

MONTHLY COMMENTARY

NexC Partners Corp. (TSX:NXC)

Market Commentary

Markets rebounded higher in February with dip buyers emerging on waning geopolitical concerns and optimism on the global growth outlook. Concerns over Greece's ability to meet its fiscal pledges receded as bailout provisions were extended by the ECB. Generally positive U.S. earnings, strong jobs data and supportive Fed comments helped the S&P close up 5.7% on the month. European equities outperformed other developed markets as inflows increased on the back of the ECB's supportive actions from the previous month. U.S. 10 year yields squeezed quickly back above 2% as safe haven demand declined, and the market began to price in a higher probability of a June rate hike.

In commodities, oil managed to recover off the lows with prices buoyed by news of cuts in production and the potential for supply disruption in the Middle East. Gold gave back its January gains retreating lower as safe haven demand declined.

The U.S. dollar continued to exhibit selective signs of strength notably against Japanese yen, Swiss Franc and emerging market currencies. CAD was able to recover higher buoyed by signs of oil recovery and better than expected trade deficit numbers. However, the BOC's recent dovish comments continued to provide an overhang on the loonie with further rate cuts expected in the coming months.

Fund Commentary

The Fund was positive in February. U.S. and Canadian stock markets rebounded higher this month as geopolitical concerns seemed to diminish. U. S. jobs data continued to exhibit signs of strength while Canada saw improvements in its trade numbers. Corporate earnings were generally positive, and the energy sector saw some stabilization as oil prices rallied off the lows. U.S. yields reversed sharply higher this month which negatively impacted some of our interest rate sensitive holdings. This month financials, staples and industrials were our most profitable sectors. Finning, Reynolds and Pfizer were the best performing names.

Utilities, real estate and energy were the weakest sectors, as U.S. interest rate sensitive names moved in tandem with bonds and sold off over the month. HCP Reit, Duke Energy and Entergy were the worst performers this month.

The Fund completed a quarterly rebalance this month where it added Corrections Corp. of America, Darden, GE, Liberty Property, Mid-America Apartment, Telus and Thomson Reuters. The Fund removed Bombardier, Finning, Mattel, McDonald's, Pfizer, AT&T and George Weston. The portfolio now holds 19 U. S. equities and 21 Canadian equities, and continues to hedge USD currency exposure maintaining a net USD exposure at approximately 10% of the Fund's NAV. The Fund has not deployed leverage.

MONTHLY COMMENTARY

NexC Partners Corp. (TSX:NXC)

Sector Breakdown

Sector	Weight
Financials	17.59%
Real Estate	14.56%
Energy	14.36%
Utilities	14.11%
Consumer Staples	9.64%
Telecommunication Services	9.62%
Consumer Discretionary	7.20%
Materials	7.08%
Industrials	4.81%
Cash	1.03%

Geographic Breakdown

Country	Weight
Canada	51.20%
United States	47.78%
Cash	1.03%

The opinions expressed are provided by the portfolio manager responsible for the management of the Fund's investment portfolio, as specified in the Fund's prospectus. Unless otherwise stated, the source for data cited in any commentary is the portfolio manager. Nothing in any commentary should be considered a recommendation to buy or sell a particular security. The Fund may sell these securities at any time, or purchase securities that have previously been sold. The securities may increase or decrease in value after the date hereof, and the Fund may accordingly gain or lose money on the investment in the securities. The statements by the portfolio managers in their commentaries are intended to illustrate their approach in managing the funds, and do not necessarily reflect the views of Purpose Investments Inc. Commissions, trailing commissions, management fees and expenses all may be associated with the investment fund managed by Purpose Investments Inc. The investment funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the relevant prospectus before investing.

Portfolio Breakdown

Name	Sector	Country	Portfolio Weight
Canadian Imperial Bank of Commerce	Financials	Canada	2.52%
H&R Real Estate Investment Trust	Real Estate	Canada	2.52%
Royal Bank of Canada	Financials	Canada	2.51%
Toronto-Dominion Bank	Financials	Canada	2.48%
Bank of Nova Scotia/The	Financials	Canada	2.47%
General Electric Co	Industrials	United States	2.47%
National Bank of Canada	Financials	Canada	2.47%
Bank of Montreal	Financials	Canada	2.46%
ARC Resources Ltd	Energy	Canada	2.46%
Agrium Inc	Materials	Canada	2.45%
TELUS Corp	Telecommunication Services	Canada	2.45%
Darden Restaurants Inc	Consumer Discretionary	United States	2.44%
Altria Group Inc	Consumer Staples	United States	2.44%
Keyera Corp	Energy	Canada	2.44%
HCP Inc	Real Estate	United States	2.43%
Pembina Pipeline Corp	Energy	Canada	2.43%
Verizon Communications Inc	Telecommunication Services	United States	2.43%
Corrections Corp of America	Real Estate	United States	2.42%
Kraft Foods Group Inc	Consumer Staples	United States	2.41%
Reynolds American Inc	Consumer Staples	United States	2.41%
Mid-America Apartment Communities Inc	Real Estate	United States	2.40%
Liberty Property Trust	Real Estate	United States	2.40%
Camden Property Trust	Real Estate	United States	2.40%
BCE Inc	Telecommunication Services	Canada	2.39%
Entergy Corp	Utilities	United States	2.39%
Thomson Reuters Corp	Consumer Discretionary	United States	2.38%
Lorillard Inc	Consumer Staples	United States	2.38%
Duke Energy Corp	Utilities	United States	2.38%
Shaw Communications Inc	Consumer Discretionary	Canada	2.37%
Suncor Energy Inc	Energy	Canada	2.36%
Cenovus Energy Inc	Energy	Canada	2.36%
Rogers Communications Inc	Telecommunication Services	Canada	2.35%
Emera Inc	Utilities	Canada	2.35%
Potash Corp of Saskatchewan Inc	Materials	Canada	2.35%
American Electric Power Co Inc	Utilities	United States	2.34%
Lockheed Martin Corp	Industrials	United States	2.34%
PPL Corp	Utilities	United States	2.34%
Enbridge Inc	Energy	Canada	2.32%
Integrus Energy Group Inc	Utilities	United States	2.32%
LyondellBasell Industries NV	Materials	United States	2.27%
Cash		Cash	1.03%
Sub-Total			97.33%
<i>Purpose Investments Inc.</i>	<i>Financials</i>	<i>Canada</i>	<i>2.67%</i>
Total			100.00%

PURPOSE
INVESTMENTS

www.purposeinvest.com