

The North Growth US Equity Fund delivered a solid 3.0% gain during November, outpacing the 1.9% gain for the S&P 500 Index and the 2.9% gain for the NASDAQ Composite. The Canadian dollar continued to slide, pushing the Canadian dollar return for the Fund to 4.8% for the month. Year-to-date (November 30th), the US Fund is up 10.2% in Canadian dollars versus a 12.2% Canadian dollar gain for the S&P 500.

The North Growth Canadian Equity Fund gained 2.2% during the month versus 3.5% for the S&P/TSX Composite Index. Year-to date (November 30th), the Canadian Fund is up 3.9% versus 15.5% for S&P/TSX Composite Index.

December 15th is the distribution date for the North Growth equity funds. This year the North Growth US Equity Fund is not paying a distribution. You may recall that last year the distribution was slightly elevated at 10.7% of the pre-distribution unit value after three consecutive years of less than 1% distributions. Over the past 5 years the North Growth US Equity Fund has delivered top decile performance and exceptional tax efficiency. With the absence of a distribution this year, the unrealized gains within the US Fund are at approximately 20%, which indicates that next year's distribution may be higher than average.

The North Growth Canadian Equity Fund paid a distribution of \$0.59 per unit comprised of \$0.08 of income and \$0.51 of capital gain. The distribution amounts to 4.6% of the pre-distribution unit value, which is in-line with the Fund's performance for the 1 year period ending December 15th. As there are minimal unrealized gains within the Canadian Fund, we would anticipate that next year's distribution to be closely tied to the Fund's performance.

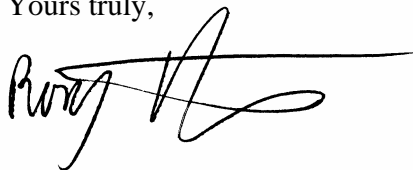
During the run up to any US election there is always a substantial amount of media and investor chatter speculating on how the market might react to a given outcome. Although unsubstantiated, the most commonly held view is that Republicans are good for stocks and Democrats are bad. At North Growth Management we are of the opinion that elections are largely irrelevant to equity performance. On a very short term basis, the strong US equity market performance subsequent to the 'thumping' delivered to the Republicans supports our view.

Over the past few months economic news has been generating a fair bit of volatility in the equity markets. With the US Federal Reserve having now held the federal funds rate constant at 5.25% for four consecutive meetings and GDP growth decelerating to approximately 2% during the 2nd and 3rd quarters, the most common debate is whether we are heading into a 'mid-cycle slowdown' or a recession; but occasionally, if an individual piece of data is too strong, people will start to worry that the economy will reaccelerate. The stock market reaction to each individual release is difficult to understand as it seems to reflect the prevailing sentiment prior to the announcement. Rather than try and react to each individual data point, we are looking at the broader picture which seems to suggest a continuation of moderate growth or a 'mid-cycle slowdown' is most probable.

As always our primary focus is on fundamental analysis of individual companies and the valuations of their equities. For our US Equity Fund in particular, our holdings have generally been delivering outstanding earnings growth supported by exceptionally strong balance sheets and valuations that are at the lower end of historic ranges. In many cases, strong free cash flows are translating to dividend growth and accelerated share repurchases. We believe that in many cases the strong earnings growth potential of many of our core holdings is not reflected in current valuations which creates the potential for a meaningful expansion of price/earning multiples.

We are no less enthused about the Canadian Fund. A greater proportion of the Canadian Fund's holding are more in the category of a turnaround situation where current earnings trends might not be that dynamic but growth potential and low valuations make for some exciting appreciation potential.

Yours truly,

A handwritten signature in black ink, appearing to read 'Rory North', with a long horizontal flourish extending to the right.

Rory North, CFA

**NORTH GROWTH US EQUITY FUND
SHORT TERM RATES OF RETURN FOR PERIODS ENDING NOVEMBER 30, 2006**

	1 Month	3 Months	6 Months	YTD
NGM US Equity Fund \$CDN	4.75%	12.83%	15.12%	10.22%
S&P 500 \$CDN	3.63%	11.54%	15.45%	12.15%
NGM US Equity Fund \$US	3.00%	9.19%	11.02%	12.23%
S&P 500 \$US	1.90%	7.93%	11.33%	14.19%
S&P 400 MidCap \$US	3.22%	8.23%	6.37%	10.86%
S&P 600 SmallCap \$US	2.77%	8.84%	6.93%	15.14%
NASDAQ Composite \$US	2.86%	11.55%	11.99%	11.07%

**NORTH GROWTH US EQUITY FUND
ANNUALIZED RATES OF RETURN FOR PERIODS ENDING NOVEMBER 30, 2006**

	1 Year	3 Years	5 Years	10 Years	Since Inception
NGM US Equity Fund \$CDN	9.78%	7.74%	9.26%	13.58%	15.75%
S&P 500 \$CDN	11.81%	7.12%	-0.49%	6.25%	10.51%
NGM US Equity Fund \$US	12.16%	12.46%	16.47%	15.51%	16.45%
S&P 500 \$US	14.23%	11.82%	6.08%	8.05%	11.18%
S&P 400 MidCap \$US	11.62%	13.91%	12.12%	13.54%	14.66%
S&P 600 SmallCap \$US	14.08%	15.67%	13.98%	11.70%	N/A
NASDAQ Composite \$US*	9.77%	8.15%	5.34%	7.00%	10.72%

Source: Bloomberg "Total Return Analysis" as of December 1, 2006.

*The return since inception for this index is a Simple Price Appreciation because total return data is not available on Bloomberg.

The inception of the Fund: October 13, 1992.

**NAVPS: Nov. 30, 2006 \$ 25.17 CDN
\$ 22.04 US**

Total Assets in Fund \$ 288.2 Million CDN

**NORTH GROWTH CANADIAN EQUITY FUND
SHORT TERM RATES OF RETURN FOR PERIODS ENDING NOVEMBER 30, 2006**

	1 Month	3 Months	6 Months	YTD
NGM Canadian Equity Fund	2.20%	7.45%	-1.62%	3.87%
S&P / TSX \$CDN	3.52%	6.27%	9.97%	15.53%

**NORTH GROWTH CANADIAN EQUITY FUND
ANNUALIZED RATES OF RETURN FOR PERIODS ENDING NOVEMBER 30, 2006**

	1 Year	3 Years	5 Years	*Since Takeover	**Since Inception
NGM Canadian Equity Fund	5.40%	6.98%	5.99%	10.30%	6.31%
S&P / TSX \$CDN	20.63%	19.84%	13.58%	22.60%	3.90%

*North Growth Management Ltd. took over the Canadian Equity Fund's management contract on May 1, 2003.

**The inception of the Canadian Equity Fund: September 1, 2000.

NAVPS: Nov. 30, 2006 \$ 12.66 CDN

Total Assets in Fund \$ 24.8 Million CDN

NORTH GROWTH CANADIAN MONEY MARKET FUND
ANNUALIZED RATES OF RETURNS FOR PERIODS ENDING NOVEMBER 30, 2006

	* CURRENT YIELD	1 Year	3 Years	5 Years
NGM CDN Money Market Fund	4.05%	3.74%	2.72%	2.61%
30 Day T-Bill	4.12%	3.87%	2.89%	2.77%

** The Current Yield for the Money Market Fund is the average of the annualized daily yield for the most recent seven day period.*

The North Growth Canadian Money Market Fund is consistently one of the highest yielding money market funds in Canada – not because we waste any time searching for basis points along the yield curve but because at **0.25%** the Fund’s management fee is one of the **lowest in Canada**. We manage the Fund simply by creating a well-diversified portfolio of very short term, top credit quality notes and believe the product is a good proxy for the risk free rate*. We maintain the average maturity of the Fund at near 15 days, meaning that we essentially roll over the entire portfolio every 30 days. As a result, the Fund’s current yield will rapidly follow any changes (up or down) in the Bank of Canada’s overnight rate.

The accountant’s fees for the annual audit are greater than the annual management fees, so North Growth Management takes a small loss on the product. We don’t mind because we offer the product as a service to our clients. We also believe an inflation protected liquidity product, such as our money market fund is an underutilized asset class that could improve the overall financial planning of many of our clients. This may seem strange coming from a firm notorious for its opinion that bonds are essentially an inferior asset class that offer inadequate returns for their inherent risk, but we can lay out a strong theoretical argument that you can create a superior portfolio using equities and money market than you can using equities and mid to long term bonds.

For retirees living off their financial assets, we believe that using a client’s own personal cash requirements and risk tolerance to determine their appropriate mix of money market and equities, can, in most instances, create a superior portfolio to the all too pervasive industry staple 60/40 equity/bond split. For clients seeking a truly personalized retirement plan we encourage you to make an appointment to come in and get a fresh look at your plan from the North Growth Management investment professionals.

*The risk free rate is the theoretical rate of return of an investment with zero risk. The North Growth Canadian Money Market is not a risk free investment and is not covered by the CDIC (Canadian Deposit Insurance Corporation).

INVESTING WITH NORTH GROWTH MANAGEMENT:

North Growth Management is a focused firm. Our objective is consistent, superior, long term returns on our equity funds based on our “growth at a reasonable price” investment philosophy.

CONDUCTING TRANSACTIONS:

The cut-off time for same-day transactions is 4 p.m. Eastern time or 1 p.m. Pacific time. Orders received after that time will be processed on the next business day. Cheques must be made payable to **RBC Dexia Investor Services Trust**. For security reasons, instructions can only be accepted by mail or by fax to:

North Growth Management Ltd.
Suite 830, One Bentall Centre
505 Burrard Street, Box 56
Vancouver, BC V7X 1M4

Fax: 604-688-5402

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.