

# Axiom Balanced Income Portfolio (Class A)

**Fund Category**  
Canadian Fixed Income Balanced

**Morningstar Rating**  
★★★

**Benchmark A**  
DEX Universe Bond Index

## Investment Objective

The Portfolio will seek to create a diversified portfolio of investments across several asset classes. It will invest primarily in mutual funds. The goal is to achieve a balance of income and long-term capital growth with a focus on income, by investing primarily in a blend of income and bond mutual funds, along with equity mutual funds.

## Volatility Analysis



### Best 1 Year Return

17.5%  
02-28-2009 to 02-28-2010

### Worst 1 Year Return

-12.4%  
02-28-2008 to 02-28-2009

## Portfolio Details

Portfolio Description	Fund Code
Back End Charge	ATL976
Front End Charge	ATL975
Low Load Charge	ATL977

Inception Date	March 15, 2005
Rebalancing Frequency	Dynamically
Rebalancing Threshold	+/- 2.5%
MER	1.99%
Distribution Frequency	Annually
Minimum Investment	\$25,000

Telephone 888 888 FUND  
Web Site www.renaissanceinvestments.ca/axiom

## Notes

Class F units: ATL981

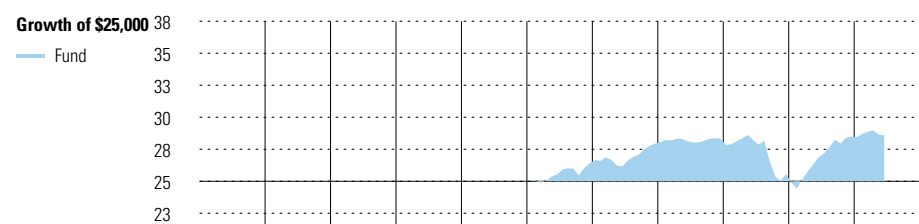
Select Class (Back End Charge): ATL928  
Select Class (Front End Charge): ATL926  
Select Class (Low Load Charge): ATL927

Elite Class (Back End Charge): ATL952  
Elite Class (Front End Charge): ATL950  
Elite Class (Low Load Charge): ATL951

T-Class units are also available

\$5,000 TFSA minimum for Classes A & F

## Performance as of 06-30-2010



### Performance Quartile

(within category over calendar year)

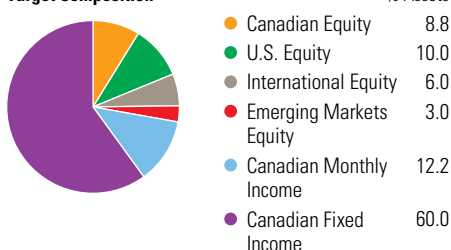
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	YTD
Total Assets (\$mil)	—	—	—	—	—	11.1	47.5	85.1	84.3	116.5	134.9
<b>Calendar Year Returns %</b>											
Fund	—	—	—	—	—	—	5.8	1.4	-9.8	11.5	0.4
Category	11.1	3.8	0.3	9.0	6.9	6.9	6.1	0.3	-9.0	14.5	0.8
Benchmark A	10.2	8.1	8.7	6.7	7.1	6.5	4.1	3.7	6.4	5.4	4.2

### Trailing Returns %

	1 Mth	3 Mth	6 Mth	1Yr	2Yr	3Yr	5Yr	Since Inception
Fund	-0.1	-0.9	0.4	6.4	0.7	0.6	2.3	2.6
Category	0.1	-0.7	0.8	8.0	2.5	1.7	2.8	—
Benchmark A	1.8	2.9	4.2	6.9	7.0	6.9	4.9	—

## Portfolio Analysis as of 06-30-2010

### Target Composition



Market Cap	%	Credit Quality	%
Large	66.0	High	55.0
Medium	28.1	Medium	16.1
Small	5.8	Low	0.9
		NR/NA	28.1

### Top Holdings

	% Assets
Frontiers Canadian Fixed Income	60.3
Frontiers Canadian Monthly Income	12.0
Frontiers U.S. Equity	9.7
Frontiers Canadian Equity	8.5
Frontiers International Equity	5.9
Frontiers Emerging Markets Equity	2.9
Cash & Cash Equivalents	0.3
Other Assets, Less Liabilities	0.3
<b>Total Number of Portfolio Holdings</b>	<b>8</b>

### Top 5 Global Equity Sectors

	% Equity
Financials	21.7
Energy	16.9
Materials	10.6
Industrial	9.1
Consumer Staples	8.9

# Axiom Balanced Income Portfolio (Class A)

## Investment Management Overview

### Investment Management Brief

CIBC Asset Management Inc. is one of Canada's leading mutual fund providers and the country's largest purchaser of third-party investment management expertise. CIBC Asset Management Inc. is a wholly-owned subsidiary of CIBC, one of North America's leading financial institutions.

### Manager Bios

**Management Team** | 03-15-2005

**McClean Budden Ltd**

**Management Team** | 06-01-2008

**Aletheia Research and Management, Inc.**

**Management Team** | 03-15-2005

**Acuity Investment Management Inc**

**Management Team** | 03-15-2005

**Addenda Capital Inc.**

**Management Team** | 07-01-2009

**Metropolitan West Capital Management LLC**

**Management Team** | 02-01-2006

**Canso Investment Counsel Ltd.**

**Management Team** | 03-15-2005

**Walter Scott & Partner Limited**

**Management Team** | 07-01-2009

**Fiduciary Management, Inc. of Milwaukee**

**Management Team** | 03-15-2005

**CIBC Global Asset Management Inc**

**Management Team** | 03-15-2005

**MFC Global Investment Management**

**Management Team** | 03-15-2005

**BlackRock Investment Management Intl Ltd**

**Management Team** | 03-15-2005

**INTECH Investment Management LLC**

**Management Team** | 06-01-2006

**Pictet International Management**

### Investment Management Approach



### Investment Management Approach

#### About the Portfolio

A balanced approach for comfort throughout market cycles. This portfolio is designed for the conservative investor looking for a balance of income and long-term capital growth, with a focus on income. Use this portfolio as a single balanced income investment solution and benefit from its sophisticated portfolio management built upon proven investment principles.

#### Key Points on the Process

Axiom Balanced Income Portfolio follows the discipline of strategic asset allocation to ensure the right combination of investments is working for investors.

#### Independent Investment Management

Axiom provides investors with the confidence of knowing that independent investment managers from around the world are working for them. Each portfolio manager of the underlying investments is selected based on their ability to meet the high standards expected of their organization, investment process, investment philosophy, and performance.

#### Diversification

This Axiom portfolio has been designed to minimize risks and solidify returns. We do this by ensuring the portfolio is broadly diversified at multiple levels, avoiding too

heavy a reliance on any one individual security, fund, sector, geographical region, or management style.

#### Built-in Rebalancing

This Axiom portfolio is rebalanced on an ongoing basis to prevent over exposure to any one asset class. When the asset allocation weightings shift more than 2.50% from the strategic asset allocation, the portfolio is automatically rebalanced.

#### Monitoring

Axiom relies on a team of investment professionals, CIBC's Consulting Group, who select and monitor portfolio managers of underlying investments.

#### A Summary of the Portfolio

Axiom Balanced Income Portfolio is ideal for a conservative investor looking for a balance of income and long-term capital growth, with a focus on income. Diversified with an approximate balance of 60% income assets for stability and 40% equity assets for growth, the portfolio is positioned to deliver lower volatility and potential for growth. This combination can provide protection from volatile markets while delivering the potential for long-term growth.

### Manager Commentary

The global economic recovery experienced a setback due to concerns about the fiscal situation in Europe and weakness in the U.S. economy. As a result, investors shifted into more conservative asset classes while global equities weakened. The depreciation of the Canadian dollar against most major global currencies helped to reduce losses from foreign holdings. Longer-term bonds outperformed short-term and government bonds did better than corporate paper. The portfolio remains well positioned to provide income as the economy improves.

As at June 30, 2010

The MER quoted over is for Class A units. The MER for Class F units is 1.19%. Both MERs are annualized as at February 28, 2010 and would have been 2.03% (Class A) and 1.20% (Class F) had the Manager not waived some management fees and/or absorbed some operating expenses. These will be reviewed annually by the Manager.

## Disclaimer

This information is provided for informational purposes only and is not intended to provide specific financial, investment, tax, legal, or accounting advice for you, and should not be relied upon in that regard or be considered predictive of any future market performance. Any information or discussion about the current characteristics of this fund or how the portfolio manager is managing the fund that is supplementary to information in the prospectus is not a discussion about material investment objectives or strategies, but solely a discussion of the current characteristics or manner of fulfilling the investment objectives and strategies, and is subject to change without notice. You should not act or rely on the information without seeking the advice of a professional.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the Renaissance Investments family of funds simplified prospectus before investing. The indicated rates of return are the historical annual compounded total returns for the class [A] units, including changes in unit value and reinvestment of all distributions, but do not take into account sales, redemption, distribution, or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated.

Axiom Portfolios are offered by CIBC Asset Management Inc.

™ Axiom and Axiom Portfolios are registered trademarks of CIBC Asset Management Inc.