



# Harvest Canadian Income & Growth Fund



March 31, 2012

## Fund Details

**Assets:** \$51 million  
**NAV:** \$13.01  
**TSX Symbol:** HCF.UN  
**Market Price:** \$12.73  
**Current Yield:** 6.60%  
**Distribution:** \$0.07 per unit monthly  
**Subadvisor:** Avenue Investment Management

## Top 25 Holdings (%)

Davis + Henderson Income Corporation	5.6
Atlantic Power Corporation	5.0
Bell Aliant Inc.	4.8
Bird Construction Inc.	4.6
BCE Inc.	4.5
Manitoba Telecom Services Inc.	4.2
American Capital Agency Corp.	4.0
Rogers Sugar Inc.	3.9
Medical Facilities Corporation	3.7
Inter Pipeline Fund LP, Class A	3.7
Artis Real Estate Investment Trust	3.5
Corus Entertainment Inc., Class B	3.3
Yellow Media Inc., 7.30% February 02/15	3.3
Parkland Fuel Corporation	3.2
K-Bro Linen Inc.	3.2
Pembina Pipeline Corporation	3.2
Leisureworld Senior Care Corporation	3.2
The North West Company Inc.	2.9
Brookfield Infrastructure Partners LP	2.8
Liquor Stores NA Ltd.	2.7
Altria Group, Inc.	2.5
Sprott Power Corp.	2.3
CML Healthcare Inc.	2.1
Northland Power Inc.	2.0
Annaly Capital Management, Inc.	2.0
<b>Total</b>	<b>86.2</b>

## Investment Objectives

The investment objectives are to provide unitholders with monthly distributions and the potential for capital appreciation over the course of the business cycle by investing in an actively managed portfolio, comprising primarily dividend-paying securities.

## Manager Discussion

The Fund was up 5.98% for the three months ended March 31, 2012, outperforming its S&P/TSX Index benchmark, which was up 3.68%.

During the first quarter of 2012, we witnessed better than expected economic news out of the U.S., less concern over a eurozone recession and an announcement by China that they will see slower growth during the year. These events largely offset each other and led to a more positive tone for equity markets during the quarter. The inflation outlook in Canada and the rest of the developed world remains subdued as interest rates remain low.

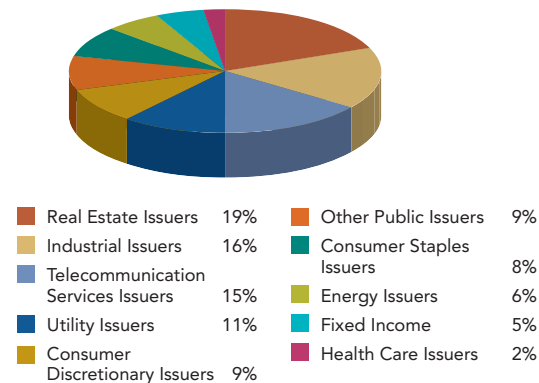
The Fund saw strong positive returns during the quarter with consumer discretionary and real estate sectors having the greatest positive impact, while the utilities sector underperformed.

## Performance (as % of Diluted NAV)\*\*

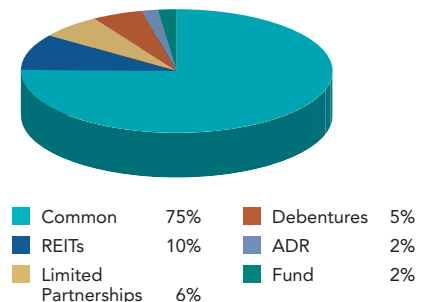
	3 Month	6 Month	1 Year	Inception*
<b>HCF.UN</b>	5.98%	13.80%	11.53%	31.41%
<b>S&amp;P/TSX Composite Index</b>	3.68%	6.64%	(12.12%)	10.42%

\*June 29, 2010

### Sector Allocation (%)



### Investment Allocation (%)



<b>Portfolio Geographic Allocation</b>	Canada 87% USA 13%
<b>Distributions (per trust unit)</b>	\$1.60 since inception (June 29, 2010)

\*\*The management and servicing fees will increase from 1.65% to 2.25% annually of the NAV when the Fund converts to an open-ended mutual fund on June 20, 2012. If the Fund had already converted, since inception performance would be 30.05%, 3 month 5.83%, 6 month 13.49% and 1 Year 10.91%.

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The risks associated with investing in investment funds are outlined in each Fund's prospectus, specifically in the section entitled "Risk Factors." These risks are based upon the Fund's investment objectives and strategies and describe the material risks of investing in that Fund under normal market conditions when considering the Fund's portfolio as a whole, not each individual investment within the portfolio. You should discuss the risks of investing in the Fund with your financial advisor before making an investment. Commissions, trailing commissions, management fees and expenses may be associated with investment fund investments. Please read the prospectus before investing. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. Certain statements included herein constitute forward-looking statements and are not historical facts, but reflect on the investment management's current expectations regarding future results or events and are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations.

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