

Interim Management Report of Fund Performance

June 2019

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 achieve steady income and to ensure invested capital preservation. The Portfolio invests primarily in debt instruments of Canadian and foreign issuers. The Portfolio may also invest in equity securities of Canadian and foreign issuers paying dividends or income. The Portfolio Manager uses a top-down global active short-term management approach, including to set the duration of the portfolio. The implementation of dynamic positioning strategies on the yield curve, the choice of classes of issuers and the selection of securities are based on quantitative and qualitative comparisons, and simulations on interest rates, yield differentials, currencies and volatility.

Risk

The Portfolio invests primarily in debt securities, both Canadian and foreign. 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: credit risk, sector risk, foreign securities risk, large transactions risk, specific issuer risk, currency risk, interest rate risk, derivatives risk, securities lending risk, exchange-traded funds risk, asset-backed and mortgage-backed securities risk, multi-series risk, short selling risk and loss restrictions risk.

Operating Results

The FDP Canadian Bond Portfolio, Series A posted a net return of 6.3% for the first six-month period of 2019, versus 0.6% for 2018. The FDP Canadian Bond Portfolio, Series I posted a net return of 6.8% for the first half of the year.

The bond market, as measured by the FTSE Canada Universe Bond Index, posted a 6.5% return over the first half of 2019. The 10-year government of Canada bond yield declined by 50 basis points in 2019, causing the spread between long- and short-term yields to narrow considerably.

Due in part to a slowdown in global economic growth, the flattening of the yield curve led central banks, including the U.S. Federal Reserve and the European Central Bank in particular, to implement a new approach and adopt a more accommodative monetary policy.

Credit spreads tightened in the provincial bond and corporate bond sectors in 2019.

Recent Developments

There are currently no events to report for 2019.

Related Party Transactions

The Manager of the FDP Canadian Bond 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 and six-month period.

This information comes from the audited annual financial statements and the June 30, 2019 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			
	2019	2018	2017	2016	2015	2014
Net assets, beginning of period	11.602	11.755	11.756	11.913	12.075	11.674
Increase (decrease) from operations:						
Total revenue	0.185	0.353	0.347	0.346	0.347	0.386
Total expenses	(0.064)	(0.126)	(0.133)	(0.147)	(0.131)	(0.128)
Realized gains (losses)	0.234	(0.201)	(0.036)	0.121	0.188	0.236
Unrealized gains (losses)	0.373	0.040	0.029	(0.141)	(0.088)	0.302
Total increase (decrease) from operations ⁽¹⁾	0.728	0.066	0.207	0.179	0.316	0.796
Distributions:						
from income	0.130	0.222	0.211	0.200	0.216	0.288
from dividends	–	0.001	0.005	0.002	–	0.004
from capital gains	–	–	–	0.087	0.254	0.113
from capital returns	–	–	–	–	–	–
Total distributions ⁽²⁾	0.130	0.223	0.216	0.289	0.470	0.405
Net assets at the end of the period	12.199	11.602	11.755	11.756	11.913	12.075

Series I	Six months ended June 30		Years ended December 31			
	2019	2018	2017	2016	2015	2014
Net assets, beginning of period	9.568	9.828	9.825	9.930	10.000	n.a.
Increase (decrease) from operations:						
Total revenue	0.159	0.289	0.290	0.289	0.276	n.a.
Total expenses	(0.013)	(0.019)	(0.015)	(0.015)	(0.011)	n.a.
Realized gains (losses)	0.195	(0.162)	(0.029)	0.093	0.078	n.a.
Unrealized gains (losses)	0.306	(0.061)	0.019	(0.200)	(0.182)	n.a.
Total increase (decrease) from operations ⁽¹⁾	0.647	0.047	0.265	0.167	0.161	n.a.
Distributions:						
from income	0.155	0.398	0.269	0.268	0.231	n.a.
from dividends	–	0.001	0.006	0.002	0.001	n.a.
from capital gains	–	–	–	0.051	0.062	n.a.
from capital returns	–	0.001	–	–	–	n.a.
Total distributions ⁽²⁾	0.155	0.400	0.275	0.321	0.294	n.a.
Net assets at the end of the period	10.062	9.568	9.828	9.825	9.930	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 Portfolio.

FDP CANADIAN BOND PORTFOLIO, SERIES A AND I (CONTINUED)

Ratios and Supplemental Data

Series A	Six months ended June 30		Years ended December 31			
	2019	2018	2017	2016	2015	2014
Net asset value (in thousands of dollars) ⁽¹⁾	325,730	307,749	332,787	302,963	362,440	373,474
Number of units outstanding (thousands) ⁽¹⁾	26,701	26,526	28,310	25,772	30,424	30,929
Management expense ratio (%) ⁽²⁾	1.091	1.093	1.230	1.221	1.197	1.217
Management expense ratio before waivers and absorptions (%)	1.091	1.093	1.230	1.221	1.197	1.217
Portfolio turnover rate (%) ⁽³⁾	1,313.41	2,150.70	1,635.70	1,381.07	1,437.73	3,086.04
Trading expense ratio (%) ⁽⁴⁾	–	–	0.02	0.02	0.03	0.02
Net asset value per unit	12.199	11.602	11.755	11.756	11.913	12.075

Series I	Six months ended June 30		Years ended December 31			
	2019	2018	2017	2016	2015	2014
Net asset value (in thousands of dollars) ⁽¹⁾	11,713	10,525	133,963	98,331	73,446	n.a.
Number of units outstanding (thousands) ⁽¹⁾	1,164	1,100	13,632	10,008	7,397	n.a.
Management expense ratio (%) ⁽²⁾	0.259	0.192	0.251	0.154	0.115	n.a.
Management expense ratio before waivers and absorptions (%)	0.259	0.192	0.251	0.154	0.115	n.a.
Portfolio turnover rate (%) ⁽³⁾	1,313.41	2,150.70	1,635.70	1,381.07	1,437.73	n.a.
Trading expense ratio (%) ⁽⁴⁾	–	–	0.02	0.02	0.03	n.a.
Net asset value per unit	10.062	9.568	9.828	9.825	9.930	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 0.85% 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 2019, Series A units paid \$1,532,000 and \$3,000 for Series I to the Manager.

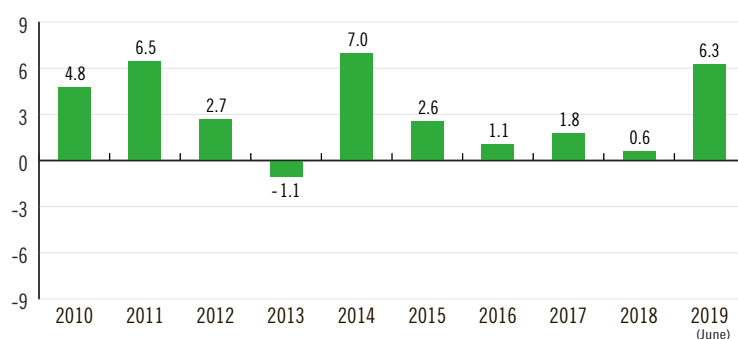
PAST PERFORMANCE

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.

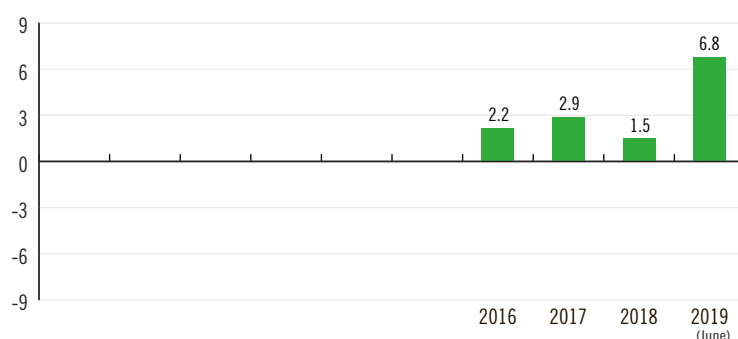
Annual Performance

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 period.

% Series A



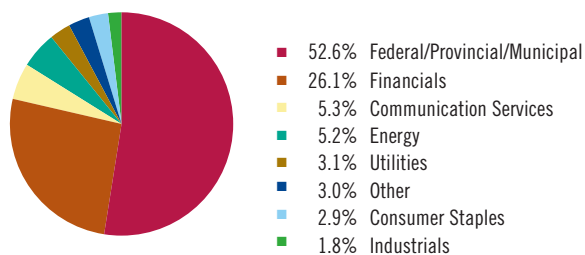
% Series I



FDP CANADIAN BOND PORTFOLIO, SERIES A AND I (CONTINUED)

OVERVIEW OF PORTFOLIO

Portfolio Mix



Top 25 Portfolio Holdings

	% of net asset value
Canada Housing Trust, 1.75%, Jun. 15, 2022	5.7
Canadian Imperial Bank of Commerce, 1.64%, Jul. 12, 2021	4.8
Cash and Equivalents	3.9
Province of Ontario, 3.50%, Jun. 2, 2043	3.8
Province of Ontario, 2.40%, Jun. 2, 2026	3.3
HSBC Bank Canada, 2.45%, Jan. 29, 2021	3.2
Government of Canada, 2.75%, Dec. 1, 2048	2.6
Royal Bank of Canada, 1.97%, Mar. 2, 2022	2.6
Province of Ontario, 3.15%, Jun. 2, 2022	2.6
Dollarama Inc., 3.55%, Nov. 6, 2023	2.4
Government of Canada, 3.50%, Dec. 1, 2045	2.3
Province of Ontario, 2.60%, Jun. 2, 2027	2.3
Province of Québec, 3.50%, Dec. 1, 2045	2.2
The Empire Life Insurance Company, 3.38%, Dec. 16, 2026	2.2
Province of Ontario, 2.60%, Jun. 2, 2025	2.1
Government of Canada, 2.25%, Jun. 1, 2029	2.0
HSBC Bank Canada, 2.25%, Sep. 15, 2022	1.8
Province of Québec, 6.25%, Jun. 1, 2032	1.7
Pembina Pipeline Corporation, 4.24%, Jun. 15, 2027	1.6
Bell Canada, 3.35%, Mar. 22, 2023	1.6
Government of Canada, 5.75%, Jun. 1, 2029	1.6
Province of Québec, 5.00%, Dec. 1, 2041	1.5
Crombie Real Estate Investment Trust, 3.96%, Jun. 1, 2021	1.5
Province of Québec, 3.50%, Dec. 1, 2022	1.5
The Toronto-Dominion Bank, 3.06%, Jan. 26, 2032	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.