



OCTOBER MONTHLY REPORT

November 5, 2003

The North Growth Canadian Equity Fund was up 1.83% during October. Although this is a respectable absolute number, it was disappointing as it reflects a 3% underperformance versus the S&P TSX Composite Index and a 2.5% underperformance versus the composite of 70% S&P TSX and 30% S&P 500. October was an exceptionally strong month for the North Growth US Equity Fund which was up 7.32% in Canadian dollars. We have now been managing the North Growth Canadian Equity Fund for six months and during this period the Fund is up 14.69% versus 19.10 % for the S&P TSX and 15.24% for the 70/30 composite.

Two factors contributed to the underperformance of the Canadian Fund during October: company specific weakness of certain individual holdings and the lack of exposure to the top performing banking sector. The two worst performing stocks in the portfolio are both relatively new additions to the portfolio, Biovail and Zarlink. We do not generally comment on the investment rationale for individual portfolio holdings in these monthly reports. While we are disappointed by the recent earnings results from these two companies, we continue to believe our long term investment thesis remains intact. In particular, we believe the recent controversy surrounding Biovail is overblown and that the company is executing a strategy to deliver exciting long term growth. We consider Biovail to be a compelling growth at a reasonable price investment, and accordingly, during October we increased our holdings to make Biovail the largest position in the Fund.

Although banks represent a huge portion of the Canadian market and their strong performance is one of the main reasons we have recently underperformed the market, we are in no hurry to add this sector to the portfolio.

The Fund's largest sector weighting is energy with an emphasis on natural gas. This sector as a whole has been relatively weak for the past few months. We continue to believe that the natural gas sector has a very positive macro story driven by high decline rates making it difficult for producers to hold production levels steady. We are happy with our holdings in this sector and have been adding to existing positions.

We are now about a quarter of the way through our second reporting period with the Fund. With each reporting period, our confidence and understanding of the Canadian market and our holdings increases. The Fund was fully invested until we received approximately \$1 million in new money at the end of the month. We are developing good idea flows and expect to have no problem keeping the Fund fully invested in the near term. We currently plan to maintain the \$25,000 minimum initial investment until March 31, 2004.

Yours truly,

Rory North



PERFORMANCE COMPARISONS: SHORT-TERM

	<i>Year to October 31, 03</i>	<i>Six months to October 31, 03</i>	<i>Three months to October 31, 03</i>	<i>Month of October 03</i>
North Growth CDN Equity Fund \$CDN	9.30%	14.69%	4.02%	1.83%
S&P TSX \$CDN	19.40%	19.10%	7.56%	4.84%
70% TSX / 30% S&P 500 \$CDN	13.84%	15.24%	5.28%	4.35%
North Growth US Equity Fund \$CDN	19.37%	22.82%	6.57%	7.32%
S&P 500 \$CDN	1.31%	6.36%	0.03%	3.21%

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	12.20%	6.39%	5.71%	14.69%
S&P TSX \$CDN	26.84%	8.21%	-5.29%	19.10%
70% TSX / 30% S&P 500 \$CDN	19.15%	3.32%	-7.43%	15.24%
North Growth US Equity Fund \$CDN	25.86%	11.65%	10.73%	22.82%
S&P 500 \$CDN	2.27%	-7.74%	-12.63%	6.36%

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

RETURN SINCE INCEPTION (ANNUALIZED), SEPTEMBER 1, 2000 - OCTOBER 31, 2003 **5.45%**

NAVPS: OCTOBER 31/03	\$ 11.68	CDN
TOTAL ASSETS IN FUND	\$ 11.82	MILLION CDN
CANADIAN MONEY MARKET FUND		
NET CURRENT YIELD AS OF OCTOBER 31, 2003		
2.46%		