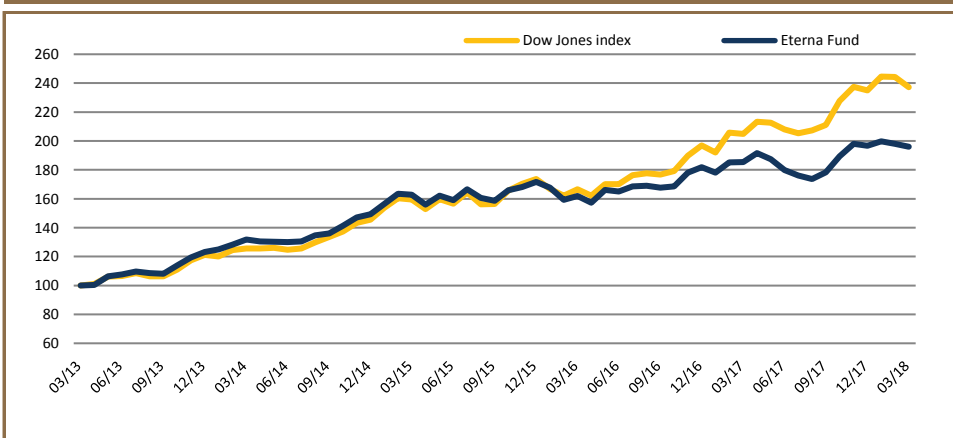




**Performance** (Normalized return 5 years)

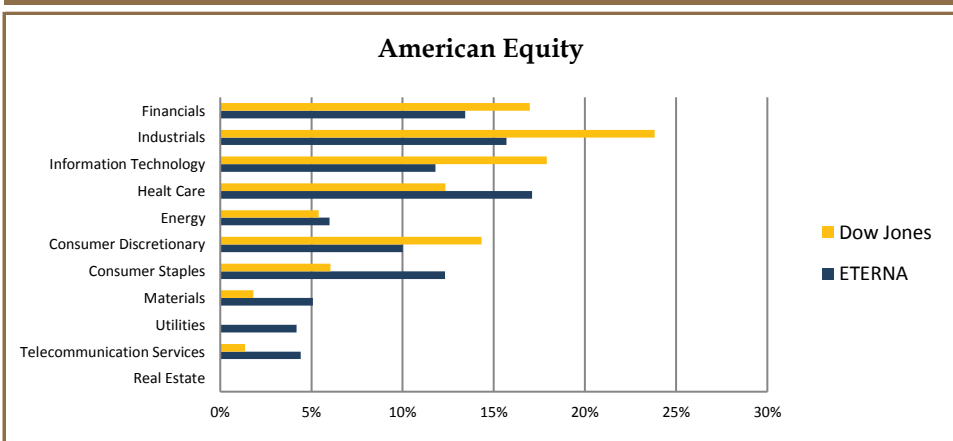


Annualized	1 year	2 years	3 years	4 years	5 years	10 years
<b>American Fund ETERNA*</b>	5.76%	10.00%	6.35%	10.44%	14.40%	8.76%
<b>Dow Jones index</b>	15.80%	19.31%	14.15%	17.23%	18.86%	12.39%
<b>Added Value</b>	-10.04%	-9.31%	-7.80%	-6.79%	-4.46%	-3.63%

Annual	YTD	2017	2016	2015	2014	2013	2012	2011
<b>American Fund ETERNA*</b>	-0.34%	8.19%	5.91%	14.99%	21.26%	36.02%	10.96%	4.43%
<b>Dow Jones index</b>	0.97%	19.32%	13.31%	19.31%	20.26%	38.50%	7.88%	10.81%
<b>Added Value</b>	-1.31%	-11.13%	-7.40%	-4.32%	1.00%	-2.48%	3.08%	-6.38%

\* Performances net of all fees

**Asset allocation** (Source Bloomberg)



Characteristics	No. holdings	Av. Market Cap.	P/E (NTM)	Dividend Yield
<b>American Fund ETERNA</b>	26	218,11 G\$	16.67	2.40%
<b>Dow Jones index</b>	30	285,13 G\$	15.84	2.21%

Statistics (5 years)	Beta	Std. Deviation	Tracking Error	Information Ratio
<b>American Fund ETERNA</b>	0.9	9.75	3.68	-0.46
<b>Dow Jones index</b>	1	10.11	-	-

**Manager:** Markus Koebler

**Benchmark:** Dow Jones index

**Management fees and operating costs:** 1,50 %

**Investment Objective**

Generate long-term returns through capital appreciation and dividend income, through a diversified portfolio consisting primarily of stocks listed on a recognized American stock market.

**Investment Process**

The fund's assets are invested in well-diversified portfolios of American stocks listed on a recognized stock market. The management approach to this strategy is "value bias", based on fundamental approach.

The portfolio's core consists of securities from large and well-capitalized companies (S&P 500), which offer diverse participation in the Canadian economy, while ensuring portfolio liquidity. Securities from small- and mid-cap companies with increased long-term dividends complement this core. Reducing market risk and portfolio volatility are priorities.

Top 10 - Holdings	
Microsoft Corp	5.82%
Medtronic PLC	5.38%
Johnson & Johnson	5.17%
Unitedhealth Group inc.	5.04%
Fastenal Co	4.79%
Ecolab inc.	4.62%
Automatic Data Processing	4.08%
JP Morgan Chase & Co	4.05%
Verizon Communications inc.	4.03%
Home Depot inc.	3.94%

**Attribution** (source Bloomberg)

Active Return (YTD)			Active Return Attribution Summary (YTD)*		
Return ETERNA	Return Dow Jones index	Added Value	Sector Allocation	Holdings Selection	Currency
-0.34%	0.97%	-1.31%	s.o	s.o	s.o

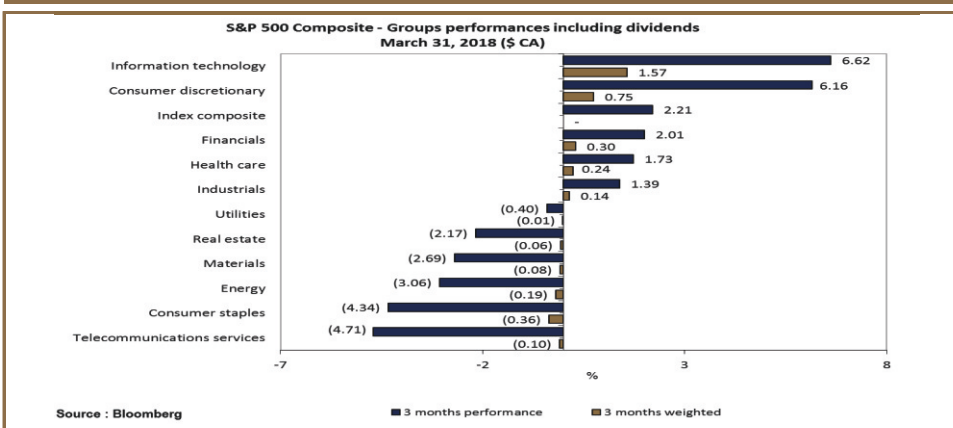
\* Active return attribution based on the gross return estimated by the Bloomberg system

Top 10 - Positive Contributors (YTD)		Top 10 - Negative Contributors (YTD)	
Intel Corp	0.50%	Dollar Tree inc.	-0.27%
Microsoft Corp	0.49%	Wells Fargo & Co	-0.25%
M & T Bank Corp	0.33%	Johnson & Johnson	-0.25%
JP Morgan Chase & Co	0.21%	Verizon Communications inc.	-0.24%
Ecolab inc.	0.21%	Clorox Company	-0.21%
Texas Instruments inc.	0.17%	PepsiCo inc.	-0.17%
Fastenal Co	0.14%	Metlife inc.	-0.15%
Medtronic PLC	0.14%	Duke Energy Corp	-0.14%
Union Pacific Corp	0.13%	Autozone inc.	-0.12%
Costco Wholesale Corp	0.11%	Home Depot inc.	-0.10%

Top 5 - Total return (YTD)		Bottom 5 - Total return (YTD)	
M & T Bank Corp	11.27%	Wells Fargo & Co	-10.67%
Microsoft Corp	10.19%	Dollar Tree inc.	-9.09%
JP Morgan Chase & Co	6.25%	Clorox Company	-7.47%
Ecolab inc.	5.33%	Verizon Communications inc.	-6.07%
Valero Energy Corp	4.69%	Pepsico inc.	-5.74%

\* Return of a security may vary from the real YTD return depending on the detention period of the security during the year

**Visual support of quarterly comments**



The S&P 500 index started the year in force as it gained more than 7% in the first three weeks of the year, due in particular to the announcement of the tax reform of the American president. Volatility then gained the upper hand, as each sharp decline was followed by a strong rebound, and ultimately ended the quarter on a negative note as a tariff war with China emerged and several technology stocks stumbled. The U.S. index ended the first quarter down 0.25%, but Canadian investors were able to benefit from the weakness of our currency to boost this yield to 2.75%. Only the information technology (3.5%) and consumer discretionary (3.1%) sectors delivered positive returns.

Last December, we mentioned that the U.S. market performance came from profit growth rather than multiple expansion, as was the case in past years. In the last three months, these two factors have had the opposite effect on stock market index performance, and this throughout the world. Indeed, as earnings growth continued, valuation multiples contracted to hurt stock market performance. Investors therefore show signs of caution regarding current index levels and consequently contribute to the volatility of the various stock exchanges.

As we expect continued volatility in the coming months, our North American investments will remain focused on stocks with attractive valuation ratios and interesting dividend to limit the risks associated with daily stock market upswings, while generating a current income.

Performance is calculated on net basis of management, operational, transaction and administrative fees. Data from "Active Return Attribution Summary" and main positive and negative fund contributions come from the Bloomberg system. The performance calculated by the Bloomberg system is an estimation and may vary from actual performance due to the information update method, the return calculation method and costs associated with the fund. The top 5 and bottom 5 performers lists (Total return YTD) explain the performance of the securities since the beginning of the year or since the addition of the security if it was made later than January 1<sup>st</sup>. Past performances are not necessarily indicative of future performances. This document is intended for personal use only. The information and opinions expressed herein are subject to change, depending on market conditions or trends. The views expressed are provided for informational purposes and no investment decision-making should be based on these. This document is not and should not be construed as a solicitation or an offering of units of any fund or other security in any jurisdiction. This document may not be reproduced in whole or in part without prior written permission of Eterna Investment Management. Investment funds from Eterna Investment Management are intended solely for "accredited investors", as defined in National Instrument 45-106 titled Prospectus and Registration Exemptions. Investment in investment funds are not insured by the Canada Deposit Insurance Corporation or by any other public insurer and are not guaranteed by Eterna Investment Management or by any associate company.