

EXCEL EM HIGH INCOME FUND

Performance and Portfolio allocations as at April 30, 2012.

Fund Details (As At April 30, 2012)

Fund Category	High Yield Fixed Income
Sub-Adviser	Amundi Asset Management
Unit Price	
Series A	\$4.94
Series F	\$4.97
Distributions	Monthly (0.025¢ per unit) Distribution Yield (6.2%)
AUM	\$50,767,537
Inception "A"	November 2, 2010
Inception "F"	November 3, 2010
Management Fee	
Series A	1.95% Series A
Series F	0.95% Series F

About This Fund

The Excel EM High Income Fund seeks to provide a monthly income distribution at an above average yield. Investments by the fund are largely composed of a diversified array of sovereign and corporate emerging markets fixed income instruments.

Key Reasons To Own This Fund

- Provides an above average fixed income return paid as a monthly distribution.
- Gain investment exposure to one of the fastest growing regions in the world.
- Potential for additional returns due to asset and currency appreciation.

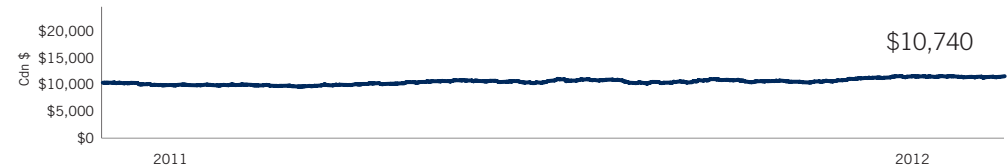
Compound Returns (%)

	1 month	3 months	6 months	1 year	3 years	5 years	10 years	Inception	YTD
Series A	0.1%	2.6%	4.9%	8.5%	NA	NA	NA	4.9%	6.8%
Series F	0.2%	2.9%	5.5%	9.7%	NA	NA	NA	5.9%	7.2%

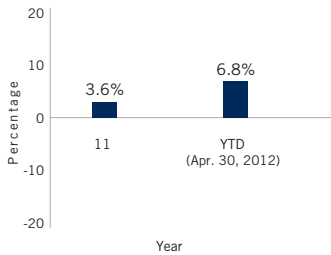
Style

	value	blend	growth
large			
medium			
small			

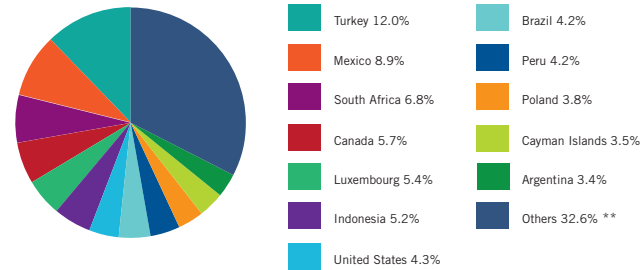
Growth Of \$10,000 Since Inception*



Calendar Performance (%)



Country Allocations



**Others include regions which individually represents less than 3.4% of the Net Asset Value of the fund

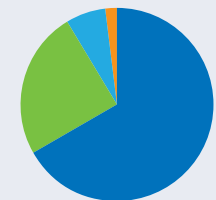
Yield and Duration

Portfolio Yield	7.7%
Duration (Years)	6.4

Top Ten Holdings (%)

Federal Republic of Brazil 8.50% January 5, 2024	4.2%
Republic of Turkey 10.50% January 15, 2020	3.0%
United Mexican States 8.50% November 18, 2038	2.9%
Government of Ukraine 7.75% September 23, 2020	2.8%
Croatia 6.25% April 27, 2017	2.8%
Republic of South Africa 10.50% December 21, 2026	2.7%
United Mexican States 9.50% December 18, 2014	2.5%
Republic of Poland 5.25% October 25, 2020	2.4%
RSHB Capital SA (OJSC RUSS AGRIC BK) 7.50% March 25, 2013	2.3%
Turkey Government Bond 9.50% January 12, 2022	2.3%

Portfolio Allocations (%)



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Data provided representative of Excel EM High Income Fund Series "A"

Portfolio Manager



Sergei Strigo
Amundi Asset Management

Mr. Strigo has over 10 years of investment experience. He joined Amundi Asset Management in 2004 and has been managing the Excel EM High Income Fund since 2010.

Commentary

Following a positive first quarter, external and local debt markets appreciated in April. External debt markets were up 1.63% while sovereign spreads did widen slightly from 330 to 339 basis points over the US treasury yield, curve. This indicates that the strong demand for US treasuries in response to increasing developed market risk premiums contributed to external debt performance. However, the relative stability of the sovereign spread over this period highlights that, despite a poor month for developed market credit and equities, emerging debt remained resilient. Over the month, local debt markets outperformed, with the JPM GBI-EM Global Diversified unhedged in USD appreciating +0.96%, but by +1.18% in local currency terms. The slightly lower performance of the benchmark when valued in USD highlights that in general terms, emerging currencies out performed developed currencies. Within the emerging currency universe, there was a split in terms of performance; emerging European currencies underperforming vs. developed currencies, while emerging Asian currencies out performed developed currencies. The performance of Latin American currencies was broadly mixed.

Fund Codes

Load Type	CAD\$	US\$
Front End	EXL 111	EXL 841
Deferred	EXL 211	EXL 843
Low Load	EXL 311	EXL 845
Series F	EXL 611	NA

Minimum Investment

Front End	\$250
Deferred	\$250
Low Load	\$250
Series F	\$250
Subsequent (FE, DSC, LL)	\$50

About Us

Excel Funds Management Inc. is a multiple Lipper Award winning company, and Canada's only emerging markets focused mutual fund provider. For over 13 years, we have been partnering exclusively with best in class, on-the-ground portfolio managers that bring Canadian investors firsthand insight and expertise in these flourishing economies. Through our funds, investors gain early exposure to companies positioned to become future leaders in some of the world's fastest growing markets. Excel Funds maintains a highly ranked fund family that is focused on emerging market growth opportunities.

Current Positioning:

Having chosen to position the portfolio more defensively at the start of Q2 we maintained the overall risk profile of the fund. Having modified our overweight external debt position to be more in line with the benchmark weight at the start of the month we remain true to that purpose. Emerging currency positions remain at or close to benchmark weights. By keeping our external debt exposure broadly in line with the benchmark and remaining underweight local debt vs. benchmark, we continue to express our preference for external debt relative to local debt. We do still hold slightly higher levels of cash reserve in so that we may take advantage of any opportunities that arise. Within our allocation to external debt, we are currently overweight high yielding external credit vs. lower yielding high grade external credit; principal positions are overweight Russia, Argentina, Croatia, UAE and Turkey, with underweight positions in Philippines, Kazakhstan, Brazil, Panama and Chile. The overall active currency exposure remains neutral to the benchmark, but, as discussed earlier, we have reduced the relative size of the active positions.

Outlook:

Global financial markets continue to take stock of the current global macro outlook and may be said to be searching/waiting for the new direction to become clear. Improvements in US macro data and positive news flow from Europe may provide the basis for further gains across all risky asset classes. However, the opposite remains true; missed targets, an adverse macro picture on either side of the Atlantic, or increased political tensions in Europe, may provide the impetus for further short term corrections.



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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the simplified prospectus before investing. The indicated rates of return are the historical annual compounded total return including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. The rates of return shown are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values of the returns on investment in Excel Funds.