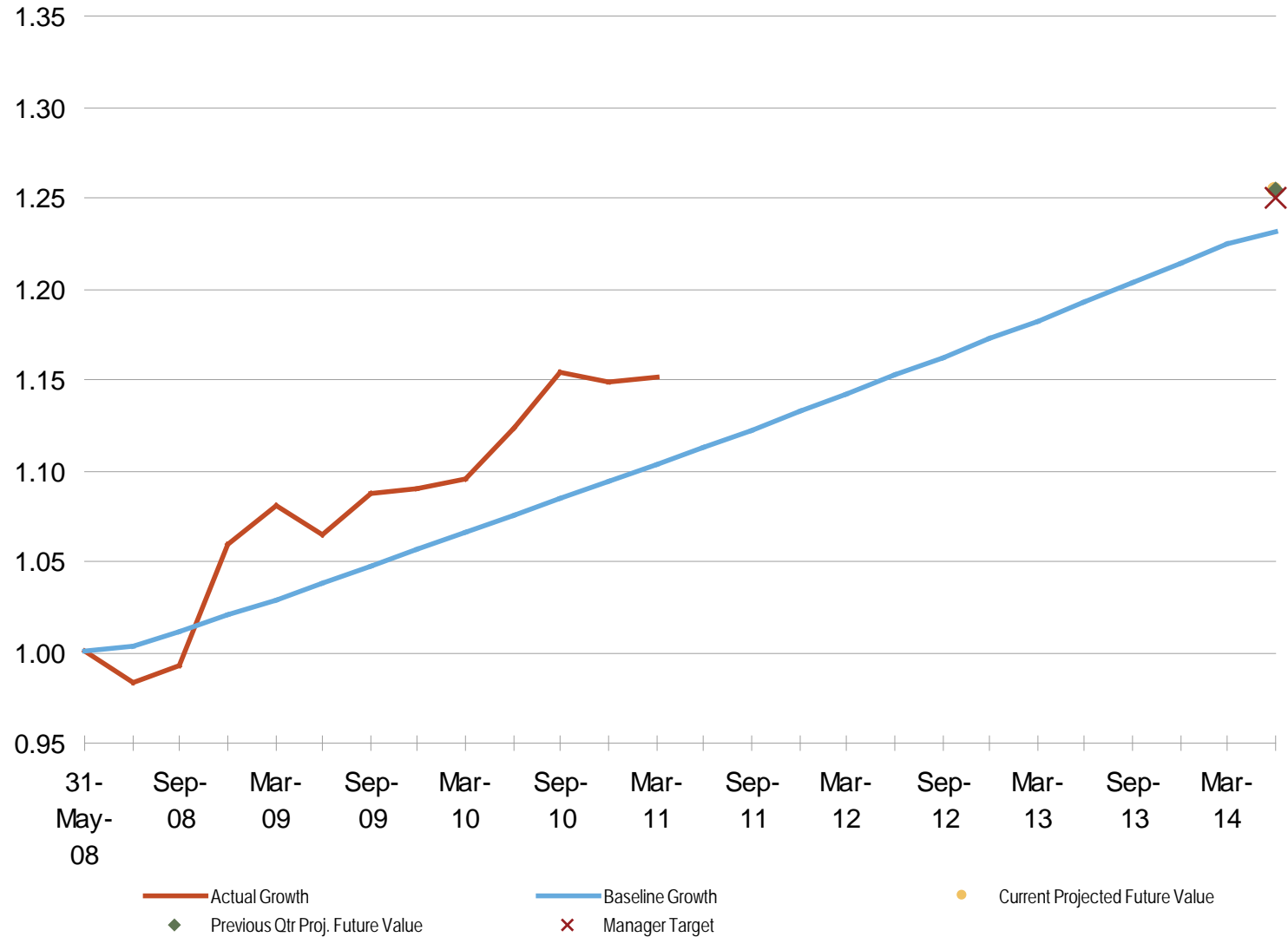
# Target Date Fund Performance Tracking

June 1, 2012 Fund



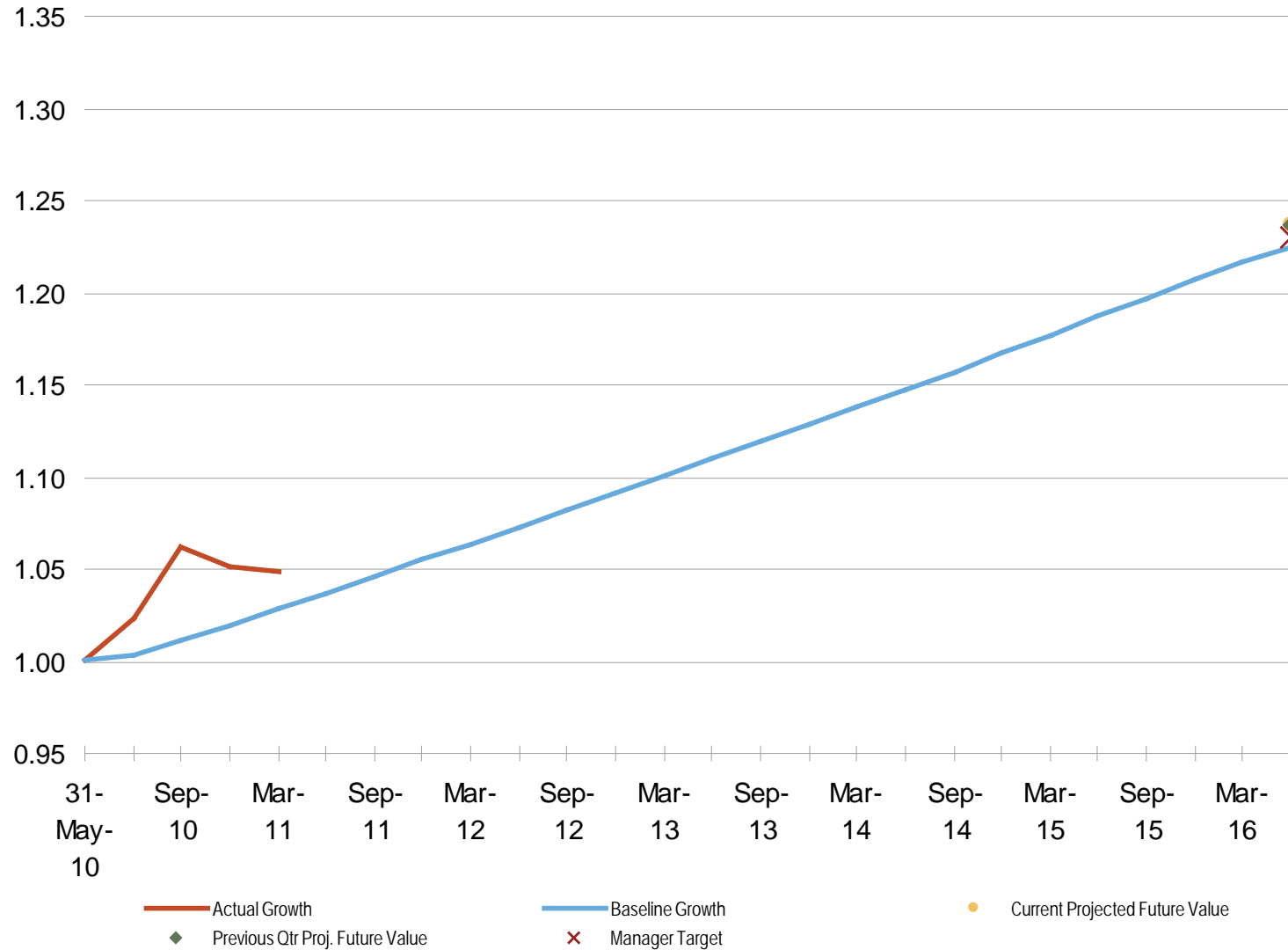
# Target Date Fund Performance Tracking

June 1, 2014 Fund



# Target Date Fund Performance Tracking

June 1, 2016 Fund



INVESTED FOR

**75**  
YEARS



[www.russell.com](http://www.russell.com)