



# ***Tradex***

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***A 49 year tradition  
of helping  
Public Sector Employees  
and their families  
build a brighter financial future.***



# *Tradex*

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- *2008 was a extremely difficult period for all equity investors:*
  - *TSX down 35%*
  - *U.S. S&P 500 down 39%*
  - *Tokyo down 35%*
  - *London down 31%*
  - *Hong Kong down 48%*
  - *Frankfurt down 40%*





# Tradex

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- *The beginning of 2009 was also terrible:  
At the low point in early March:*
  - *TSX was down 17% year-to-date.*
  - *U.S. S&P 500 was down 26% year-to-date.*

*At that time I'm sure many of us--including me--  
were ready to "throw in the towel".*

*\*\*\*\*\**

*However, as history has shown us, this would have  
been the worst possible time to sell stocks.*

- *Indeed, as as April 27<sup>th</sup>:*
  - *TSX was up 4.5% year-to-date*
  - *U.S. S&P 500 still down 5% but up 21% from bottom.*

30 Years of  
Negative Time Magazine Covers  
&  
The Stock Market 10 Years Later



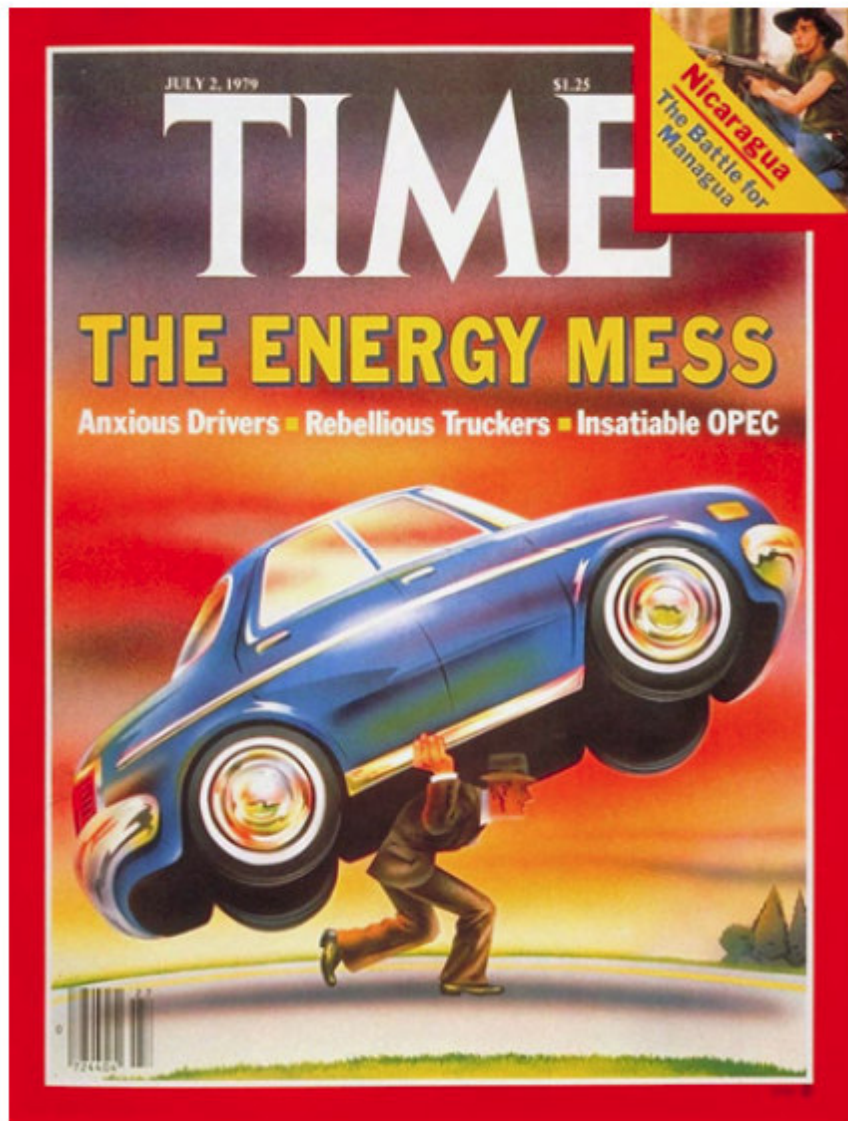
September 9<sup>th</sup> 1974

DOW JONES = 662.94

DOW JONES 10 years later = 1207.38

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$1,821** ten years later.

**(almost doubling in 10 years)**



July 2<sup>nd</sup> 1979

DOW JONES = 834.04

DOW JONES 10 years later = 2440.06

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$2,926** ten years later.

**(almost tripling in 10 years)**



February 8<sup>th</sup> 1982

DOW JONES = 833.43

DOW JONES 10 years later = 3225.40

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,870** ten years later.

**(almost quadrupling in 10 years)**



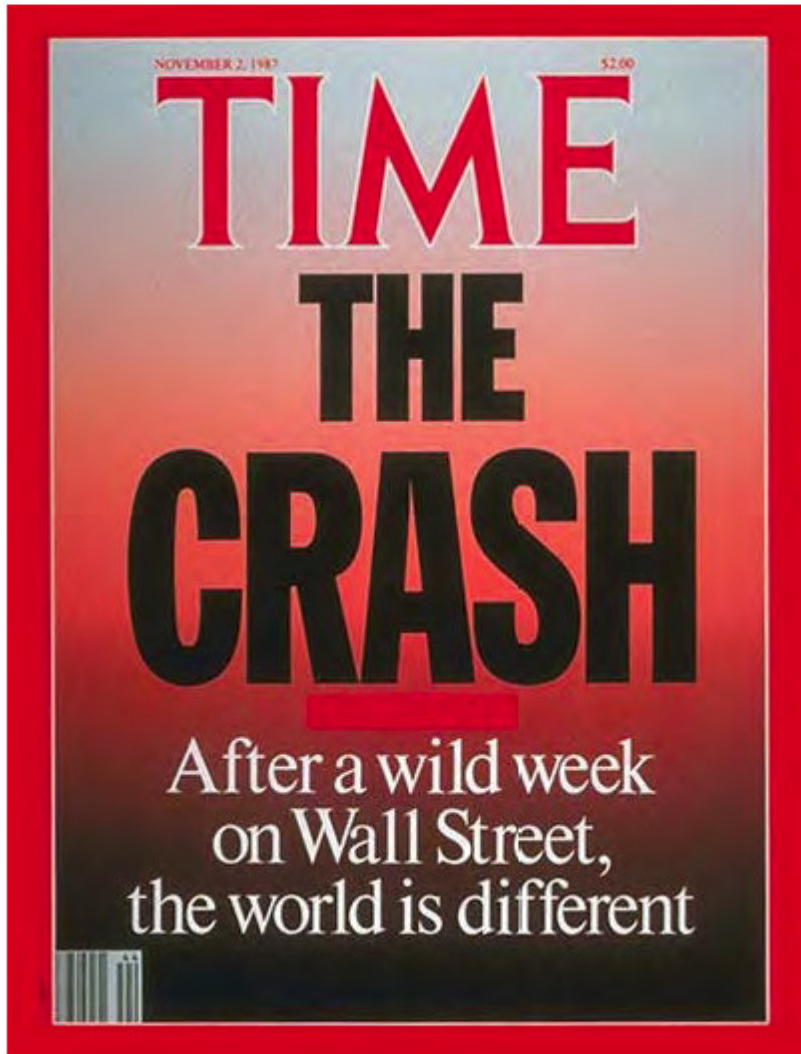
December 3<sup>rd</sup> 1984

DOW JONES = 1182.42

DOW JONES 10 years later = 3745.62

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,168** ten years later.

**(more than tripling in 10 years)**



November 2<sup>nd</sup> 1987

DOW JONES = 2014.09

DOW JONES 10 years later = 7442.08

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,695** ten years later

**(more than tripling in 10 years)**



January 13<sup>th</sup> 1992

DOW JONES = 3185.60

DOW JONES 10 years later = 9987.53

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,135** ten years later.

**(more than tripling in 10 years)**



DOW JONES = 7945.35

DOW JONES 10 years later = 11421.99

Up 44% in 10 years

September 14<sup>th</sup> 1998



DOW JONES = 12479.63

DOW JONES 10 years later = ???

**DOW JONES on April 23rd 2009 = 7957**

May 26<sup>th</sup>, 2008



# Tradex

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Obviously, no one can predict the future.

However, if the past is any indication, markets will rebound in time and also move higher.

- *Therefore, it's critical to keep a long-term focus.*
- *Highly recommend the article by the CEO of PH&N that was in our most recent quarterly.*
- *In our own case, Tradex Equity Fund Limited, has had a compound annual rate of return of 9.0% over its 49 year history---despite the recent declines.*

That's why we're big believers in "staying the course" during these difficult times and also in "dollar cost averaging" through our systematic savings program for those who are not retired.



## S&P/TSX Composite Index---past 20 years

Price history - \$CA:OSPTX (6/29/1979 - 4/24/2009)





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## ***A reminder of our unique strengths***

- ***We are 100% owned by our investors and have a corporate culture that reflects this fact.***
- ***Very strong governance--- 9 of our 10 Directors are completely independent of management.***
- ***Each Tradex Fund also has an oversight Committee consisting two Directors and one Investor Representative:***
  - *Tradex Equity Fund --- Basia Ruta*
  - *Tradex Bond Fund --- Gordon May*
  - *Tradex Global Equity Fund --- Brian Askett*
- ***We operate on an "at-cost" basis. As a result:***
  - We are able to keep our fees low---there are no sales commissions, account set-up fees, redemption fees, RRSP fees or other fees.*
  - Any "excess revenue" we earn goes back to the Tradex Funds to reduce their Management Expense Ratio (\$177,000 returned in 2008 versus \$238,000 in 2007 and \$76,000 in 2006).*



## *A reminder of our unique strengths*

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- *We have very loyal Members---for which we're very grateful.*
- *Great employees:*
  - *Brien---18 years, Debby---13 years, Blair---9 years, and Luc---with us almost two years.*
- *Blue Ribbon Suppliers:*
  - *Registrar---Citigroup*
  - *Custodian---CIBC-Mellon*
  - *Legal Counsel---Borden Ladner Gervais*
  - *Auditor---PricewaterhouseCoopers*
  - *And our Portfolio Advisors---PH&N, TDAM and CLIM.*



## ***A reminder of our unique strengths***

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***Please also don't forget that:***

- ***We offer an outstanding high-yield daily interest account that is CDIC insured.***
- ***We distribute GICs for a number of deposit taking institutions and can usually get a better rate for you than you can get from your bank.***
- ***We distribute the mutual funds offered by virtually every major mutual fund company in Canada---all without commissions or deferred sales charges.***



# *Tradex*

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*But, we need your help to continue to grow!*

- *Almost all of our new clients come from “word of mouth” from existing clients.*
- *We encourage you to talk to a friend, family member or co-worker to join Tradex.*
- *We sincerely believe that you will be doing them a favour.*



# ***Tradex***

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***Thanks to your support, we  
continue to prosper  
as we approach  
half a century of service  
to our Members!***