

Phillips, Hager & North U.S. Special Equity Fund

Results & Performance

July 31, 1993

Much to do about nothing. The Fund did a lot of fluctuating around to remain virtually unchanged in the first half of 1993. This was a disappointing result compared to the market averages.

The Semi-Annual Report is currently being produced and will cover in some detail the factors that have contributed to this result as well as commenting on the outlook for the remainder of the year.

RESULTS

NAVPS: July 31, 1993

\$11.87 (Canadian)

PERFORMANCE COMPARISONS*

	Oct 13/92 to Dec 31/92	Jan /93 to March /93	April/93 to June/93	*July/93	YTD
US Special Equity Fund \$CDN	18.80%	0.30%	0.80%	-1.00%	0.10%
US Special Equity Fund \$US	16.30%	1.30%	-1.00%	-1.40%	-1.10%
S&P 500 \$U.S.	7.30%	4.40%	0.50%	-0.40%	4.50%
S&P Midcap \$U.S.	13.20%	3.50%	2.30%	-0.20%	5.50%
Russell 2000 \$U.S.	16.80%	4.20%	2.30%	1.40%	8.80%
Wiltshire 5000 \$U.S.	9.30%	4.10%	0.60%	0.00%	4.70%
NASDAQ Composite \$U.S.	17.70%	2.50%	2.50%	0.10%	5.20%

* includes income in all cases.

PORTFOLIO HOLDINGS — July 31, 1993

<u>Common</u>	(%)	<u>Special</u>	(%)
Carnival Cruise Lines (CCL)	3.83	Airborne Freight Corporation (ABF)	1.04
Charming Shoppes Inc. (CHRS)	1.47	Airtran Corp (ATCC)	0.41
Federal Ntl. Mtge. Asst (FNM)	2.43	Amgen Inc. (AMGN)	0.89
Franklin Resources Inc. (BEN)	3.08	Applied Materials Inc. (AMAT)	1.67
Health Trust Inc. (HTI)	9.91	Baker Michael Corp (BKR)	0.55
		Bic Corp Common (BIC)	1.06
		BMC West Corp (BMCW)	1.56
		Brooktrout Technology (BRKT)	0.58
		Chesapeake Energy (CSPK)	0.90
		Clayton Homes, Inc. (CMH)	4.66
		CML Group Inc. (CML)	2.32
		Cooper Tire & Rubber (CTB)	1.99
		Costco Wholesale Corp. (COST)	0.39
		Diceon Electrics (DICN)	0.28
		Digital Equipment Corp. (DEC)	7.93
		Dress Barn Inc. (DBRN)	0.77
		DSG International (DSGIF)	1.52
		EKCO Group Inc. (EKO)	1.48
		Fisher-Price Inc. (FPP)	0.30
		Intel Corp cmn (INTC)	0.18
		Intl Dairy Queen (INDQA)	0.84
		Johnston Industries Inc. (JII)	1.04
		Jones Apparel Group Inc. (JNY)	3.58
		Kellwood Co. (KWD)	1.24
		Magma Copper Co. Class B (MCU)	2.31
		Magnetek Inc.	0.82
		Mascothec Inc. (MSX)	5.09
		Medical Care America (MRX)	1.35
		Merrill Lynch & Co. (MER)	7.11
		Metatec Corp. (META)	0.93
		Microsoft Corp. (MSFT)	3.12
		Novell Inc. (NOVL)	0.87
		Physician Corp. America (PCAM)	3.31
		Pier Imports Inc. (PIR)	1.34
		Seitel Inc. (SEI)	1.05
		Singer Co. (SEW)	4.36
		SLM International (SLMI)	1.15
		Storage Technology (STK)	2.25
		Treadyne Inc. (TER)	1.02
		Verifone Inc. (VFIC)	1.19
		Wellpoint Health Network (WLP)	4.85

Summary of Positions

		<u>% of Names</u>	<u>% of Assets</u>
5	Common	10.87	20.72
<u>41</u>	<u>Special</u>	<u>89.13</u>	<u>79.28</u>
46	Total Stocks	<u>100.00</u>	<u>100.00</u>