

## Interim Management Report of Fund Performance

June 2018

This Interim Management Report of Fund Performance contains financial highlights but does not contain the complete interim financial statements of the Portfolio. You can request a copy of the interim financial statements, at no cost, by calling 514-350-5050 or toll free 1-888-377-7337 or by writing to us at 2 Complexe Desjardins, East Tower, 31<sup>st</sup> Floor, P. O. Box 1116, Montréal, Québec H5B 1C2, or by visiting our website at [www.professionalsf.com](http://www.professionalsf.com) or SEDAR's website at [www.sedar.com](http://www.sedar.com).

You may also contact us using one of these methods to request a copy of the Portfolio's proxy voting policies and procedures, proxy voting disclosure records and quarterly portfolio disclosure.

## PERFORMANCE ANALYSIS

### Investment Objective and Strategies

The Portfolio seeks to achieve long-term capital growth through investment diversification. The Portfolio invests primarily in equity securities of issuers worldwide, including Canada and emerging countries, and is not subject to any specific requirement compelling geographic diversification. The Portfolio Manager favours a global approach as opposed to an aggregate of independent regional strategies. A world-level sector approach is favoured over a traditional country-by-country approach. The bottom-up management process implies that analysis of selected securities is key to the creation of the portfolio. The Portfolio invests almost entirely in foreign shares in the United States, Europe and Asia, but it could also include securities of Canadian corporations and emerging countries. The Portfolio Manager targets well-capitalized corporations, with experienced directors at the helm, which demonstrate a mix of promising commercial potential and attractive growth in income and profit.

### Risk

The Portfolio invests primarily in equities of foreign issuers. Derivatives may also be used for hedging purposes or to establish market positions. The risks related to investments in the Portfolio remain as set out in the Simplified Prospectus. The risks associated with the Portfolio and its holdings are as follows: stock market risk, credit risk, sector risk, foreign securities risk, large transactions risk, specific issuer risk, currency risk, derivatives risk, emerging markets risk, securities lending risk, exchange-traded funds risk, interest rate risk, multi-series risk, short selling risk and loss restrictions risk.

### Operating Results

The FDP Global Equity Portfolio, Series A posted a net return of 4.0% for the first six-month period of 2018, versus 9.0% for 2017. The FDP Global Equity Portfolio, Series I posted a net return of 4.6% for the same period.

The global stock market, as measured by the MSCI World Index, posted a 5.4% return in Canadian dollars for the first half of 2018, driven partly by synchronized global economic growth and better-than-expected corporate profits.

The U.S. stock market, as measured by the S&P 500 Index, has been on an upswing since the beginning of the year, posting a 7.8% return in Canadian dollars over the first half of 2018. Stocks within the IT sector, particularly those linked to consumer goods, greatly contributed to the S&P 500's performance. The U.S. also put its protectionist stance into action by postponing further NAFTA renegotiations until November 2018 and imposing policies that exacerbate trade tensions with the rest of the world, inflating them to historic levels.

As central banks look to withdraw emergency policies implemented in the wake of the financial crisis and return to more normal conditions, synchronized global economic growth, it seems the U.S. income tax reform and corporate profits should improve companies' bottom lines. However, the overnight rate increase among several central banks, along with the heightened risk of a trade war, are generating uncertainty across markets. Against this backdrop, eurozone markets posted a 1.6% increase, with Asian markets also growing by 1.5%, all in Canadian dollars, thanks to the currency's 4.8% devaluation versus its U.S. counterpart.

### Recent Developments

There are currently no events to report for 2018.

### Related Party Transactions

The Manager of the FDP Global Equity Portfolio is Professionals' Financial – Mutual Funds Inc. The Manager is in charge of the portfolio's research, analyses, selections and transactions. The Investment Committee of Professionals' Financial – Mutual Funds Inc. supervises the execution of the mandates entrusted to the internal managers and to other external managers, as the case may be.

Monthly management fees, calculated daily at an annual percentage of the Portfolio's net assets after deducting the value of interfund investments, are paid to the Manager.

### FINANCIAL HIGHLIGHTS

The following tables illustrate key financial data concerning the Portfolio. Their purpose is to help you understand its financial results for the past five years.

This information comes from the audited annual financial statements and the June 30, 2018 unaudited interim financial statements of the Portfolio. You can obtain the financial statements on the website at [www.professionalsf.com](http://www.professionalsf.com).

### Portfolio's Distributions and Net Assets per Unit (in dollars)

Series A	Six months ended June 30		Years ended December 31			
	2018	2017	2016	2015	2014	2013
<b>Net assets, beginning of period</b>	<b>18.220</b>	<b>15.914</b>	<b>15.586</b>	<b>13.175</b>	<b>11.674</b>	<b>8.833</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.211	0.337	0.368	0.267	0.357	0.241
Total expenses	(0.143)	(0.274)	(0.239)	(0.237)	(0.210)	(0.183)
Realized gains (losses)	0.499	0.653	0.427	0.855	0.739	0.407
Unrealized gains (losses)	0.157	1.665	(0.129)	1.593	0.714	2.440
<b>Total increase (decrease) from operations<sup>(1)</sup></b>	<b>0.724</b>	<b>2.381</b>	<b>0.427</b>	<b>2.478</b>	<b>1.600</b>	<b>2.905</b>
<b>Distributions:</b>						
from income	0.008	0.064	0.127	0.027	0.091	0.070
from dividends	–	0.003	0.002	–	0.001	0.003
from capital gains	–	–	–	–	–	–
from capital returns	–	–	–	–	–	–
<b>Total distributions<sup>(2)</sup></b>	<b>0.008</b>	<b>0.067</b>	<b>0.129</b>	<b>0.027</b>	<b>0.092</b>	<b>0.073</b>
<b>Net assets at the end of the period</b>	<b>18.938</b>	<b>18.220</b>	<b>15.914</b>	<b>15.586</b>	<b>13.175</b>	<b>11.674</b>

# FDP GLOBAL EQUITY PORTFOLIO, SERIES A AND I (CONTINUED)

Series I	Six months ended June 30		Years ended December 31			
	2018	2017	2016	2015	2014	2013
<b>Net assets, beginning of period</b>	<b>14.133</b>	<b>12.333</b>	<b>12.048</b>	<b>10.000</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.167	0.263	0.289	0.209	n.a.	n.a.
Total expenses	(0.025)	(0.031)	(0.023)	(0.021)	n.a.	n.a.
Realized gains (losses)	0.384	0.508	0.335	0.518	n.a.	n.a.
Unrealized gains (losses)	0.112	1.267	0.010	0.933	n.a.	n.a.
<b>Total increase (decrease) from operations<sup>(1)</sup></b>	<b>0.638</b>	<b>2.007</b>	<b>0.611</b>	<b>1.639</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Distributions:</b>						
from income	0.072	0.213	0.229	0.117	n.a.	n.a.
from dividends	–	0.011	0.003	–	n.a.	n.a.
from capital gains	–	–	–	–	n.a.	n.a.
from capital returns	–	–	–	–	n.a.	n.a.
<b>Total distributions<sup>(2)</sup></b>	<b>0.072</b>	<b>0.224</b>	<b>0.232</b>	<b>0.117</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Net assets at the end of the period</b>	<b>14.691</b>	<b>14.133</b>	<b>12.333</b>	<b>12.048</b>	<b>n.a.</b>	<b>n.a.</b>

<sup>(1)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of units outstanding over the financial period.

<sup>(2)</sup> Distributions were reinvested in additional units of the Fund.

## Ratios and Supplemental Data

Series A	Six months ended June 30		Years ended December 31			
	2018	2017	2016	2015	2014	2013
<b>Net asset value (in thousands of dollars)<sup>(1)</sup></b>	<b>158,349</b>	<b>151,310</b>	<b>131,491</b>	<b>129,276</b>	<b>135,911</b>	<b>114,539</b>
<b>Number of units outstanding (thousands)<sup>(1)</sup></b>	<b>8,361</b>	<b>8,304</b>	<b>8,262</b>	<b>8,295</b>	<b>10,316</b>	<b>9,812</b>
<b>Management expense ratio (%)<sup>(2)</sup></b>	<b>1.560</b>	<b>1.616</b>	<b>1.581</b>	<b>1.642</b>	<b>1.739</b>	<b>1.831</b>
<b>Management expense ratio before waivers and absorptions (%)</b>	<b>1.560</b>	<b>1.616</b>	<b>1.581</b>	<b>1.642</b>	<b>1.739</b>	<b>1.831</b>
<b>Portfolio turnover rate (%)<sup>(3)</sup></b>	<b>14.66</b>	<b>23.36</b>	<b>26.01</b>	<b>53.43</b>	<b>51.15</b>	<b>34.31</b>
<b>Trading expense ratio (%)<sup>(4)</sup></b>	<b>0.05</b>	<b>0.04</b>	<b>0.05</b>	<b>0.10</b>	<b>0.07</b>	<b>0.07</b>
<b>Net asset value per unit</b>	<b>18.938</b>	<b>18.220</b>	<b>15.914</b>	<b>15.586</b>	<b>13.175</b>	<b>11.674</b>

Series I	Six months ended June 30		Years ended December 31			
	2018	2017	2016	2015	2014	2013
<b>Net asset value (in thousands of dollars)<sup>(1)</sup></b>	<b>245,702</b>	<b>206,349</b>	<b>148,708</b>	<b>115,320</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Number of units outstanding (thousands)<sup>(1)</sup></b>	<b>16,725</b>	<b>14,601</b>	<b>12,058</b>	<b>9,572</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Management expense ratio (%)<sup>(2)</sup></b>	<b>0.360</b>	<b>0.256</b>	<b>0.219</b>	<b>0.182</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Management expense ratio before waivers and absorptions (%)</b>	<b>0.360</b>	<b>0.256</b>	<b>0.219</b>	<b>0.182</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Portfolio turnover rate (%)<sup>(3)</sup></b>	<b>14.66</b>	<b>23.36</b>	<b>26.01</b>	<b>53.43</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Trading expense ratio (%)<sup>(4)</sup></b>	<b>0.05</b>	<b>0.04</b>	<b>0.05</b>	<b>0.10</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Net asset value per unit</b>	<b>14.691</b>	<b>14.133</b>	<b>12.333</b>	<b>12.048</b>	<b>n.a.</b>	<b>n.a.</b>

<sup>(1)</sup> For the years ended December 31, 2015 and before, the information is derived from the audited annual financial statements in accordance with Canadian generally accepted accounting principles as defined in Part V of the Canada CPA Handbook. As a result, net assets per unit presented in the financial statements differ from the net asset value calculated for the purposes of calculating unit prices and the differences are explained in the notes to the financial statements. For the following fiscal years, the information is derived from audited annual financial statements in accordance with International Financial Reporting Standards (IFRS). In compliance with these Standards, net assets per unit presented in the financial statements generally equal the net asset value calculated to establish unit prices.

<sup>(2)</sup> Management expense ratio includes management fees and operating expenses. It excludes income tax withheld on dividend income and transaction costs, and is expressed as a percentage of the daily average annualized net asset value during the fiscal year.

<sup>(3)</sup> The portfolio turnover rate indicates how actively the portfolio manager manages its portfolio investments. A portfolio turnover rate 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 portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

<sup>(4)</sup> 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.

## MANAGEMENT FEES

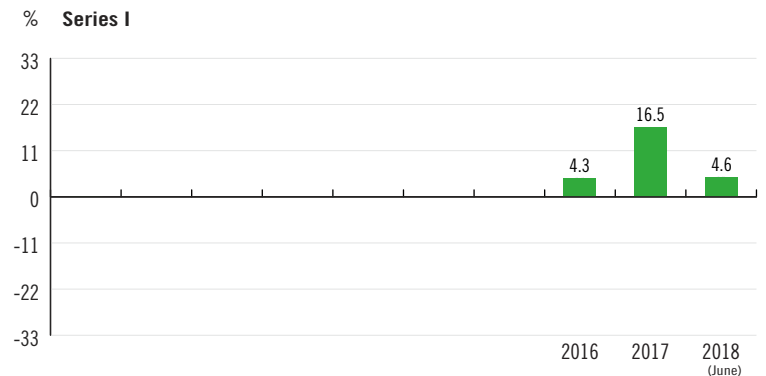
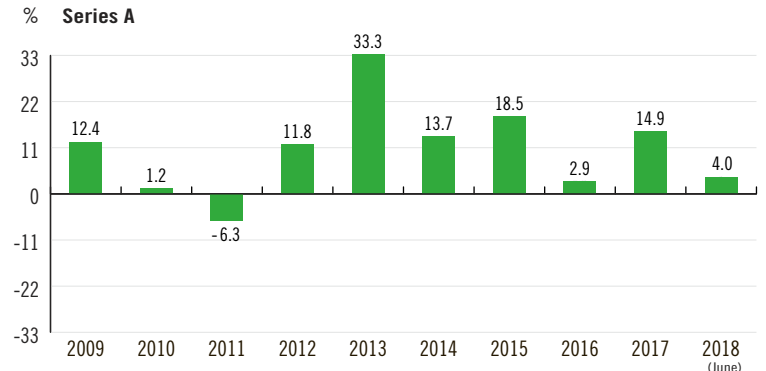
Series A and Series I units pay management fees to the Manager, Professionals' Financial – Mutual Funds Inc., for service rendered to the unitholders, and investment management and administration services. Series A units' annual management fees of 1.25% and 0.20% for Series I are calculated daily according to the net assets and paid monthly after deducting the value of interfund investments. For the first six months of the year 2018, Series A units paid \$1,097,000 and \$257,000 for Series I to the Manager.

## PAST PERFORMANCE

Information on performance presupposes that the Portfolio's distributions during the periods presented have been totally reinvested in additional units of the same series. The returns do not include deductions for sales fees, transfer, redemption or other optional fees (because there are none) or income taxes payable, and would be lower if they included such items. The Portfolio's past performance is not necessarily indicative of future performance.

### Annual Performance

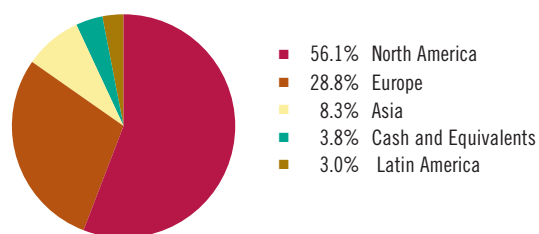
The following bar graphs indicate the Portfolio's annual returns for each year. They show the year-to-year variation in the Portfolio's return. The graphs present, in percentage form, what would have been the upward or downward variation, on the last day of the period, of an investment made on the first day of that year.



# FDP GLOBAL EQUITY PORTFOLIO, SERIES A AND I (CONTINUED)

## OVERVIEW OF PORTFOLIO

### Portfolio Mix



### Top 25 Portfolio Holdings

	% of net asset value
iShares MSCI World Index ETF	9.3
Cash and Equivalents	3.8
Accenture PLC, Cl. A	2.2
Nestlé SA	1.9
Aon PLC	1.6
Texas Instruments Incorporated	1.6
Comcast Corporation, Cl. A	1.6
Alphabet Inc., Cl. A	1.5
Reckitt Benckiser Group PLC	1.5
Taiwan Semiconductor Manufacturing Company, Ltd. ADR	1.4
Pernod Ricard SA	1.3
JPMorgan Chase & Co.	1.2
Bayer AG	1.2
Johnson & Johnson	1.1
Abbott Laboratories	1.1
Moodys Corporation	1.1
Experian PLC	1.1
Microsoft Corporation	1.0
PPG Industries Inc.	1.0
The Sherwin-Williams Company	1.0
Compass Group PLC	1.0
FDP Canadian Equity Portfolio	1.0
Fiserv, Inc.	1.0
Wells Fargo & Company	0.9
Fidelity National Information Services, Inc.	0.9

This portfolio may change due to continual trading in the Portfolio. An update of this data is available every quarter on our website at [www.professionalsf.com](http://www.professionalsf.com).