
IG Putnam U.S. High Yield Income Fund
Interim Financial Statements
For the six-month period ended September 30, 2009

The accompanying interim financial statements have not been reviewed by the external auditors of the Fund. The external auditors will be auditing the annual financial statements of the Fund in accordance with Canadian generally accepted auditing standards.

IG Putnam U.S. High Yield Income Fund
INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

STATEMENTS OF NET ASSETS

at September 30, 2009 (unaudited) with comparative figures at March 31, 2009
(in \$ thousands except per unit amounts)

	September 30 2009	March 31 2009
Assets:		
Investments	100,948	84,323
Cash and cash equivalents	1,931	11,506
Accrued interest and dividends receivable	2,223	2,424
Taxes recoverable (payable)	-	-
Accounts receivable for securities sold	43	-
Due from brokers	1,612	443
Due from manager	-	-
Due from other funds	-	-
Net receivable for variation on futures contracts	-	-
Unrealized gains on forward contracts and other derivatives	1,108	1,679
Other assets	-	-
	6,917	16,052
Total assets	107,865	100,375
Liabilities:		
Bank overdraft	-	-
Due to brokers	3,167	4,945
Accounts payable for securities redeemed	-	-
Accrued expenses	2	2
Due to other funds	-	-
Liability for options written	-	-
Unrealized losses on forward contracts and other derivatives	52	1,628
Other liabilities	-	-
Total liabilities	3,221	6,575
Net assets	104,644	93,800
Net assets per series, end of period		
Series C	18,011	5,121
Series P	86,633	88,679
Net assets per unit, end of period		
Series C	9.32	7.48
Series P	9.31	7.48

STATEMENTS OF OPERATIONS

for the six-month periods ended September 30 (unaudited)
(in \$ thousands except per unit amounts)

	2009	2008
Income:		
Dividends	34	15
Trust income	-	-
Interest and other income	3,870	1,287
Income (loss) from derivatives	-	-
Securities lending	-	-
Foreign withholding taxes	(4)	(2)
	3,900	1,300
Expenses:		
Management fees	110	2
Service fees	-	-
Service fee rebates	-	-
Administration fees	9	-
Trustee fees	3	-
Goods and services tax	6	-
Other	2	-
	130	2
Net income (loss)	3,770	1,298
Realized gain (loss)	16,445	611
Unrealized gain (loss)	7,261	(6,687)
Commissions and other portfolio transaction costs	(16)	(5)
Net realized and unrealized gain (loss) from investments and foreign exchange	23,690	(6,081)
Net increase (decrease) in net assets from operations	27,460	(4,783)
Net increase (decrease) in net assets from operations per series		
Series C	2,356	(45)
Series P	25,104	(4,738)
Net increase (decrease) in net assets from operations per unit		
Series C	2.02	(0.57)
Series P	2.12	(0.54)

STATEMENTS OF CHANGES IN NET ASSETS

for the six-month periods ended September 30 (unaudited) (in \$ thousands except when stated)

	2009	2008
Series C		
Net assets, beginning of period	5,121	-
Increase (decrease) in net assets resulting from:		
Operations	2,356	(45)
Distributions:		
Income	(256)	(9)
Capital gains	-	-
Service fee rebates	-	-
Total distributions	(256)	(9)
Unit transactions:		
Proceeds from sale of units	11,659	840
Reinvested from distributions	254	9
Payment on redemption of units	(1,123)	(26)
Total unit transactions	10,790	823
Increase (decrease) in net assets	12,890	769
Net assets, end of period	18,011	769

Series P		
Net assets, beginning of period	88,679	-
Increase (decrease) in net assets resulting from:		
Operations	25,104	(4,738)
Distributions:		
Income	(3,351)	(1,155)
Capital gains	-	-
Total distributions	(3,351)	(1,155)
Unit transactions:		
Proceeds from sale of units	-	87,500
Reinvested from distributions	3,351	1,155
Payment on redemption of units	(27,150)	-
Total unit transactions	(23,799)	88,655
Increase (decrease) in net assets	(2,046)	82,762
Net assets, end of period	86,633	82,762

Total		
Net assets, beginning of period	93,800	-
Increase (decrease) in net assets resulting from:		
Operations	27,460	(4,783)
Distributions:		
Income	(3,607)	(1,164)
Capital gains	-	-
Service fee rebates	-	-
Total distributions	(3,607)	(1,164)
Unit transactions:		
Proceeds from sale of units	11,659	88,340
Reinvested from distributions	3,605	1,164
Payment on redemption of units	(28,273)	(26)
Total unit transactions	(13,009)	89,478
Increase (decrease) in net assets	10,844	83,531
Net assets, end of period	104,644	83,531

Increase (decrease) in units (in thousands):

	2009	2008
Series C		
Units outstanding, beginning of period	685	-
Add (deduct):		
Units sold	1,342	85
Reinvested from distributions	29	1
Units redeemed	(123)	(3)
Units outstanding, end of period	1,933	83
Series P		
Units outstanding, beginning of period	11,855	-
Add (deduct):		
Units sold	-	8,750
Reinvested from distributions	387	119
Units redeemed	(2,934)	-
Units outstanding, end of period	9,308	8,869

STATEMENT OF INVESTMENTS

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
FIXED INCOME					
AES Corp. 8.75% 05-15-03 Callable	United States	Corporate - Non Convertible	60,000	67	66
AES Corp. 9.75% 04-15-16	United States	Corporate - Non Convertible	250,000	292	292
AES Corp. 8.00% 10-15-17 Callable	United States	Corporate - Non Convertible	90,000	91	98
AMC Entertainment Inc. 11.00% 02-01-16 Callable 2011	United States	Corporate - Non Convertible	50,000	57	57
ARAMARK Corp. F/R 02-01-15 Callable	United States	Corporate - Non Convertible	35,000	33	33
ARAMARK Services Inc. 8.50% 02-01-15 Callable 2011	United States	Corporate - Non Convertible	265,000	276	286
Acco Brands Corp. 10.625% 03-15-15 Callable 2012	United States	Corporate - Non Convertible	135,000	143	150
Advanced Micro Devices Inc. 5.75% 08-15-12 Conv.	United States	Corporate - Convertible	235,000	145	211
Advanced Micro Devices Inc. 7.75% 11-01-12 Callable	United States	Corporate - Non Convertible	90,000	71	87
Affinia Group Inc. 10.75% 08-15-16 Callable 2012	United States	Corporate - Non Convertible	110,000	123	127
Affinion Group Inc. 8.125% 10-15-13 Callable 2009	United States	Corporate - Non Convertible	135,000	142	148
Affinion Group Inc. 11.50% 10-15-15 Callable 2010	United States	Corporate - Non Convertible	175,000	174	190
AirGas Inc. 7.125% 10-01-18 Callable 2013	United States	Corporate - Non Convertible	310,000	343	340
Aleris International Inc. 9.00% 12-15-14 Callable 2010	United States	Corporate - Non Convertible	345,000	272	1
Alexandria Real Estate Equities Inc. 3.70% 01-15-27 Conv.	United States	Corporate - Convertible	190,000	180	187
Alliant Techsystems Inc. 6.75% 04-01-16 Callable 2011	United States	Corporate - Non Convertible	150,000	160	156
Alliant Techsystems Inc. 3.00% 08-15-24 Conv.	United States	Corporate - Convertible	170,000	216	209
Allied Waste North America Inc. 7.875% 04-15-13 Callable	United States	Corporate - Non Convertible	295,000	354	325
Allison Transmission Inc. Term Loan F/R 10-15-14	United States	Bank Loans	365,198	333	340
Allison Transmission Inc. 11.25% 11-01-15 Callable 2011	United States	Corporate - Non Convertible	265,000	241	264
Ameren Corp. 8.875% 05-15-14 Callable	United States	Corporate - Non Convertible	200,000	231	242
American Casino & Entertainment Properties LLC 11.00% 06-15-14 Callable 2012	United States	Corporate - Non Convertible	240,000	220	217
American General Finance Corp. 4.625% 09-01-10	United States	Corporate - Non Convertible	265,000	262	261
American General Finance Corp. 5.625% 08-17-11	United States	Corporate - Non Convertible	225,000	198	206
American General Finance Corp. 4.875% 07-15-12	United States	Corporate - Non Convertible	330,000	277	-
American Tower Corp. 7.00% 10-15-17 Callable	United States	Corporate - Non Convertible	185,000	198	203
American Tower Corp. 7.25% 05-15-19 Callable	United States	Corporate - Non Convertible	90,000	99	99
Amkor Technology Inc. 7.75% 05-15-13 Callable	United States	Corporate - Non Convertible	75,000	71	80
¹ ArcelorMittal 5.00% 05-15-14 Conv.	Luxembourg	Corporate - Convertible	90,000	107	139
Arch Western Finance LLC 6.75% 07-01-31 Callable	United States	Corporate - Non Convertible	485,000	502	514
Associated Materials Inc. 9.75% 04-15-12 Callable	United States	Corporate - Non Convertible	355,000	362	372
Atlantic Broadband Finance LLC 9.375% 01-15-09 Callable	United States	Corporate - Non Convertible	305,000	285	317
¹ Avago Technologies Finance Ltd. 10.125% 12-01-13 Callable 2009	Singapore	Corporate - Non Convertible	240,000	268	273
Avis Budget Car Rental LLC 7.625% 05-15-14 Callable 2010	United States	Corporate - Non Convertible	240,000	177	233
BE Aerospace Inc. 8.50% 07-01-18 Callable 2013	United States	Corporate - Non Convertible	230,000	256	255
Beazer Homes USA Inc. 8.375% 04-15-12 Callable	United States	Corporate - Non Convertible	270,000	249	254
Belden Inc. 9.25% 06-15-19 Callable 2014	United States	Corporate - Non Convertible	90,000	100	100
Berry Plastics Corp. 5.87% 09-15-14 Callable 2010	United States	Corporate - Non Convertible	35,000	27	29
Berry Plastics Corp. 8.875% 09-15-14 Callable 2010	United States	Corporate - Non Convertible	460,000	444	468
Berry Plastics Corp. 10.25% 03-01-16 Callable	United States	Corporate - Non Convertible	73,000	60	66
Biomet Inc. 10.00% 10-15-2012 Callable	United States	Corporate - Non Convertible	345,000	389	395
The Bon-Ton Department Stores Inc. 10.25% 03-15-14 Callable 2010	United States	Corporate - Non Convertible	180,000	102	144
Boyd Gaming Corp. 6.75% 04-15-14 Callable 2009	United States	Corporate - Non Convertible	280,000	203	273
Boyd Gaming Corp. 7.125% 02-01-16 Callable 2011	United States	Corporate - Non Convertible	50,000	43	47
Builders FirstSource Inc. F/R 02-15-12 Callable	United States	Corporate - Non Convertible	250,000	180	231
Building Materials Corp. of America Term Loan F/R 02-22-14	United States	Bank Loans	175,000	173	170
Building Materials Corp. of America 7.75% 08-01-14 Callable	United States	Corporate - Non Convertible	435,000	447	450
Burlington Coat Factory Warehouse Corp. Term Loan B F/R 05-28-13	United States	Bank Loans	247,693	202	241
Burlington Coat Factory Warehouse Corp. 11.125% 04-15-14 Callable 2010	United States	Corporate - Non Convertible	270,000	215	283
CB Richard Ellis Services Inc. Term Loan B F/R 12-14-13	United States	Bank Loans	105,000	110	109
CB Richard Ellis Services Inc. 11.625% 06-15-17 Callable 2013	United States	Corporate - Non Convertible	110,000	122	127
CC Holdings GS V LLC 7.75% 05-01-17 Callable 2013	United States	Corporate - Non Convertible	85,000	100	95
CCH I Holdings LLC 11.00% 10-01-15 Callable 2010	United States	Corporate - Non Convertible	90,000	68	18
CCH II Holdings LLC 10.25% 09-15-10 Callable	United States	Corporate - Non Convertible	355,000	378	416
CCH II Holdings LLC 10.25% 09-15-10 Callable Series B	United States	Corporate - Non Convertible	445,000	443	520
CCO Holdings LLC 8.75% 11-15-13 Callable	United States	Corporate - Non Convertible	115,000	62	126
CIT Group Inc. 5.20% 11-03-10	United States	Corporate - Non Convertible	115,000	110	90
CIT Group Inc. 7.625% 11-30-12	United States	Corporate - Non Convertible	190,000	170	134
CIT Group Inc. 5.65% 02-13-17	United States	Corporate - Non Convertible	150,000	113	100
CMS Energy Corp. 8.50% 04-15-11	United States	Corporate - Non Convertible	165,000	179	187
CSC Holdings Inc. 8.50% 04-15-14	United States	Corporate - Non Convertible	120,000	136	136
Cablevision Systems Corp. 8.00% 04-15-12	United States	Corporate - Non Convertible	175,000	190	196
Cablevision Systems Corp. 8.625% 09-15-17 Callable	United States	Corporate - Non Convertible	275,000	293	304
Calpine Corp. Term Loan B F/R 03-29-14	United States	Bank Loans	403,171	382	392
¹ CanWest MediaWorks Inc. 8.00% 09-15-12 Callable	Canada	Corporate - Non Convertible	200,000	180	168

¹ Par Value expressed in United States dollars.

See accompanying notes to financial statements.

STATEMENT OF INVESTMENTS (continued)

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
FIXED INCOME (continued)					
¹ Catalyst Paper Corp. 8.625% 06-15-11 Callable	Canada	Corporate - Non Convertible	325,000	255	241
Cebridge Connection Term Loan 2nd Lien F/R 05-15-14	United States	Corporate - Non Convertible	75,000	57	78
Centennial Communications Corp. F/R 01-01-13 Callable	United States	Corporate - Non Convertible	60,000	62	63
Centennial Communications Corp. 10.125% 06-15-13 Callable	United States	Corporate - Non Convertible	50,000	56	55
Centennial Communications Corp. 8.125% 02-01-14 Callable	United States	Corporate - Non Convertible	130,000	134	142
Conveo Corp. 10.50% 08-15-16 Callable 2012	United States	Corporate - Non Convertible	180,000	182	179
Ceridian Corp. 11.25% 11-15-15 Callable	United States	Corporate - Non Convertible	145,000	135	139
Ceridian Corp. 12.25% 11-15-15 Callable 2011	United States	Corporate - Non Convertible	205,000	173	187
Chaparral Energy Inc. 8.875% 02-01-12 Callable	United States	Corporate - Non Convertible	265,000	205	227
Charter Communications Operating LLC Term Loan 3rd Lien F/R 09-05-14	United States	Bank Loans	145,000	119	135
Chesapeake Energy Corp. 7.50% 09-15-13 Callable	United States	Corporate - Non Convertible	495,000	524	530
Chesapeake Energy Corp. 9.50% 02-15-15	United States	Corporate - Non Convertible	45,000	52	51
Chester Downs and Marina LLC Term Loan F/R 07-29-16	United States	Bank Loans	170,000	175	183
Chiquita Brands International Inc. 7.50% 11-01-14 Callable 2009	United States	Corporate - Non Convertible	275,000	241	297
Cincinnati Bell Inc. 7.00% 02-15-15 Callable 2010	United States	Corporate - Non Convertible	95,000	91	99
Cinemark USA Inc. 8.625% 06-15-19 Callable 2014	United States	Corporate - Non Convertible	225,000	256	249
Claire's Store Inc. Term Loan F/R 05-24-14	United States	Bank Loans	129,669	91	103
Clear Channel Communications Inc. 7.65% 09-15-10 Callable	United States	Corporate - Non Convertible	110,000	101	99
Clear Channel Communications Inc. 10.75% 08-01-16 Callable 2012	United States	Corporate - Non Convertible	125,000	60	73
Clear Channel Communications Inc. Term Loan B F/R 01-29-16	United States	Bank Loans	130,000	94	105
¹ Clondalkin Acquisition BV F/R 12-15-13 Callable 2009	Netherlands	Corporate - Non Convertible	270,000	224	236
Community Health Systems Inc. 8.875% 07-15-13 Callable 2011	United States	Corporate - Non Convertible	240,000	255	265
Compass Minerals International Inc. 8.00% 06-01-19 Callable 2014	United States	Corporate - Non Convertible	120,000	133	130
Complete Production Services Inc. 8.00% 12-15-16 Callable 2011	United States	Corporate - Non Convertible	160,000	163	156
¹ Compton Pet Finance Corp. 7.625% 12-01-13 Callable 2009	Canada	Corporate - Non Convertible	400,000	347	327
Compucom Systems Inc. 12.50% 10-01-15 Callable 2011	United States	Corporate - Non Convertible	190,000	182	190
Comstock Resources Inc. 6.875% 03-01-12 Callable	United States	Corporate - Non Convertible	245,000	251	262
¹ Connacher Oil & Gas Ltd. 11.75% 07-15-14 Callable 2011	Canada	Corporate - Non Convertible	130,000	137	147
¹ Connacher Oil & Gas Ltd. 10.25% 12-15-15 Callable 2011	Canada	Corporate - Non Convertible	290,000	270	253
Constellation Brands Inc. 7.25% 09-01-16	United States	Corporate - Non Convertible	170,000	179	182
Constellation Brands Inc. 7.25% 05-15-17	United States	Corporate - Non Convertible	210,000	248	225
Corrections Corp. of America 7.75% 06-01-17 Callable 2013	United States	Corporate - Non Convertible	260,000	289	287
Coventry Health Care Inc. 6.30% 08-15-14 Callable	United States	Corporate - Non Convertible	325,000	312	337
Cricket Communications Inc. 9.375% 11-01-14 Callable 2010	United States	Corporate - Non Convertible	210,000	217	229
Cricket Communications Inc. 10.00% 07-15-15 Callable 2012	United States	Corporate - Non Convertible	90,000	92	99
Cricket Communications Inc. 7.75% 05-15-16 Callable 2012	United States	Corporate - Non Convertible	95,000	101	102
Crown Americas LLC 7.625% 11-15-13 Callable 2009	United States	Corporate - Non Convertible	200,000	213	220
Crown Euro Holdings SA 6.25% 09-01-11 Callable	France	Corporate - Non Convertible	90,000	137	146
D.R. Horton Inc. 7.875% 08-15-11	United States	Corporate - Non Convertible	160,000	176	180
DIRECTV Holdings LLC 6.375% 06-15-15 Callable 2010	United States	Corporate - Non Convertible	260,000	255	285
DIRECTV Holdings LLC 7.625% 05-15-16 Callable	United States	Corporate - Non Convertible	270,000	310	309
DaVita Inc. 6.625% 03-15-13 Callable	United States	Corporate - Non Convertible	265,000	269	281
Del Monte Corp. 7.50% 10-15-19 Callable 2014	United States	Corporate - Non Convertible	85,000	89	92
Denbury Resources Inc. 7.50% 12-15-15 Callable 2010	United States	Corporate - Non Convertible	350,000	352	371
Digicel Group Ltd. 9.25% 09-01-12 Callable 2009	United States	Corporate - Non Convertible	170,000	186	185
Digicel Group Ltd. 8.875% 01-15-15 Callable 2010	United States	Corporate - Non Convertible	130,000	124	127
Digital Realty Trust LP 5.50% 04-15-29 Conv. Callable 2014	United States	Corporate - Convertible	150,000	181	199
Dish DBS Corp. 7.875% 09-01-19 Callable	United States	Corporate - Non Convertible	170,000	188	184
Dole Foods Co. 13.875% 03-15-14 Callable	United States	Corporate - Convertible	330,000	393	415
Dole Foods Co. Inc. 8.00% 10-01-16 Callable 2013	United States	Corporate - Non Convertible	110,000	115	118
Dollar General Corp. 10.625% 07-15-11 Callable	United States	Corporate - Non Convertible	135,000	165	160
Dollar General Corp. Term Loan B F/R 07-06-13	United States	Bank Loans	360,000	340	375
Dynegy Holdings Inc. 8.375% 05-01-16	United States	Corporate - Non Convertible	340,000	330	340
E*Trade Financial Corp. 12.50% 11-30-17 Callable 2012	United States	Corporate - Non Convertible	175,000	199	208
E*Trade Financial Corp. 7.375% 09-15-13 Callable	United States	Corporate - Non Convertible	135,000	131	133
EchoStar DBS Corp. 6.375% 10-01-11	United States	Corporate - Non Convertible	165,000	182	180
EchoStar DBS Corp. 7.00% 10-01-13	United States	Corporate - Non Convertible	185,000	180	203
Edison Mission Energy Inc. 7.50% 06-15-13	United States	Corporate - Non Convertible	140,000	144	140
El Paso Corp. 12.00% 12-12-13	United States	Corporate - Non Convertible	45,000	51	54
El Paso Corp. 7.00% 06-15-17 Callable	United States	Corporate - Non Convertible	130,000	135	135
El Paso Corp. 7.80% 08-01-31	United States	Corporate - Non Convertible	205,000	210	203
El Paso Natural Gas Co. 8.625% 01-15-22	United States	Corporate - Non Convertible	85,000	97	109
¹ Elan Corp. PLC 8.75% 10-15-16 Callable 2012	Ireland	Corporate - Non Convertible	280,000	299	296
¹ Elan Finance PLC-Elan Finance Corp. 7.75% 11-15-11 Callable	Ireland	Corporate - Non Convertible	345,000	351	370
Elizabeth Arden Inc. 7.75% 01-15-14 Callable	United States	Corporate - Non Convertible	375,000	365	381

¹ Par Value expressed in United States dollars.

See accompanying notes to financial statements.

STATEMENT OF INVESTMENTS (continued)

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
FIXED INCOME (continued)					
Encore Acquisition Co. 6.00% 07-15-15 Callable 2010	United States	Corporate - Non Convertible	355,000	333	350
Energy Future Holdings Corp. 10.875% 11-01-17 Callable	United States	Corporate - Non Convertible	230,000	178	186
¹ FMG Finance Property Ltd. 10.625% 09-01-16	Australia	Corporate - Non Convertible	70,000	81	82
Fairpoint Communications Inc. F/R Term Loan B 03-25-15	United States	Bank Loans	148,064	80	119
Felcor Lodging Trust Inc. 10.00% 10-01-14 Callable	United States	Corporate - Non Convertible	275,000	263	285
Ferrellgas Partners LP/Ferrellgas Partners Finance Corp. 6.75% 05-01-14 Callable	United States	Corporate - Non Convertible	410,000	396	418
Ferrellgas Partners LP 6.75% 05-01-14 Callable	United States	Corporate - Non Convertible	20,000	17	20
First Data Corp. Term Loan B3 F/R 09-27-14	United States	Bank Loans	173	-	-
First Data Corp. 9.875% 09-24-15 Callable 2011	United States	Corporate - Non Convertible	395,000	328	396
First Data Corp. 10.55% 09-24-15 Callable 2011	United States	Corporate - Non Convertible	585,000	441	532
First Data Corp. 11.25% 03-31-16 Callable 2011	United States	Corporate - Non Convertible	260,000	229	239
¹ Flextronics International Ltd. 6.25% 11-15-14 Callable 2009	Singapore	Corporate - Non Convertible	123,000	132	128
Ford Motor Credit Co. LLC 9.75% 09-15-10	United States	Corporate - Non Convertible	210,000	223	232
Ford Motor Credit Co. LLC 9.875% 08-10-11	United States	Corporate - Non Convertible	335,000	353	369
Ford Motor Credit Co. LLC 7.25% 10-25-11	United States	Corporate - Non Convertible	450,000	453	473
Ford Motor Credit Co. LLC 3.26% 03-13-12	United States	Corporate - Non Convertible	140,000	127	136
Ford Motor Credit Co. LLC 7.50% 08-01-12	United States	Corporate - Non Convertible	525,000	524	547
Forest Oil Corp. 8.00% 12-15-11 Callable	United States	Corporate - Non Convertible	280,000	305	306
Freeport-McMoRan Copper & Gold Inc. 8.25% 04-01-15 Callable 2011	United States	Corporate - Non Convertible	140,000	156	160
Freeport-McMoRan Copper & Gold Inc. 8.375% 04-01-17 Callable	United States	Corporate - Non Convertible	840,000	939	960
Freescale Semiconductor Inc. Term Loan B F/R 11-28-13	United States	Bank Loans	89	-	-
Freescale Semiconductor Inc. 8.875% 12-15-14	United States	Corporate - Non Convertible	570,000	401	474
Freescale Semiconductor Inc. 10.125% 12-15-16 Callable 2011	United States	Corporate - Non Convertible	345,000	275	247
Fresenius US Finance II Inc. 9.00% 07-15-15	United States	Corporate - Non Convertible	135,000	163	159
Frontier Communications Corp. 9.25% 05-15-11 Callable	United States	Corporate - Non Convertible	190,000	204	222
Frontier Communications Corp. 8.25% 05-01-14 Callable	United States	Corporate - Non Convertible	100,000	111	111
Frontier Communications Corp. 8.125% 10-01-18 Callable	United States	Corporate - Non Convertible	255,000	268	275
GMAC LLC 7.75% 01-19-10	United States	Corporate - Non Convertible	205,000	216	219
GMAC LLC 7.25% 03-02-11	United States	Corporate - Non Convertible	990,000	984	1,031
GMAC LLC 6.875% 09-15-11	United States	Corporate - Non Convertible	155,000	150	157
GMAC LLC 7.00% 02-01-12	United States	Corporate - Non Convertible	335,000	298	338
Gatehouse Media Inc. Term Loan B add-on F/R 08-28-14	United States	Bank Loans	200,000	125	67
General Cable Corp. 1.00% 10-15-12 Conv.	United States	Corporate - Convertible	100,000	84	92
General Cable Corp. 5.17% 04-01-15 Callable	United States	Corporate - Non Convertible	100,000	91	94
General Cable Corp. 7.125% 04-01-17 Callable 2012	United States	Corporate - Non Convertible	200,000	210	209
General Growth Properties Inc. 3.98% 04-15-27	United States	Corporate - Non Convertible	125,000	97	90
Georgia Pacific LLC Term Loan B F/R 02-13-13	United States	Bank Loans	388	-	-
Georgia-Pacific LLC 9.50% 12-01-11	United States	Corporate - Non Convertible	285,000	309	327
¹ Global Crossing Ltd. 5.00% 05-15-11 Conv. Callable	Bermuda	Corporate - Convertible	120,000	125	128
¹ Global Crossing Ltd. 12.00% 09-15-15 Callable 2012	Bermuda	Corporate - Non Convertible	30,000	32	33
Goodman Global Inc. Term Loan B F/R 12-20-11	United States	Bank Loans	350,000	364	374
Goodyear Tire & Rubber Co. 10.50% 05-15-16 Callable 2012	United States	Corporate - Non Convertible	355,000	406	414
Graham Packaging Co. Inc. 8.50% 10-15-12 Callable 2009	United States	Corporate - Non Convertible	140,000	152	152
Graphic Packaging International Inc. 9.50% 06-15-17 Callable 2013	United States	Corporate - Non Convertible	85,000	89	97
Great Atlantic & Pacific Tea Co. Inc. 11.375% 08-01-15 Callable 2012	United States	Corporate - Non Convertible	225,000	243	244
Greif Inc. 7.75% 08-01-19	United States	Corporate - Non Convertible	80,000	85	86
HCA Inc. 9.125% 11-15-14 Callable 2010	United States	Corporate - Non Convertible	785,000	864	874
HCA Inc. 9.25% 11-15-16 Callable	United States	Corporate - Non Convertible	160,000	170	177
HCA Inc. 9.625% 11-15-16 Callable	United States	Corporate - Non Convertible	240,000	269	268
HCA Inc. 8.50% 04-15-19 Callable 2014	United States	Corporate - Non Convertible	235,000	274	264
HUB International Holdings Inc. 9.00% 12-15-14 Callable 2011	United States	Corporate - Non Convertible	150,000	137	154
HUB International Holdings Inc. 10.25% 06-15-15 Callable 2011	United States	Corporate - Non Convertible	110,000	90	110
Hanesbrands Inc. F/R 12-15-14 Callable	United States	Corporate - Non Convertible	405,000	376	382
¹ Hanson Ltd. 7.875% 09-27-10 Callable	United Kingdom	Corporate - Non Convertible	125,000	132	137
Harrah's Operating Co. Inc. Term Loan B F/R 09-23-16	United States	Bank Loans	65,000	68	69
Harrah's Operating Co. Inc. 11.25% 06-01-17 Callable 2013	United States	Corporate - Non Convertible	230,000	248	249
Harrah's Operating Co. Inc. 10.00% 12-15-18	United States	Corporate - Non Convertible	485,000	494	413
Harrah's Operating Escrow LLC 11.25% 06-01-17 Callable	United States	Corporate - Non Convertible	230,000	250	254
¹ Harvest Operations Corp. 7.875% 10-15-11 Callable	Canada	Corporate - Non Convertible	310,000	294	322
Hawker Beechcraft Acquisition Co. LLC 8.50% 04-01-15	United States	Corporate - Non Convertible	75,000	76	57
Hawker Beechcraft Inc. Term Loan F/R 03-27-14	United States	Bank Loans	5,709	5	5
Hawker Beechcraft Inc. Term Loan B F/R 03-27-14	United States	Bank Loans	100,216	96	82
Health Management Associates Inc. 6.125% 04-15-16 Callable	United States	Corporate - Non Convertible	300,000	280	299
HealthSouth Corp. Term Loan B F/R 03-07-13	United States	Bank Loans	216,776	209	223
HealthSouth Corp. F/R 06-15-14 Callable	United States	Corporate - Non Convertible	135,000	141	142

¹ Par Value expressed in United States dollars.

See accompanying notes to financial statements.

STATEMENT OF INVESTMENTS (continued)

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
FIXED INCOME (continued)					
Helix Energy Solutions Group Inc. 9.50% 01-15-16 Callable 2012	United States	Corporate - Non Convertible	425,000	408	455
Hertz Corp. 8.875% 01-01-14	United States	Corporate - Non Convertible	250,000	217	270
Hexel Corp. Term Loan F/R 05-20-14	United States	Bank Loans	42,188	47	45
Hilcorp Energy I LP 9.00% 06-01-16 Callable 2011	United States	Corporate - Non Convertible	280,000	280	295
Host Hotels & Resorts Inc. 7.00% 08-15-12 Callable	United States	Corporate - Non Convertible	255,000	249	274
² Huntsman International LLC 6.875% 11-15-13 Callable 2009	United States	Corporate - Non Convertible	95,000	83	132
IASIS Healthcare Capital Corp. 8.75% 06-15-14 Callable	United States	Corporate - Non Convertible	325,000	343	346
IPALCO Enterprises Inc. 7.625% 11-14-11	United States	Corporate - Non Convertible	95,000	104	105
IPALCO Enterprises Inc. 7.25% 04-01-16 Callable	United States	Corporate - Non Convertible	90,000	93	97
IPCS Inc. F/R 05-01-13	United States	Corporate - Non Convertible	130,000	119	118
Inergy Finance Corp. 6.875% 12-15-14 Callable 2009	United States	Corporate - Non Convertible	425,000	423	434
¹ Inmarsat Finance II PLC 10.375% 11-15-12 Callable	United Kingdom	Corporate - Non Convertible	265,000	283	294
Intel Corp. 2.95% 12-15-35 Conv.	United States	Corporate - Non Convertible	115,000	115	110
Intelsat Bermuda Ltd. 11.25% 02-04-17 Callable 2013	Bermuda	Corporate - Non Convertible	240,000	241	255
¹ Intelsat Intermediate Holding Co. Ltd. 0% 02-01-15 Callable 2010	Bermuda	Corporate - Non Convertible	435,000	463	464
Intelsat Jackson Holdings Ltd. 11.25% 06-15-16 Callable 2011	Bermuda	Corporate - Non Convertible	200,000	220	231
Intelsat Subsidiary Holding Co. Ltd. 8.50% 01-15-13 Series Callable 2009	Bermuda	Corporate - Non Convertible	290,000	302	314
¹ Intelsat Subsidiary Holding Co. Ltd. 8.875% 01-15-15 Callable 2010	Bermuda	Corporate - Non Convertible	165,000	195	180
International Game Technology 3.25% 05-01-14 Conv.	United States	Corporate - Convertible	125,000	146	175
International Paper Co. 9.375% 05-15-19	United States	Corporate - Non Convertible	155,000	180	192
Interpublic Group of Companies Inc. F/R 11-15-10	United States	Corporate - Non Convertible	165,000	172	169
Interpublic Group of Companies Inc. 6.25% 11-15-14 Callable	United States	Corporate - Non Convertible	14,000	14	14
Interpublic Group of Companies Inc. 10.00% 07-15-17 Callable 2013	United States	Corporate - Non Convertible	45,000	51	52
Interpublic Group of Companies Inc. 4.25% 03-15-23 Conv.	United States	Corporate - Convertible	120,000	109	126
Iron Mountain Inc. 6.625% 01-01-16 Callable	United States	Corporate - Non Convertible	170,000	170	175
Iron Mountain Inc. 8.75% 07-15-18 Callable 2011	United States	Corporate - Non Convertible	25,000	26	28
Iron Mountain Inc. 8.00% 06-15-20 Callable 2013	United States	Corporate - Non Convertible	25,000	25	27
Iron Mountain Inc. 8.375% 08-15-21 Callable 2014	United States	Corporate - Non Convertible	70,000	75	77
Isle of Capri Casinos Inc. Term Loan A DD F/R 01-12-14	United States	Bank Loans	73	-	-
iStar Financial Inc. 5.65% 09-15-11 Callable	United States	Corporate - Non Convertible	135,000	83	97
iStar Financial Inc. 8.625% 06-01-13 Callable	United States	Corporate - Non Convertible	105,000	60	73
iStar Financial Inc. 5.95% 10-15-13	United States	Corporate - Non Convertible	70,000	35	41
JBS USA Finance Inc. LLC 11.625% 05-01-14 Callable	United States	Corporate - Non Convertible	165,000	176	189
Jarden Corp. 8.00% 05-01-16 Callable 2013	United States	Corporate - Non Convertible	90,000	107	99
Jarden Corp. 7.50% 05-01-17 Callable 2012	United States	Corporate - Non Convertible	305,000	273	317
Key Energy Services Inc. 8.375% 12-01-14 Callable	United States	Corporate - Non Convertible	265,000	275	269
L-3 Communications Corp. 6.375% 10-15-15 Callable 2010	United States	Corporate - Non Convertible	250,000	249	271
L-3 Communications Holdings Inc. 3.00% 08-01-35 Conv.	United States	Corporate - Convertible	135,000	157	149
Lamar Media Corp. 7.25% 01-01-13 Callable	United States	Corporate - Non Convertible	95,000	94	100
Leap Wireless International Inc. 4.50% 07-15-14	United States	Corporate - Convertible	90,000	74	78
Lender Process Services Inc. 8.125% 07-01-16 Callable	United States	Corporate - Non Convertible	135,000	141	150
Leucada National Corp. 8.125% 09-15-15	United States	Corporate - Non Convertible	180,000	179	198
Leucada National Corp. 7.125% 03-15-17	United States	Corporate - Non Convertible	140,000	141	144
Level 3 Communications Inc. 3.50% 06-15-12 Callable 2010	United States	Corporate - Non Convertible	155,000	121	132
Level 3 Financing Inc. Term Loan B F/R 03-13-14	United States	Bank Loans	20,000	24	23
Level 3 Financing Inc. 9.25% 11-01-14 Callable 2010	United States	Corporate - Non Convertible	270,000	249	258
Level 3 Financing Inc. 8.75% 02-15-17 Callable 2012	United States	Corporate - Non Convertible	60,000	54	54
Levi Strauss & Co. 9.75% 01-15-15 Callable 2010	United States	Corporate - Non Convertible	323,000	327	361
Liberty Media LLC 5.70% 05-15-13 Callable	United States	Corporate - Non Convertible	265,000	257	270
Lucent Technologies Inc. 6.45% 03-15-29	United States	Corporate - Non Convertible	35,000	26	29
Lyondell Chemical Co. Term Loan F/R 12-15-09	United States	Corporate - Non Convertible	30,000	35	33
MGM Mirage Inc. 6.75% 04-01-13 Callable	United States	Corporate - Non Convertible	40,000	23	35
MGM Mirage Inc. 10.375% 05-15-14	United States	Corporate - Non Convertible	200,000	227	229
MGM Mirage Inc. 7.625% 01-15-17 Callable	United States	Corporate - Non Convertible	120,000	53	104
MTR Gaming Group Inc. 12.625% 07-15-14 Callable 2011	United States	Corporate - Non Convertible	190,000	197	198
Manitowoc Co. Inc. Term Loan A F/R 04-14-13	United States	Bank Loans	255,000	252	253
Marquee Holdings Inc. 12.00% 08-15-14 Callable	United States	Corporate - Non Convertible	250,000	215	222
Masco Corp. 6.125% 10-03-16 Callable	United States	Corporate - Non Convertible	250,000	229	255
Mashantucket Western Pequot Tribe 8.50% 11-15-15 Callable 2011	United States	Corporate - Non Convertible	355,000	282	156
Massey Energy Co. 3.25% 08-01-15 Conv.	United States	Corporate - Convertible	357,000	229	304
Maxtor Corp. 2.375% 08-15-12 Callable 2010	United States	Corporate - Non Convertible	95,000	82	109
Mediacom LLC Capital Corp. 9.125% 08-15-19 Callable 2014	United States	Corporate - Non Convertible	70,000	75	77
Mediacom LLC Term Loan C F/R 01-27-15	United States	Bank Loans	148,071	140	146
Metals USA Inc. 11.125% 12-01-15 Callable 2010	United States	Corporate - Non Convertible	295,000	294	303
MetroPCS Wireless Inc. 9.25% 11-01-14 Callable	United States	Corporate - Non Convertible	400,000	423	441

¹ Par Value expressed in United States dollars.

² Par Value expressed in Euro.

See accompanying notes to financial statements.

STATEMENT OF INVESTMENTS (continued)

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
FIXED INCOME (continued)					
Michaels Stores Inc. 10.00% 11-01-14 Callable 2010	United States	Corporate - Non Convertible	310,000	259	328
Mirant Americas Generation Inc. 8.30% 05-01-11	United States	Corporate - Non Convertible	295,000	325	321
Mirant North America LLC 7.375% 12-31-13 Callable 2009	United States	Corporate - Non Convertible	330,000	346	355
Momentive Performance Materials Inc. 9.75% 12-01-14 Callable 2010	United States	Corporate - Non Convertible	130,000	118	108
Motor City Casino Term Loan F/R 07-26-12	United States	Bank Loans	251,792	186	251
Mueller Water Products Inc. 7.375% 06-01-12 Callable	United States	Corporate - Non Convertible	165,000	139	153
NII Capital Corp. 10.00% 08-15-16 Callable 2013	United States	Corporate - Non Convertible	90,000	96	101
NII Holdings Inc. 3.125% 06-15-12 Conv.	United States	Corporate - Convertible	180,000	156	168
NRG Energy Inc. 7.375% 02-01-16 Callable 2011	United States	Corporate - Non Convertible	1,015,000	1,051	1,082
¹ NXP Funding LLC 7.875% 10-15-14 Callable 2010	Netherlands	Corporate - Non Convertible	245,000	212	207
² Nalco Co. 9.00% 11-15-13 Callable	United States	Corporate - Non Convertible	35,000	44	56
Nalco Co. 8.25% 05-15-17 Callable	United States	Corporate - Non Convertible	275,000	320	309
National Semiconductor Corp. 6.60% 06-15-17 Callable	United States	Corporate - Non Convertible	50,000	50	53
Navistar International Corp. Term Loan F/R 01-17-12	United States	Bank Loans	392,333	379	405
Navistar International Corp. Term Loan F/R 06-15-12	United States	Bank Loans	142,667	138	147
The Neiman Marcus Group Inc. Term Loan B F/R 04-03-13	United States	Bank Loans	90,000	70	83
The Neiman Marcus Group Inc. 10.375% 10-15-15 Callable 2010	United States	Corporate - Non Convertible	85,000	79	78
The Neiman Marcus Group Inc. 9.00% 10-15-15 Callable	United States	Corporate - Non Convertible	485,448	428	444
Newfield Exploration Co. 6.625% 09-01-14 Callable	United States	Corporate - Non Convertible	500,000	512	524
NewPage Corp. Term Loan F/R 12-07-14	United States	Bank Loans	138,497	140	147
NewPage Corp. 11.375% 12-31-14	United States	Corporate - Non Convertible	215,000	216	226
Nextel Communications Inc. 7.375% 08-01-15 Callable	United States	Corporate - Non Convertible	230,000	187	224
Nielsen Finance LLC 10.00% 08-01-14 Callable 2010	United States	Corporate - Non Convertible	240,000	247	259
Nielsen Finance LLC 12.50% 08-01-16 Callable 2011	United States	Corporate - Non Convertible	265,000	174	225
NiSource Finance Corp. 10.75% 03-15-16	United States	Corporate - Non Convertible	55,000	69	68
Nortek Inc. 10.00% 12-01-13 Callable	United States	Corporate - Non Convertible	360,000	307	396
Nortek Inc. 8.50% 09-01-14 Callable	United States	Corporate - Non Convertible	345,000	231	258
Novelis Inc. 7.25% 02-15-15 Callable 2010	United States	Corporate - Non Convertible	195,000	182	181
¹ Novelis Inc. 11.50% 02-15-15 Callable 2012	Canada	Corporate - Non Convertible	100,000	105	108
Nuveen Investments Inc. 10.50% 11-15-15 Callable 2011	United States	Corporate - Non Convertible	240,000	216	224
¹ OPTI Canada Inc. 7.875% 12-15-14 Callable 2010	Canada	Corporate - Non Convertible	250,000	178	204
¹ OPTI Canada Inc. 8.25% 12-15-14 Callable 2010	Canada	Corporate - Non Convertible	85,000	52	71
Omicare Inc. 6.125% 06-01-13 Callable	United States	Corporate - Non Convertible	245,000	239	252
Orion Power Holdings Inc. 12.00% 05-01-10	United States	Corporate - Non Convertible	290,000	334	322
Owens Corning Inc. 6.50% 12-01-16	United States	Corporate - Non Convertible	230,000	202	236
Owens Corning Inc. 9.00% 06-15-19 Callable	United States	Corporate - Non Convertible	215,000	236	247
² Owens-Brockway Glass Container Inc. 6.75% 12-01-14 Conv. Callable 2009	United States	Corporate - Non Convertible	50,000	72	78
¹ PE Paper Escrow GMBH 11.75% 08-01-14 Callable 2012	Austria	Corporate - Non Convertible	70,000	104	116
¹ PE Paper Escrow GMBH 12.00% 08-01-14 Callable 2012	Austria	Corporate - Non Convertible	100,000	103	116
Paetec Holding Corp. 9.50% 07-15-15	United States	Corporate - Non Convertible	135,000	131	130
Pantry Inc. 3.00% 11-15-12 Conv.	United States	Corporate - Convertible	370,000	295	326
Peabody Energy Corp. 7.375% 11-01-16 Callable	United States	Corporate - Non Convertible	455,000	495	491
Penn National Gaming Inc. 8.75% 08-15-19 Callable 2014	United States	Corporate - Non Convertible	65,000	72	70
Penn National Gaming Inc. 6.875% 12-01-11 Callable	United States	Corporate - Non Convertible	205,000	204	219
Petrohawk Energy Corp. 9.125% 07-15-13 Callable 2010	United States	Corporate - Non Convertible	285,000	303	314
Petrohawk Energy Corp. 10.50% 08-01-14 Callable	United States	Corporate - Non Convertible	145,000	171	168
Petroleum Development Co. 12.00% 02-15-18	United States	Corporate - Non Convertible	260,000	286	276
Pinnacle Entertainment Inc. 8.25% 03-15-12 Callable	United States	Corporate - Non Convertible	305,000	306	326
Pinnacle Entertainment Inc. 8.625% 08-01-17 Callable 2013	United States	Corporate - Non Convertible	70,000	75	75
Pinnacle Foods Finance LLC Term Loan B F/R 03-30-14	United States	Bank Loans	198,985	202	200
Pinnacle Foods Finance LLC 9.25% 04-01-15 Callable 2011	United States	Corporate - Non Convertible	265,000	239	288
Plains Exploration & Production Co. 7.75% 06-15-15 Callable	United States	Corporate - Non Convertible	420,000	427	445
Prestige Brands Inc. 9.25% 04-15-12 Callable	United States	Corporate - Non Convertible	245,000	252	267
Pride International Inc. 7.375% 07-15-14 Callable	United States	Corporate - Non Convertible	320,000	346	352
Psychiatric Solutions Inc. 7.75% 07-15-15 Callable 2010	United States	Corporate - Non Convertible	375,000	385	386
QVC Inc. Term Loan F/R 03-30-14	United States	Bank Loans	60,000	66	64
QVC Inc. 7.50% 10-01-19 Callable 2019	United States	Corporate - Non Convertible	25,000	26	27
¹ Quebecor Media Inc. 7.75% 03-15-16 Callable 2011	Canada	Corporate - Non Convertible	125,000	118	132
Quicksilver Resources Inc. 8.25% 08-01-15 Callable 2012	United States	Corporate - Non Convertible	65,000	66	67
Quicksilver Resources Inc. 11.75% 01-01-16 Callable 2013	United States	Corporate - Non Convertible	55,000	60	65
Quicksilver Resources Inc. 7.125% 04-01-16 Callable 2011	United States	Corporate - Non Convertible	155,000	131	144
Qwest Corp. 8.875% 03-15-12 Callable	United States	Corporate - Non Convertible	390,000	436	439
Qwest Corp. 7.50% 10-01-14 Callable	United States	Corporate - Non Convertible	175,000	179	191
Qwest Corp. 8.375% 05-01-16 Callable	United States	Corporate - Non Convertible	60,000	69	66
Qwest Corp. 7.25% 09-15-25	United States	Corporate - Non Convertible	55,000	46	51

¹ Par Value expressed in United States dollars.

² Par Value expressed in Euro.

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STATEMENT OF INVESTMENTS (continued)

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
FIXED INCOME (continued)					
RBS Global Inc./Rexnord LLC 9.50% 08-01-14 Callable 2010	United States	Corporate - Non Convertible	395,000	388	407
RSC Equipment Rental Inc. 10.00% 07-15-17 Callable 2013	United States	Corporate - Non Convertible	205,000	232	236
RailAmerica Inc. 9.25% 07-01-17 Callable 2013	United States	Corporate - Non Convertible	260,000	286	293
Rainbow National Services LLC 8.75% 09-01-12 Callable	United States	Corporate - Non Convertible	160,000	166	173
Range Resources Corp. 7.50% 10-01-17 Callable	United States	Corporate - Non Convertible	55,000	63	59
Realogy Corp. Term Loan L/C F/R 10-05-13	United States	Bank Loans	17,570	15	16
Realogy Corp. Term Loan B F/R 10-05-13	United States	Bank Loans	65,259	55	59
Realogy Corp. 10.50% 04-15-14 Callable 2011	United States	Corporate - Non Convertible	360,000	321	277
Realogy Corp. 11.00% 04-15-14 Callable 2011	United States	Corporate - Non Convertible	55,000	43	42
Revlon Consumer Products Corp. Term Loan B F/R 01-15-12	United States	Bank Loans	419,474	418	431
Rhodia SA F/R 10-15-13 Callable 2009	France	Corporate - Non Convertible	280,000	390	390
Rite Aid Corp. Term Loan F/R 06-05-15	United States	Bank Loans	180,000	193	200
Rite Aid Corp. 7.50% 03-01-17 Callable 2012	United States	Corporate - Non Convertible	345,000	269	332
Rockwood Specialties Group Inc. Term Loan E F/R 12-10-12	United States	Bank Loans	131,559	131	132
Ryerson Inc. 12.00% 11-01-15 Callable 2011	United States	Corporate - Non Convertible	245,000	230	249
SAVIS Inc. 3.00% 05-15-12 Conv.	United States	Corporate - Convertible	155,000	137	143
SBA Telecommunications Inc. 8.00% 08-15-16 Callable 2012	United States	Corporate - Non Convertible	140,000	154	154
SBA Telecommunications Inc. 8.25% 08-15-19 Callable 2014	United States	Corporate - Non Convertible	110,000	122	121
Sabine Pass LNG LP 7.25% 11-30-13 Callable	United States	Corporate - Non Convertible	150,000	144	144
Sabine Pass LNG LP 7.50% 11-30-16 Callable	United States	Corporate - Non Convertible	180,000	160	165
Safeguard Scientifics Inc. 2.625% 03-15-24 Conv.	United States	Corporate - Convertible	190,000	158	190
Sandridge Energy Inc. 8.00% 06-01-18 Callable 2013	United States	Corporate - Non Convertible	335,000	322	346
Sanmina-SCI Corp. 6.75% 03-01-13 Callable	United States	Corporate - Non Convertible	5,000	5	5
Sanmina-SCI Corp. 8.125% 03-01-16 Callable 2011	United States	Corporate - Non Convertible	250,000	204	254
Seagate Technology International Inc. 10.00% 05-01-14 Callable 2013	United States	Corporate - Non Convertible	120,000	145	140
Sealy Mattress Co. 10.875% 04-15-16 Callable 2012	United States	Corporate - Non Convertible	215,000	249	254
Select Medical Corp. Term Loan B F/R 02-24-12	United States	Bank Loans	49,870	53	51
Select Medical Corp. 7.625% 02-01-15 Callable 2010	United States	Corporate - Non Convertible	480,000	408	484
Seminole Hard Rock Entertainment Inc. F/R 03-15-14 Callable	United States	Corporate - Non Convertible	360,000	298	303
Sequa Corp. Term Loan F/R 09-30-14	United States	Bank Loans	147,965	147	137
Service Corp. International 7.375% 10-01-14 Callable	United States	Corporate - Non Convertible	375,000	422	406
Sierra Pacific Resources 8.625% 03-15-14 Callable	United States	Corporate - Non Convertible	335,000	368	365
Sirius XM Radio Inc. 3.25% 10-15-11 Conv.	United States	Corporate - Convertible	172,000	108	155
Sirius XM Radio Inc. 9.75% 09-01-15 Callable 2012	United States	Corporate - Non Convertible	120,000	129	131
Six Flags Theme Parks Inc. Term Loan F/R 05-23-15	United States	Bank Loans	452,435	388	472
Smithfield Foods Inc. 7.00% 08-01-11	United States	Corporate - Non Convertible	60,000	59	62
Smithfield Foods Inc. 7.75% 05-15-13	United States	Corporate - Non Convertible	200,000	177	193
Smithfield Foods Inc. 10.00% 07-15-14	United States	Corporate - Non Convertible	90,000	100	101
¹ Smurfit Kappa Funding PLC 7.75% 04-01-15 Callable 2010	Ireland	Corporate - Non Convertible	345,000	245	325
¹ Smurfit Kappa Funding PLC 7.50% 11-20-25	Ireland	Corporate - Non Convertible	215,000	184	184
Smurfit-Stone Container Enterprises Inc. 8.375% 07-01-12	United States	Corporate - Non Convertible	405,000	365	301
Spirit AeroSystems Holdings Inc. 7.50% 10-01-17 Callable 2013	United States	Corporate - Non Convertible	55,000	59	59
Sprint Capital Corp. 6.875% 11-15-28	United States	Corporate - Non Convertible	550,000	450	487
Sprint Nextel Corp. 8.375% 08-15-17 Callable	United States	Corporate - Non Convertible	140,000	150	149
Stallion Oilfield Services Ltd. 9.75% 02-01-15 Callable 2011	United States	Corporate - Non Convertible	220,000	180	104
Standard Pacific Corp. 6.25% 04-01-14 Callable	United States	Corporate - Non Convertible	80,000	67	75
Standard Pacific Corp. 7.00% 08-15-15 Callable	United States	Corporate - Non Convertible	155,000	125	145
Standard Pacific Corp. Escrow 10.75% 09-15-16 Callable	United States	Corporate - Non Convertible	145,000	144	153
Station Casinos Inc. 6.00% 04-01-12 Callable	United States	Corporate - Non Convertible	190,000	140	63
Steel Dynamics Inc. 5.125% 06-15-14 Conv.	United States	Corporate - Convertible	80,000	89	101
Steel Dynamics Inc. 6.75% 01-01-15 Callable 2011	United States	Corporate - Non Convertible	175,000	165	181
Steel Dynamics Inc. 7.75% 04-15-16 Callable 2012	United States	Corporate - Non Convertible	260,000	253	280
Sun Healthcare Group Inc. 9.125% 04-15-15 Callable 2011	United States	Corporate - Non Convertible	315,000	335	335
SunGard Data Systems Inc. 9.125% 08-15-13 Callable 2009	United States	Corporate - Non Convertible	427,000	455	464
SunGard Data Systems Inc. 10.25% 08-15-15 Callable 2010	United States	Corporate - Non Convertible	314,000	297	346
Supervalu Inc. 8.00% 05-01-16	United States	Corporate - Non Convertible	150,000	174	167
Surgical Care Affiliates Inc. 8.875% 07-15-15 Callable 2011	United States	Corporate - Non Convertible	245,212	216	209
Surgical Care Affiliates Inc. 10.00% 07-15-17 Callable 2012	United States	Corporate - Non Convertible	317,000	248	271
Syniverse Technologies Inc. 7.75% 08-15-13 Callable	United States	Corporate - Non Convertible	280,000	273	279
TECO Finance Inc. 7.00% 05-01-12	United States	Corporate - Non Convertible	250,000	266	286
TL Aquisitions Inc. Term Loan B F/R 07-05-14	United States	Bank Loans	469,746	413	450
TRW Automotive Inc. Term Loan B F/R 02-07-14	United States	Bank Loans	316,439	284	338
² TRW Automotive Inc. 6.375% 03-15-14 Callable	United States	Corporate - Non Convertible	180,000	196	237
TRW Automotive Inc. 7.25% 03-15-17 Callable	United States	Corporate - Non Convertible	315,000	232	303
TXU Energy Co. LLC Term Loan B2 F/R 10-10-14	United States	Bank Loans	675,212	646	570

¹ Par Value expressed in United States dollars.

² Par Value expressed in Euro.

See accompanying notes to financial statements.

STATEMENT OF INVESTMENTS (continued)

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
FIXED INCOME (continued)					
TXU Energy Co. LLC Term Loan B3 F/R 10-10-14	United States	Bank Loans	750,802	679	631
Tara Resources Inc. 8.50% 11-01-13 Callable 2009	United States	Corporate - Non Convertible	495,000	468	501
Targa Resources Partners LP Term Loan F/R 10-28-12	United States	Bank Loans	26,119	24	27
¹ Teck Cominco Ltd. 6.125% 10-01-35 Callable	Canada	Corporate - Non Convertible	140,000	98	127
¹ Teck Resources Ltd. 9.75% 05-15-14 Callable	Canada	Corporate - Non Convertible	110,000	123	130
¹ Teck Resources Ltd. 10.25% 05-15-16 Callable	Canada	Corporate - Non Convertible	325,000	366	393
¹ Teck Resources Ltd. 10.75% 05-15-19 Callable	Canada	Corporate - Non Convertible	195,000	218	243
Tenet Healthcare Corp. 9.00% 05-01-15 Callable	United States	Corporate - Non Convertible	260,000	272	292
Tenet Healthcare Corp. 10.00% 05-01-18 Callable	United States	Corporate - Non Convertible	60,000	64	71
Tenneco Inc. 10.25% 07-15-13 Callable	United States	Corporate - Non Convertible	195,000	151	217
Terex Corp. 7.375% 01-15-14 Callable	United States	Corporate - Non Convertible	255,000	265	269
Texas New Mexico Power Co. 9.50% 04-01-19 Callable	United States	Corporate - Non Convertible	205,000	250	270
Time Warner Telecom Holdings Inc. 9.25% 02-15-14 Callable 2009	United States	Corporate - Non Convertible	105,000	113	115
Titan International Inc. 8.00% 01-15-12 Callable	United States	Corporate - Non Convertible	465,000	473	477
Toys R Us Property Co. I LLC 10.75% 07-15-17 Callable 2013	United States	Corporate - Non Convertible	365,000	412	420
TransDigm Inc. 7.75% 07-15-14 Callable	United States	Corporate - Non Convertible	100,000	104	-
TransDigm Inc. 7.75% 07-15-14 Callable 2009	United States	Corporate - Non Convertible	285,000	311	307
Travelport LLC 11.875% 09-01-16 Callable 2011	United States	Corporate - Non Convertible	55,000	39	54
Travelport LLC 9.875% 09-01-14 Callable 2010	United States	Corporate - Non Convertible	145,000	115	150
Travelport LLC Term Loan C F/R 08-23-13	United States	Bank Loans	45,000	49	49
Tribune Co. Term Loan B F/R 05-17-14	United States	Bank Loans	428,914	315	228
Trinity Industries Inc. 3.875% 06-01-36 Conv. Callable	United States	Corporate - Convertible	235,000	205	186
Trump Entertainment Resorts Inc. 8.50% 06-01-15 Callable 2010	United States	Corporate - Non Convertible	375,000	199	48
Tube City IMS Corp. 9.75% 02-01-15 Callable 2011	United States	Corporate - Non Convertible	185,000	177	161
Tyson Foods Inc. 10.50% 03-01-14	United States	Corporate - Non Convertible	395,000	477	482
US Oncology Inc. 10.75% 08-15-14 Callable	United States	Corporate - Non Convertible	115,000	131	129
Unisys Corp. 14.25% 09-15-15 Callable 2012	United States	Corporate - Non Convertible	325,000	349	358
United Auto Group Inc. 7.75% 12-15-11 Callable	United States	Corporate - Non Convertible	260,000	221	256
United Rentals North America Inc. 10.875% 06-15-16 Callable	United States	Corporate - Non Convertible	45,000	47	52
United Surgical Partners International Inc. 8.875% 05-01-17 Callable 2012	United States	Corporate - Non Convertible	255,000	220	271
Universal City Development Partners 11.75% 04-01-10 Callable	United States	Corporate - Non Convertible	125,000	128	134
Universal City Florida Holding Co. I & II F/R 05-01-10	United States	Corporate - Non Convertible	175,000	173	184
Univision Communications Inc. Term Loan B F/R 09-15-14	United States	Bank Loans	220,000	186	199
Univision Communications Inc. 9.75% 03-15-11 Callable 2011	United States	Corporate - Non Convertible	336,800	244	283
VNU Term Loan B F/R 08-09-13	United States	Bank Loans	40,000	40	40
Valor Telecommunications Enterprises Finance Corp. 7.75% 02-15-15 Callable 2010	United States	Corporate - Non Convertible	20,000	20	22
Vanguard Health Holding Co. II LLC 9.00% 10-01-14 Callable 2009	United States	Corporate - Non Convertible	400,000	413	435
Ventas Realty LP 9.00% 05-01-12 Callable	United States	Corporate - Non Convertible	505,000	565	568
Ventas Realty LP 6.625% 10-15-14 Callable 2009	United States	Corporate - Non Convertible	185,000	181	192
Verso Paper Holdings LLC 11.50% 07-01-14 Callable 2012	United States	Corporate - Non Convertible	340,000	358	373
Verso Paper Holdings LLC 9.125% 08-01-14	United States	Corporate - Non Convertible	365,000	245	289
Verso Paper Holdings LLC F/R 08-01-14 Callable	United States	Corporate - Non Convertible	130,000	63	86
Vion Pharmaceuticals Inc. 12.00% 07-01-14 Conv. Callable 2010	United States	Corporate - Non Convertible	55,000	63	63
¹ Virgin Media Finance PLC 9.125% 08-15-16 Callable 2011	United Kingdom	Corporate - Non Convertible	45,000	45	50
¹ Virgin Media Finance PLC 9.50% 08-15-16 Callable 2013	United Kingdom	Corporate - Non Convertible	150,000	185	195
Virgin Media Inc. 6.50% 11-15-16 Conv.	United States	Corporate - Convertible	195,000	161	219
Visant Corp. 7.625% 10-01-12 Callable	United States	Corporate - Non Convertible	280,000	290	301
WMG Acquisition Corp. 7.375% 04-15-14 Callable	United States	Corporate - Non Convertible	50,000	52	51
WMG Acquisition Corp. 9.50% 06-15-16 Callable 2013	United States	Corporate - Non Convertible	175,000	202	197
Wm. Wrigley Jr. Co. Term Loan B F/R 08-12-14	United States	Bank Loans	199,875	210	217
Wendy's/Arby's Group Inc. 10.00% 07-15-16 Callable 2012	United States	Corporate - Non Convertible	325,000	360	370
Wesco Aircraft Hardware Corp. Term Loan 1st Lien F/R 09-29-13	United States	Bank Loans	275,000	271	273
West Corp. 9.50% 10-15-14 Callable	United States	Corporate - Non Convertible	245,000	222	260
Weyerhaeuser Co. 7.375% 10-01-19 Callable	United States	Corporate - Non Convertible	110,000	119	117
Whiting Petroleum Corp. 7.00% 02-01-14 Callable	United States	Corporate - Non Convertible	190,000	189	201
The Williams Companies Inc. 7.625% 07-15-19 Callable	United States	Corporate - Non Convertible	180,000	193	209
The Williams Companies Inc. 7.875% 09-01-21	United States	Corporate - Non Convertible	200,000	223	234
The Williams Companies Inc. 7.750% 06-15-31	United States	Corporate - Non Convertible	165,000	179	188
² Wind Acquisition Finance SA 11.75% 07-15-17 Callable 2013	Luxembourg	Corporate - Non Convertible	250,000	307	329
Windstream Corp. 8.125% 08-01-13 Callable	United States	Corporate - Non Convertible	315,000	342	348
Windstream Corp. 8.625% 08-01-16 Callable 2011	United States	Corporate - Non Convertible	400,000	443	436
Wynn Las Vegas Capital Corp. 6.625% 12-01-14 Callable 2009	United States	Corporate - Non Convertible	150,000	140	155
XM Satellite Radio Inc. 11.25% 06-15-13 Callable 2011	United States	Corporate - Non Convertible	60,000	66	67
XM Satellite Radio Inc. 13.00% 08-01-13	United States	Corporate - Non Convertible	90,000	47	93
XM Satellite Radio Inc. 7.00% 12-01-14 Conv.	United States	Corporate - Convertible	50,000	23	39

¹ Par Value expressed in United States dollars.

² Par Value expressed in Euro.

See accompanying notes to financial statements.

STATEMENT OF INVESTMENTS (continued)

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
FIXED INCOME (continued)					
Xerox Capital Trust 8.00% 02-01-27 Callable	United States	Corporate - Non Convertible	320,000	315	332
Yankee Acquisition Corp. 8.50% 02-15-15 Callable	United States	Corporate - Non Convertible	355,000	297	361
Yonkers Racing Corp. 11.375% 07-15-16 Callable 2013	United States	Corporate - Non Convertible	320,000	358	356
				<u>95,299</u>	<u>99,012</u>
EQUITIES					
AES Corp.	United States	Utilities	3,370	51	53
Alliance HealthCare Services Inc.	United States	Health Care	25,560	147	155
Chesapeake Energy Corp.	United States	Energy	2,720	138	83
Crown Castle International Corp. 6.25% Cum. Red. Conv. Pfd.	United States	Telecommunication Services	4,255	242	238
El Paso Corp.	United States	Energy	8,535	147	94
FelCor Lodging Trust Inc.	United States	Financials	14,640	61	71
Freeport-McMoRan Copper & Gold Inc. 6.75% Cum. Mandatory Conv. Pfd.	United States	Materials	1,725	238	187
Great Plains Energy Inc. 12.00% Conv. Pfd.	United States	Energy	3,375	196	226
Lehman Brothers Holdings Inc. 7.25% Non-cum. Perpetual Conv. Pfd. Series P	United States	Financials	205	131	1
Petrohawk Energy Corp.	United States	Energy	6,155	151	159
Preferred Blocker Inc. 9.00% Pfd.	United States	Financials	108	-	67
Public Service Enterprise Group Inc.	United States	Utilities	4,610	157	155
Qwest Communications International Inc.	United States	Telecommunication Services	24,650	90	100
Sealy Corp.	United States	Consumer Discretionary	29,205	57	100
Service Corp. International	United States	Consumer Discretionary	16,390	145	123
The Williams Companies Inc.	United States	Energy	6,470	174	124
				<u>2,125</u>	<u>1,936</u>
				(9)	-
				<u>97,415</u>	<u>100,948</u>
COMMISSIONS AND OTHER PORTFOLIO TRANSACTION COSTS					
TOTAL INVESTMENTS					

Net Assets:					
Total investments					100,948
Cash and cash equivalents					1,931
Unrealized gains on forward currency contracts (see Schedule 1)					1,108
Unrealized losses on forward currency contracts (see Schedule 2)					(52)
Other net assets (liabilities)					709
					<u>104,644</u>

Schedule 1 - Unrealized Gains on Forward Currency Contracts

at September 30, 2009 (unaudited)

No. of Contracts	Bought	Sold	Settlement Date	Rate	Unrealized Gains (\$ 000)
4	1,474,200 CAD	1,337,340 USD	10-21-09	1.10	43
11	123,269,300 CAD	114,352,321 USD	10-21-09	1.08	905
3	575,100 CAD	536,511 USD	10-21-09	1.07	1
3	328,277 USD	351,000 CAD	10-21-09	1.07	-
1	24,390,001 USD	25,953,400 CAD	10-21-09	1.06	146
3	126,100 CAD	115,537 USD	10-21-09	1.09	2
1	262,100 EUR	372,455 USD	10-21-09	0.70	11
					<u>1,108</u>

Schedule 2 - Unrealized Losses on Forward Currency Contracts

at September 30, 2009 (unaudited)

No. of Contracts	Bought	Sold	Settlement Date	Rate	Unrealized Losses (\$ 000)
2	63,052 USD	68,000 CAD	10-21-09	1.08	-
3	1,114,688 USD	1,211,500 CAD	10-21-09	1.09	(19)
6	1,013,054 USD	712,900 EUR	10-21-09	0.70	(32)
2	268,630 USD	184,200 EUR	10-21-09	0.69	(1)
2	160,913 USD	110,100 EUR	10-21-09	0.68	-
					(52)

Note:

The following abbreviations have been used:

CAD – Canadian dollars

USD – United States dollars

EUR – Euro

1 Organization of the Fund, fiscal periods and general information

(a) Organization of the Fund and fiscal periods

The Fund is organized as an open-ended mutual fund trust. The Fund is authorized to issue an unlimited number of units of multiple series. Series F, P, S and Z units are only available for purchase by other Investors Group Funds or other accredited institutional investors. All series generally share in the operations of the Fund, including net income, realized gain (loss) and unrealized gain (loss), on a pro rata basis except for items that can be specifically attributed to one or more series. Distributions for each series may vary, partly due to the differences in expenses between the series.

The financial statements of the Fund are presented as at and for the six-month periods ended September 30, 2009 and 2008, except for the comparative information presented in the Statement of Net Assets which is as of March 31, 2009. If applicable, financial results for the Fund or series established during the periods are presented from the date operations commenced to September 30, as applicable, of that fiscal period.

Effective after the close of business on September 30, 2008, the Fund changed its financial year-end from September 30 to March 31.

(b) General information

I.G. Investment Management, Ltd. is the Manager and Trustee of the Fund. The Fund is distributed by Investors Group Financial Services Inc. and Investors Group Securities Inc. (collectively, the "Distributors"). These companies are, indirectly, wholly owned subsidiaries of IGM Financial Inc.

IGM Financial Inc. is a subsidiary of Power Financial Corp. and Power Corporation of Canada. Power Financial Corp. also owns a majority of Great-West Lifeco Inc. and its related companies and, therefore, those companies are considered affiliates of the Trustee, the Manager and the Distributors. The Fund may invest in certain securities within the Power Group of Companies, subject to certain governance criteria, and these holdings, as of September 30, 2009, have been identified on the Statement of Investments for the Fund. Any transactions during the period were executed through market intermediaries and under prevailing market terms and conditions.

The Fund, from time to time, may enter into security trades with other Funds which have the same Manager. These trades are executed through market intermediaries and under prevailing market terms and conditions.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). GAAP requires Management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results may differ from such estimates. The notes to these interim financial statements may be presented in a condensed or summarized format and, therefore, should be read in conjunction with the Fund's March 31, 2009 annual financial statements. These interim financial statements follow the same accounting policies and methods of their application as those used in preparing the annual financial statements. The significant accounting policies of the Fund are as follows:

(a) Valuation of investments

Investments are deemed to be held for trading in accordance with CICA Section 3855, Financial Instruments – Recognition and Measurement ("Section 3855") and therefore are recorded at fair value. Investment purchase and sale transactions are recorded as of the trade date. Realized and unrealized gains and losses on investments are calculated based on average cost of investments, excluding brokerage commissions and other trading costs. Brokers' commissions and other transaction charges are immediately charged to net income in the period incurred. Cost of securities presented in the Statement of Investments represents the amount paid for each security, including brokerage commissions and other trading costs, and is determined on an average cost basis.

(i) Equity securities, bonds and other mutual funds

Investments in securities listed on a public securities exchange or traded on an over-the-counter market are valued at the closing bid price. Securities with no available closing bid prices are valued at the last trade or closing price. Investments in securities of another mutual fund are valued on a business day at the net asset value per security calculated in accordance with the offering documents of such mutual fund. Unlisted or non-exchange traded securities, or securities for which a bid price, last sale or closing price are unavailable or securities for which market quotations are, in the Manager's opinion, inaccurate, unreliable or not reflective of all available material information, are valued at their estimated fair value, determined by using appropriate and accepted industry valuation techniques including valuation models. The estimated fair value of a security determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the estimated fair value of a security may be determined using valuation techniques that are not supported by observable market data.

(ii) Futures contracts

Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. The value of a contract is the gain or loss that would be realized upon closure. Margin paid or deposited in respect of futures contracts is included in net receivable for variation on futures contracts in the Statements of Net Assets. Any change in the variation margin requirement is settled daily.

(iii) Forward currency contracts

Forward currency contracts are valued at the gain or loss that would arise as a result of closing the position at the reporting date.

(iv) Options contracts

Premiums received from writing options are included in the Statements of Net Assets as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on deposit and short-term debt instruments with terms to maturity of less than one year at acquisition. Cash and cash equivalents are deemed to be held for trading and therefore carried at fair value.

(c) Currency

All amounts are expressed in Canadian dollars. The par value of securities in the Statement of Investments is expressed in the currency of origin unless otherwise noted. For securities of Austria, Belgium, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain, par values are expressed in euro currency, unless otherwise noted. Foreign currency amounts have been expressed in Canadian dollars on the following bases:

(i) Fair value of investments and other assets and liabilities at the rate of exchange at the end of the period.

(ii) Income, expenses, purchases and sales of investments at the rate of exchange on the dates of such transactions.

(d) Income recognition

Income from investments is recognized on an accrual basis. Dividend income is recognized at the time a security trades on an ex-dividend basis. Interest income is based on the number of days the investment is held during the period.

2. Summary of significant accounting policies (continued)

(e) Securities lending and repurchase transactions

The Fund may be permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is recognized on the accrual basis and included in the Statements of Operations. All the counterparties have a sufficient, approved credit rating and the value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. The value of securities loaned and collateral received from securities lending as of the end of the periods, if applicable, is disclosed in Note 10. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

(f) Per unit information

(i) Net assets per unit is computed by dividing the net assets attributable to the Fund or series, as applicable, determined in accordance with GAAP, by the total number of units of the Fund or series outstanding.

(ii) Net increase/(decrease) in net assets from operations per unit, represents the net increase/(decrease) in net assets of the Fund or series from operations for the period divided by the weighted average units outstanding for the Fund or series during the period.

(g) Other assets and liabilities

For the purposes of categorization in accordance with Section 3855, accrued interest and dividends receivable, receivables for securities issued, amounts due from brokers, the Manager, and other net assets are designated as loans and receivables and recorded at cost or amortized cost. Similarly, amounts due to brokers, accounts payable for securities redeemed, accrued expenses and other liabilities are designated as other financial liabilities and reported at cost or amortized cost. Cost or amortized cost approximates fair value for these assets and liabilities.

(h) Comparative figures

Certain prior period comparative amounts have been restated to conform to the current period's presentation.

(i) Changes in accounting policies

On October 1, 2007, the Fund adopted CICA Section 3862, Financial Instruments – Disclosures (“Section 3862”) and CICA Section 3863, Financial Instruments – Presentation (“Section 3863”), replacing Section 3861. Section 3862 requires enhanced disclosure of the nature and extent of the risks arising from financial instruments and how the Fund manages those risks. Section 3863 carries forward unchanged the presentation requirements of Section 3861 with respect to financial instruments.

Effective October 1, 2008, the Fund adopted EIC-173, Credit Risk and the Fair Value of Financial Assets and Financial Liabilities. EIC-173 clarifies that credit risk and counterparty risk should be considered in determining the fair value of financial instruments. The adoption of EIC-173 did not have an impact on the Fund's financial statements.

(j) Future accounting changes

The CICA has issued amendments to CICA 3862, Financial Instruments – Disclosures to align with IFRS 7, Financial Instruments – Disclosures. The amendments require all financial instruments measured at fair value to be classified into one of three levels that distinguish fair value measurements by the inputs used for valuation. The amendments are effective for annual financial statements relating to fiscal years ending after September 30, 2009. The Fund will include these disclosures in its annual financial statements for the year ending March 31, 2010.

The Canadian Accounting Standards Board (AcSB) has confirmed its plan to adopt all International Financial Reporting Standards (IFRS), as published by the International Accounting Standards Board, on or by January 1, 2011. Accordingly, the Fund intends to adopt IFRS in accordance with the AcSB's plan. The Fund will issue its initial financial statements under IFRS for the interim period ended September 30, 2011.

The Manager has commenced planning for the changeover to IFRS. Elements of that plan include identifying key differences between Canadian GAAP and IFRS and evaluating the likely impacts on all aspects of related business activities.

Based on the Manager's current evaluation of the differences between Canadian GAAP and IFRS, the impact of the changeover to IFRS is expected to be limited to additional note disclosure and potentially different overall presentation of financial statements with no significant impact to the net asset value per security. However, this current assessment is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

3. Management fees and other expenses

(a) Each series of the Fund will incur expenses that can be specifically attributed to that series. Common expenses of the Fund are allocated across the series of the Fund on a pro rata basis.

(b) The Manager provides or arranges for the provision of investment and advisory services for a management fee. See Note 10 for the annual rate paid (as a percent of average assets) by the Fund.

(c) The Fund pays the Manager an administrative services fee and in return the Manager will bear the operating expenses of the Fund, other than certain specified Fund costs. See Note 10 for the annual rates paid, including applicable implementation period adjustments, (as a percent of average assets) by the Fund.

Other Fund costs include taxes (including but not limited to GST, income tax and capital tax), transaction costs related to the purchase and sale of investments and derivatives, interest and borrowing costs, and Independent Review Committee (“IRC”) costs.

(d) The Fund may pay the Distributors a service fee to compensate them for providing or arranging for the provision of services to the Fund. A portion of the service fee related to Series C is rebated by the Distributors to the Fund on a quarterly basis as outlined in the Fund's Prospectus. The rebate is distributed as a capital distribution to eligible unitholders and is reinvested in additional Series C units of the Fund or another distributing Fund held by the unitholder, at the net asset value per unit on the distribution dates. See Note 10 for the annual rates paid (as a percent of average assets) by the Fund.

(e) The Trustee is responsible for overall direction and management of the affairs of the Fund. See Note 10 for the annual rate paid (as a percent of average assets) to the Trustee by the Fund.

(f) GST paid by the Fund on its expenses is not recoverable.

(g) Other expenses are comprised of interest and borrowing charges, IRC costs and other miscellaneous expenses.

(h) The Manager may, at its discretion, pay certain expenses of the Fund so the Fund's performance remains competitive; however, there is no assurance that this will occur in the future. Any expenses absorbed by the Manager during the period have been identified in the Statements of Operations.

4. Net asset value per unit

Net asset value (“pricing NAV”) per unit is computed by dividing the net asset value attributable to the Fund or a series of the Fund, as applicable, determined for the purchase and redemption of units in accordance with the Fund's prospectus and annual information form, by the total number of units of the Fund or series outstanding. This amount may be different from the net asset per unit calculation, which is presented on the Statement of Net Assets. Generally, any difference is due to valuing actively traded securities at bid price for GAAP purposes while pricing NAV typically utilizes closing price to determine fair value for the purchase and redemption of units. See Note 10 for the net asset values per unit as of September 30, 2009 and March 31, 2009, for the Fund.

5. Income taxes

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains, which is not paid or payable to its unitholders. The year-end of the Fund for tax purposes is December 15 or 31. The Fund is subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes. It is the intention of the Fund to distribute sufficient net income and net realized capital gains, as required, so that the Fund will not pay income taxes other than refundable tax on capital gains, if applicable.

See Note 10 for the losses that were available to offset future income for tax purposes as at the last taxation year-end. The net capital losses can be carried forward indefinitely to reduce future realized capital gains. The non-capital losses may be utilized to reduce taxable income of future years and expire in December of the years indicated.

6. Soft dollars

The total commissions paid by the Fund to brokers in connection with portfolio transactions for the periods ended September 30, 2009 and 2008, together with other transaction charges, is disclosed in the Statement of Operations. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, preference may be given to brokerage firms which provide (or pay for) certain services (arrangements referred to as "soft dollars"), which may include investment research, analysis and reports, and data bases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

7. Contingent liability

Agreements between the individual members of the Fund's IRC and the Trustee, on behalf of the Fund, provides for the indemnification of each IRC member by the Fund from and against liabilities and costs in respect of any action or suit against the member by reason of being or having been a member of the IRC, provided that the member acted honestly and in good faith with a view to the best interest of the Fund, or, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that they had reasonable grounds for believing that his/her conduct was lawful. No claims with respect to such occurrences have been made and, as such, no amount has been recorded in these financial statements with respect to these indemnifications.

8. Financial instrument risk

The Fund's investment activities expose it to a variety of financial risks. The Statement of Investments presents the securities held by the Fund as at the end of the period.

(a) Liquidity risk

The Fund is exposed to daily cash redemptions of redeemable units. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e. investments that are traded in an active market and can be readily sold). In addition, the Fund retains sufficient cash and cash-equivalent positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions. The Statement of Investments identifies any securities that are not actively traded.

(b) Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates.

Note 10 indicates the foreign currencies, if applicable, to which the Fund had significant exposure, including the underlying principal amount of forward currency contracts as at period end in Canadian dollar terms. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for securities sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

(c) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Cash and cash equivalents and other money market instruments are short term in nature and are not generally subject to significant amounts of interest rate risk. Note 10 summarizes the Fund's exposure, if significant, to interest rate risk.

(d) Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Manager moderates this risk through a careful selection of securities and other financial instruments within the parameters of the investment strategy. Except for options written and futures contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on options written and futures contracts is equal to their notional values. However, options written are used within the overall investment management process to manage the risk from the underlying securities and do not typically increase the overall risk of loss to the Fund. Note 10 summarizes the Fund's exposure, if significant, to other price risk.

(e) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 10 summarizes the Fund's exposure, if significant, to credit risk arising from debt securities such as bonds.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

The carrying amount of investments represents the maximum credit risk exposure. The carrying amount of other assets also represents the maximum credit risk exposure, as they will be settled in the short term.

The Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities on a future date. Credit risk associated with these transactions is considered minimal as all counterparties have a sufficient, approved credit rating and the value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned.

9. Further information available

A copy of the Fund's current simplified prospectus, annual information form and/or Interim Management Report of Fund Performance, will be provided, without charge, by writing to: Investors Group Financial Services Inc., 447 Portage Avenue, Winnipeg, Manitoba, R3C 3B6 or, in Quebec, 2001, rue University, Bureau 2000, Montreal, Quebec, H3A 2A6, or by calling toll-free 1-888-746-6344 (in Quebec 1-800-661-4578).

IG Putnam U.S. High Yield Income Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

10. Fund specific information

(a) Fund and series information

Series	Date operations commenced ¹	Deferred sales charge	Management fee	Service fee	Administration fee	Trustee fee	Net asset value per unit (\$)	
							as of September 30 2009	as of March 31 2009
Series C	July 28, 2008	Up to 5.50%	1.95%	- %	0.16%	0.05%	9.38	7.51
Series P	July 28, 2008	- %	- %	- %	- %	- %	9.37	7.52

¹ If within the two financial periods ended September 30, 2009.

(b) Income tax losses (\$ 000)

Total capital loss	Total non-capital loss	Expiration year for non-capital losses					2010	2009
		2028	2027	2026	2015	2014		
4,161	-	-	-	-	-	-	-	-

(c) Soft dollars generated (\$ 000)

For the six-month periods ended September 30

2009	2008
-	-

(d) Securities lending (\$ 000)

September 30, 2009		March 31, 2009	
Value of securities loaned	Value of collateral received	Value of securities loaned	Value of collateral received
118	125	226	245

(e) Financial instrument risk

(i) Risk management

The Manager seeks to minimize potential adverse effects of financial instrument risks on the Fund's performance by employing professional, experienced portfolio advisors, daily monitoring of the Fund's positions and market events, diversifying the investment portfolio within the constraints of the investment objective, and periodically may use derivatives to hedge certain risk exposures. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

The investment portfolio consists primarily of U.S. high-yield securities (including, but not limited to, non-investment grade bonds, debentures, convertible securities, asset-backed securities, bank loans and term notes). The Fund seeks to diversify by industry and issuer and may also invest in securities from outside the U.S. The Fund intends to limit foreign currency risk by hedging foreign exposure back to Canadian dollars.

(ii) Currency risk

As of September 30, 2009, and March 31, 2009, the Fund did not have a significant net exposure to currency risk, as the Fund entered into forward currency contracts to hedge the exposure from foreign securities.

(iii) Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity. The table also illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual trading results may differ and the difference could be material.

Bonds (\$ 000)	Less than 1 year	1 - 5 years	5 - 10 years	> 10 years	Total	Impact on net assets	
						(\$000)	(%)
September 30, 2009	2,556	43,660	49,065	3,731	99,012	3,861	3.7
March 31, 2009	1,538	34,165	44,305	3,194	83,202	3,303	3.5

(iv) Other price risk

As of September 30, 2009, and March 31, 2009, the Fund did not have a significant exposure to price risks other than those described elsewhere in these notes.

10. Fund specific information

(d) Financial instrument risk (continued)

(v) Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as of September 30, 2009, was 1.8% of the net assets of the Fund (March 31, 2009 – 2.0%).

As of September 30, 2009, and March 31, 2009, debt securities by credit rating are as follows:

	September 30, 2009		March 31, 2009	
	Percent of total bonds (%)	Percent of total net assets (%)	Percent of total bonds (%)	Percent of total net assets (%)
A	0.1	0.1	0.2	0.2
BBB	7.2	6.8	8.2	7.3
BB	30.2	28.7	34.3	30.4
B	36.5	34.6	36.9	32.7
CCC	18.0	16.9	16.0	14.2
< CCC	4.5	4.2	2.5	2.2
Unrated	3.5	3.3	1.9	1.7
Total	100.0	94.6	100.0	88.7

Credit ratings are based on DBRS, Standard & Poor's or Moody's ratings.

(vi) Fair value of securities

The fair value of individual securities may be estimated using valuation techniques based on assumptions that are not supported by observable market prices or rates. Assumptions used in these techniques may include the cost paid for the security, recent new reports about the issuer and general market indicators.

	September 30, 2009		March 31, 2009	
	Estimated fair value (\$ 000)	Percent of total net assets (%)	Estimated fair value (\$ 000)	Percent of total net assets (%)
Securities valued based on assumptions that are not supported by observable market prices or rates	-	-	(1,142)	(1.2)
Change in fair value recognized in net income for the period ended September 30, 2009	1,775			
Change in fair value recognized in net income for the period ended September 30, 2008	-			

(f) Manager's investment in the Fund

The Manager held 15,939 Series C units as of September 30, 2009 (15,786 as of March 31, 2009).

