

Quarterly Bulletin as at December 31, 2009

Natcan Global Equity Fund

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

The MSCI World Index ended in positive territory for the last quarter of 2009, posting a return of 1.69%. Signs of an imminent economic recovery and an increase in mergers and acquisitions - notably Exxon acquiring XTD Energy and Bechshire acquiring BNSF - contributed in bolstering the market. The increase in positive cash flows was the main element explaining positive sector performance for Materials, Technology and Health Care, and the generation of free cash flow offers a positive competitive advantage in a context of tight credit conditions. In North America, companies that were in great difficulty at the beginning of 2009, finished the year with strong performance relative to their benchmarks.

PERFORMANCE ANALYSIS

For the quarter, the portfolio underperformed versus its benchmark. The positive impact of the overweight position and stock selection in Materials and Technology combined with the increase in natural resource prices did not outweigh the negative impact of the overweight position in Energy and the underweight in Consumer Discretionary sectors.

Experian, Schneider Electric and Apple added value to the portfolio versus Exxon Mobil, Transocean and Time Warner Cable retrenched value. Also, AES was the main negative contributor of the Utilities sector.

PERFORMANCE (% - CAD)

	3 months	YTD	1 year	4 years	Since Inception (2004-06)
Fund ¹	1.22	4.16	4.16	-4.22	-2.00
Index ²	1.61	9.49	9.49	-2.71	-1.13
Added Value	-0.39	-5.33	-5.33	-1.51	-0.87

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	-43	Positive	
Materials	3	Hengan International	25
Industrials	14	Rio Tinto Limited	24
Consumer Disc.	-53	Apple Inc.	23
Consumer Staples	8	Experian	21
Health Care	-9	Merck & Co Inc.	20
Financials	-21	Negative	
Technology	18	Barclays	-38
Telecommunications	3	Macquarie Gp Ltd	-23
Utilities	-12	Goldman Sachs Group	-22
Total equities	-92	AES Corp.	-21
Foreign exchange/Liquidity	49	Exxon Mobil Corp.	-14
Total	-43		

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

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OUTLOOK AND STRATEGY

Our main focus for the next year 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 are encouraged by the turnarounds shown by companies that are investing in their businesses of embarking on mergers and acquisitions - an example of which would be Cisco acquiring Starent Networks. We focus our efforts on seeking out companies with these attributes, and we believe companies that can generate cash flows will be most successful in the next year.

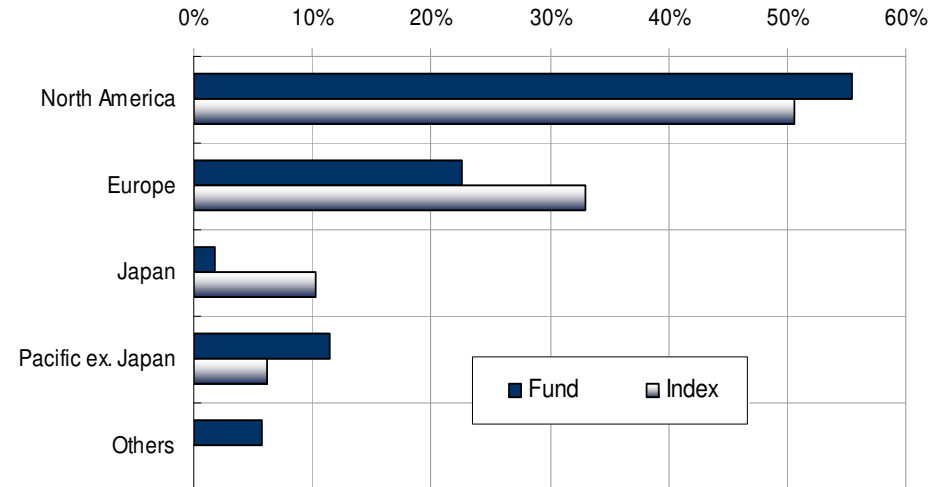
For the coming months we remain cautious about the risk that the economy will post stronger growth, and that conditions for access to credit might be eased.

Accordingly, we believe that companies who restrict their use of credit will be most advantaged. Finally, we seek investment opportunities in emerging markets and particularly in China.

TECHNICAL CHARACTERISTICS

	P/E	Div.	Net Margin	ROE	Growth Pot.	Net Debt/Equity
Fund	16.5x	2.2%	8.5%	21.8%	13.9%	38.0%
Index	15.6x	2.4%	4.1%	14.7%	9.2%	45.9%

GEOGRAPHIC ALLOCATION



TOP 10 HOLDINGS

Securities	Weight
Apple Inc.	3.2%
Microsoft Corp.	3.2%
JPMorgan Chase & Co	2.9%
Banco Santander SA	2.7%
Goldman Sachs Group	2.6%
Nestle SA	2.5%
Merck & Co Inc.	2.4%
Hewlett Packard Co	2.1%
Abbott Labs	2.0%
BHP Billiton Ltd	2.0%

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