



FEBRUARY MONTHLY REPORT

March 10, 2004

February was another strong month for Canadian equities. Commodities, particularly energy, lead the S&P TSX Index to a 3.24% gain for the month, pushing the year-to-date return for the Index to 7.12%. The North Growth Canadian Equity Fund delivered solid performance but was unable to keep pace with the broad market with only a 2.26% return for the month and a 6.42% gain year-to-date. The 70% Canadian /30% US Composite gained 2.94% for the month and 6.90% year-to-date. The weaker performance of the North Growth US Equity Fund during the month and year-to-date was the primary contributor to the slight underperformance of the Canadian Equity Fund.

The ongoing global economic expansion and limited supply increases continue to apply upward pressure on energy prices. The persistent strength of oil and gas prices is yielding very attractive returns for energy producers. Our Fund has been well positioned for this move as we have believed for some time that the exploration and production stocks have been priced to reflect a substantial weakening of energy prices. As the market adjusts to reflect the higher price environment, we will adjust our energy holdings towards more company specific fundamentals.

The stock performance of the Canadian financial sector, which represents over 30% of the Canadian market, has continued to shine. The Fund's lack of exposure to this sector has challenged our ability to keep pace with the overall Canadian market. While we recognize there are some extremely high caliber companies in this sector, we believe this sector is over-owned and that stock prices fairly reflect the value of the bank stocks. As such, we continue to search the other 70% of the market for less understood opportunities.

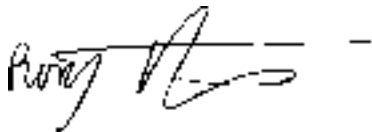
We are becoming aware of a few subtle differences between managing a US and a Canadian portfolio, one of which involves our communications with our clients. Historically, with the US Fund, we have rarely felt compelled to comment on specific portfolio holdings in our monthly reports. In Canada, with the intense level of media coverage that a controversial company can attract, our clients seem more interested in our commentary on specific portfolio holdings - which leads us to Biovail.

With more than a few of our clients wondering why we hold such a large position in Biovail, some commentary seems appropriate. I have spent a great deal of time thinking about this story. I am fully aware of all the negative aspects of the company, however, it is my opinion that they are outweighed by the exciting growth story that is developing. By and large I believe the current weakness in the company's results are the result of non-core or legacy businesses falling off more rapidly than I had originally expected which has overshadowed the positive developments in the key areas for future growth. Focusing on cash flow statements has given me comfort that unless there

is outright fraud involved the financial health of the company is sound. I believe the long-term prospects for Biovail are misunderstood by the market and, as such, it is trading at levels that make it a compelling “growth at a reasonable price” investment.

We are encouraged by the idea flow and the recent performance of the Fund. The key to our ongoing success will, as always, be the selection of individual stocks that fit our growth at a reasonable price philosophy.

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 February 29, 04</i>	<i>Six months to February 29, 04</i>	<i>Three months to February 29, 04</i>	<i>Month of February 04</i>
North Growth CDN Equity Fund \$CDN	6.42%	13.63%	12.57%	2.26%
S&P TSX \$CDN	7.12%	18.01%	12.29%	3.24%
70% TSX / 30% S&P 500 \$CDN	6.90%	15.72%	12.13%	2.94%
North Growth US Equity Fund \$CDN	3.74%	11.46%	6.85%	1.59%
S&P 500 \$CDN	6.37%	10.46%	11.73%	2.22%

PERFORMANCE COMPARISONS: LONG-TERM

	<i>1 Year</i>	<i>2 Years</i>	<i>3 Years</i>	<i>Since NGM Takeover*</i>
North Growth CDN Equity Fund \$CDN	30.83%	6.62%	7.57%	30.65%
S&P TSX \$CDN	36.51%	9.28%	4.69%	35.41%
70% TSX / 30% S&P 500 \$CDN	33.01%	4.78%	1.62%	30.11%
North Growth US Equity Fund \$CDN	41.00%	15.57%	11.11%	33.96%
S&P 500 \$CDN	24.68%	-5.50%	-5.55%	18.11%

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

RETURN SINCE INCEPTION (ANNUALIZED), SEPTEMBER 1, 2000 - FEBRUARY 29, 2004 **8.90%**

NAVPS: FEBRUARY 29/04 **\$ 13.17** **CDN**

TOTAL ASSETS IN FUND **\$ 15.43** **MILLION CDN**

CANADIAN MONEY MARKET FUND
NET CURRENT YIELD AS OF FEBRUARY 29, 2004

2.18%