

Fund Wrap

The mutual fund industry managed to post modest net sales in the month of May, according to the Investment Funds Institute of Canada (IFIC), with net new money estimated at between \$2.2 billion and \$2.71 billion.

Fortunately, strong market performance

helped boost industry AUM. Net assets of the mutual fund industry at the end of May were estimated to be between \$717 billion and \$722 billion.

What helped to boost those returns was strong growth in energy and materials prices and precious metals-oriented funds – all of which were top performers in May, according to Morningstar Canada.

Even at the low end of IFIC's estimate, net new sales were well higher than April's total of just over \$560 million. But May's sales were highly concentrated among a handful of firms.

Even non-resource-related portions of the Canadian indexes did well. This was mainly the result of the strong performance of market heavyweight Research in Motion. **AER**

MORNINGSTAR FUND INDEX

As of May 31, 2008	1M	YTD	As of May 31, 2008	1M	YTD
Natural Resources Equity	8.5	14.2	Japanese Equity	1.0	-1.0
Precious Metals Equity	6.0	-1.4	2010 Target Date Portfolio	0.9	1.6
Canadian Equity	5.6	6.9	Global Neutral Balanced	0.8	-0.1
Cdn Small/Mid Cap Equity	4.2	0.8	Emerging Markets Equity	0.7	-3.0
Canadian Income Trust Equity	4.0	7.0	Global Fixed Income Balanced	0.7	1.5
Canadian Focused Small/Mid Cap Equity	3.9	-2.4	Canadian Fixed Income Balanced	0.5	1.4
Science & Technology Equity	3.7	-4.1	US Equity	0.4	-5.0
US Small/Mid Cap Equity	3.5	-3.0	Canadian Money Market	0.2	1.4
Canadian Dividend & Income Equity	3.2	2.4	European Equity	0.2	-3.2
Canadian Focused Equity	3.1	2.2	High Yield Fixed Income	0.2	0.6
Canadian Inflation-Protected Fixed Income	2.7	5.9	US Money Market	0.2	1.2
Canadian Equity Balanced	2.5	2.3	Canadian Short Term Fixed Income	0.0	2.5
2020+ Target Date Portfolio	2.4	1.5	Global Equity	0.0	-3.9
Tactical Balanced	2.0	0.2	Canadian Long Term Fixed Income	-0.1	-0.2
North American Equity	1.9	-0.8	Canadian Fixed Income	-0.2	1.7
Canadian Neutral Balanced	1.8	2.5	International Equity	-0.4	-4.7
2020 Target Date Portfolio	1.5	1.6	Real Estate Equity	-1.3	0.1
Health Care Equity	1.4	-4.9	Asia Pacific Equity	-1.5	-6.5
Global Equity Balanced	1.3	0.2	Financial Services Equity	-1.5	-7.3
Global Small/Mid Cap Equity	1.3	-4.5	Global Fixed Income	-1.7	2.5
2015 Target Date Portfolio	1.2	0.9	Asia Pacific ex-Japan Equity	-2.2	-7.9