



Investment Update



February 2008

Mutual Fund Honor Roll 2008

MoneySense magazine recently announced their 2008 picks of Canada's best mutual funds in their February/March issue. TD Mutual Funds was the most represented fund family with 6 funds recognized. MoneySense came to their selections by analyzing thousands of Canadian mutual funds and rating them based on a combination of five-year annualized returns, tax efficiency, risk-adjusted returns and cost. There are six broad Honor Roll categories – Canadian equity, U.S. equity, Canadian balanced, global equity, Canadian small cap and Canadian bond; only funds with a 5-year track record are considered.

The MoneySense Honor Roll started in 2001 and according to MoneySense, the majority of the funds selected since the Honor Roll was launched have beaten their peers since they were first honored. MoneySense notes that when looking at the funds that were picked back in 2001, 2002 and 2003, about two-thirds of the funds have beaten the average performers in their categories over the past five years. Here is a summary of the categories:

Canadian Balanced Funds

Only eight funds made the Canadian Balanced Funds Honor Roll, two of which were the **TD Dividend Income Fund** and **TD Monthly Income Fund**. Also of note is that these two Funds had the highest five year annualized returns versus the other recognized funds in the category.

Global Equity Funds

The TD Managed Assets Program was recognized with both the **TD Managed Maximum Equity Growth Portfolio** and the **TD Managed Index Maximum Equity Growth Portfolio** among the 12 funds acknowledged in this category. Most recommended lists and awards generally focus on specific mutual

funds, so it is encouraging that our Portfolio Strategy team has been recognized both for their asset allocation and fund selection expertise. TD Mutual Funds was the only firm with more than one fund recognized in this category.

Canadian Bond Funds

Only six distinct funds made the MoneySense Canadian Bond Funds Honor Roll and TD Mutual Funds had two funds recognized: the **TD Canadian Bond Fund** and the **TD Real Return Bond Fund**. Both have been honored in the past as category winners at the Canadian Investment Awards. In fact, the **TD Canadian Bond Fund** won for best Bond Fund in 4 of the 5 years that TD Mutual Funds won the category.

Building Portfolios

MoneySense also offered specific combinations of mutual funds to form portfolios for investors of various risk tolerances. Seventeen funds were recommended as part of these portfolio solutions, 4 of which were TD Mutual Funds.

The Bottom Line

Whether you are looking for individual mutual funds or managed solutions, MoneySense magazine has acknowledged that TD Mutual Funds offers investors some very compelling choices this RSP season and beyond.

Speak to your financial advisor today to find out how these funds could fit into your portfolio.

Historical Performance as at December 31, 2007	1yr	3yrs	5yrs	10yrs	Since Inception	Inception Date
TD Canadian Bond Fund (Investor Series)	2.5%	3.4%	4.3%	5.9%	8.0%	June 1988
TD Dividend Income Fund (Investor Series)	-3.0%	8.9%	11.9%	9.2%	11.6%	October 1994
TD Managed Index Maximum Equity Growth Portfolio (e Series)	-11.8%	6.3%	10.3%	--	0.8%	November 1999
TD Managed Maximum Equity Growth Portfolio (Investor Series)	-13.6%	4.3%	8.7%	--	1.6%	November 1998
TD Monthly Income Fund (Investor Series)	0.5%	8.3%	11.8%	--	9.6%	June 1998
TD Real Return Bond Fund (Investor Series)	0.8%	2.1%	6.0%	--	7.4%	November 1994

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