



FEBRUARY MONTHLY REPORT

March 11, 2005

February was an outstanding month for the North Growth US Equity Fund which again beat all the indices we track by a healthy margin. The Fund was up 4.6% during the month as compared to 2.1% for the S&P 500 Index and -0.4% for the NASDAQ Composite. The Canadian dollar strengthened, slightly reducing the Fund's monthly gain when translated into Canadian dollars to 4.0%. Year to date, the Fund is now up 4.0% in US dollars and 6.7% in Canadian dollars. As you will see in the performance tables the Fund is back in our favorite spot, beating all the indices we follow over all the time periods we report.

We believe that, in Canada, there currently is a widespread misperception about the state of the US economy, particularly its relative strength to the Canadian economy. It appears that many Canadians believe, or want to believe, that the US economy is floundering. This is factually incorrect.

The US economy is currently, and has been for some time now, growing substantially more rapidly than the Canadian economy. As a point of reference, during the fourth quarter of 2004, US GDP growth was estimated at 3.8% as compared to 1.7% for Canada. US economic activity appears to be accelerating further such that we are now anticipating that US GDP growth for the first quarter of 2005 could come in above 4.0%.

We are often hearing concerns regarding the record US Federal Government deficit and the US current account deficit. In response, we remind people that we are not investing in the US government and that we believe these factors are already reflected in the substantial depreciation of the US dollar over the past two years.

We invest in US corporations and believe that the exceptional strength in US corporate earnings and the health of their balance sheets, combined with attractive valuation levels, make for an exciting investment environment.

The renewed strength in oil prices has captured a lot of attention lately and quite frankly has left us scratching our heads. We see no fundamental reason for the recent rise in crude oil prices. Crude oil inventories have been growing steadily since early September and are now almost 8% higher than this time last year and approaching the high end of their 5-year ranges. Heading into the driving season, gasoline inventories are 12% higher than this time last year. Year over year distillate inventories are up less than 1%, but who cares about heating oil at the end of the heating season? I don't know who has been jumping on the crude wagon lately, but it looks like rampant speculation to me.



We continue to be positive in our outlook for the equity markets and believe that, in time, the superior earnings growth of US corporations and attractive valuations will result in higher share prices. As always, we remain focused on stock selection to identify “growth at a reasonable price” investment opportunities.

Yours truly,

Rory North

WHERE TO FIND NGM FUND PRICES

Please visit www.northgrowth.com to view the Fund's daily prices or to be added to our e-mail list to receive daily notification of the Fund's prices. Alternatively, the Globe & Mail lists the Funds under the following headings: **Mutual Fund** - NGM US Equity Fund; **Pooled Fund** - NGM Cdn. Equity Fund; **Money Market Fund** - NGM Cdn. Money Market Fund.



PERFORMANCE COMPARISONS: SHORT-TERM

	<i>Year to Feb. 28, 05</i>	<i>Six months to Feb. 28, 05</i>	<i>Three months to Feb. 28, 05</i>	<i>Month of Feb. 05</i>
North Growth US Equity Fund \$CDN	6.70%	17.31%	11.37%	3.97%
North Growth US Equity Fund \$US	3.97%	24.87%	7.08%	4.62%
S&P 500 \$US	-0.38%	9.99%	3.01%	2.10%
S&P 400 MidCap \$US	0.71%	16.30%	4.93%	3.35%
Russell 2000 \$US	-2.55%	16.46%	0.34%	1.69%
NASDAQ Composite \$US	-5.59%	11.96%	-1.99%	-0.43%

PERFORMANCE COMPARISONS: LONG-TERM

	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>
North Growth US Equity Fund \$CDN	6.40%	12.43%	16.59%	17.81%
North Growth US Equity Fund \$US	15.22%	22.66%	20.41%	19.22%
S&P 500 \$US	6.98%	4.64%	-0.98%	11.32%
S&P 400 MidCap \$US	12.13%	10.92%	8.84%	15.45%
Russell 2000 \$US*	9.60%	11.97%	3.28%	9.46%
NASDAQ Composite \$US	1.64%	6.34%	-14.91%	10.40%

Source: Bloomberg "Total Return Analysis" as of March 1, 2005

** The ten year average for this index is a Simple Price Appreciation because total return data is not available on Bloomberg.*

RETURN SINCE INCEPTION (ANNUALIZED), OCT. 13, 1992 - FEB. 28, 2005 **17.27% CDN**
17.35% US

NAVPS: FEBRUARY 28, 2005	\$ 25.63	CDN
	\$ 20.78	US
TOTAL ASSETS IN FUND	\$ 244.3	MILLION CDN
CANADIAN MONEY MARKET FUND		
NET CURRENT YIELD AS OF FEBRUARY 28, 2005		
2.26%		