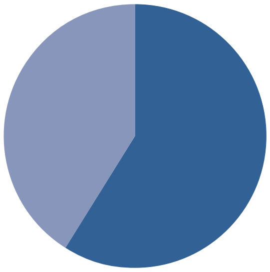
Beutel Goodman **Money Market Fund**

Top 10 Holdings (%)

CANADA GOVT	T/B 0.000 MAR 22 18	19.80
CIBC	0.000 MAR 05 18	10.70
BANK OF NS	0.000 MAR 05 18	10.60
TOR DOM BANK	0.000 JAN 16 18	9.40
ROY BK OF CDA	0.000 JAN 29 18	8.90
GAZ METRO INC	0.000 JAN 25 18	6.70
HYDRO ONE	0.000 MAR 13 18	6.70
UNION GAS	0.000 JAN 08 18	6.30
BANK OF MONTREAL	0.000 MAR 20 18	5.80
UNION GAS	0.000 JAN 16 18	4.50

Fund Quality (%)



Performance % (ANNUALIZED) to December 31, 2017

BG Money Market Fund	Current Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
Total Portfolio	0.32	0.96	0.91	0.91	1.00	1.04	1.28
91 Day T-Bills	0.23	0.56	0.53	0.57	0.65	0.72	1.01
Management Effect	**0.09**	**0.40**	**0.38**	**0.35**	**0.35**	**0.31**	**0.27**

Performance % (ANNUAL) to December 31, 2017

BG Money Market Fund	2017	2016	2015	2014	2013
Total Portfolio	0.96	0.87	0.92	1.25	1.19
91 Day T-Bills	0.56	0.51	0.63	0.91	1.01
Management Effect	**0.40**	**0.35**	**0.29**	**0.34**	**0.18**

Portfolio Characteristics

	Beutel Goodman Money Market Fund
Average Term (with frns to next reset)	52 DAYS
(average term not to exceed 180 days)	
Yield	1.28%
# of Securities Held	20

Investment Strategy

The Fund seeks to earn a competitive short-term rate of return while maintaining a high level of liquidity by investing in high quality Canadian money market instruments such as treasury bills, short-term government and corporate securities and deposit receipts of Canadian chartered banks and trust companies having a term to maturity not exceeding one year.

Market Overview

Money Market yields increased in the fourth quarter of 2017. 91-day T-Bills started the period yielding 1.00% and finished the quarter at 1.06%.

Canadian interest rates on average were virtually unchanged across the curve during the quarter, but there were significant and opposing movements in the short versus the long end of the curve. Yields in the 1 to 5 year area of the curve increased by 14 basis points, as a December speech and interview by Governor Poloz tilted the market to price in additional rate hikes in 2018. Conversely, yields in the long end of the curve decreased by approximately 20 basis points as inflation data continued to disappoint market expectations. The movement in the Canadian yield curve was very similar to that of the U.S., although rates in the U.S. remain significantly higher than those in Canada. U.S. rates in the 5, 10, and 30 year areas of the curve are 33, 37, and 47 basis points higher than the Canadian rates, respectively. The quarter started off with the Canadian bond market expecting the Bank of Canada to continue its hiking phase in 2017, however a confluence of weak economic data and more dovish than expected statements from the Bank of Canada left the market ratcheting back expectations on the timing and magnitude of the Bank's tightening cycle. The markets completely priced out any further tightening in 2017 and pushed the next hike out to March/April 2018. Governor Stephen Poloz stated there a lot of things that have to come together before the Bank feels comfortable tightening monetary policy again.

During the fourth quarter, the U.S. Federal Reserve hiked the Federal Funds rate by 25 basis points, to a target range of 1.25-1.5%. The Fed believes that the labour market has continued to strengthen and that economic activity has been rising at a solid rate. Inflation remains a thorn in the central bank's side, as the Fed noted that on a 12-month basis, both overall inflation and inflation ex-food and energy have declined, and are running below 2%. Additionally, market based measures of inflation compensation remain low and measures of longer term inflation expectations are little changed. The Fed believes that near-term risks to the economic outlook appear roughly balanced, but the Committee is monitoring inflation developments closely. The Fed mostly stuck to its cautious language concerning the pace of future rate hikes.

Portfolio Strategy and Activity

The Beutel Goodman Money Market Fund saw its yield increase from 1.21% at the end of last quarter to 1.28% at December 31, 2017. The Fund's average term was increased from 43 days at the end of September to 52 days at the end of December.

The Fund's term to maturity is shorter than its benchmark, the 91-day T-Bill Index. The quality of the Fund has remained consistent and the Fund only contains securities rated R-1 (low) or higher as per the Dominion Bond Rating Service. We continue to have no exposure to ABCP.

Outlook

With respect to fixed income, the outlook for U.S. growth remains bright, especially with the passage of U.S. tax reform. Financial conditions have eased and historically have foreshadowed faster growth. While Canadian growth is expected to moderate after a robust first half of 2017, it will likely be held up by a strong U.S. economy and the recent strength in crude oil prices. While there is no doubt that the Canadian economy is strong and that the slack in the economy is being used up, there are a few areas of concern for the economic forecast. A significant amount of the strong growth has been led by the services sector and not by manufacturing nor by the export sectors that the Bank of Canada had expected to benefit from a lower Canadian dollar. As the Bank of Canada has repeatedly warned, consumer indebtedness is at very high levels. While a slowdown in the housing market will likely not lead to a rash of foreclosures in Canada as it did in the U.S., it will likely constrain consumer spending as mortgage payments take up a greater share of consumers' wallets.

Our base case is for the continuation of trends of relatively strong growth, steadily increasing inflation and gradual central bank tightening. Our base case also assumes that a deal to maintain NAFTA is cobbled together before the deadline. While this provides a constructive backdrop for credit spreads, we are mindful of the overall tightness of spreads currently as credit metrics are deteriorating and leverage is creeping up. There are a number of things that pose a risk to our base case, including (in no particular order): (1) a messy unwind of quantitative easing; (2) a swift abrogation of NAFTA; (3) a destruction of value of the crypto currencies; (4) a North Korea missile strike; (5) a banking crisis in China; (6) political unrest in Venezuela and the Middle East; (7) a Trump implosion; (8) a trade war; (9) a credit event; and (10) a shift in the European political landscape.

Disclosure Notes

Investment returns are expressed in Canadian dollars unless otherwise noted, gross of investment management fees and net of operating expenses for Beutel Goodman funds. Returns are time weighted and annualized for periods greater than one year. Client returns may vary due to cash flow timing and client-specific constraints.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit values and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The I class units of the Short Term Bond Fund were not offered under a prospectus for the period since performance inception to October 4, 2010 (the prospectus start date). The I class units of the Global Dividend Fund were not offered under a prospectus for the period since performance inception to September 14, 2010 (the prospectus start date). Please see the related product profiles for the inception dates of these funds. The I class units of the Global Equity Fund were not offered under a prospectus for the period since its 1995 performance inception to July 6, 2011 (the prospectus start date). Performance for each of these Funds is combined to include both of these periods. The expenses of these Funds would have been higher during these periods had these Funds been subject to additional regulatory requirements applicable to a fund whose units are offered under a prospectus.

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