

JANUARY MONTHLY REPORT

DEAR INVESTOR...

We are using a slightly different format for this month's report to lessen your reading load.

Our strategy of avoiding large-cap stocks with excessive multiples and the resulting 31.5% cash reserve helped the Fund avoid some of the general market decline in January. This trend has continued into February with the result that as we write this letter on February 18, 2000 the Fund in US dollars is down 1.6% YTD while the S&P 500 is off 8.4% YTD.

Reasonably priced stocks with good growth prospects are becoming more abundant and we continue to research them and add new names to the Fund. The unprecedented divergences in the market as measured by the NYSE Cumulative Advance Decline line since May 1998 suggests that undervalued stocks should be expected to correct considerably less than excessively priced stocks. We will go into this more at a later date.

The behavior of inflation in the US during the current economic expansion has been superb. Consider the following Bureau of Labor Statistics chart.

We wish the caption wasn't so definite.



This type of pronouncement often marks a turning point, especially if it hits the cover of Business Week.

Inflation will be of prime importance in the months ahead. In his February 17th testimony to the US House of Representatives, Alan Greenspan made it clear that he feels the economy is growing at above a sustainable pace. The tight labour supply is his main worry. He notes what he calls an "extraordinary productivity improvement" as the main factor currently contributing to the

good performance on the inflation front and stresses the importance of maintaining surpluses in the Federal budget. We believe that the trend of raising Fed rates will continue given the current rate of economic growth. Any increase in the inflation rate can be expected to accelerate the higher interest rate policy.

Yours truly,

Rudy North
Fund Manager

NEW PRODUCT ANNOUNCEMENT

We are now accepting subscriptions for our new Money Market product. The North Growth Canadian Money Market Fund is for your liquidity needs. Competitive net current yield without sacrificing quality or taking significant interest rate risk are the management principles of the Fund. Our 25 basis points (1/4 of 1% per year) all inclusive management fee makes this possible. Most money

market funds charge 50 basis points (1/2 of 1%) or more and one prominent fund that we are aware of charges 1.5%. We believe that in general Canadian Money Market Funds are charging too much for their services. As a result of these high fees, investors are either receiving inadequate returns on their liquid assets or are taking too much risk as the Fund manager tries to offset the impact of

high fees by extending the duration of the Fund's investments. We believe that our mix of low fees, a well-diversified portfolio of high quality short-term notes with short terms to maturity provides the optimal mix for our clients' liquidity requirements.

If you want to know the current yield or other features of the Fund contact Rory North at (604)688-5440 or by e-mail at rory@northgrowth.com.

NORTH GROWTH CANADIAN MONEY MARKET FUND

Investment Objectives:

To achieve a high level of current income while preserving capital and maintaining liquidity.

Investment Strategy:

In order minimize interest rate risk and credit risk the Fund holds a well-diversified portfolio invested only in short-term money market securities of the highest quality. The maximum term to maturity of the Fund's investments is 183 days. Investments include: government (federal or provincial) guaranteed bonds, corporate bonds rated R-1 by the Dominion Bond Rating Service, and securitized instruments rated R-1.

Date of inception:	October 26, 1999
Load:	No Load
Annual Management Fee:	0.25%
Dividend Distribution:	The Fund's income is allocated daily and distributed monthly.
Trustee:	Royal Trust
Auditor:	Deloitte & Touche
Minimum Investment:	\$100,000 in BC

Net Current Yield as of February 23, 2000:

4.87%

PERFORMANCE RESULTS

AS OF JANUARY 31, 2000

PERFORMANCE COMPARISONS*

	Year to Jan. 31, 00	Six Months to Jan. 31, 00	Three Months to Jan. 31, 00	Month of Jan. 31, 00
North Growth US Equity Fund \$CDN	-3.01%	-3.01%	3.51%	-3.01%
North Growth US Equity Fund \$US	-3.16%	1.03%	5.35%	-3.16%
S&P 500 \$US	-5.02%	5.59%	2.61%	-5.02%
S&P 400 MidCap \$US	-2.82%	6.58%	8.36%	-2.82%
Russell 2000 \$US	-1.62%	12.38%	16.18%	-1.62%
NASDAQ Composite \$US	-3.16%	49.52%	32.90%	-3.16%

* Source: Bloomberg "Total Return Analysis" as of Feb. 17, 2000.

Note - Including income in all cases.

AVERAGE ANNUAL COMPOUND RATE OF RETURN

	1 Year	2 Years	3 Years	4 Years	5 Years
North Growth U.S. Equity Fund	-0.4%	4.1%	11.7%	15.9%	18.9%
Median U.S. Equity Fund \$CDN **	4.7%	15.9%	18.2%	--	20.8%
Average U.S. Equity Fund \$CDN **	7.0%	16.5%	19.5%	--	21.4%

Results are after all management fees and other expenses

** reported by the Globe & Mail, Report on Mutual Funds, Feb. 17, 2000

Return Since Inception (Annualized), Oct. 13, 1992 - Jan. 31, 2000 **17.14%**

NAVPS: JANUARY 31ST /00

\$15.67 (CDN)

TOTAL ASSETS IN FUND

\$45,681,576 (CDN)

PORTFOLIO HOLDINGS

AS OF JANUARY 31, 2000

Symantec Corp	4.47
Brinker International Inc	4.18
BJ's Wholesale Club	3.58
Nextel Communications Corp	3.13
Universal Health Services CL B	2.93
American Power Conversion	2.66
St Jude Medical Inc	2.61
Wellpoint Health Networks	2.60
LSI Logic	2.54
Louis Dreyfus Natural Gas	2.49
Jones Apparel Group Inc	2.34
Wesley Jessen Vision	2.16
Albertson's Inc	2.16
3Com Corp	2.07
Analog Devices	1.92
Kellwood Co	1.78
Compaq Computer Corp	1.77
Michaels Stores Inc	1.69
Schnitzer Steel	1.62
Clayton Homes Inc	1.59
Manor Care Inc	1.47
Timberland	1.31
Oracle Corp	1.31
Mesa Airlines Inc	1.31
O Charleys Inc	1.22
Cardinal Health Inc	1.03
Dentsply International	1.03
Precision Castparts	0.99
Ralcorp Holdings Inc	0.95
Del Haize American	0.91
Southtrust Corp	0.86
TJX Companies Inc	0.86
Sun Microsystems Inc	0.80
Technitrol Inc	0.76
Diamond Offshore Drilling	0.73
Texas Instruments Inc	0.72
Synopsys Inc	0.54
Stone Energy Corp	0.54
Devon Energy Corp	0.52
City National Corp	0.20
FirstMerit Corp	<u>0.14</u>
Total Equities	68.49
Cash and Short Term Notes	<u>31.51</u>
TOTAL ASSETS	100.00%