

INVESTMENTSOLUTIONS

Having to weather the ups and downs of the equity market has left many investors searching for stable ground and predictability. And while stability can't be guaranteed, there are investments designed to give investors a leg-up during the tough times.

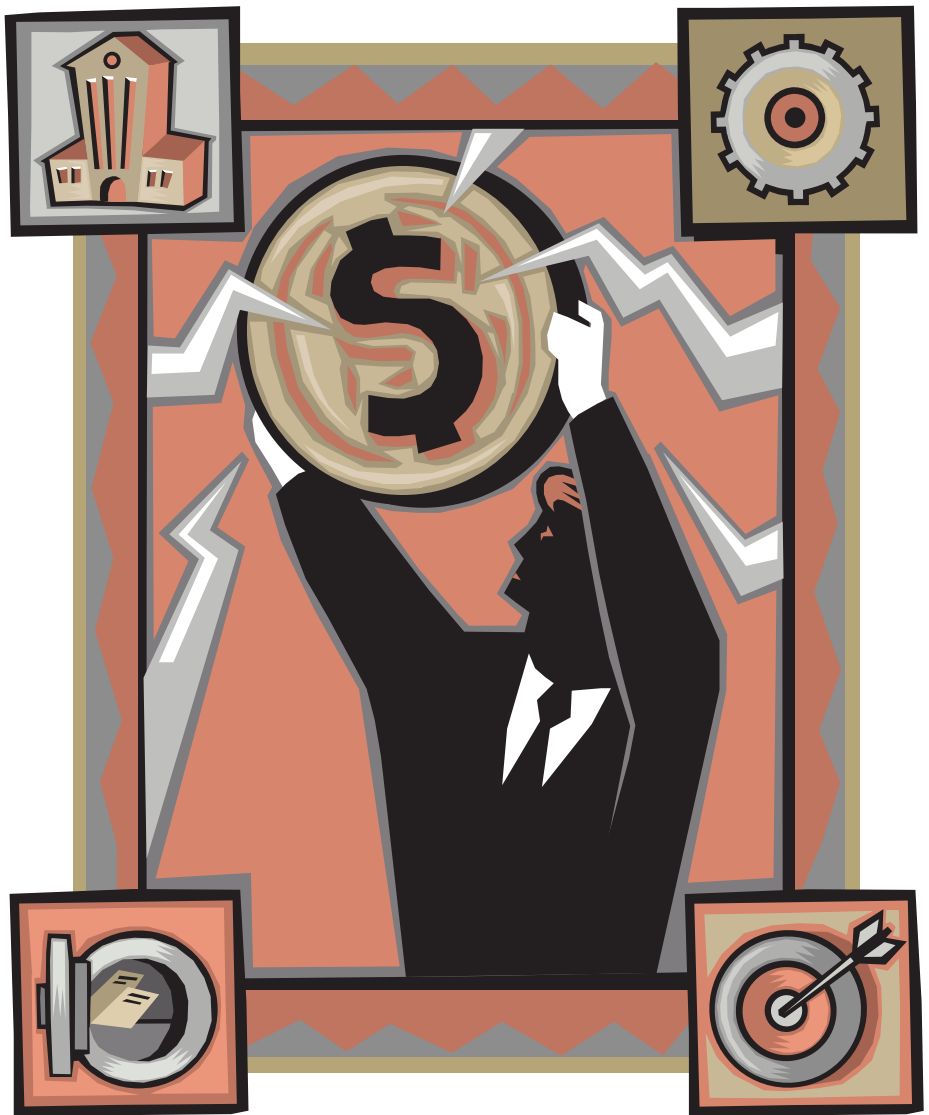
Enter real return bond funds (RRB funds). Like conventional bonds, RRBs pay out a coupon – this is interest on your investment. Unlike conventional bonds, however, RRBs adjust the amount of the return to inflation. The result: the purchasing value of your investment is preserved.

This is exactly what has spurred many investors to purchase RRB funds to diversify their portfolio.

If your returns are being weathered by inflation or you feel uncomfortable having all of your investments in equity markets, these funds are a good option to diversify your portfolio. While not alternatives to stock and bond funds, they do provide stability while those investments ride out the highs and lows of the market.

No matter what the rate of inflation, your RRB fund investment will preserve its initial purchasing value.

This is especially beneficial for investors looking to gain income from their portfolios, in a retirement plan for example. The interest coupons are always adjusted to the Consumer Price Index. So no matter what the rate of inflation, your investment will preserve its initial purchasing value.



Although nominal bonds typically offer a higher current yield than real return bonds, this is generally to compensate investors for expected inflation. However, if inflation is greater than expected then real return bond funds should perform better than its nominal fund counterparts.

While real return bond funds can be purchased directly from the Government of Canada and several provinces, they do not provide the same liquidity as those you can get through Rice Financial.

Some funds give you the opportunity to reinvest coupon payments almost immediately, allowing you to protect your investment income from inflation as well.

What can you count on with RRB funds? Protection from market ups and downs.

If preserving your purchasing power and hedging against inflation are priorities for you, call your Rice Financial advisor about real return bond funds.

Protection and Good Returns

Can you have it all?



If you're looking for better potential returns than a GIC can afford, but with similar security, look no further. The Province of Manitoba Portfolio Allocation Notes - Series 1 are new principal-protected notes that returns your initial investment at maturity and provide quarterly distributions based on the performance on a portfolio of 16 income funds and stocks.

For many investors, it's the best of both worlds: combining guaranteed capital with the upside potential of equities – an upside that far exceeds current fixed-term rates for similar maturities.

These notes also offer more conservative investors the chance to participate in the market while ensuring that, at maturity, their initial investment is protected.

Investors looking for shorter-term investment solutions than traditional GICs will be pleased with the liquidity offered by the Province of Manitoba Portfolio Allocation Notes - Series I. A secondary market is provided by CIBC World Markets Inc, and after three years, there is no penalty to sell the investment. This is also beneficial to investors concerned about the volatility in the markets while holding a high cash position.

These notes will be invested in 16 high-yielding income fund units and shares representing three segments of the Canadian market: financial services, utilities, and income funds.

If you are looking for potentially higher yields and the opportunity for capital growth, call your Rice Financial advisor for more information about the Province of Manitoba Portfolio Allocation Notes- Series I.

Commissions, trailing commissions, management fees and expenses all may be associated with managed fund investments. Please read the prospectus before investing. Managed funds are not guaranteed or insured. Their values change frequently and past performance may not be repeated. The statements contained herein are based on material believed to be reliable, but are not guaranteed to be accurate or complete. The articles are not intended to provide individual financial, tax or investment advice. For information purposes only. Particular investment or trading strategies should be evaluated relative to each individual's objectives.

Paid in part by:

