

MARCH MONTHLY REPORT

April 20th, 2000

DEAR INVESTOR...

The Fund was strong in March rising 15.59% in US dollars versus a gain of 9.78% for the S&P 500 and a decline of 2.62% for the NASDAQ Index. For the first quarter of 2000 the Fund was up 17.87% compared to a 2.29% gain for the S&P 500 Index. The first quarter performance advantage was the result of several developments which we have been predicting for some time in these monthly commentaries.

Most basic to our investment philosophy, small- and mid-cap stocks that represent "growth at a reasonable price" have been performing well. Also confirming our approach of avoiding excessive stock valuations, many of the conventional, large-cap growth stocks that rose to record P/E ratios in 1998 have been falling for over a year now. Many of these stocks are down in the range of 40% from their highs. It has been a substantial advantage that your Fund doesn't own any of these stocks.

During the quarter technology stocks had a speculative run-up in price. The Fund started the quarter with 29% of the holdings in well-positioned, high quality tech stocks that were amongst the strongest performers up until early March. As these stocks rose dramatically, positions were trimmed. Finally stocks that had been bought at 20 times earnings or lower less than 2 years ago, were sold at prices that represented over 100 times earnings. In total, over \$7 million dollars worth of tech stocks was sold and reinvested in reasonably priced growth stocks primarily in the mid- and small-cap groups. At quarter-end the Fund's holdings in technology stocks was 14%.

The sell-off in the high-tech dominated NASDAQ started on March 13th. By the end of March the NASDAQ was down 9.4% from its high. The quarter-end reaction continued to a closing low on Friday April 14th leaving the NASDAQ Index down 34.2% from its high just a month earlier.

The market is clearly in a process of correcting excessive valuations. It is happening in stages. 1998's excessive valuations in large-cap, non-tech growth stocks has been correcting for over a year. Recently, the speculative boom in the internet related IPOs crashed. The better quality but still grossly overvalued tech stocks also experienced sharp corrections in the recent NASDAQ weakness. These stocks are being bought aggressively on the current bounce from the lows reached on April 14th. We interpret this to mean that the euphoria surrounding high-tech stocks of higher quality is not yet dead and these stocks are still only at the beginning of a valuation adjustment.

While the NASDAQ was selling off in March, the Dow stocks rallied off their lows after a reaction of 14.8% which ended early in March. While these stocks are selling at much lower multiples than technology stocks, they are, in our opinion, still at relatively high multiples compared to their growth prospects and historic valuations. The growth prospects of most of the Dow stocks are also less than those of many smaller companies selling at lower P/E multiples.

"Growth at a reasonable price" at this time is most readily found in mid- and small-cap stocks. During the quarter we purchased an additional \$7.5 million (CDN) worth of stock in this category. While much of the market as measured by capitalization is still expensive, the stocks that we are concentrating on offer attractive valuations. We continue to find compelling growth opportunities. Further purchases will be made possible by our cash reserve which is currently at approximately 30%. Any general market weakness will accelerate this process.

Market leadership is changing. The mid- and small-cap stocks that have been virtually ignored by the market since the 3rd quarter of 1997 are compelling value at this time. There will never be a more logical time for them to assume market leadership than in the environment we foresee over the next few years.

Yours truly,



Rudy North
Fund Manager

North Growth Canadian Money Market Fund Update

The North Growth Canadian Money Market Fund currently has a yield of 5.00% net all expenses. We don't believe this can be beaten given the quality and convenience that the Fund provides.

Where the minimum of \$100,000 can be accommodated, the Fund is now eligible for self-administered RRSPs, a great idea when we enter the post Nortel/BCE phase of the Canadian market.

Where to Find NGM Fund Prices

Over the past few weeks we have had several clients ask us where to find our funds' prices. There are several ways to keep abreast of our funds' daily performance.

NGM funds are listed in the *Globe & Mail* and the *Vancouver Sun* under the heading "pooled funds". They can also be found on globefund.com and morningstar.ca. For those who prefer, we can e-mail our daily summary sheet to you every day that the market is open. To be added to our list please contact Caroline North at caroline@northgrowth.com or 688-5440.

PERFORMANCE RESULTS

AS OF MARCH 31, 2000

PERFORMANCE COMPARISONS*

	Year to Mar. 31, 00	Six Months to Mar. 31, 00	Three to Mar. 31, 00	Month of Mar 00
North Growth US Equity Fund \$CDN	17.87%	27.21%	17.87%	15.58%
North Growth US Equity Fund \$US	17.37%	28.79%	17.37%	15.59%
S&P 500 \$US	2.29%	17.51%	2.29%	9.78%
S&P 400 MidCap \$US	12.69%	32.05%	12.69%	8.37%
Russell 2000 \$US	7.09%	27.01%	7.09%	-6.58%
NASDAQ Composite \$US	12.41%	66.68%	12.41%	-2.62%

* Source: Bloomberg "Total Return Analysis" as of April 03, 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 US Equity Fund \$CDN	29.68%	10.05%	18.67%	19.45%	21.13%
Median U.S. Equity Fund \$CDN **	12.8%	-	23.3%	--	21.7%
Average U.S. Equity Fund \$CDN **	15.5%	-	24.1%	--	22.2%

Results are after all management fees and other expenses

** reported by the Globe & Mail, Report on Mutual Funds, April 20, 2000

Return Since Inception (Annualized), Oct. 13, 1992 - Mar. 31, 2000 **19.82%**

NAVPS: MARCH 31ST/00 **\$19.04 (CDN)**

TOTAL ASSETS IN FUND **\$55,397,132 (CDN)**

CANADIAN MONEY MARKET FUND

Net Current Yield as of March 31, 2000:

4.97%

PORTFOLIO HOLDINGS

AS OF MARCH 31, 2000

Jones Apparel Group Inc	4.68
Brinker International Inc	4.06
Louis Dreyfus Natural Gas	3.91
Symantec Corp	3.66
American Power Conversion	3.42
BJ's Wholesale Club	3.24
Wesley Jessen Vision	3.00
Michaels Stores Inc	2.77
St Jude Medical Inc	2.69
Universal Health Services CL B	2.65
Precision Castparts	2.41
Manor Care Inc	2.41
Del Haize American	2.35
Wellpoint Health Networks	2.21
Nextel Communications Corp	2.09
Timberland	2.08
Cardinal Health Inc	1.69
TJX Companies Inc	1.61
Clayton Homes Inc	1.57
Synopsis Inc	1.51
O Charleys Inc	1.48
Compaq Computer Corp	1.42
Schnitzer Steel	1.35
Mesa Airlines Inc	1.16
Albertson's Inc	1.14
Sigma-Aldrich	1.13
Federal Signal	0.98
Dentsply International	0.98
Alza Corp	0.88
Technitrol Inc	0.87
Diamond Offshore Drilling	0.87
FirstMerit Corp	0.79
Ralcorp Holdings Inc	0.77
3Com Corp	0.67
Stone Energy Corp	0.59
Devon Energy Corp	0.59
City National Corp	<u>0.16</u>
Total Equities	69.85
Cash and Short Term Notes	<u>31.15</u>
TOTAL ASSETS	100.00%