

INVESTMENT APPROACH: We are bottom up stock pickers, searching for secular growth opportunities that are reasonably priced. Preference is given to sectors offering sustainable growth and low volatility. The managers seek out and invest in the best business models globally: companies generating stable and persistent earnings growth, expanding and above-average profit margins, and high returns on capital. This combination of attractive characteristics provides a margin of safety and a cushion against a host of inevitable economic and business uncertainties.

MARKET OVERVIEW

Benefiting from the underlying strength of Emerging economies and the performance enhancing effect of government stimulus programs the global economy has demonstrated it is growing firmly again. The Financial Times of London recently summarized the fact manufacturing output had grown at close to record rates in the US, China and Europe during the first quarter. The long awaited bottom on job losses in the US appears to have been cleared with 162,000 jobs created in March of which at least 40,000 came from the private sector indicating that companies may have begun to rebuild both product inventories and payrolls. A third confirmation of the progress made by the economy comes from the fact nominal consumer spending exceeded the peak of 2008 in the US and recent results from leading retailers attest to an emerging return of the consumer.

The MSCI World Index was almost flat for the first quarter (-0.09%). Five of ten sectors had positive returns with the strongest performances coming from Industrials (5.45%) and Consumer Discretionary (3.47%). Defence was not rewarded during the month with Telecommunications (-6.86%) and Utilities (-6.81%) experiencing the worst outcomes.

PERFORMANCE ANALYSIS

For the quarter, the portfolio slightly outperformed versus its benchmark. This is due to the positive impact of the overweight position and stock selection in Industrials, Health Care and Utilities.

Time Warner Cable, Novo-Nordisk, Apple, CVS Caremark and Barclays added value to the portfolio versus Banco Santander SA, Telefonica, Petroleo Brasileiro, Banco Santander BR and Talisman energy retrenched value.

PERFORMANCE (% - CAD)

	3 months	YTD	1 year	4 years	Since Inception (2004-06)
Fund ¹	-0,06	-0,06	17,48	-5,71	-1,92
Index ²	-0,23	-0,23	22,16	-4,26	-1,12
Added Value	0,17	0,17	-4,68	-1,45	0,07

1 - Everywhere in this bulletin, "Fund" refers to the Natcan Global Equity Fund.
2 - Everywhere in this bulletin, "Index" refers to the MSCI World ex. Canada.

PERFORMANCE ATTRIBUTION VS INDEX

Sectors	Attribution (basis points)	Securities	Contribution (basis points)
Energy		Positive	
Materials		Time Warner cable	48
Industrials		Novo-Nordisk AS	31
Consumer Disc.		Apple Inc.	19
Consumer Staples		CVS Caremark Corp.	16
Health Care		Barclays	15
Financials		Negative	
Technology		Banco Santander SA	-38
Telecommunications		Telefonica SA	-22
Utilities		Petroleo Brasileiro	-21
Total equities		Banco Santander BR	-20
Foreign exchange/Liquidity		Talisman Energy Inc.	-16
Total			

Performance attribution includes sector allocation and stock selection. In green: not a portfolio holding

Natcan Global Equity Fund as at March 31, 2010

OUTLOOK AND STRATEGY

The world economy is experiencing a recovery primarily driven by emerging economies and capital spending. Industrials and Information Technology look promising given strong free cash flow generation, potential for operating leverage and financial discipline.

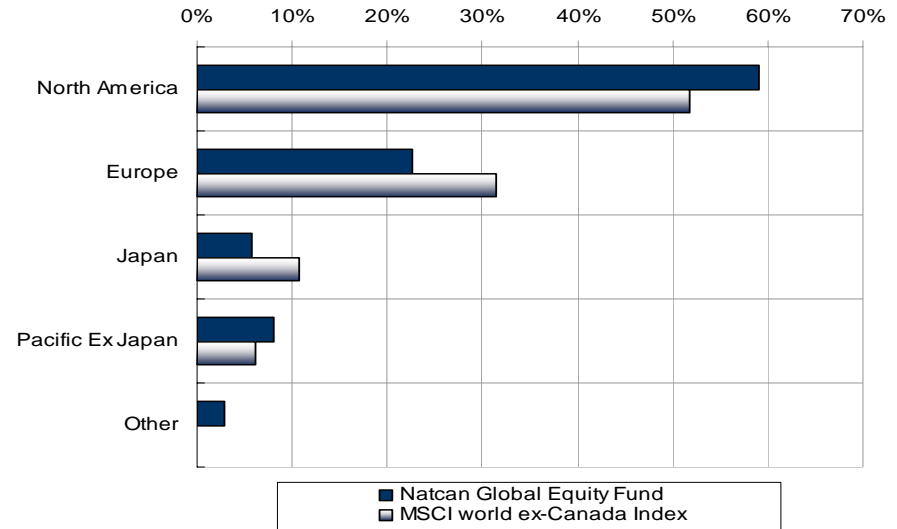
Our main focus will be on the capacity of firms to generate cash flow in an environment characterized by rising competition and the tightening of credit conditions. In this context, the strongest will be able to invest in research and development while weaker companies will have to compete by cutting costs.

We gain exposure to emerging markets (i.e. China) through our overweight in Hong Kong. Europe and Japan are still suffering from weak domestic demand. We are focusing mostly on exporters. We also believe that the U.S. is best positioned among developed countries (relative low labor cost, benefiting from weak currency). We are overweight.

TECHNICAL CHARACTERISTICS

	P/E	Div.	Net Margin	ROE	Growth Pot.	Net Debt/Equity
Fund	15,1x	1,8%	10,1%	18,6%	13,6%	30,2%
Index	16,0x	2,1%	4,4%	13,1%	8,7%	42,7%

GEOGRAPHIC ALLOCATION



TOP 10 HOLDINGS

Securities	Weight
Apple Inc.	3,4%
Nestle SA	3,0%
Microsoft Corp.	2,7%
Time Warner Cable	2,3%
General Electric Co	2,3%
JP Morgan Chase & Co	2,2%
Hewlett Packard Co	2,1%
Novo-Nordisk As	2,0%
Wells Fargo & Co	2,0%
BHP Billiton Ltd	2,0%

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