

A large, light grey, stylized watermark of the letter "H" is centered on the page, serving as a background element for the title text.

**HARVEST Canadian Income & Growth Fund**  
**Annual Management Report of Fund Performance**  
**December 31, 2012**

The Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure, can be obtained at your request, and at no cost, by calling us at 866 998 8298; by writing to us at Harvest Portfolios Group, 710 Dorval Drive, Suite 209, Oakville, Ontario, L6K 3V7; by visiting our website at [www.harvestportfolios.com](http://www.harvestportfolios.com); or on SEDAR at [www.sedar.com](http://www.sedar.com).

# **HARVEST Canadian Income & Growth Fund**

## **CORPORATE OVERVIEW**

Harvest Portfolios Group Inc. (“Harvest”) is a Canadian Asset Investment Manager focused on unique income generating investment products. Harvest was founded by long term members of the investment management industry and is focused on developing investment products that follow the investment philosophy of:

1. Clear investment objectives
2. Transparency
3. Income generation

Harvest’s mandate is to develop investment products that are clear in their mandate and easy for our investors to understand. We strive to be transparent, so that our investors can open their annual report and know exactly what they own. Our funds are also invested to provide investors with consistent monthly or quarterly income; therefore, we seek to invest our fund portfolios in well managed companies that have a history of steady cash flow and pay dividends or distributions.

## **INVESTMENT PRODUCT**

The Harvest Canadian Income and Growth Fund (the “Fund”) has been created to provide investors with income and the potential for capital appreciation over the course of the business cycle by investing primarily in dividend paying securities of publicly-traded utilities, industrials, communications, real estate and retail issuers domiciled in Canada.

# HARVEST Canadian Income & Growth Fund

## PRESIDENT'S MESSAGE

Harvest Canadian Income & Growth Fund

Unitholder letter March 2013

Dear Valued Unitholder,

We will remember 2012 as another year of volatile financial markets and political indecision. In the final quarter of 2012 the stalemate in Washington over the Fiscal Cliff decision overshadowed most other global concerns. Though in the end, a last minute deal led to tax cuts for 90% of Americans as signs of a sustainable housing recovery in the US were taking hold. Meanwhile at home, the Bank of Canada's attempts to dampen the housing market through tighter mortgage policy have proven to be effective at cooling the housing market in some of the country's larger centers. Regardless, Canada's low interest rate environment will likely prevent the housing market from sustaining any real damage and according to the Bank of Canada's recent language; low interest rates will remain for the foreseeable future.

Outside of North America we are encouraged to see what looks like positive signs that European governments and citizens have begun to accept that austerity measures are a necessary part of the future. To the East, China's economic outlook shows signs of modest improvement with growth expected to rise from 7% to 8.5% by 2013-2014. Rising income and increased job creation accompanied by lower inflation are allowing for improved domestic demand.

For Harvest Fund Unitholders, 2012 saw the continued steady flow of distributions on a monthly basis across all of our funds coupled with solid performance of the North American portfolios. It is the investment philosophy of Harvest to develop funds that are clear in their mandate, have fully transparent portfolios that are representative of their mandates and generate steady income. We have confidence in the companies that populate our funds and their ability to withstand turbulent markets. We believe we are making the right decisions for investors in our funds; decisions that are based on long term objectives that reward those investors who have placed their capital with us.

As we look towards the future we are encouraged by the prospects of an improving global economy, we are encouraged as to how these improving economies will positively impact the companies within the Harvest group of funds. Conservatively optimistic, we embrace the upside opportunity that an improving economic scenario can bring but remain true to our philosophy to invest in businesses that are well positioned and have the ability to generate steady cash flow today and increase earnings tomorrow.

We are appreciative of your investment and support of Harvest Funds.

Sincerely,



Michael Kovacs  
President and Chief Executive Officer

# **HARVEST Canadian Income & Growth Fund**

## **MANAGEMENT DISCUSSION OF FUND PERFORMANCE**

The management report of fund performance contains financial highlights for the Fund. For your reference, the audited, annual, financial statements of the Fund are attached to this management report of fund performance. You may obtain additional copies of these documents at your request, and at no cost, by calling toll free at 1(866) 998-8298; by writing to us at Harvest Portfolios Group Inc., 710 Dorval Drive, Suite 209, Oakville, Ontario, L6K 3V7; or by visiting our website at [www.harvestportfolios.com](http://www.harvestportfolios.com); or on SEDAR at [www.sedar.com](http://www.sedar.com).

Unitholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

### **INVESTMENT OBJECTIVES AND STRATEGY**

The Fund's investment objectives are to:

- (i) provide unitholders with monthly distributions; and
- (ii) maximize long-term total return for unitholders while reducing volatility.

The Fund has been created to provide investors with income and the potential for capital appreciation.

### **INVESTMENT STRATEGY**

To achieve the Fund's objectives, the Fund's portfolio sub-advisor, Avenue Investment Management Inc. ("Avenue" or "Investment manager") invests in an actively managed portfolio comprised primarily of dividend-paying equity and debt securities of publicly-traded utilities, industrial, communications, real estate and retail issuers domiciled in Canada. The Investment manager focuses on the less cyclical segments of the Canadian equities market with the goal of reducing volatility by diversifying away from the main sectors (financials, energy and materials) that make up the majority of the market capitalization on the Toronto Stock Exchange (the "TSX").

The Fund invests primarily in companies that have: (i) proven long-term histories of earnings; (ii) established and experienced management; and (iii) business models that are not primarily dependent on commodity prices.

The investment manager focuses on free cash flow and free cash flow yield, earnings potential, and the investment's intrinsic value in order to assess dividend sustainability and growth in distributions, with a view to delivering:

1. Attractive income generation;
2. Opportunity for capital gains; and
3. Lower volatility relative to the overall S&P/TSX Composite Index.

### **RISK**

The risks associated with investing in the Fund are as described in the prospectus. There were no material changes to the Fund over its last completed financial year that affected the overall level of risk of the Fund.

### **RESULTS OF OPERATIONS**

During the year ended December 31, 2012, The Harvest Canadian Income and Growth Fund's Series R returned a positive annual performance of 17.04%. This compares to a return of 7.19% for the S&P/TSX Composite Index.

Following a volatile 2011, continued uncertainty surrounding the Euro Zone recession, concerns over the slowdown in China and a stubbornly high U.S. unemployment rate hovering 8% resulted in continued market volatility early in 2012. In the first quarters, the market remained focused on these issues however as we moved through the second and third quarters, economic data in the U.S. started to show more positive signs, despite the continued issues in the Euro Zone and China. In particular, there have been strong indications of a continued reversal in the U.S. housing market and improved U.S. consumer confidence. As we moved through the latter part of the year, we also saw some stabilization in the broader European markets and initial signs of economic improvement in China.

# **HARVEST Canadian Income & Growth Fund**

## **RESULTS OF OPERATIONS (continued)**

During the year, diversity across dividend paying companies helped to provide positive performance for the Harvest Canadian Income & Growth Fund. The announced slowdown in China earlier in the year was immediately felt in Canada as commodity prices declined and the underlying materials and energy equities suffered increased volatility. The Harvest Canadian Income and Growth Fund was well positioned during this time given the limited exposure to both the Materials and Energy Sectors. The Fund was overweight Consumer Staples, Telecommunications and Utilities for most of the year which helped performance with more moderate volatility.

There are signs that European governments have begun to accept that austerity measures are a necessary part of the foreseeable future. Coupled with an improving Chinese economic backdrop, it is possible to envisage a return to sustainable growth in 2014-2015. We believe that interest rates will continue to stay low for the foreseeable future which benefits companies in the Fund, though language from the Bank of Canada allows for interest rate increases when inflationary pressures return. We continue to believe that high quality dividend paying stocks, with good balance sheets and opportunities for dividend growth will outperform.

## **CHANGES IN FINANCIAL POSITION**

The net asset value of the Fund decreased by 23.4% or \$11,484,145 during the year, from \$49,180,568 at December 31, 2011 to \$37,696,423 at December 31, 2012. The change in net assets is attributed to net proceeds from the issue of additional units and reinvestment of distributions of \$15,913,212, offset by redemptions of \$31,313,028 and increase due to investment operations of \$6,615,350, which included realized investment and foreign exchange gains of \$3,911,450 and unrealized appreciation of market and foreign exchange appreciation of \$1,498,989.

Distributions of \$2,699,679 or \$0.84 per unit (2011 - \$0.84) or \$0.07 per unit per month were declared during the year.

## **RECENT DEVELOPMENTS**

On June 20, 2012 (“Conversion Day”) the Fund completed its conversion to an open-end mutual fund, transferring all existing investors into the R Series on a unit-for-unit basis. The Fund ceased trading as HCF.UN on the Toronto Stock Exchange (“TSX”) on June 7, 2012 and became available as a daily valued fund available on the broker dealer network under the FundSERV code HRV on June 20, 2012. The new front-end Series A and Series F also became available immediately upon conversion. Series A commenced operations on June 25, 2012 and Series F commenced operations on July 16, 2012.

## **RELATED PARTY TRANSACTIONS**

There were no related party transactions during the reporting year, except for management fees and other expense reimbursements paid to Harvest, as noted below in Management and Other Fees.

## **MANAGEMENT AND OTHER FEES**

Harvest Portfolios Group Inc. is the Manager of the Fund and is responsible for managing or arranging for managing the Fund’s overall business and operations. The Manager pays Avenue a fee for its portfolio advisory service, from the management fee received from the Fund, calculated on the basis of the Fund’s net assets.

Each series of units pays the Manager an annual management fee based on a percentage of the average daily Net Asset Value (“NAV”) of the assets of the Fund attributable to that applicable series (the “Management Fee”).

Dealers may be paid a servicing fee by the Manager from the Management Fee, in connection with Series A units and Series R units for ongoing services they provide to investors, including investment advice, account statements and newsletters. Generally, the servicing fees, plus applicable taxes, are payable quarterly in arrears based on the total client assets invested in each series of units of the Fund held by all of a Dealer’s clients throughout the quarter. The Manager can change or cancel servicing fees at any time.

## HARVEST Canadian Income & Growth Fund

The fees differ among the series of units of the Fund as set out in the chart below:

Fund Series	Annual Management fee	Dealer Service Fee	Total Fees
R	1.25%	1.00%	2.25%
A	1.25%	1.25%	2.50%
F	1.25%	0.00%	1.25%

### Operating expenses

The Fund is responsible for operating expenses relating to the carrying on of its business, including custodial services, interest, taxes, legal, audit fees, transfer agency services relating to the issue and redemption of units, and the cost of financial and other reports, costs and expenses for the Fund's Independent Review Committee ("IRC"), including fees and expenses of the IRC members and compliance with applicable laws, regulations and policies. The Manager pays for such expenses on behalf of the Fund, except for certain expenses such as interest, and is then reimbursed by the Fund.

The Manager may, in some cases, absorb a portion of the Fund's operating expenses. The amount of absorption for year ended December 31, 2012 is \$12,500 (2011 - \$NIL). The Manager may cease doing so at any time without notice to unitholders.

### Other expenses

The Manager will be reimbursed by the Fund for all reasonable costs, expenses and liabilities incurred by the Manager for performance of services on behalf of the Fund in connection with the discharge by the Manager of its duties hereunder. Such costs and expenses may include, without limitation: mailing and printing expenses for reports to unitholders and other unitholder communications; a reasonable allocation of salaries, benefits and consulting fees; independent directors of the Manager and other administrative expenses and costs incurred in connection with the Fund's continuous public offering and other obligations. These expenses are allocated by the Manager on a reasonable basis, across all of the Harvest Portfolios Group Inc. funds, and series of each applicable fund. These expenses were \$144,282 for the year ended December 31, 2012 (2011 - \$119,050) and are included in the unitholder reporting costs on the Statements of Operations in the annual financial statements.

### LOAN FACILITY

The Fund previously established a loan facility with a Canadian chartered bank. The loan function was to borrow for the purpose of making investments in accordance with the Fund's investment objectives and restrictions, and to pledge its assets to secure the borrowings. The loan facility was repaid in full and the facility cancelled on May 18, 2012, prior to the Conversion Date.

The amount of borrowing was \$8,500,000 during the year, before repayment on May 18, 2012 (2011 - \$6,500,000 to \$7,500,000). For the year ended December 31, 2012 the Fund recorded interest expense of \$93,690 (2011 - \$276,956).

# **HARVEST Canadian Income & Growth Fund**

## **TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)**

On December 12, 2011, the Canadian Accounting Standards Board (“AcSB”) extended the deferral of the mandatory International Financial Reporting Standards (“IFRS”) changeover date for investment entities to fiscal year beginning on or after January 1, 2014.

In October 2012, the IASB issued Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27), which provides an exception to consolidation for a class of entities that are defined as ‘investment entities’. The amendments define an investment entity and require a parent that is an investment entity to measure its investments in particular subsidiaries at fair value through profit or loss instead of consolidating those subsidiaries. The Fund expects to meet the proposed criteria to qualify as investment entities and would measure all controlled investments at fair value with changes in fair value recognized through profit or loss.

In addition, on May 12, 2011, the International Accounting Standards Board (“IASB”) issued IFRS 13 – “Fair Value Measurement”, which defines fair value, sets out a single IFRS framework for measuring fair value and requires disclosure about fair value measurements. It only applies when other IFRS standards require or permit fair value measurement. If an asset or a liability measured at fair value has a bid price and an ask price, it requires valuation to be based on a price within the bid-ask spread that is most representative of fair value. It allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurements within a bid-ask spread. This may result in eliminating the difference between the net asset value per units and net assets per units under current Canadian GAAP.

The Manager is currently assessing the Fund’s Unitholder structure and investments to determine the impact of these standards. The Manager has determined that there will likely be no material impact to the net asset value per units of each series of the Funds due to the changeover to IFRS. The major qualitative impact noted as of December 31, 2012 would be the addition of a statement of cash flows, the classification of puttable instruments, the reporting of future income tax assets or liabilities, where applicable, and additional note disclosures. However, this present determination is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

## **RECOMMENDATION OR REPORTS BY THE INDEPENDENT REVIEW COMMITTEE**

The Independent Review Committee tabled no special reports and made no extraordinary material recommendations to management of the Fund during the year ended December 31, 2012.

# HARVEST Canadian Income & Growth Fund

## FINANCIAL HIGHLIGHTS

The following tables present selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for past periods. This information is derived from the Fund's audited annual financial statements.

THE FUND'S NET ASSETS PER UNIT <sup>1</sup>	Series R		
	2012	2011	2010
Net assets - beginning of period <sup>3</sup>	\$ 12.43	\$ 12.42	\$ 11.17
<b>Increase from operations</b>			
Total revenue	0.81	1.06	0.46
Total expenses	(0.45)	(0.42)	(0.25)
Realized gains for the period	1.24	0.16	0.55
Unrealized gains for the period	0.51	0.31	1.04
<b>Total increase from operations<sup>2</sup></b>	<b>\$ 2.11</b>	<b>\$ 1.11</b>	<b>\$ 1.80</b>
<b>Distributions<sup>4</sup></b>			
From dividends	(0.07)	(0.16)	-
From capital gains	(0.10)	(0.12)	(0.55)
Return of capital	(0.67)	(0.56)	-
<b>Total annual distributions<sup>4</sup></b>	<b>\$ (0.84)</b>	<b>\$ (0.84)</b>	<b>\$ (0.55)</b>
<b>Net assets - end of period<sup>2</sup></b>	<b>\$ 13.70</b>	<b>\$ 12.43</b>	<b>\$ 12.42</b>

THE FUND'S NET ASSETS PER UNIT <sup>1</sup>	Series A*	Series F*
	2012	2012
Net assets - beginning of period <sup>3</sup>	\$ 13.01	\$ 13.37
<b>Increase from operations</b>		
Total revenue	0.46	0.47
Total expenses	(0.21)	(0.09)
Realized gains for the period	0.27	0.35
Unrealized gains for the period	0.32	0.10
<b>Total increase from operations<sup>2</sup></b>	<b>\$ 0.84</b>	<b>\$ 0.83</b>
<b>Distributions<sup>4</sup></b>		
From dividends	(0.04)	(0.03)
From capital gains	(0.06)	(0.05)
Return of capital	(0.39)	(0.34)
<b>Total annual distributions<sup>4</sup></b>	<b>\$ (0.49)</b>	<b>\$ (0.42)</b>
<b>Net assets - end of period<sup>2</sup></b>	<b>\$ 13.72</b>	<b>\$ 13.81</b>

\*Series A commenced operations on June 25, 2012

\*Series F commenced operations on July 16, 2012

## Series R

RATIOS AND SUPPLEMENTAL DATA	2012	2011	2010
<b>Total net asset value<sup>1</sup></b>	<b>\$ 30,155,370</b>	<b>\$ 49,180,568</b>	<b>\$ 37,406,232</b>
Number of units outstanding <sup>1</sup>	2,201,587	3,945,599	3,007,822
Number of warrants outstanding	-	-	3,028,322
Management expense ratio <sup>5</sup>	3.41%	3.03%	10.99%
Management expense ratio before waivers or absorptions <sup>5</sup>	3.41%	3.03%	10.99%
Trading expense ratio <sup>6</sup>	0.22%	0.10%	0.35%
Portfolio turnover rate <sup>7</sup>	28.69%	66.53%	46.92%
<b>Net asset value per unit<sup>1</sup></b>	<b>\$ 13.70</b>	<b>\$ 12.46</b>	<b>\$ 12.44</b>
<b>Closing market price (HCF.UN)</b>	<b>\$ n/a</b>	<b>\$ 12.09</b>	<b>\$ 11.70</b>
<b>Closing market price (HCF.WT)</b>	<b>\$ n/a</b>	<b>\$ -</b>	<b>\$ 0.11</b>



# HARVEST Canadian Income & Growth Fund

## Series A

RATIOS AND SUPPLEMENTAL DATA		2012
<b>Total net asset value<sup>1</sup></b>	<b>\$</b>	<b>6,920,267</b>
Number of units outstanding <sup>1</sup>		504,801
Management expense ratio <sup>5</sup>		2.96%
Management expense ratio before waivers or absorptions <sup>5</sup>		3.52%
Trading expense ratio <sup>6</sup>		0.22%
Portfolio turnover rate <sup>7</sup>		28.69%
<b>Net asset value per unit<sup>1</sup></b>	<b>\$</b>	<b>13.71</b>

\*Series A commenced operations on June 25, 2012

## Series F

RATIOS AND SUPPLEMENTAL DATA		2012
<b>Total net asset value<sup>1</sup></b>	<b>\$</b>	<b>620,786</b>
Number of units outstanding <sup>1</sup>		44,960
Management expense ratio <sup>5</sup>		1.52%
Management expense ratio before waivers or absorptions <sup>5</sup>		2.09%
Trading expense ratio <sup>6</sup>		0.22%
Portfolio turnover rate <sup>7</sup>		28.69%
<b>Net asset value per unit<sup>1</sup></b>	<b>\$</b>	<b>13.81</b>

\*Series F commenced operations on July 16, 2012

### Explanatory Notes:

1. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. The difference is primarily a result of investments being valued at bid prices for financial statement purposes and closing prices for fund pricing purposes. An explanation of these differences can be found in the Notes to Financial Statements.
2. Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/(decrease) from operations is based on the weighted average number of units outstanding over the reporting period. It is not intended that the Fund's net assets per unit table act as a continuity of opening and closing net assets per unit.
3. Net assets, at the commencement of operations was \$11.17, net of agents' commissions and issuance costs of \$0.83 per unit. On Conversion Day, June 2, 2012, all Fund units were exchanged one-for-one into Series R, at an NAV of \$13.1442. Series A and Series F commenced Operations on June 25, 2012 and July 16 2012 respectively.
4. Distributions were paid in cash until Conversion Day, June 20, 2012, after which, an automatic reinvestment or cash option was made available.
5. Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) of the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Series R MER for 2012 includes interest expense of \$93,690, and conversion costs of \$183,055, without which the MER would be 2.72%.
6. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
7. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate, the greater the trading costs payable by the Fund and the greater the chance of an investor receiving taxable capital gains. There is not necessarily a relationship between a high turnover rate and the performance of a Fund. These ratios are annualized.

# HARVEST Canadian Income & Growth Fund

## Past Performance

The performance information presented herein assumes all dividends of the Fund during the periods presented were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, or other charges that would have reduced returns or affected performance. Past performance of the Fund is not necessarily indicative of how it will perform in the future.

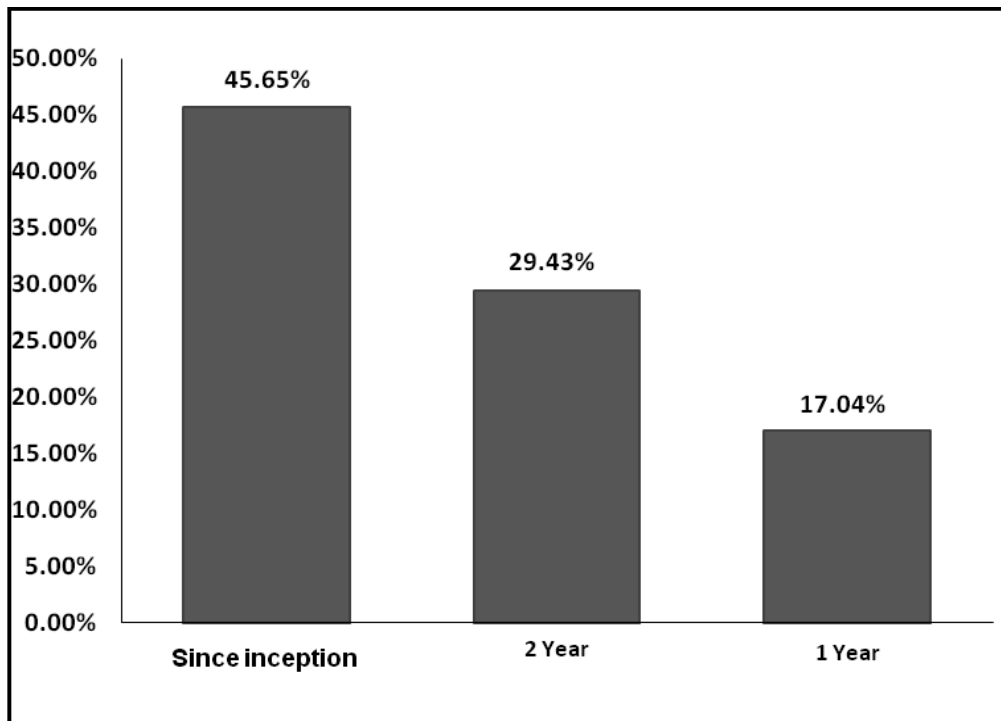
## YEAR-BY-YEAR RETURNS

The following charts present the performance for each of the periods shown and illustrate how the performance varied for the Fund's Series R. The charts show, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

Series A and Series F: National Instrument 81-106, the regulatory guideline for Continuous Disclosure, does not permit reporting of performance for any investment fund or series that has been in existence less than one year.

## Fund Performance

### Series R



# HARVEST Canadian Income & Growth Fund

## ANNUALIZED COMPOUND RETURNS

The following table shows the annual compound returns for the Fund's Series R. All returns are in Canadian dollars, on a total return basis, net of fees.

For comparison purposes, a benchmark of the S&P/TSX Composite Index (the "Index") is used.

The Index is a capitalization-weighted index that measures market activity of a universe of stocks traded on the Toronto Stock Exchange. The sector weightings are comprised of the universe of stocks identified in the Financials sub sector.

While the Fund uses this benchmark for long-term performance comparisons, it is not managed relative to the composition of the Index. As a result, the Fund may experience periods when its performance is not aligned with the Index, either positively or negatively. Please see the "Results of Operations" section of this report for a discussion on recent performance.

<b>Investment Return %</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>	<b>Since Inception</b>
Fund Performance Series R	17.04	-	-	-	45.65
S&P/TSX Composite Index	7.19	-	-	-	18.40

# HARVEST Canadian Income & Growth Fund

## SUMMARY OF INVESTMENT PORTFOLIO

The Portfolio by category chart below provides a portfolio breakdown based on the total transactional net asset value of the Fund's portfolio holdings. A detailed breakdown of the Fund's holdings is available in the "Statement of Investments" section of the Fund's annual financial statements.

As at December 31, 2012

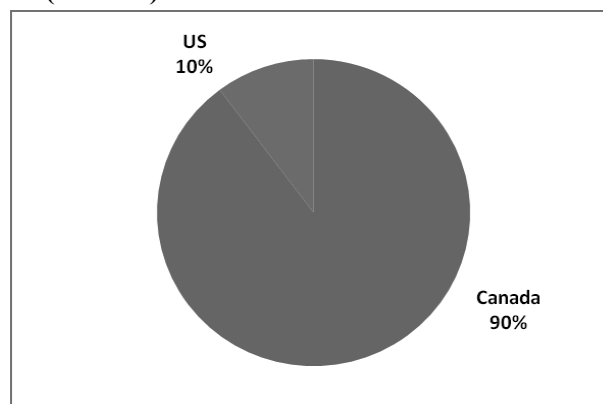
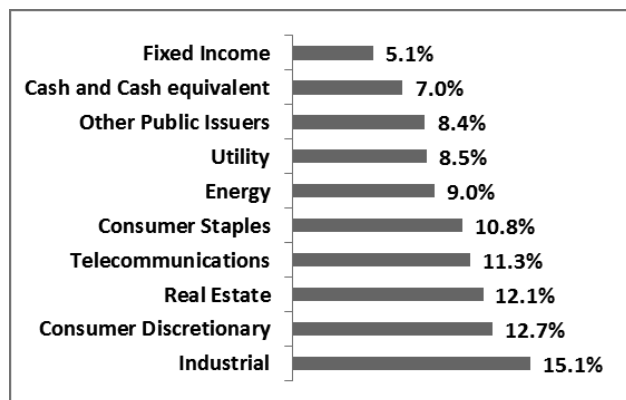
Top 25 Holdings	% of Net Asset Value	Yield (%)
Cash and cash equivalents	7.0	0.0
Parkland Fuel Corporation	5.0	5.4
Inter Pipeline Fund LP, Class A	4.9	4.7
Davis + Henderson Corporation	4.7	5.9
Bell Aliant Inc.	4.6	7.2
K-Bro Linen Inc.	4.5	3.9
Corby Distilleries Limited, Class A	4.5	3.8
Manitoba Telecom Services Inc.	4.3	5.3
Keyera Corp.	3.9	4.4
Timbercreek Mortgage Investment Corporation	3.8	7.4
Corus Entertainment Inc., Class B	3.8	3.9
Pembina Pipeline Corporation	3.5	5.6
Rogers Sugar Inc.	3.5	5.9
Sprott Power Corp.	3.5	5.6
Brookfield Infrastructure Partners L.P.	3.4	4.2
The North West Company Inc.	3.2	4.6
Liquor Stores N.A. Ltd.	3.1	5.8
YPG Financing Inc., 9.25% Nov 30/18	2.9	9.3
Altria Group, Inc.	2.8	5.5
BCE Inc.	2.5	5.3
Bird Construction Inc.	2.4	5.4
Northland Power Inc.	2.4	5.8
Artis Real Estate Investment Trust	2.3	6.9
American Capital Agency Corp.	2.1	17.0
Leon's Furniture Limited	2.1	3.1
	<b>90.7</b>	

This summary of investment portfolio may change due to the ongoing portfolio transactions of the Fund. Quarterly updates of the Fund's investment portfolio are available from Harvest Portfolios Group Inc. at [www.harvestportfolios.com](http://www.harvestportfolios.com).

### SECTOR ALLOCATION

### GEOGRAPHIC ALLOCATION

Total Net Asset Value (100.0%)



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**CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest and the risks detailed from time to time in the Fund's simplified prospectus or offering memorandum. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the Fund does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.