

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, 31st Floor, P. O. Box 1116, Montréal, Québec H5B 1C2, or by visiting our website at www.professionalsf.com or SEDAR's website at 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 produce a regular income and preserve invested capital. The Portfolio invests primarily (either directly or indirectly through investments that provide exposure to these securities) in debt instruments from Canadian and foreign issuers (including debt instruments from various government, municipal, public and parapublic instances). The Manager bases its overall vision on the economic analyses and monetary policy outlooks of the major industrialized nations' central banks. It uses a top-down global approach in active short-term management and setting the portfolio's duration. As the portfolio's weighted duration will usually be kept under 3.5 years, the Portfolio will also be able to hold guaranteed mortgage debt instruments or mortgage-backed securities. The Portfolio may also invest in equity securities from Canadian and foreign issuers that yield dividends or income.

Risk

The Portfolio invests primarily in Canadian and foreign debt instruments. It may also use derivatives for hedging purposes or to establish market positions. The risks associated with the Portfolio and its component assets are as follows: credit risk, currency risk, sector risk, foreign security risk, interest rate risk, derivatives risk, exchange-traded funds risk, specific issuer risk, major transaction risk, securities lending risk, debt- and mortgage-backed securities risk, multi-series risk, short selling risk and loss restrictions risk.

Operating Results

The FDP Short Term Fixed Income Portfolio, Series A posted a net return of 0.2% for the first six-month period of 2018, versus 0.2% for 2017. The FDP Short Term Fixed Income Portfolio, Series I posted a net return of 0.56% for the first half of the year.

Central banks continue to withdraw the emergency policies implemented in the wake of the great financial crisis to return to more normal market conditions. This change of purpose in said banks' strategies had repercussions on all markets, even if the yield increase should occur gradually and predictably.

Canada's overnight rate increases boosted bond yields, mostly on the yield curve's short-term segment, thereby impeding bond returns. The Canadian bond yield curve flattened, thereby considerably tightening the spread between long- and short-term yields. Moreover, credit spreads between corporate and government bonds have widened over in 2018.

Recent Developments

There are currently no events to report for 2018.

Related party transactions

The Manager of the FDP Short Term Fixed Income 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. oversees the execution of the mandates entrusted to internal managers and 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 since inception.

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.

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
Net assets, beginning of period	9.810	9.944	10.002	10.009	10.000	n.a.
Increase (decrease) from operations:						
Total revenue	0.116	0.225	0.225	0.245	0.158	n.a.
Total expenses	(0.049)	(0.115)	(0.109)	(0.107)	(0.072)	n.a.
Realized gains (losses)	(0.054)	(0.062)	(0.015)	0.034	0.003	n.a.
Unrealized gains (losses)	(0.002)	(0.043)	(0.040)	0.031	0.010	n.a.
Total increase (decrease) from operations⁽¹⁾	0.011	0.005	0.061	0.203	0.099	n.a.
Distributions:						
from income	0.062	0.116	0.117	0.135	0.080	n.a.
from dividends	–	0.003	0.002	–	–	n.a.
from capital gains	–	–	–	0.045	0.004	n.a.
from capital returns	–	–	–	–	–	n.a.
Total distributions⁽²⁾	0.062	0.119	0.119	0.180	0.084	n.a.
Net assets at the end of the period	9.762	9.810	9.944	10.002	10.009	n.a.

Series I	Six months ended June 30		Years ended December 31			
	2018	2017	2016	2015	2014	2013
Net assets, beginning of period	9.855	9.983	10.036	10.000	n.a.	n.a.
Increase (decrease) from operations:						
Total revenue	0.117	0.229	0.225	0.227	n.a.	n.a.
Total expenses	(0.008)	(0.014)	(0.013)	(0.008)	n.a.	n.a.
Realized gains (losses)	(0.054)	(0.106)	(0.017)	0.002	n.a.	n.a.
Unrealized gains (losses)	–	(0.031)	(0.047)	(0.057)	n.a.	n.a.
Total increase (decrease) from operations⁽¹⁾	0.055	0.078	0.148	0.164	n.a.	n.a.
Distributions:						
from income	0.090	0.210	0.207	0.189	n.a.	n.a.
from dividends	–	0.005	0.003	–	n.a.	n.a.
from capital gains	–	–	–	0.004	n.a.	n.a.
from capital returns	–	0.001	–	–	n.a.	n.a.
Total distributions⁽²⁾	0.090	0.216	0.210	0.193	n.a.	n.a.
Net assets at the end of the period	9.794	9.855	9.983	10.036	n.a.	n.a.

⁽¹⁾ 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.

⁽²⁾ Distributions were reinvested in additional units of the Fund.

FDP SHORT TERM FIXED INCOME PORTFOLIO, SERIES A AND I (CONTINUED)

Ratios and Supplemental Data

Series A	Six months ended June 30		Years ended December 31			
	2018	2017	2016	2015	2014	2013
Net asset value (in thousands of dollars)⁽¹⁾	7,297	11,968	60,501	62,306	114,184	n.a.
Number of units outstanding (thousands)⁽¹⁾	747	1,220	6,084	6,229	11,409	n.a.
Management expense ratio (%)⁽²⁾	1.004	1.248	1.090	1.119	1.225	n.a.
Management expense ratio before waivers and absorptions (%)	1.004	1.248	1.090	1.119	1.225	n.a.
Portfolio turnover rate (%)⁽³⁾	153.76	420.38	282.32	373.18	524.36	n.a.
Trading expense ratio (%)⁽⁴⁾	–	0.03	0.02	0.01	–	n.a.
Net asset value per unit	9.762	9.810	9.944	10.002	10.009	n.a.

Series I	Six months ended June 30		Years ended December 31			
	2018	2017	2016	2015	2014	2013
Net asset value (in thousands of dollars)⁽¹⁾	238,699	227,384	177,767	133,637	n.a.	n.a.
Number of units outstanding (thousands)⁽¹⁾	24,371	23,072	17,807	13,316	n.a.	n.a.
Management expense ratio (%)⁽²⁾	0.171	0.231	0.137	0.079	n.a.	n.a.
Management expense ratio before waivers and absorptions (%)	0.171	0.231	0.137	0.079	n.a.	n.a.
Portfolio turnover rate (%)⁽³⁾	153.76	420.38	282.32	373.18	n.a.	n.a.
Trading expense ratio (%)⁽⁴⁾	–	0.03	0.02	0.01	n.a.	n.a.
Net asset value per unit	9.794	9.855	9.983	10.036	n.a.	n.a.

⁽¹⁾ 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.

⁽²⁾ 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.

⁽³⁾ 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.

⁽⁴⁾ 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

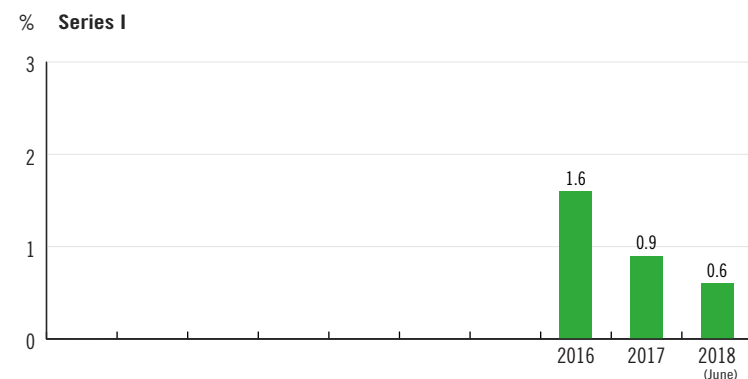
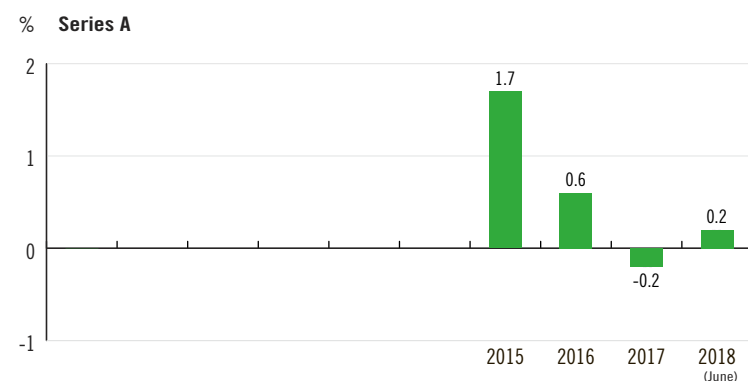
Series A and Series I units pay management fees to the Manager, Professionals' Financial – Mutual Funds Inc., for service rendered to the unitholders, and investment management and administration services. Series A units' annual management fees of 0.70% and 0.05% for Series I are calculated daily according 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 \$41,000 and \$67,000 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

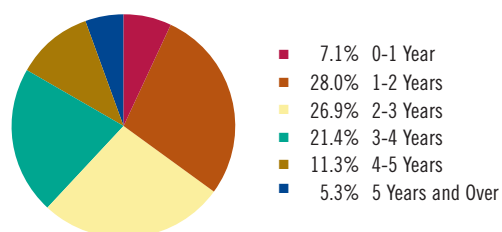
The following bar graphs indicate the Portfolio's annual returns for each year. They show the year-to-year variation in the Portfolio's return. The graphs present, in percentage form, what would have been the upward or downward variation, on the last day of the period, of an investment made on the first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



FDP SHORT TERM FIXED INCOME PORTFOLIO, SERIES A AND I (CONTINUED)

OVERVIEW OF PORTFOLIO

Portfolio Mix



Top 25 Portfolio Holdings

	% of net asset value
Cash and Equivalents	7.1
Canada Housing Trust, 1.25%, Jun. 15, 2021	6.5
City of Gatineau, 2.25%, Sep. 10, 2019	2.8
Province of Ontario, 4.20%, Jun. 2, 2020	2.8
Canada Housing Trust, 2.65%, Mar. 15, 2022	2.8
Province of Quebec, 4.25%, Dec. 1, 2021	2.5
Province of Quebec, 3.50%, Dec. 1, 2022	2.5
CARDS II Trust, 2.16%, Oct. 15, 2020	2.5
Caisse Centrale Desjardins, 1.75%, Mar. 2, 2020	2.4
HSBC Bank Canada, 2.94%, Jan. 14, 2020	2.1
Bank of Montreal, 3.40%, Apr. 23, 2021	2.1
City of Salaberry-de-Valleyfield, 2.30%, Nov. 4, 2019	2.0
The Toronto-Dominion Bank, 2.05%, Mar. 8, 2021	2.0
Royal Bank of Canada, 2.03%, Mar. 15, 2021	2.0
City of Trois-Rivieres Canada, 2.10%, Oct. 26, 2020	1.9
City of Trois-Rivières, 2.05%, Oct. 28, 2019	1.9
Government of Canada, 1.75%, Mar. 1, 2023	1.8
Scotiabank, 1.83%, Apr. 27, 2022	1.8
AltaGas, Ltd., 4.07%, Jun. 1, 2020	1.6
Fortified Trust, Series 16-1, 1.67%, Jul. 23, 2021	1.6
Genesis Trust II, 1.70%, Apr. 15, 2020	1.5
Dollarama Inc., 2.34%, Jul. 22, 2021	1.5
PSP Capital Inc., 1.73%, Jun. 21, 2022	1.5
Granite REIT Holdings Limited Partnership, 3.87%, Nov. 30, 2023	1.4
Kativik Regional Government, 2.35%, Dec. 5, 2022	1.3

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.