

NOVEMBER MONTHLY REPORT

December 2, 2004

The North Growth Canadian Equity Fund was up 0.3% during November versus 1.9% for the S&P TSX Index and 1.8% for the 70/30 composite. This underperformance was entirely the result of poor stock price performance from the majority of the Fund's Canadian holdings, which more than offset the excellent results from the North Growth US Equity Fund.

Near term, the Canadian stock price performance were disappointing; however, on a more positive note, we believe that in a number of situations recent weakness is not indicative of underlying fundamentals and has provided some very attractive opportunities. Accordingly, late in the month we made some significant changes to the portfolio. During the month, we eliminated two holdings, added one new name to the portfolio, and increased our position in three names. Our confidence in the potential of this portfolio continues to grow.

Since August we have been reiterating our opinion that oil prices had gone too high and were not reflective of the underlying supply and demand situation. We are encouraged to see the continued trend of increasing oil and petroleum products inventories. Although we felt the fundamentals did not justify \$50 oil, we have maintained our exposure to the energy sector. Undoubtedly, any continued weakness in oil prices will result in near term pressure on energy stocks. We believe that all our energy holdings offer excellent long term growth prospects at any price above \$30 a barrel. While we do not believe \$50 oil was justified, we continue to believe we will see oil remain well above \$30 a barrel and we will likely view any significant weakness in our energy names as an opportunity rather than a concern.

The Canadian Fund pays its distribution on December 31. We are currently estimating that the Fund will pay out approximately \$0.50 in capital gains per unit or approximately 4% of the unit value. Please keep in mind that with still one month to go until the distribution is calculated, there is still room for a considerable change in either direction.

The North Growth stock by stock "growth at a reasonable price" investment philosophy is ideally suited to the Canadian market. We are enthusiastic about the potential for the North Growth Canadian Equity Fund. We believe establishing an investment in the North Growth Canadian Equity Fund is a logical investment decision for any of our US Equity Fund clients, who are very well aware what kind of strong investment returns the North Growth investment discipline can deliver.

RRSP season is at hand. North Growth Management does offer in-house RRSPs – of course, with no additional fees. The North Growth US Focus RRSP has an \$85,000 minimum initial investment and is invested 70% in the North Growth Canadian Equity Fund and 30% in the North Growth US Equity Fund, providing an approximate 50% exposure to the North Growth US Equity Fund within your RRSP. Given the minimum investment level, these accounts are generally opened through a transfer of RRSP assets from another financial institution. Our staff is well prepared to facilitate such transfers and North Growth Management will reimburse any transfer-out fees charged by relinquishing institutions.

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 Nov. 30, 04</i>	<i>Six months to Nov. 30, 04</i>	<i>Three months to Nov. 30, 04</i>	<i>Month of Nov. 04</i>
North Growth CDN Equity Fund \$CDN	1.64%	-1.31%	6.13%	0.31%
S&P TSX \$CDN	11.53%	8.23%	8.26%	1.94%
70% TSX / 30% S&P 500 \$CDN	7.46%	3.13%	4.64%	1.75%
North Growth US Equity Fund \$CDN	-0.89%	-3.48%	5.33%	3.97%
S&P 500 \$CDN	-1.91%	-8.07%	-3.55%	1.31%

PERFORMANCE COMPARISONS: LONG-TERM

	<i>1 Year</i>	<i>2 Years</i>	<i>3 Years</i>	<i>4 Years</i>	<i>Since NGM Takeover*</i>
North Growth CDN Equity Fund \$CDN	7.51%	9.13%	5.50%	6.94%	15.00%
S&P TSX \$CDN	16.92%	19.43%	8.69%	2.36%	24.23%
70% TSX / 30% S&P 500 \$CDN	12.72%	13.16%	4.05%	-0.54%	18.48%
North Growth US Equity Fund \$CDN	2.09%	7.58%	8.32%	9.30%	16.86%
S&P 500 \$CDN	3.03%	-0.79%	-6.49%	-7.41%	5.54%

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

RETURN SINCE INCEPTION (ANNUALIZED), SEPT. 1, 2000 - Nov. 30, 2004 **6.11%**

NAVPS: NOVEMBER 30, 2004 **\$ 12.57** **CDN**

TOTAL ASSETS IN FUND **\$ 17.4** **MILLION CDN**

CANADIAN MONEY MARKET FUND
NET CURRENT YIELD AS OF NOVEMBER 30, 2004
2.28%