

**BlackRock Asset Management
Canada Limited**

**Semi-Annual Financial Statements
(Unaudited)**

As at June 30, 2011

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*Applicable to BlackRock Canada CorePlus Long Bond Fund only.

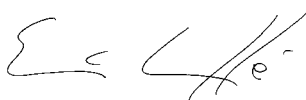
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 3,155,876,736	\$ 2,829,404,237
Cash	16,201,592	13,039,355
Margin due from brokers	1,877,719	2,795,224
Securities lending income receivable	22,381	13,741
Dividends and distributions from underlying trust units receivable	7,798,198	6,524,093
Accounts receivable from issue of units	-	1,562
Accounts receivable for investment sales	-	1,585,882
	<u>3,181,776,626</u>	<u>2,853,364,094</u>
Liabilities		
Operating expenses payable	71,367	54,180
Payables for redemption of units	15,308,974	2,551,337
	<u>15,380,341</u>	<u>2,605,517</u>
Net Assets	<u>\$ 3,166,396,285</u>	<u>\$ 2,850,758,577</u>
Net Assets per Class		
Class A	\$ 1,077,146,709	\$ 844,710,443
Class D	2,089,249,576	2,006,048,134
	<u>\$ 3,166,396,285</u>	<u>\$ 2,850,758,577</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	18,466,390	14,493,919
Class D	85,757,668	82,411,385
	<u>85,757,668</u>	<u>82,411,385</u>
Net Assets per Unit		
Class A	\$ 58.33	\$ 58.28
Class D	\$ 24.36	\$ 24.34
	<u>\$ 24.36</u>	<u>\$ 24.34</u>
Investments at Cost	<u>\$ 2,702,462,371</u>	<u>\$ 2,293,188,040</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income and distributions from underlying trust units	\$ 38,567,830	\$ 31,770,523
Interest income	66,631	2,012
Securities lending income	96,749	88,778
Net loss from futures contracts	(635,557)	(140,875)
Withholding taxes	-	(1,335)
	<u>38,095,653</u>	<u>31,719,103</u>
Expenses		
Custodian fees	96,466	49,829
Fund accounting expenses	53,885	45,090
Unitholder communication costs	299	299
Audit fees	11,032	9,864
Securities filing fees	29,041	13,525
Independent review committee fees	448	6,591
Other operating expenses	15,720	3,003
	<u>206,891</u>	<u>128,201</u>
Net Investment Income for the Period	<u>37,888,762</u>	<u>31,590,902</u>
Loss on Investments		
Net realized gain on sale of investments	46,660,213	19,733,459
Transaction costs (Note 2,12)	(183,607)	(74,304)
Net change in unrealized depreciation in value of investments	(82,801,832)	(103,617,551)
Net Loss on Investments	<u>(36,325,226)</u>	<u>(83,958,396)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 1,563,536</u>	<u>\$ (52,367,494)</u>
Increase (Decrease) in Net Assets from Operations per Class		
Class A	\$ 716,551	\$ (14,692,183)
Class D	846,985	(37,675,311)
	<u>\$ 1,563,536</u>	<u>\$ (52,367,494)</u>
Increase (Decrease) in Net Assets from Operations per Unit		
Class A	\$ 0.04	\$ (0.88)
Class D	\$ 0.01	\$ (0.50)

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010	2011	2010
	Fund		Class A		Class D	
Net Assets - Beginning of Period	\$ 2,850,758,577	\$ 2,334,330,366	\$ 844,710,443	\$ 810,036,642	\$ 2,006,048,134	\$ 1,524,293,724
Increase (Decrease) in Net Assets from Operations	1,563,536	(52,367,494)	716,551	(14,692,183)	846,985	(37,675,311)
Capital Transactions						
Proceeds from issue of units	633,710,157	210,071,998	352,277,781	83,788,321	281,432,376	126,283,677
Reinvestment of distributions	35,591,505	32,555,002	11,712,816	11,266,555	23,878,689	21,288,447
Redemption of units	(319,635,985)	(265,807,434)	(120,558,066)	(200,922,108)	(199,077,919)	(64,885,326)
Net capital transactions	349,665,677	(23,180,434)	243,432,531	(105,867,232)	106,233,146	82,686,798
Distributions						
From net investment income	(35,591,505)	(32,555,002)	(11,712,816)	(11,266,555)	(23,878,689)	(21,288,447)
Total distributions	(35,591,505)	(32,555,002)	(11,712,816)	(11,266,555)	(23,878,689)	(21,288,447)
Increase (Decrease) in Net Assets for the Period	315,637,708	(108,102,930)	232,436,266	(131,825,970)	83,201,442	23,723,040
Net Assets - End of Period	\$ 3,166,396,285	\$ 2,226,227,436	\$ 1,077,146,709	\$ 678,210,672	\$ 2,089,249,576	\$ 1,548,016,764

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Common Stock and Income Trusts				
Consumer Discretionary				
Astral Media, Inc.-Class A	109,629	3,619	4,079	
Canadian Tire Corp.-Class A	159,513	8,707	10,065	
Cineplex, Inc.	117,215	2,076	3,118	
Cogeco Cable, Inc.	46,871	1,635	2,110	
Corus Entertainment, Inc.-Class B	140,099	2,472	2,871	
Dollarama, Inc.	94,308	2,716	3,072	
Dorel Industries, Inc.-Class B	59,261	1,980	1,588	
Forzani Group, Ltd. (The)-Class A	58,606	913	1,539	
Gildan Activewear, Inc.	212,183	4,790	7,182	
Linamar Corp.	92,148	1,721	1,992	
Magna International, Inc.-Class A	489,172	18,968	25,461	
Quebecor, Inc.-Class B	95,494	2,686	3,019	
Reitman's (Canada), Ltd.-Class A	105,064	1,742	1,610	
RONA, Inc.	264,548	3,816	3,177	
Shaw Communications, Inc.-Class B	718,432	13,218	15,791	
Thomson Reuters Corp.	760,814	28,404	27,511	
Tim Hortons, Inc.	332,641	11,059	15,651	
Transcontinental, Inc.-Class A	138,436	2,239	2,011	
Westport Innovations, Inc.	95,334	1,804	2,169	
Yellow Media, Inc.	1,054,996	10,441	2,532	
		125,006	136,548	4.3
Consumer Staples				
Alimentation Couche Tard, Inc.-Class B	268,336	4,689	7,519	
Cott Corp.	192,788	1,692	1,554	
Empire Co., Ltd.-Class A	53,443	2,280	2,962	
George Weston, Ltd.	96,966	7,140	6,750	
Jean Coutu Group, Inc.-Class A	234,812	2,702	2,571	
Loblaw Cos., Ltd.	205,383	8,783	7,979	
Maple Leaf Foods, Inc.	128,230	1,486	1,520	
Metro, Inc.-Class A	208,170	6,981	9,988	
North West Co., Inc.	98,419	1,786	1,988	
Saputo, Inc.	272,786	7,545	12,649	
Shoppers Drug Mart Corp.	440,818	18,308	17,487	
Viterra, Inc.	749,745	7,714	7,812	
		71,106	80,779	2.6
Energy				
Advantage Oil & Gas, Ltd.	334,690	3,477	2,557	
AltaGas, Ltd.	168,385	3,707	4,331	
ARC Resources, Ltd.	578,833	13,363	14,453	
Athabasca Oil Sands Corp.	598,805	9,176	9,072	
Bankers Petroleum, Ltd.	501,265	4,197	3,449	
Baytex Energy Corp.	233,309	6,619	12,230	
Birchcliff Energy, Ltd.	254,862	2,902	3,311	
Black Pearl Resources, Inc.	576,059	2,174	3,917	
Bonavista Energy Corp.	273,849	7,574	7,786	
Bonterra Energy Corp.	28,855	1,788	1,638	
Calfrac Well Services, Ltd.	63,874	1,579	2,023	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cameco Corp.	799,988	21,536	20,288	
Canadian Natural Resources, Ltd.	2,221,089	66,020	89,532	
Canadian Oil Sands, Ltd.	981,687	30,481	27,271	
Capital Power Income LP (MTN)	79,698	1,742	1,514	
Celtic Exploration, Ltd.	152,014	1,887	3,239	
Cenovus Energy, Inc.	1,527,093	40,713	55,449	
Crescent Point Energy Corp.	549,911	19,301	24,416	
Crew Energy, Inc.	173,495	2,559	2,585	
Daylight Energy, Ltd.	427,930	4,161	3,984	
Denison Mines Corp.	620,838	1,943	1,105	
Enbridge, Inc.	1,566,997	32,256	49,000	
Encana Corp.	1,489,662	42,486	44,243	
Enerflex, Ltd.	133,428	1,419	1,655	
Enerplus Corp.	363,535	13,695	11,066	
Ensign Resource Service Group, Inc.	255,481	3,849	4,882	
Flint Energy Services, Ltd.	92,959	1,689	1,284	
Freehold Royalties, Ltd.	91,828	1,600	1,799	
Husky Energy, Inc.	525,759	14,777	13,806	
Imperial Oil, Ltd.	515,295	20,427	23,111	
Inter Pipeline Fund	524,163	5,618	8,303	
Ivanhoe Energy, Inc.	559,855	1,798	1,019	
Keyera Corp.	142,440	3,333	6,223	
Legacy Oil + Gas, Inc.	258,491	3,755	3,024	
MEG Energy Corp.	239,755	11,850	12,019	
Mullen Group, Ltd.	160,192	3,252	3,247	
NAL Energy Corp.	299,892	3,970	3,305	
Nexen, Inc.	1,068,028	24,089	23,144	
Niko Resources, Ltd.	88,873	6,559	5,315	
NuVista Energy, Ltd.	202,160	2,420	1,834	
Pacific Rubiales Energy Corp.	544,397	8,703	14,062	
Paramount Resources, Ltd.-Class A	58,129	1,602	1,601	
Pason Systems, Inc.	129,709	1,669	1,878	
Pembina Pipeline Corp.	339,315	5,836	8,602	
Pengrowth Energy Corp.	663,311	10,009	8,026	
Penn West Petroleum, Ltd.	942,239	25,934	20,937	
Perpetual Energy, Inc.	238,530	2,028	744	
Petrobakken Energy, Ltd.	160,022	4,641	2,108	
Petrobank Energy & Resources, Ltd.	216,089	4,455	3,058	
Petrominerales, Ltd.	210,660	6,359	5,939	
Peyto Exploration & Development Corp.	270,067	4,607	5,806	
Precision Drilling Corp.	559,766	7,136	7,730	
Progress Energy Resources Corp.	364,567	5,187	5,002	
Provident Energy, Ltd.	546,608	4,535	4,701	
Savanna Energy Services Corp.	160,944	1,903	1,395	
ShawCor, Ltd.-Class A	119,199	2,872	3,512	
SouthGobi Resources, Ltd.	108,397	1,624	1,151	
Suncor Energy, Inc.	3,186,207	107,036	120,056	
Talisman Energy, Inc.	2,085,135	33,775	41,202	
Tourmaline Oil Corp.	220,137	6,499	7,044	
TransCanada Corp.	1,421,795	48,928	60,000	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost	Fair value	% of net assets
		(in \$000s)	(in \$000s)	
Transglobe Energy Corp.	148,290	2,241	1,628	
Trican Well Service, Ltd.	294,376	4,301	6,665	
Trilogy Energy Corp.	104,655	2,107	2,482	
Trinidad Drilling, Ltd.	245,817	2,107	2,057	
Uranium One, Inc.	934,475	6,822	2,476	
Veresen, Inc.	324,270	3,602	4,501	
Vermilion Energy, Inc.	181,793	6,518	9,246	
		768,777	866,038	27.4
Financials				
AGF Management, Ltd.-Class B	157,197	3,014	2,940	
Allied Properties Real Estate Investment Trust-REIT	92,459	1,982	2,198	
Artis Real Estate Investment Trust-REIT	153,948	2,011	2,155	
Bank of Montreal	1,153,878	59,734	70,652	
Bank of Nova Scotia	2,191,032	98,797	127,080	
Boardwalk REIT	78,681	2,401	3,792	
Brookfield Asset Management, Inc.-Class A	1,069,400	26,976	34,167	
Brookfield Properties Co.	476,952	7,732	8,867	
Calloway REIT	177,765	3,581	4,471	
Canadian Apartment Properties-REIT	155,920	2,194	3,012	
Canadian Imperial Bank of Commerce	803,453	55,340	61,143	
Canadian REIT	135,788	3,555	4,508	
Canadian Western Bank	149,236	3,126	4,593	
Chartwell Seniors Housing-REIT	290,910	2,259	2,435	
CI Financial Corp.	309,887	6,848	7,075	
Cominar-REIT	108,527	2,034	2,390	
Davis & Henderson Income Corp.	118,409	2,143	2,320	
Dundee Corp.-Class A	133,750	2,039	3,385	
Dundee REIT	103,078	2,706	3,334	
Extencicare-REIT	162,541	1,453	1,686	
Fairfax Financial Holdings, Ltd.	39,891	12,477	15,398	
First Capital Realty, Inc.	116,414	1,657	1,915	
FirstService Corp.	51,726	1,088	1,719	
Genworth MI Canada, Inc.	91,653	2,355	2,314	
GMP Capital, Inc.	106,611	1,448	1,357	
Great-West Lifeco, Inc.	519,685	13,444	13,221	
H&R-REIT	315,680	5,572	6,803	
Home Capital Group, Inc.	63,416	2,168	3,272	
IGM Financial, Inc.	209,664	8,461	10,584	
Industrial Alliance Insurance and Financial Services, Inc.	170,782	5,179	6,845	
Intact Financial Corp.	222,083	8,240	12,252	
Itemus, Inc.	9,194	1	-	
Laurentian Bank of Canada	48,661	1,849	2,161	
Manulife Financial Corp.	3,611,577	87,750	61,505	
National Bank of Canada	329,017	17,863	25,699	
Onex Corp.	187,317	4,670	6,957	
Power Corp. of Canada	682,957	19,413	18,303	
Power Financial Corp.	459,388	13,739	13,648	
Primaris Retail-REIT	137,133	2,028	2,881	
RioCan-REIT	527,402	9,998	13,639	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Royal Bank of Canada	2,905,787	132,399	159,789	
Sun Life Financial, Inc.	1,169,737	41,121	33,864	
TMX Group, Inc.	151,224	5,205	6,571	
Toronto-Dominion Bank	1,796,536	109,220	146,921	
		797,270	919,821	29.1
Health Care				
CML HealthCare, Inc.	182,785	2,443	1,704	
Nordion, Inc.	132,197	1,780	1,376	
Valeant Pharmaceuticals International, Inc.	598,864	15,815	29,997	
		20,038	33,077	1.0
Industrials				
Air Canada-Class B	416,318	1,415	962	
Bombardier, Inc.-Class B	2,951,337	16,806	20,423	
CAE, Inc.	521,494	4,844	6,769	
Canadian National Railway Co.	923,139	45,182	71,072	
Canadian Pacific Railway, Ltd.	343,282	17,587	20,614	
Chorus Aviation, Inc.	252,373	1,408	1,280	
Finning International, Inc.	346,223	7,074	9,871	
Group 4 Securicor PLC	367,891	5,043	4,893	
IESI-BFC, Ltd.	245,074	4,716	5,882	
Russel Metals, Inc.	121,990	2,422	2,990	
SNC-Lavalin Group, Inc.	305,746	11,876	17,978	
Stantec, Inc.	93,125	2,458	2,599	
Superior Plus, Inc.	220,089	3,221	2,469	
Toromont Industries, Ltd.	133,399	1,838	2,527	
Transat AT, Inc.-Class B	77,453	1,499	869	
TransForce, Inc.	149,324	1,276	2,222	
Westjet Airlines, Ltd.	283,665	3,905	4,286	
Westshore Terminals Investment Corp.-UNIT	129,868	1,991	3,097	
		134,561	180,803	5.7
Information Technology				
Celestica, Inc.	398,618	5,183	3,348	
CGI Group, Inc.-Class A	468,927	5,697	11,137	
MacDonald Dettwiler & Associates, Ltd.	83,579	3,003	4,536	
Open Text Corp.	115,986	4,600	7,132	
Otsuka Corp.	771,656	7,845	11,536	
Research In Motion, Ltd.	944,626	59,044	26,261	
SXC Health Solutions Corp.	125,653	3,260	7,091	
Wi-Lan, Inc.	242,781	1,693	1,884	
		90,325	72,925	2.3
Materials				
Aecon Group, Inc.	116,149	1,675	937	
Agnico-Eagle Mines, Ltd.	342,546	18,005	20,888	
Agrium, Inc.	319,565	18,075	27,019	
Alacer Gold Corp.	446,373	3,683	3,584	
Alamos Gold, Inc.	236,809	2,569	3,765	
Aurizon Mines, Ltd.	329,902	1,860	1,775	
B2Gold Corp.	592,269	1,921	1,919	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Barrick Gold Corp.	2,023,988	79,511	88,388	
Canexus Income Fund-UNIT	228,527	1,536	1,527	
Canfor Corp.	162,561	1,607	1,710	
Capstone Mining Corp.	414,457	1,904	1,480	
CCL Industries-Class B	51,298	1,352	1,693	
Centerra Gold, Inc.	321,362	3,973	5,139	
China Gold International Resources Corp., Ltd.	322,448	1,844	1,209	
Colossus Minerals, Inc.	206,991	1,735	1,447	
Detour Gold Corp.	169,809	3,212	4,741	
Dundee Precious Metals, Inc.	195,711	1,862	1,527	
Eastern Platinum, Ltd.	1,847,373	2,612	1,459	
Eldorado Gold Corp.	1,112,902	12,420	15,770	
Endeavour Silver Corp.	163,947	1,251	1,326	
European Goldfields, Ltd.	276,455	1,967	2,792	
Extorre Gold Mines, Ltd.	175,870	1,969	2,167	
First Majestic Silver Corp.	206,786	2,843	3,675	
First Quantum Minerals, Ltd.	174,660	11,547	24,548	
Franco-Nevada Corp.	254,811	7,890	9,160	
Gabriel Resources, Ltd.	474,723	2,389	3,157	
Gammon Gold, Inc.	345,600	3,267	3,650	
Goldcorp, Inc.	1,617,669	58,183	75,254	
Golden Star Resources, Ltd.	526,191	1,965	1,115	
Grande Cache Coal Corp.	199,932	2,013	1,751	
Great Basin Gold, Ltd.	919,571	1,888	1,812	
Guyana Goldfields, Inc.	165,990	1,733	1,134	
Harry Winston Diamond Corp.	171,179	2,295	2,674	
Hudbay Minerals, Inc.	345,570	4,607	4,969	
Iamgold Corp.	759,813	8,916	13,753	
Inmet Mining Corp.	102,625	5,269	7,122	
Ivanhoe Mines, Ltd.	610,741	9,714	14,878	
Jaguar Mining, Inc.	170,921	1,781	783	
Kinross Gold Corp.	2,300,924	33,068	34,974	
Kirkland Lake Gold, Inc.	124,253	1,860	1,880	
Labrador Iron Ore Royalty Corp.-UNIT	130,152	2,657	5,037	
Lake Shore Gold Corp.	494,118	1,971	1,384	
Lundin Mining Corp.	1,040,705	6,490	7,691	
Major Drilling Group International	145,693	1,821	1,821	
Mercator Minerals, Ltd.	405,783	1,459	1,161	
Methanex Corp.	188,447	4,022	5,685	
Minefinders Corp.	162,232	1,677	2,023	
Neo Material Technologies, Inc.	244,219	1,891	2,261	
Nevsun Resources, Ltd.	399,784	2,108	2,331	
New Gold, Inc.	811,523	4,271	8,050	
North American Palladium, Ltd.	268,264	1,569	1,062	
Northern Dynasty Minerals, Ltd.	155,690	2,156	1,518	
Northgate Minerals Corp.	593,870	1,836	1,485	
Novagold Resources, Inc.	360,614	3,119	3,199	
OceanaGold Corp.	533,305	1,941	1,408	
PAN American Silver Corp.	218,849	5,614	6,506	
Potash Corp. of Saskatchewan	1,731,180	59,120	95,059	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Quadra FNX Mining, Ltd.	387,600	5,243	5,543	
Romarco Minerals, Inc.	1,002,093	1,917	1,613	
Rubicon Minerals Corp.	353,247	1,731	1,208	
San Gold Corp.	617,021	2,032	1,993	
SEMAFO, Inc.	553,699	3,304	4,070	
Sherritt International Corp.	600,362	5,835	3,680	
Silver Standard Resources, Inc.	162,438	3,722	4,171	
Silver Wheaton Corp.	715,891	12,437	22,780	
Silvercorp Metals, Inc.	355,286	2,477	3,215	
Sino-Forest Corp.-Class A	499,849	7,402	1,550	
Tahoe Resources, Inc.	160,470	2,838	2,866	
Taseko Mines, Ltd.	381,961	1,860	1,837	
Teck Resources, Ltd.	981,346	29,978	47,949	
Thompson Creek Metals Co., Inc.	336,839	4,304	3,240	
West Fraser Timber Co., Ltd.	59,471	2,332	3,093	
Yamana Gold, Inc.	1,507,623	15,544	16,885	
		534,449	671,925	21.2
Telecommunication Services				
BCE, Inc.	1,570,190	50,054	59,385	
Bell Aliant, Inc.	258,939	7,497	7,432	
Manitoba Telecom Services, Inc.	132,617	5,110	4,326	
Rogers Communications, Inc.-Class B	908,019	27,384	34,559	
Tee-Com Electronics, Inc.	46,648	-	-	
TELUS Corp.-Non-vote	656,033	25,220	34,809	
		115,265	140,511	4.4
Utilities				
Atco, Ltd.-Class I	79,081	3,348	4,935	
Atlantic Power Corp.	137,431	1,925	2,008	
Brookfield Renewable Power Fund	121,408	2,356	2,792	
Canadian Utilities, Ltd.-Class A	121,647	5,024	6,807	
Capital Power Corp.	80,682	2,159	2,016	
Emera, Inc.	244,816	5,697	7,736	
Fortis, Inc.	355,372	9,235	11,496	
Just Energy Group, Inc.	277,537	4,108	3,941	
Northland Power, Inc.	153,628	2,040	2,467	
TransAlta Corp.	449,764	10,434	9,252	
		46,326	53,450	1.7
Total Canadian Common Stock and Income Trusts		2,703,123	3,155,877	99.7
Transaction Costs (Note 2)		(661)		
Total Investments		2,702,462	3,155,877	99.7
Other Assets and Liabilities			10,519	0.3
Net Assets			3,166,396	100.0

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Consumer Discretionary	4.3	4.3
Consumer Staples	2.6	2.5
Energy	27.4	26.6
Financials	29.1	27.7
Health Care	1.0	0.7
Industrials	5.7	5.5
Information Technology	2.3	2.9
Materials	21.2	23.6
Telecommunication Services	4.4	4.0
Utilities	1.7	1.5
Other Assets and Liabilities	0.3	0.7

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

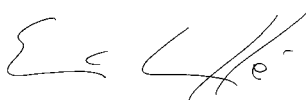
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 85,397,680	\$ 146,417,389
Cash	639,366	370,802
Margin due from brokers	67,678	149,685
Securities lending income receivable	245	513
Dividends receivable	204,490	332,802
Accounts receivable for investment sales	-	290,657
	86,309,459	147,561,848
Liabilities		
Operating expenses payable	15,959	24,598
Payables for redemption of units	-	254,021
Payables for investment purchases	357,723	-
	373,682	278,619
Net Assets	\$ 85,935,777	\$ 147,283,229
Number of Units Issued and Outstanding (Note 7)	1,473,798	2,514,767
Net Assets per Unit	\$ 58.31	\$ 58.57
Investments at Cost	\$ 73,513,624	\$ 121,007,221

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 1,458,560	\$ 1,851,937
Interest income	1,732	35
Securities lending income	2,553	3,507
Net loss from futures contracts	(2,337)	(7,754)
	<u>1,460,508</u>	<u>1,847,725</u>
Expenses		
Custodian fees	21,518	9,495
Fund accounting expenses	15,508	11,464
Unitholder communication costs	299	299
Audit fees	8,709	4,350
Securities filing fees	931	107
Independent review committee fees	24	462
Other operating expenses	2,608	372
	<u>49,597</u>	<u>26,549</u>
Net Investment Income for the Period	<u>1,410,911</u>	<u>1,821,176</u>
Gain (Loss) on Investments		
Net realized gain on sale of investments	15,069,079	1,539,866
Transaction costs (Note 2,12)	(33,709)	(10,863)
Net change in unrealized depreciation in value of investments	(13,526,112)	(7,362,782)
Net Gain (Loss) on Investments	<u>1,509,258</u>	<u>(5,833,779)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 2,920,169</u>	<u>\$ (4,012,603)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 1.45</u>	<u>\$ (1.25)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	<u>\$ 147,283,229</u>	<u>\$ 167,591,996</u>
Increase (Decrease) in Net Assets from Operations	<u>2,920,169</u>	<u>(4,012,603)</u>
Capital Transactions		
Proceeds from issue of units	954,497	3,283,660
Reinvestment of distributions	1,548,910	1,925,184
Redemption of units	(65,222,118)	(18,245,217)
Net capital transactions	<u>(62,718,711)</u>	<u>(13,036,373)</u>
Distributions		
From net investment income	(1,548,910)	(1,925,184)
Total distributions	<u>(1,548,910)</u>	<u>(1,925,184)</u>
Decrease in Net Assets for the Period	<u>(61,347,452)</u>	<u>(18,974,160)</u>
Net Assets - End of Period	<u>\$ 85,935,777</u>	<u>\$ 148,617,836</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Common Stocks				
Consumer Discretionary				
Astral Media, Inc.-Class A	3,025	102	113	
Canadian Tire Corp.-Class A	4,441	287	280	
Cineplex, Inc.	3,229	69	86	
Cogeco Cable, Inc.	1,306	41	59	
Corus Entertainment, Inc.-Class B	3,906	66	80	
Dollarama, Inc.	2,604	75	85	
Dorel Industries, Inc.-Class B	1,632	48	44	
Forzani Group, Ltd. (The)-Class A	1,607	19	42	
Gildan Activewear, Inc.	5,858	141	198	
Linamar Corp.	2,566	47	56	
Magna International, Inc.-Class A	13,580	493	707	
Quebecor, Inc.-Class B	2,635	68	83	
Reitman's (Canada), Ltd.-Class A	2,911	47	45	
RONA, Inc.	7,313	133	88	
Shaw Communications, Inc.-Class B	19,892	313	437	
Thomson Reuters Corp.	21,115	800	764	
Tim Hortons, Inc.	9,210	287	433	
Transcontinental, Inc.-Class A	3,818	65	55	
Westport Innovations, Inc.	2,656	50	60	
Yellow Media, Inc.	29,335	179	70	
		3,330	3,785	4.4
Consumer Staples				
Alimentation Couche Tard, Inc.-Class B	7,407	154	207	
Cott Corp.	5,315	47	43	
Empire Co., Ltd.-Class A	1,475	60	82	
George Weston, Ltd.	2,676	205	186	
Jean Coutu Group, Inc.-Class A	6,477	78	71	
Loblaw Cos., Ltd.	5,685	288	221	
Maple Leaf Foods, Inc.	3,539	44	42	
Metro, Inc.-Class A	5,768	189	277	
North West Co., Inc.	2,714	58	55	
Saputo, Inc.	7,554	182	350	
Shoppers Drug Mart Corp.	12,208	535	484	
Viterra, Inc.	20,821	205	217	
		2,045	2,235	2.6
Energy				
Advantage Oil & Gas, Ltd.	9,331	52	71	
AltaGas, Ltd.	4,655	89	120	
ARC Resources, Ltd.	16,042	393	401	
Athabasca Oil Sands Corp.	16,655	255	252	
Bankers Petroleum, Ltd.	13,869	118	95	
Baytex Energy Corp.	6,489	312	340	
Birchcliff Energy, Ltd.	7,119	92	92	
Black Pearl Resources, Inc.	15,921	51	108	
Bonavista Energy Corp.	7,602	217	216	
Bonterra Energy Corp.	814	50	46	
Calfrac Well Services, Ltd.	1,780	41	56	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cameco Corp.	22,157	722	562	
Canadian Natural Resources, Ltd.	61,564	1,902	2,482	
Canadian Oil Sands, Ltd.	27,198	736	756	
Celtic Exploration, Ltd.	4,256	48	91	
Cenovus Energy, Inc.	42,322	1,176	1,537	
Crescent Point Energy Corp.	15,265	547	678	
Crew Energy, Inc.	4,837	80	72	
Daylight Energy, Ltd.	11,942	131	111	
Denison Mines Corp.	17,871	56	32	
Enbridge, Inc.	43,470	845	1,359	
Encana Corp.	41,282	1,257	1,226	
Enerflex, Ltd.	3,716	42	46	
Enerplus Corp.	10,086	320	307	
Ensign Resource Service Group, Inc.	7,049	142	135	
Flint Energy Services, Ltd.	2,574	47	36	
Freehold Royalties, Ltd.	2,545	53	50	
Husky Energy, Inc.	14,605	464	384	
Imperial Oil, Ltd.	14,274	597	640	
Ivanhoe Energy, Inc.	15,822	52	29	
Keyera Corp.	3,958	142	173	
Legacy Oil + Gas, Inc.	7,135	104	84	
MEG Energy Corp.	6,664	329	334	
Mullen Group, Ltd.	4,455	61	90	
NAL Energy Corp.	8,305	108	92	
Nexen, Inc.	29,585	809	641	
Niko Resources, Ltd.	2,454	168	147	
NuVista Energy, Ltd.	5,585	78	51	
Pacific Rubiales Energy Corp.	15,068	176	389	
Paramount Resources, Ltd.-Class A	1,643	45	45	
Pason Systems, Inc.	3,588	50	52	
Pembina Pipeline Corp.	9,376	199	238	
Pengrowth Energy Corp.	18,346	238	222	
Penn West Petroleum, Ltd.	26,159	681	581	
Perpetual Energy, Inc.	6,710	34	21	
Petrobakken Energy, Ltd.	4,416	135	58	
Petrobank Energy & Resources, Ltd.	5,969	103	84	
Petrominerales, Ltd.	5,814	156	164	
Peyto Exploration & Development Corp.	7,460	141	160	
Precision Drilling Corp.	15,450	120	213	
Progress Energy Resources Corp.	10,091	133	138	
Provident Energy, Ltd.	15,119	122	130	
Savanna Energy Services Corp.	4,446	76	39	
ShawCor, Ltd.-Class A	3,297	68	97	
SouthGobi Resources, Ltd.	2,996	45	32	
Suncor Energy, Inc.	88,321	3,301	3,328	
Talisman Energy, Inc.	57,852	1,090	1,143	
Tourmaline Oil Corp.	6,131	181	196	
TransCanada Corp.	39,434	1,412	1,664	
Transglobe Energy Corp.	4,106	62	45	
Trican Well Service, Ltd.	8,146	170	184	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Trilogy Energy Corp.	2,912	59	69	
Trinidad Drilling, Ltd.	6,851	65	57	
Uranium One, Inc.	25,964	268	69	
Veresen, Inc.	9,051	117	126	
Vermilion Energy, Inc.	5,046	188	257	
		22,121	23,743	27.6
Financials				
AGF Management, Ltd.-Class B	4,337	90	81	
Bank of Montreal	31,982	1,829	1,958	
Bank of Nova Scotia	60,759	2,805	3,524	
Brookfield Asset Management, Inc.-Class A	29,631	806	947	
Brookfield Properties Co.	13,294	254	247	
Canadian Imperial Bank of Commerce	22,286	1,642	1,696	
Canadian Western Bank	4,165	81	128	
CI Financial Corp.	8,556	140	195	
Davis & Henderson Income Corp.	3,324	69	65	
Dundee Corp.-Class A	3,690	63	93	
Fairfax Financial Holdings, Ltd.	1,105	276	427	
First Capital Realty, Inc.	3,230	45	53	
FirstService Corp.	1,427	35	48	
Genworth MI Canada, Inc.	2,529	65	64	
GMP Capital, Inc.	2,939	40	37	
Great-West Lifeco, Inc.	14,387	403	366	
Home Capital Group, Inc.	1,754	62	91	
IGM Financial, Inc.	5,809	258	293	
Industrial Alliance Insurance and Financial Services, Inc.	4,714	142	189	
Intact Financial Corp.	6,150	217	339	
Itemus, Inc.	5,706	-	-	
Laurentian Bank of Canada	1,356	45	60	
Manulife Financial Corp.	100,095	3,023	1,705	
National Bank of Canada	9,115	541	712	
Onex Corp.	5,170	118	192	
Power Corp. of Canada	18,914	584	507	
Power Financial Corp.	12,718	414	378	
Royal Bank of Canada	80,576	3,757	4,431	
Sun Life Financial, Inc.	32,459	1,408	940	
TMX Group, Inc.	4,181	172	182	
Toronto-Dominion Bank	49,818	3,065	4,074	
		22,449	24,022	28.0
Health Care				
CML HealthCare, Inc.	5,042	60	47	
Nordion, Inc.	3,644	54	38	
Valeant Pharmaceuticals International, Inc.	16,592	402	831	
		516	916	1.1
Industrials				
Air Canada-Class B	11,659	41	27	
Bombardier, Inc.-Class B	81,747	293	566	
CAE, Inc.	14,402	130	187	
Canadian National Railway Co.	25,587	1,272	1,970	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Pacific Railway, Ltd.	9,508	505	571	
Chorus Aviation, Inc.	6,965	37	35	
Finning International, Inc.	9,641	197	275	
Group 4 Securicor PLC	10,153	154	135	
IESI-BFC, Ltd.	6,764	125	162	
Russel Metals, Inc.	3,370	74	82	
SNC-Lavalin Group, Inc.	8,467	281	498	
Stantec, Inc.	2,567	65	72	
Superior Plus, Inc.	6,135	79	69	
Toromont Industries, Ltd.	3,682	55	70	
Transat AT, Inc.-Class B	2,167	38	24	
TransForce, Inc.	4,161	29	62	
Westjet Airlines, Ltd.	7,921	99	120	
		3,474	4,925	5.7
Information Technology				
Celestica, Inc.	11,078	113	93	
CGI Group, Inc.-Class A	12,989	130	308	
MacDonald Dettwiler & Associates, Ltd.	2,309	82	125	
Open Text Corp.	3,208	93	197	
Otsuka Corp.	21,452	192	321	
Research In Motion, Ltd.	26,173	1,327	728	
SXC Health Solutions Corp.	3,467	67	196	
Wi-Lan, Inc.	6,848	48	53	
		2,052	2,021	2.4
Materials				
Aecon Group, Inc.	3,269	47	26	
Agnico-Eagle Mines, Ltd.	9,489	391	579	
Agrium, Inc.	8,854	385	749	
Alacer Gold Corp.	12,446	102	100	
Alamos Gold, Inc.	6,566	64	104	
Aurizon Mines, Ltd.	9,105	49	49	
B2Gold Corp.	16,687	54	54	
Barrick Gold Corp.	56,101	2,007	2,450	
Canfor Corp.	4,483	46	47	
Capstone Mining Corp.	11,485	53	41	
CCL Industries-Class B	1,422	41	47	
Centerra Gold, Inc.	8,873	98	142	
China Gold International Resources Corp., Ltd.	8,889	51	33	
Colossus Minerals, Inc.	5,919	50	41	
Detour Gold Corp.	4,699	78	131	
Dundee Precious Metals, Inc.	5,409	52	42	
Eastern Platinum, Ltd.	51,050	71	40	
Eldorado Gold Corp.	30,815	276	437	
Endeavour Silver Corp.	4,662	36	38	
European Goldfields, Ltd.	7,633	47	77	
Extorre Gold Mines, Ltd.	4,950	56	61	
First Majestic Silver Corp.	5,793	78	103	
First Quantum Minerals, Ltd.	4,838	275	680	
Franco-Nevada Corp.	7,087	215	255	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Gabriel Resources, Ltd.	13,104	61	87	
Gammon Gold, Inc.	9,671	103	102	
Goldcorp, Inc.	44,837	1,474	2,086	
Golden Star Resources, Ltd.	14,531	53	31	
Grande Cache Coal Corp.	5,515	56	48	
Great Basin Gold, Ltd.	25,501	49	50	
Guyana Goldfields, Inc.	4,693	50	32	
Harry Winston Diamond Corp.	4,773	65	75	
Hudbay Minerals, Inc.	9,619	132	138	
Iamgold Corp.	21,036	196	381	
Inmet Mining Corp.	2,836	124	197	
Ivanhoe Mines, Ltd.	16,913	233	412	
Jaguar Mining, Inc.	4,828	56	22	
Kinross Gold Corp.	63,755	801	969	
Kirkland Lake Gold, Inc.	3,517	53	53	
Lake Shore Gold Corp.	13,999	57	39	
Lundin Mining Corp.	28,703	210	212	
Major Drilling Group International	4,062	55	51	
Mercator Minerals, Ltd.	11,463	41	33	
Methanex Corp.	5,206	108	157	
Minefinders Corp.	4,529	46	57	
Neo Material Technologies, Inc.	6,805	52	63	
Nevsun Resources, Ltd.	11,067	57	65	
New Gold, Inc.	22,466	107	223	
North American Palladium, Ltd.	7,572	45	30	
Northern Dynasty Minerals, Ltd.	4,311	60	42	
Northgate Minerals Corp.	16,384	51	41	
Novagold Resources, Inc.	9,956	76	88	
OceanaGold Corp.	14,726	56	39	
PAN American Silver Corp.	6,045	147	180	
Potash Corp. of Saskatchewan	47,985	1,137	2,635	
Quadra FNX Mining, Ltd.	10,694	148	153	
Romarco Minerals, Inc.	28,284	54	46	
Rubicon Minerals Corp.	9,740	48	33	
San Gold Corp.	17,364	57	56	
SEMAFO, Inc.	15,292	74	112	
Sherritt International Corp.	16,554	197	102	
Silver Standard Resources, Inc.	4,507	98	116	
Silver Wheaton Corp.	19,830	268	631	
Silvercorp Metals, Inc.	9,823	61	89	
Sino-Forest Corp.-Class A	13,939	164	43	
Tahoe Resources, Inc.	4,495	79	80	
Taseko Mines, Ltd.	10,619	50	51	
Teck Resources, Ltd.	27,195	789	1,329	
Thompson Creek Metals Co., Inc.	9,431	117	91	
West Fraser Timber Co., Ltd.	1,641	62	85	
Yamana Gold, Inc.	41,813	415	468	
		13,114	18,449	
				21.5

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Telecommunication Services				
BCE, Inc.	43,554	1,279	1,647	
Bell Aliant, Inc.	7,147	194	205	
Manitoba Telecom Services, Inc.	3,673	145	120	
Rogers Communications, Inc.-Class B	25,159	714	957	
Tee-Com Electronics, Inc.	28,952	-	-	
TELUS Corp.-Non-vote	18,198	819	966	
		3,151	3,895	4.5
Utilities				
Atco, Ltd.-Class I	2,204	94	137	
Atlantic Power Corp.	3,845	53	56	
Canadian Utilities, Ltd.-Class A	3,358	145	188	
Capital Power Corp.	2,268	61	57	
Emera, Inc.	6,813	145	215	
Fortis, Inc.	9,858	261	319	
Just Energy Group, Inc.	7,701	120	109	
Northland Power, Inc.	4,283	70	69	
TransAlta Corp.	12,482	319	257	
		1,268	1,407	1.6
Total Canadian Common Stocks		73,520	85,398	99.4
Transaction Costs (Note 2)		(6)		
		73,514	85,398	99.4
Total Investments				
Other Assets and Liabilities			538	0.6
Net Assets			85,936	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Consumer Discretionary	4.4	4.6
Consumer Staples	2.6	2.6
Energy	27.6	23.9
Financials	28.0	28.1
Health Care	1.1	0.6
Industrials	5.7	5.8
Information Technology	2.4	3.1
Materials	21.5	25.2
Telecommunication Services	4.5	4.1
Utilities	1.6	1.4
Other Assets and Liabilities	0.6	0.6

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

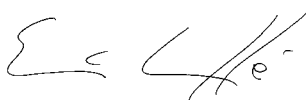
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 1,201,499,393	\$ 1,354,114,751
Cash	2,424,128	2,263,334
Margin due from brokers	653,435	541,697
Securities lending income receivable	4,248	-
Dividends and distributions from underlying trust units receivable	2,674,376	2,745,489
Accounts receivable from issue of units	12,600,889	-
	1,219,856,469	1,359,665,271
Liabilities		
Operating expenses payable	27,057	25,473
Payables for redemption of units	26,662,000	20,473,403
Payables for investment purchases	-	569,016
	26,689,057	21,067,892
Net Assets	\$ 1,193,167,412	\$ 1,338,597,379
Number of Units Issued and Outstanding (Note 7)	102,312,244	113,979,442
Net Assets per Unit	\$ 11.66	\$ 11.74
Investments at Cost	\$ 1,077,467,007	\$ 1,176,014,654

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income and distributions from underlying trust units	\$ 15,359,000	\$ 12,068,549
Interest income	10,975	1,119
Securities lending income	20,897	-
Net gain (loss) from futures contracts	108,800	(14,523)
Foreign exchange gain	1,983	11,051
	<u>15,501,655</u>	<u>12,066,196</u>
Expenses		
Custodian fees	41,651	31,758
Fund accounting expenses	30,772	28,374
Unitholder communication costs	299	299
Audit fees	6,967	2,605
Securities filing fees	15,842	-
Independent review committee fees	209	2,705
Other operating expenses	3,989	1,268
	<u>99,729</u>	<u>67,009</u>
Net Investment Income for the Period	<u>15,401,926</u>	<u>11,999,187</u>
Loss on Investments		
Net realized gain on sale of investments	34,639,557	125,791
Transaction costs (Note 2,12)	(38,426)	(53,722)
Net change in unrealized depreciation in value of investments	(54,067,711)	(41,137,094)
Net Loss on Investments	<u>(19,466,580)</u>	<u>(41,065,025)</u>
Decrease in Net Assets from Operations	<u>\$ (4,064,654)</u>	<u>\$ (29,065,838)</u>
Decrease in Net Assets from Operations per Unit	<u>\$ (0.04)</u>	<u>\$ (0.29)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 1,338,597,379	\$ 995,023,347
Decrease in Net Assets from Operations	<u>(4,064,654)</u>	<u>(29,065,838)</u>
Capital Transactions		
Proceeds from issue of units	39,615,290	66,495,938
Reinvestment of distributions	15,209,842	13,211,579
Redemption of units	(180,980,603)	(17,094,773)
Net capital transactions	<u>(126,155,471)</u>	<u>62,612,744</u>
Distributions		
From net investment income	(15,209,842)	(13,211,579)
Total distributions	<u>(15,209,842)</u>	<u>(13,211,579)</u>
Increase (Decrease) in Net Assets for the Period	<u>(145,429,967)</u>	<u>20,335,327</u>
Net Assets - End of Period	<u>\$ 1,193,167,412</u>	<u>\$ 1,015,358,674</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Common Stock and Income Trusts				
Consumer Discretionary				
Astral Media, Inc.-Class A	41,944	1,415	1,561	
Canadian Tire Corp.-Class A	60,739	3,360	3,833	
Cineplex, Inc.	44,485	943	1,183	
Cogeco Cable, Inc.	12,805	453	576	
Corus Entertainment, Inc.-Class B	60,721	1,172	1,244	
Dollarama, Inc.	45,700	1,176	1,489	
Dorel Industries, Inc.-Class B	21,015	690	563	
EnerCare, Inc.	42,977	238	332	
Forzani Group, Ltd. (The)-Class A	22,410	321	589	
Gildan Activewear, Inc.	89,689	2,235	3,036	
Great Canadian Gaming Corp.	48,526	366	372	
Linamar Corp.	37,701	568	815	
Magna International, Inc.-Class A	170,421	5,021	8,870	
Martinrea International, Inc.	58,820	474	474	
Quebecor, Inc.-Class B	34,518	975	1,091	
Reitman's (Canada), Ltd.-Class A	37,001	643	567	
RONA, Inc.	100,908	1,498	1,212	
Shaw Communications, Inc.-Class B	288,481	6,212	6,341	
Thomson Reuters Corp.	291,769	10,148	10,550	
Tim Hortons, Inc.	130,248	4,198	6,128	
Torstar Corp.-Class B	48,149	344	578	
Transcontinental, Inc.-Class A	51,147	639	743	
Westport Innovations, Inc.	30,949	421	704	
Yellow Media, Inc.	396,115	2,251	951	
		45,761	53,802	4.5
Consumer Staples				
Alimentation Couche Tard, Inc.-Class B	95,978	2,083	2,689	
Alliance Grain Traders, Inc.	12,100	386	312	
Atrium Innovations, Inc.	21,700	322	342	
BioExx Specialty Proteins, Ltd.	142,900	369	142	
Cott Corp.	73,698	637	594	
Empire Co., Ltd.-Class A	22,214	1,038	1,231	
George Weston, Ltd.	40,133	2,682	2,794	
Jean Coutu Group, Inc.-Class A	85,824	800	940	
Liquor Stores N.A., Ltd.	17,651	268	263	
Loblaw Cos., Ltd.	87,167	3,056	3,387	
Maple Leaf Foods, Inc.	76,117	839	902	
Metro, Inc.-Class A	80,235	3,144	3,850	
North West Co., Inc.	37,593	775	759	
Saputo, Inc.	111,005	3,441	5,147	
Shoppers Drug Mart Corp.	169,188	7,146	6,712	
Viterra, Inc.	288,714	2,751	3,008	
		29,737	33,072	2.8
Energy				
Advantage Oil & Gas, Ltd.	127,723	829	976	
AltaGas, Ltd.	64,511	1,230	1,659	
Angle Energy, Inc.	49,900	396	499	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
ARC Resources, Ltd.	220,870	5,360	5,515	
Athabasca Oil Sands Corp.	233,579	3,544	3,539	
Bankers Petroleum, Ltd.	190,972	1,141	1,314	
Baytex Energy Corp.	87,562	2,616	4,590	
Bellatrix Exploration, Ltd.	82,653	443	375	
Birchcliff Energy, Ltd.	68,127	559	885	
Black Pearl Resources, Inc.	220,072	586	1,496	
BNK Petroleum, Inc.	99,900	578	460	
Bonavista Energy Corp.	103,922	2,821	2,954	
Bonterra Energy Corp.	11,973	402	680	
C&C Energia, Ltd.	27,690	332	269	
Calfrac Well Services, Ltd.	25,540	517	809	
Calvalley Petroleums, Inc.	63,368	181	138	
Cameco Corp.	306,770	9,846	7,780	
Canadian Energy Services & Technology Corp.	12,100	432	376	
Canadian Natural Resources, Ltd.	849,751	30,132	34,253	
Canadian Oil Sands, Ltd.	376,385	11,010	10,456	
Canyon Services Group, Inc.	35,000	549	466	
Celtic Exploration, Ltd.	63,595	779	1,355	
Cenovus Energy, Inc.	585,114	15,829	21,245	
Chinook Energy, Inc.	150,581	363	254	
Connacher Oil and Gas, Ltd.	345,111	407	359	
Corridor Resources, Inc.	65,319	314	193	
Crescent Point Energy Corp.	188,299	7,325	8,360	
Crew Energy, Inc.	66,201	947	986	
Daylight Energy, Ltd.	162,998	1,639	1,518	
Denison Mines Corp.	254,537	389	453	
Enbridge Income Fund Holdings, Inc.	15,431	237	289	
Enbridge, Inc.	564,873	13,911	17,664	
Encana Corp.	571,705	17,872	16,980	
Enerflex, Ltd.	59,802	702	742	
Enerplus Corp.	138,607	3,341	4,219	
Ensign Resource Service Group, Inc.	101,483	1,471	1,939	
Fairborne Energy, Ltd.	64,154	295	304	
Flint Energy Services, Ltd.	35,848	395	495	
Freehold Royalties, Ltd.	34,388	709	674	
Galleon Energy, Inc.-Class A	65,424	312	197	
Husky Energy, Inc.	207,573	5,857	5,451	
Imperial Oil, Ltd.	230,496	9,171	10,338	
Ivanhoe Energy, Inc.	223,107	550	406	
Keyera Corp.	54,456	1,710	2,379	
Legacy Oil + Gas, Inc.	94,700	1,325	1,108	
MEG Energy Corp.	96,300	4,388	4,828	
Mullen Group, Ltd.	58,050	902	1,177	
NAL Energy Corp.	113,886	1,541	1,255	
Nexen, Inc.	408,729	9,538	8,857	
Niko Resources, Ltd.	36,044	3,453	2,155	
NuVista Energy, Ltd.	69,545	799	631	
Pace Oil and Gas, Ltd.	37,260	313	274	
Pacific Rubiales Energy Corp.	197,684	3,584	5,106	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Paramount Resources, Ltd.-Class A	29,955	471	825	
Parkland Fuel Corp.	47,855	580	593	
Pason Systems, Inc.	50,799	547	736	
Pembina Pipeline Corp.	129,646	2,502	3,287	
Pengrowth Energy Corp.	253,324	3,357	3,065	
Penn West Petroleum, Ltd.	354,525	6,686	7,878	
Perpetual Energy, Inc.	92,685	458	289	
Petrobakken Energy, Ltd.	65,261	1,850	859	
Petrobank Energy & Resources, Ltd.	78,284	2,113	1,108	
Petrominerales, Ltd.	80,518	2,413	2,270	
Peyto Exploration & Development Corp.	97,566	1,588	2,098	
Precision Drilling Corp.	214,211	1,580	2,958	
Progress Energy Resources Corp.	143,228	1,839	1,965	
Provident Energy, Ltd.	209,498	1,274	1,802	
Questerre Energy Corp.	168,765	417	147	
Savanna Energy Services Corp.	61,527	382	533	
ShawCor, Ltd.-Class A	44,652	1,245	1,315	
Southern Pacific Resource Corp.	260,000	439	398	
Suncor Energy, Inc.	1,217,885	44,357	45,890	
Talisman Energy, Inc.	797,447	14,806	15,758	
Tethys Petroleum, Ltd.	204,500	385	221	
Tourmaline Oil Corp.	86,000	2,578	2,752	
TransCanada Corp.	543,417	19,576	22,932	
Transglobe Energy Corp.	52,803	795	580	
Trican Well Service, Ltd.	112,499	1,515	2,547	
Trilogy Energy Corp.	42,546	356	1,009	
Trinidad Drilling, Ltd.	93,817	618	785	
Uranium One, Inc.	371,163	1,159	984	
Veresen, Inc.	123,221	1,788	1,710	
Vermilion Energy, Inc.	65,745	2,230	3,344	
Zargon Oil & Gas, Ltd.	20,960	448	448	
		304,224	332,766	27.9
Financials				
AGF Management, Ltd.-Class B	62,796	1,113	1,174	
Allied Properties Real Estate Investment Trust-REIT	17,418	317	414	
Artis Real Estate Investment Trust-REIT	28,882	294	404	
Bank of Montreal	441,354	24,297	27,024	
Bank of Nova Scotia	837,520	41,380	48,576	
Boardwalk REIT	18,165	660	876	
Brookfield Asset Management, Inc.-Class A	433,905	10,649	13,863	
Brookfield Properties Co.	195,731	2,716	3,639	
Calloway REIT	38,057	735	957	
Canaccord Capital, Inc.	57,771	615	714	
Canadian Apartment Properties REIT	29,432	376	569	
Canadian Imperial Bank of Commerce	306,934	21,471	23,358	
Canadian REIT	25,929	708	861	
Canadian Western Bank	54,074	1,251	1,664	
CI Financial Corp.	123,261	2,513	2,814	
Cominar REIT	23,942	424	527	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Davis & Henderson Income Corp.	41,348	798	810	
Dundee Corp.-Class A	49,520	626	1,253	
Dundee REIT	19,177	422	620	
Extendicare REIT	27,738	340	288	
Fairfax Financial Holdings, Ltd.	15,479	5,858	5,975	
First Capital Realty, Inc.	50,453	684	830	
FirstService Corp.	21,401	439	711	
Genworth MI Canada, Inc.	32,555	860	822	
Gluskin Sheff + Associates, Inc.	11,300	214	212	
GMP Capital, Inc.	45,476	535	579	
Great-West Lifeco, Inc.	221,058	5,679	5,624	
Home Capital Group, Inc.	25,513	1,086	1,317	
IGM Financial, Inc.	90,768	3,917	4,582	
Industrial Alliance Insurance and Financial Services, Inc.	65,286	2,046	2,617	
InnVest Real Estate Investment Trust-REIT	35,113	245	235	
Intact Financial Corp.	87,039	3,241	4,802	
Killam Properties, Inc.	32,938	347	353	
Laurentian Bank of Canada	18,571	810	825	
Manulife Financial Corp.	1,382,103	24,246	23,537	
Morguard Real Estate Investment Trust-REIT	21,979	269	340	
National Bank of Canada	127,115	7,736	9,929	
Northern Property Real Estate Investment Trust-UNIT	10,527	239	320	
Onex Corp.	73,572	1,843	2,732	
Pinetree Capital, Ltd.	106,652	218	241	
Power Corp. of Canada	271,313	7,485	7,271	
Power Financial Corp.	192,482	5,680	5,719	
Primaris Retail REIT	26,220	412	551	
RioCan REIT	99,033	1,783	2,561	
Royal Bank of Canada	1,108,445	61,314	60,953	
Sprott Resource Lending Corp.	103,691	132	174	
Sprott, Inc.	39,116	180	289	
Sun Life Financial, Inc.	446,675	12,826	12,931	
TMX Group, Inc.	57,837	1,788	2,513	
Toronto-Dominion Bank	686,606	46,705	56,151	
Uranium Participation Corp.	82,755	530	522	
		311,052	346,623	29.1
Health Care				
Cardiome Pharma Corp.	48,059	235	204	
CML HealthCare, Inc.	69,857	862	651	
Nordion, Inc.	52,326	431	545	
Paladin Labs, Inc.	9,264	196	373	
Theratechnologies, Inc.	47,517	192	207	
Valeant Pharmaceuticals International, Inc.	224,724	5,050	11,256	
		6,966	13,236	1.1
Industrials				
ACE Aviation Holdings, Inc.	22,920	148	260	
AG Growth International, Inc.	9,800	348	449	
Air Canada-Class B	59,100	114	136	
Alexco Resource Corp.	43,100	359	298	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Armtec Infrastructure, Inc.	18,000	358	61	
ATS Automation Tooling Systems, Inc.	67,517	476	520	
Bird Construction, Inc.	30,719	347	357	
Bombardier, Inc.-Class B	1,117,614	5,225	7,734	
CAE, Inc.	199,804	1,763	2,593	
Canadian National Railway Co.	357,981	21,228	27,561	
Canadian Pacific Railway, Ltd.	131,668	7,680	7,907	
Churchill Corp. (The)-Class A	16,049	294	263	
Finning International, Inc.	133,493	2,280	3,806	
Genivar, Inc.	20,400	663	525	
Group 4 Securicor PLC	145,541	1,529	1,936	
IESI-BFC, Ltd.	77,383	1,450	1,857	
Morneau Shepell, Inc.	35,000	357	351	
Newalta, Inc.	32,143	266	390	
Ritchie Bros. Auctioneers, Inc.	74,137	1,755	1,924	
Russel Metals, Inc.	46,536	824	1,141	
SNC-Lavalin Group, Inc.	117,482	5,802	6,908	
Stantec, Inc.	35,532	1,029	992	
Superior Plus, Inc.	83,817	1,141	940	
Swisher Hygiene, Inc.	67,721	429	361	
Toromont Industries, Ltd.	59,802	908	1,133	
TransForce, Inc.	59,220	483	881	
Wajax Corp.	12,951	410	470	
		57,666	71,754	6.0
Information Technology				
5N Plus, Inc.	23,500	129	211	
Aastra Technologies, Ltd.	9,789	307	185	
Celestica, Inc.	153,243	1,342	1,287	
CGI Group, Inc.-Class A	182,828	2,528	4,342	
EXFO, Inc.	17,900	80	131	
MacDonald Dettwiler & Associates, Ltd.	32,025	1,361	1,738	
Open Text Corp.	44,358	1,868	2,728	
Otsuka Corp.	266,824	2,682	3,989	
Research In Motion, Ltd.	366,362	23,314	10,185	
Sandvine Corp.	104,100	148	240	
Sierra Wireless, Inc.	22,021	216	247	
Smart Technologies, Inc.	34,700	325	174	
SXC Health Solutions Corp.	48,047	1,480	2,711	
Wi-Lan, Inc.	94,332	444	732	
		36,224	28,900	2.4
Materials				
Aecon Group, Inc.	43,764	601	353	
Agnico-Eagle Mines, Ltd.	131,200	8,522	8,001	
Agrium, Inc.	122,625	8,240	10,368	
Alacer Gold Corp.	170,200	1,112	1,367	
Alamos Gold, Inc.	90,309	1,219	1,436	
Anvil Mining, Ltd.	75,402	251	460	
Augusta Resource Corp.	68,818	285	293	
Aura Minerals, Inc.	105,932	427	212	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Aurizon Mines, Ltd.	126,050	695	678	
Avalon Rare Metals, Inc.	71,830	539	481	
Avion Gold Corp.	304,500	499	591	
B2Gold Corp.	209,600	361	679	
Banro Corp.	139,457	505	510	
Barrick Gold Corp.	776,233	34,272	33,898	
Canfor Corp.	77,579	623	816	
Canfor Pulp Products, Inc.	27,996	543	489	
Capstone Mining Corp.	217,284	625	776	
Cascades, Inc.	52,151	427	332	
CCL Industries-Class B	20,452	581	675	
Centerra Gold, Inc.	128,543	1,509	2,055	
China Gold International Resources Corp., Ltd.	123,200	588	462	
Cline Mining Corp.	141,100	395	322	
Colossus Minerals, Inc.	76,100	574	532	
Continental Gold, Ltd.	55,000	542	404	
Copper Mountain Mining Corp.	74,400	601	554	
Detour Gold Corp.	65,059	1,344	1,816	
Dundee Precious Metals, Inc.	77,714	731	606	
Eastern Platinum, Ltd.	705,802	822	558	
ECU Silver Mining, Inc.	239,800	178	221	
Eldorado Gold Corp.	425,891	6,630	6,035	
Endeavour Silver Corp.	62,400	618	505	
European Goldfields, Ltd.	92,626	634	936	
Exeter Resource Corp.	64,200	503	257	
Extorre Gold Mines, Ltd.	57,900	393	713	
First Majestic Silver Corp.	77,000	939	1,368	
First Quantum Minerals, Ltd.	67,022	5,391	9,420	
Fortress Paper, Ltd.	9,300	335	339	
Fortuna Silver Mines, Inc.	96,200	501	483	
Franco-Nevada Corp.	98,015	2,847	3,524	
Gabriel Resources, Ltd.	162,179	702	1,079	
Gammon Gold, Inc.	132,557	1,461	1,400	
Goldcorp, Inc.	620,607	27,223	28,871	
Golden Star Resources, Ltd.	201,328	800	427	
Grande Cache Coal Corp.	76,429	412	670	
Great Basin Gold, Ltd.	348,100	702	686	
Greystar Resources, Ltd.	59,885	226	163	
Guyana Goldfields, Inc.	59,744	453	408	
Hanfeng Evergreen, Inc.	27,947	169	125	
Harry Winston Diamond Corp.	48,995	541	765	
High River Gold Mines, Ltd.	197,897	256	232	
Hudbay Minerals, Inc.	130,490	1,856	1,876	
Iamgold Corp.	289,707	5,345	5,244	
Imperial Metals Corp.	17,288	308	335	
Inmet Mining Corp.	40,672	2,523	2,823	
International Tower Hill Mines, Ltd.	50,000	375	364	
Ivanhoe Mines, Ltd.	203,259	3,165	4,951	
Jaguar Mining, Inc.	64,628	687	296	
Keegan Resources, Inc.	57,700	502	432	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Kinross Gold Corp.	881,602	14,401	13,400	
Kirkland Lake Gold, Inc.	47,851	447	724	
Labrador Iron Mines Holdings, Ltd.	24,000	317	294	
Lake Shore Gold Corp.	279,791	1,044	783	
Lundin Mining Corp.	407,360	1,884	3,010	
MAG Silver Corp.	33,800	241	325	
Major Drilling Group International	55,620	505	695	
Mercator Minerals, Ltd.	153,433	339	439	
Methanex Corp.	72,142	1,554	2,177	
Migao Corp.	25,600	172	113	
Minefinders Corp.	61,951	677	773	
Minera Andes, Inc.	155,135	470	375	
Neo Material Technologies, Inc.	74,640	328	691	
Nevsun Resources, Ltd.	152,595	580	890	
New Gold, Inc.	332,707	1,623	3,300	
Norbord, Inc.	16,793	248	203	
North American Palladium, Ltd.	102,277	366	405	
Northern Dynasty Minerals, Ltd.	47,887	413	467	
Northgate Minerals Corp.	226,995	778	567	
Novagold Resources, Inc.	144,581	1,081	1,282	
OceanaGold Corp.	204,000	619	539	
PAN American Silver Corp.	79,663	2,145	2,368	
Potash Corp. of Saskatchewan	664,067	28,544	36,464	
Premier Gold Mines, Ltd.	72,100	537	409	
Quadra FNX Mining, Ltd.	148,406	1,910	2,122	
Queenston Mining, Inc.	43,100	228	294	
Romarco Minerals, Inc.	388,200	792	625	
Rubicon Minerals Corp.	166,600	749	570	
Sabina Gold & Silver Corp.	110,340	637	651	
San Gold Corp.	241,600	746	780	
Seabridge Gold, Inc.	24,100	720	651	
SEMAFO, Inc.	211,060	1,143	1,551	
Sherritt International Corp.	228,891	1,425	1,403	
Silver Standard Resources, Inc.	61,845	1,440	1,588	
Silver Wheaton Corp.	274,398	5,071	8,731	
Silvercorp Metals, Inc.	135,464	1,010	1,226	
Sino-Forest Corp.-Class A	190,304	3,457	590	
Sprott Resource Corp.	69,504	296	319	
St Andrew Goldfields, Ltd.	131,594	203	107	
Tahoe Resources, Inc.	71,300	1,112	1,273	
Tanzanian Royalty Exploration Corp.	73,111	308	458	
Taseko Mines, Ltd.	145,919	653	702	
Teck Resources, Ltd.	451,950	18,197	22,082	
Teranga Gold Corp.	143,800	417	355	
Thompson Creek Metals Co., Inc.	122,046	1,419	1,174	
Torex Gold Resources, Inc.	271,200	458	469	
West Fraser Timber Co., Ltd.	26,389	945	1,373	
Yamana Gold, Inc.	575,996	7,249	6,451	
Yukon-Nevada Gold Corp.	432,400	407	179	
		244,413	271,089	22.7

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Telecommunication Services				
BCE, Inc.	194,029	5,458	7,338	
Bell Aliant, Inc.	58,311	1,696	1,673	
Manitoba Telecom Services, Inc.	16,746	526	546	
Rogers Communications, Inc.-Class B	327,313	10,377	12,458	
TELUS Corp.	115,679	3,884	5,859	
TELUS Corp.-Non-vote	44,658	1,532	2,370	
		23,473	30,244	2.5
Utilities				
Algonquin Power & Utilities Corp.	80,894	319	462	
Alterra Power Corp.	250,900	319	178	
Atco, Ltd.-Class I	29,843	1,391	1,862	
Atlantic Power Corp.	51,775	653	757	
Boralex, Inc.	15,929	132	126	
Brookfield Renewable Power Fund	39,842	779	916	
Canadian Utilities, Ltd.-Class A	67,780	3,027	3,793	
Capital Power Corp.	30,400	688	760	
Capstone Infrastructure Corp.	44,610	317	349	
Fortis, Inc.	143,405	4,092	4,639	
Innergex Renewable Energy, Inc.	44,165	350	440	
Just Energy Group, Inc.	104,224	1,528	1,480	
Northland Power, Inc.	55,683	776	894	
TransAlta Corp.	163,206	3,658	3,357	
		18,029	20,013	1.7
Total Canadian Common Stock and Income Trusts		1,077,545	1,201,499	100.7
Transaction Costs (Note 2)		(78)		
Total Investments		1,077,467	1,201,499	100.7
Other Assets and Liabilities			(8,332)	(0.7)
Net Assets			1,193,167	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Consumer Discretionary	4.5	4.6
Consumer Staples	2.8	2.7
Energy	27.9	26.6
Financials	29.1	28.1
Health Care	1.1	0.7
Industrials	6.0	5.7
Information Technology	2.4	3.3
Materials	22.7	25.8
Telecommunication Services	2.5	2.2
Utilities	1.7	1.5
Other Assets and Liabilities	(0.7)	(1.2)

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)


	2011	2010
Assets		
Investments - at fair value* (Note 2)	\$ 3,578,876,841	\$ 3,608,868,276
Cash	18,015,183	20,505,629
Margin due from brokers	172,828	74,400
Securities lending income receivable	12,573	6,038
Dividends receivable	4,553,467	4,234,535
Tax reclaim on dividends receivable	18,577	5,688
Accounts receivable from issue of units	-	84,933,290
Accounts receivable for investment sales	-	54,713,693
	<u>3,601,649,469</u>	<u>3,773,341,549</u>
Liabilities		
Operating expenses payable	56,685	54,981
Payables for redemption of units	-	128,848,792
	<u>56,685</u>	<u>128,903,773</u>
Net Assets	<u>\$ 3,601,592,784</u>	<u>\$ 3,644,437,776</u>
Net Assets per Class		
Class A	\$ 3,174,065,730	\$ 3,264,925,448
Class D	427,527,054	379,512,328
	<u>\$ 3,601,592,784</u>	<u>\$ 3,644,437,776</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	364,699,149	386,249,186
Class D	28,193,492	25,768,346
	<u>364,699,149</u>	<u>386,249,186</u>
Net Assets per Unit		
Class A	\$ 8.70	\$ 8.45
Class D	\$ 15.16	\$ 14.73
	<u>\$ 8.70</u>	<u>\$ 8.45</u>
Investments at Cost*	<u>\$ 3,552,003,810</u>	<u>\$ 3,648,425,401</u>

* Includes short-term investments

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 35,210,818	\$ 34,293,897
Interest income*	150,623	(140,329)
Securities lending income	77,401	-
Net gain (loss) from futures contracts	1,774,803	(5,585,941)
Foreign exchange gain (loss)	(79,966)	1,282,242
	<u>37,133,679</u>	<u>29,849,869</u>
Expenses		
Custodian fees	103,830	87,522
Fund accounting expenses	58,605	59,797
Unitholder communication costs	299	299
Audit fees	11,032	13,860
Securities filing fees	64,561	3,614
Independent review committee fees	581	10,075
Other operating expenses	5,428	6,130
	<u>244,336</u>	<u>181,297</u>
Net Investment Income for the Period	<u>36,889,343</u>	<u>29,668,572</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	13,761,719	(27,527,990)
Transaction costs (Note 2,12)	(50,729)	(79,378)
Net change in unrealized appreciation (depreciation) in value of investments	66,309,636	(195,330,158)
Net Gain (Loss) on Investments	<u>80,020,626</u>	<u>(222,937,526)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 116,909,969</u>	<u>\$ (193,268,954)</u>
Increase (Decrease) in Net Assets from Operations per Class		
Class A	\$ 105,899,644	\$ (173,186,137)
Class D	11,010,325	(20,082,817)
	<u>\$ 116,909,969</u>	<u>\$ (193,268,954)</u>
Increase (Decrease) in Net Assets from Operations per Unit		
Class A	\$ 0.29	\$ (0.42)
Class D	\$ 0.41	\$ (0.80)

* Interest Income, net of foreign exchange loss

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010	2011	2010
	Fund		Class A		Class D	
Net Assets - Beginning of Period	\$ 3,644,437,776	\$ 3,597,038,131	\$ 3,264,925,448	\$ 3,257,548,883	\$ 379,512,328	\$ 339,489,248
Increase (Decrease) in Net Assets from Operations	116,909,969	(193,268,954)	105,899,644	(173,186,137)	11,010,325	(20,082,817)
Capital Transactions						
Proceeds from issue of units	536,524,915	304,903,623	483,961,590	239,679,550	52,563,325	65,224,073
Reinvestment of distributions	36,827,067	33,500,993	32,632,644	30,281,668	4,194,423	3,219,325
Redemption of units	(696,279,876)	(395,688,615)	(680,720,952)	(351,860,242)	(15,558,924)	(43,828,373)
Net capital transactions	(122,927,894)	(57,283,999)	(164,126,718)	(81,899,024)	41,198,824	24,615,025
Distributions						
From net investment income	(36,827,067)	(33,500,993)	(32,632,644)	(30,281,668)	(4,194,423)	(3,219,325)
Total distributions	(36,827,067)	(33,500,993)	(32,632,644)	(30,281,668)	(4,194,423)	(3,219,325)
Increase (Decrease) in Net Assets for the Period	(42,844,992)	(284,053,946)	(90,859,718)	(285,366,829)	48,014,726	1,312,883
Net Assets - End of Period	\$ 3,601,592,784	\$ 3,312,984,185	\$ 3,174,065,730	\$ 2,972,182,054	\$ 427,527,054	\$ 340,802,131

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Short Term Investments				
Government				
Government Guaranteed				
U.S. Treasury Bill				
0.05% September 22, 2011	50	49	48	
0.05% September 22, 2011	100	97	97	
0.02% September 22, 2011	1,655	1,622	1,597	
0.01% September 22, 2011	50	49	48	
		1,817	1,790	0.1
Total Short Term Investments		1,817	1,790	0.1
Common Stocks				
Consumer Discretionary				
Abercrombie & Fitch Co.-Class A	27,083	1,557	1,748	
Amazon.Com, Inc.	110,150	11,195	21,733	
Apollo Group, Inc.-Class A	37,775	2,443	1,592	
AutoNation, Inc.	19,501	421	690	
AutoZone, Inc.	7,820	1,218	2,226	
Bed Bath & Beyond, Inc.	76,965	3,136	4,335	
Best Buy Co., Inc.	99,727	4,124	3,023	
Big Lots, Inc.	23,157	579	741	
Cablevision Systems-Ny Group A	71,358	2,449	2,493	
CarMax, Inc.	69,810	1,695	2,228	
Carnival Corp.	133,434	5,341	4,846	
CBS Corp.-Class B	206,277	4,047	5,668	
Chipotle Mexican Grill, Inc.	9,591	2,415	2,851	
Coach, Inc.	90,674	3,387	5,594	
Comcast Corp.-Class A	853,992	18,154	20,877	
D.R. Horton, Inc.	86,225	1,662	959	
Darden Restaurants, Inc.	42,382	1,626	2,034	
Devry, Inc.	18,909	992	1,078	
DIRECTV-Class A	236,976	7,965	11,623	
Discovery Communications-Class A	86,053	3,008	3,402	
Electrolux AB-Class B	102,729	3,472	2,340	
Expedia, Inc.	61,391	1,493	1,718	
Family Dollar Stores, Inc.	37,843	1,333	1,919	
Ford Motor Co.	1,171,475	12,241	15,591	
Fortune Brands, Inc.	47,517	2,893	2,923	
GameStop Corp.-Class A	43,409	1,645	1,116	
Gannett Co., Inc.	73,546	2,469	1,017	
Gap (The), Inc.	120,893	2,565	2,111	
Genuine Parts Co.	48,380	2,232	2,539	
Goodyear Tire & Rubber Co. (The)	74,555	1,309	1,207	
H&R Block, Inc.	93,624	2,038	1,449	
Harley-Davidson, Inc.	72,811	2,854	2,879	
Harman International Industries, Inc.	21,378	1,183	940	
Hasbro, Inc.	42,062	1,442	1,783	
Home Depot, Inc.	491,352	17,681	17,161	
International Game Technology	92,914	2,216	1,577	
Interpublic Group of Cos., Inc.	150,045	1,693	1,809	
JC Penney Co., Inc.	65,946	2,613	2,196	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Johnson Controls, Inc.	209,220	6,057	8,406	
Kohl's Corp.	86,831	4,857	4,191	
Leggett & Platt, Inc.	44,061	993	1,036	
Lennar Corp.-Class A	49,257	1,438	864	
Lowe's Cos., Inc.	401,928	10,792	9,042	
Ltd. Brands	77,973	1,785	2,893	
Macy's, Inc.	131,557	3,272	3,710	
Marriott International, Inc.-Class A	87,759	2,831	3,006	
Mattel, Inc.	107,741	2,354	2,857	
McDonald's Corp.	320,147	19,549	26,040	
McGraw-Hill Cos. (The), Inc.	94,295	3,886	3,814	
NetFlix, Inc.	13,490	2,533	3,420	
Newell Rubbermaid, Inc.	89,113	1,841	1,356	
News Corp.-Class A	704,776	11,017	12,032	
Nike, Inc.-Class B	117,083	7,350	10,164	
Nordstrom, Inc.	51,496	1,743	2,332	
O'Reilly Automotive, Inc.	42,628	1,979	2,695	
Omnicom Group	86,854	3,803	4,037	
Polo Ralph Lauren Corp.	19,888	1,741	2,544	
Priceline.Com, Inc.	15,310	3,829	7,564	
Pulte Homes, Inc.	102,651	2,181	759	
RadioShack Corp.	33,078	698	430	
Ross Stores, Inc.	36,159	1,817	2,796	
Scripps Networks Interactive-Class A	27,797	1,173	1,310	
Sears Holdings Corp.	13,367	1,373	922	
Sherwin-Williams Co. (The)	27,323	1,729	2,212	
Staples, Inc.	219,805	5,009	3,352	
Starbucks Corp.	231,167	5,680	8,810	
Starwood Hotels & Resorts Worldwide, Inc.	60,135	2,845	3,253	
Target Corp.	212,718	11,192	9,628	
Tiffany & Co.	39,363	1,759	2,981	
Time Warner Cable	103,856	5,913	7,823	
Time Warner, Inc.	330,502	13,598	11,601	
TJX Cos., Inc.	119,228	4,173	6,041	
Urban Outfitters, Inc.	38,554	1,269	1,047	
VF Corp.	26,973	2,018	2,827	
Viacom, Inc.-Class B	180,625	8,685	8,885	
Walt Disney Co. (The)	583,235	19,179	21,964	
Washington Post Co. (The)-Class B	1,614	934	652	
Whirlpool Corp.	23,589	1,840	1,850	
Wyndham Worldwide Corp.	52,505	1,303	1,704	
Wynn Resorts, Ltd.	23,508	1,649	3,257	
Yum! Brands, Inc.	143,735	5,295	7,659	
		335,748	385,782	10.7
Consumer Staples				
Altria Group, Inc.	645,679	13,451	16,451	
Archer-Daniels-Midland Co.	210,313	6,772	6,113	
Avon Products, Inc.	132,862	4,300	3,588	
Brown-Forman Corp.-Class B	31,632	1,829	2,279	
Campbell Soup Co.	56,015	2,031	1,866	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Clorox Co.	41,221	2,697	2,682	
Coca-Cola Co. (The)	706,155	41,317	45,852	
Coca-Cola Ent, Inc.	100,476	2,343	2,829	
Colgate-Palmolive Co.	150,884	11,497	12,724	
ConAgra Foods, Inc.	126,104	3,058	3,137	
Constellation Brands, Inc.-Class A	55,081	1,227	1,107	
Costco Wholesale Corp.	134,732	8,371	10,564	
CVS Caremark Corp.	418,443	14,582	15,164	
Dean Foods Co.	57,229	1,296	678	
Dr Pepper Snapple Group, Inc.	68,254	1,977	2,762	
Estee Lauder Cos. (The), Inc.-Class A	35,184	1,810	3,572	
General Mills, Inc.	196,870	6,617	7,068	
Hershey Co. (The)	47,411	2,332	2,603	
HJ Heinz Co.	99,068	4,627	5,093	
Hormel Foods Corp.	42,482	899	1,221	
JM Smucker Co. (The)	35,859	1,980	2,643	
Kellogg Co.	77,496	4,053	4,135	
Kimberly-Clark Corp.	121,287	8,131	7,788	
Kraft Foods, Inc.-Class A	542,200	16,787	18,430	
Kroger Co. (The)	187,335	4,868	4,485	
Lorillard, Inc.	44,385	3,559	4,664	
McCormick & Co., Inc.	40,808	1,614	1,951	
Mead Johnson Nutrition Co.-Class A	62,931	3,035	4,103	
Molson Coors Brewing Co.-Class B	49,143	2,395	2,122	
PepsiCo, Inc.	487,647	32,265	33,123	
Philip Morris International, Inc.	548,695	27,807	35,342	
Procter & Gamble Co. (The)	861,042	55,769	52,785	
Reynolds American, Inc.	103,995	2,884	3,715	
Safeway, Inc.	109,497	3,197	2,468	
Sara Lee Corp.	180,147	3,033	3,298	
Supervalu, Inc.	65,951	1,486	598	
Sysco Corp.	180,045	5,603	5,420	
Tyson Foods, Inc.-Class A	92,599	1,489	1,734	
Wal-Mart Stores, Inc.	589,285	34,168	30,205	
Walgreen Co.	282,537	11,384	11,575	
Whole Foods Market, Inc.	46,029	2,127	2,819	
		360,667	380,756	10.6
Energy				
Alpha Natural Resources, Inc.	69,624	3,580	3,051	
Anadarko Petroleum Corp.	153,441	8,810	11,363	
Apache Corp.	118,265	11,170	14,078	
Baker Hughes, Inc.	134,041	7,544	9,384	
Cabot Oil & Gas Corp.	32,309	1,571	2,066	
Cameron International Corp.	75,649	3,146	3,671	
Chesapeake Energy Corp.	202,596	6,099	5,801	
Chevron Corp.	620,106	51,108	61,498	
ConocoPhillips	436,125	28,298	31,627	
Consol Energy, Inc.	69,953	3,312	3,272	
Denbury Resources, Inc.	122,864	2,222	2,368	
Devon Energy Corp.	130,566	9,628	9,928	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Diamond Offshore Drilling, Inc.	21,313	1,720	1,448	
El Paso Corp.	237,081	3,827	4,617	
EOG Resources, Inc.	82,783	7,341	8,349	
Exxon Mobil Corp.	1,519,683	116,362	119,253	
FMC Technologies, Inc.	74,293	2,114	3,209	
Halliburton Co.	282,211	9,253	13,888	
Helmerich & Payne, Inc.	32,958	1,502	2,101	
Hess Corp.	93,242	6,103	6,727	
Marathon Oil Corp.	219,618	8,483	11,153	
Murphy Oil Corp.	59,629	3,835	3,778	
Nabors Industries, Ltd.	88,469	2,392	2,102	
National Oilwell Varco, Inc.	130,476	6,426	9,840	
Newfield Exploration Company	40,889	2,920	2,683	
Noble Corp.	77,475	2,954	2,944	
Noble Energy, Inc.	54,407	4,033	4,706	
NRG Energy, Inc.	74,632	1,784	1,769	
Occidental Petroleum Corp.	250,733	17,810	25,171	
Peabody Energy Corp.	83,303	3,994	4,734	
Pioneer Natural Resources Co.	36,002	2,001	3,112	
QEP Resources, Inc.	54,627	1,828	2,204	
Range Resources Corp.	49,637	2,465	2,658	
Rowan Cos., Inc.	39,275	1,256	1,469	
Schlumberger, Ltd.	418,579	27,820	34,883	
Southwestern Energy Co.	107,492	4,589	4,444	
Spectra Energy Corp.	200,499	4,890	5,302	
Sunoco, Inc.	37,504	1,799	1,509	
Tesoro Corp.	43,932	1,233	971	
Valero Energy Corp.	175,913	5,948	4,343	
Williams Cos., Inc.	181,344	4,566	5,291	
		397,736	452,765	12.6
Financials				
Aflac, Inc.	144,548	7,221	6,512	
Allstate Corp. (The)	161,526	6,800	4,759	
American Express Co.	322,581	14,267	16,092	
American International Group, Inc.	134,487	26,545	3,804	
Ameriprise Financial, Inc.	74,848	3,159	4,164	
AON Corp.	102,087	4,535	5,051	
Apartment Investment & Management Co. REIT-Class A	37,030	947	912	
Assurant, Inc.	29,943	1,358	1,048	
Australia & New Zealand Banking Group, Ltd.	71,177	2,358	2,651	
AvalonBay Communities, Inc. REIT	26,917	2,901	3,335	
Bank of America Corp.	3,125,596	71,703	33,031	
Bank of New York Mellon Corp.	382,954	13,670	9,465	
BB&T Corp.	214,752	6,990	5,563	
Berkshire Hathaway, Inc.-Class B	534,029	43,160	39,871	
BlackRock, Inc.	29,652	5,760	5,486	
Boston Properties, Inc. REIT	44,890	3,746	4,599	
Capital One Financial Corp.	141,578	7,175	7,060	
CB Richard Ellis Group, Inc.-Class A	90,238	1,737	2,185	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Charles Schwab Corp. (The)	308,813	5,975	4,897	
Chubb Corp.	90,341	4,957	5,459	
Cincinnati Financial Corp.	50,010	1,855	1,407	
Citigroup, Inc.	900,898	66,007	36,169	
CME Group, Inc.	20,642	7,918	5,809	
Comerica, Inc.	54,212	2,333	1,809	
Discover Financial Services	168,515	3,001	4,349	
E*Trade Financial Corp.	78,140	1,954	1,041	
Equity Residential REIT	90,856	3,876	5,261	
Federated Investors, Inc.-Class B	28,245	867	650	
Fifth Third Bancorp	283,689	5,279	3,485	
First Horizon National Corp.	80,803	1,233	742	
Franklin Resources, Inc.	44,491	4,378	5,636	
Genworth Financial, Inc.-Class A	150,302	2,876	1,490	
Goldman Sachs Group, Inc.	159,756	24,268	20,508	
Hartford Financial Services Group, Inc.	137,510	5,571	3,497	
HCP, Inc.	125,184	4,153	4,434	
Health Care, Inc. REIT	54,425	2,469	2,754	
Host Hotels & Resorts, Inc. REIT	211,514	3,624	3,460	
Hudson City Bancorp, Inc.	161,580	2,337	1,276	
Huntington Bancshares, Inc.	264,877	2,318	1,674	
IntercontinentalExchange, Inc.	22,690	2,813	2,731	
Invesco, Ltd.	142,432	3,218	3,215	
Janus Capital Group, Inc.	56,669	1,011	516	
JPMorgan Chase & Co.	1,225,747	52,692	48,395	
Keycorp	294,059	3,676	2,361	
Kimco Realty Corp. REIT	125,851	2,730	2,263	
Legg Mason, Inc.	46,034	2,618	1,455	
Leucadia National Corp.	61,252	2,070	2,016	
Lincoln National Corp.	96,828	3,485	2,660	
Loews Corp.	95,996	3,568	3,899	
M&T Bank Corp.	38,683	3,361	3,282	
Marsh & McLennan Cos., Inc.	168,887	5,268	5,080	
Marshall & Ilsley Corp.	162,667	1,909	1,250	
Merck & Co., Inc.	952,084	37,027	32,408	
Metlife, Inc.	326,015	14,452	13,797	
Moody's Corp.	61,244	2,248	2,266	
Morgan Stanley	476,389	17,096	10,584	
NASDAQ OMX Group, Inc.	45,953	1,410	1,122	
Northern Trust Corp.	74,401	4,611	3,302	
NYSE Euronext	80,713	4,132	2,666	
People's United Financial, Inc.	111,095	2,056	1,441	
Plum Creek Timber Co., Inc. REIT	50,122	2,029	1,960	
PNC Financial Services Group, Inc.	162,349	12,194	9,335	
Principal Financial Group	99,189	3,447	2,914	
Progressive Corp. (The)	201,953	4,310	4,163	
ProLogis, Inc. REIT	131,142	5,366	4,530	
Prudential Financial, Inc.	150,496	8,817	9,235	
Public Storage, Inc. REIT	43,200	3,889	4,752	
Regions Financial Corp.	388,649	4,772	2,322	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Simon Property Group, Inc. REIT	90,532	7,335	10,156	
SLM Corp.	162,981	3,614	2,646	
State Street Corp.	155,429	8,420	6,761	
SunTrust Banks, Inc.	165,650	6,455	4,120	
T Rowe Price Group, Inc.	80,084	3,908	4,662	
Torchmark Corp.	23,558	1,308	1,458	
Travelers Cos. (The), Inc.	129,318	6,853	7,286	
Unum Group	95,020	2,209	2,338	
US Bancorp	594,233	16,700	14,624	
Ventas, Inc. REIT	50,348	1,905	2,562	
Visa, Inc.-Class A	147,839	13,000	12,024	
Vornado Realty Trust REIT	50,556	4,115	4,546	
Wells Fargo & Co.	1,631,496	61,171	44,166	
XL Group PLC	95,307	2,740	2,022	
Zions Bancorporation	56,159	1,944	1,301	
		739,233	577,987	16.0
Health Care				
Abbott Laboratories	479,419	26,277	24,328	
Aetna, Inc.	117,207	4,178	4,984	
Allergan, Inc.	93,986	5,632	7,550	
AmerisourceBergen Corp.	84,211	2,189	3,365	
Amgen, Inc.	286,817	18,811	16,146	
Baxter International, Inc.	176,055	9,747	10,134	
Becton Dickinson & Co.	67,552	5,084	5,617	
Biogen Idec, Inc.	74,513	4,429	7,688	
Boston Scientific Corp.	471,056	6,046	3,141	
Bristol-Myers Squibb Co.	526,175	15,354	14,696	
Cardinal Health, Inc.	108,098	4,411	4,737	
CareFusion Corp.	69,185	2,050	1,814	
Celgene Corp.	143,021	8,378	8,319	
Cephalon, Inc.	23,698	1,866	1,828	
Cerner Corp.	44,584	2,014	2,626	
Cigna Corp.	83,413	3,038	4,144	
Coventry Health Care, Inc.	45,924	1,673	1,615	
Covidien PLC	152,877	7,687	7,848	
CR Bard, Inc.	26,400	2,241	2,800	
DaVita, Inc.	29,448	1,842	2,461	
DENTSPLY International, Inc.	43,609	1,536	1,602	
Edwards Lifesciences Corp.	35,261	2,965	2,966	
Eli Lilly & Co.	314,197	15,661	11,377	
Express Scripts, Inc.	163,282	5,940	8,505	
Forest Laboratories, Inc.	88,363	3,333	3,355	
Gilead Sciences, Inc.	242,943	10,344	9,707	
Hospira, Inc.	51,863	2,426	2,835	
Humana, Inc.	51,833	2,553	4,027	
Intuitive Surgical, Inc.	12,113	3,264	4,347	
Johnson & Johnson	845,555	57,100	54,234	
Laboratory Corp. of America Holdings	30,907	2,303	2,886	
Life Technologies Corp.	55,233	2,191	2,775	
McKesson Corp.	77,847	4,633	6,284	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Medco Health Solutions, Inc.	123,438	5,778	6,733	
Medtronic, Inc.	329,818	15,566	12,255	
Mylan, Inc.	135,388	2,643	3,223	
Patterson Cos., Inc.	29,379	961	932	
PerkinElmer, Inc.	34,779	837	904	
Pfizer, Inc.	2,437,648	55,790	48,440	
Quest Diagnostics, Inc.	48,498	2,711	2,765	
St. Jude Medical, Inc.	101,392	4,348	4,665	
Stryker Corp.	103,039	5,450	5,834	
Tenet Healthcare Corp.	150,615	1,219	906	
Thermo Fisher Scientific, Inc.	118,327	5,564	7,351	
UnitedHealth Group, Inc.	334,341	13,440	16,647	
Varian Medical Systems, Inc.	36,243	1,924	2,448	
Waters Corp.	28,244	1,723	2,610	
Watson Pharmaceuticals, Inc.	38,978	1,668	2,584	
WellPoint, Inc.	113,342	7,196	8,615	
Zimmer Holdings, Inc.	59,077	3,663	3,601	
		377,677	381,254	10.6
Industrials				
3M Co.	219,173	17,888	20,059	
ACE Aviation Holdings, Inc.	104,044	6,053	6,607	
Avery Dennison Corp.	32,795	1,536	1,222	
Boeing Co.	227,711	15,470	16,247	
C.H. Robinson Worldwide, Inc.	50,353	3,170	3,831	
Caterpillar, Inc.	198,776	13,375	20,417	
Cintas Corp.	38,788	1,389	1,236	
CSX Corp.	341,853	5,279	8,647	
Cummins, Inc.	60,602	3,188	6,049	
Danaher Corp.	167,928	6,395	8,586	
Deere & Co.	129,527	7,377	10,307	
Dover Corp.	57,665	2,798	3,773	
Dun & Bradstreet Corp.	15,252	1,360	1,112	
Eaton Corp.	105,244	3,982	5,224	
Emerson Electric Co.	231,982	10,860	12,589	
Equifax, Inc.	37,663	1,342	1,261	
Expeditors International of Washington, Inc.	65,611	2,967	3,241	
Fastenal Co.	91,121	2,352	3,165	
FedEx Corp.	97,346	8,545	8,910	
Flowserve Corp.	17,290	1,627	1,834	
Fluor Corp.	53,860	2,950	3,361	
General Dynamics Corp.	114,638	7,967	8,246	
General Electric Co.	3,271,449	85,840	59,483	
Goodrich Corp.	38,583	2,314	3,556	
Honeywell International, Inc.	242,733	11,262	13,950	
Illinois Tool Works, Inc.	154,210	7,430	8,406	
Ingersoll-Rand PLC	102,131	4,383	4,476	
Iron Mountain, Inc.	62,063	1,767	2,041	
ITT Corp.	56,773	3,095	3,227	
Jacobs Engineering Group, Inc.	39,255	2,410	1,637	
Joy Global, Inc.	32,380	2,979	2,976	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
L-3 Communications Holdings, Inc.	32,689	2,806	2,759	
Lockheed Martin Corp.	87,900	7,378	6,869	
Masco Corp.	109,888	2,171	1,274	
Monster Worldwide, Inc.	40,691	1,040	575	
Norfolk Southern Corp.	109,046	5,831	7,882	
Northrop Grumman Corp.	90,260	5,647	6,041	
Paccar, Inc.	112,531	4,629	5,549	
Pall Corp.	35,791	1,361	1,942	
Parker Hannifin Corp.	50,037	3,113	4,334	
Pitney Bowes, Inc.	62,485	2,190	1,385	
Precision Castparts Corp.	44,367	5,093	7,046	
Quanta Services, Inc.	66,130	1,623	1,288	
Raytheon Co.	109,999	5,742	5,290	
Republic Services, Inc.	93,643	2,678	2,786	
Robert Half International, Inc.	44,892	1,392	1,170	
Rockwell Automation, Inc.	44,485	2,566	3,724	
Rockwell Collins, Inc.	47,585	2,585	2,834	
RR Donnelley & Sons Co.	58,170	1,496	1,100	
Ryder System, Inc.	15,656	708	859	
Snap-On, Inc.	17,884	831	1,079	
Southwest Airlines Co.	243,990	3,244	2,691	
Stanley Black & Decker, Inc.	51,823	2,849	3,601	
Stericycle, Inc.	26,454	1,878	2,275	
Textron, Inc.	85,476	2,471	1,949	
Union Pacific Corp.	151,292	9,777	15,239	
United Parcel Service, Inc.-Class B	304,193	22,036	21,411	
United Technologies Corp.	282,413	18,912	24,121	
W.W. Grainger, Inc.	17,900	1,752	2,654	
Waste Management, Inc.	146,437	5,286	5,266	
		378,435	400,669	11.1
Information Technology				
Adobe Systems, Inc.	155,809	5,298	4,728	
Advanced Micro Devices, Inc.	176,551	2,133	1,189	
Agilent Technologies, Inc.	107,313	3,759	5,293	
Akamai Technologies, Inc.	57,406	2,180	1,744	
Altera Corp.	99,342	2,713	4,444	
Amphenol Corp.-Class A	54,364	2,258	2,831	
Analog Devices, Inc.	92,092	3,254	3,479	
Apple, Inc.	285,263	50,178	92,379	
Applied Materials, Inc.	406,444	6,889	5,103	
Automatic Data Processing, Inc.	154,102	7,326	7,832	
BMC Software, Inc.	54,849	1,987	2,896	
Broadcom Corp.-Class A	147,107	5,165	4,775	
CA, Inc.	117,265	3,057	2,585	
Cisco Systems, Inc.	1,697,103	40,159	25,551	
Citrix Systems, Inc.	57,997	2,535	4,477	
Cognizant Technology Solutions Corp.-Class A	93,818	4,330	6,640	
Computer Sciences Corp.	47,985	2,533	1,758	
Compuware Corp.	66,769	669	628	
Corning, Inc.	484,148	9,761	8,476	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Dell, Inc.	506,850	11,225	8,154	
eBay, Inc.	352,245	10,115	10,967	
EMC Corp., Massachusetts	634,951	12,583	16,882	
F5 Networks, Inc.	24,997	3,291	2,660	
Fidelity National Information Services, Inc.	82,961	2,195	2,464	
First Solar, Inc.	16,750	2,508	2,138	
Fiserv, Inc.	44,399	2,308	2,683	
Flir Systems, Inc.	48,935	1,607	1,592	
Google, Inc.-Class A	77,534	38,631	37,871	
Harris Corp.	39,227	1,816	1,706	
Hewlett-Packard Co.	640,010	27,224	22,483	
Intel Corp.	1,635,849	38,579	34,954	
International Business Machines Corp.	373,670	46,290	61,819	
Intuit, Inc.	84,350	2,971	4,218	
Jabil Circuit, Inc.	60,165	1,148	1,172	
JDS Uniphase Corp.	70,087	2,252	1,126	
Juniper Networks, Inc.	164,784	4,388	5,010	
KLA-Tencor Corp.	51,816	2,207	2,023	
Lexmark International, Inc.	24,078	1,014	680	
Linear Technology Corp.	70,237	2,482	2,238	
LSI Corp.	189,028	1,463	1,297	
MasterCard, Inc.-Class A	29,069	7,085	8,447	
MEMC Electronic Materials, Inc.	70,553	2,489	580	
Microchip Technology, Inc.	58,690	1,957	2,147	
Micron Technology, Inc.	265,020	2,961	1,911	
Microsoft Corp.	2,289,086	66,022	57,395	
Molex, Inc.	43,180	1,155	1,074	
Motorola Mobility Holdings, Inc.	91,148	3,830	1,935	
Motorola Solutions, Inc.	104,684	5,454	4,648	
National Semiconductor Corp.	73,998	1,423	1,758	
NetApp, Inc.	113,306	3,906	5,773	
Novellus Systems, Inc.	27,671	792	965	
NVIDIA Corp.	185,023	2,998	2,845	
Oracle Corp.	1,201,947	28,149	38,152	
Paychex, Inc.	99,520	3,536	2,949	
QUALCOMM, Inc.	514,973	24,038	28,210	
Red Hat, Inc.	59,641	1,779	2,641	
SAIC, Inc.	86,444	1,651	1,403	
Salesforce.com, Inc.	37,157	2,834	5,343	
SanDisk Corp.	73,474	2,921	2,943	
Symantec Corp.	233,392	4,838	4,437	
Tellabs, Inc.	113,805	1,159	506	
Teradata Corp.	51,980	1,560	3,020	
Teradyne, Inc.	56,872	895	812	
Texas Instruments, Inc.	358,390	11,052	11,345	
Total System Services, Inc.	49,827	1,044	893	
VeriSign, Inc.	52,153	1,490	1,684	
Western Digital Corp.	71,588	2,344	2,511	
Western Union Co.	195,346	3,867	3,774	
Xerox Corp.	432,530	4,871	4,346	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Xilinx, Inc.	81,865	2,435	2,881	
Yahoo!, Inc.	402,338	8,821	5,836	
		581,837	624,109	17.3
Materials				
Air Products & Chemicals, Inc.	65,433	5,089	6,034	
Airgas, Inc.	21,600	1,167	1,459	
AK Steel Holding Corp.	34,490	1,186	525	
Alcoa, Inc.	328,629	6,581	5,024	
Allegheny Technologies, Inc.	32,695	1,695	2,002	
Ball Corp.	51,923	1,343	1,925	
Bemis Co.	32,845	1,000	1,070	
CF Industries Holdings, Inc.	22,044	2,457	3,014	
Cliffs Natural Resources, Inc.	44,591	2,541	3,978	
Dow Chemical Co. (The)	362,572	11,810	12,597	
Eastman Chemical Co.	21,922	1,375	2,159	
Ecolab, Inc.	71,528	3,302	3,890	
El Du Pont de Nemours & Co.	286,439	12,717	14,936	
FMC Corp.	22,176	1,350	1,841	
Freeport-McMoran Copper & Gold, Inc.	292,177	10,623	14,911	
International Flavors & Fragrances, Inc.	24,622	1,115	1,526	
International Paper Co.	135,244	3,845	3,888	
MeadWestvaco Corp.	52,301	1,393	1,679	
Monsanto Co.	165,408	11,494	11,578	
Newmont Mining Corp.	152,246	7,800	7,927	
Nucor Corp.	97,656	4,636	3,884	
Owens-Illinois, Inc.	50,237	1,607	1,250	
PPG Industries, Inc.	48,858	3,340	4,280	
Praxair, Inc.	93,776	7,305	9,806	
Sealed Air Corp.	48,883	1,200	1,122	
Sigma-Aldrich Corp.	37,416	1,907	2,648	
Titanium Metals Corp.	28,118	573	497	
Tyco International, Ltd.	144,789	5,875	6,900	
United States Steel Corp.	44,096	2,462	1,958	
Vulcan Materials Co.	39,601	2,477	1,471	
Weyerhaeuser Co.	166,034	4,920	3,500	
		126,185	139,279	3.8
Pharmaceuticals				
Roper Industries, Inc.	29,488	1,812	2,370	
		1,812	2,370	0.1
Telecommunication Services				
American Tower Corp.-Class A	122,498	5,248	6,182	
AT&T, Inc.	1,826,746	60,392	55,340	
CenturyTel, Inc.	185,194	7,786	7,223	
Frontier Communications Corp.	307,670	3,203	2,390	
MetroPCS Communications, Inc.	82,231	1,198	1,365	
Sprint Nextel Corp.	924,162	10,536	4,798	
Verizon Communications, Inc.	872,648	32,410	31,338	
Windstream Corp.	157,123	1,909	1,964	
		122,682	110,600	3.1

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Utilities				
AES Corp. (The)	203,057	3,273	2,495	
Ameren Corp.	74,536	2,922	2,073	
American Electric Power Co., Inc.	148,582	5,710	5,399	
Centerpoint Energy, Inc.	131,477	2,209	2,455	
CMS Energy Corp.	77,399	1,302	1,471	
Consolidated Edison, Inc.	90,233	4,394	4,634	
Constellation Energy Group, Inc.	61,885	2,816	2,267	
Dominion Resources, Inc.	177,750	7,558	8,279	
DTE Energy Co.	52,005	2,415	2,511	
Duke Energy Corp.	410,557	7,563	7,453	
Edison International	100,687	4,085	3,764	
Entergy Corp.	55,031	4,678	3,626	
EQT Corp.	46,199	1,859	2,341	
Exelon Corp.	204,274	11,555	8,444	
FirstEnergy Corp.	128,767	6,763	5,487	
FPL Group, Inc.	130,123	7,273	7,212	
Integrays Energy Group, Inc.	23,936	1,210	1,197	
Nicor, Inc.	13,894	634	734	
NiSource, Inc.	85,723	1,653	1,675	
Northeast Utilities	54,168	1,473	1,839	
Oneok, Inc.	33,138	1,651	2,367	
Pepco Holdings, Inc.	69,066	1,409	1,308	
PG&E Corp.	122,701	5,382	4,974	
Pinnacle West Capital Corp.	33,379	1,393	1,435	
PPL Corp.	177,949	5,639	4,780	
Progress Energy, Inc.	90,804	4,264	4,206	
Public Service Enterprise Group, Inc.	155,769	5,534	4,904	
Scana Corp.	35,438	1,451	1,345	
Sempra Energy	73,957	3,928	3,772	
Southern Co. (The)	261,876	9,983	10,203	
TECO Energy, Inc.	65,939	1,198	1,201	
Wisconsin Energy Corp.	71,731	1,901	2,168	
Xcel Energy, Inc.	149,257	3,440	3,497	
		128,518	121,516	3.4
Total Common Stocks		3,550,530	3,577,087	99.3
Transaction Costs (Note 2)		(343)		
		3,552,004	3,578,877	99.4
Total Investments			22,716	0.6
Other Assets and Liabilities			3,601,593	100.0
Net Assets				

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Government Guaranteed	0.1	0.2
Consumer Discretionary	10.7	10.5
Consumer Staples	10.6	10.5
Energy	12.6	11.8
Financials	16.0	16.9
Health Care	10.6	9.7
Industrials	11.1	10.9
Information Technology	17.3	18.1
Materials	3.8	3.9
Pharmaceuticals	0.1	0.1
Telecommunication Services	3.1	3.1
Utilities	3.4	3.3
Other Assets and Liabilities	0.6	1.0

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

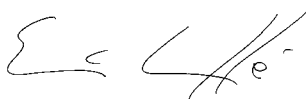
	2011	2010
Assets		
Investments - at fair value* (Note 2)	\$ 177,647,791	\$ 280,584,276
Cash	4,885,473	4,017,516
Margin due from brokers	39,673	9,564
Dividends receivable	229,399	327,519
Tax reclaim on dividends receivable	1,191	501
Accounts receivable for investment sales	49,903	595,637
	182,853,430	285,535,013
Liabilities		
Operating expenses payable	14,595	16,355
Payables for investment purchases	74,182	499,756
	88,777	516,111
Net Assets	\$ 182,764,653	\$ 285,018,902
Number of Units Issued and Outstanding (Note 7)	16,082,557	25,849,337
Net Assets per Unit	\$ 11.36	\$ 11.03
Investments at Cost*	\$ 162,560,001	\$ 258,441,387

* Includes short-term investments

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Periods Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 1,988,538	\$ 265,526
Interest income	3,365	21,102
Net gain (loss) from futures contracts	278,948	(349,347)
Foreign exchange gain (loss)	(39,280)	158,678
	<u>2,231,571</u>	<u>95,959</u>
Expenses		
Custodian fees	23,759	13,928
Fund accounting expenses	16,462	2,079
Unitholder communication costs	299	43
Audit fees	4,645	1,048
Securities filing fees	1,596	-
Independent review committee fees	38	-
Other operating expenses	3,085	-
	<u>49,884</u>	<u>17,098</u>
Net Investment Income for the Period	<u>2,181,687</u>	<u>78,861</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	13,914,194	(309,575)
Transaction costs (Note 2,12)	(38,197)	(17,923)
Net change in unrealized depreciation in value of investments	(7,061,630)	(9,103,857)
Net Gain (Loss) on Investments	<u>6,814,367</u>	<u>(9,431,355)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 8,996,054</u>	<u>\$ (9,352,494)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.49</u>	<u>\$ (0.47)</u>

Statement of Changes in Net Assets — For the Periods Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 285,018,902	\$ -
Increase (Decrease) in Net Assets from Operations	<u>8,996,054</u>	<u>(9,352,494)</u>
Capital Transactions		
Proceeds from issue of units	16,000,000	208,223,330
Reinvestment of distributions	2,164,268	243,522
Redemption of units	(127,250,303)	-
Net capital transactions	<u>(109,086,035)</u>	<u>208,466,852</u>
Distributions		
From net investment income	(2,164,268)	(243,522)
Total distributions	<u>(2,164,268)</u>	<u>(243,522)</u>
Increase (Decrease) in Net Assets for the Period	<u>(102,254,249)</u>	<u>198,870,836</u>
Net Assets - End of Period	<u>\$ 182,764,653</u>	<u>\$ 198,870,836</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Short Term Investments				
Government				
Government Guaranteed				
U.S. Treasury Bill				
0.02% September 22, 2011	450	437	434	
		437	434	0.2
Total Short Term Investments		437	434	0.2
Common Stocks				
Consumer Discretionary				
Abercrombie & Fitch Co.-Class A	1,328	52	86	
Amazon.Com, Inc.	5,460	760	1,077	
Apollo Group, Inc.-Class A	1,874	98	79	
AutoNation, Inc.	967	21	34	
AutoZone, Inc.	380	82	108	
Bed Bath & Beyond, Inc.	3,771	171	212	
Best Buy Co., Inc.	4,981	201	151	
Big Lots, Inc.	1,149	41	37	
Cablevision Systems-Ny Group A	3,541	121	124	
CarMax, Inc.	3,434	87	110	
Carnival Corp.	6,570	250	239	
CBS Corp.-Class B	10,236	158	281	
Chipotle Mexican Grill, Inc.	472	119	140	
Coach, Inc.	4,503	193	278	
Comcast Corp.-Class A	42,265	823	1,033	
D.R. Horton, Inc.	4,279	51	48	
Darden Restaurants, Inc.	2,102	94	101	
Devry, Inc.	938	55	53	
DIRECTV-Class A	11,760	514	577	
Discovery Communications-Class A	4,286	170	169	
Electrolux AB-Class B	5,090	86	116	
Expedia, Inc.	3,046	67	85	
Family Dollar Stores, Inc.	1,834	74	93	
Ford Motor Co.	58,101	804	773	
Fortune Brands, Inc.	2,336	122	144	
GameStop Corp.-Class A	2,093	47	54	
Gannett Co., Inc.	3,649	56	50	
Gap (The), Inc.	6,066	133	106	
Genuine Parts Co.	2,400	103	126	
Goodyear Tire & Rubber Co. (The)	3,699	46	60	
H&R Block, Inc.	4,647	75	72	
Harley-Davidson, Inc.	3,585	106	142	
Harman International Industries, Inc.	1,061	36	47	
Hasbro, Inc.	2,086	88	88	
Home Depot, Inc.	24,362	820	851	
International Game Technology	4,549	89	77	
Interpublic Group of Cos., Inc.	7,448	65	90	
JC Penney Co., Inc.	3,306	98	110	
Johnson Controls, Inc.	10,311	319	414	
Kohl's Corp.	4,327	229	209	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Leggett & Platt, Inc.	2,229	53	52	
Lennar Corp.-Class A	2,447	41	43	
Lowe's Cos., Inc.	19,959	473	449	
Ltd. Brands	3,802	103	141	
Macy's, Inc.	6,580	148	186	
Marriott International, Inc.-Class A	4,282	155	147	
Mattel, Inc.	5,308	122	141	
McDonald's Corp.	15,820	1,139	1,287	
McGraw-Hill Cos. (The), Inc.	4,669	141	189	
NetFlix, Inc.	668	149	169	
Newell Rubbermaid, Inc.	4,424	77	67	
News Corp.-Class A	34,998	481	597	
Nike, Inc.-Class B	5,769	440	501	
Nordstrom, Inc.	2,556	100	116	
O'Reilly Automotive, Inc.	2,076	114	131	
Omnicom Group	4,324	174	201	
Polo Ralph Lauren Corp.	996	97	127	
Priceline.Com, Inc.	761	239	376	
Pulte Homes, Inc.	5,119	52	38	
RadioShack Corp.	1,611	36	21	
Ross Stores, Inc.	1,762	103	136	
Scripps Networks Interactive-Class A	1,379	65	65	
Sears Holdings Corp.	663	54	46	
Sherwin-Williams Co. (The)	1,355	107	110	
Staples, Inc.	10,953	246	167	
Starbucks Corp.	11,495	324	438	
Starwood Hotels & Resorts Worldwide, Inc.	3,012	148	163	
Target Corp.	10,559	588	478	
Tiffany & Co.	1,974	92	149	
Time Warner Cable	5,113	307	385	
Time Warner, Inc.	16,400	532	576	
TJX Cos., Inc.	5,860	273	297	
Urban Outfitters, Inc.	1,948	76	53	
VF Corp.	1,353	110	142	
Viacom, Inc.-Class B	8,970	317	441	
Walt Disney Co. (The)	28,813	1,040	1,085	
Washington Post Co. (The)-Class B	81	38	33	
Whirlpool Corp.	1,158	119	91	
Wyndham Worldwide Corp.	2,638	64	86	
Wynn Resorts, Ltd.	1,157	106	160	
Yum! Brands, Inc.	7,116	310	379	
		16,877	19,103	
				10.4
Consumer Staples				
Altria Group, Inc.	32,028	698	816	
Archer-Daniels-Midland Co.	10,462	306	304	
Avon Products, Inc.	6,543	184	177	
Brown-Forman Corp.-Class B	1,569	96	113	
Campbell Soup Co.	2,779	105	93	
Clorox Co.	2,010	134	131	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Coca-Cola Co. (The)	34,979	1,980	2,271	
Coca-Cola Ent, Inc.	4,899	111	138	
Colgate-Palmolive Co.	7,444	611	628	
ConAgra Foods, Inc.	6,316	161	157	
Constellation Brands, Inc.-Class A	2,679	46	54	
Costco Wholesale Corp.	6,692	407	525	
CVS Caremark Corp.	20,656	712	748	
Dean Foods Co.	2,707	32	32	
Dr Pepper Snapple Group, Inc.	3,410	133	138	
Estee Lauder Cos. (The), Inc.-Class A	1,743	130	177	
General Mills, Inc.	9,793	374	352	
Hershey Co. (The)	2,353	122	129	
HJ Heinz Co.	4,899	230	252	
Hormel Foods Corp.	2,108	45	61	
JM Smucker Co. (The)	1,748	105	129	
Kellogg Co.	3,835	215	205	
Kimberly-Clark Corp.	6,025	386	387	
Kraft Foods, Inc.-Class A	26,882	838	914	
Kroger Co. (The)	9,336	196	223	
Lorillard, Inc.	2,178	167	229	
McCormick & Co., Inc.	2,024	84	97	
Mead Johnson Nutrition Co.-Class A	3,115	171	203	
Molson Coors Brewing Co.-Class B	2,418	108	104	
PepsiCo, Inc.	24,151	1,593	1,640	
Philip Morris International, Inc.	27,178	1,422	1,750	
Procter & Gamble Co. (The)	42,635	2,731	2,614	
Reynolds American, Inc.	5,148	145	184	
Safeway, Inc.	5,327	120	120	
Sara Lee Corp.	9,027	139	165	
Supervalu, Inc.	3,138	41	28	
Sysco Corp.	8,871	278	267	
Tyson Foods, Inc.-Class A	4,540	85	85	
Wal-Mart Stores, Inc.	29,194	1,549	1,496	
Walgreen Co.	13,937	502	571	
Whole Foods Market, Inc.	2,312	107	142	
		17,599	18,849	10.3
Energy				
Alpha Natural Resources, Inc.	3,450	145	151	
Anadarko Petroleum Corp.	7,620	381	564	
Apache Corp.	5,869	560	699	
Baker Hughes, Inc.	6,661	295	466	
Cabot Oil & Gas Corp.	1,588	60	102	
Cameron International Corp.	3,726	138	181	
Chesapeake Energy Corp.	10,011	252	287	
Chevron Corp.	30,707	2,427	3,045	
ConocoPhillips	21,606	1,281	1,567	
Consol Energy, Inc.	3,444	137	161	
Denbury Resources, Inc.	6,105	107	118	
Devon Energy Corp.	6,436	446	489	
Diamond Offshore Drilling, Inc.	1,058	69	72	
El Paso Corp.	11,816	153	230	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
EOG Resources, Inc.	4,115	464	415	
Exxon Mobil Corp.	75,234	4,949	5,904	
FMC Technologies, Inc.	3,658	105	158	
Halliburton Co.	14,008	375	689	
Helmerich & Payne, Inc.	1,619	70	103	
Hess Corp.	4,641	264	335	
Marathon Oil Corp.	10,906	369	554	
Murphy Oil Corp.	2,936	161	186	
Nabors Industries, Ltd.	4,356	91	104	
National Oilwell Varco, Inc.	6,482	256	489	
Newfield Exploration Company	2,045	147	134	
Noble Corp.	3,841	145	146	
Noble Energy, Inc.	2,675	181	231	
NRG Energy, Inc.	3,605	86	86	
Occidental Petroleum Corp.	12,425	1,077	1,247	
Peabody Energy Corp.	4,119	174	234	
Pioneer Natural Resources Co.	1,773	132	153	
QEP Resources, Inc.	2,684	88	108	
Range Resources Corp.	2,443	123	131	
Rowan Cos., Inc.	1,923	51	72	
Schlumberger, Ltd.	20,718	1,255	1,727	
Southwestern Energy Co.	5,294	228	219	
Spectra Energy Corp.	9,874	211	261	
Sunoco, Inc.	1,836	61	74	
Tesoro Corp.	2,180	27	48	
Valero Energy Corp.	8,661	166	214	
Williams Cos., Inc.	8,924	187	260	
		17,894	22,414	12.3
Financials				
Aflac, Inc.	7,158	341	323	
Allstate Corp. (The)	7,925	246	234	
American Express Co.	16,005	688	798	
American International Group, Inc.	1,938	33	19	
American International Group, Inc.	6,632	191	188	
Ameriprise Financial, Inc.	3,668	155	204	
AON Corp.	5,071	208	251	
Apartment Investment & Management Co. REIT-Class A	1,799	40	44	
Ashford Hospitality Trust, Inc. REIT	2,650	32	32	
Assurant, Inc.	1,522	57	53	
Australia & New Zealand Banking Group, Ltd.	3,485	107	130	
AvalonBay Communities, Inc. REIT	1,346	140	167	
Bank of America Corp.	154,848	2,470	1,636	
Bank of New York Mellon Corp.	18,904	544	467	
BB&T Corp.	10,574	326	274	
Berkshire Hathaway, Inc.-Class B	26,453	2,119	1,975	
BlackRock, Inc.	1,468	287	272	
Boston Properties, Inc. REIT	2,237	181	229	
Capital One Financial Corp.	7,046	307	351	
CB Richard Ellis Group, Inc.-Class A	4,434	87	107	
Charles Schwab Corp. (The)	15,204	257	241	
Chubb Corp.	4,494	246	272	

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Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cincinnati Financial Corp.	2,482	72	70	
Citigroup, Inc.	44,631	1,872	1,792	
CME Group, Inc.	1,021	323	287	
Comerica, Inc.	2,691	107	90	
Discover Financial Services	8,300	122	214	
E*Trade Financial Corp.	3,950	59	53	
Equity Residential REIT	4,475	218	259	
Federated Investors, Inc.-Class B	1,410	32	32	
Fifth Third Bancorp	13,971	197	172	
First Horizon National Corp.	4,010	45	37	
Franklin Resources, Inc.	2,207	221	280	
Genworth Financial, Inc.-Class A	7,458	118	74	
Goldman Sachs Group, Inc.	7,892	1,176	1,013	
Hartford Financial Services Group, Inc.	6,770	174	172	
HCP, Inc.	6,245	219	221	
Health Care, Inc. REIT	2,681	124	136	
Host Hotels & Resorts, Inc. REIT	10,587	163	173	
Hudson City Bancorp, Inc.	8,020	104	63	
Huntington Bancshares, Inc.	13,144	88	83	
IntercontinentalExchange, Inc.	1,117	134	134	
Invesco, Ltd.	7,009	139	158	
Janus Capital Group, Inc.	2,800	30	26	
JPMorgan Chase & Co.	60,639	2,511	2,394	
Keycorp	14,479	125	116	
Kimco Realty Corp. REIT	6,187	92	111	
Legg Mason, Inc.	2,318	75	73	
Leucadia National Corp.	3,013	68	99	
Lincoln National Corp.	4,808	132	132	
Loews Corp.	4,786	168	194	
M&T Bank Corp.	1,932	164	164	
Marsh & McLennan Cos., Inc.	8,422	197	253	
Marshall & Ilsley Corp.	8,071	67	62	
Merck & Co., Inc.	47,167	1,707	1,606	
Metlife, Inc.	16,183	685	685	
Moody's Corp.	3,038	66	112	
Morgan Stanley	23,529	642	523	
NASDAQ OMX Group, Inc.	2,280	57	56	
Northern Trust Corp.	3,686	194	164	
NYSE Euronext	3,976	118	131	
People's United Financial, Inc.	5,511	80	72	
Plum Creek Timber Co., Inc. REIT	2,464	92	96	
PNC Financial Services Group, Inc.	8,035	515	462	
Principal Financial Group	4,884	138	144	
Progressive Corp. (The)	10,048	206	207	
ProLogis, Inc. REIT	6,458	192	223	
Prudential Financial, Inc.	7,481	455	459	
Public Storage, Inc. REIT	2,128	206	234	
Regions Financial Corp.	19,148	148	114	
Simon Property Group, Inc. REIT	4,463	409	501	
SLM Corp.	8,022	111	130	
State Street Corp.	7,736	313	337	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
SunTrust Banks, Inc.	8,156	230	203	
T Rowe Price Group, Inc.	3,943	206	230	
Taubman Centers, Inc. REIT	978	54	56	
Torchmark Corp.	1,186	64	73	
Travelers Cos. (The), Inc.	6,425	346	362	
Unum Group	4,715	113	116	
US Bancorp	29,476	732	725	
Ventas, Inc. REIT	2,480	131	126	
Visa, Inc.-Class A	7,290	540	593	
Vornado Realty Trust REIT	2,488	204	224	
Wells Fargo & Co.	80,809	2,385	2,188	
XL Group PLC	4,735	87	100	
Zions Bancorporation	2,786	67	65	
		29,891	28,721	15.7
Health Care				
Abbott Laboratories	23,759	1,180	1,206	
Aetna, Inc.	5,753	186	245	
Allergan, Inc.	4,653	302	374	
AmerisourceBergen Corp.	4,173	140	167	
Amgen, Inc.	14,194	805	799	
Baxter International, Inc.	8,679	388	500	
Becton Dickinson & Co.	3,319	252	276	
Biogen Idec, Inc.	3,707	226	382	
Boston Scientific Corp.	23,191	149	155	
Bristol-Myers Squibb Co.	26,100	642	729	
Cardinal Health, Inc.	5,324	199	233	
CareFusion Corp.	3,396	88	89	
Celgene Corp.	7,077	395	412	
Cephalon, Inc.	1,153	71	89	
Cerner Corp.	2,184	95	129	
Cigna Corp.	4,129	147	205	
Coventry Health Care, Inc.	2,280	52	80	
Covidien PLC	7,602	381	390	
CR Bard, Inc.	1,295	117	137	
DaVita, Inc.	1,461	98	122	
DENTSPLY International, Inc.	2,164	73	79	
Edwards Lifesciences Corp.	1,747	148	147	
Eli Lilly & Co.	15,508	545	562	
Express Scripts, Inc.	8,115	432	423	
Forest Laboratories, Inc.	4,355	121	165	
Gilead Sciences, Inc.	11,973	449	478	
Hospira, Inc.	2,537	143	139	
Humana, Inc.	2,566	129	199	
Intuitive Surgical, Inc.	605	210	217	
Johnson & Johnson	41,874	2,614	2,686	
Laboratory Corp. of America Holdings	1,522	123	142	
Life Technologies Corp.	2,740	144	138	
McKesson Corp.	3,828	279	309	
Medco Health Solutions, Inc.	6,072	353	331	
Medtronic, Inc.	16,373	654	608	
Mylan, Inc.	6,654	133	158	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Patterson Cos., Inc.	1,458	46	46	
PerkinElmer, Inc.	1,726	40	45	
Pfizer, Inc.	120,721	1,943	2,399	
Quest Diagnostics, Inc.	2,432	136	139	
St. Jude Medical, Inc.	5,057	200	233	
Stryker Corp.	5,122	273	290	
Tenet Healthcare Corp.	7,399	38	44	
Thermo Fisher Scientific, Inc.	5,823	314	362	
UnitedHealth Group, Inc.	16,507	546	822	
Varian Medical Systems, Inc.	1,763	98	119	
Waters Corp.	1,390	100	128	
Watson Pharmaceuticals, Inc.	1,916	97	127	
WellPoint, Inc.	5,628	349	428	
Zimmer Holdings, Inc.	2,925	169	178	
		16,812	18,860	10.3
Industrials				
3M Co.	10,836	899	992	
ACE Aviation Holdings, Inc.	5,178	297	329	
Avery Dennison Corp.	1,627	58	61	
Boeing Co.	11,292	753	806	
C.H. Robinson Worldwide, Inc.	2,465	160	187	
Caterpillar, Inc.	9,854	725	1,012	
Cintas Corp.	1,925	52	61	
CSX Corp.	16,914	317	428	
Cummins, Inc.	3,012	228	301	
Danaher Corp.	8,342	356	426	
Deere & Co.	6,409	409	510	
Dover Corp.	2,840	136	186	
Dun & Bradstreet Corp.	757	57	55	
Eaton Corp.	5,182	197	257	
Emerson Electric Co.	11,480	568	623	
Equifax, Inc.	1,869	59	63	
Expeditors International of Washington, Inc.	3,230	132	159	
Fastenal Co.	4,488	124	156	
FedEx Corp.	4,839	416	443	
Flowserve Corp.	848	87	90	
Fluor Corp.	2,688	131	168	
General Dynamics Corp.	5,674	393	408	
General Electric Co.	162,003	2,737	2,946	
Goodrich Corp.	1,912	140	176	
Honeywell International, Inc.	12,042	558	692	
Illinois Tool Works, Inc.	7,667	386	418	
Ingersoll-Rand PLC	5,017	214	220	
Iron Mountain, Inc.	3,048	76	100	
ITT Corp.	2,797	140	159	
Jacobs Engineering Group, Inc.	1,924	85	80	
Joy Global, Inc.	1,595	147	147	
L-3 Communications Holdings, Inc.	1,642	137	138	
Lockheed Martin Corp.	4,367	349	341	
Masco Corp.	5,452	71	63	
Monster Worldwide, Inc.	1,947	29	27	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Norfolk Southern Corp.	5,368	317	388	
Northrop Grumman Corp.	4,496	281	301	
Paccar, Inc.	5,561	251	274	
Pall Corp.	1,758	66	95	
Parker Hannifin Corp.	2,464	159	213	
Pitney Bowes, Inc.	3,103	74	69	
Precision Castparts Corp.	2,208	268	351	
Quanta Services, Inc.	3,281	73	64	
Raytheon Co.	5,402	292	260	
Republic Services, Inc.	4,677	144	139	
Robert Half International, Inc.	2,227	58	58	
Rockwell Automation, Inc.	2,225	128	186	
Rockwell Collins, Inc.	2,361	142	141	
RR Donnelley & Sons Co.	2,773	53	52	
Ryder System, Inc.	780	36	43	
Snap-On, Inc.	887	41	53	
Southwest Airlines Co.	12,222	156	135	
Stanley Black & Decker, Inc.	2,545	152	177	
Stericycle, Inc.	1,300	89	112	
Textron, Inc.	4,202	88	96	
Union Pacific Corp.	7,474	582	753	
United Parcel Service, Inc.-Class B	15,083	987	1,062	
United Technologies Corp.	13,953	992	1,192	
W.W. Grainger, Inc.	888	98	132	
Waste Management, Inc.	7,238	248	260	
		17,398	19,834	
Information Technology				10.9
Adobe Systems, Inc.	7,705	255	234	
Advanced Micro Devices, Inc.	8,763	76	59	
Agilent Technologies, Inc.	5,351	179	264	
Akamai Technologies, Inc.	2,849	128	87	
Altera Corp.	4,960	139	222	
Amphenol Corp.-Class A	2,678	119	140	
Analog Devices, Inc.	4,561	145	172	
Apple, Inc.	14,123	3,996	4,574	
Applied Materials, Inc.	20,085	272	252	
Automatic Data Processing, Inc.	7,657	337	389	
BMC Software, Inc.	2,719	108	144	
Boingo Wireless, Inc.	211	3	2	
Broadcom Corp.-Class A	7,240	268	235	
CA, Inc.	5,824	123	128	
Cisco Systems, Inc.	83,859	1,955	1,263	
Citrix Systems, Inc.	2,856	138	220	
Cognizant Technology Solutions Corp.-Class A	4,631	260	328	
Computer Sciences Corp.	2,361	122	87	
Compuware Corp.	3,331	29	31	
Corning, Inc.	24,067	428	421	
Dell, Inc.	25,177	358	405	
eBay, Inc.	17,393	401	542	
EMC Corp., Massachusetts	31,349	640	834	
F5 Networks, Inc.	1,229	169	131	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fidelity National Information Services, Inc.	4,053	116	120	
First Solar, Inc.	824	109	105	
Fiserv, Inc.	2,164	108	131	
Flir Systems, Inc.	2,428	74	79	
Google, Inc.-Class A	3,840	2,026	1,876	
Harris Corp.	1,948	95	85	
Hewlett-Packard Co.	31,719	1,392	1,114	
Homeaway, Inc.	1,620	43	60	
Intel Corp.	81,033	1,781	1,731	
International Business Machines Corp.	18,503	2,568	3,061	
Intuit, Inc.	4,146	189	207	
Jabil Circuit, Inc.	2,985	45	58	
JDS Uniphase Corp.	3,414	39	55	
Juniper Networks, Inc.	8,143	248	248	
KLA-Tencor Corp.	2,546	84	99	
Lexmark International, Inc.	1,197	47	34	
Linear Technology Corp.	3,454	106	110	
LSI Corp.	9,379	52	64	
MasterCard, Inc.-Class A	1,444	336	420	
MEMC Electronic Materials, Inc.	3,507	41	29	
Microchip Technology, Inc.	2,869	87	105	
Micron Technology, Inc.	13,057	124	94	
Microsoft Corp.	113,363	3,055	2,842	
Molex, Inc.	2,103	46	52	
Motorola Mobility Holdings, Inc.	4,480	116	95	
Motorola Solutions, Inc.	5,222	172	232	
National Semiconductor Corp.	3,672	55	87	
NetApp, Inc.	5,600	266	285	
Novellus Systems, Inc.	1,373	38	48	
NVIDIA Corp.	9,251	125	142	
Oracle Corp.	59,540	1,480	1,890	
Paychex, Inc.	4,900	146	145	
QUALCOMM, Inc.	25,517	1,125	1,398	
Red Hat, Inc.	2,938	105	130	
SAIC, Inc.	4,152	67	67	
Salesforce.com, Inc.	1,850	229	266	
SanDisk Corp.	3,603	173	144	
Symantec Corp.	11,619	178	221	
Tellabs, Inc.	5,487	44	24	
Teradata Corp.	2,561	89	149	
Teradyne, Inc.	2,822	32	40	
Texas Instruments, Inc.	17,674	482	560	
Total System Services, Inc.	2,474	38	44	
VeriSign, Inc.	2,519	76	81	
Western Digital Corp.	3,527	130	124	
Western Union Co.	9,565	161	185	
Xerox Corp.	21,304	202	214	
Xilinx, Inc.	4,107	112	145	
Yahoo!, Inc.	19,933	310	289	
		29,410	30,948	16.9

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Materials				
Air Products & Chemicals, Inc.	3,216	234	297	
Airgas, Inc.	1,041	68	70	
AK Steel Holding Corp.	1,603	24	24	
Alcoa, Inc.	16,177	220	247	
Allegheny Technologies, Inc.	1,644	88	101	
Ball Corp.	2,576	72	96	
Bemis Co.	1,630	48	53	
CF Industries Holdings, Inc.	1,085	92	148	
Cliffs Natural Resources, Inc.	2,226	136	199	
Dow Chemical Co. (The)	17,991	512	625	
Eastman Chemical Co.	1,077	68	106	
Ecolab, Inc.	3,542	176	193	
El Du Pont de Nemours & Co.	14,209	590	741	
FMC Corp.	1,088	70	90	
Freeport-McMoran Copper & Gold, Inc.	14,499	591	740	
International Flavors & Fragrances, Inc.	1,222	58	76	
International Paper Co.	6,694	165	193	
MeadWestvaco Corp.	2,563	63	82	
Monsanto Co.	8,170	447	572	
Newmont Mining Corp.	7,509	440	391	
Nucor Corp.	4,809	209	191	
Owens-Illinois, Inc.	2,493	78	62	
PPG Industries, Inc.	2,394	162	210	
Praxair, Inc.	4,660	381	487	
Sealed Air Corp.	2,425	54	56	
Sigma-Aldrich Corp.	1,856	104	131	
Titanium Metals Corp.	1,297	25	23	
Tyco International, Ltd.	7,122	287	339	
United States Steel Corp.	2,189	102	97	
Vulcan Materials Co.	1,965	100	73	
Weyerhaeuser Co.	8,178	217	172	
		5,881	6,885	3.8
Pharmaceuticals				
Roper Industries, Inc.	1,451	95	117	
		95	117	0.1
Telecommunication Services				
American Tower Corp.-Class A	6,053	274	305	
AT&T, Inc.	90,465	2,363	2,741	
CenturyTel, Inc.	9,206	334	359	
Frontier Communications Corp.	15,129	120	117	
MetroPCS Communications, Inc.	4,018	37	67	
Sprint Nextel Corp.	45,522	229	236	
Verizon Communications, Inc.	43,236	1,208	1,553	
Windstream Corp.	7,678	95	96	
		4,660	5,474	3.0
Utilities				
AES Corp. (The)	10,080	106	124	
Ameren Corp.	3,662	95	102	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
American Electric Power Co., Inc.	7,319	251	266	
Centerpoint Energy, Inc.	6,468	94	121	
CMS Energy Corp.	3,839	62	73	
Consolidated Edison, Inc.	4,445	207	228	
Constellation Energy Group, Inc.	3,043	111	111	
Dominion Resources, Inc.	8,754	368	408	
DTE Energy Co.	2,580	124	125	
Duke Energy Corp.	20,233	344	367	
Edison International	4,960	171	185	
Entergy Corp.	2,726	212	180	
EQT Corp.	2,271	94	115	
Exelon Corp.	10,075	411	416	
FirstEnergy Corp.	6,366	232	271	
FPL Group, Inc.	6,474	342	359	
Integrus Energy Group, Inc.	1,188	56	59	
Nicor, Inc.	694	30	37	
NiSource, Inc.	4,252	68	83	
Northeast Utilities	2,687	75	91	
Oneok, Inc.	1,629	78	116	
Pepco Holdings, Inc.	3,427	58	65	
PG&E Corp.	6,118	277	248	
Pinnacle West Capital Corp.	1,656	64	71	
PPL Corp.	8,866	238	238	
Progress Energy, Inc.	4,469	184	207	
Public Service Enterprise Group, Inc.	7,704	256	243	
Scana Corp.	1,733	68	66	
Sempra Energy	3,661	179	187	
Southern Co. (The)	13,001	462	506	
TECO Energy, Inc.	3,272	54	60	
Wisconsin Energy Corp.	3,559	94	108	
Xcel Energy, Inc.	7,348	164	172	
		5,629	6,008	3.3
Total Common Stocks		162,146	177,213	97.0
Foreign Index Equivalents				
SPDR S&P 500 ETF Trust	9	1	1	
Total Foreign Index Equivalents		1	1	-
Transaction Costs (Note 2)		(24)		
		162,560	177,648	97.2
Other Assets and Liabilities			5,117	2.8
Net Assets			182,765	100.0

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Government Guaranteed	0.2	0.1
Consumer Discretionary	10.4	10.4
Consumer Staples	10.3	10.4
Energy	12.3	11.8
Financials	15.7	16.9
Health Care	10.3	9.6
Industrials	10.9	10.8
Information Technology	16.9	17.9
Materials	3.8	3.9
Pharmaceuticals	0.1	0.1
Telecommunication Services	3.0	3.0
Utilities	3.3	3.3
Other Assets and Liabilities	2.8	1.6

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

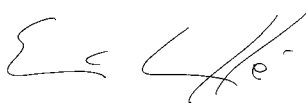
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 861,540,130	\$ 771,910,697
Cash	13,631	8,581
Net unrealized gain on forward currency contracts (Note 5)	33,304,353	45,737,629
Accounts receivable from issue of units	-	80,391,126
	894,858,114	898,048,033
Liabilities		
Operating expenses payable	13,741	15,321
Payables for redemption of units	7,220,728	-
Net unrealized loss on forward currency contracts (Note 5)	17,898,877	27,780,588
	25,133,346	27,795,909
Net Assets	\$ 869,724,768	\$ 870,252,124
Number of Units Issued and Outstanding (Note 7)	77,407,975	82,329,636
Net Assets per Unit	\$ 11.24	\$ 10.57
Investments at Cost	\$ 827,263,911	\$ 749,241,936

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 8,853,472	\$ 11,539,045
Interest income	164	-
	<u>8,853,636</u>	<u>11,539,045</u>
Expenses		
Custodian fees	204	128
Fund accounting expenses	6,581	6,739
Unitholder communication costs	299	299
Audit fees	6,967	6,229
Securities filing fees	7,900	4,954
Independent review committee fees	142	3,590
Other operating expenses	2,218	1,292
	<u>24,311</u>	<u>23,231</u>
Net Investment Income for the Period	<u>8,829,325</u>	<u>11,515,814</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	5,131,900	(4,851,503)
Net realized gain from forward currency contracts	28,410,646	2,858,257
Net change in unrealized appreciation (depreciation) in value of investments	11,607,458	(71,314,284)
Net change in unrealized depreciation in value of forward currency contracts	(2,551,565)	(22,267,595)
Net Gain (Loss) on Investments	<u>42,598,439</u>	<u>(95,575,125)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 51,427,764</u>	<u>\$ (84,059,311)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.66</u>	<u>\$ (0.62)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 870,252,124	\$ 1,272,914,590
Increase (Decrease) in Net Assets from Operations	<u>51,427,764</u>	<u>(84,059,311)</u>
Capital Transactions		
Proceeds from issue of units	32,645,776	26,378,732
Reinvestment of distributions	8,829,438	11,516,152
Redemption of units	(84,600,896)	(79,583,431)
Net capital transactions	<u>(43,125,682)</u>	<u>(41,688,547)</u>
Distributions		
From net investment income	(8,829,438)	(11,516,152)
Total distributions	<u>(8,829,438)</u>	<u>(11,516,152)</u>
Decrease in Net Assets for the Period	<u>(527,356)</u>	<u>(137,264,010)</u>
Net Assets - End of Period	<u>\$ 869,724,768</u>	<u>\$ 1,135,650,580</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Foreign Index Equivalents				
BlackRock CDN US Equity Index Non-Taxable Class A	98,945,511	827,264	861,540	
Total Foreign Index Equivalents		827,264	861,540	99.1
Total Investments		827,264	861,540	99.1
Other Assets and Liabilities			8,185	0.9
Net Assets			869,725	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Foreign Index Equivalents	99.1	88.7
Other Assets and Liabilities	0.9	11.3

Open forward currency contracts held by the Fund as at June 30, 2011 are shown in Note 5.

Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

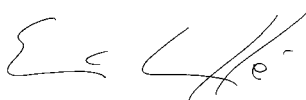
	2011	2010
Assets		
Investments - at fair value* (Note 2)	\$ 1,649,111,756	\$ 1,518,017,039
Cash	15,542,568	17,034,635
Margin due from brokers	132,699	43,348
Dividends receivable	1,763,332	1,527,089
Tax reclaim on dividends receivable	8,459	2,405
	<u>1,666,558,814</u>	<u>1,536,624,516</u>
Liabilities		
Operating expenses payable	35,313	40,864
	<u>35,313</u>	<u>40,864</u>
Net Assets	<u>\$ 1,666,523,501</u>	<u>\$ 1,536,583,652</u>
Net Assets per Class		
Class A	\$ 670,924,358	\$ 652,883,701
Class D	995,599,143	883,699,951
	<u>\$ 1,666,523,501</u>	<u>\$ 1,536,583,652</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	89,334,209	89,349,299
Class D	132,575,826	120,946,909
	<u>132,575,826</u>	<u>120,946,909</u>
Net Assets per Unit		
Class A	\$ 7.51	\$ 7.31
Class D	\$ 7.51	\$ 7.31
	<u>\$ 7.51</u>	<u>\$ 7.31</u>
Investments at Cost*	<u>\$ 1,705,773,701</u>	<u>\$ 1,604,770,793</u>

* Includes short-term investments

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 15,866,722	\$ 14,335,682
Interest income	32,534	83,947
Net loss from futures contracts	(141,569)	(2,258,899)
Foreign exchange gain	78,841	245,925
Withholding taxes	(2,410,972)	(2,150,604)
	<u>13,425,556</u>	<u>10,256,051</u>
Expenses		
Custodian fees	44,954	53,103
Fund accounting expenses	34,269	29,250
Unitholder communication costs	299	299
Audit fees	11,032	11,183
Securities filing fees	15,463	6,195
Independent review committee fees	244	4,175
Other operating expenses	3,878	1,640
	<u>110,139</u>	<u>105,845</u>
Net Investment Income for the Period	<u>13,315,417</u>	<u>10,150,206</u>
Gain (Loss) on Investments		
Net realized loss on sale of investments	(160,118)	(21,026,827)
Transaction costs (Note 2,12)	(16,260)	(77,913)
Net change in unrealized appreciation (depreciation) in value of investments	30,061,917	(68,787,988)
Net Gain (Loss) on Investments	<u>29,885,539</u>	<u>(89,892,728)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 43,200,956</u>	<u>\$ (79,742,522)</u>
Increase (Decrease) in Net Assets from Operations per Class		
Class A	\$ 18,153,588	\$ (41,622,690)
Class D	25,047,368	(38,119,832)
	<u>\$ 43,200,956</u>	<u>\$ (79,742,522)</u>
Increase (Decrease) in Net Assets from Operations per Unit		
Class A	\$ 0.20	\$ (0.39)
Class D	\$ 0.20	\$ (0.33)

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010	2011	2010
	Fund		Class A		Class D	
Net Assets - Beginning of Period	\$ 1,536,583,652	\$ 1,494,228,380	\$ 652,883,701	\$ 692,559,694	\$ 883,699,951	\$ 801,668,686
Increase (Decrease) in Net Assets from Operations	43,200,956	(79,742,522)	18,153,588	(41,622,690)	25,047,368	(38,119,832)
Capital Transactions						
Proceeds from issue of units	114,463,984	124,405,348	-	51,800,430	114,463,984	72,604,918
Reinvestment of distributions	12,746,658	11,780,626	5,277,696	5,687,785	7,468,962	6,092,841
Redemption of units	(27,725,091)	(186,282,726)	(112,931)	(47,348,903)	(27,612,160)	(138,933,823)
Net capital transactions	99,485,551	(50,096,752)	5,164,765	10,139,312	94,320,786	(60,236,064)
Distributions						
From net investment income	(12,746,658)	(11,780,626)	(5,277,696)	(5,687,785)	(7,468,962)	(6,092,841)
Total distributions	(12,746,658)	(11,780,626)	(5,277,696)	(5,687,785)	(7,468,962)	(6,092,841)
Increase (Decrease) in Net Assets for the Period	129,939,849	(141,619,900)	18,040,657	(37,171,163)	111,899,192	(104,448,737)
Net Assets - End of Period	\$ 1,666,523,501	\$ 1,352,608,480	\$ 670,924,358	\$ 655,388,531	\$ 995,599,143	\$ 697,219,949

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Short Term Investments				
Government				
Government Guaranteed				
U.S. Treasury Bill				
0.04% September 22, 2011	100	98	97	
0.02% September 22, 2011	1,260	1,235	1,216	
		1,333	1,313	0.1
Total Short Term Investments		1,333	1,313	0.1
Common Stocks				
Consumer Discretionary				
Abercrombie & Fitch Co.-Class A	12,459	820	804	
Amazon.Com, Inc.	50,750	4,499	10,013	
Apollo Group, Inc.-Class A	17,139	1,273	723	
AutoNation, Inc.	9,103	186	322	
AutoZone, Inc.	3,590	464	1,022	
Bed Bath & Beyond, Inc.	35,260	1,461	1,986	
Best Buy Co., Inc.	45,851	1,989	1,390	
Big Lots, Inc.	10,818	256	346	
Cablevision Systems-Ny Group A	32,925	1,139	1,150	
CarMax, Inc.	32,097	743	1,024	
Carnival Corp.	61,375	2,838	2,229	
CBS Corp.-Class B	95,043	2,249	2,611	
Chipotle Mexican Grill, Inc.	4,423	1,115	1,315	
Coach, Inc.	41,725	1,462	2,574	
Comcast Corp.-Class A	393,104	8,927	9,610	
D.R. Horton, Inc.	39,333	946	437	
Darden Restaurants, Inc.	19,527	719	937	
Devry, Inc.	8,759	469	500	
DIRECTV-Class A	109,093	3,405	5,351	
Discovery Communications-Class A	39,648	1,340	1,567	
Electrolux AB-Class B	46,845	2,057	1,067	
Expedia, Inc.	28,706	790	803	
Family Dollar Stores, Inc.	17,382	622	881	
Ford Motor Co.	539,761	5,401	7,184	
Fortune Brands, Inc.	21,909	1,572	1,348	
GameStop Corp.-Class A	20,406	925	525	
Gannett Co., Inc.	33,602	1,890	465	
Gap (The), Inc.	55,491	1,228	969	
Genuine Parts Co.	22,471	1,046	1,179	
Goodyear Tire & Rubber Co. (The)	34,059	629	552	
H&R Block, Inc.	43,976	1,093	681	
Harley-Davidson, Inc.	33,578	1,667	1,328	
Harman International Industries, Inc.	9,797	701	431	
Hasbro, Inc.	19,362	630	821	
Home Depot, Inc.	226,250	8,401	7,902	
International Game Technology	42,750	1,421	726	
Interpublic Group of Cos., Inc.	69,452	808	837	
JC Penney Co., Inc.	30,276	1,362	1,008	
Johnson Controls, Inc.	96,416	2,753	3,874	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Kohl's Corp.	39,930	2,308	1,927	
Leggett & Platt, Inc.	20,500	540	482	
Lennar Corp.-Class A	22,380	862	393	
Lowe's Cos., Inc.	185,001	5,450	4,162	
Ltd. Brands	35,819	857	1,329	
Macy's, Inc.	60,650	1,782	1,710	
Marriott International, Inc.-Class A	40,553	1,363	1,389	
Mattel, Inc.	49,398	1,103	1,310	
McDonald's Corp.	147,450	7,886	11,993	
McGraw-Hill Cos. (The), Inc.	43,314	1,977	1,752	
NetFlix, Inc.	6,196	1,144	1,571	
Newell Rubbermaid, Inc.	41,492	959	632	
News Corp.-Class A	324,747	5,784	5,544	
Nike, Inc.-Class B	53,904	3,210	4,680	
Nordstrom, Inc.	23,846	826	1,080	
O'Reilly Automotive, Inc.	19,417	869	1,228	
Omnicom Group	39,951	1,853	1,857	
Polo Ralph Lauren Corp.	9,161	793	1,172	
Priceline.Com, Inc.	7,056	1,554	3,486	
Pulte Homes, Inc.	48,154	1,419	356	
RadioShack Corp.	15,409	412	200	
Ross Stores, Inc.	16,494	781	1,275	
Scripps Networks Interactive-Class A	13,006	575	613	
Sears Holdings Corp.	6,213	794	428	
Sherwin-Williams Co. (The)	12,572	757	1,018	
Staples, Inc.	101,349	2,358	1,545	
Starbucks Corp.	106,527	2,736	4,060	
Starwood Hotels & Resorts Worldwide, Inc.	27,726	1,456	1,500	
Target Corp.	97,917	5,350	4,432	
Tiffany & Co.	18,150	835	1,375	
Time Warner Cable	47,767	2,503	3,598	
Time Warner, Inc.	151,940	6,109	5,333	
TJX Cos., Inc.	54,796	1,817	2,776	
Urban Outfitters, Inc.	17,969	600	488	
VF Corp.	12,438	909	1,303	
Viacom, Inc.-Class B	82,990	4,734	4,082	
Walt Disney Co. (The)	268,610	8,907	10,115	
Washington Post Co. (The)-Class B	741	494	299	
Whirlpool Corp.	10,833	925	850	
Wyndham Worldwide Corp.	24,234	670	787	
Wynn Resorts, Ltd.	10,816	679	1,498	
Yum! Brands, Inc.	66,163	2,221	3,525	
		160,457	177,645	10.7
Consumer Staples				
Altria Group, Inc.	297,492	6,153	7,580	
Archer-Daniels-Midland Co.	96,927	2,988	2,818	
Avon Products, Inc.	61,136	2,349	1,651	
Brown-Forman Corp.-Class B	14,650	831	1,055	
Campbell Soup Co.	25,824	990	860	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Clorox Co.	18,791	1,260	1,223	
Coca-Cola Co. (The)	325,326	18,682	21,124	
Coca-Cola Ent, Inc.	46,393	1,059	1,306	
Colgate-Palmolive Co.	69,477	5,154	5,859	
ConAgra Foods, Inc.	58,075	1,597	1,445	
Constellation Brands, Inc.-Class A	25,431	647	511	
Costco Wholesale Corp.	62,083	3,702	4,868	
CVS Caremark Corp.	192,693	6,383	6,983	
Dean Foods Co.	26,116	744	309	
Dr Pepper Snapple Group, Inc.	31,619	895	1,280	
Estee Lauder Cos. (The), Inc.-Class A	16,203	777	1,645	
General Mills, Inc.	90,725	3,016	3,257	
Hershey Co. (The)	21,624	1,128	1,187	
HJ Heinz Co.	45,735	2,178	2,351	
Hormel Foods Corp.	20,052	418	576	
JM Smucker Co. (The)	16,396	853	1,209	
Kellogg Co.	35,583	1,932	1,899	
Kimberly-Clark Corp.	55,820	4,046	3,584	
Kraft Foods, Inc.-Class A	249,812	7,775	8,491	
Kroger Co. (The)	86,152	2,183	2,063	
Lorillard, Inc.	20,423	1,615	2,146	
McCormick & Co., Inc.	18,830	769	900	
Mead Johnson Nutrition Co.-Class A	29,040	1,349	1,893	
Molson Coors Brewing Co.-Class B	22,584	1,077	975	
PepsiCo, Inc.	224,627	15,163	15,257	
Philip Morris International, Inc.	252,730	12,094	16,279	
Procter & Gamble Co. (The)	396,670	26,402	24,317	
Reynolds American, Inc.	48,045	1,344	1,717	
Safeway, Inc.	50,198	1,392	1,132	
Sara Lee Corp.	83,106	1,643	1,521	
Supervalu, Inc.	31,044	834	282	
Sysco Corp.	82,920	3,047	2,496	
Tyson Foods, Inc.-Class A	42,609	738	798	
Wal-Mart Stores, Inc.	271,401	16,545	13,911	
Walgreen Co.	130,097	5,509	5,330	
Whole Foods Market, Inc.	21,226	1,109	1,300	
		168,370	175,388	10.5
Energy				
Alpha Natural Resources, Inc.	32,196	1,681	1,411	
Anadarko Petroleum Corp.	70,703	3,663	5,236	
Apache Corp.	54,492	4,835	6,487	
Baker Hughes, Inc.	61,767	3,479	4,324	
Cabot Oil & Gas Corp.	14,847	794	949	
Cameron International Corp.	34,822	1,465	1,690	
Chesapeake Energy Corp.	93,462	2,985	2,676	
Chevron Corp.	285,679	22,040	28,332	
ConocoPhillips	200,874	12,912	14,567	
Consol Energy, Inc.	32,209	1,508	1,506	
Denbury Resources, Inc.	56,128	1,002	1,082	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Devon Energy Corp.	60,113	4,145	4,571	
Diamond Offshore Drilling, Inc.	9,953	809	676	
El Paso Corp.	109,280	1,475	2,128	
EOG Resources, Inc.	38,148	2,985	3,847	
Exxon Mobil Corp.	700,044	51,028	54,934	
FMC Technologies, Inc.	34,154	904	1,475	
Halliburton Co.	130,033	3,998	6,399	
Helmerich & Payne, Inc.	15,203	665	969	
Hess Corp.	42,971	2,548	3,100	
Marathon Oil Corp.	101,196	3,777	5,139	
Murphy Oil Corp.	27,489	1,738	1,742	
Nabors Industries, Ltd.	40,899	1,154	972	
National Oilwell Varco, Inc.	60,124	2,743	4,534	
Newfield Exploration Company	18,768	1,346	1,231	
Noble Corp.	35,837	1,352	1,362	
Noble Energy, Inc.	25,078	1,772	2,169	
NRG Energy, Inc.	34,432	846	816	
Occidental Petroleum Corp.	115,518	7,068	11,597	
Peabody Energy Corp.	38,476	1,836	2,187	
Pioneer Natural Resources Co.	16,593	932	1,435	
QEP Resources, Inc.	25,120	829	1,013	
Range Resources Corp.	22,830	1,124	1,222	
Rowan Cos., Inc.	18,115	596	678	
Schlumberger, Ltd.	192,835	12,435	16,070	
Southwestern Energy Co.	49,441	2,176	2,044	
Spectra Energy Corp.	92,373	2,282	2,443	
Sunoco, Inc.	17,240	865	694	
Tesoro Corp.	20,082	674	444	
Valero Energy Corp.	81,040	3,035	2,001	
Williams Cos., Inc.	83,583	1,931	2,439	
		175,432	208,591	12.5
Financials				
Aflac, Inc.	66,467	3,351	2,994	
Allstate Corp. (The)	74,389	3,645	2,192	
American Express Co.	148,630	7,700	7,415	
American International Group, Inc.	61,997	18,213	1,754	
Ameriprise Financial, Inc.	34,368	1,455	1,912	
AON Corp.	46,974	1,910	2,324	
Apartment Investment & Management Co. REIT-Class A	16,618	478	409	
Assurant, Inc.	13,692	725	479	
Australia & New Zealand Banking Group, Ltd.	32,822	1,087	1,222	
AvalonBay Communities, Inc. REIT	12,409	1,487	1,538	
Bank of America Corp.	1,439,993	42,329	15,218	
Bank of New York Mellon Corp.	176,463	6,593	4,362	
BB&T Corp.	98,976	3,615	2,564	
Berkshire Hathaway, Inc.-Class B	246,030	19,905	18,369	
BlackRock, Inc.	13,660	2,664	2,527	
Boston Properties, Inc. REIT	20,691	1,866	2,120	
Capital One Financial Corp.	65,246	4,022	3,254	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
CB Richard Ellis Group, Inc.-Class A	41,481	830	1,004	
Charles Schwab Corp. (The)	142,338	2,563	2,257	
Chubb Corp.	41,575	2,204	2,512	
Cincinnati Financial Corp.	23,261	946	654	
Citigroup, Inc.	415,052	39,568	16,664	
CME Group, Inc.	9,531	4,391	2,682	
Comerica, Inc.	25,122	1,262	838	
Discover Financial Services	77,521	1,500	2,001	
E*Trade Financial Corp.	35,829	1,135	477	
Equity Residential REIT	41,874	1,792	2,425	
Federated Investors, Inc.-Class B	13,104	445	301	
Fifth Third Bancorp	130,564	3,250	1,604	
First Horizon National Corp.	37,010	754	340	
Franklin Resources, Inc.	20,495	1,987	2,596	
Genworth Financial, Inc.-Class A	69,718	1,671	691	
Goldman Sachs Group, Inc.	73,576	11,409	9,445	
Hartford Financial Services Group, Inc.	63,280	3,213	1,609	
HCP, Inc.	57,702	1,950	2,044	
Health Care, Inc. REIT	25,120	1,136	1,271	
Host Hotels & Resorts, Inc. REIT	97,515	1,935	1,595	
Hudson City Bancorp, Inc.	75,681	1,151	597	
Huntington Bancshares, Inc.	122,777	1,287	776	
IntercontinentalExchange, Inc.	10,449	1,345	1,258	
Invesco, Ltd.	65,667	1,534	1,482	
Janus Capital Group, Inc.	26,483	473	241	
JPMorgan Chase & Co.	564,699	26,006	22,296	
Keycorp	135,125	2,090	1,085	
Kimco Realty Corp. REIT	57,831	1,450	1,040	
Legg Mason, Inc.	21,245	1,595	672	
Leucadia National Corp.	28,153	1,048	927	
Lincoln National Corp.	44,179	1,928	1,213	
Loews Corp.	44,156	1,647	1,794	
M&T Bank Corp.	17,834	1,678	1,513	
Marsh & McLennan Cos., Inc.	77,843	2,781	2,342	
Marshall & Ilsley Corp.	76,277	1,088	586	
Merck & Co., Inc.	438,634	17,937	14,931	
Metlife, Inc.	150,217	6,796	6,357	
Moody's Corp.	27,953	1,145	1,034	
Morgan Stanley	219,513	9,087	4,877	
NASDAQ OMX Group, Inc.	21,729	708	530	
Northern Trust Corp.	34,364	2,124	1,525	
NYSE Euronext	37,206	2,330	1,229	
People's United Financial, Inc.	51,311	1,037	666	
Plum Creek Timber Co., Inc. REIT	23,014	951	900	
PNC Financial Services Group, Inc.	74,790	6,860	4,300	
Principal Financial Group	45,664	1,791	1,342	
Progressive Corp. (The)	93,153	2,172	1,920	
ProLogis, Inc. REIT	60,294	2,765	2,083	
Prudential Financial, Inc.	69,351	4,378	4,255	
Public Storage, Inc. REIT	19,885	1,776	2,187	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Regions Financial Corp.	179,486	2,929	1,072	
Simon Property Group, Inc. REIT	41,682	3,359	4,676	
SLM Corp.	74,954	2,293	1,217	
State Street Corp.	71,630	4,090	3,116	
SunTrust Banks, Inc.	76,299	3,683	1,898	
T Rowe Price Group, Inc.	36,914	1,692	2,149	
Torchmark Corp.	10,794	646	668	
Travelers Cos. (The), Inc.	59,512	3,089	3,353	
Unum Group	43,743	941	1,076	
US Bancorp	273,797	8,609	6,738	
Ventas, Inc. REIT	23,230	804	1,182	
Visa, Inc.-Class A	68,070	6,158	5,536	
Vornado Realty Trust REIT	23,303	2,042	2,096	
Wells Fargo & Co.	751,632	33,378	20,347	
XL Group PLC	43,584	1,588	925	
Zions Bancorporation	26,126	1,117	605	
		390,362	266,275	16.0
Health Care				
Abbott Laboratories	220,879	12,328	11,209	
Aetna, Inc.	53,932	2,053	2,293	
Allergan, Inc.	43,314	2,522	3,480	
AmerisourceBergen Corp.	38,934	898	1,556	
Amgen, Inc.	132,125	9,051	7,438	
Baxter International, Inc.	81,057	4,275	4,666	
Becton Dickinson & Co.	31,088	2,361	2,585	
Biogen Idec, Inc.	34,339	2,049	3,543	
Boston Scientific Corp.	217,179	3,927	1,448	
Bristol-Myers Squibb Co.	242,439	6,888	6,771	
Cardinal Health, Inc.	49,823	2,298	2,184	
CareFusion Corp.	31,754	1,044	832	
Celgene Corp.	65,770	3,991	3,826	
Cephalon, Inc.	10,932	901	843	
Cerner Corp.	20,560	917	1,211	
Cigna Corp.	38,452	1,381	1,910	
Coventry Health Care, Inc.	21,197	937	745	
Covidien PLC	70,450	3,534	3,616	
CR Bard, Inc.	12,173	1,028	1,291	
DaVita, Inc.	13,580	818	1,135	
DENTSPLY International, Inc.	19,732	718	725	
Edwards Lifesciences Corp.	16,298	1,378	1,371	
Eli Lilly & Co.	144,775	8,246	5,242	
Express Scripts, Inc.	75,242	2,242	3,919	
Forest Laboratories, Inc.	40,668	2,046	1,544	
Gilead Sciences, Inc.	111,849	4,271	4,469	
Hospira, Inc.	23,844	1,041	1,303	
Humana, Inc.	23,931	1,164	1,859	
Intuitive Surgical, Inc.	5,584	1,569	2,004	
Johnson & Johnson	389,543	27,362	24,986	
Laboratory Corp. of America Holdings	14,240	991	1,330	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Life Technologies Corp.	25,568	900	1,285	
McKesson Corp.	35,830	1,950	2,892	
Medco Health Solutions, Inc.	56,816	2,299	3,099	
Medtronic, Inc.	151,970	8,003	5,647	
Mylan, Inc.	62,424	1,238	1,486	
Patterson Cos., Inc.	13,622	501	432	
PerkinElmer, Inc.	15,839	395	412	
Pfizer, Inc.	1,122,827	30,240	22,312	
Quest Diagnostics, Inc.	22,362	1,270	1,275	
St. Jude Medical, Inc.	46,734	2,062	2,150	
Stryker Corp.	47,421	2,661	2,685	
Tenet Healthcare Corp.	69,577	573	418	
Thermo Fisher Scientific, Inc.	54,525	2,494	3,387	
UnitedHealth Group, Inc.	153,968	6,826	7,666	
Varian Medical Systems, Inc.	16,506	887	1,115	
Waters Corp.	13,024	750	1,204	
Watson Pharmaceuticals, Inc.	17,975	767	1,192	
WellPoint, Inc.	52,204	3,496	3,968	
Zimmer Holdings, Inc.	27,281	2,098	1,663	
		183,639	175,622	10.5
Industrials				
3M Co.	100,981	9,032	9,242	
ACE Aviation Holdings, Inc.	47,949	2,759	3,045	
Avery Dennison Corp.	15,108	833	563	
Boeing Co.	104,917	7,344	7,486	
C.H. Robinson Worldwide, Inc.	23,137	1,380	1,760	
Caterpillar, Inc.	91,584	5,825	9,407	
Cintas Corp.	17,671	702	563	
CSX Corp.	156,715	2,086	3,964	
Cummins, Inc.	27,889	1,187	2,784	
Danaher Corp.	77,383	2,884	3,957	
Deere & Co.	59,646	3,137	4,746	
Dover Corp.	26,516	1,270	1,735	
Dun & Bradstreet Corp.	6,979	648	509	
Eaton Corp.	48,489	1,885	2,407	
Emerson Electric Co.	106,821	4,813	5,797	
Equifax, Inc.	17,747	639	594	
Expeditors International of Washington, Inc.	30,181	1,385	1,491	
Fastenal Co.	41,904	1,108	1,455	
FedEx Corp.	44,859	4,249	4,106	
Flowserve Corp.	7,935	733	842	
Fluor Corp.	24,644	1,140	1,538	
General Dynamics Corp.	52,866	3,747	3,803	
General Electric Co.	1,507,136	46,940	27,403	
Goodrich Corp.	17,746	968	1,635	
Honeywell International, Inc.	111,842	5,148	6,428	
Illinois Tool Works, Inc.	71,063	3,543	3,874	
Ingersoll-Rand PLC	47,077	2,010	2,063	
Iron Mountain, Inc.	28,522	797	938	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
ITT Corp.	26,164	1,448	1,487	
Jacobs Engineering Group, Inc.	18,022	1,183	752	
Joy Global, Inc.	14,928	1,368	1,372	
L-3 Communications Holdings, Inc.	15,072	1,376	1,272	
Lockheed Martin Corp.	40,472	3,324	3,163	
Masco Corp.	51,597	1,319	598	
Monster Worldwide, Inc.	18,947	498	268	
Norfolk Southern Corp.	50,197	2,514	3,629	
Northrop Grumman Corp.	41,599	2,729	2,784	
Paccar, Inc.	51,938	2,090	2,561	
Pall Corp.	16,503	594	895	
Parker Hannifin Corp.	23,048	1,352	1,996	
Pitney Bowes, Inc.	29,149	1,201	646	
Precision Castparts Corp.	20,447	2,416	3,247	
Quanta Services, Inc.	31,058	778	605	
Raytheon Co.	50,618	2,611	2,434	
Republic Services, Inc.	42,917	1,227	1,277	
Robert Half International, Inc.	20,529	631	535	
Rockwell Automation, Inc.	20,509	1,123	1,717	
Rockwell Collins, Inc.	21,894	1,199	1,304	
RR Donnelley & Sons Co.	26,612	837	503	
Ryder System, Inc.	7,367	357	404	
Snap-On, Inc.	8,211	378	495	
Southwest Airlines Co.	112,511	1,681	1,241	
Stanley Black & Decker, Inc.	23,892	1,367	1,660	
Stericycle, Inc.	12,201	880	1,049	
Textron, Inc.	39,247	1,305	895	
Union Pacific Corp.	69,709	4,051	7,022	
United Parcel Service, Inc.-Class B	140,151	10,672	9,865	
United Technologies Corp.	130,068	8,683	11,109	
W.W. Grainger, Inc.	8,302	719	1,231	
Waste Management, Inc.	67,390	2,470	2,423	
		182,573	184,574	11.1
Information Technology				
Adobe Systems, Inc.	71,690	2,484	2,175	
Advanced Micro Devices, Inc.	82,457	1,176	555	
Agilent Technologies, Inc.	49,462	1,736	2,440	
Akamai Technologies, Inc.	26,535	1,069	806	
Altera Corp.	45,792	1,193	2,048	
Amphenol Corp.-Class A	25,035	1,043	1,304	
Analog Devices, Inc.	42,582	1,710	1,608	
Apple, Inc.	131,417	17,807	42,558	
Applied Materials, Inc.	187,339	3,529	2,352	
Automatic Data Processing, Inc.	71,014	3,349	3,609	
BMC Software, Inc.	24,946	762	1,317	
Broadcom Corp.-Class A	67,806	2,169	2,201	
CA, Inc.	53,544	1,449	1,180	
Cisco Systems, Inc.	781,631	19,511	11,768	
Citrix Systems, Inc.	26,717	1,012	2,062	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cognizant Technology Solutions Corp.-Class A	43,238	1,906	3,060	
Computer Sciences Corp.	22,041	1,141	807	
Compuware Corp.	31,040	282	292	
Corning, Inc.	223,101	4,243	3,906	
Dell, Inc.	233,587	6,526	3,758	
eBay, Inc.	162,312	5,441	5,053	
EMC Corp., Massachusetts	292,402	4,968	7,775	
F5 Networks, Inc.	11,528	1,557	1,226	
Fidelity National Information Services, Inc.	38,243	987	1,136	
First Solar, Inc.	7,715	1,165	985	
Fiserv, Inc.	20,370	1,011	1,231	
Flir Systems, Inc.	22,694	784	738	
Google, Inc.-Class A	35,721	17,926	17,448	
Harris Corp.	18,211	875	792	
Hewlett-Packard Co.	294,734	11,615	10,354	
Intel Corp.	753,426	19,332	16,099	
International Business Machines Corp.	172,124	20,241	28,476	
Intuit, Inc.	38,882	1,231	1,944	
Jabil Circuit, Inc.	28,476	651	555	
JDS Uniphase Corp.	32,259	614	518	
Juniper Networks, Inc.	75,756	1,864	2,303	
KLA-Tencor Corp.	23,862	1,133	932	
Lexmark International, Inc.	11,313	684	319	
Linear Technology Corp.	32,365	1,199	1,031	
LSI Corp.	86,342	700	592	
MasterCard, Inc.-Class A	13,368	3,378	3,885	
MEMC Electronic Materials, Inc.	32,407	1,431	266	
Microchip Technology, Inc.	27,071	961	990	
Micron Technology, Inc.	122,399	1,416	882	
Microsoft Corp.	1,054,572	31,709	26,442	
Molex, Inc.	19,394	566	482	
Motorola Mobility Holdings, Inc.	41,922	2,083	890	
Motorola Solutions, Inc.	48,252	2,901	2,143	
National Semiconductor Corp.	34,391	709	817	
NetApp, Inc.	52,279	1,697	2,663	
Novellus Systems, Inc.	12,718	378	444	
NVIDIA Corp.	85,310	1,333	1,312	
Oracle Corp.	553,745	11,443	17,577	
Paychex, Inc.	45,768	1,716	1,356	
QUALCOMM, Inc.	237,257	10,726	12,997	
Red Hat, Inc.	27,498	762	1,218	
SAIC, Inc.	39,586	778	643	
Salesforce.com, Inc.	17,126	1,203	2,463	
SanDisk Corp.	33,876	1,559	1,357	
Symantec Corp.	107,649	2,408	2,047	
Tellabs, Inc.	49,790	471	221	
Teradata Corp.	23,989	686	1,394	
Teradyne, Inc.	25,771	396	368	
Texas Instruments, Inc.	165,015	5,216	5,224	
Total System Services, Inc.	23,154	541	415	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
VeriSign, Inc.	23,855	663	770	
Western Digital Corp.	33,039	1,066	1,159	
Western Union Co.	90,136	1,859	1,742	
Xerox Corp.	199,126	2,464	2,001	
Xilinx, Inc.	37,749	1,231	1,329	
Yahoo!, Inc.	185,163	4,439	2,686	
		266,264	287,496	17.2
Materials				
Air Products & Chemicals, Inc.	30,113	2,296	2,777	
Airgas, Inc.	9,917	511	670	
AK Steel Holding Corp.	16,103	798	245	
Alcoa, Inc.	151,167	3,733	2,311	
Allegheny Technologies, Inc.	15,083	771	923	
Ball Corp.	23,840	566	884	
Bemis Co.	15,244	489	497	
CF Industries Holdings, Inc.	10,159	1,188	1,389	
Cliffs Natural Resources, Inc.	20,557	1,099	1,834	
Dow Chemical Co. (The)	167,063	6,346	5,804	
Eastman Chemical Co.	10,097	616	994	
Ecolab, Inc.	32,970	1,511	1,793	
El Du Pont de Nemours & Co.	131,979	6,327	6,882	
FMC Corp.	10,285	592	854	
Freeport-McMoran Copper & Gold, Inc.	134,624	4,716	6,870	
International Flavors & Fragrances, Inc.	11,460	543	710	
International Paper Co.	62,140	2,176	1,787	
MeadWestvaco Corp.	24,116	730	774	
Monsanto Co.	76,169	4,773	5,332	
Newmont Mining Corp.	70,159	3,525	3,653	
Nucor Corp.	44,917	1,963	1,786	
Owens-Illinois, Inc.	23,573	778	587	
PPG Industries, Inc.	22,388	1,583	1,961	
Praxair, Inc.	43,212	3,058	4,519	
Sealed Air Corp.	22,317	608	512	
Sigma-Aldrich Corp.	17,364	812	1,229	
Titanium Metals Corp.	12,236	290	216	
Tyco International, Ltd.	66,642	2,649	3,176	
United States Steel Corp.	20,432	1,173	907	
Vulcan Materials Co.	18,349	1,190	682	
Weyerhaeuser Co.	76,540	2,630	1,613	
		60,040	64,171	3.8
Pharmaceuticals				
Roper Industries, Inc.	13,629	807	1,095	
		807	1,095	0.1
Telecommunication Services				
American Tower Corp.-Class A	56,366	2,402	2,845	
AT&T, Inc.	841,573	26,467	25,495	
CenturyTel, Inc.	85,344	3,149	3,328	
Frontier Communications Corp.	141,709	1,590	1,101	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
MetroPCS Communications, Inc.	38,091	537	632	
Sprint Nextel Corp.	425,156	6,397	2,207	
Verizon Communications, Inc.	402,040	14,988	14,438	
Windstream Corp.	72,475	904	906	
		56,434	50,952	3.1
Utilities				
AES Corp. (The)	92,668	1,424	1,139	
Ameren Corp.	34,271	1,536	953	
American Electric Power Co., Inc.	68,469	2,726	2,488	
Centerpoint Energy, Inc.	60,565	921	1,131	
CMS Energy Corp.	35,864	561	682	
Consolidated Edison, Inc.	41,579	2,111	2,135	
Constellation Energy Group, Inc.	28,523	1,479	1,045	
Dominion Resources, Inc.	81,828	3,557	3,811	
DTE Energy Co.	24,115	1,167	1,164	
Duke Energy Corp.	189,197	3,506	3,435	
Edison International	46,302	1,919	1,731	
Entergy Corp.	25,292	2,238	1,667	
EQT Corp.	21,237	841	1,076	
Exelon Corp.	94,133	5,378	3,891	
FirstEnergy Corp.	59,434	3,188	2,532	
FPL Group, Inc.	59,966	3,219	3,324	
Integrus Energy Group, Inc.	10,871	607	544	
Nicor, Inc.	6,149	286	325	
NiSource, Inc.	39,734	861	777	
Northeast Utilities	25,123	671	853	
Oneok, Inc.	15,224	743	1,087	
Pepco Holdings, Inc.	32,432	713	614	
PG&E Corp.	56,554	2,467	2,292	
Pinnacle West Capital Corp.	15,596	690	670	
PPL Corp.	82,021	2,638	2,203	
Progress Energy, Inc.	41,856	2,061	1,939	
Public Service Enterprise Group, Inc.	71,896	2,560	2,263	
Scana Corp.	16,308	688	619	
Sempra Energy	34,029	1,771	1,736	
Southern Co. (The)	120,670	4,675	4,701	
TECO Energy, Inc.	30,022	537	547	
Wisconsin Energy Corp.	33,219	888	1,004	
Xcel Energy, Inc.	68,808	1,540	1,612	
		60,167	55,990	3.4
Total Common Stocks		1,704,545	1,647,799	98.9
Transaction Costs (Note 2)		(104)		
Total Investments		1,705,774	1,649,112	99.0
Other Assets and Liabilities			17,412	1.0
Net Assets			1,666,524	100.0

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Government Guaranteed	0.1	0.2
Consumer Discretionary	10.7	10.5
Consumer Staples	10.5	10.5
Energy	12.5	11.8
Financials	16.0	16.9
Health Care	10.5	9.7
Industrials	11.1	10.8
Information Technology	17.2	18.0
Materials	3.8	3.9
Pharmaceuticals	0.1	0.1
Telecommunication Services	3.1	3.1
Utilities	3.4	3.3
Other Assets and Liabilities	1.0	1.2

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

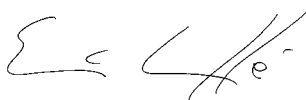
	2011	2010
Assets		
Investments - at fair value* (Note 2)	\$ 465,365,951	\$ 656,826,673
Cash	801,307	2,553,615
Margin due from brokers	12,768	6,831
Dividends receivable	528,169	522,840
Tax reclaim on dividends receivable	61,755	60,942
Accounts receivable for investment sales	8,608,461	2,817,347
	<u>475,378,411</u>	<u>662,788,248</u>
Liabilities		
Operating expenses payable	22,278	25,214
Payables for redemption of units	-	284,000
Payables for investment purchases	9,395,580	2,549,098
	<u>9,417,858</u>	<u>2,858,312</u>
Net Assets	<u>\$ 465,960,553</u>	<u>\$ 659,929,936</u>
Number of Units Issued and Outstanding (Note 7)	<u>57,137,352</u>	<u>84,243,170</u>
Net Assets per Unit	<u>\$ 8.16</u>	<u>\$ 7.83</u>
Investments at Cost*	<u>\$ 447,399,309</u>	<u>\$ 632,633,795</u>

* Includes short-term investments

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 5,621,767	\$ 12,055,882
Interest income*	(5,176)	22,360
Net gain from futures contracts	241,524	85,409
Foreign exchange loss	(38,807)	(111,227)
Withholding taxes	(2,378)	(25,107)
	<u>5,816,930</u>	<u>12,027,317</u>
Expenses		
Custodian fees	59,542	162,240
Fund accounting expenses	20,762	34,127
Unitholder communication costs	299	299
Audit fees	7,548	5,289
Securities filing fees	4,876	6,495
Independent review committee fees	129	4,175
Other operating expenses	3,773	7,041
	<u>96,929</u>	<u>219,666</u>
Net Investment Income for the Period	<u>5,720,001</u>	<u>11,807,651</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	23,733,077	(2,514,262)
Transaction costs (Note 2,12)	(282,408)	(1,059,587)
Net change in unrealized depreciation in value of investments	(6,213,386)	(119,497,518)
Net Gain (Loss) on Investments	<u>17,237,283</u>	<u>(123,071,367)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 22,957,284</u>	<u>\$ (111,263,716)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.31</u>	<u>\$ (0.58)</u>

* Interest Income, net of foreign exchange loss

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 659,929,936	\$ 1,478,196,322
Increase (Decrease) in Net Assets from Operations	<u>22,957,284</u>	<u>(111,263,716)</u>
Capital Transactions		
Proceeds from issue of units	2,234,062	54,873,587
Reinvestment of distributions	5,765,028	12,098,884
Redemption of units	(219,160,729)	(314,550,965)
Net capital transactions	<u>(211,161,639)</u>	<u>(247,578,494)</u>
Distributions		
From net investment income	(5,765,028)	(12,098,884)
Total distributions	<u>(5,765,028)</u>	<u>(12,098,884)</u>
Decrease in Net Assets for the Period	<u>(193,969,383)</u>	<u>(370,941,094)</u>
Net Assets - End of Period	<u>\$ 465,960,553</u>	<u>\$ 1,107,255,228</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Short Term Investments				
Government				
Government Guaranteed				
U.S. Treasury Bill				
0.02% September 22, 2011	1,345	1,318	1,298	
		1,318	1,298	0.3
Total Short Term Investments		1,318	1,298	0.3
Canadian Common Stocks				
Consumer Discretionary				
Aeropostale, Inc.	28,294	693	478	
Apollo Group, Inc.-Class A	25,676	1,448	1,082	
AutoZone, Inc.	13,032	3,650	3,709	
Bed Bath & Beyond, Inc.	21,868	1,142	1,232	
Big Lots, Inc.	43,706	1,484	1,398	
Cablevision Systems-NY Group A	23,206	784	811	
Coach, Inc.	3,130	185	193	
Deckers Outdoor Corp.	13,876	1,135	1,181	
Dex One Corp.	17,767	501	44	
DIRECTV-Class A	36,761	1,651	1,803	
Discovery Communications-Class A	47,936	1,980	1,895	
Family Dollar Stores, Inc.	5,248	224	266	
General Motors Co.	63,460	2,154	1,860	
Hillenbrand, Inc.	7,936	170	181	
McDonald's Corp.	97,738	6,986	7,950	
Nike, Inc.-Class B	67,700	4,489	5,877	
NVR, Inc.	4,445	3,056	3,117	
Pandora Media, Inc.	4,316	67	79	
Panera Bread Company	3,681	432	446	
Penn National Gaming, Inc.	22,098	836	860	
Polaris Industries, Inc.	6,417	542	688	
Priceline.Com, Inc.	10,084	4,741	4,982	
Ross Stores, Inc.	5,447	391	421	
Scripps Networks Interactive-Class A	13,906	636	655	
Sears Holdings Corp.	10,887	1,013	751	
Signet Jewelers, Ltd.	14,765	622	666	
Staples, Inc.	239,732	3,873	3,656	
Target Corp.	14,150	686	640	
Time Warner Cable	8,917	662	672	
Time Warner, Inc.	111,851	3,572	3,926	
Viacom, Inc.-Class B	47,405	2,299	2,332	
Whirlpool Corp.	16,841	1,510	1,321	
Wynn Resorts, Ltd.	17,519	2,471	2,427	
		56,085	57,599	12.3
Consumer Staples				
BJ's Wholesale Club, Inc.	892	42	43	
Coca-Cola Co. (The)	90,012	5,666	5,845	
Colgate-Palmolive Co.	27,642	2,251	2,331	
Costco Wholesale Corp.	75,545	4,883	5,923	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Estee Lauder Cos. (The), Inc.-Class A	50,313	4,497	5,108	
Hansen Natural Corp.	58,797	3,062	4,593	
Herbalife, Ltd.	84,696	3,324	4,714	
Hershey Co. (The)	17,882	960	982	
JM Smucker Co. (The)	4,922	372	363	
Kroger Co. (The)	125,920	2,928	3,015	
Lorillard, Inc.	26,442	2,189	2,778	
Mead Johnson Nutrition Co.-Class A	79,904	3,971	5,209	
Philip Morris International, Inc.	142,415	8,412	9,173	
Procter & Gamble Co. (The)	36,384	2,342	2,230	
Tyson Foods, Inc.-Class A	185,437	3,295	3,472	
		48,194	55,779	12.0
Energy				
Alpha Natural Resources, Inc.	34,256	1,664	1,501	
Anadarko Petroleum Corp.	81,826	6,256	6,059	
Baker Hughes, Inc.	463	32	32	
Chevron Corp.	31,643	2,707	3,138	
ConocoPhillips	121,787	7,326	8,832	
Core Laboratories	5,796	525	624	
Devon Energy Corp.	5,359	407	407	
Energen Corp.	23,406	1,303	1,277	
Energy Partners, Ltd.	21,129	263	302	
Exxon Mobil Corp.	256,602	20,292	20,136	
Hess Corp.	11,166	758	806	
Marathon Oil Corp.	39,673	1,986	2,015	
National Fuel Gas Co.	1,297	88	91	
National Oilwell Varco, Inc.	49,886	2,648	3,762	
Noble Energy, Inc.	23,056	2,029	1,994	
Oceaneering International, Inc.	2,334	91	91	
Peabody Energy Corp.	2,111	129	120	
Seacor Holdings, Inc.	9,474	985	913	
Solazyme, Inc.	1,213	21	27	
Williams Cos., Inc.	4,001	118	117	
		49,628	52,244	11.2
Financials				
Allied World Assurance Co. Holdings, Ltd.	21,953	1,295	1,219	
Ameriprise Financial, Inc.	18,861	875	1,049	
Aspen Insurance Holdings, Ltd.	41,239	1,142	1,024	
Assurant, Inc.	3,360	123	118	
Australia & New Zealand Banking Group, Ltd.	29,951	1,134	1,115	
Axis Capital Holdings, Ltd.	43,429	1,454	1,298	
Bank of America Corp.	681,297	10,171	7,200	
Berkshire Hathaway, Inc.-Class B	6,514	524	486	
BlackRock, Inc.	3,740	702	692	
BOK Financial Corp.	1,798	90	95	
Broadridge Financial Solutions, Inc.	23,141	511	538	
Capital One Financial Corp.	95,936	3,950	4,784	
Chubb Corp.	17,825	1,095	1,077	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Citigroup, Inc.	7,103	270	285	
City National Corp.	32,865	1,845	1,720	
CME Group, Inc.	14,072	4,118	3,960	
CNA Financial Corp.	1,268	37	36	
Commerce Bancshares, Inc.	13,435	532	557	
Endurance Specialty Holdings, Ltd.	9,952	420	397	
First Citizens BancShares, Inc.-Class A	177	32	32	
Goldman Sachs Group, Inc.	46,042	6,724	5,910	
Hanover Insurance Group, Inc.	9,747	419	354	
Howard Hughes Corp.	1,763	94	111	
Huntington Bancshares, Inc.	10,741	72	68	
JPMorgan Chase & Co.	278,396	11,686	10,992	
M&T Bank Corp.	44,939	3,746	3,812	
Marshall & Ilsley Corp.	528	3	4	
Merck & Co., Inc.	225,072	7,796	7,661	
NASDAQ OMX Group, Inc.	119,536	2,577	2,918	
NYSE Euronext	645	21	21	
Public Storage, Inc. REIT	4,557	489	501	
Rayonier, Inc. REIT	33,322	1,825	2,102	
SunTrust Banks, Inc.	55,358	1,519	1,377	
T Rowe Price Group, Inc.	3,642	211	212	
Transatlantic Holdings, Inc.	5,495	255	260	
Travelers Cos. (The), Inc.	72,769	4,196	4,100	
US Bancorp	48,553	1,180	1,195	
Ventas, Inc. REIT	4,805	252	244	
Vornado Realty Trust REIT	3,143	289	283	
Wells Fargo & Co.	56,984	1,643	1,543	
XL Group PLC	14,897	322	316	
		75,639	71,666	15.4
Health Care				
Accenture PLC-Class A	33,304	1,938	1,942	
Alexion Pharmaceuticals	22,034	1,052	1,000	
Allergan, Inc.	69,140	5,147	5,554	
AMERIGROUP Corp.	1,456	99	99	
Amgen, Inc.	73,134	3,846	4,117	
Biogen Idec, Inc.	10,035	932	1,035	
Bristol-Myers Squibb Co.	227,357	5,640	6,350	
Cardinal Health, Inc.	11,264	483	494	
CareFusion Corp.	74,384	1,910	1,950	
Celgene Corp.	31,486	1,807	1,832	
Cephalon, Inc.	2,984	179	230	
Express Scripts, Inc.	48,930	2,469	2,549	
Forest Laboratories, Inc.	2,391	79	91	
Humana, Inc.	6,721	471	522	
Intuitive Surgical, Inc.	14,791	4,521	5,308	
Johnson & Johnson	38,139	2,475	2,446	
Medco Health Solutions, Inc.	95,316	5,407	5,199	
Medicis Pharmaceutical-Class A	9,460	264	349	
Mettler-Toledo International, Inc.	1,812	303	295	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
PerkinElmer, Inc.	1,482	38	39	
Pfizer, Inc.	84,196	1,799	1,673	
Quest Diagnostics, Inc.	12,667	701	722	
Sanofi-Aventis SA	5,842	13	14	
Stryker Corp.	35,170	1,986	1,991	
Thermo Fisher Scientific, Inc.	52,797	2,805	3,280	
United Therapeutics Corp.	36,335	2,073	1,932	
Warner Chilcott PLC	201,441	4,544	4,691	
WellPoint, Inc.	19,305	1,178	1,467	
		54,159	57,171	12.3
Industrials				
ACE Aviation Holdings, Inc.	86,234	4,665	5,476	
AGCO Corp.	60,244	2,152	2,869	
Alliant Techsystems, Inc.	25,589	2,090	1,762	
C.H. Robinson Worldwide, Inc.	41,305	2,833	3,142	
Caterpillar, Inc.	66,216	6,965	6,801	
Copa Holdings SA-Class A	4,327	219	279	
Crown Holdings, Inc.	4,318	158	162	
Cummins, Inc.	54,743	4,333	5,464	
Donaldson Co., Inc.	3,521	205	206	
Dresser-Rand Group, Inc.	17,141	785	890	
Emerson Electric Co.	21,089	1,092	1,144	
Expeditors International of Washington, Inc.	7,765	363	384	
General Dynamics Corp.	4,681	341	337	
General Electric Co.	219,449	4,473	3,990	
Harsco Corp.	13,567	388	427	
Lincoln Electric Holdings, Inc.	1,103	37	38	
Manpower, Inc.	53,224	3,041	2,754	
Northrop Grumman Corp.	82,286	5,350	5,507	
Parker Hannifin Corp.	2,709	230	235	
Union Pacific Corp.	8,554	820	862	
URS Corp.	18,399	817	795	
Verisk Analytics, Inc.-Class A	4,700	147	157	
W.W. Grainger, Inc.	6,614	775	981	
WESCO International, Inc.	13,373	631	698	
		42,910	45,360	9.7
Information Technology				
Active Network, Inc.	19,276	283	329	
Agilent Technologies, Inc.	7,655	320	378	
Akamai Technologies, Inc.	39,539	1,227	1,201	
Altera Corp.	118,584	4,164	5,304	
Amdocs, Ltd.	14,054	402	412	
Analog Devices, Inc.	3,512	132	133	
Apple, Inc.	51,379	13,812	16,638	
Avago Technologies, Ltd.	72,299	2,257	2,651	
Cisco Systems, Inc.	424,962	9,362	6,398	
Cognizant Technology Solutions Corp.-Class A	61,035	4,332	4,320	
Computer Sciences Corp.	65,747	3,220	2,409	
F5 Networks, Inc.	7,238	756	770	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Google, Inc.-Class A	15,938	7,809	7,785	
Harris Corp.	5,205	227	226	
IAC/InterActiveCorp.	78,502	2,304	2,892	
Intel Corp.	23,771	496	508	
International Business Machines Corp.	19,679	2,538	3,256	
Intuit, Inc.	67,902	3,427	3,395	
KLA-Tencor Corp.	24,996	989	976	
Lam Research Corp.	8,184	371	350	
Lexmark International, Inc.	4,238	126	120	
MICROS Systems, Inc.	17,229	776	826	
Microsoft Corp.	111,804	3,264	2,803	
NetApp, Inc.	70,227	3,438	3,578	
Oracle Corp.	302,866	8,976	9,614	
QUALCOMM, Inc.	33,168	1,801	1,817	
VMware, Inc.-Class A	42,445	3,367	4,103	
Xerox Corp.	97,695	944	981	
		81,120	84,173	18.1
Materials				
Airgas, Inc.	386	24	26	
Alcoa, Inc.	8,428	133	129	
Arch Coal, Inc.	17,886	473	460	
Ball Corp.	105,175	3,938	3,900	
CF Industries Holdings, Inc.	215	31	29	
Ecolab, Inc.	730	39	40	
LyondellBasell Industries-Class A	75,593	2,917	2,811	
Mosaic Co.	35,957	2,424	2,350	
Newmont Mining Corp.	12,890	664	671	
PPG Industries, Inc.	784	68	69	
Southern Copper Corp.	88,732	3,065	2,815	
Tyco International, Ltd.	16,400	766	781	
Valspar Corp.	1,375	48	48	
Whiting Petroleum Corp.	57,493	3,494	3,157	
		18,084	17,286	3.7
Telecommunication Services				
AT&T, Inc.	83,865	2,592	2,541	
Verizon Communications, Inc.	242,303	7,589	8,701	
		10,181	11,242	2.4
Utilities				
CMS Energy Corp.	116,750	2,231	2,219	
Constellation Energy Group, Inc.	45,483	1,415	1,666	
DTE Energy Co.	1,547	75	75	
ITC Holdings Corp.	2,820	193	195	
NiSource, Inc.	22,332	373	437	
Northeast Utilities	48,780	1,688	1,656	
OGE Energy Corp.	5,421	267	263	
Oneok, Inc.	45,291	2,144	3,235	
Pinnacle West Capital Corp.	9,186	396	395	
Sempra Energy	12,663	687	646	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
UGI Corp.	8,470	260	261	
Wisconsin Energy Corp.	8,674	257	262	
Xcel Energy, Inc.	10,166	241	238	
		10,227	11,548	2.5
Total Canadian Common Stocks		446,227	464,068	99.6
Transaction Costs (Note 2)		(146)		
Total Investments		447,399	465,366	99.9
Other Assets and Liabilities			595	0.1
Net Assets			465,961	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Government Guaranteed	0.3	0.1
Consumer Discretionary	12.3	12.5
Consumer Staples	12.0	11.4
Energy	11.2	10.8
Financials	15.4	14.6
Health Care	12.3	11.6
Industrials	9.7	11.2
Information Technology	18.1	18.1
Materials	3.7	3.0
Telecommunication Services	2.4	4.1
Utilities	2.5	2.1
Other Assets and Liabilities	0.1	0.5

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

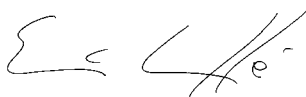
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 35,112,373	\$ 35,906,251
Cash	15,097	14,734
Net unrealized gain on forward currency contracts (Note 5)	1,175,173	1,654,795
	<u>36,302,643</u>	<u>37,575,780</u>
Liabilities		
Operating expenses payable	8,491	15,319
Net unrealized loss on forward currency contracts (Note 5)	719,101	784,757
	<u>727,592</u>	<u>800,076</u>
Net Assets	<u>\$ 35,575,051</u>	<u>\$ 36,775,704</u>
Number of Units Issued and Outstanding (Note 7)	<u>3,370,770</u>	<u>3,741,878</u>
Net Assets per Unit	<u>\$ 10.55</u>	<u>\$ 9.83</u>
Investments at Cost	<u>\$ 38,982,755</u>	<u>\$ 41,289,450</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 434,275	\$ 1,124,269
	<u>434,275</u>	<u>1,124,269</u>
Expenses		
Custodian fees	89	117
Fund accounting expenses	6,581	7,089
Unitholder communication costs	299	299
Audit fees	6,967	4,304
Securities filing fees	301	3,307
Independent review committee fees	8	353
Other operating expenses	1,674	392
	<u>15,919</u>	<u>15,861</u>
Net Investment Income for the Period	<u>418,356</u>	<u>1,108,408</u>
Gain (Loss) on Investments		
Net realized loss on sale of investments	(500,804)	(6,690,817)
Net realized gain from forward currency contracts	1,583,109	1,088,285
Net change in unrealized appreciation (depreciation) in value of investments	1,512,817	(3,699,013)
Net change in unrealized depreciation in value of forward currency contracts	(413,966)	(2,547,775)
Net Gain (Loss) on Investments	<u>2,181,156</u>	<u>(11,849,320)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 2,599,512</u>	<u>\$ (10,740,912)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.76</u>	<u>\$ (0.86)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 36,775,704	\$ 115,526,535
Increase (Decrease) in Net Assets from Operations	<u>2,599,512</u>	<u>(10,740,912)</u>
Capital Transactions		
Proceeds from issue of units	1,000,000	13,226,351
Reinvestment of distributions	418,120	1,108,555
Redemption of units	(4,800,165)	(14,900,000)
Net capital transactions	<u>(3,382,045)</u>	<u>(565,094)</u>
Distributions		
From net investment income	(418,120)	(1,108,555)
Total distributions	<u>(418,120)</u>	<u>(1,108,555)</u>
Decrease in Net Assets for the Period	<u>(1,200,653)</u>	<u>(12,414,561)</u>
Net Assets - End of Period	<u>\$ 35,575,051</u>	<u>\$ 103,111,974</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Foreign Index Equivalents				
BlackRock CDN US Alpha Tilts Non-Taxable Fund	4,304,110	38,983	35,112	
Total Foreign Index Equivalents		38,983	35,112	98.7
Total Investments		38,983	35,112	98.7
Other Assets and Liabilities			463	1.3
Net Assets			35,575	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Foreign Index Equivalents	98.7	97.6
Other Assets and Liabilities	1.3	2.4

Open forward currency contracts held by the Fund as at June 30, 2011 are shown in Note 5.

Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

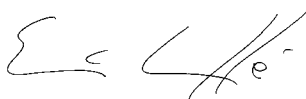
	2011	2010
Assets		
Investments - at fair value* (Note 2)	\$ 571,623,646	\$ 538,441,742
Cash	11,000,571	359,556
Margin due from brokers	89,334	1,426
Dividends receivable	708,257	556,801
Tax reclaim on dividends receivable	7,000	170
Accounts receivable from issue of units	-	63,990,930
Accounts receivable for investment sales	398,921	22,160
	<u>583,827,729</u>	<u>603,372,785</u>
Liabilities		
Operating expenses payable	31,291	13,537
	<u>31,291</u>	<u>13,537</u>
Net Assets	<u>\$ 583,796,438</u>	<u>\$ 603,359,248</u>
Number of Units Issued and Outstanding (Note 7)	<u>55,522,788</u>	<u>59,244,777</u>
Net Assets per Unit	<u>\$ 10.51</u>	<u>\$ 10.18</u>
Investments at Cost*	<u>\$ 551,921,676</u>	<u>\$ 529,610,007</u>

* Includes short-term investments

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011
Revenue	
Dividend income	\$ 5,537,159
Interest income*	(10,720)
Net gain from futures contracts	178,451
Foreign exchange loss	(47,221)
Withholding taxes	(729)
	<u>5,656,940</u>
Expenses	
Custodian fees	65,910
Fund accounting expenses	21,724
Unitholder communication costs	299
Audit fees	4,549
Securities filing fees	5,274
Independent review committee fees	72
Other operating expenses	1,983
	<u>99,811</u>
Net Investment Income for the Period	<u>5,557,129</u>
Gain on Investments	
Net realized gain on sale of investments	3,812,068
Transaction costs (Note 2,12)	(37,584)
Net change in unrealized appreciation in value of investments	10,874,814
	<u>14,649,298</u>
Net Gain on Investments	<u>14,649,298</u>
Increase in Net Assets from Operations	<u>\$ 20,206,427</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.35</u>

* Interest Income, net of foreign exchange loss

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011
Net Assets - Beginning of Period	<u>\$ 603,359,248</u>
Increase in Net Assets from Operations	<u>20,206,427</u>
Capital Transactions	
Proceeds from issue of units	28,935,604
Reinvestment of distributions	5,174,770
Redemption of units	(68,704,841)
Net capital transactions	<u>(34,594,467)</u>
Distributions	
From net investment income	<u>(5,174,770)</u>
Total distributions	<u>(5,174,770)</u>
Decrease in Net Assets for the Period	<u>(19,562,810)</u>
Net Assets - End of Period	<u>\$ 583,796,438</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Short Term Investments				
Government				
Government Guaranteed				
U.S. Treasury Bill				
0.02% September 22, 2011	855	831	825	
		831	825	0.1
Total Short Term Investments		831	825	0.1
Common Stocks				
Consumer Discretionary				
99 Cents Only Stores	1,801	29	35	
Aaron's, Inc.	3,111	65	85	
Abercrombie & Fitch Co.-Class A	3,446	182	222	
Advance Auto Parts, Inc.	3,073	206	173	
Aeropostale, Inc.	3,091	84	52	
AFC Ent., Inc.	1,345	19	21	
AH Belo Corp.	819	6	6	
Amazon.Com, Inc.	14,308	2,577	2,823	
America's Car-Mart, Inc.	282	9	9	
American Axle & Manufacturing Holdings, Inc.	2,555	28	28	
American Eagle Outfitters, Inc.	7,727	131	95	
American Greetings Corp.-Class A	1,593	34	37	
American Public Education, Inc.	755	26	32	
Amerigon, Inc.	749	12	13	
Ameristar Casinos, Inc.	1,274	24	29	
ANN, Inc.	2,054	57	52	
Apollo Group, Inc.-Class A	4,767	170	201	
Arbitron, Inc.	1,173	36	47	
Arctic Cat, Inc.	480	6	6	
Asbury Automotive Group, Inc.	1,193	20	21	
Ascena Retail Group, Inc.	2,497	65	82	
Ascent Media Corp.	658	21	34	
Autoliv, Inc.	3,460	267	262	
AutoNation, Inc.	1,626	44	58	
AutoZone, Inc.	1,043	280	297	
Bally Technologies, Inc.	1,742	72	68	
Barnes & Noble, Inc.	1,152	16	18	
Beazer Homes USA, Inc.	3,342	18	11	
Bebe Stores, Inc.	997	6	6	
Bed Bath & Beyond, Inc.	9,795	450	552	
Belo Corp.	3,555	22	26	
Best Buy Co., Inc.	12,430	520	377	
Big 5 Sporting Goods Corp.	1,371	20	10	
Big Lots, Inc.	2,953	95	94	
Biglari Holdings, Inc.	55	22	21	
BJ's Restaurants, Inc.	968	37	49	
Blue Nile, Inc.	534	28	23	
Blyth, Inc.	167	8	8	
Bob Evans Farms, Inc.	1,339	44	45	
Body Central Corp.	408	9	9	
Bon-Ton Stores, Inc.	661	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
BorgWarner, Inc.	4,312	283	336	
Boyd Gaming Corp.	2,595	24	22	
Bravo Brio Restaurant Group, Inc.	642	15	15	
Bridgepoint Education, Inc.	730	11	18	
Brink's Co. (The)	1,949	51	56	
Brinker International, Inc.	3,292	71	78	
Brookdale Senior Living, Inc.	3,728	76	87	
Brown Shoe Co., Inc.	2,121	30	22	
Brunswick Corp.	3,634	63	72	
Buckle, Inc.	1,040	39	43	
Buffalo Wild Wings, Inc.	764	36	49	
Cabela's, Inc.	1,830	43	48	
Cablevision Systems-NY Group A	8,634	284	302	
California Pizza Kitchen, Inc.	903	15	16	
Callaway Golf Co.	3,066	24	18	
Capella Education Co.	605	36	24	
Career Education Corp.	2,574	48	53	
Caribou Coffee Co., Inc.	498	6	6	
CarMax, Inc.	8,959	304	286	
Carnival Corp.	16,768	730	609	
Carter's, Inc.	1,965	63	58	
Casual Male Retail Group, Inc.	1,475	6	6	
Cato Corp.-Class A	1,216	35	34	
Cavco Industries, Inc.	208	9	9	
CBS Corp.-Class B	26,341	470	724	
CEC Entertainment, Inc.	810	32	31	
Central European Media Ent., Ltd.	1,544	30	29	
Charming Shoppes, Inc.	4,808	18	19	
Charter Communications, Inc.	2,240	120	117	
Cheesecake Factory, Inc.	2,231	73	68	
Cherokee, Inc.	356	6	6	
Chico's FAS, Inc.	6,926	87	102	
Childrens Place Retail Stores, Inc.	1,036	54	44	
Chipotle Mexican Grill, Inc.	1,220	314	363	
Choice Hotels International, Inc.	1,264	49	41	
Christopher & Banks Corp.	1,122	6	6	
Churchill Downs, Inc.	620	26	27	
Cinemark Holdings, Inc.	3,515	65	70	
Citi Trends, Inc.	704	17	10	
Clear Channel Outdoor Holdings, Inc.-Class A	1,674	24	21	
Coach, Inc.	11,566	664	714	
Coinstar, Inc.	1,258	78	66	
Collective Brands, Inc.	2,633	48	37	
Columbia Sportswear Co.	478	29	29	
Comcast Corp.-Class A	108,597	2,324	2,655	
Conn's, Inc.	764	7	6	
Cooper Tire & Rubber Co.	2,434	53	46	
Core-Mark Holding Co., Inc.	584	21	20	
Corinthian Colleges, Inc.	3,314	14	14	
Cost Plus, Inc.	633	6	6	
Cracker Barrel Old Country Store, Inc.	816	44	39	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
CROCS, Inc.	3,475	63	86	
CSS Industries, Inc.	310	6	6	
D.R. Horton, Inc.	11,052	120	123	
Dana Holding Corp.	5,793	94	102	
Darden Restaurants, Inc.	5,294	264	254	
Deckers Outdoor Corp.	1,524	124	130	
Denny's Corp.	5,211	20	20	
Destination Maternity Corp.	338	6	7	
Devry, Inc.	2,659	119	152	
Dick's Sporting Goods, Inc.	3,663	133	136	
Dillard's, Inc.-Class A	1,287	43	65	
DineEquity, Inc.	625	34	31	
DIRECTV-Class A	30,301	1,269	1,486	
Discovery Communications-Class A	11,005	463	435	
Dish Network Corp.-Class A	7,759	147	230	
Dollar General Corp.	3,837	126	126	
Dollar Tree, Inc.	4,810	273	309	
Domino's Pizza, Inc.	2,394	43	58	
Dorman Products, Inc.	547	23	21	
DreamWorks Animation SKG, Inc.	2,929	90	57	
Drew Industries, Inc.	869	19	21	
DSW, Inc.-Class A	861	34	42	
Eastman Kodak Co.	10,951	48	38	
Education Management Corp.	1,545	23	36	
Electrolux AB-Class B	13,186	204	300	
Entercom Communications Corp-Class A	797	6	7	
Ethan Allen Interiors, Inc.	1,049	18	22	
EW Scripps Co.-Class A	1,612	16	15	
Exide Technologies	3,685	31	27	
Expedia, Inc.	7,668	208	215	
Express, Inc.	2,075	44	44	
Family Dollar Stores, Inc.	4,804	246	244	
Federal-Mogul Corp.	759	17	17	
Finish Line, Inc.-Class A	2,197	41	45	
Fisher Communications, Inc.	273	8	8	
Foot Locker, Inc.	6,139	121	141	
Ford Motor Co.	146,525	2,439	1,950	
Fortune Brands, Inc.	5,954	364	366	
Fossil, Inc.	2,055	148	233	
Fred's, Inc.-Class A	1,834	24	26	
Fuel Systems Solutions, Inc.	737	25	18	
Furniture Brands International, Inc.	1,497	6	6	
G-III Apparel Group, Ltd.	761	22	25	
GameStop Corp.-Class A	5,517	115	142	
Gannett Co., Inc.	9,579	134	132	
Gap (The), Inc.	16,028	352	280	
Garmin, Ltd.	4,314	132	137	
Gaylord Entertainment Co.	1,482	53	43	
Geeknet, Inc.	240	6	6	
General Cable Corp.	2,133	74	88	
General Motors Co.	29,903	880	876	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Genesco, Inc.	946	38	48	
Gentex Corp.	5,505	132	161	
Genuine Parts Co.	6,046	301	317	
Global Traffic Network, Inc.	523	6	6	
GNC Holdings, Inc.-Class A	730	14	15	
Goodyear Tire & Rubber Co. (The)	9,523	98	154	
Grand Canyon Education, Inc.	1,400	27	19	
Gray Television, Inc.	2,543	6	6	
Group 1 Automotive, Inc.	1,043	42	41	
H&R Block, Inc.	12,103	155	187	
Hanesbrands, Inc.	3,637	102	100	
Harley-Davidson, Inc.	9,268	308	366	
Harman International Industries, Inc.	2,784	131	122	
Harte-Hanks, Inc.	2,067	26	16	
Hasbro, Inc.	4,614	223	196	
Haverty Furniture Cos., Inc.	561	6	6	
Helen of Troy, Ltd.	1,186	29	39	
Hertz Global Holdings, Inc.	9,428	126	145	
hhgregg, Inc.	614	9	8	
Hibbett Sports, Inc.	1,091	38	43	
Hillenbrand, Inc.	2,686	53	61	
Home Depot, Inc.	62,873	2,048	2,196	
HOT Topic, Inc.	1,322	9	9	
Hovnanian Ent, Inc.	2,899	6	7	
HSN, Inc.	1,602	48	51	
Hyatt Hotels Corp.-Class A	1,626	71	64	
Iconix Brand Group, Inc.	2,726	53	64	
interCLICK, Inc.	813	6	6	
International Game Technology	12,022	193	204	
International Speedway Corp.-Class A	1,118	28	31	
Interpublic Group of Cos., Inc.	19,294	210	233	
Interval Leisure Group, Inc.	1,933	34	26	
iRobot Corp.	992	21	34	
Isle of Capri Casinos, Inc.	698	6	6	
ITT Educational Services, Inc.	1,095	64	83	
J. Crew Group	2,469	-	-	
Jack in the Box, Inc.	1,974	41	43	
Jakks Pacific, Inc.	1,293	25	23	
Jamba, Inc.	2,899	6	6	
Jarden Corp.	3,540	111	118	
JC Penney Co., Inc.	6,501	222	217	
John Wiley & Sons, Inc.-Class A	1,821	79	91	
Johnson Controls, Inc.	26,690	1,028	1,072	
Jones Group, Inc.	3,359	49	35	
JOS A Bank Clothiers, Inc.	1,094	48	53	
Journal Communications, Inc.	1,176	6	6	
K-Swiss, Inc.-Class A	1,509	19	15	
K12, Inc.	1,141	31	36	
KB Home	3,229	40	30	
Kirkland's, Inc.	500	6	6	
Knology, Inc.	1,379	22	20	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Kohl's Corp.	11,432	647	552	
Krispy Kreme Doughnuts, Inc.	2,436	15	22	
La-Z-Boy, Inc.	2,127	17	20	
Lamar Advertising Co.-Class A	2,328	91	61	
Las Vegas Sands Corp.	15,453	775	629	
Leapfrog Ent, Inc.	1,464	6	6	
Leggett & Platt, Inc.	5,367	117	126	
Lennar Corp.-Class A	6,322	103	111	
Libbey, Inc.	687	10	11	
Liberty Global, Inc.	9,643	354	419	
Liberty Media Corp.-Capital	2,777	171	230	
Liberty Media Corp.-Starz	1,980	130	144	
Life Time Fitness, Inc.	1,628	67	63	
LIN TV Corp.-Class A	1,340	6	6	
Lincoln Educational Services Corp.	719	11	12	
Lions Gate Entertainment Corp.	2,449	17	16	
Lithia Motors, Inc.-Class A	1,023	14	19	
Live Nation Entertainment, Inc.	5,686	63	63	
Liz Claiborne, Inc.	4,045	29	21	
LKQ Corp.	5,760	130	145	
Lowe's Cos., Inc.	51,206	1,244	1,152	
Ltd. Brands	10,482	366	389	
Lumber Liquidators Holdings, Inc.	998	25	24	
M/I Homes, Inc.	545	6	6	
Mac-Gray Corp.	401	6	6	
Macy's, Inc.	16,683	435	470	
Madison Square Garden, Inc.	2,352	56	63	
Maidenform Brands, Inc.	1,029	28	27	
Marcus Corp.	617	6	6	
MarineMax, Inc.	752	6	6	
Marriott International, Inc.-Class A	11,018	450	377	
Martha Stewart Living Omnimedia-Class A	1,402	6	6	
Mattel, Inc.	13,754	357	365	
Matthews International Corp.-Class A	1,240	42	48	
McClatchy Co.-Class A	4,005	20	11	
McCormick & Schmick's Seafood Restaurants, Inc.	695	6	6	
McDonald's Corp.	40,862	3,275	3,324	
McGraw-Hill Cos. (The), Inc.	11,994	430	485	
MDC Holdings, Inc.	1,610	43	38	
MDC Partners, Inc.-Class A	800	14	14	
Men's Wearhouse, Inc.	1,949	55	63	
Meredith Corp.	1,434	50	43	
Meritage Homes Corp.	1,206	25	26	
MGM Resorts International	13,848	177	177	
Modine Manufacturing Co.	1,963	29	29	
Mohawk Industries, Inc.	2,162	120	125	
Monro Muffler Brake, Inc.	1,348	45	48	
Morgans Hotel Group Co.	836	6	6	
Morningstar, Inc.	913	47	54	
Motorcar Parts of America, Inc.	407	6	6	
Movado Group, Inc.	515	8	9	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
National CineMedia, Inc.	2,402	47	39	
NetFlix, Inc.	2,066	441	524	
New York & Co., Inc.	1,355	6	6	
New York Times Co.-Class A	5,898	55	50	
Newell Rubbermaid, Inc.	11,470	204	175	
News Corp.-Class A	90,476	1,305	1,545	
Nike, Inc.-Class B	14,084	1,247	1,223	
Nordstrom, Inc.	6,420	283	291	
Nutrisystem, Inc.	1,229	26	17	
NVR, Inc.	227	151	159	
O'Reilly Automotive, Inc.	5,348	329	338	
Office Depot, Inc.	11,058	53	45	
OfficeMax, Inc.	3,167	57	24	
Omnicom Group	11,055	521	514	
Orient-Express Hotels, Ltd.	4,151	49	43	
Overstock.com, Inc.	705	11	10	
Oxford Industries, Inc.	558	15	18	
Pacific Sunwear of California, Inc.	2,516	15	6	
Panera Bread Company	1,139	120	138	
Papa John's International, Inc.	885	23	28	
Peet's Coffee & Tea, Inc.	548	23	31	
Penn National Gaming, Inc.	2,782	101	108	
Penske Automotive Group, Inc.	1,891	30	42	
PEP Boys-Manny Moe & Jack	2,477	32	26	
Perry Ellis International, Inc.	568	16	14	
PetMed Express, Inc.	1,100	20	13	
PetSmart, Inc.	4,438	174	194	
PF Chang's China Bistro, Inc.	892	45	35	
Phillips-Van Heusen Corp.	2,332	163	147	
Pier 1 Imports, Inc.	4,215	43	47	
Pinnacle Entertainment, Inc.	2,289	31	33	
Polaris Industries, Inc.	1,277	101	137	
Polo Ralph Lauren Corp.	2,456	280	314	
Pool Corp.	1,907	42	55	
Pre-Paid Legal Services, Inc.	326	22	21	
Priceline.Com, Inc.	1,956	810	966	
PRIMEDIA, Inc.	849	6	6	
Pulte Homes, Inc.	13,595	92	101	
Quiksilver, Inc.	4,844	22	22	
RadioShack Corp.	4,087	77	53	
ReachLocal, Inc.	334	6	7	
Red Robin Gourmet Burgers, Inc.	547	10	19	
Regal Entertainment Group	3,306	45	39	
Regis Corp.	2,355	42	35	
Rent-A-Center, Inc.	2,452	71	72	
Rentrak Corp.	360	6	6	
Ross Stores, Inc.	4,636	308	358	
Royal Caribbean Cruises, Ltd.	5,249	224	191	
Ruby Tuesday, Inc.	2,967	40	31	
Rue21, Inc.	650	20	20	
Ruth's Hospitality Group, Inc.	1,104	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Ryland Group, Inc.	1,877	29	30	
Saga Communications, Inc.-Class A	162	6	6	
Saks, Inc.	4,618	53	50	
Sally Beauty Holdings, Inc.	3,926	55	65	
Scholastic Corp.	1,165	34	30	
Scientific Games Corp.	2,558	20	26	
Scripps Networks Interactive-Class A	3,631	189	171	
Sealy Corp.	2,522	6	6	
Sears Holdings Corp.	1,512	105	104	
Select Comfort Corp.	2,206	20	38	
Service Corp. International/US	9,522	79	107	
Sherwin-Williams Co. (The)	3,539	277	287	
Shoe Carnival, Inc.	474	14	14	
Shuffle Master, Inc.	2,317	26	21	
Shutterfly, Inc.	1,173	44	65	
Signet Jewelers, Ltd.	3,417	141	154	
Sinclair Broadcast Group, Inc.	2,071	17	22	
Sirius XM Radio, Inc.	154,443	227	326	
Six Flags Entertainment Corp.	1,580	57	57	
Skechers U.S.A., Inc.-Class A	1,650	38	23	
Smith & Wesson Holding Corp.	2,182	6	6	
Sonic Automotive, Inc.-Class A	1,610	21	23	
Sonic Corp.	2,753	27	28	
Sotheby's	2,675	112	112	
Spartan Motors, Inc.	1,130	6	6	
Stage Stores, Inc.	1,519	24	25	
Standard Motor Products, Inc.	619	9	9	
Standard Pacific Corp.	4,672	21	15	
Staples, Inc.	28,068	637	428	
Starbucks Corp.	29,521	954	1,125	
Starwood Hotels & Resorts Worldwide, Inc.	7,652	456	414	
Stein Mart, Inc.	819	7	8	
Steiner Leisure, Ltd.	673	29	30	
Steinway Musical Instruments, Inc.	245	6	6	
Steven Madden, Ltd.	1,492	46	54	
Stewart Ent., Inc.-Class A	3,159	19	22	
Stoneridge, Inc.	865	11	12	
Strayer Education, Inc.	480	66	59	
Sturm Ruger & Co., Inc.	936	15	20	
Superior Industries International, Inc.	1,049	21	22	
Systemax, Inc.	419	6	6	
Talbots, Inc.	2,329	24	7	
Target Corp.	27,112	1,598	1,227	
Tempur-Pedic International, Inc.	2,683	99	176	
Tenneco, Inc.	2,432	95	103	
Tesla Motors, Inc.	1,992	59	56	
Texas Roadhouse, Inc.	2,187	39	37	
Thomson Reuters Corp.	14,845	557	537	
Thor Industries, Inc.	1,614	49	45	
Tiffany & Co.	5,011	319	380	
Timberland Co.-Class A	1,540	40	64	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Time Warner Cable	13,252	869	998	
Time Warner, Inc.	42,131	1,303	1,479	
TJX Cos., Inc.	15,215	705	771	
Toll Brothers, Inc.	5,614	106	112	
Tower International, Inc.	356	6	6	
Town Sports International Holdings, Inc.	858	6	6	
Tractor Supply Co.	2,825	130	182	
True Religion Apparel, Inc.	1,112	25	31	
Tuesday Morning Corp.	1,406	6	6	
Tupperware Brands Corp.	2,492	121	162	
Ulta Salon Cosmetics & Fragrance, Inc.	1,762	80	110	
Under Armour, Inc.-Class A	1,461	87	109	
Unifi, Inc.	493	6	7	
Universal Electronics, Inc.	779	22	19	
Universal Technical Institute, Inc.	1,031	19	20	
Urban Outfitters, Inc.	4,652	177	126	
Vail Resorts, Inc.	1,461	71	65	
Valassis Communications, Inc.	1,988	67	58	
Valuevision Media, Inc.	1,507	12	11	
Vera Bradley, Inc.	742	28	27	
VF Corp.	3,410	293	357	
Viacom, Inc.-Class B	23,060	925	1,134	
Virgin Media, Inc.	12,555	336	363	
Visteon Corp.	1,985	127	131	
Vitamin Shoppe, Inc.	947	31	42	
Walt Disney Co. (The)	74,443	2,819	2,803	
Warnaco Group, Inc.	1,698	94	86	
Warner Music Group Corp.	2,098	17	17	
Washington Post Co. (The)-Class B	190	75	77	
Weight Watchers International, Inc.	1,157	42	84	
Wendys/Arbys Group, Inc.-Class A	12,014	59	59	
West Marine, Inc.	593	6	6	
Wet Seal, Inc.-Class A	3,389	15	15	
Whirlpool Corp.	2,958	229	232	
Williams-Sonoma, Inc.	4,069	144	143	
Winnebago Industries, Inc.	1,417	16	13	
WMS Industries, Inc.	2,258	100	67	
Wolverine World Wide, Inc.	1,851	60	75	
World Wrestling Entertainment, Inc.	1,662	24	15	
Wyndham Worldwide Corp.	6,698	205	217	
Wynn Resorts, Ltd.	3,133	338	434	
Yum! Brands, Inc.	18,327	936	977	
Zale Corp.	1,119	6	6	
Zumiez, Inc.	899	27	22	
		64,083	66,616	
Consumer Staples				
Alliance One International, Inc.	1,983	6	6	
Altria Group, Inc.	82,348	2,028	2,098	
Andersons, Inc.	734	25	30	
Archer-Daniels-Midland Co.	25,108	758	730	
				11.4

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Avon Products, Inc.	16,906	503	456	
B&G Foods, Inc.-Class A	1,997	26	40	
BJ's Wholesale Club, Inc.	2,087	100	101	
Boston Beer Co., Inc.-Class A	367	32	32	
Brown-Forman Corp.-Class B	4,089	279	295	
Bunge, Ltd.	5,768	367	384	
Cal-Maine Foods, Inc.	594	19	18	
Calavo Growers, Inc.	804	19	16	
Campbell Soup Co.	6,871	239	229	
Casey's General Stores, Inc.	1,454	59	62	
Central Euro Distribution Corp.	2,780	68	30	
Central Garden and Pet Co.	2,072	20	20	
Chiquita Brands International, Inc.	1,787	22	22	
Church & Dwight Co., Inc.	5,518	189	216	
Clorox Co.	5,139	326	334	
Coca-Cola Bottling Co. Consolidated	243	14	16	
Coca-Cola Co. (The)	77,833	5,123	5,054	
Coca-Cola Ent, Inc.	12,823	324	361	
Colgate-Palmolive Co.	19,298	1,522	1,627	
ConAgra Foods, Inc.	15,882	356	395	
Constellation Brands, Inc.-Class A	7,288	156	146	
Corn Products International, Inc.	2,959	135	158	
Costco Wholesale Corp.	17,214	1,206	1,350	
CVS Caremark Corp.	53,355	1,748	1,934	
Darling International, Inc.	4,554	59	78	
Dean Foods Co.	7,396	57	88	
Diamond Foods, Inc.	909	45	67	
Dole Food Co., Inc.	1,394	14	18	
Dr Pepper Snapple Group, Inc.	8,720	328	353	
Elizabeth Arden, Inc.	1,089	26	30	
Energizer Holdings, Inc.	2,741	199	191	
Estee Lauder Cos. (The), Inc.-Class A	4,425	351	449	
Flowers Foods, Inc.	4,497	80	96	
Fresh Del Monte Produce, Inc.	1,505	36	39	
Fresh Market, Inc.	1,030	39	38	
General Mills, Inc.	25,225	914	906	
Green Mountain Coffee Roasters, Inc.	4,836	191	417	
Hain Celestial Group, Inc.	1,481	41	48	
Hansen Natural Corp.	2,735	150	214	
Heckmann Corp.	3,188	19	19	
Herbalife, Ltd.	4,676	166	260	
Hershey Co. (The)	5,942	286	326	
HJ Heinz Co.	12,616	625	649	
Hormel Foods Corp.	5,385	138	155	
Imperial Sugar Co.	434	8	8	
Ingles Markets, Inc.-Class A	361	6	6	
Inter Parfums, Inc.	519	11	11	
J&J Snack Foods Corp.	594	29	28	
JM Smucker Co. (The)	4,556	299	336	
Kellogg Co.	9,750	492	520	
Kimberly-Clark Corp.	15,415	980	990	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Kraft Foods, Inc.-Class A	64,918	2,030	2,207	
Kroger Co. (The)	23,921	575	573	
Lancaster Colony Corp.	713	39	42	
Limoneira Co.	314	7	7	
Lorillard, Inc.	5,645	471	593	
McCormick & Co., Inc.	5,071	230	242	
Mead Johnson Nutrition Co.-Class A	8,060	495	525	
Medifast, Inc.	593	15	14	
Molson Coors Brewing Co.-Class B	5,193	255	224	
Nash Finch Co.	587	22	20	
Nature's Sunshine Products, Inc.	355	6	7	
Nu Skin Ent., Inc.	2,139	70	77	
Nutraceutical International Corp.	405	6	6	
Omega Protein Corp.	707	9	9	
Owens Corning	4,844	141	175	
Pantry, Inc.	1,039	21	19	
PepsiCo, Inc.	62,263	4,150	4,229	
Philip Morris International, Inc.	70,002	4,122	4,509	
Prestige Brands Holdings, Inc.	2,068	25	26	
Pricesmart, Inc.	722	25	36	
Primo Water Corp.	462	6	6	
Procter & Gamble Co. (The)	109,905	6,966	6,737	
Ralcorp Holdings, Inc.	2,148	139	180	
Revlon, Inc.-Class A	381	6	6	
Reynolds American, Inc.	13,152	428	470	
Rite Aid Corp.	24,390	31	31	
Ruddick Corp.	1,850	72	78	
Safeway, Inc.	13,959	329	315	
Sanderson Farms, Inc.	871	37	40	
Sara Lee Corp.	23,115	367	423	
Seneca Foods Corp.-Class A	250	6	6	
Smart Balance, Inc.	1,815	9	9	
Smithfield Foods, Inc.	6,473	122	137	
Snyders-Lance, Inc.	1,753	40	36	
Spartan Stores, Inc.	1,104	19	21	
Spectrum Brands Holdings, Inc.	708	21	22	
Star Scientific, Inc.	3,843	19	17	
Supervalu, Inc.	8,689	81	79	
Susser Holdings Corp.	385	6	6	
Synutra International, Inc.	633	6	6	
Sysco Corp.	22,984	686	692	
Tootsie Roll Industries, Inc.	1,039	28	29	
TreeHouse Foods, Inc.	1,348	70	71	
Tyson Foods, Inc.-Class A	11,816	199	221	
United Natural Foods, Inc.	1,869	72	77	
Universal Corp.	892	37	32	
USANA Health Sciences, Inc.	222	6	7	
Vector Group, Ltd.	2,131	39	37	
Village Super Market, Inc.-Class A	223	6	6	
Wal-Mart Stores, Inc.	69,898	3,878	3,583	
Walgreen Co.	36,035	1,325	1,476	

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Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
WD-40 Co.	916	37	34	
Weis Markets, Inc.	557	22	22	
Whole Foods Market, Inc.	6,057	303	371	
Winn-Dixie Stores, Inc.	2,366	16	19	
		49,406	51,342	8.8
Energy				
Abraxas Petroleum Corp.	3,039	10	11	
Alon USA Energy, Inc.	560	6	6	
Alpha Natural Resources, Inc.	8,931	453	391	
Amyris, Inc.	654	19	18	
Anadarko Petroleum Corp.	19,584	1,363	1,450	
Apache Corp.	15,102	1,727	1,798	
Apco Oil and Gas International, Inc.	337	13	28	
Approach Resources, Inc.	917	24	20	
Atmos Energy Corp.	3,310	105	106	
ATP Oil & Gas Corp.	1,701	26	25	
Atwood Oceanics, Inc.	2,203	81	94	
Baker Hughes, Inc.	17,073	950	1,195	
Basic Energy Services, Inc.	876	13	27	
Berry Petroleum Co.-Class A	1,985	80	102	
Bill Barrett Corp.	1,795	72	80	
BPZ Resources, Inc.	4,254	20	13	
Brigham Exploration Co.	4,639	125	134	
Bristow Group, Inc.	1,326	61	65	
Cabot Oil & Gas Corp.	4,113	154	263	
Cal Dive International, Inc.	4,211	24	24	
Callon Petroleum Co.	1,328	8	9	
Cameron International Corp.	9,602	488	466	
CARBO Ceramics, Inc.	747	80	117	
Carrizo Oil & Gas, Inc.	1,502	47	61	
Cheniere Energy, Inc.	2,868	17	25	
Chesapeake Energy Corp.	25,920	585	742	
Chevron Corp.	79,112	6,768	7,846	
Cimarex Energy Co.	3,362	291	292	
Clayton Williams Energy, Inc.	286	23	17	
Clean Energy Fuels Corp.	2,201	30	28	
Cloud Peak Energy, Inc.	2,247	46	46	
Cobalt International Energy, Inc.	4,527	56	60	
Complete Production Services, Inc.	3,140	95	101	
Concho Resources, Inc.	4,060	349	360	
ConocoPhillips	55,629	3,585	4,034	
Consol Energy, Inc.	8,905	403	416	
Contango Oil & Gas Co.	517	30	29	
Core Laboratories	1,780	159	192	
Crosstex Energy, Inc.	1,641	16	19	
CVR Energy, Inc.	3,412	64	81	
Dawson Geophysical Co.	276	9	9	
Delek US Holdings, Inc.	446	6	7	
Denbury Resources, Inc.	16,018	309	309	
Devon Energy Corp.	16,655	1,240	1,266	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
DHT Holdings, Inc.	1,962	7	7	
Diamond Offshore Drilling, Inc.	2,650	178	180	
Dril-Quip, Inc.	1,354	109	89	
El Paso Corp.	30,329	440	591	
Endeavour International Corp.	1,644	17	24	
Energen Corp.	2,775	132	151	
Energy Partners, Ltd.	1,065	14	15	
Energy XXI Bermuda, Ltd.	2,909	79	93	
EOG Resources, Inc.	10,572	990	1,066	
EXCO Resources, Inc.	5,689	107	97	
Exterran Holdings, Inc.	2,526	59	48	
Exxon Mobil Corp.	193,860	14,167	15,213	
FMC Technologies, Inc.	9,502	422	410	
Forest Oil Corp.	4,404	159	113	
Frontier Oil Corp.	4,272	70	137	
Frontline, Ltd.	2,052	52	29	
FX Energy, Inc.	1,828	14	16	
Gastar Exploration, Ltd.	1,872	6	6	
General Maritime Corp.	4,112	6	5	
Georesources, Inc.	725	15	16	
Global Geophysical Services, Inc.	598	10	10	
Global Industries, Ltd.	4,732	30	25	
GMX Resources, Inc.	2,118	9	9	
Golar LNG, Ltd.	1,394	20	47	
Goodrich Petroleum Corp.	1,018	14	18	
Green Plains Renewable Energy, Inc.	683	7	7	
Gulf Island Fabrication, Inc.	695	19	22	
Gulfmark Offshore, Inc.-Class A	981	30	42	
Gulfport Energy Corp.	1,509	32	43	
Halliburton Co.	36,041	1,451	1,774	
Harvest Natural Resources, Inc.	1,740	24	19	
Helix Energy Solutions Group, Inc.	4,304	60	69	
Helmerich & Payne, Inc.	3,699	180	236	
Hercules Offshore, Inc.	4,362	14	23	
Hess Corp.	11,876	891	857	
Holly Corp.	1,790	68	119	
Hornbeck Offshore Services, Inc.	940	21	25	
Houston American Energy Corp.	541	8	9	
Hyperdynamics Corp.	5,985	25	25	
ION Geophysical Corp.	5,315	42	48	
James River Coal Co.	1,503	32	30	
Key Energy Services, Inc.	5,092	57	88	
Kinder Morgan, Inc.	6,719	189	186	
Kirby Corp.	2,132	99	117	
Knightsbridge Tankers, Ltd.	1,123	27	24	
Kodiak Oil & Gas Corp.	7,475	42	42	
Kosmos Energy, Ltd.	1,165	20	19	
L&L Energy, Inc.	1,261	7	6	
Lufkin Industries, Inc.	1,197	69	99	
Magnum Hunter Resources Corp.	4,083	27	27	
Marathon Oil Corp.	28,029	997	1,423	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Matrix Service Co.	871	10	11	
McDermott International, Inc.	9,277	182	177	
McMoRan Exploration Co.	4,006	62	71	
Miller Energy Resources, Inc.	1,069	7	7	
Mitcham Industries, Inc.	400	6	7	
Murphy Oil Corp.	7,566	537	479	
Nabors Industries, Ltd.	11,429	268	272	
National Fuel Gas Co.	3,195	213	225	
National Oilwell Varco, Inc.	16,666	1,066	1,257	
Natural Gas Services Group, Inc.	395	6	6	
Newfield Exploration Company	5,253	368	345	
Newpark Resources, Inc.	3,846	24	34	
Noble Energy, Inc.	6,918	591	598	
Nordic American Tanker Shipping	1,936	51	42	
Northern Oil and Gas, Inc.	2,444	60	52	
NRG Energy, Inc.	9,633	190	228	
Oasis Petroleum, Inc.	2,308	63	66	
Occidental Petroleum Corp.	32,003	2,976	3,213	
Oceaneering International, Inc.	4,237	158	166	
Oil States International, Inc.	2,029	128	157	
Overseas Shipholding Group, Inc.	1,064	38	28	
OYO Geospace Corp.	202	16	19	
Panhandle Oil and Gas, Inc.	210	6	6	
Parker Drilling Co.	4,726	20	27	
Patriot Coal Corp.	3,570	64	77	
Patterson-UTI Energy, Inc.	6,072	127	185	
Peabody Energy Corp.	10,640	663	605	
Penn Virginia Corp.	1,824	31	23	
Petrohawk Energy Corp.	12,117	229	289	
Petroleum Development Corp.	961	38	28	
Petroquest Energy, Inc.	2,396	18	16	
PHI, Inc.	389	8	8	
Pioneer Drilling Co.	2,271	16	33	
Pioneer Natural Resources Co.	4,576	395	396	
Plains Exploration & Product	5,581	168	205	
QEP Resources, Inc.	6,941	258	280	
Quicksilver Resources, Inc.	4,551	67	65	
Range Resources Corp.	6,388	282	342	
Rentech, Inc.	7,354	7	8	
Resolute Energy Corp.	2,012	27	31	
Rex Energy Corp.	1,672	21	17	
Rosetta Resources, Inc.	2,076	78	103	
Rowan Cos., Inc.	4,981	161	186	
RPC, Inc.	1,871	40	44	
SandRidge Energy, Inc.	16,078	96	165	
Schlumberger, Ltd.	53,433	4,416	4,453	
Scorpio Tankers, Inc.	730	7	7	
Seacor Holdings, Inc.	839	91	81	
SemGroup Corp.-Class A	1,545	39	38	
Ship Finance International, Ltd.	1,720	39	30	
SM Energy Co.	2,495	135	177	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Solazyme, Inc.	353	7	8	
Southern Union Co.	4,788	120	186	
Southwestern Energy Co.	13,692	516	566	
Spectra Energy Corp.	25,629	641	678	
Stone Energy Corp.	1,854	41	54	
Sunoco, Inc.	4,728	196	190	
Superior Energy Services, Inc.	3,128	110	112	
Swift Energy Co.	1,621	64	58	
Syntroleum Corp.	3,261	6	5	
Targa Resources Corp.	593	18	19	
Teekay Corp.	1,564	52	47	
Teekay Tankers, Ltd.-Class A	2,133	26	19	
Tesco Corp.	1,301	19	24	
Tesoro Corp.	5,681	101	126	
Tetra Technologies, Inc.	3,412	39	42	
Tidewater, Inc.	1,972	102	102	
Triangle Petroleum Corp.	1,335	8	8	
Ultra Petroleum Corp.	6,001	291	265	
Union Drilling, Inc.	659	6	7	
Unit Corp.	1,641	74	97	
UR Energy, Inc.	3,922	6	6	
Uranerz Energy Corp.	2,298	7	7	
Uranium Energy Corp.	3,873	28	11	
Uranium Resources, Inc.	3,798	6	6	
USEC, Inc.	4,781	26	15	
Vaalco Energy, Inc.	3,133	24	18	
Valero Energy Corp.	22,583	475	558	
Vantage Drilling Co.	6,004	11	11	
Venoco, Inc.	1,240	23	15	
Voyager Oil & Gas, Inc.	2,282	6	7	
W&T Offshore, Inc.	1,438	27	36	
Warren Resources, Inc.	3,243	15	12	
Western Refining, Inc.	2,083	20	36	
Westmoreland Coal Co.	331	6	6	
Willbros Group, Inc.	1,924	15	16	
Williams Cos., Inc.	23,145	558	675	
World Fuel Services Corp.	2,715	88	94	
Zion Oil & Gas, Inc.	1,040	6	6	
		59,945	65,709	
Financials				11.3
1st Source Corp.	297	6	6	
1st United Bancorp Inc./Boca Raton	989	6	6	
Abington Bancorp, Inc.	595	6	6	
Acadia Realty Trust REIT	2,066	38	41	
Advance America Cash Advance Centers, Inc.	1,780	12	12	
Affiliated Managers Group	2,060	193	202	
Aflac, Inc.	18,525	1,006	835	
Agree Realty Corp. REIT	910	25	20	
Alexander's, Inc. REIT	91	36	35	
Alexandria Real Estate Equities, Inc. REIT	2,389	168	179	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Alleghany Corp.	247	75	79	
Alliance Financial Corp.	203	6	6	
Allied World Assurance Co. Holdings, Ltd.	1,451	88	81	
Allstate Corp. (The)	20,667	634	609	
American Assets Trust, Inc.-REIT	1,046	23	23	
American Campus Communities, Inc. REIT	2,600	82	89	
American Capital Agency Corp. REIT	4,889	142	137	
American Capital, Ltd.	13,999	107	134	
American Equity Investment Life Holding Co.	2,951	34	36	
American Express Co.	41,375	1,859	2,064	
American Financial Group, Inc.	3,079	99	106	
American International Group, Inc.	17,386	569	492	
American National Insurance Co.	264	22	20	
American Safety Insurance Holdings, Ltd.	329	6	6	
Ameriprise Financial, Inc.	9,552	521	531	
Ameris Bancorp	687	6	6	
AMERISAFE, Inc.	581	13	13	
Amtrust Financial Services, Inc.	1,203	20	26	
Anworth Mortgage Asset Corp. REIT	5,245	37	38	
AON Corp.	12,968	554	642	
Apartment Investment & Management Co. REIT-Class A	4,710	118	116	
Apollo Commercial Real Estate Finance, Inc. REIT	2,129	35	33	
Apollo Investment Corp.	8,162	91	80	
Arch Capital Group, Ltd.	5,080	157	156	
Ares Capital Corp.	7,849	133	122	
Argo Group International Holdings, Ltd.	1,215	46	35	
Arlington Asset Investment Corp.	212	7	6	
Armour Residential REIT, Inc.	1,815	13	13	
Arrow Financial Corp.	251	6	6	
Arthur J Gallagher & Co.	4,332	126	119	
Artio Global Investors, Inc.	1,587	22	17	
Ashford Hospitality Trust, Inc. REIT	2,221	22	27	
Aspen Insurance Holdings, Ltd.	2,723	80	68	
Associated Banc-Corp.	6,638	90	89	
Associated Estates Realty Corp. REIT	2,194	33	34	
Assurant, Inc.	3,711	137	130	
Assured Guaranty, Ltd.	7,523	132	118	
Astoria Financial Corp.	3,659	47	45	
Australia & New Zealand Banking Group, Ltd.	9,109	342	339	
AvalonBay Communities, Inc. REIT	3,415	390	423	
Axis Capital Holdings, Ltd.	4,973	180	149	
Baldwin & Lyons, Inc.-Class B	263	6	6	
Bancfirst Corp.	158	6	6	
Banco Latinoamericano de Comercio Exterior SA	1,455	25	24	
Bancorp Rhode Island, Inc.	139	6	6	
Bancorp, Inc.	804	8	8	
BancorpSouth, Inc.	3,388	47	41	
Bank Mutual Corp.	1,658	6	6	
Bank of America Corp.	398,769	4,663	4,214	
Bank of Hawaii Corp.	1,721	78	77	
Bank of Kentucky Financial Corp.	238	6	5	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Bank of Marin Bancorp	171	6	6	
Bank of New York Mellon Corp.	48,797	1,373	1,206	
Bank of the Ozarks, Inc.	692	27	35	
BankFinancial Corp.	713	6	6	
BankUnited, Inc.	1,083	28	28	
Banner Corp.	518	9	9	
BB&T Corp.	27,287	669	707	
Beneficial Mutual Bancorp, Inc.	736	6	6	
Berkshire Hathaway, Inc.-Class B	68,927	5,646	5,146	
Berkshire Hills Bancorp, Inc.	1,047	22	23	
BGC Partners, Inc.-Class A	3,376	27	25	
BioMed Realty Trust, Inc.-REIT	5,165	92	96	
BlackRock Kelso Capital Corp.	3,045	36	26	
BlackRock, Inc.	3,643	674	674	
Bofl Holding, Inc.	410	6	6	
BOK Financial Corp.	825	41	44	
Boston Private Financial Holdings, Inc.	3,485	20	22	
Boston Properties, Inc. REIT	5,713	497	585	
Brandywine Realty Trust REIT	5,351	62	60	
BRE Properties, Inc. REIT	2,823	125	136	
Bridge Bancorp, Inc.	268	6	6	
Broadridge Financial Solutions, Inc.	5,005	108	116	
Brookline Bancorp, Inc.	37	-	-	
Brown & Brown, Inc.	4,521	108	112	
Calamos Asset Management, Inc.	1,070	13	15	
Camden National Corp.	189	6	6	
Camden Property Trust REIT	2,729	144	168	
Campus Crest Communities, Inc.-REIT	1,060	13	13	
Capital One Financial Corp.	18,040	716	900	
Capital Southwest Corp.	182	19	16	
Capitalsource, Inc. REIT	12,820	87	80	
Capitol Federal Financial, Inc.	6,026	68	68	
CapLease, Inc. REIT	4,109	24	19	
Capstead Mortgage Corp. REIT	3,037	37	39	
Cardinal Financial Corp.	2,246	25	24	
Cash America International, Inc.	1,157	44	65	
Cathay General Bancorp	3,122	45	49	
CB Richard Ellis Group, Inc.-Class A	11,454	226	277	
CBL & Associates Properties, Inc. REIT	5,778	100	101	
CBOE Holdings, Inc.	1,989	48	47	
Cedar Shopping Centers, Inc.-REIT	1,542	8	8	
Center Financial Corp.	1,031	6	6	
Centerstate Banks, Inc.	953	6	6	
Central Pacific Financial Corp.	445	6	6	
Charles Schwab Corp. (The)	39,809	643	631	
Chatham Lodging Trust-REIT	427	7	7	
Chemical Financial Corp.	1,576	34	29	
Chesapeake Lodging Trust REIT	1,827	35	30	
Chimera Investment Corp. REIT	40,526	168	135	
Chubb Corp.	11,609	686	701	

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Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cincinnati Financial Corp.	5,604	174	158	
Citigroup, Inc.	7,947	328	339	
Citigroup, Inc.	114,324	4,899	4,590	
Citizens & Northern Corp.	413	6	6	
Citizens, Inc.	1,024	7	7	
City Holding Co.	840	28	27	
City National Corp.	1,765	99	92	
CME Group, Inc.	2,646	811	745	
CNA Financial Corp.	863	24	24	
CNB Financial Corp	463	7	6	
CNO Financial Group, Inc.	8,660	54	66	
CoBiz Financial, Inc.	954	6	6	
Cogdell Spencer, Inc.-REIT	1,287	7	7	
Cohen & Steers, Inc.	836	23	27	
Colonial Properties Trust REIT	3,543	65	70	
Colony Financial, Inc. REIT	1,808	36	31	
Columbia Banking System, Inc.	1,813	34	30	
Comerica, Inc.	6,796	260	227	
Commerce Bancshares, Inc.	2,777	106	115	
CommonWealth REIT	2,830	73	70	
Community Bank System, Inc.	1,569	39	38	
Community Trust Bancorp, Inc.	973	28	26	
Coresite Realty Corp.-REIT	638	10	10	
Corporate Office Properties REIT	2,702	94	81	
Cousins Properties, Inc. REIT	4,257	33	35	
Cowen Group, Inc.-Class A	2,302	9	8	
Crawford & Co.-Class B	896	6	6	
Credit Acceptance Corp.	243	19	20	
CreXus Investment Corp.-REIT	1,488	16	16	
Cullen/Frost Bankers, Inc.	1,918	107	105	
CVB Financial Corp.	3,882	32	35	
Cypress Sharpridge Investments, Inc. REIT	3,287	41	41	
Danvers Bancorp, Inc.	651	14	14	
DCT Industrial Trust, Inc. REIT	10,191	52	51	
Delphi Financial Group, Inc.-Class A	1,980	54	56	
Developers Diversified Realty Corp. REIT	8,400	112	114	
Diamond Hill Investment Group, Inc.	114	9	9	
DiamondRock Hospitality Co. REIT	7,159	81	74	
Digital Realty Trust, Inc. REIT	3,717	201	222	
Dime Community Bancshares, Inc.	2,083	29	29	
Discover Financial Services	21,458	413	554	
Dollar Financial Corp.	1,739	33	36	
Doral Financial Corp.	4,052	7	8	
Douglas Emmett, Inc. REIT	5,033	84	97	
Duff & Phelps Corp.-Class A	1,275	18	16	
Duke Realty Corp. REIT	10,282	121	139	
DuPont Fabros Technology, Inc. REIT	2,238	52	54	
E*Trade Financial Corp.	10,046	156	134	
Eagle Bancorp, Inc.	476	6	6	
East West Bancorp, Inc.	5,764	106	112	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
EastGroup Properties, Inc. REIT	1,203	49	49	
Eaton Vance Corp.	4,762	146	139	
Edelman Financial Group, Inc.	844	6	6	
Education Realty Trust, Inc. REIT	3,738	28	31	
eHealth, Inc.	1,269	20	16	
Encore Capital Group, Inc.	748	15	22	
Endurance Specialty Holdings, Ltd.	1,525	67	61	
Enstar Group, Ltd.	298	26	30	
Ent Financial Services Corp.	473	6	6	
Entertainment Properties Trust REIT	1,817	84	82	
Epoch Holding Corp.	482	8	8	
Equity Lifestyle Properties, Inc. REIT	1,057	59	64	
Equity One, Inc. REIT	1,728	31	31	
Equity Residential REIT	11,572	602	670	
Erie Indemnity Co.-Class A	1,060	68	72	
ESB Financial Corp.	463	6	6	
ESSA Bancorp, Inc.	497	6	6	
Essex Property Trust, Inc. REIT	1,260	146	164	
Evercore Partners, Inc.-Class A	900	28	29	
Everest Re Group, Ltd.	1,837	157	145	
Excel Trust, Inc.-REIT	533	6	6	
Extra Space Storage, Inc. REIT	3,597	60	74	
Ezcorp, Inc.-Class A	1,917	51	66	
Factset Research Systems, Inc.	1,835	171	181	
FBL Financial Group, Inc.-Class A	647	18	20	
FBR Capital Markets Corp.	1,715	6	6	
Federal Agricultural Mortgage Corp.-Class C	359	7	8	
Federal Realty Investment Trust REIT	2,390	190	197	
Federated Investors, Inc.-Class B	3,575	89	82	
FelCor Lodging Trust, Inc. REIT	5,389	34	28	
Fidelity National Financial, Inc.	8,996	126	137	
Fifth Street Finance Corp.	3,116	38	35	
Fifth Third Bancorp	36,080	470	443	
Financial Engines, Inc.	1,506	37	38	
Financial Institutions, Inc.	373	6	6	
First American Financial Corp.	4,204	64	63	
First Bancorp	550	6	5	
First Busey Corp.	1,837	10	9	
First Cash Financial Services, Inc.	1,214	37	49	
First Citizens BancShares, Inc.-Class A	176	32	32	
First Commonwealth Financial Corp.	5,410	36	30	
First Community Bancshares, Inc.	419	6	6	
First Defiance Financial Corp.	417	6	6	
First Financial Bancorp	2,743	49	44	
First Financial Bankshares, Inc.	1,228	42	41	
First Financial Corp.	743	24	23	
First Financial Holdings, Inc.	624	6	5	
First Horizon National Corp.	10,456	107	96	
First Industrial Realty Trust, Inc. REIT	3,354	26	37	
First Interstate Bancsystem, Inc.	414	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
First Merchants Corp.	690	6	6	
First Midwest Bancorp, Inc.	3,238	32	38	
First Niagara Financial Group	11,872	156	151	
First of Long Island Corp.	220	6	6	
First Pactrust Bancorp, Inc.	369	5	5	
First Potomac Realty Trust REIT	2,567	42	38	
First Republic Bank/San Francisco	2,719	88	85	
FirstMerit Corp.	3,840	71	61	
Flagstar Bancorp, Inc.	5,258	7	6	
Flagstone Reinsurance Holdings SA	2,502	27	20	
Flushing Financial Corp.	2,017	28	25	
FNB Corp.	5,254	49	52	
Forest City Enterprises-Class A	5,621	92	101	
Forestar Group, Inc.	1,595	30	25	
Fox Chase Bancorp, Inc.	437	6	6	
FPIC Insurance Group, Inc.	513	19	21	
Franklin Financial Corp.	502	6	6	
Franklin Resources, Inc.	5,750	685	728	
Franklin Street Properties Corp. REIT	2,967	39	37	
Fulton Financial Corp.	8,022	74	83	
FXCM, Inc.	647	6	6	
GAMCO Investors, Inc.	411	19	18	
General Growth Properties, Inc. REIT	22,097	353	356	
Genworth Financial, Inc.-Class A	19,622	242	195	
German American Bancorp, Inc.	364	6	6	
Getty Realty Corp. REIT	1,128	35	27	
GFI Group, Inc.	2,063	9	9	
Glacier Bancorp, Inc.	2,999	41	39	
Gladstone Capital Corp.	1,934	22	17	
Gladstone Commercial Corp.-REIT	344	6	6	
Gladstone Investment Corp.	832	6	6	
Gleacher & Co., Inc.	2,591	5	5	
Glimcher Realty Trust REIT	4,333	36	40	
Global Indemnity PLC	793	16	17	
Goldman Sachs Group, Inc.	20,396	3,299	2,618	
Golub Capital BDC, Inc.	415	6	6	
Government Properties Income Trust REIT	1,206	32	31	
Great Southern Bancorp, Inc.	323	6	6	
Green Dot Corp.-Class A	833	37	27	
Greenhill & Co., Inc.	1,188	89	62	
Greenlight Capital Re, Ltd.	1,321	37	34	
Hampton Roads Bankshares, Inc.	366	5	3	
Hancock Holding Co.	2,144	61	64	
Hanmi Financial Corp.	6,802	6	7	
Hanover Insurance Group, Inc.	1,617	76	59	
Harleysville Group, Inc.	759	28	23	
Harris & Harris Group, Inc.	1,191	6	6	
Hartford Financial Services Group, Inc.	17,507	422	445	
Hatteras Financial Corp. REIT	2,824	84	77	
HCC Insurance Holdings, Inc.	4,318	126	131	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
HCP, Inc.	16,037	549	568	
Health Care, Inc. REIT	6,885	320	348	
Healthcare Realty Trust, Inc. REIT	2,893	60	58	
Heartland Financial USA, Inc.	428	6	6	
Hercules Technology Growth Capital, Inc.	2,701	28	27	
Heritage Financial Corp.	465	6	6	
Hersha Hospitality Trust REIT	6,327	40	34	
HFF, Inc.-Class A	1,003	14	15	
Highwoods Properties, Inc.-REIT	600	19	19	
Hilltop Holdings, Inc.	2,694	27	23	
Home Bancshares, Inc.	1,088	24	25	
Home Federal Bancorp, Inc.	561	6	6	
Home Properties, Inc. REIT	1,489	82	87	
Horace Mann Educators Corp.	2,065	36	31	
Hospitality Properties Trust REIT	4,671	107	109	
Host Hotels & Resorts, Inc. REIT	26,932	460	441	
Howard Hughes Corp.	855	39	54	
Hudson City Bancorp, Inc.	18,832	218	149	
Hudson Pacific Properties, Inc.-REIT	543	9	8	
Hudson Valley Holding Corp.	988	21	18	
Huntington Bancshares, Inc.	34,313	220	217	
Iberiabank Corp.	1,064	58	59	
Imperial Holdings, Inc.	641	6	6	
Independent Bank Corp.	1,066	28	27	
Infinity Property & Casualty Corp.	599	37	32	
Inland Real Estate Corp. REIT	3,963	35	34	
Interactive Brokers Group, Inc.-Class A	1,792	33	27	
IntercontinentalExchange, Inc.	2,920	344	351	
International Bancshares Corp.	2,148	40	35	
Internet Capital Group, Inc.	1,571	20	19	
Intl. FCStone, Inc.	745	17	17	
Invesco Mortgage Capital, Inc. REIT	2,538	58	52	
Invesco, Ltd.	18,373	423	415	
Investment Technology Group, Inc.	1,923	30	26	
Investors Bancorp, Inc.	2,075	26	28	
Investors Real Estate Trust REIT	4,626	41	39	
iStar Financial, Inc. REIT	3,604	21	28	
Janus Capital Group, Inc.	7,438	83	68	
Jefferies Group, Inc.	5,171	130	102	
Joyo Bank, Ltd. (The)	1,656	136	151	
JPMorgan Chase & Co.	156,440	6,167	6,177	
KBW, Inc.	1,592	40	29	
Kennedy-Wilson Holdings, Inc.	702	8	8	
Keycorp	37,750	303	303	
Kilroy Realty Corp. REIT	2,400	83	91	
Kimco Realty Corp. REIT	16,298	280	293	
Kite Realty Group Trust-REIT	1,287	6	6	
Knight Capital Group, Inc.	4,116	57	44	
Kohlberg Capital Corp.	747	6	6	
Ladenburg Thalmann Financial Services, Inc.	4,581	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Lakeland Bancorp, Inc.	607	6	6	
Lakeland Financial Corp.	1,152	25	25	
LaSalle Hotel Properties REIT	3,393	85	86	
Legg Mason, Inc.	5,906	204	187	
Lender Processing Services, Inc.	3,558	109	72	
Leucadia National Corp.	7,800	218	257	
Lexington Realty Trust REIT	5,265	43	46	
Liberty Property Trust REIT	4,482	143	141	
Lincoln National Corp.	12,228	311	336	
Loews Corp.	12,351	479	502	
LPL Investment Holdings, Inc.	1,318	43	43	
LTC Properties, Inc. REIT	1,589	43	43	
M&T Bank Corp.	4,937	406	419	
Macerich Co., REIT	5,203	244	269	
Mack-Cali Realty Corp. REIT	3,171	102	101	
Maiden Holdings, Ltd.	2,650	21	23	
Main Street Capital Corp.	744	13	14	
MainSource Financial Group, Inc.	780	7	6	
Markel Corp.	381	139	146	
MarketAxess Holdings, Inc.	1,324	25	32	
Marsh & McLennan Cos., Inc.	21,585	571	649	
Marshall & Ilsley Corp.	21,299	114	164	
MB Financial, Inc.	2,169	32	40	
MBIA, Inc.	5,638	58	47	
MCG Capital Corp.	3,653	26	21	
Meadowbrook Insurance Group, Inc.	2,525	25	24	
Medallion Financial Corp.	632	6	6	
Medical Properties Trust, Inc. REIT	5,047	52	56	
Medley Capital Corp.	537	6	6	
Merck & Co., Inc.	121,561	4,337	4,138	
Mercury General Corp.	963	43	37	
Metlife, Inc.	32,366	1,322	1,370	
Metro Bancorp, Inc.	543	6	6	
MF Global Holdings, Ltd.	6,448	52	48	
MFA Financial, Inc. REIT	12,907	105	100	
MGIC Investment Corp.	7,611	68	44	
Mid-America Apartment Communities, Inc. REIT	1,431	90	93	
Monmouth Real Estate Investment Corp. REIT-Class A	709	6	6	
Montpelier Re Holdings, Ltd.	2,533	51	44	
Moody's Corp.	7,869	215	291	
Morgan Stanley	60,771	1,555	1,350	
MPG Office Trust, Inc.-REIT	2,215	6	6	
MSCI, Inc.	4,680	169	170	
MVC Capital, Inc.	1,652	23	21	
Nara Bancorp, Inc.	1,954	17	15	
NASDAQ OMX Group, Inc.	4,857	112	119	
National Bankshares, Inc.	240	6	6	
National Financial Partners Corp.	1,943	25	22	
National Health Investors, Inc. REIT	1,114	50	48	
National Penn Bancshares, Inc.	5,276	38	40	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
National Retail Properties, Inc. REIT	3,221	86	76	
National Western Life Insurance Co.-Class A	153	26	23	
Nationwide Health Properties, Inc. REIT	4,914	177	196	
Navigators Group, Inc.	717	36	32	
NBT Bancorp, Inc.	1,661	39	35	
Nelnet, Inc.-Class A	979	22	21	
Netspend Holdings, Inc.	1,018	9	10	
New York Community Bancorp, Inc.	16,888	292	244	
NewStar Financial, Inc.	822	8	8	
NGP Capital Resources Co.	701	6	6	
Nicholas Financial, Inc.	503	6	6	
Northern Trust Corp.	8,612	452	382	
Northfield Bancorp, Inc.	434	6	6	
NorthStar Realty Finance Corp. REIT	4,846	21	19	
Northwest Bancshares, Inc.	4,864	53	59	
NYSE Euronext	10,280	299	340	
OceanFirst Financial Corp.	462	6	6	
Ocwen Financial Corp.	3,069	28	38	
Old National Bancorp	4,300	47	45	
Old Republic International Corp.	10,349	136	117	
Omega Healthcare Investors, Inc. REIT	3,943	85	80	
OmniAmerican Bancorp, Inc.	414	6	6	
One Liberty Properties, Inc.-REIT	380	6	6	
OneBeacon Insurance Group, Ltd.	1,642	25	21	
Oppenheimer Holdings, Inc.-Class A	340	9	9	
optionsXpress Holdings, Inc.	1,913	33	31	
Oriental Financial Group, Inc.	2,043	24	25	
Oritani Financial Corp.	2,629	31	32	
Orrstown Financial Services, Inc.	231	6	6	
PacWest Bancorp	1,310	23	26	
Park National Corp.	540	38	34	
Park Sterling Corp.	1,175	6	6	
Parkway Properties, Inc. REIT	1,247	21	21	
PartnerRe, Ltd.	2,595	204	172	
Pebblebrook Hotel Trust REIT	2,392	46	47	
PennantPark Investment Corp.	2,344	29	25	
Penns Woods Bancorp, Inc.	170	6	6	
Pennsylvania Real Estate Investment Trust REIT	2,363	33	36	
People's United Financial, Inc.	13,730	177	178	
PHH Corp.	2,035	45	40	
Phoenix Cos., Inc.	3,750	9	9	
Pico Holdings, Inc.	1,119	33	31	
Piedmont Office Realty Trust, Inc. REIT	6,114	121	120	
Pinnacle Financial Partners, Inc.	1,696	17	25	
Piper Jaffray Cos.	737	24	20	
Platinum Underwriters Holdings, Ltd.	1,478	64	47	
Plum Creek Timber Co., Inc. REIT	6,347	241	248	
PMI Group, Inc.	9,149	29	9	
PNC Financial Services Group, Inc.	20,729	1,176	1,192	
Popular, Inc.	40,301	121	107	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Portfolio Recovery Associates, Inc.	716	49	59	
Post Properties, Inc. REIT	1,907	66	75	
Potlatch Corp. REIT	1,602	52	55	
Presidential Life Corp.	595	6	6	
Primerica, Inc.	1,391	31	29	
Primus Guaranty, Ltd.	1,210	6	6	
Principal Financial Group	12,729	372	374	
PrivateBancorp, Inc.	2,462	31	33	
ProAssurance Corp.	1,184	73	80	
Progressive Corp. (The)	26,132	544	539	
ProLogis, Inc. REIT	16,757	510	579	
Prospect Capital Corp.	4,482	47	44	
Prosperity Bancshares, Inc.	1,809	64	77	
Protective Life Corp.	3,368	84	75	
Provident Financial Services, Inc.	3,036	43	42	
Provident New York Bancorp	2,751	27	22	
Prudential Financial, Inc.	19,127	1,032	1,174	
PS Business Parks, Inc. REIT	800	43	43	
Public Storage, Inc. REIT	5,586	562	614	
Radian Group, Inc.	5,385	41	22	
RAIT Financial Trust-REIT	3,773	8	8	
Ramco-Gershenson Properties Trust REIT	2,067	25	25	
Raymond James Financial, Inc.	4,097	126	127	
Rayonier, Inc. REIT	3,109	167	196	
Realty Income Corp. REIT	4,798	164	155	
Redwood Trust, Inc. REIT	3,304	46	48	
Regency Centers Corp. REIT	3,472	144	147	
Regions Financial Corp.	49,210	293	294	
Reinsurance Group of America, Inc.	2,949	156	173	
RenaissanceRe Holdings, Ltd.	1,995	125	135	
Renasant Corp.	1,283	23	18	
Republic Bancorp, Inc.-Class A	315	6	6	
Resource Capital Corp.-REIT	2,131	14	13	
Retail Opportunity Investments Corp. REIT	2,389	24	25	
RLI Corp.	850	51	51	
RLJ Lodging Trust-REIT	823	14	14	
Rockville Financial, Inc.	922	9	9	
S&T Bancorp, Inc.	1,520	32	27	
Sabra Healthcare, Inc. REIT	1,563	28	25	
Safeguard Scientifics, Inc.	1,054	16	19	
Safety Insurance Group, Inc.	710	34	29	
Sandy Spring Bancorp, Inc.	1,113	20	19	
Saul Centers, Inc. REIT	476	21	18	
SCBT Financial Corp.	875	28	24	
SeaBright Holdings, Inc.	637	6	6	
Seacoast Banking Corp. of Florida	3,727	5	5	
SEI Investments Co.	5,937	139	129	
Selective Insurance Group, Inc.	2,562	45	40	
Senior Housing Properties Trust REIT	5,498	123	124	
Signature Bank	1,616	77	89	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Simmons First National Corp.-Class A	969	29	24	
Simon Property Group, Inc. REIT	11,595	1,178	1,301	
SL Green Realty Corp. REIT	3,164	215	253	
SLM Corp.	20,839	258	338	
Solar Capital, Ltd.	1,226	30	29	
Solar Senior Capital, Ltd.	345	6	6	
Southside Bancshares, Inc.	1,111	23	21	
Southwest Bancorp, Inc.	547	6	5	
Sovran Self Storage, Inc. REIT	1,198	44	47	
St. Joe Co.	2,608	48	52	
STAG Industrial, Inc.-REIT	478	6	6	
StanCorp Financial Group, Inc.	1,795	79	73	
Starwood Property Trust, Inc. REIT	3,490	73	69	
State Auto Financial Corp.	370	6	6	
State Bancorp, Inc.	477	6	6	
State Bank Financial Corp.	943	15	15	
State Street Corp.	19,917	910	866	
StellarOne Corp.	1,531	22	18	
Sterling Bancorp	637	6	6	
Sterling Bancshares, Inc.	4,410	28	35	
Sterling Financial Corp.	809	13	13	
Stewart Information Services Corp.	619	6	6	
Stifel Financial Corp.	2,170	80	75	
Strategic Hotels & Resorts, Inc. REIT	7,338	36	50	
Suffolk Bancorp	771	18	10	
Sun Communities, Inc. REIT	1,001	33	36	
Sunstone Hotel Investors, Inc. REIT	4,909	49	44	
SunTrust Banks, Inc.	21,043	528	523	
Susquehanna Bancshares, Inc.	5,292	45	41	
SVB Financial Group	1,626	81	94	
SWS Group, Inc.	1,039	6	6	
SY Bancorp, Inc.	1,161	28	26	
Symetra Financial Corp.	2,443	31	32	
Synovus Financial Corp.	31,923	71	64	
T Rowe Price Group, Inc.	10,317	630	601	
Tanger Factory Outlet Centers REIT	3,306	82	85	
Taubman Centers, Inc. REIT	2,171	108	124	
TCF Financial Corp.	6,030	86	80	
TD Ameritrade Holding Corp.	8,889	160	167	
Tejon Ranch Co.	655	16	22	
Terreno Realty Corp.-REIT	356	6	6	
Territorial Bancorp, Inc.	320	6	6	
Texas Capital Bancshares, Inc.	1,610	32	40	
TFS Financial Corp.	3,488	29	33	
THL Credit, Inc.	469	6	6	
TICC Capital Corp.	1,828	20	17	
Tompkins Financial Corp.	580	23	22	
Torchmark Corp.	2,990	180	185	
Tower Bancorp, Inc.	321	8	8	
Tower Group, Inc.	1,505	40	35	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Towers Watson & Co.-Class A	2,206	121	140	
TowneBank	1,501	24	19	
Transatlantic Holdings, Inc.	2,326	120	110	
Travelers Cos. (The), Inc.	16,577	927	934	
Triangle Capital Corp.	1,177	23	21	
Trico Bancshares	423	6	6	
Trustco Bank Corp.	5,150	31	24	
Trustmark Corp.	2,630	61	59	
Two Harbors Investment Corp.-REIT	3,203	33	33	
U-Store-It Trust REIT	4,367	40	44	
UDR, Inc. REIT	7,371	170	175	
UMB Financial Corp.	1,254	50	51	
Umpqua Holdings Corp.	4,407	50	49	
Union First Market Bankshares Corp.	475	6	6	
United Bankshares, Inc.	1,673	46	40	
United Financial Bancorp, Inc.	2,081	32	31	
United Fire & Casualty Co.	1,243	27	21	
Unitrin, Inc.	1,973	49	56	
Universal American Corp.	1,433	12	15	
Universal Health Realty Income Trust-REIT	400	16	15	
Universal Insurance Holdings, Inc.	1,283	6	6	
Univest Corp. of Pennsylvania	1,341	26	20	
Unum Group	12,144	278	299	
Urstadt Biddle Properties, Inc.-Class A, REIT	800	15	14	
US Bancorp	75,933	1,893	1,869	
Validus Holdings, Ltd.	2,955	89	88	
Valley National Bancorp	6,064	77	80	
Ventas, Inc. REIT	6,173	320	314	
ViewPoint Financial Group	1,234	16	16	
Virtus Investment Partners, Inc.	291	14	17	
Visa, Inc.-Class A	20,581	1,554	1,674	
Vornado Realty Trust REIT	7,218	609	649	
Waddell & Reed Financial-Class A	3,577	119	125	
Walker & Dunlop, Inc.	457	6	6	
Walter Investment Management Cor. REIT	1,228	22	26	
Washington Banking Co.	464	6	6	
Washington Federal, Inc.	4,306	67	68	
Washington Real Estate Investment Trust REIT	2,598	81	81	
Washington Trust Bancorp, Inc.	1,029	22	23	
Webster Financial Corp.	2,766	49	56	
Weingarten Realty Investors REIT	4,547	111	110	
Wells Fargo & Co.	193,579	5,497	5,240	
WesBanco, Inc.	1,212	22	23	
Westamerica Bancorporation	1,061	54	50	
Western Alliance Bancorp	3,464	23	24	
Westfield Financial, Inc.	726	6	6	
Westwood Holdings Group, Inc.	208	7	8	
White Mountains Insurance Group, Ltd.	266	86	107	
Wilshire Bancorp, Inc.	1,994	6	6	
Winthrop Realty Trust REIT	2,181	25	25	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Wintrust Financial Corp.	1,358	42	42	
World Acceptance Corp.	652	31	41	
WR Berkley Corp.	4,487	124	141	
WSFS Financial Corp.	505	23	19	
XL Group PLC	12,225	253	259	
Zions Bancorporation	7,185	151	166	
		96,981	95,460	16.4
Health Care				
Abaxis, Inc.	999	28	26	
Abbott Laboratories	61,211	2,931	3,106	
ABIOMED, Inc.	1,358	16	21	
Accelrys, Inc.	2,542	22	17	
Accenture PLC-Class A	25,360	1,164	1,479	
Accretive Health, Inc.	1,514	37	42	
Accuray, Inc.	2,644	16	20	
Achillion Pharmaceuticals, Inc.	1,475	10	11	
Acorda Therapeutics, Inc.	1,579	43	49	
Aegerion Pharmaceuticals, Inc.	348	5	5	
Aetna, Inc.	14,909	458	634	
Affymax, Inc.	1,085	7	7	
Affymetrix, Inc.	3,044	13	23	
Air Methods Corp.	469	24	34	
Akorn, Inc.	2,059	14	14	
Alere, Inc.	3,459	116	122	
Alexion Pharmaceuticals	7,267	285	330	
Align Technology, Inc.	2,405	45	53	
Alkermes, Inc.	3,812	42	68	
Allergan, Inc.	12,004	817	964	
Allos Therapeutics, Inc.	4,169	15	8	
Allscripts Healthcare Solutions, Inc.	7,296	135	137	
Almost Family, Inc.	397	14	11	
Alnylam Pharmaceuticals, Inc.	1,826	17	17	
Alphatec Holdings, Inc.	1,659	6	6	
AMAG Pharmaceuticals Inc.	998	16	18	
Amedisys, Inc.	1,170	35	30	
American Dental Partners, Inc.	464	6	6	
AMERIGROUP Corp.	1,718	79	117	
AmerisourceBergen Corp.	10,816	352	432	
Amgen, Inc.	36,588	1,996	2,060	
AMN Healthcare Services, Inc.	1,289	10	10	
Ampio Pharmaceuticals, Inc.	729	6	5	
Amsurg Corp.	1,321	26	33	
Amylin Pharmaceuticals, Inc.	5,249	70	68	
Analogic Corp.	544	26	28	
Angiodynamics, Inc.	1,323	19	18	
Antares Pharma, Inc.	3,046	7	6	
Anthera Pharmaceuticals, Inc.	748	6	6	
Ardea Biosciences, Inc.	757	17	19	
Arena Pharmaceuticals, Inc.	4,798	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Ariad Pharmaceuticals, Inc.	5,307	24	58	
Arqule, Inc.	1,591	10	10	
Array Biopharma, Inc.	2,791	6	6	
Arthrocare Corp.	1,063	34	34	
Assisted Living Concepts, Inc.	984	16	16	
athenahealth, Inc.	1,372	60	54	
AtriCure, Inc.	487	6	6	
Atrion Corp.	44	8	8	
Auxilium Pharmaceuticals, Inc.	1,858	37	35	
AVANIR Pharmaceuticals, Inc.	6,035	25	20	
AVEO Pharmaceuticals, Inc.	1,015	20	20	
AVI BioPharma, Inc.	4,579	6	6	
Baxter International, Inc.	22,475	1,132	1,294	
Becton Dickinson & Co.	8,597	702	715	
Bio-Rad Laboratories, Inc.-Class A	735	73	85	
Bio-Reference Labs, Inc.	1,037	22	21	
BioCryst Pharmaceuticals, Inc.	1,567	6	6	
Biogen Idec, Inc.	9,511	640	981	
Biolase Technology, Inc.	1,039	6	5	
BioMarin Pharmaceutical, Inc.	4,437	122	117	
BioMimetic Therapeutics, Inc.	1,082	6	5	
Biosante Pharmaceuticals, Inc.	3,462	10	9	
BioScrip, Inc.	1,378	9	9	
Biospecifics Technologies Corp.	262	6	6	
Biotime, Inc.	1,380	6	7	
Boston Scientific Corp.	60,229	407	402	
Bristol-Myers Squibb Co.	67,264	1,755	1,879	
Bruker Corp.	3,295	54	65	
Cadence Pharmaceuticals, Inc.	1,340	12	12	
Caliper Life Sciences, Inc.	1,517	12	12	
Cantel Medical Corp.	652	14	17	
Capital Senior Living Corp.	807	7	7	
Cardinal Health, Inc.	13,817	519	606	
CardioNet, Inc.	1,175	6	6	
Cardiovascular Systems, Inc.	446	6	6	
CareFusion Corp.	8,587	212	225	
Catalyst Health Solutions, Inc.	1,745	82	94	
Celgene Corp.	18,242	1,113	1,061	
Cell Therapeutics, Inc.	6,063	12	9	
Celldex Therapeutics, Inc.	1,852	7	6	
Centene Corp.	2,026	49	69	
Cephalon, Inc.	2,984	195	230	
Cepheid, Inc.	2,482	53	83	
Cerner Corp.	5,582	264	329	
Cerus Corp.	2,128	6	6	
Charles River Laboratories International, Inc.	2,051	69	80	
Chelsea Therapeutics International, Ltd.	2,020	10	10	
Chemed Corp.	747	47	47	
Chindex International, Inc.	488	6	6	
Cigna Corp.	10,653	412	529	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Codexis, Inc.	726	7	7	
Columbia Laboratories, Inc.	2,617	8	8	
Community Health Systems, Inc.	3,780	124	94	
Complete Genomics, Inc.	400	6	6	
Computer Programs & Systems, Inc.	485	23	30	
Conceptus, Inc.	1,543	21	17	
CONMED Corp.	1,179	28	32	
Continuicare Corp.	1,393	7	8	
Cooper Cos., Inc.	1,799	103	137	
Corcept Therapeutics, Inc.	1,353	6	5	
Corvel Corp.	359	17	16	
Covance, Inc.	2,418	115	138	
Coventry Health Care, Inc.	5,801	156	204	
Covidien PLC	19,523	862	1,002	
CR Bard, Inc.	3,334	295	354	
Cross Country Healthcare, Inc.	860	6	6	
CryoLife, Inc.	1,146	6	6	
Cubist Pharmaceuticals, Inc.	2,454	52	85	
Curis, Inc.	2,439	9	8	
Cyberonics, Inc.	1,263	35	34	
Cytori Therapeutics, Inc.	1,786	9	8	
DaVita, Inc.	3,745	283	313	
Delcath Systems, Inc.	2,011	18	10	
Dendreon Corp.	5,736	218	218	
DENTSPLY International, Inc.	5,518	180	203	
Depomed, Inc.	2,026	16	16	
DexCom, Inc.	2,758	34	39	
Direct Corp.	2,455	5	5	
Dusa Pharmaceuticals, Inc.	1,040	6	6	
Dyax Corp.	3,299	7	6	
Dynavax Technologies Corp.	4,193	11	11	
Edwards Lifesciences Corp.	4,480	316	377	
Eli Lilly & Co.	40,316	1,408	1,460	
Emdeon, Inc.-Class A	1,327	17	17	
Emergent Biosolutions, Inc.	1,151	22	25	
Emeritus Corp.	1,139	21	23	
Endo Pharmaceuticals Holdings, Inc.	4,604	171	178	
Endocyte, Inc.	511	6	7	
Endologix, Inc.	1,709	15	15	
Ensign Group, Inc.	639	14	19	
Enzo Biochem, Inc.	1,535	6	6	
Enzon Pharmaceuticals, Inc.	2,019	23	20	
ePocrates, Inc.	316	6	6	
eResearchTechnology, Inc.	1,419	8	9	
Exact Sciences Corp.	1,895	15	16	
Exactech, Inc.	335	6	6	
ExamWorks Group, Inc.	958	24	23	
Exelixis, Inc.	5,037	31	44	
Express Scripts, Inc.	20,840	1,151	1,085	
Five Star Quality Care, Inc.	1,100	7	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fluidigm Corp.	436	7	7	
Forest Laboratories, Inc.	11,207	368	426	
Furiex Pharmaceuticals, Inc.	356	6	6	
Gen-Probe, Inc.	1,854	103	124	
Genomic Health, Inc.	778	15	21	
Gentiva Health Services, Inc.	1,411	34	28	
Geron Corp.	5,700	33	22	
Gilead Sciences, Inc.	30,996	1,169	1,238	
Greatbatch, Inc.	1,035	24	27	
Haemonetics Corp.	918	57	57	
Halozyme Therapeutics, Inc.	3,655	27	24	
Hanger Orthopedic Group, Inc.	1,292	26	30	
Hansen Medical, Inc.	2,113	6	7	
HCA Holdings, Inc.	5,139	163	163	
Health Management Associates, Inc.	10,000	93	104	
Health Net, Inc.	3,615	100	112	
Healthsouth Corp.	3,734	70	95	
Healthspring, Inc.	2,722	82	121	
HealthStream, Inc.	536	6	7	
Healthways, Inc.	1,525	15	22	
HeartWare International, Inc.	476	44	34	
Henry Schein, Inc.	3,561	216	246	
Hi-Tech Pharmacal Co., Inc.	537	13	15	
Hill-Rom Holdings, Inc.	2,443	102	109	
HMS Holdings Corp.	1,078	71	80	
Hologic, Inc.	10,402	185	202	
Hospira, Inc.	6,497	370	355	
Human Genome Sciences, Inc.	7,461	188	177	
Humana, Inc.	6,612	384	514	
ICU Medical, Inc.	546	20	23	
Idenix Pharmaceuticals, Inc.	1,829	9	9	
IDEXX Laboratories, Inc.	2,196	149	164	
Illumina, Inc.	4,869	308	353	
Immucor, Inc.	2,457	47	48	
Immunogen, Inc.	2,950	25	35	
Immunomedics, Inc.	2,074	8	8	
Impax Laboratories, Inc.	2,497	47	52	
Incyte Corp., Ltd.	3,561	55	65	
Infinity Pharmaceuticals, Inc.	783	6	6	
Inhibitex, Inc.	2,140	8	8	
Insmmed, Inc.	861	10	10	
Insulet Corp.	1,795	26	38	
Integra LifeSciences Holdings Corp.	863	39	40	
InterMune, Inc.	1,982	26	69	
Intuitive Surgical, Inc.	1,548	421	555	
Invacare Corp.	1,176	34	38	
IPC The Hospitalist Co., Inc.	693	24	31	
IRIS International, Inc.	637	6	6	
Ironwood Pharmaceuticals, Inc.	1,840	29	28	
Isis Pharmaceuticals, Inc.	4,331	43	38	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
ISTA Pharmaceuticals, Inc.	1,023	7	8	
Jazz Pharmaceuticals, Inc.	886	18	29	
Johnson & Johnson	107,899	6,834	6,921	
Kendle International, Inc.	528	8	8	
Kensley Nash Corp.	249	6	6	
Keryx Biopharmaceuticals, Inc.	2,376	11	11	
Kindred Healthcare, Inc.	2,221	41	46	
Kinetic Concepts, Inc.	2,531	109	141	
KV Pharmaceutical Co.-Class A	2,391	6	6	
Laboratory Corp. of America Holdings	3,925	343	367	
Landauer, Inc.	483	32	29	
Lexicon Pharmaceuticals, Inc.	5,140	9	9	
LHC Group, Inc.	642	18	14	
Life Technologies Corp.	7,048	372	354	
LifePoint Hospitals, Inc.	2,040	72	77	
Ligand Pharmaceuticals, Inc.-Class B	563	6	6	
Lincare Holdings, Inc.	3,687	98	104	
Luminex Corp.	1,682	30	34	
Magellan Health Services, Inc.	1,173	59	62	
MAKO Surgical Corp.	1,211	19	35	
MannKind Corp.	3,132	19	11	
MAP Pharmaceuticals, Inc.	788	12	12	
Masimo Corp.	2,054	67	59	
Maxygen, Inc.	1,122	6	6	
McKesson Corp.	9,944	673	803	
MedAssets, Inc.	2,204	43	28	
Medcath Corp.	1,084	14	14	
Medco Health Solutions, Inc.	15,730	996	858	
Medical Action Industries, Inc.	723	6	6	
Medicines Co.	2,237	31	36	
Medicis Pharmaceutical-Class A	2,402	66	89	
Medidata Solutions, Inc.	997	21	23	
Medivation, Inc.	1,308	15	27	
Mednax, Inc.	1,884	123	131	
MedQuist Holdings, Inc.	1,081	13	13	
Medtox Scientific, Inc.	354	6	6	
Medtronic, Inc.	42,131	1,473	1,565	
Merge Healthcare, Inc.	1,773	9	9	
Meridian Bioscience, Inc.	1,784	41	41	
Merit Medical Systems, Inc.	1,575	20	27	
Metabolix, Inc.	1,609	16	11	
Metropolitan Health Networks, Inc.	1,272	6	6	
Mettler-Toledo International, Inc.	1,257	189	205	
Micromet, Inc.	3,981	30	22	
Molina Healthcare, Inc.	1,092	19	29	
Momenta Pharmaceuticals, Inc.	1,882	29	35	
MWI Veterinary Supply, Inc.	504	32	39	
Mylan, Inc.	17,191	357	409	
Myriad Genetics, Inc.	3,413	75	75	
Nabi Biopharmaceuticals	1,199	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
National Healthcare Corp.	474	21	23	
Natus Medical, Inc.	1,479	20	22	
Nektar Therapeutics	4,500	59	32	
Neogen Corp.	1,000	39	44	
Neoprobe Corp.	3,235	12	10	
Neurocrine Biosciences, Inc.	2,581	20	20	
Novavax, Inc.	3,066	6	6	
NPS Pharmaceuticals, Inc.	3,599	24	33	
NuVasive, Inc.	1,521	37	48	
NxStage Medical, Inc.	1,780	41	36	
Nymox Pharmaceutical Corp.	827	7	7	
Obagi Medical Products, Inc.	634	6	6	
Omnicare, Inc.	4,549	104	140	
Omnicell, Inc.	1,546	22	23	
OncoGenex Pharmaceutical, Inc.	340	6	6	
Oncothyreon, Inc.	1,543	14	14	
Onyx Pharmaceuticals, Inc.	2,573	81	88	
Opko Health, Inc.	3,989	14	14	
Optimer Pharmaceuticals, Inc.	1,965	20	23	
OraSure Technologies, Inc.	1,471	12	12	
Orthofix International	772	22	32	
Owens & Minor, Inc.	2,395	71	80	
Pacific Biosciences of California, Inc.	1,069	12	12	
Pain Therapeutics, Inc.	2,082	15	8	
Palomar Medical Technologies, Inc.	1,208	16	13	
Par Pharmaceutical Cos., Inc.	1,535	58	49	
Parexel International Corp.	2,353	44	53	
Patterson Cos., Inc.	4,023	125	128	
PDL BioPharma, Inc.	6,086	35	34	
Peregrine Pharmaceuticals, Inc.	3,410	6	6	
PerkinElmer, Inc.	4,489	111	117	
Perrigo Co.	3,227	204	273	
Pfizer, Inc.	311,082	5,340	6,182	
Pharmaceutical Product Development, Inc.	3,950	103	102	
Pharmacyclics, Inc.	1,582	16	16	
Pharmasset, Inc.	1,467	78	159	
PharmAthene, Inc.	2,034	6	6	
PharMerica Corp.	1,338	15	17	
Pozen, Inc.	1,331	6	5	
Progenics Pharmaceuticals, Inc.	869	6	6	
Providence Service Corp.	497	6	6	
PSS World Medical, Inc.	2,244	48	61	
QIAGEN	8,963	166	164	
Quality Systems, Inc.	741	51	62	
Quest Diagnostics, Inc.	6,096	323	348	
Questcor Pharmaceuticals, Inc.	2,019	30	47	
Quidel Corp.	1,330	18	19	
RadNet, Inc.	1,416	6	6	
Raptor Pharmaceutical Corp.	1,159	7	7	
Regeneron Pharmaceuticals, Inc.	2,904	91	159	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Rigel Pharmaceuticals, Inc.	2,948	24	26	
Rockwell Medical Technologies, Inc.	599	8	7	
RTI Biologics, Inc.	2,113	6	6	
Rural/Metro Corp.	660	11	11	
Sagent Pharmaceuticals, Inc.	225	6	6	
Salix Pharmaceuticals, Ltd.	2,310	104	89	
Sangamo Biosciences, Inc.	2,388	18	14	
Santarus, Inc.	1,870	6	6	
Savient Pharmaceuticals, Inc.	2,987	36	22	
Sciclone Pharmaceuticals, Inc.	1,145	7	7	
Seattle Genetics, Inc.	3,826	59	76	
Select Medical Holdings Corp.	1,366	12	12	
Sequenom, Inc.	4,205	31	31	
SIGA Technologies, Inc.	1,431	18	13	
Sirona Dental Systems, Inc.	2,146	96	110	
Skilled Healthcare Group, Inc.-Class A	643	6	6	
Solta Medical, Inc.	2,299	6	6	
SonoSite, Inc.	688	21	23	
Spectranetics Corp.	1,072	6	6	
Spectrum Pharmaceuticals, Inc.	1,940	16	17	
St. Jude Medical, Inc.	12,943	530	595	
Staar Surgical Co.	1,182	6	6	
Stereotaxis, Inc.	1,760	6	6	
STERIS Corp.	2,362	85	80	
Stryker Corp.	12,334	644	698	
Sun Healthcare Group, Inc.	752	6	6	
Sunrise Senior Living, Inc.	2,590	21	24	
SuperGen, Inc.	2,113	6	6	
SurModics, Inc.	534	6	6	
SXC Health Solutions Corp.	2,452	101	139	
Symmetry Medical, Inc.	2,040	18	18	
Synergetics USA, Inc.	1,093	6	6	
Synovis Life Technologies, Inc.	354	6	6	
Targacept, Inc.	1,140	25	23	
Team Health Holdings, Inc.	957	21	21	
Techne Corp.	1,445	92	116	
Teleflex, Inc.	1,513	79	89	
Tenet Healthcare Corp.	19,538	89	117	
Theravance, Inc.	2,718	70	58	
Thermo Fisher Scientific, Inc.	15,091	798	938	
Thoratec Corp.	2,326	63	74	
Tornier BV	348	9	9	
Transcend Services, Inc.	309	9	9	
Triple-S Management Corp.	958	19	20	
Unilife Corp.	1,689	7	8	
United Therapeutics Corp.	2,063	131	110	
UnitedHealth Group, Inc.	42,615	1,627	2,122	
Universal Health Services-Class B	3,519	150	175	
Uroplasty, Inc.	796	6	6	
US Physical Therapy, Inc.	328	8	8	

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Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Vanda Pharmaceuticals, Inc.	907	6	6	
Varian Medical Systems, Inc.	4,605	317	311	
Vascular Solutions, Inc.	506	6	6	
VCA Antech, Inc.	3,306	75	68	
Vertex Pharmaceuticals, Inc.	8,076	280	405	
Vical, Inc.	2,463	10	10	
Viropharma, Inc.	2,882	46	51	
Vivus, Inc.	3,240	22	25	
Volcano Corp.	2,186	61	68	
Warner Chilcott PLC	6,599	143	154	
Waters Corp.	3,602	289	333	
Watson Pharmaceuticals, Inc.	4,948	263	328	
WellCare Health Plans, Inc.	1,657	49	82	
WellPoint, Inc.	14,419	834	1,096	
West Pharmaceutical Services, Inc.	1,281	51	54	
Wright Medical Group, Inc.	1,735	24	25	
XenoPort, Inc.	1,300	9	9	
Young Innovations, Inc.	213	6	6	
Zalicus, Inc.	2,805	7	6	
Zimmer Holdings, Inc.	7,563	391	461	
ZIOPHARM Oncology, Inc.	2,136	13	13	
Zoll Medical Corp.	922	32	50	
		56,721	62,978	10.8
Industrials				
3D Systems Corp.	1,796	27	34	
3M Co.	27,970	2,451	2,560	
A123 Systems, Inc.	4,296	36	22	
AAON, Inc.	1,075	20	23	
AAR Corp.	1,673	43	44	
ABM Industries, Inc.	2,097	50	47	
Acacia Research	1,703	49	60	
ACCO Brands Corp.	2,121	16	16	
Accuride Corp.	1,293	15	16	
ACE Aviation Holdings, Inc.	13,299	809	845	
Aceto Corp.	951	6	6	
Active Power, Inc.	2,789	7	7	
Actuant Corp.-Class A	2,634	66	68	
Acuity Brands, Inc.	1,628	93	88	
Advisory Board Co.	693	33	39	
Aerovironment, Inc.	776	20	26	
AGCO Corp.	3,659	168	174	
Air Lease Corp.	1,272	29	30	
Air Transport Services Group, Inc.	2,486	19	16	
Aircastle, Ltd.	2,138	22	26	
Alamo Group, Inc.	276	6	6	
Alaska Air Group, Inc.	1,398	80	92	
Albany International Corp.-Class A	1,152	26	29	
Alexander & Baldwin, Inc.	1,609	62	75	
Allegiant Travel Co.	611	31	29	

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Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Alliant Techsystems, Inc.	1,236	96	85	
Altra Holdings, Inc.	1,263	23	29	
Amerco, Inc.	305	30	28	
Ameresco, Inc.-Class A	565	8	8	
American Railcar Industries, Inc.	303	6	7	
American Reprographics Co.	1,033	7	7	
American Science & Engineering, Inc.	427	36	33	
American Superconductor Corp.	1,618	53	14	
American Woodmark Corp.	347	6	6	
Ameron International Corp.	406	31	26	
AMETEK, Inc.	6,240	261	270	
Ampco-Pittsburgh Corp.	619	17	14	
AMR Corp.	13,567	118	71	
AO Smith Corp.	1,395	57	57	
APAC Customer Services, Inc.	1,091	6	6	
Apogee Ent., Inc.	1,438	17	18	
Applied Industrial Technologies, Inc.	1,626	51	56	
Arkansas Best Corp.	1,139	30	26	
Astec Industries, Inc.	891	28	32	
Astronics Corp.	293	8	9	
Atlas Air Worldwide Holdings, Inc.	1,030	58	59	
Avery Dennison Corp.	4,192	166	156	
Avis Budget Group, Inc.	4,277	61	70	
AZZ, Inc.	590	23	26	
Babcock & Wilcox Co.	4,632	119	124	
Badger Meter, Inc.	726	32	26	
Barnes Group, Inc.	2,115	42	51	
BE Aerospace, Inc.	3,853	143	152	
Beacon Roofing Supply, Inc.	1,887	34	42	
Belden, Inc.	1,867	68	63	
Blount International, Inc.	2,236	36	38	
Boeing Co.	29,104	1,950	2,077	
Brady Corp.-Class A	1,882	61	58	
Briggs & Stratton Corp.	2,169	40	42	
Broadwind Energy, Inc.	4,168	6	6	
Bucyrus International, Inc.-Class A	2,991	271	265	
C.H. Robinson Worldwide, Inc.	6,532	502	497	
Cabot Corp.	2,571	97	99	
CAI International, Inc.	431	9	9	
Capstone Turbine Corp.	8,900	13	13	
Carlisle Cos., Inc.	2,373	93	113	
Cascade Corp.	376	15	17	
Casella Waste Systems, Inc.	1,114	6	7	
Caterpillar, Inc.	25,350	2,287	2,604	
CBIZ, Inc.	877	6	6	
CDI Corp.	445	6	6	
Celadon Group, Inc.	637	8	9	
Cenveo, Inc.	1,804	11	11	
Ceradyne, Inc.	1,080	30	41	
Chart Industries, Inc.	1,199	40	62	

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Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Chicago Bridge & Iron Co.	4,009	125	150	
Cintas Corp.	4,945	140	158	
CIRCOR International, Inc.	752	32	31	
CLARCOR, Inc.	1,973	84	90	
Clean Harbors, Inc.	920	71	92	
CNH Global	1,019	43	38	
Coleman Cable, Inc.	476	6	7	
Colfax Corp.	1,035	18	25	
Columbus McKinnon Corp.	914	16	16	
Comfort Systems USA, Inc.	1,932	24	20	
Commercial Vehicle Group, Inc.	1,459	22	20	
Con-Way, Inc.	2,220	79	83	
Consolidated Graphics, Inc.	401	20	21	
Continental Airlines-Class B	1,638	95	103	
Cooper Industries PLC-Class A	6,494	373	374	
Copa Holdings SA-Class A	1,258	74	81	
Copart, Inc.	2,337	82	105	
Corporate Executive Board Co.	1,334	49	56	
Corrections Corp of America	4,083	102	85	
CoStar Group, Inc.	925	52	53	
Covanta Holding Corp.	4,948	80	79	
CRA International, Inc.	664	15	17	
Crane Co.	1,814	72	87	
Crown Holdings, Inc.	6,170	200	231	
CSX Corp.	43,538	936	1,101	
Cubic Corp.	601	29	30	
Cummins, Inc.	7,724	799	771	
Curtiss-Wright Corp.	1,753	57	55	
Danaher Corp.	21,578	980	1,103	
Deere & Co.	16,507	1,299	1,313	
Delta Air Lines, Inc.	33,447	467	296	
Deluxe Corp.	2,135	48	51	
DigitalGlobe, Inc.	1,367	42	33	
Dolan Co.	1,311	18	11	
Dollar Thrifty Automotive Group, Inc.	1,168	55	83	
Donaldson Co., Inc.	2,928	167	171	
Douglas Dynamics, Inc.	490	7	7	
Dover Corp.	7,260	422	475	
Dresser-Rand Group, Inc.	3,124	128	162	
Ducommun, Inc.	310	6	6	
Dun & Bradstreet Corp.	1,936	152	141	
DXP Ent, Inc.	266	6	7	
Dycom Industries, Inc.	1,465	20	23	
Dynamic Materials Corp.	463	10	10	
Eagle Bulk Shipping, Inc.	2,609	6	6	
Eaton Corp.	13,412	677	666	
EMCOR Group, Inc.	2,614	74	74	
Emerson Electric Co.	29,597	1,690	1,606	
Encore Wire Corp.	871	21	20	
Ener1, Inc.	4,616	5	5	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Energy Recovery, Inc.	2,091	6	7	
EnergySolutions, Inc.	3,685	20	18	
EnerNOC, Inc.	1,214	32	18	
EnerSys	1,971	62	65	
Ennis, Inc.	1,297	23	22	
EnPro Industries, Inc.	816	32	38	
Equifax, Inc.	4,917	176	165	
ESCO Technologies, Inc.	1,162	43	41	
Esterline Technologies Corp.	1,138	72	84	
Excel Maritime Carriers, Ltd.	2,021	6	6	
Expeditors International of Washington, Inc.	8,412	468	416	
Exponent, Inc.	657	24	28	
Fastenal Co.	11,474	330	399	
Federal Signal Corp.	2,868	20	18	
FedEx Corp.	12,446	1,186	1,139	
Flow International Corp.	1,482	5	5	
Flowserve Corp.	2,170	241	230	
Fluor Corp.	6,878	425	429	
Force Protection, Inc.	2,192	10	10	
Forward Air Corp.	1,302	37	42	
Franklin Electric Co., Inc.	1,027	42	46	
FreightCar America, Inc.	665	17	16	
FTI Consulting, Inc.	1,673	62	61	
Fuel Tech, Inc.	994	6	6	
FuelCell Energy, Inc.	4,585	7	6	
Furmanite Corp.	1,185	9	9	
G&K Services, Inc.-Class A	844	24	28	
Gardner Denver, Inc.	2,051	143	166	
GATX Corp.	1,707	60	61	
Genco Shipping & Trading, Ltd.	1,316	19	10	
GenCorp., Inc.	2,450	13	15	
Generac Holdings, Inc.	1,012	16	19	
General Dynamics Corp.	13,117	908	943	
General Electric Co.	417,446	7,050	7,590	
Genesee & Wyoming, Inc.-Class A	1,483	76	84	
Geo Group, Inc.	2,341	59	52	
GeoEye, Inc.	880	37	32	
Gibraltar Industries, Inc.	1,397	15	15	
Global Power Equipment Group, Inc.	520	13	13	
Goodrich Corp.	4,932	432	455	
Gorman-Rupp Co.	742	19	24	
GP Strategies Corp.	468	6	6	
Graco, Inc.	2,355	91	115	
GrafTech International, Ltd.	5,047	104	99	
Graham Corp.	327	6	6	
Granite Construction, Inc.	1,447	40	34	
Great Lakes Dredge & Dock Corp.	2,442	19	13	
Greenbrier Cos., Inc.	823	16	16	
Griffon Corp.	2,130	27	21	
Gs Yuasa Corp.	2,531	123	103	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
H&E Equipment Services, Inc.	1,030	11	14	
Harsco Corp.	3,164	80	100	
Hawaiian Holdings, Inc.	2,625	21	14	
Healthcare Services Group, Inc.	2,692	44	42	
Heartland Express, Inc.	2,071	33	33	
HEICO Corp.	1,642	71	87	
Heidrick & Struggles International, Inc.	816	19	18	
Herman Miller, Inc.	2,240	52	59	
Hexcel Corp.	3,957	70	84	
Higher One Holdings, Inc.	1,078	20	20	
Hill International, Inc.	1,137	6	6	
HNI Corp.	1,834	54	44	
Honeywell International, Inc.	30,951	1,616	1,779	
Houston Wire & Cable Co.	528	8	8	
HUB Group, Inc.-Class A	1,504	51	55	
Hudson Highland Group, Inc.	1,182	6	6	
Huntington Ingalls Industries, Inc.	1,984	76	66	
Hurco Cos., Inc.	212	6	7	
Huron Consulting Group, Inc.	965	23	28	
ICF International, Inc.	838	20	20	
IDEX Corp.	3,212	128	142	
IHS, Inc.-Class A	1,930	147	155	
II-VI, Inc.	2,064	46	51	
Illinois Tool Works, Inc.	17,539	875	956	
Ingersoll-Rand PLC	13,003	565	570	
Innerworkings, Inc.	753	6	6	
Insituform Technologies, Inc.-Class A	1,568	38	32	
Insperity, Inc.	994	29	28	
Insteel Industries, Inc.	504	6	6	
Interface, Inc.-Class A	2,062	31	38	
Interline Brands, Inc.	1,576	33	28	
Intersections, Inc.	364	6	6	
Iron Mountain, Inc.	7,084	168	233	
ITT Corp.	7,187	350	409	
Jacobs Engineering Group, Inc.	4,901	202	204	
JB Hunt Transport Services, Inc.	3,569	139	162	
Jetblue Airways	9,548	67	56	
John Bean Technologies Corp.	1,251	24	23	
Joy Global, Inc.	4,095	336	376	
Kadant, Inc.	415	12	13	
Kaman Corp.	1,125	32	38	
Kansas City Southern	4,329	214	248	
KAR Auction Services, Inc.	1,005	18	18	
Kaydon Corp.	1,357	51	49	
KBR, Inc.	5,925	172	216	
Kelly Services, Inc.-Class A	1,377	26	22	
Kennametal, Inc.	3,159	115	129	
Keyw Holding Corp.	568	7	7	
Kforce, Inc.	1,618	25	20	
Kimball International, Inc.	942	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Knight Transportation, Inc.	2,336	46	38	
Knoll, Inc.	2,015	32	39	
Korn/Ferry International	1,962	37	42	
Kratos Defense & Security Solutions, Inc.	784	9	9	
L-3 Communications Holdings, Inc.	4,136	304	349	
Landstar System, Inc.	1,970	76	88	
Layne Christensen Co.	858	29	25	
LB Foster Co.	502	18	16	
Lear Corp.	4,152	192	214	
Lennox International, Inc.	2,001	93	83	
Lincoln Electric Holdings, Inc.	3,126	101	108	
Lindsay Corp.	503	31	33	
LMI Aerospace, Inc.	292	6	7	
Lockheed Martin Corp.	11,284	800	882	
LSI Industries, Inc.	760	6	6	
Lydall, Inc.	535	6	6	
M&F Worldwide Corp.	345	8	9	
Manitowoc Co. (The), Inc.	5,304	63	86	
Manpower, Inc.	3,246	192	168	
Marten Transport, Ltd.	1,028	23	21	
Masco Corp.	14,088	169	163	
MasTec, Inc.	2,292	34	44	
McGrath Rentcorp	1,170	34	32	
Meritor, Inc.	4,043	76	63	
Metalico, Inc.	1,414	8	8	
Michael Baker Corp.	274	6	6	
Middleby Corp.	727	61	66	
Miller Industries, Inc.	343	6	6	
Mine Safety Appliances Co.	1,116	34	40	
Mistras Group, Inc.	480	7	7	
Mobile Mini, Inc.	1,554	31	32	
Monster Worldwide, Inc.	5,018	114	71	
Moog, Inc.-Class A	1,663	65	70	
MSC Industrial Direct Co.	1,712	109	110	
Mueller Industries, Inc.	1,414	45	52	
Mueller Water Products, Inc.	6,725	25	26	
Multi-Color Corp.	344	8	8	
MYR Group, Inc.	958	16	22	
NACCO Industries, Inc.-Class A	261	25	24	
Nalco Holding Co.	5,381	164	144	
National Presto Industries, Inc.	224	27	22	
Navigant Consulting, Inc.	2,067	18	21	
Navistar International Corp.	2,852	159	155	
NCI Building Systems, Inc.	681	7	7	
Nielsen Holdings	3,029	89	91	
NN, Inc.	573	7	8	
Nordson Corp.	2,428	105	128	
Norfolk Southern Corp.	13,926	875	1,007	
Northrop Grumman Corp.	11,523	743	771	
Northwest Pipe Co.	546	13	14	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Odyssey Marine Exploration, Inc.	2,512	7	8	
Old Dominion Freight Line, Inc.	1,840	57	66	
On Assignment, Inc.	1,214	11	12	
Orbital Sciences Corp.	2,546	44	41	
Orion Marine Group, Inc.	1,453	19	13	
Paccar, Inc.	14,395	818	710	
Pacer International, Inc.	1,291	6	6	
Pall Corp.	4,568	218	248	
Park-Ohio Holdings Corp	304	6	6	
Parker Hannifin Corp.	6,330	539	548	
Patriot Transportation Holding, Inc.	255	6	5	
Pentair, Inc.	3,724	129	145	
Pike Electric Corp.	700	6	6	
Pilgrim's Pride Corp.	1,585	8	8	
Pitney Bowes, Inc.	7,293	167	162	
PMFG, Inc.	522	10	10	
Polypore International, Inc.	1,534	75	100	
Powell Industries, Inc.	493	18	17	
PowerSecure International, Inc.	863	6	6	
Precision Castparts Corp.	5,657	809	898	
Preformed Line Products Co.	86	6	6	
Primoris Services Corp.	949	12	12	
Quad/Graphics, Inc.	920	34	34	
Quality Distribution, Inc.	501	6	6	
Quanex Building Products Corp.	1,748	31	28	
Quanta Services, Inc.	8,374	153	163	
RailAmerica, Inc.	666	9	10	
Raven Industries, Inc.	718	34	39	
Raytheon Co.	14,022	673	674	
RBC Bearings, Inc.	1,004	38	36	
Regal-Beloit Corp.	1,483	94	96	
Republic Airways Holdings, Inc.	1,367	6	7	
Republic Services, Inc.	12,683	371	377	
Resources Connection, Inc.	2,274	40	26	
Roadrunner Transportation Systems, Inc.	408	6	6	
Robbins & Myers, Inc.	1,602	57	82	
Robert Half International, Inc.	5,910	174	154	
Rockwell Automation, Inc.	5,661	395	474	
Rockwell Collins, Inc.	6,103	357	363	
Rollins, Inc.	2,531	49	50	
RPM International, Inc.	4,848	104	108	
RPX Corp.	307	8	8	
RR Donnelley & Sons Co.	8,154	138	154	
RSC Holdings, Inc.	2,725	25	31	
Rush Ent., Inc.-Class A	1,443	27	26	
Ryder System, Inc.	2,040	95	112	
Saia, Inc.	474	7	8	
Satcon Technology Corp.	5,675	21	13	
Sauer-Danfoss, Inc.	435	14	21	
Schawk, Inc.	368	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
School Specialty, Inc.	928	12	13	
Seaboard Corp.	13	27	30	
SeaCube Container Leasing, Ltd.	364	6	6	
SFN Group, Inc.	1,912	18	17	
Shaw Group, Inc.	2,932	98	86	
Simpson Manufacturing Co., Inc.	1,544	43	44	
Skywest, Inc.	2,168	36	32	
Snap-On, Inc.	2,210	124	133	
Southwest Airlines Co.	30,820	415	340	
Spirit Aerosystems Holdings, Inc.-Class A	4,526	91	96	
Spirit Airlines Inc.	501	6	6	
SPX Corp.	1,999	139	160	
Standard Parking Corp.	408	6	6	
Standex International Corp.	632	19	19	
Stanley Black & Decker, Inc.	6,579	413	457	
Steelcase, Inc.-Class A	3,200	32	35	
Stericycle, Inc.	3,377	262	290	
Sterling Construction Co., Inc.	490	6	6	
Sun Hydraulics Corp.	601	20	28	
Swift Transportation Co.	3,004	38	39	
Swisher Hygiene, Inc.	3,329	18	18	
SYKES Ent., Inc.	1,740	34	36	
TAL International Group, Inc.	786	24	26	
Taser International, Inc.	1,917	8	8	
Team, Inc.	920	19	21	
Tecumseh Products Co.-Class A	1,360	16	13	
Teledyne Technologies, Inc.	1,425	61	69	
Tennant Co.	810	30	31	
Terex Corp.	4,220	112	116	
Tetra Tech, Inc.	2,574	62	56	
Textainer Group Holdings, Ltd.	351	10	10	
Textron, Inc.	10,844	255	247	
Thomas & Betts Corp.	1,997	96	104	
Timken Co. (The)	3,382	160	164	
Titan International, Inc.	1,768	30	41	
Titan Machinery, Inc.	654	13	18	
TMS International Corp.	446	6	6	
Toro Co.	1,226	76	72	
TransDigm Group, Inc.	1,964	141	173	
TRC Cos., Inc.	907	5	5	
Tredegar Corp.	1,012	20	18	
Trex Co., Inc.	696	13	16	
Trimas Corp.	874	18	21	
Trinity Industries, Inc.	3,067	76	103	
Triumph Group, Inc.	724	65	70	
TrueBlue, Inc.	2,072	37	29	
TRW Automotive Holdings Corp.	3,976	205	226	
Tutor Perini Corp.	1,303	26	24	
Twin Disc, Inc.	283	10	11	
Unifirst Corp.	602	32	33	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Union Pacific Corp.	19,335	1,803	1,948	
United Continental Holdings, Inc.	12,915	363	282	
United Parcel Service, Inc.-Class B	28,908	2,102	2,035	
United Rentals, Inc.	2,485	52	61	
United Stationers, Inc.	1,844	60	63	
United Technologies Corp.	36,061	2,877	3,080	
Universal Forest Products, Inc.	830	29	19	
URS Corp.	2,999	125	130	
US Airways Group, Inc.	6,377	72	55	
US Ecology, Inc.	530	9	9	
USG Corp.	3,056	43	42	
UTI Worldwide, Inc.	3,941	81	75	
Valence Technology, Inc.	4,919	6	6	
Valmont Industries, Inc.	854	73	79	
Varian Semiconductor Equipment Associates, Inc.	2,927	100	174	
Verisk Analytics, Inc.-Class A	4,582	147	153	
Viad Corp.	911	23	20	
Vicor Corp.	584	9	9	
VSE Corp.	223	6	5	
W.W. Grainger, Inc.	2,212	289	328	
Wabash National Corp.	2,949	34	27	
WABCO Holdings, Inc.	2,657	144	177	
Wabtec Corp.	1,847	93	117	
Waste Connections, Inc.	4,405	119	135	
Waste Management, Inc.	18,770	665	675	
Watsco, Inc.	1,032	64	68	
Watts Water Technologies, Inc.	1,108	38	38	
Werner Enterprises, Inc.	1,618	36	39	
WESCO International, Inc.	1,621	82	85	
Woodward Governor Co.	2,407	88	81	
Xerium Technologies, Inc.	401	7	7	
Zipcar, Inc.	281	6	6	
		64,374	67,406	
Information Technology				11.5
ACI Worldwide, Inc.	1,493	40	49	
Acme Packet, Inc.	2,098	118	142	
Active Network, Inc.	341	5	6	
Activision Blizzard, Inc.	16,960	207	191	
Actuate Corp.	1,102	6	6	
Acxiom Corp.	3,251	59	41	
Adobe Systems, Inc.	19,889	581	604	
ADTRAN, Inc.	2,407	81	90	
Advanced Analogic Technologies, Inc.	1,446	9	8	
Advanced Energy Industries, Inc.	1,874	23	27	
Advanced Micro Devices, Inc.	24,378	188	164	
Advent Software, Inc.	1,219	33	33	
Aecom Technology Corp.	4,596	123	121	
Aeroflex Holding Corp.	689	11	12	
Agilent Technologies, Inc.	13,714	516	676	

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Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Agilysys, Inc.	743	6	6	
Akamai Technologies, Inc.	7,251	388	220	
Alliance Data Systems Corp.	2,015	137	183	
Alpha and Omega Semiconductor, Ltd.	457	6	6	
Altera Corp.	12,700	480	568	
Amdocs, Ltd.	7,284	198	214	
American Software, Inc.-Class A	773	6	6	
Amkor Technology, Inc.	4,305	31	26	
Amphenol Corp.-Class A	6,834	360	356	
Amtech Systems, Inc.	357	7	7	
Anadigics, Inc.	3,288	19	10	
Analog Devices, Inc.	11,679	437	441	
Anaren, Inc.	901	18	18	
Ancestry.com, Inc.	1,227	41	49	
Anixter International, Inc.	1,139	66	72	
Annaly Capital Management, Inc.	31,682	577	551	
ANSYS, Inc.	3,617	188	191	
AOL, Inc.	4,173	101	80	
Apple, Inc.	36,391	11,747	11,785	
Applied Materials, Inc.	51,936	685	652	
Applied Micro Circuits Corp.	2,982	30	26	
ARIBA, Inc.	3,746	82	125	
Arris Group, Inc.	4,997	53	56	
Arrow Electronics, Inc.	4,516	151	181	
Aruba Networks, Inc.	3,324	77	95	
Aspen Technology, Inc.	3,347	45	55	
Atmel Corp.	18,067	203	245	
ATMI, Inc.	1,424	26	28	
Automatic Data Processing, Inc.	19,659	925	999	
Avago Technologies, Ltd.	7,400	231	271	
Aviat Networks, Inc.	1,930	7	7	
Avid Technology, Inc.	1,320	22	24	
Avnet, Inc.	5,995	194	184	
AVX Corp.	1,487	22	22	
Axcelis Technologies, Inc.	3,659	6	6	
AXT, Inc.	1,579	14	13	
Bel Fuse, Inc.-Class B	299	6	6	
Benchmark Electronics, Inc.	2,489	42	40	
Black Box Corp.	683	26	21	
Blackbaud, Inc.	1,886	51	50	
Blackboard, Inc.	1,452	62	61	
Blue Coat Systems, Inc.	1,679	47	35	
BMC Software, Inc.	6,935	323	366	
Booz Allen Hamilton Holding Corp.	778	15	14	
Bottomline Technologies, Inc.	1,394	28	33	
Brightpoint, Inc.	2,723	24	21	
Broadcom Corp.-Class A	21,072	965	684	
BroadSoft, Inc.	877	31	32	
Brocade Communications Sys	18,502	96	115	
Brooks Automation, Inc.	2,814	22	29	

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Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
CA, Inc.	15,081	364	332	
Cabot Microelectronics Corp.	969	41	43	
CACI International, Inc.-Class A	1,194	63	73	
Cadence Design Sys, Inc.	10,805	88	110	
Calix, Inc.	1,420	29	29	
Callidus Software, Inc.	1,059	6	6	
Cardtronics, Inc.	1,717	31	39	
Cass Information Systems, Inc.	520	19	19	
Cavum, Inc.	1,929	76	81	
Ceva, Inc.	903	21	27	
Checkpoint Systems, Inc.	1,738	34	30	
Ciber, Inc.	2,065	11	11	
Ciena Corp.	3,771	61	67	
Cirrus Logic, Inc.	2,643	43	41	
Cisco Systems, Inc.	216,543	4,265	3,260	
Citrix Systems, Inc.	7,393	519	571	
Cognex Corp.	1,703	50	58	
Cognizant Technology Solutions Corp.-Class A	12,028	830	851	
Coherent, Inc.	982	43	52	
Cohu, Inc.	1,226	18	16	
Communications Systems, Inc.	342	6	6	
CommVault Systems, Inc.	1,737	52	75	
Computer Sciences Corp.	6,117	290	224	
Computer Task Group, Inc.	502	7	6	
Compuware Corp.	8,482	93	80	
comScore, Inc.	1,262	29	31	
Comtech Telecommunications Corp.	1,183	36	32	
Concur Technologies, Inc.	1,734	91	84	
Constant Contact, Inc.	1,160	31	28	
Convergys Corp.	4,356	58	57	
Convio, Inc.	571	6	6	
CoreLogic, Inc.	3,817	71	61	
Cornerstone OnDemand, Inc.	318	6	5	
Corning, Inc.	61,868	1,148	1,083	
Cray, Inc.	1,185	7	7	
Cree, Inc.	4,255	289	138	
CSG Systems International, Inc.	1,541	30	27	
CTS Corp.	2,046	22	19	
Cymer, Inc.	1,161	48	55	
Cypress Semiconductor Corp.	6,625	113	135	
Daktronics, Inc.	1,416	20	15	
DealerTrack Holdings, Inc.	1,738	34	38	
Dell, Inc.	64,605	883	1,039	
Demand Media, Inc.	429	6	6	
DemandTec, Inc.	1,049	9	9	
DG FastChannel, Inc.	1,130	30	35	
Dice Holdings, Inc.	1,773	24	23	
Diebold, Inc.	2,432	79	73	
Digi International, Inc.	791	10	10	
Digimarc Corp.	204	7	7	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Digital River, Inc.	1,556	59	48	
Diodes, Inc.	1,403	36	35	
Dolby Laboratories, Inc.-Class A	2,043	133	84	
Dot Hill Systems Corp.	2,182	6	6	
DSP Group, Inc.	709	6	6	
DST Systems, Inc.	1,379	61	70	
DTS, Inc.	691	34	27	
Earthlink, Inc.	5,029	45	37	
eBay, Inc.	45,391	1,347	1,413	
Ebix, Inc.	1,275	27	23	
Echelon Corp.	1,828	18	16	
Echo Global Logistics, Inc.	359	6	6	
Electro Rent Corp.	434	7	7	
Electro Scientific Industries, Inc.	1,126	17	21	
Electronics for Imaging, Inc.	1,916	26	32	
EMC Corp., Massachusetts	81,032	1,824	2,155	
Emcore Corp.	3,080	7	8	
EMS Technologies, Inc.	715	14	23	
Emulex Corp.	4,058	48	34	
Entegris, Inc.	5,464	39	53	
Entropic Communications, Inc.	3,593	34	31	
Envestnet, Inc.	615	8	9	
EPIQ Systems, Inc.	1,641	22	23	
Equinix, Inc.	1,822	148	178	
Euronet Worldwide, Inc.	2,276	39	34	
Exar Corp.	1,000	6	6	
ExlService Holdings, Inc.	753	16	17	
Extreme Networks	3,057	9	10	
F5 Networks, Inc.	3,184	441	339	
Fabrinet	711	15	17	
Fair Isaac Corp.	1,597	39	47	
Fairchild Semiconductor International, Inc.	5,034	74	81	
FalconStor Software, Inc.	1,475	6	6	
FARO Technologies, Inc.	649	18	27	
FEI Co.	1,498	37	55	
Fidelity National Information Services, Inc.	10,375	294	308	
Finisar Corp.	3,640	81	63	
First Solar, Inc.	2,340	302	299	
Fiserv, Inc.	5,632	327	340	
FleetCor Technologies, Inc.	523	15	15	
Flir Systems, Inc.	6,250	180	203	
Formfactor, Inc.	2,269	22	20	
Forrester Research, Inc.	689	25	22	
Fortinet, Inc.	4,711	87	124	
Freescale Semiconductor Holdings I, Ltd.	1,518	25	27	
FSI International, Inc.	2,159	6	6	
Gartner, Inc.	3,750	131	146	
Genpact, Ltd.	4,644	72	77	
Gerber Scientific, Inc.	856	9	9	
Globecomm Systems, Inc.	741	11	11	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Glu Mobile, Inc.	1,571	7	8	
Google, Inc.-Class A	9,903	5,685	4,837	
GSI Group, Inc.	867	10	10	
GSI Technology, Inc.	910	6	6	
GT Solar International, Inc.	4,844	59	76	
Hackett Group, Inc.	1,238	6	6	
Harmonic, Inc.	4,574	34	32	
Harris Corp.	4,989	230	217	
Heartland Payment Systems, Inc.	1,597	26	32	
Hewlett-Packard Co.	85,160	3,674	2,992	
Hittite Microwave Corp.	1,159	70	69	
Hypercom Corp.	2,421	19	23	
IAC/InterActiveCorp.	3,059	94	113	
iGate Corp.	1,380	26	22	
Imation Corp.	1,422	14	13	
Immersion Corp.	1,014	8	8	
Infinera Corp.	4,407	36	29	
Informatica Corp.	4,141	186	234	
Infospace, Inc.	2,173	17	19	
Ingram Micro, Inc.-Class A	6,151	113	108	
Inphi Corp.	678	11	11	
Insight Ent, Inc.	2,097	27	36	
Integral Systems, Inc.	534	6	6	
Integrated Device Tech, Inc.	6,086	41	46	
Integrated Silicon Solution, Inc.	726	7	7	
Intel Corp.	208,685	4,549	4,459	
Interactive Intelligence, Inc.	655	18	22	
InterDigital, Inc.	1,705	60	67	
Intermec, Inc.	2,405	29	26	
Internap Network Services Corp.	1,764	12	12	
International Business Machines Corp.	47,682	7,040	7,888	
International Rectifier Corp.	2,684	81	72	
Intersil Corp.-Class A	5,090	68	63	
Intevac, Inc.	1,321	18	13	
IntraLinks Holdings, Inc.	1,215	21	20	
Intuit, Inc.	11,873	565	594	
IPG Photonics Corp.	1,103	35	77	
Itron, Inc.	1,564	89	73	
Ixia	1,554	24	19	
IXYS Corp.	663	9	10	
j2 Global Communications, Inc.	1,906	53	52	
Jabil Circuit, Inc.	7,488	123	146	
Jack Henry & Associates, Inc.	3,243	94	94	
JDA Software Group, Inc.	1,753	48	52	
JDS Uniphase Corp.	8,728	113	140	
Juniper Networks, Inc.	20,994	749	638	
Kemet Corp.	1,606	22	22	
Kenexa Corp.	1,115	22	26	
Keynote Systems, Inc.	442	9	9	
KIT Digital, Inc.	1,569	23	18	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
KLA-Tencor Corp.	6,608	259	258	
Knot, Inc.	1,618	16	16	
Kopin Corp.	1,630	8	7	
Kulicke & Soffa Industries, Inc.	2,904	21	31	
KVH Industries, Inc.	565	6	6	
L-1 Identity Solutions, Inc.	3,052	37	35	
Lam Research Corp.	4,937	241	211	
Lattice Semiconductor Corp.	4,610	24	29	
Lawson Software, Inc.	6,149	56	67	
LeCroy Corp.	553	6	6	
Lexmark International, Inc.	2,997	113	85	
Liberty Media-Interactive A	23,856	382	386	
Limelight Networks, Inc.	2,203	10	10	
Linear Technology Corp.	8,828	300	281	
LinkedIn Corp.	348	24	30	
Lionbridge Technologies, Inc.	2,223	6	7	
Liquidity Services, Inc.	652	15	15	
Littelfuse, Inc.	898	44	51	
LivePerson, Inc.	2,420	24	33	
LogMeIn, Inc.	813	36	30	
LoopNet, Inc.	581	11	10	
Loral Space & Communications, Inc.	428	31	29	
LSI Corp.	24,127	144	166	
LTX-Credence Corp.	2,094	17	18	
Magma Design Automation, Inc.	2,461	19	19	
Manhattan Associates, Inc.	978	31	33	
Mantech International Corp.	909	37	39	
Marchex, Inc.-Class B	707	6	6	
Marvell Technology Group, Ltd.	19,964	403	284	
MasterCard, Inc.-Class A	4,223	1,061	1,227	
Maxim Integrated Products, Inc.	11,793	287	291	
MAXIMUS, Inc.	666	43	53	
MaxLinear, Inc.-Class A	705	6	6	
Maxwell Technologies, Inc.	1,315	22	21	
Measurement Specialties, Inc.	691	19	24	
Mediamind Technologies, Inc.	277	6	6	
MEMC Electronic Materials, Inc.	8,964	108	74	
Mentor Graphics Corp.	3,866	46	48	
Mercury Computer Systems, Inc.	1,395	27	25	
Meru Networks, Inc.	416	6	5	
Methode Electronics, Inc.	1,917	21	21	
Micrel, Inc.	2,364	31	24	
Microchip Technology, Inc.	7,339	259	268	
Micron Technology, Inc.	34,139	263	246	
MICROS Systems, Inc.	3,156	144	151	
Microsemi Corp.	3,541	82	70	
Microsoft Corp.	292,127	7,787	7,325	
MicroStrategy, Inc.-Class A	320	28	50	
Microvision, Inc.	5,129	6	6	
Mindspeed Technologies, Inc.	968	7	7	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
MIPS Technologies, Inc.	2,525	37	17	
MKS Instruments, Inc.	1,967	44	50	
ModusLink Global Solutions, Inc.	2,826	19	12	
Molex, Inc.	5,326	120	132	
MoneyGram International, Inc.	2,894	9	9	
Monolithic Power Systems, Inc.	1,398	23	21	
Monotype Imaging Holdings, Inc.	1,217	16	17	
MoSys, Inc.	1,159	6	6	
Motorola Mobility Holdings, Inc.	10,338	288	220	
Motorola Solutions, Inc.	11,858	401	527	
Motricity, Inc.	1,351	11	10	
Move, Inc.	5,287	10	11	
MTS Systems Corp.	757	30	31	
Multi-Fineline Electronix, Inc.	290	6	6	
Nanometrics, Inc.	739	12	14	
National Instruments Corp.	3,518	85	101	
National Semiconductor Corp.	9,981	146	237	
NCI, Inc.	271	6	6	
NCR Corp.	6,135	92	112	
Ness Technologies, Inc.	1,010	8	7	
NetApp, Inc.	14,507	773	739	
Netgear, Inc.	1,391	46	59	
Netlogic Microsystems, Inc.	2,674	88	104	
Netscout Systems, Inc.	1,500	35	30	
NetSuite, Inc.	1,054	30	40	
NeuStar, Inc.-Class A	2,500	62	63	
Newport Corp.	1,456	23	26	
NIC, Inc.	2,744	25	36	
Nii Holdings, Inc.-Class B	6,693	275	274	
Novatel Wireless, Inc.	1,652	14	9	
Novellus Systems, Inc.	3,435	109	120	
Nuance Communications, Inc.	9,285	170	192	
NVE Corp.	284	15	16	
NVIDIA Corp.	23,498	348	361	
Oclaro, Inc.	2,388	25	15	
OCZ Technology Group, Inc.	1,942	16	15	
Omnivision Technologies, Inc.	2,231	70	75	
ON Semiconductor Corp.	17,137	154	173	
OpenTable, Inc.	922	72	74	
Openwave Systems, Inc.	2,683	6	6	
Oplink Communications, Inc.	788	14	14	
Opnet Technologies, Inc.	673	17	27	
Opnext, Inc.	2,691	6	6	
Oracle Corp.	151,200	4,336	4,799	
OSI Systems, Inc.	757	27	31	
Parametric Technology Corp.	4,590	104	102	
Park Electrochemical Corp.	1,073	32	29	
Paychex, Inc.	12,804	384	379	
PDF Solutions, Inc.	1,062	6	6	
Pegasystems, Inc.	724	24	33	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Perficient, Inc.	659	6	7	
Pericom Semiconductor Corp.	680	6	6	
Photronics, Inc.	2,156	14	18	
Plantronics, Inc.	1,838	67	65	
Plexus Corp.	1,472	43	49	
PLX Technology, Inc.	1,824	6	6	
PMC-Sierra, Inc.	9,801	76	72	
Polycom, Inc.	3,486	139	216	
Power Integrations, Inc.	1,153	48	43	
Power-One, Inc.	2,559	25	20	
Powerwave Technologies, Inc.	6,523	23	18	
PRGX Global, Inc.	858	6	6	
Procera Networks, Inc.	595	6	6	
Progress Software Corp.	2,679	72	62	
PROS Holdings, Inc.	738	12	12	
Pulse Electronics Corp.	1,359	6	6	
QLIK Technologies, Inc.	2,705	83	89	
QLogic Corp.	3,872	71	59	
QUALCOMM, Inc.	65,703	3,223	3,599	
Quantum Corp.	8,619	32	27	
Quest Software, Inc.	2,185	58	48	
QuinStreet, Inc.	942	12	12	
Rackspace Hosting, Inc.	4,071	129	168	
Radiant Systems, Inc.	1,500	29	30	
Rambus, Inc.	4,055	83	57	
RealD, Inc.	1,480	39	33	
RealNetworks, Inc.	2,350	8	8	
RealPage, Inc.	1,134	31	29	
Red Hat, Inc.	7,547	353	334	
Responsys, Inc.	394	6	7	
RF Micro Devices, Inc.	10,674	78	63	
Richardson Electronics, Ltd.	465	6	6	
RightNow Technologies, Inc.	1,083	27	34	
Riverbed Technology, Inc.	6,024	210	230	
Rofin-Sinar Technologies, Inc.	1,117	34	37	
Rogers Corp.	677	24	30	
Rosetta Stone, Inc.	447	6	7	
Rovi Corp.	4,377	246	242	
Rubicon Technology, Inc.	933	22	15	
Rudolph Technologies, Inc.	985	10	10	
S1 Corp.	2,739	18	20	
Saba Software, Inc.	917	8	8	
SAIC, Inc.	11,122	179	181	
Salesforce.com, Inc.	5,264	759	757	
SanDisk Corp.	9,342	445	374	
Sanmina-SCI Corp.	3,178	36	32	
Sapient Corp.	4,497	58	65	
SAVVIS, Inc.	1,756	48	67	
Scansource, Inc.	1,049	33	38	
SciQuest, Inc.	370	6	6	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Seachange International, Inc.	729	8	8	
Semtech Corp.	2,410	58	64	
ServiceSource International, Inc.	351	7	8	
ShoreTel, Inc.	2,384	19	23	
Sigma Designs, Inc.	1,493	18	11	
Silicon Graphics International Corp.	1,176	18	20	
Silicon Image, Inc.	3,876	30	24	
Skyworks Solutions, Inc.	7,271	200	161	
SMART Modular Technologies WWH, Inc.	2,870	19	25	
Smith Micro Software, Inc.	1,734	27	7	
SolarWinds, Inc.	2,217	44	56	
Solera Holdings, Inc.	2,782	140	159	
Sonus Networks, Inc.	8,139	23	25	
Sourcefire, Inc.	1,220	34	35	
Spansion, Inc.-Class A	1,717	31	32	
SPS Commerce, Inc.	377	6	6	
SRA International, Inc.-Class A	1,725	35	51	
SS&C Technologies Holdings, Inc.	724	14	14	
Standard Microsystems Corp.	958	27	25	
STEC, Inc.	1,833	32	30	
Stratasys, Inc.	959	34	31	
SuccessFactors, Inc.	3,087	95	88	
SunPower Corp.-Class A	3,799	47	71	
Super Micro Computer, Inc.	909	15	14	
Supertex, Inc.	827	21	18	
support.com, Inc.	2,874	19	13	
Sycamore Networks, Inc.	846	21	18	
Symantec Corp.	29,810	520	567	
Symmetricom, Inc.	1,127	6	6	
Synaptics, Inc.	1,454	43	36	
Synchronoss Technologies, Inc.	1,178	33	36	
SYNNEX Corp.	862	26	26	
Synopsys, Inc.	5,438	147	135	
Syntel, Inc.	611	30	35	
Take-Two Interactive Software, Inc.	3,061	36	45	
Taleo Corp.-Class A	1,681	52	60	
Tech Data Corp.	1,793	83	85	
Tekelec	2,627	33	23	
TeleCommunication Systems, Inc.	1,404	7	7	
TeleNav, Inc.	547	9	9	
TeleTech Holdings, Inc.	1,084	22	22	
Tellabs, Inc.	13,972	93	62	
Teradata Corp.	6,624	283	385	
Teradyne, Inc.	7,195	91	103	
Tessera Technologies, Inc.	1,961	41	32	
Texas Instruments, Inc.	45,742	1,516	1,448	
THQ, Inc.	2,167	7	8	
TIBCO Software, Inc.	6,574	137	184	
TiVo, Inc.	4,562	39	45	
TNS, Inc.	1,213	24	19	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Total System Services, Inc.	6,349	100	114	
Travelzoo, Inc.	213	13	13	
Trimble Navigation, Ltd.	4,785	187	183	
TriQuint Semiconductor, Inc.	6,800	85	67	
TTM Technologies, Inc.	2,222	32	34	
Tyler Technologies, Inc.	1,469	31	38	
Ultimate Software Group, Inc.	1,064	51	56	
Ultra Clean Holdings	716	6	6	
Ultratech, Inc.	1,042	21	31	
Unisys Corp.	1,633	40	41	
United Online, Inc.	4,082	28	24	
Universal Display Corp.	1,441	40	49	
ValueClick, Inc.	3,279	53	53	
VASCO Data Security International, Inc.	898	10	11	
Veeco Instruments, Inc.	1,644	75	77	
VeriFone Systems, Inc.	3,548	134	152	
Verint Systems, Inc.	798	27	29	
VeriSign, Inc.	6,584	234	213	
Viasat, Inc.	1,325	56	55	
VirnetX Holding Corp.	1,566	21	44	
Virtusa Corp.	447	8	8	
Vishay Intertechnology, Inc.	5,908	90	86	
Vishay Precision Group, Inc.	407	7	7	
VistaPrint	1,768	77	82	
VMware, Inc.-Class A	3,323	289	321	
Vocus, Inc.	803	20	24	
Volterra Semiconductor Corp.	1,135	26	27	
Wave Systems Corp.-Class A	2,742	7	7	
Web.com Group, Inc.	1,080	12	13	
WebMD Health Corp.	2,281	119	100	
Websense, Inc.	1,649	36	41	
Westell Technologies, Inc.	1,798	6	6	
Western Digital Corp.	9,113	317	320	
Western Union Co.	25,056	462	484	
Wright Express Corp.	1,565	71	79	
Xerox Corp.	54,779	651	550	
Xilinx, Inc.	10,254	296	361	
Xyratex, Ltd.	1,512	21	15	
Yahoo!, Inc.	51,374	846	745	
Zebra Technologies Corp.-Class A	2,046	78	83	
Zix Corp.	2,335	9	9	
Zoran Corp.	2,125	16	17	
Zygo Corp.	505	6	6	
		99,276	98,786	16.9
Materials				
A Schulman, Inc.	1,352	30	33	
AEP Industries, Inc.	207	6	6	
Air Products & Chemicals, Inc.	8,347	737	770	
Airgas, Inc.	3,055	193	206	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
AK Steel Holding Corp.	4,485	63	68	
Albemarle Corp.	3,648	207	244	
Alcoa, Inc.	41,666	588	637	
Allegheny Technologies, Inc.	4,406	246	270	
Allied Nevada Gold Corp.	3,499	102	119	
AM Castle & Co.	416	7	7	
AMCOL International Corp.	944	28	35	
American Vanguard Corp.	680	9	8	
Aptargroup, Inc.	2,558	122	129	
Arch Chemicals, Inc.	912	33	30	
Arch Coal, Inc.	6,485	203	167	
Armstrong World Industries	857	43	38	
Ashland, Inc.	3,064	163	191	
Balchem Corp.	1,211	39	51	
Ball Corp.	6,512	226	241	
Bemis Co.	3,931	128	128	
Boise, Inc.	3,721	29	28	
Buckeye Technologies, Inc.	1,710	35	44	
Calgon Carbon Corp.	2,383	35	39	
Carpenter Technology Corp.	1,772	71	99	
Celanese Corp.-Series A	6,216	246	320	
Century Aluminum Co.	2,095	32	32	
CF Industries Holdings, Inc.	2,837	362	388	
Chemtura Corp.	3,556	60	62	
Clearwater Paper Corp.	453	37	30	
Cliffs Natural Resources, Inc.	5,317	389	474	
Coeur d'Alene Mines Corp.	3,531	90	83	
Commercial Metals Co.	4,397	72	61	
Compass Minerals International, Inc.	1,282	110	107	
Comstock Resources, Inc.	1,962	50	55	
Cytec Industries, Inc.	1,900	97	105	
Deltic Timber Corp.	488	27	25	
Domtar Corp.	1,626	131	149	
Dow Chemical Co. (The)	46,215	1,539	1,606	
Eagle Materials, Inc.	1,850	49	50	
Eastman Chemical Co.	2,783	233	274	
Ecolab, Inc.	9,187	450	500	
El Du Pont de Nemours & Co.	36,492	1,805	1,903	
Ferro Corp.	3,536	52	46	
Flotek Industries, Inc.	1,886	14	16	
FMC Corp.	2,837	232	235	
Freeport-McMoran Copper & Gold, Inc.	37,289	2,026	1,903	
FutureFuel Corp.	529	6	6	
General Moly, Inc.	3,027	17	13	
Georgia Gulf Corp.	1,414	31	33	
Globe Specialty Metals, Inc.	2,638	45	57	
Gold Resource Corp.	1,083	26	26	
Golden Minerals Co.	446	9	8	
Golden Star Resources, Ltd.	11,756	52	25	
Graham Packaging Co., Inc.	933	23	23	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Graphic Packaging Holding Co.	5,849	28	31	
Greif, Inc.-Class A	1,417	87	89	
Hawkins, Inc.	448	20	16	
Haynes International, Inc.	515	21	31	
HB Fuller Co.	2,023	44	48	
Headwaters, Inc.	2,077	6	6	
Hecla Mining Co.	11,411	114	85	
Horsehead Holding Corp.	1,625	19	21	
Hubbell, Inc.-Class B	2,313	139	145	
Huntsman Corp.	7,512	118	137	
Innophos Holdings, Inc.	921	33	43	
Innospec, Inc.	897	27	29	
International Flavors & Fragrances, Inc.	3,105	172	192	
International Paper Co.	17,292	453	497	
Intrepid Potash, Inc.	2,016	66	63	
Jaguar Mining, Inc.	3,860	24	18	
Kaiser Aluminum Corp.	671	33	35	
KapStone Paper and Packaging Corp.	1,788	27	29	
KMG Chemicals, Inc.	363	6	6	
Koppers Holdings, Inc.	946	30	35	
Kraton Performance Polymers, Inc.	1,224	42	46	
Kronos Worldwide, Inc.	778	21	24	
Landec Corp.	987	6	6	
Louisiana-Pacific Corp.	5,231	46	41	
LSB Industries, Inc.	823	20	34	
Lubrizol Corp.	2,518	277	326	
LyondellBasell Industries-Class A	12,319	456	458	
Martin Marietta Materials, Inc.	1,760	159	136	
Materion Corp.	894	35	32	
MeadWestvaco Corp.	6,702	177	215	
Metals USA Holdings Corp.	423	6	6	
Midway Gold Corp.	3,094	6	6	
Minerals Technologies, Inc.	783	50	50	
Molycorp, Inc.	2,190	98	129	
Monsanto Co.	21,104	1,346	1,477	
Mosaic Co.	10,840	731	708	
Myers Industries, Inc.	1,554	16	15	
Neenah Paper, Inc.	824	16	17	
NewMarket Corp.	346	47	57	
Newmont Mining Corp.	19,054	1,153	992	
Noranda Aluminum Holding Corp.	686	9	10	
Nucor Corp.	12,448	505	495	
Olin Corp.	3,113	63	68	
Olympic Steel, Inc.	288	7	8	
OM Group, Inc.	1,262	50	49	
Omnova Solutions, Inc.	2,168	19	15	
Osisko Mining Corp.	3,603	109	101	
Owens-Illinois, Inc.	6,541	187	163	
Packaging Corp. of America	3,897	104	105	
Paramount Gold and Silver Corp.	4,281	15	13	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
PH Glatfelter Co.	2,053	26	30	
PolyOne Corp.	3,606	47	54	
PPG Industries, Inc.	6,225	510	545	
Praxair, Inc.	11,957	1,140	1,250	
Quaker Chemical Corp.	553	22	23	
Reliance Steel & Aluminum Co.	2,870	139	138	
Rock-Tenn Co.-Class A	2,675	162	171	
Rockwood Holdings, Inc.	2,659	111	142	
Royal Gold, Inc.	2,091	112	118	
RTI International Metals, Inc.	1,200	35	44	
Schnitzer Steel Industries, Inc.-Class A	864	53	48	
Schweitzer-Mauduit International, Inc.	726	46	39	
Scotts Miracle-Gro Co.-Class A	1,681	87	83	
Sealed Air Corp.	6,040	147	139	
Senomyx, Inc.	1,296	6	6	
Sensient Technologies Corp.	1,922	69	69	
Sigma-Aldrich Corp.	4,794	317	339	
Silgan Holdings, Inc.	1,879	68	74	
Solutia, Inc.	4,885	110	108	
Sonoco Products Co.	3,628	123	124	
Southern Copper Corp.	6,780	299	215	
Spartech Corp.	1,788	15	10	
Steel Dynamics, Inc.	8,636	146	135	
Stepan Co.	388	28	26	
Stillwater Mining Co.	3,979	83	85	
STR Holdings, Inc.	1,306	24	19	
Temple-Inland, Inc.	4,194	91	120	
Texas Industries, Inc.	855	34	34	
Thompson Creek Metals Co., Inc.	5,901	80	57	
Titanium Metals Corp.	3,355	61	59	
TPC Group, Inc.	478	18	18	
Tyco International, Ltd.	18,480	729	881	
United States Steel Corp.	5,731	297	254	
Universal Stainless & Alloy	248	11	11	
US Gold Corp.	4,181	30	24	
Valspar Corp.	3,591	124	125	
Vista Gold Corp.	2,516	7	7	
Vulcan Materials Co.	4,999	214	186	
Walter Energy, Inc.	2,453	279	274	
Wausau Paper Corp.	2,551	21	17	
Westlake Chemical Corp.	780	31	39	
Weyerhaeuser Co.	21,158	376	446	
Whiting Petroleum Corp.	4,648	268	255	
Worthington Industries, Inc.	2,370	40	53	
WR Grace & Co.	2,968	105	131	
Zagg, Inc.	788	11	10	
Zep, Inc.	1,152	22	21	
Zoltek Cos., Inc.	1,346	13	14	
		25,685	26,631	

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Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Pharmaceuticals				
Resmed, Inc.	5,942	199	178	
Roper Industries, Inc.	3,751	284	301	
		483	479	0.1
Telecommunication Services				
8x8, Inc.	2,197	9	10	
AboveNet, Inc.	938	58	64	
Alaska Communications Systems Group, Inc.	2,337	25	20	
American Tower Corp.-Class A	15,589	809	787	
AT&T, Inc.	233,007	6,726	7,059	
Atlantic Tele-Network, Inc.	518	19	19	
Cbeyond, Inc.	1,369	19	17	
CenturyTel, Inc.	23,493	1,030	916	
Cincinnati Bell, Inc.	8,940	23	29	
Clearwire Corp.-Class A	7,796	51	28	
Cogent Communications Group, Inc.	1,998	25	33	
Consolidated Communications Holdings, Inc.	1,471	28	28	
Crown Castle International Corp.	11,464	491	451	
Echostar Corp.-Class A	1,399	30	49	
Fairpoint Communications, Inc.	708	7	6	
Frontier Communications Corp.	37,852	360	294	
General Communication, Inc.-Class A	1,884	22	22	
Global Crossing, Ltd.	1,304	18	48	
Global Payments, Inc.	3,204	140	158	
HickoryTech Corp.	507	6	6	
ICO Global Communications Holdings, Ltd.	4,411	14	12	
IDT Corp.-Class B	565	13	15	
inContact, Inc.	1,285	6	6	
Iridium Communications, Inc.	1,848	18	15	
Leap Wireless International, Inc.	2,571	30	40	
Level 3 Communications, Inc.	67,892	70	159	
MetroPCS Communications, Inc.	10,672	138	177	
Neutral Tandem, Inc.	1,490	22	25	
NTELOS Holdings Corp.	1,251	22	25	
PAETEC Holding Corp.	5,327	20	25	
Premiere Global Services, Inc.	2,551	18	20	
SBA Communications Corp.-Class A	4,575	185	169	
Shenandoah Telecommunications Co.	1,379	26	23	
Silicon Laboratories, Inc.	1,743	78	69	
Sprint Nextel Corp.	118,317	464	614	
SureWest Communications	397	6	6	
Telephone & Data Systems, Inc.	3,225	115	97	
Towerstream Corp.	1,198	6	6	
TW Telecom, Inc.	5,756	99	114	
US Cellular Corp.	422	20	20	
USA Mobility, Inc.	1,048	19	15	
Verizon Communications, Inc.	111,296	3,711	3,997	
Vonage Holdings Corp.	5,258	23	22	
Windstream Corp.	19,438	262	243	
		15,281	15,958	2.7

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Utilities				
AES Corp. (The)	26,217	295	322	
AGL Resources, Inc.	2,507	94	99	
Allete, Inc.	1,416	52	56	
Alliant Energy Corp.	4,235	159	166	
Ameren Corp.	9,165	270	255	
American Electric Power Co., Inc.	18,846	695	685	
American States Water Co.	1,156	43	39	
American Water Works Co., Inc./NE	6,727	172	191	
Aqua America, Inc.	5,100	114	108	
Atlantic Power Corp.	2,415	36	35	
Atlas Energy, Inc.	3,461	-	-	
Avista Corp.	2,563	57	63	
Black Hills Corp.	1,681	53	49	
Cadiz, Inc.	587	6	6	
California Water Service Group	2,653	51	48	
Calpine Corp.	14,004	178	218	
Centerpoint Energy, Inc.	16,680	268	311	
Central Vermont Public Service Corp.	669	14	23	
CH Energy Group, Inc.	911	44	47	
Chesapeake Utilities Corp.	755	30	29	
Cleco Corp.	2,253	70	76	
CMS Energy Corp.	9,818	182	187	
Connecticut Water Service, Inc.	1,382	36	34	
Consolidated Edison, Inc.	11,425	568	587	
Constellation Energy Group, Inc.	7,315	218	268	
Dominion Resources, Inc.	22,777	976	1,061	
DPL, Inc.	4,499	119	131	
DTE Energy Co.	6,518	302	315	
Duke Energy Corp.	52,580	950	955	
Dynegy, Inc.	4,553	24	27	
Edison International	12,792	489	478	
El Paso Electric Co.	1,886	52	59	
Empire District Electric Co.	1,960	43	36	
Entergy Corp.	6,995	508	461	
EQT Corp.	5,345	229	271	
Exelon Corp.	26,170	1,056	1,082	
FirstEnergy Corp.	16,582	595	707	
FPL Group, Inc.	16,596	863	920	
GenOn Energy, Inc.	30,848	110	114	
Great Plains Energy, Inc.	4,989	97	100	
Hawaiian Electric Industries, Inc.	3,415	77	79	
IDACORP, Inc.	1,779	67	68	
Integrus Energy Group, Inc.	2,937	146	147	
ITC Holdings Corp.	2,020	127	140	
Laclede Group, Inc.	1,294	47	47	
MDU Resources Group, Inc.	7,419	157	161	
MGE Energy, Inc.	1,329	57	52	
Middlesex Water Co.	336	6	6	
New Jersey Resources Corp.	1,491	66	64	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Nicor, Inc.	1,506	68	80	
NiSource, Inc.	10,459	183	204	
Northeast Utilities	6,869	222	233	
Northwest Natural Gas Co.	1,100	55	48	
NorthWestern Corp.	1,649	49	53	
NSTAR	3,931	168	174	
NV Energy, Inc.	8,951	127	133	
OGE Energy Corp.	3,815	176	185	
Oneok, Inc.	4,191	225	299	
Ormat Technologies, Inc.	951	27	20	
Otter Tail Corp.	1,838	40	37	
Pennichuck Corp.	209	6	6	
Pepco Holdings, Inc.	8,521	160	161	
PG&E Corp.	15,623	754	633	
Piedmont Natural Gas Co., Inc.	2,552	78	74	
Pinnacle West Capital Corp.	4,116	172	177	
PNM Resources, Inc.	3,501	44	57	
Portland General Electric Co.	2,905	64	71	
PPL Corp.	22,867	596	614	
Progress Energy, Inc.	11,498	515	533	
Public Service Enterprise Group, Inc.	20,065	642	632	
Questar Corp.	6,719	115	115	
Scana Corp.	4,330	179	164	
Sempra Energy	9,513	491	485	
SJW Corp.	1,204	32	28	
South Jersey Industries, Inc.	1,189	63	62	
Southern Co. (The)	33,349	1,295	1,299	
Southwest Gas Corp.	1,657	60	62	
TECO Energy, Inc.	8,112	141	148	
UGI Corp.	4,188	130	129	
UIL Holdings Corp.	2,063	63	64	
Unisource Energy Corp.	1,541	56	55	
Unitil Corp.	1,406	32	36	
Vectren Corp.	2,948	78	79	
Westar Energy, Inc.	4,341	111	113	
WGL Holdings, Inc.	1,844	67	69	
Wisconsin Energy Corp.	8,966	274	271	
Xcel Energy, Inc.	18,846	455	442	
York Water Co.	352	6	6	
		18,887	19,434	3.3
Total Common Stocks		551,122	570,799	97.8
Transaction Costs (Note 2)		(31)		
		551,922	571,624	97.9
Total Investments			12,172	2.1
Other Assets and Liabilities				
Net Assets			583,796	100.0

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Government Guaranteed	0.1	-
Consumer Discretionary	11.4	10.2
Consumer Staples	8.8	8.1
Energy	11.3	10.0
Financials	16.4	15.5
Health Care	10.8	9.4
Industrials	11.5	10.4
Information Technology	16.9	16.0
Materials	4.6	4.1
Pharmaceuticals	0.1	0.1
Telecommunication Services	2.7	2.5
Utilities	3.3	2.9
Other Assets and Liabilities	2.1	10.8

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

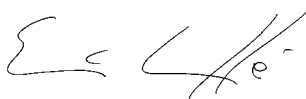
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 584,051,809	\$ 539,464,006
Cash	10,334	-
Net unrealized gain on forward currency contracts (Note 5)	22,565,293	23,253,288
Accounts receivable from issue of units	-	60,000,000
	<u>606,627,436</u>	<u>622,717,294</u>
Liabilities		
Operating expenses payable	9,080	10,049
Net unrealized loss on forward currency contracts (Note 5)	12,140,060	9,630,238
	<u>12,149,140</u>	<u>9,640,287</u>
Net Assets	<u>\$ 594,478,296</u>	<u>\$ 613,077,007</u>
Number of Units Issued and Outstanding (Note 7)	<u>53,411,841</u>	<u>58,708,930</u>
Net Assets per Unit	<u>\$ 11.13</u>	<u>\$ 10.44</u>
Investments at Cost	<u>\$ 563,314,623</u>	<u>\$ 530,047,266</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011
Revenue	
Dividend income	\$ 5,174,770
Interest income	59
	<u>5,174,829</u>
Expenses	
Custodian fees	175
Fund accounting expenses	6,610
Unitholder communication costs	299
Audit fees	4,549
Securities filing fees	5,341
Independent review committee fees	73
Other operating expenses	1,731
	<u>18,778</u>
Net Investment Income for the Period	<u>5,156,051</u>
Gain on Investments	
Net realized gain on sale of investments	3,870,240
Net realized gain from forward currency contracts	23,145,096
Net change in unrealized appreciation in value of investments	11,320,446
Net change in unrealized depreciation in value of forward currency contracts	(3,197,817)
Net Gain on Investments	<u>35,137,965</u>
Increase in Net Assets from Operations	<u>\$ 40,294,016</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.72</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011
Net Assets - Beginning of Period	<u>\$ 613,077,007</u>
Increase in Net Assets from Operations	<u>40,294,016</u>
Capital Transactions	
Proceeds from issue of units	107,438
Reinvestment of distributions	5,156,296
Redemption of units	(59,000,165)
Net capital transactions	<u>(53,736,431)</u>
Distributions	
From net investment income	(5,156,296)
Total distributions	<u>(5,156,296)</u>
Decrease in Net Assets for the Period	<u>(18,598,711)</u>
Net Assets - End of Period	<u>\$ 594,478,296</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Foreign Index Equivalents				
BlackRock CDN Russell 3000 Index Non-Taxable Fund	55,522,788	563,315	584,052	
Total Foreign Index Equivalents		<u>563,315</u>	<u>584,052</u>	<u>98.2</u>
Total Investments		<u>563,315</u>	<u>584,052</u>	<u>98.2</u>
Other Assets and Liabilities			<u>10,426</u>	<u>1.8</u>
Net Assets			<u>594,478</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Foreign Index Equivalents	98.2	88.0
Other Assets and Liabilities	1.8	12.0

Open forward currency contracts held by the Fund as at June 30, 2011 are shown in Note 5.

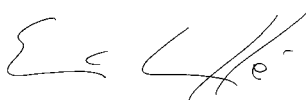
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 1,747,882,642	\$ 1,902,858,136
Cash	9,730,853	12,259,423
Margin due from brokers	1,192,120	728,160
Securities lending income receivable	5,308	2,542
Dividends and distributions from underlying trust units receivable	4,410,702	3,754,222
Accounts receivable from issue of units	22,149,608	-
Accounts receivable for investment sales	9,689,206	-
	<u>1,795,060,439</u>	<u>1,919,602,483</u>
Liabilities		
Operating expenses payable	38,322	34,056
Payables for investment purchases	9,512,727	-
	<u>9,551,049</u>	<u>34,056</u>
Net Assets	<u>\$ 1,785,509,390</u>	<u>\$ 1,919,568,427</u>
Number of Units Issued and Outstanding (Note 7)	<u>53,854,645</u>	<u>58,213,258</u>
Net Assets per Unit	<u>\$ 33.15</u>	<u>\$ 32.97</u>
Investments at Cost	<u>\$ 1,550,989,306</u>	<u>\$ 1,592,272,834</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income and distributions from underlying trust units	\$ 21,514,808	\$ 23,963,826
Interest income	41,523	98
Securities lending income	19,506	33,654
Net loss from futures contracts	(232,884)	-
Withholding taxes	-	(579)
	<u>21,342,953</u>	<u>23,996,999</u>
Expenses		
Custodian fees	77,454	76,641
Fund accounting expenses	37,950	39,693
Unitholder communication costs	299	299
Audit fees	6,967	6,599
Securities filing fees	46,825	1,931
Independent review committee fees	308	5,317
Other operating expenses	4,266	3,430
	<u>174,069</u>	<u>133,910</u>
Net Investment Income for the Period	<u>21,168,884</u>	<u>23,863,089</u>
Loss on Investments		
Net realized gain on sale of investments	105,926,321	72,242,807
Transaction costs (Note 2,12)	(1,236,617)	(1,037,982)
Net change in unrealized depreciation in value of investments	(113,691,966)	(111,848,282)
Net Loss on Investments	<u>(9,002,262)</u>	<u>(40,643,457)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 12,166,622</u>	<u>\$ (16,780,368)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.22</u>	<u>\$ (0.26)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 1,919,568,427	\$ 1,878,121,851
Increase (Decrease) in Net Assets from Operations	<u>12,166,622</u>	<u>(16,780,368)</u>
Capital Transactions		
Proceeds from issue of units	42,649,608	78,365,963
Reinvestment of distributions	19,498,309	24,343,555
Redemption of units	(188,875,267)	(231,153,471)
Net capital transactions	<u>(126,727,350)</u>	<u>(128,443,953)</u>
Distributions		
From net investment income	(19,498,309)	(24,343,555)
Total distributions	<u>(19,498,309)</u>	<u>(24,343,555)</u>
Decrease in Net Assets for the Period	<u>(134,059,037)</u>	<u>(169,567,876)</u>
Net Assets - End of Period	<u>\$ 1,785,509,390</u>	<u>\$ 1,708,553,975</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Common Stock and Income Trusts				
Consumer Discretionary				
Canadian Tire Corp.-Class A	83,166	5,182	5,248	
Cineplex, Inc.	58,815	980	1,565	
Cogeco Cable, Inc.	9,264	378	417	
Corus Entertainment, Inc.-Class B	46,686	1,006	957	
Dollarama, Inc.	136,295	4,376	4,439	
Dorel Industries, Inc.-Class B	4,300	140	115	
Forzani Group, Ltd. (The)-Class A	12,742	253	335	
Gildan Activewear, Inc.	45,822	1,287	1,551	
Linamar Corp.	37,892	712	819	
Magna International, Inc.-Class A	537,066	16,924	27,954	
Quebecor, Inc.-Class B	98,511	3,091	3,114	
Reitman's (Canada), Ltd.-Class A	174,703	3,106	2,676	
Shaw Communications, Inc.-Class B	127,320	2,660	2,799	
Thomson Reuters Corp.	170,829	6,561	6,177	
Tim Hortons, Inc.	4,260	189	200	
Transcontinental, Inc.-Class A	404,357	6,025	5,875	
		52,870	64,241	3.6
Consumer Staples				
Alimentation Couche Tard, Inc.-Class B	773,790	19,289	21,682	
Empire Co., Ltd.-Class A	121,184	6,044	6,717	
Maple Leaf Foods, Inc.	39,593	431	469	
Metro, Inc.-Class A	119,019	4,211	5,711	
Saputo, Inc.	64,124	2,754	2,973	
Shoppers Drug Mart Corp.	405,687	16,361	16,094	
		49,090	53,646	3.0
Energy				
AltaGas, Ltd.	254,729	5,846	6,552	
ARC Resources, Ltd.	42,476	1,061	1,061	
Athabasca Oil Sands Corp.	160,602	2,403	2,433	
Baytex Energy Corp.	434,335	21,605	22,768	
Calfrac Well Services, Ltd.	489,708	15,727	15,509	
Cameco Corp.	329,038	11,528	8,344	
Canadian Natural Resources, Ltd.	1,685,835	54,090	67,956	
Canadian Oil Sands, Ltd.	873,087	25,930	24,254	
Cenovus Energy, Inc.	427,981	11,736	15,540	
Crescent Point Energy Corp.	5,670	241	252	
Daylight Energy, Ltd.	28,335	270	264	
Denison Mines Corp.	165,678	407	295	
Enbridge, Inc.	1,227,542	27,930	38,385	
Encana Corp.	225,642	6,720	6,702	
Enerflex, Ltd.	8,491	119	105	
Ensign Resource Service Group, Inc.	133,289	2,302	2,547	
Freehold Royalties, Ltd.	22,383	461	438	
Inter Pipeline Fund	94,287	1,430	1,494	
Keyera Corp.	485,328	14,079	21,204	
MEG Energy Corp.	87,224	4,243	4,373	
Mullen Group, Ltd.	435,122	7,309	8,820	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Pacific Rubiales Energy Corp.	39,171	1,175	1,012	
Pason Systems, Inc.	311,288	4,425	4,507	
Pembina Pipeline Corp.	126,628	2,609	3,210	
Pengrowth Energy Corp.	1,162,019	13,549	14,060	
Penn West Petroleum, Ltd.	1,112,064	25,385	24,710	
Petrominerales, Ltd.	59,999	2,166	1,691	
Peyto Exploration & Development Corp.	171,551	2,739	3,688	
Precision Drilling Corp.	1,459,575	11,656	20,157	
Progress Energy Resources Corp.	21,349	313	293	
Provident Energy, Ltd.	2,007,777	17,281	17,267	
Savanna Energy Services Corp.	213,898	1,486	1,854	
ShawCor, Ltd.-Class A	78,245	2,128	2,305	
Suncor Energy, Inc.	2,227,039	76,161	83,915	
Talisman Energy, Inc.	1,304,748	25,168	25,782	
TransCanada Corp.	807,392	31,844	34,072	
Trican Well Service, Ltd.	181,259	3,333	4,104	
Trilogy Energy Corp.	325,657	7,106	7,725	
Trinidad Drilling, Ltd.	271,074	2,428	2,269	
Uranium One, Inc.	271,211	1,131	719	
Veresen, Inc.	59,685	583	828	
Vermilion Energy, Inc.	5,211	262	265	
		448,365	503,729	28.2
Financials				
Bank of Montreal	369,367	19,545	22,616	
Bank of Nova Scotia	1,039,111	50,503	60,268	
Boardwalk REIT	6,514	315	314	
Brookfield Asset Management, Inc.-Class A	471,362	14,911	15,060	
Brookfield Properties Co.	6,118	111	114	
Canadian Imperial Bank of Commerce	299,993	22,846	22,830	
Canadian REIT	403,984	12,043	13,412	
Canadian Western Bank	563,053	14,208	17,331	
CI Financial Corp.	65,608	1,425	1,498	
Dundee Corp.-Class A	7,561	194	191	
Extencare REIT	731,692	8,205	7,588	
Genworth MI Canada, Inc.	415,496	10,751	10,491	
GMP Capital, Inc.	367,788	4,175	4,682	
Great-West Lifeco, Inc.	8,101	202	206	
H&R REIT	322,043	5,670	6,940	
Home Capital Group, Inc.	173,739	7,087	8,965	
IGM Financial, Inc.	99,942	4,818	5,045	
Industrial Alliance Insurance and Financial Services, Inc.	522,193	17,036	20,930	
Intact Financial Corp.	436,560	18,514	24,085	
Laurentian Bank of Canada	179,979	8,325	7,995	
Manulife Financial Corp.	1,290,012	23,572	21,969	
National Bank of Canada	66,791	5,050	5,217	
Onex Corp.	442,841	13,282	16,447	
Power Corp. of Canada	22,236	585	596	
Power Financial Corp.	4,995	147	148	
Primaris Retail REIT	9,517	199	200	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
RioCan REIT	193,274	4,335	4,998	
Royal Bank of Canada	1,452,635	74,354	79,880	
Sun Life Financial, Inc.	40,860	1,257	1,183	
TMX Group, Inc.	88,408	3,788	3,841	
Toronto-Dominion Bank	1,213,530	74,249	99,243	
		421,702	484,283	27.1
Health Care				
Valeant Pharmaceuticals International, Inc.	671,932	23,106	33,657	
		23,106	33,657	1.9
Industrials				
Air Canada-Class B	541,452	1,872	1,251	
Canadian National Railway Co.	319,769	19,289	24,619	
Chorus Aviation, Inc.	1,295,023	6,451	6,566	
Finning International, Inc.	800,453	19,550	22,821	
Group 4 Securicor PLC	111,288	1,492	1,480	
IESI-BFC, Ltd.	213,156	3,780	5,116	
Russel Metals, Inc.	568,069	14,236	13,923	
Stantec, Inc.	144,562	3,934	4,035	
Transat AT, Inc.-Class B	221,169	3,464	2,481	
TransForce, Inc.	469,697	4,633	6,989	
Westjet Airlines, Ltd.	1,328,446	17,583	20,073	
		96,284	109,354	6.1
Information Technology				
Celestica, Inc.	885,877	7,592	7,441	
MacDonald Dettwiler & Associates, Ltd.	96,726	5,448	5,249	
Open Text Corp.	20,475	1,270	1,259	
Research In Motion, Ltd.	37,426	2,418	1,041	
		16,728	14,990	0.9
Materials				
Agnico-Eagle Mines, Ltd.	227,135	14,815	13,851	
Aurizon Mines, Ltd.	609,184	3,313	3,277	
B2Gold Corp.	375,432	1,220	1,216	
Barrick Gold Corp.	1,512,373	66,809	66,045	
Capstone Mining Corp.	2,115,807	9,773	7,553	
CCL Industries-Class B	74,628	1,994	2,463	
Centerra Gold, Inc.	650,915	9,125	10,408	
China Gold International Resources Corp., Ltd.	349,300	1,884	1,310	
Detour Gold Corp.	94,808	2,889	2,647	
Eldorado Gold Corp.	658,172	11,802	9,326	
First Quantum Minerals, Ltd.	77,554	8,133	10,900	
Franco-Nevada Corp.	31,824	1,043	1,144	
Gammon Gold, Inc.	340,486	2,653	3,596	
Goldcorp, Inc.	1,049,299	41,219	48,813	
Harry Winston Diamond Corp.	54,950	882	858	
Iamgold Corp.	488,403	8,341	8,840	
Inmet Mining Corp.	88,019	5,381	6,109	
Kinross Gold Corp.	1,770,784	33,531	26,916	
Labrador Iron Ore Royalty Corp.-UNIT	324,682	10,869	12,565	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Lundin Mining Corp.	741,182	3,290	5,477	
Major Drilling Group International	574,406	6,356	7,180	
Methanex Corp.	125,747	3,723	3,794	
Neo Material Technologies, Inc.	263,312	2,437	2,438	
New Gold, Inc.	317,893	3,059	3,154	
Northern Dynasty Minerals, Ltd.	131,100	2,509	1,278	
Northgate Minerals Corp.	309,981	954	775	
PAN American Silver Corp.	180,204	5,718	5,358	
Potash Corp. of Saskatchewan	859,084	37,800	47,172	
Quadra FNX Mining, Ltd.	142,976	1,987	2,045	
Romarco Minerals, Inc.	1	-	-	
SEMAFO, Inc.	330,629	1,821	2,430	
Sherritt International Corp.	359,203	2,351	2,202	
Silver Wheaton Corp.	240,067	9,148	7,639	
Silvercorp Metals, Inc.	133,121	1,000	1,205	
Taseko Mines, Ltd.	431,136	2,099	2,074	
Teck Resources, Ltd.	915,122	35,018	44,713	
West Fraser Timber Co., Ltd.	115,751	4,903	6,020	
Yamana Gold, Inc.	755,249	8,818	8,459	
		368,667	391,250	21.9
Telecommunication Services				
BCE, Inc.	683,869	22,295	25,864	
Rogers Communications, Inc.-Class B	31,314	1,138	1,192	
TELUS Corp.-Non-vote	697,660	28,929	37,018	
		52,362	64,074	3.6
Utilities				
Atco, Ltd.-Class I	180,760	8,986	11,279	
Canadian Utilities, Ltd.-Class A	202,015	8,771	11,305	
Fortis, Inc.	162,603	4,280	5,260	
Just Energy Group, Inc.	57,389	785	815	
		22,822	28,659	1.6
Total Canadian Common Stock and Income Trusts		1,551,996	1,747,883	97.9
Transaction Costs (Note 2)		(1,007)		
Total Investments		1,550,989	1,747,883	97.9
Other Assets and Liabilities			37,626	2.1
Net Assets			1,785,509	100.0

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Consumer Discretionary	3.6	3.6
Consumer Staples	3.0	2.0
Energy	28.2	25.5
Financials	27.1	28.5
Health Care	1.9	0.3
Industrials	6.1	6.2
Information Technology	0.9	3.0
Materials	21.9	24.8
Telecommunication Services	3.6	2.8
Utilities	1.6	2.4
Other Assets and Liabilities	2.1	0.9

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 1,389,160,754	\$ 1,729,296,004
Cash	7,485,471	10,867,388
Securities lending income receivable	3,213	2,427
Dividends receivable	3,224,127	3,008,816
Accounts receivable for investment sales	7,491,633	-
	1,407,365,198	1,743,174,635
Liabilities		
Operating expenses payable	35,496	30,619
Payables for investment purchases	7,204,162	-
	7,239,658	30,619
Net Assets	\$ 1,400,125,540	\$ 1,743,144,016
Number of Units Issued and Outstanding (Note 7)	42,439,860	52,702,368
Net Assets per Unit	\$ 32.99	\$ 33.08
Investments at Cost	\$ 1,248,146,650	\$ 1,437,722,645

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 17,210,988	\$ 19,851,659
Interest income	33,368	-
Securities lending income	11,102	14,313
	<u>17,255,458</u>	<u>19,865,972</u>
Expenses		
Custodian fees	73,317	61,198
Fund accounting expenses	34,065	39,165
Unitholder communication costs	299	299
Audit fees	6,967	6,901
Securities filing fees	13,613	-
Independent review committee fees	281	4,941
Other operating expenses	3,791	3,147
	<u>132,333</u>	<u>115,651</u>
Net Investment Income for the Period	<u>17,123,125</u>	<u>19,750,321</u>
Loss on Investments		
Net realized gain on sale of investments	137,491,156	44,568,965
Transaction costs (Note 2,12)	(1,313,497)	(695,695)
Net change in unrealized depreciation in value of investments	(150,559,255)	(88,102,153)
Net Loss on Investments	<u>(14,381,596)</u>	<u>(44,228,883)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 2,741,529</u>	<u>\$ (24,478,562)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.06</u>	<u>\$ (0.39)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 1,743,144,016	\$ 1,756,449,069
Increase (Decrease) in Net Assets from Operations	<u>2,741,529</u>	<u>(24,478,562)</u>
Capital Transactions		
Proceeds from issue of units	197,269,682	-
Reinvestment of distributions	16,922,935	20,178,100
Redemption of units	(543,029,687)	(73,735,714)
Net capital transactions	<u>(328,837,070)</u>	<u>(53,557,614)</u>
Distributions		
From net investment income	(16,922,935)	(20,178,100)
Total distributions	<u>(16,922,935)</u>	<u>(20,178,100)</u>
Decrease in Net Assets for the Period	<u>(343,018,476)</u>	<u>(98,214,276)</u>
Net Assets - End of Period	<u>\$ 1,400,125,540</u>	<u>\$ 1,658,234,793</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Common Stocks				
Consumer Discretionary				
Astral Media, Inc.-Class A	2,324	85	86	
Canadian Tire Corp.-Class A	107,792	6,736	6,802	
Cineplex, Inc.	1,336	34	36	
Cogeco Cable, Inc.	11,104	448	500	
Corus Entertainment, Inc.-Class B	51,107	1,085	1,047	
Dollarama, Inc.	117,037	3,763	3,812	
Forzani Group, Ltd. (The)-Class A	21,457	382	563	
Gildan Activewear, Inc.	34,251	959	1,159	
Linamar Corp.	30,580	574	661	
Magna International, Inc.-Class A	444,012	13,168	23,111	
Quebecor, Inc.-Class B	103,718	3,421	3,279	
Reitman's (Canada), Ltd.-Class A	182,276	3,219	2,792	
Shaw Communications, Inc.-Class B	114,037	2,388	2,507	
Thomson Reuters Corp.	113,103	4,325	4,090	
Tim Hortons, Inc.	27,747	1,238	1,305	
Transcontinental, Inc.-Class A	427,722	6,374	6,215	
		48,199	57,965	4.1
Consumer Staples				
Alimentation Couche Tard, Inc.-Class B	613,007	15,516	17,177	
Empire Co., Ltd.-Class A	109,613	5,472	6,076	
George Weston, Ltd.	3,668	257	255	
Maple Leaf Foods, Inc.	43,170	483	512	
Metro, Inc.-Class A	29,829	1,043	1,431	
Saputo, Inc.	55,486	2,414	2,573	
Shoppers Drug Mart Corp.	374,119	15,114	14,841	
		40,299	42,865	3.1
Energy				
AltaGas, Ltd.	385,856	8,786	9,924	
ARC Resources, Ltd.	74,415	1,865	1,858	
Athabasca Oil Sands Corp.	133,853	2,003	2,028	
Baytex Energy Corp.	378,551	19,004	19,844	
Calfrac Well Services, Ltd.	479,946	15,186	15,200	
Cameco Corp.	286,328	9,834	7,261	
Canadian Natural Resources, Ltd.	1,364,597	43,466	55,007	
Canadian Oil Sands, Ltd.	779,561	23,317	21,656	
Cenovus Energy, Inc.	400,339	11,556	14,536	
Crescent Point Energy Corp.	46,267	2,039	2,054	
Daylight Energy, Ltd.	70,221	669	654	
Denison Mines Corp.	140,184	344	249	
Enbridge, Inc.	1,072,279	24,192	33,530	
Encana Corp.	197,136	6,014	5,855	
Enerflex, Ltd.	23,403	329	290	
Ensign Resource Service Group, Inc.	99,995	1,848	1,911	
Freehold Royalties, Ltd.	27,192	573	533	
Keyera Corp.	201,194	8,034	8,790	
MEG Energy Corp.	137,300	6,697	6,883	
Mullen Group, Ltd.	457,422	7,683	9,272	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Pacific Rubiales Energy Corp.	39,845	1,071	1,029	
Pason Systems, Inc.	325,894	4,629	4,719	
Pembina Pipeline Corp.	21,523	477	546	
Pengrowth Energy Corp.	310,493	3,986	3,757	
Penn West Petroleum, Ltd.	663,216	17,555	14,737	
Petrominerales, Ltd.	120,717	4,231	3,403	
Precision Drilling Corp.	690,568	6,465	9,537	
Progress Energy Resources Corp.	75,623	1,060	1,038	
Provident Energy, Ltd.	1,896,585	16,477	16,311	
Savanna Energy Services Corp.	250,714	1,712	2,174	
ShawCor, Ltd.-Class A	61,777	1,663	1,820	
Suncor Energy, Inc.	1,803,356	61,931	67,950	
Talisman Energy, Inc.	1,223,386	24,120	24,174	
TransCanada Corp.	693,922	27,808	29,283	
Trican Well Service, Ltd.	147,453	2,753	3,338	
Trilogy Energy Corp.	323,814	6,909	7,681	
Trinidad Drilling, Ltd.	187,512	1,682	1,569	
Uranium One, Inc.	229,477	957	608	
Veresen, Inc.	5,735	77	80	
Vermilion Energy, Inc.	5,029	250	256	
		379,252	411,345	29.4
Financials				
Bank of Montreal	303,919	15,535	18,609	
Bank of Nova Scotia	866,202	42,014	50,240	
Brookfield Asset Management, Inc.-Class A	470,253	14,455	15,025	
Brookfield Properties Co.	1,678	30	31	
Canadian Imperial Bank of Commerce	192,552	14,658	14,653	
Canadian Western Bank	520,901	13,189	16,033	
CI Financial Corp.	42,229	917	964	
Genworth MI Canada, Inc.	421,720	10,900	10,648	
GMP Capital, Inc.	355,378	4,066	4,524	
Home Capital Group, Inc.	161,393	6,241	8,328	
IGM Financial, Inc.	26,350	1,292	1,330	
Industrial Alliance Insurance and Financial Services, Inc.	383,313	12,168	15,363	
Intact Financial Corp.	348,986	14,329	19,253	
Laurentian Bank of Canada	173,027	8,110	7,686	
Manulife Financial Corp.	1,087,710	20,653	18,524	
National Bank of Canada	32,685	2,508	2,553	
Onex Corp.	330,417	9,624	12,272	
Power Corp. of Canada	2,059	55	55	
Power Financial Corp.	2,615	77	78	
Royal Bank of Canada	1,253,779	64,798	68,945	
Sun Life Financial, Inc.	43,235	1,346	1,252	
TMX Group, Inc.	75,100	3,234	3,263	
Toronto-Dominion Bank	984,458	61,507	80,509	
		321,706	370,138	26.4
Health Care				
Valeant Pharmaceuticals International, Inc.	538,248	17,195	26,961	
		17,195	26,961	1.9

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Industrials				
Canadian National Railway Co.	287,589	17,773	22,142	
Chorus Aviation, Inc.	520,153	2,653	2,637	
Finning International, Inc.	626,712	15,297	17,868	
Group 4 Securicor PLC	59,432	791	790	
IESI-BFC, Ltd.	111,080	1,796	2,666	
Russel Metals, Inc.	560,903	14,034	13,748	
Stantec, Inc.	118,424	3,245	3,305	
Transat AT, Inc.-Class B	169,367	2,706	1,900	
TransForce, Inc.	418,710	4,025	6,230	
Westjet Airlines, Ltd.	1,067,085	13,877	16,124	
		76,197	87,410	6.2
Information Technology				
Celestica, Inc.	542,255	4,505	4,555	
MacDonald Dettwiler & Associates, Ltd.	77,485	4,358	4,205	
Open Text Corp.	18,103	1,120	1,113	
Research In Motion, Ltd.	182,732	12,072	5,080	
		22,055	14,953	1.1
Materials				
Agnico-Eagle Mines, Ltd.	196,015	12,386	11,953	
Alamos Gold, Inc.	23,447	370	373	
Aurizon Mines, Ltd.	440,335	2,538	2,369	
B2Gold Corp.	309,238	1,003	1,002	
Barrick Gold Corp.	1,172,753	50,900	51,214	
Capstone Mining Corp.	2,261,515	10,380	8,074	
CCL Industries-Class B	57,136	1,518	1,886	
Centerra Gold, Inc.	591,866	7,853	9,464	
China Gold International Resources Corp., Ltd.	282,700	1,525	1,060	
Detour Gold Corp.	76,545	2,324	2,137	
Eldorado Gold Corp.	487,370	9,101	6,906	
First Quantum Minerals, Ltd.	63,068	6,985	8,864	
Gammon Gold, Inc.	265,606	2,092	2,805	
Goldcorp, Inc.	806,203	31,337	37,505	
Harry Winston Diamond Corp.	16,884	271	264	
Iamgold Corp.	422,296	7,284	7,644	
Inmet Mining Corp.	56,154	3,760	3,897	
Kinross Gold Corp.	1,507,860	27,805	22,919	
Lundin Mining Corp.	264,132	1,097	1,952	
Major Drilling Group International	576,328	6,849	7,204	
Methanex Corp.	70,691	2,089	2,133	
Neo Material Technologies, Inc.	188,254	1,748	1,743	
New Gold, Inc.	298,593	2,812	2,962	
Northern Dynasty Minerals, Ltd.	26,089	499	254	
Northgate Minerals Corp.	67,836	201	170	
PAN American Silver Corp.	171,344	5,403	5,094	
Potash Corp. of Saskatchewan	729,255	30,673	40,043	
Quadra FNX Mining, Ltd.	180,014	2,530	2,574	
SEMAFO, Inc.	309,428	1,576	2,274	
Sherritt International Corp.	458,090	3,062	2,808	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Silver Wheaton Corp.	213,507	7,276	6,794	
Silvercorp Metals, Inc.	44,211	441	400	
Taseko Mines, Ltd.	348,899	1,684	1,678	
Teck Resources, Ltd.	737,658	27,038	36,042	
West Fraser Timber Co., Ltd.	77,455	3,590	4,028	
Yamana Gold, Inc.	660,168	7,761	7,394	
		285,761	305,883	21.8
Telecommunication Services				
BCE, Inc.	560,380	18,036	21,193	
Rogers Communications, Inc.-Class B	35,228	1,296	1,341	
TELUS Corp.-Non-vote	540,476	21,985	28,678	
		41,317	51,212	3.7
Utilities				
Atco, Ltd.-Class I	183,053	9,418	11,423	
Canadian Utilities, Ltd.-Class A	160,941	7,399	9,006	
		16,817	20,429	1.5
Total Canadian Common Stocks		1,248,798	1,389,161	99.2
Transaction Costs (Note 2)		(651)		
Total Investments		1,248,147	1,389,161	99.2
Other Assets and Liabilities			10,965	0.8
Net Assets			1,400,126	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Consumer Discretionary	4.1	3.8
Consumer Staples	3.1	2.2
Energy	29.4	23.4
Financials	26.4	27.9
Health Care	1.9	0.4
Industrials	6.2	6.4
Information Technology	1.1	3.1
Materials	21.8	26.3
Telecommunication Services	3.7	3.2
Utilities	1.5	2.5
Other Assets and Liabilities	0.8	0.8

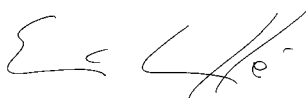
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 552,148,168	\$ 566,061,697
Cash	6,535,643	3,108,774
Margin due from brokers	372,560	258,920
Securities lending income receivable	1,029	2
Dividends receivable	1,265,421	986,031
Accounts receivable for investment sales	2,749,701	-
	563,072,522	570,415,424
Liabilities		
Operating expenses payable	23,885	25,375
Payables for investment purchases	3,199,478	-
	3,223,363	25,375
Net Assets	\$ 559,849,159	\$ 570,390,049
Number of Units Issued and Outstanding (Note 7)	23,146,159	23,516,459
Net Assets per Unit	\$ 24.19	\$ 24.25
Investments at Cost	\$ 496,223,851	\$ 468,902,254

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 6,226,609	\$ 5,483,661
Interest income	13,381	-
Securities lending income	2,784	5,139
Net loss from futures contracts	(68,804)	-
	<u>6,173,970</u>	<u>5,488,800</u>
Expenses		
Custodian fees	52,392	42,714
Fund accounting expenses	21,170	23,071
Unitholder communication costs	299	299
Audit fees	6,967	8,045
Securities filing fees	5,448	1,491
Independent review committee fees	89	1,388
Other operating expenses	3,088	10,682
	<u>89,453</u>	<u>87,690</u>
Net Investment Income for the Period	<u>6,084,517</u>	<u>5,401,110</u>
Loss on Investments		
Net realized gain on sale of investments	34,373,089	14,340,036
Transaction costs (Note 2,12)	(433,725)	(246,691)
Net change in unrealized depreciation in value of investments	(41,235,126)	(26,315,888)
	<u>(7,295,762)</u>	<u>(12,222,543)</u>
Decrease in Net Assets from Operations	<u>\$ (1,211,245)</u>	<u>\$ (6,821,433)</u>
Decrease in Net Assets from Operations per Unit	<u>\$ (0.05)</u>	<u>\$ (0.29)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	<u>\$ 570,390,049</u>	<u>\$ 494,955,774</u>
Decrease in Net Assets from Operations	<u>(1,211,245)</u>	<u>(6,821,433)</u>
Capital Transactions		
Proceeds from issue of units	25,688,759	32,166,717
Reinvestment of distributions	5,758,047	5,530,652
Redemption of units	(35,018,404)	(39,455,099)
Net capital transactions	<u>(3,571,598)</u>	<u>(1,757,730)</u>
Distributions		
From net investment income	<u>(5,758,047)</u>	<u>(5,530,652)</u>
Total distributions	<u>(5,758,047)</u>	<u>(5,530,652)</u>
Decrease in Net Assets for the Period	<u>(10,540,890)</u>	<u>(14,109,815)</u>
Net Assets - End of Period	<u>\$ 559,849,159</u>	<u>\$ 480,845,959</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Common Stocks				
Consumer Discretionary				
Astral Media, Inc.-Class A	1,057	39	39	
Canadian Tire Corp.-Class A	42,936	2,683	2,709	
Cineplex, Inc.	805	20	22	
Cogeco Cable, Inc.	4,539	184	204	
Corus Entertainment, Inc.-Class B	20,441	435	419	
Dollarama, Inc.	47,025	1,510	1,532	
Forzani Group, Ltd. (The)-Class A	7,663	137	201	
Gildan Activewear, Inc.	13,870	388	470	
Linamar Corp.	11,884	223	257	
Magna International, Inc.-Class A	171,899	5,087	8,947	
Quebecor, Inc.-Class B	41,323	1,364	1,306	
Reitman's (Canada), Ltd.-Class A	72,807	1,288	1,115	
Shaw Communications, Inc.-Class B	45,612	954	1,003	
Thomson Reuters Corp.	45,194	1,729	1,634	
Tim Hortons, Inc.	11,156	498	525	
Transcontinental, Inc.-Class A	170,281	2,536	2,474	
		19,075	22,857	4.1
Consumer Staples				
Alimentation Couche Tard, Inc.-Class B	243,905	6,172	6,834	
Empire Co., Ltd.-Class A	43,849	2,195	2,431	
George Weston, Ltd.	1,659	116	115	
Maple Leaf Foods, Inc.	17,615	196	209	
Metro, Inc.-Class A	11,981	433	575	
Saputo, Inc.	22,305	973	1,034	
Shoppers Drug Mart Corp.	148,689	6,004	5,899	
		16,089	17,097	3.1
Energy				
AltaGas, Ltd.	153,615	3,503	3,951	
ARC Resources, Ltd.	29,763	747	743	
Athabasca Oil Sands Corp.	53,852	806	816	
Baytex Energy Corp.	150,501	7,565	7,889	
Calfrac Well Services, Ltd.	190,689	6,032	6,039	
Cameco Corp.	104,052	3,572	2,639	
Canadian Natural Resources, Ltd.	542,382	17,018	21,863	
Canadian Oil Sands, Ltd.	309,857	9,274	8,608	
Cenovus Energy, Inc.	159,335	4,552	5,786	
Crescent Point Energy Corp.	18,504	815	822	
Daylight Energy, Ltd.	28,412	271	265	
Denison Mines Corp.	51,864	127	92	
Enbridge, Inc.	426,769	9,855	13,345	
Encana Corp.	78,482	2,384	2,331	
Enerflex, Ltd.	8,805	124	109	
Ensign Resource Service Group, Inc.	39,895	733	762	
Freehold Royalties, Ltd.	10,954	230	215	
Keyera Corp.	80,176	3,206	3,503	
MEG Energy Corp.	54,600	2,666	2,737	
Mullen Group, Ltd.	181,914	3,073	3,687	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Pacific Rubiales Energy Corp.	15,996	430	413	
Pason Systems, Inc.	129,695	1,809	1,878	
Pembina Pipeline Corp.	9,189	205	233	
Pengrowth Energy Corp.	123,671	1,587	1,496	
Penn West Petroleum, Ltd.	263,601	6,968	5,857	
Petrominerales, Ltd.	48,054	1,690	1,355	
Precision Drilling Corp.	274,537	2,593	3,791	
Progress Energy Resources Corp.	30,264	424	415	
Provident Energy, Ltd.	754,046	6,551	6,485	
Savanna Energy Services Corp.	99,871	685	866	
ShawCor, Ltd.-Class A	24,736	677	729	
Suncor Energy, Inc.	717,001	24,282	27,017	
Talisman Energy, Inc.	486,097	9,514	9,605	
TransCanada Corp.	275,847	10,986	11,641	
Trican Well Service, Ltd.	58,840	1,105	1,332	
Trilogy Energy Corp.	128,782	2,750	3,055	
Trinidad Drilling, Ltd.	74,831	669	626	
Uranium One, Inc.	84,903	354	225	
Veresen, Inc.	2,599	35	36	
Vermilion Energy, Inc.	2,271	113	116	
		149,980	163,373	29.2
Financials				
Bank of Montreal	120,962	6,150	7,407	
Bank of Nova Scotia	345,225	16,462	20,023	
Brookfield Asset Management, Inc.-Class A	186,981	5,754	5,974	
Brookfield Properties Co.	886	16	16	
Canadian Imperial Bank of Commerce	76,602	5,813	5,829	
Canadian Western Bank	206,968	5,273	6,371	
CI Financial Corp.	16,927	368	386	
Genworth MI Canada, Inc.	167,514	4,345	4,230	
GMP Capital, Inc.	141,452	1,619	1,801	
Home Capital Group, Inc.	64,309	2,549	3,318	
IGM Financial, Inc.	10,556	517	533	
Industrial Alliance Insurance and Financial Services, Inc.	152,650	4,812	6,118	
Intact Financial Corp.	138,915	5,790	7,664	
Laurentian Bank of Canada	68,867	3,226	3,059	
Manulife Financial Corp.	432,535	7,949	7,366	
National Bank of Canada	13,127	1,008	1,025	
Onex Corp.	131,496	3,762	4,884	
Power Corp. of Canada	1,087	29	29	
Power Financial Corp.	1,364	40	41	
Royal Bank of Canada	499,564	25,797	27,471	
Sun Life Financial, Inc.	17,589	544	509	
TMX Group, Inc.	27,033	1,178	1,175	
Toronto-Dominion Bank	391,455	23,967	32,013	
		126,968	147,242	26.3
Health Care				
Valeant Pharmaceuticals International, Inc.	214,005	7,015	10,719	
		7,015	10,719	1.9

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Industrials				
Canadian National Railway Co.	114,477	7,076	8,814	
Chorus Aviation, Inc.	207,330	1,056	1,051	
Finning International, Inc.	249,489	6,105	7,113	
Group 4 Securicor PLC	24,012	319	319	
IESI-BFC, Ltd.	44,249	749	1,062	
Russel Metals, Inc.	223,110	5,576	5,468	
Stantec, Inc.	47,179	1,294	1,317	
Transat AT, Inc.-Class B	67,490	1,065	757	
TransForce, Inc.	166,700	1,602	2,481	
Westjet Airlines, Ltd.	424,798	5,529	6,419	
		<u>30,371</u>	<u>34,801</u>	6.2
Information Technology				
Celestica, Inc.	216,235	1,842	1,816	
MacDonald Dettwiler & Associates, Ltd.	30,872	1,736	1,676	
Open Text Corp.	7,239	449	445	
Research In Motion, Ltd.	72,676	4,811	2,020	
		<u>8,838</u>	<u>5,957</u>	1.1
Materials				
Agnico-Eagle Mines, Ltd.	77,892	4,921	4,750	
Alamos Gold, Inc.	9,398	148	149	
Aurizon Mines, Ltd.	175,331	978	943	
B2Gold Corp.	125,624	408	407	
Barrick Gold Corp.	465,973	20,477	20,349	
Capstone Mining Corp.	886,071	4,067	3,163	
CCL Industries-Class B	22,758	609	751	
Centerra Gold, Inc.	235,361	3,127	3,763	
China Gold International Resources Corp., Ltd.	112,144	609	421	
Detour Gold Corp.	30,504	922	852	
Eldorado Gold Corp.	193,658	3,620	2,744	
First Quantum Minerals, Ltd.	25,104	2,775	3,528	
Gammon Gold, Inc.	105,552	817	1,115	
Goldcorp, Inc.	320,464	12,778	14,908	
Harry Winston Diamond Corp.	6,773	108	106	
Iamgold Corp.	167,867	2,899	3,038	
Inmet Mining Corp.	22,452	1,503	1,558	
Kinross Gold Corp.	598,847	11,046	9,103	
Lundin Mining Corp.	105,656	478	781	
Major Drilling Group International	229,533	2,739	2,869	
Methanex Corp.	28,221	834	851	
Neo Material Technologies, Inc.	75,490	699	699	
New Gold, Inc.	118,809	1,121	1,179	
Northern Dynasty Minerals, Ltd.	10,675	200	104	
Northgate Minerals Corp.	27,310	81	68	
PAN American Silver Corp.	68,200	2,143	2,028	
Potash Corp. of Saskatchewan	289,958	13,033	15,922	
Quadra FNX Mining, Ltd.	71,737	1,008	1,026	
SEMAFO, Inc.	123,168	651	905	
Sherritt International Corp.	182,395	1,219	1,118	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Silver Wheaton Corp.	84,865	2,890	2,700	
Silvercorp Metals, Inc.	17,752	177	161	
Taseko Mines, Ltd.	138,835	670	668	
Teck Resources, Ltd.	293,168	10,815	14,324	
West Fraser Timber Co., Ltd.	30,844	1,430	1,604	
Yamana Gold, Inc.	262,223	3,086	2,937	
		115,086	121,592	21.7
Telecommunication Services				
BCE, Inc.	222,775	7,232	8,425	
Rogers Communications, Inc.-Class B	14,210	523	541	
TELUS Corp.-Non-vote	214,958	8,695	11,406	
		16,450	20,372	3.6
Utilities				
Atco, Ltd.-Class I	72,894	3,741	4,549	
Canadian Utilities, Ltd.-Class A	64,143	2,929	3,589	
		6,670	8,138	1.4
Total Canadian Common Stocks		496,542	552,148	98.6
Transaction Costs (Note 2)		(318)		
Total Investments		496,224	552,148	98.6
Other Assets and Liabilities			7,701	1.4
Net Assets			559,849	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Consumer Discretionary	4.1	3.8
Consumer Staples	3.1	2.2
Energy	29.2	23.4
Financials	26.3	27.9
Health Care	1.9	0.4
Industrials	6.2	6.4
Information Technology	1.1	3.1
Materials	21.7	26.3
Telecommunication Services	3.6	3.2
Utilities	1.4	2.5
Other Assets and Liabilities	1.4	0.8

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

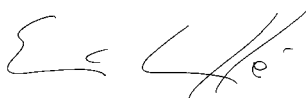
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 173,689,888	\$ 175,643,233
Cash	552,067	1,101,004
Margin due from brokers	256,800	171,480
Securities lending income receivable	944	2,761
Dividends receivable	341,638	206,506
Accounts receivable for investment sales	1,798,993	-
	<u>176,640,330</u>	<u>177,124,984</u>
Liabilities		
Operating expenses payable	15,326	22,124
Payables for investment purchases	1,343,440	-
	<u>1,358,766</u>	<u>22,124</u>
Net Assets	<u>\$ 175,281,564</u>	<u>\$ 177,102,860</u>
Number of Units Issued and Outstanding (Note 7)	<u>3,720,139</u>	<u>3,730,894</u>
Net Assets per Unit	<u>\$ 47.12</u>	<u>\$ 47.47</u>
Investments at Cost	<u>\$ 158,659,298</u>	<u>\$ 146,009,656</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 1,818,891	\$ 1,671,938
Interest income	4,661	6
Securities lending income	7,235	1,679
Net loss from futures contracts	(96,001)	-
	<u>1,734,786</u>	<u>1,673,623</u>
Expenses		
Custodian fees	27,200	26,016
Fund accounting expenses	16,262	19,044
Unitholder communication costs	299	299
Audit fees	6,387	7,355
Securities filing fees	1,576	-
Independent review committee fees	28	461
Other operating expenses	2,574	928
	<u>54,326</u>	<u>54,103</u>
Net Investment Income for the Period	<u>1,680,460</u>	<u>1,619,520</u>
Loss on Investments		
Net realized gain on sale of investments	11,861,299	15,308,608
Transaction costs (Note 2,12)	(228,525)	(274,683)
Net change in unrealized depreciation in value of investments	(14,602,987)	(15,050,826)
	<u>(2,970,213)</u>	<u>(16,901)</u>
Net Loss on Investments	<u>(2,970,213)</u>	<u>(16,901)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ (1,289,753)</u>	<u>\$ 1,602,619</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ (0.35)</u>	<u>\$ 0.36</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 177,102,860	\$ 163,109,557
Increase (Decrease) in Net Assets from Operations	<u>(1,289,753)</u>	<u>1,602,619</u>
Capital Transactions		
Reinvestment of distributions	1,542,157	1,793,214
Redemption of units	(531,543)	(10,156,987)
Net capital transactions	<u>1,010,614</u>	<u>(8,363,773)</u>
Distributions		
From net investment income	(1,542,157)	(1,793,214)
Total distributions	<u>(1,542,157)</u>	<u>(1,793,214)</u>
Decrease in Net Assets for the Period	<u>(1,821,296)</u>	<u>(8,554,368)</u>
Net Assets - End of Period	<u>\$ 175,281,564</u>	<u>\$ 154,555,189</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Common Stocks				
Consumer Discretionary				
Astral Media, Inc.-Class A	11,919	446	444	
Cineplex, Inc.	8,733	223	232	
Corus Entertainment, Inc.-Class B	75,325	1,607	1,543	
Dollarama, Inc.	73,733	2,359	2,402	
Forzani Group, Ltd. (The)-Class A	13,710	356	360	
Great Canadian Gaming Corp.	9,800	75	75	
Linamar Corp.	37,139	729	803	
Martinrea International, Inc.	20,900	208	168	
Quebecor, Inc.-Class B	50,831	1,685	1,607	
Reitman's (Canada), Ltd.-Class A	66,577	1,191	1,020	
Transcontinental, Inc.-Class A	72,800	1,041	1,058	
		9,920	9,712	5.5
Consumer Staples				
Alimentation Couche Tard, Inc.-Class B	122,010	2,723	3,419	
Atrium Innovations, Inc.	6,300	102	99	
Empire Co., Ltd.-Class A	16,429	814	910	
Maple Leaf Foods, Inc.	900	10	11	
Viterra, Inc.	4,976	53	52	
		3,702	4,491	2.6
Energy				
Advantage Oil & Gas, Ltd.	9,950	78	76	
Angle Energy, Inc.	7,300	66	73	
Athabasca Oil Sands Corp.	102,858	1,560	1,558	
Bankers Petroleum, Ltd.	14,600	109	100	
Baytex Energy Corp.	73,060	3,711	3,830	
Birchcliff Energy, Ltd.	6,950	79	90	
Black Pearl Resources, Inc.	42,806	249	291	
Bonavista Energy Corp.	54,000	1,597	1,535	
Calfrac Well Services, Ltd.	71,302	1,980	2,258	
Crescent Point Energy Corp.	164,224	6,453	7,292	
Crew Energy, Inc.	92,750	1,576	1,382	
Daylight Energy, Ltd.	2,300	22	21	
Denison Mines Corp.	67,439	166	120	
Enerflex, Ltd.	32,589	455	404	
Ensign Resource Service Group, Inc.	45,454	672	869	
Fairborne Energy, Ltd.	70,157	289	333	
Freehold Royalties, Ltd.	7,700	162	151	
Keyera Corp.	72,567	2,612	3,170	
Legacy Oil + Gas, Inc.	24,900	324	291	
MEG Energy Corp.	40,496	1,968	2,030	
Mullen Group, Ltd.	117,941	1,797	2,391	
Niko Resources, Ltd.	3,277	248	196	
Pace Oil and Gas, Ltd.	26,600	218	196	
Pacific Rubiales Energy Corp.	120,741	2,913	3,119	
Parkland Fuel Corp.	69,900	863	866	
Pason Systems, Inc.	141,672	1,964	2,051	
Pembina Pipeline Corp.	8,650	207	219	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Pengrowth Energy Corp.	131,200	1,672	1,588	
Petrominerales, Ltd.	2,800	88	79	
Precision Drilling Corp.	207,319	2,146	2,863	
Progress Energy Resources Corp.	126,550	1,727	1,736	
Provident Energy, Ltd.	91,015	786	783	
Savanna Energy Services Corp.	165,395	1,372	1,434	
ShawCor, Ltd.-Class A	67,978	1,902	2,003	
Total Energy Services, Inc.	62,280	858	894	
Tourmaline Oil Corp.	11,600	338	371	
Transglobe Energy Corp.	2,750	34	30	
Trican Well Service, Ltd.	145,897	2,215	3,303	
Trilogy Energy Corp.	87,577	1,405	2,077	
Trinidad Drilling, Ltd.	67,700	682	567	
Twin Butte Energy, Ltd.	231,522	403	560	
Uranium One, Inc.	110,395	460	293	
Vermilion Energy, Inc.	25,110	1,188	1,277	
		49,614	54,770	31.3
Financials				
Brookfield Properties Co.	66,906	1,063	1,244	
Canaccord Capital, Inc.	9,050	117	112	
Canadian Western Bank	90,752	2,061	2,793	
CI Financial Corp.	54,942	1,203	1,254	
Fairfax Financial Holdings, Ltd.	4,479	1,681	1,729	
First Capital Realty, Inc.	6,500	107	107	
Genworth MI Canada, Inc.	42,043	1,059	1,062	
GMP Capital, Inc.	29,243	342	372	
Great-West Lifeco, Inc.	58,681	1,603	1,493	
Home Capital Group, Inc.	13,838	744	714	
IGM Financial, Inc.	21,819	1,019	1,101	
Industrial Alliance Insurance and Financial Services, Inc.	72,243	2,246	2,896	
Intact Financial Corp.	81,302	3,316	4,485	
Onex Corp.	89,569	2,350	3,327	
Pinetree Capital, Ltd.	25,800	81	58	
Power Financial Corp.	46,428	1,370	1,379	
TMX Group, Inc.	34,811	1,416	1,513	
		21,778	25,639	14.6
Health Care				
CML HealthCare, Inc.	44,750	487	417	
Nordion, Inc.	39,950	447	416	
		934	833	0.5
Industrials				
ATS Automation Tooling Systems, Inc.	193,700	1,406	1,493	
Black Diamond Group, Ltd.	21,200	587	667	
Chorus Aviation, Inc.	37,250	188	189	
Finning International, Inc.	135,022	2,844	3,850	
Group 4 Securicor PLC	2,721	30	36	
IESI-BFC, Ltd.	9,850	239	236	
Russel Metals, Inc.	41,654	1,075	1,021	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Stantec, Inc.	6,000	172	168	
TransForce, Inc.	143,021	1,571	2,128	
Wajax Corp.	5,750	227	209	
Westjet Airlines, Ltd.	80,135	1,046	1,211	
		9,385	11,208	6.4
Information Technology				
Celestica, Inc.	160,806	1,680	1,351	
CGI Group, Inc.-Class A	37,528	713	891	
Descartes Systems Group, Inc.	2,800	19	19	
MacDonald Dettwiler & Associates, Ltd.	44,420	2,238	2,411	
Mosaid Technologies, Inc.	9,650	301	269	
Open Text Corp.	23,103	1,438	1,421	
Otsuka Corp.	158,300	1,703	2,367	
SXC Health Solutions Corp.	56,579	2,325	3,193	
Wi-Lan, Inc.	83,400	495	647	
Zarlink Semiconductor, Inc.	2,749	6	6	
		10,918	12,575	7.2
Materials				
Alamos Gold, Inc.	69,700	1,121	1,108	
Aurizon Mines, Ltd.	85,208	576	458	
B2Gold Corp.	70,200	229	227	
Canfor Pulp Products, Inc.	9,700	177	170	
Capstone Mining Corp.	300,356	1,025	1,072	
Cascades, Inc.	48,016	322	306	
CCL Industries-Class B	2,000	65	66	
Centerra Gold, Inc.	139,618	1,853	2,232	
China Gold International Resources Corp., Ltd.	26,600	140	100	
Detour Gold Corp.	40,850	920	1,141	
Dundee Precious Metals, Inc.	63,135	444	492	
European Goldfields, Ltd.	39,650	524	400	
Franco-Nevada Corp.	67,850	2,160	2,439	
Gabriel Resources, Ltd.	27,150	194	181	
Gammon Gold, Inc.	110,009	984	1,162	
Golden Star Resources, Ltd.	6,500	17	14	
Guyana Goldfields, Inc.	14,000	116	96	
Harry Winston Diamond Corp.	67,515	1,064	1,055	
Hudbay Minerals, Inc.	206,580	3,058	2,971	
Ivanhoe Mines, Ltd.	61,387	1,288	1,495	
Kirkland Lake Gold, Inc.	8,650	125	131	
Lake Shore Gold Corp.	85,700	360	240	
Lundin Mining Corp.	160,236	1,134	1,184	
Major Drilling Group International	145,600	1,441	1,820	
Methanex Corp.	44,200	1,323	1,334	
Nevsun Resources, Ltd.	5,850	34	34	
New Gold, Inc.	318,431	3,141	3,159	
Northgate Minerals Corp.	139,089	393	348	
Novagold Resources, Inc.	5,100	47	45	
OceanaGold Corp.	63,300	161	167	
PAN American Silver Corp.	81,648	2,213	2,427	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Quadra FNX Mining, Ltd.	184,250	2,697	2,635	
Rubicon Minerals Corp.	41,000	204	140	
SEMAFO, Inc.	328,054	2,537	2,411	
Sherritt International Corp.	365,798	2,623	2,242	
Silver Standard Resources, Inc.	19,950	569	512	
Silver Wheaton Corp.	189,375	4,882	6,026	
Silvercorp Metals, Inc.	73,350	982	664	
Sino-Forest Corp.-Class A	49,449	939	153	
Sprott Resource Corp.	49,600	232	228	
Taseko Mines, Ltd.	99,066	475	476	
Thompson Creek Metals Co., Inc.	1,350	13	13	
West Fraser Timber Co., Ltd.	38,563	1,593	2,006	
		44,395	45,580	26.0
Telecommunication Services				
Bell Aliant, Inc.	4,750	130	137	
Manitoba Telecom Services, Inc.	24,500	762	799	
		892	936	0.5
Utilities				
Atco, Ltd.-Class I	31,306	1,423	1,954	
Canadian Utilities, Ltd.-Class A	28,760	1,543	1,609	
Capital Power Corp.	69,100	1,730	1,726	
Emera, Inc.	77,756	2,368	2,457	
Innergex Renewable Energy, Inc.	5,900	56	59	
Northland Power, Inc.	8,800	140	141	
		7,260	7,946	4.5
Total Canadian Common Stocks		158,798	173,690	99.1
Transaction Costs (Note 2)		(139)		
Total Investments		158,659	173,690	99.1
Other Assets and Liabilities			1,592	0.9
Net Assets			175,282	100.0

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Consumer Discretionary	5.5	3.8
Consumer Staples	2.6	4.2
Energy	31.3	23.4
Financials	14.6	17.4
Health Care	0.5	0.2
Industrials	6.4	8.2
Information Technology	7.2	6.0
Materials	26.0	32.9
Telecommunication Services	0.5	-
Utilities	4.5	3.1
Other Assets and Liabilities	0.9	0.8

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

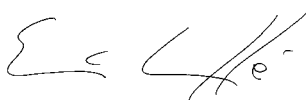
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 7,648,999,076	\$ 7,217,113,493
Cash	10,395,126	28,165,771
Interest receivable	51,168,294	49,048,011
Securities lending income receivable	18,929	10,265
Accounts receivable from issue of units	1,256,683	244,584
Accounts receivable for investment sales	17,646,812	-
	<u>7,729,484,920</u>	<u>7,294,582,124</u>
Liabilities		
Operating expenses payable	113,786	74,046
Payables for redemption of units	1,624,746	765,698
Payables for investment purchases	25,674,011	-
	<u>27,412,543</u>	<u>839,744</u>
Net Assets	<u>\$ 7,702,072,377</u>	<u>\$ 7,293,742,380</u>
Net Assets per Class		
Class A	\$ 4,756,935,259	\$ 4,598,904,894
Class D	2,945,137,118	2,694,837,486
	<u>\$ 7,702,072,377</u>	<u>\$ 7,293,742,380</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	192,330,222	190,098,247
Class D	139,249,896	130,263,182
	<u>331,580,118</u>	<u>320,361,429</u>
Net Assets per Unit		
Class A	\$ 24.73	\$ 24.19
Class D	\$ 21.15	\$ 20.69
	<u>\$ 22.94</u>	<u>\$ 22.44</u>
Investments at Cost	<u>\$ 7,460,819,571</u>	<u>\$ 7,037,548,476</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 157,169,504	\$ 151,084,036
Securities lending income	109,994	108,393
	<u>157,279,498</u>	<u>151,192,429</u>
Expenses		
System application fees	-	11,740
Custodian fees	91,276	73,080
Fund accounting expenses	121,804	113,235
Unitholder communication costs	299	299
Audit fees	9,580	6,407
Securities filing fees	75,343	77,124
Independent review committee fees	1,153	18,217
Other operating expenses	5,848	8,310
	<u>305,303</u>	<u>308,412</u>
Net Investment Income for the Period	<u>156,974,195</u>	<u>150,884,017</u>
Gain on Investments		
Net realized gain on sale of investments	8,005,133	11,682,389
Net change in unrealized appreciation in value of investments	8,614,488	122,721,049
Net Gain on Investments	<u>16,619,621</u>	<u>134,403,438</u>
Increase in Net Assets from Operations	<u>\$ 173,593,816</u>	<u>\$ 285,287,455</u>
Increase in Net Assets from Operations per Class		
Class A	\$ 108,612,678	\$ 188,470,562
Class D	64,981,138	96,816,893
	<u>\$ 173,593,816</u>	<u>\$ 285,287,455</u>
Increase in Net Assets from Operations per Unit		
Class A	\$ 0.56	\$ 0.98
Class D	\$ 0.47	\$ 0.83

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010	2011	2010
	Fund		Class A		Class D	
Net Assets - Beginning of Period	\$ 7,293,742,380	\$ 6,417,735,103	\$ 4,598,904,894	\$ 4,271,095,363	\$ 2,694,837,486	\$ 2,146,639,740
Increase in Net Assets from Operations	173,593,816	285,287,455	108,612,678	188,470,562	64,981,138	96,816,893
Capital Transactions						
Proceeds from issue of units	1,000,768,256	856,346,040	632,252,466	535,211,484	368,515,790	321,134,556
Reinvestment of distributions	156,988,429	149,163,052	97,942,432	98,131,663	59,045,997	51,031,389
Redemption of units	(766,032,075)	(490,017,992)	(582,834,779)	(338,025,467)	(183,197,296)	(151,992,525)
Net capital transactions	391,724,610	515,491,100	147,360,119	295,317,680	244,364,491	220,173,420
Distributions						
From net investment income	(156,988,429)	(149,163,052)	(97,942,432)	(98,131,663)	(59,045,997)	(51,031,389)
Total distributions	(156,988,429)	(149,163,052)	(97,942,432)	(98,131,663)	(59,045,997)	(51,031,389)
Increase in Net Assets for the Period	408,329,997	651,615,503	158,030,365	385,656,579	250,299,632	265,958,924
Net Assets - End of Period	\$ 7,702,072,377	\$ 7,069,350,606	\$ 4,756,935,259	\$ 4,656,751,942	\$ 2,945,137,118	\$ 2,412,598,664

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Government				
Federal Non-Agency				
Government of Canada				
2.00% September 01, 2012	111,793	112,981	112,639	
1.50% December 01, 2012	96,860	96,666	96,957	
1.75% March 01, 2013	111,793	111,401	112,249	
5.25% June 01, 2013	50,472	55,038	53,953	
3.50% June 01, 2013	108,643	113,361	112,566	
2.00% August 01, 2013	46,893	47,128	47,278	
2.50% September 01, 2013	56,230	57,281	57,259	
2.00% March 01, 2014	57,487	57,216	57,814	
5.00% June 01, 2014	51,632	56,663	56,227	
3.00% June 01, 2014	89,320	91,626	92,205	
2.25% August 01, 2014	35,000	35,204	35,372	
2.00% December 01, 2014	104,096	102,587	104,181	
2.50% June 01, 2015	69,929	70,004	70,973	
4.50% June 01, 2015	62,239	66,060	67,835	
3.00% December 01, 2015	75,636	77,382	78,080	
2.00% June 01, 2016	61,183	59,519	60,240	
4.00% June 01, 2016	65,419	68,323	70,490	
2.75% September 01, 2016	42,000	42,524	42,729	
4.00% June 01, 2017	65,690	69,390	70,964	
4.25% June 01, 2018	66,701	72,503	73,190	
3.75% June 01, 2019	117,688	121,760	124,895	
3.50% June 01, 2020	87,871	90,509	91,134	
10.50% March 15, 2021	1,424	2,302	2,311	
3.25% June 01, 2021	74,314	74,541	75,179	
9.75% June 01, 2021	7,172	11,042	11,255	
8.00% June 01, 2023	21,598	30,756	31,796	
9.00% June 01, 2025	14,544	22,157	23,758	
8.00% June 01, 2027	28,540	41,945	44,787	
5.75% June 01, 2029	72,604	88,086	94,651	
5.75% June 01, 2033	75,914	96,001	101,369	
5.00% June 01, 2037	82,323	100,537	101,969	
4.00% June 01, 2041	96,931	102,054	104,976	
3.50% December 01, 2045	9,000	9,072	8,929	
		2,253,619	2,290,210	29.7
Federal Agency				
Asian Development Bank, Series MPLE, Senior Unsecured Note				
4.65% February 16, 2027	6,537	6,257	6,823	
Canada Housing Trust				
4.55% December 15, 2012	138,791	144,183	144,825	
3.95% June 15, 2013	98,138	102,085	102,410	
2.70% December 15, 2013	90,344	91,424	92,245	
2.20% March 15, 2014	79,970	78,500	80,587	
2.75% September 15, 2014	19,786	20,113	20,199	
2.75% December 15, 2014	74,200	74,775	75,694	
2.95% March 15, 2015	49,466	49,028	50,746	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
3.15% June 15, 2015	44,466	45,806	45,893	
2.75% June 15, 2016	48,000	48,448	48,394	
4.10% December 15, 2018	51,585	53,656	55,008	
3.75% March 15, 2020	46,500	46,035	48,002	
3.35% December 15, 2020	23,745	23,543	23,614	
3.80% June 15, 2021	24,700	25,300	25,357	
Canada Housing Trust No 1				
3.60% June 15, 2013	24,735	25,722	25,648	
2.45% December 15, 2015	44,733	44,611	44,756	
2.75% December 15, 2015	33,690	33,645	34,132	
2.75% June 15, 2016	51,741	51,679	52,162	
3.80% June 15, 2021	25,228	25,125	25,898	
Canada Post Corp.				
4.08% July 16, 2025	3,627	3,654	3,784	
4.36% July 16, 2040	1,979	1,978	2,094	
Farm Credit Canada				
4.55% April 12, 2021	574	620	626	
Inter-American Development Bank, Note				
4.40% January 26, 2026	12,653	11,929	12,888	
South Coast British Columbia Transportation Authority				
3.80% November 02, 2020	791	790	779	
		1,008,906	1,022,564	13.3
Government Guaranteed				
Milit-Air, Inc., Secured Note				
5.75% June 30, 2019	11,101	11,660	12,246	
		11,660	12,246	0.2
Municipal				
City of Edmonton				
9.00% March 25, 2013	2,987	3,837	3,346	
City of Montreal				
4.50% December 01, 2021	2,968	2,947	3,036	
6.00% June 01, 2043	4,616	4,803	5,535	
City of Toronto				
4.85% July 28, 2016	15,404	15,646	16,790	
4.50% December 02, 2019	1,437	1,440	1,504	
5.20% June 01, 2040	5,523	5,502	5,936	
4.70% June 10, 2041	6,000	5,974	5,981	
City of Winnipeg				
9.13% May 12, 2015	4,759	6,396	5,881	
Financement-Quebec				
4.25% December 01, 2015	5,000	5,397	5,343	
Municipal Finance Authority of British Columbia				
4.65% April 19, 2016	12,468	12,633	13,542	
3.00% June 01, 2016	12,900	12,883	13,036	
4.80% December 01, 2017	400	434	436	
4.88% June 03, 2019	9,804	10,095	10,646	
4.45% June 01, 2020	1,138	1,136	1,192	
4.15% June 01, 2021	4,947	4,937	5,024	
4.95% December 01, 2027	6,727	6,704	7,219	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Peel Regional Municipality 5.10% June 29, 2040	4,848	4,893	5,159	
PSP Capital, Inc. 2.94% December 03, 2015	8,409	8,406	8,461	
Regional Municipality of York 7.25% June 19, 2017	3,671	4,403	4,453	
4.50% June 30, 2020	1,979	1,973	2,061	
Ville Montreal 5.00% December 01, 2017	400	433	435	
		120,872	125,016	1.6
Provincial				
Alberta Capital Finance Authority, Note 3.05% June 15, 2015	5,046	5,034	5,179	
4.35% June 15, 2016	14,879	14,947	16,069	
Alberta Treasury Branches 4.40% December 03, 2012	1,000	1,041	1,040	
Cadillac Fairview Finance Trust 3.24% January 25, 2016	12,366	12,365	12,538	
3.64% May 09, 2018	11,200	11,199	11,270	
4.31% January 25, 2021	10,157	10,200	10,385	
CDP Financial, Inc. 4.60% July 15, 2020	29,460	29,917	30,912	
City of Toronto Canada 4.95% June 27, 2018	989	1,059	1,075	
Financement-Quebec 4.25% March 01, 2014	4,947	5,203	5,233	
3.25% June 01, 2014	4,947	5,049	5,106	
3.50% December 01, 2016	4,452	4,576	4,584	
3.50% December 01, 2017	15,532	15,443	15,805	
5.25% June 01, 2034	9,893	10,729	10,925	
Hydro Quebec 9.63% July 15, 2022	4,828	6,991	7,235	
5.00% February 15, 2050	16,818	18,098	18,751	
Hydro Quebec, (MTN) 6.00% February 15, 2040	12,169	14,495	15,275	
Hydro Quebec, Series 19, Note 6.50% February 15, 2035	13,661	16,558	17,766	
Hydro Quebec, Series HL, Note 11.00% August 15, 2020	18,273	29,183	28,359	
Hydro Quebec, Series JM, Note 5.00% February 15, 2045	14,662	15,062	16,182	
Province of Alberta 4.00% December 01, 2019	7,074	7,274	7,366	
4.50% December 01, 2040	7,915	7,882	8,322	
Province of British Columbia 8.50% August 23, 2013	12,030	14,874	13,722	
7.50% June 09, 2014	4,383	5,299	5,057	
4.25% June 18, 2014	9,893	10,531	10,521	
4.70% December 01, 2017	6,262	6,317	6,856	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
5.30% June 17, 2019	198	219	223	
4.10% December 18, 2019	11,915	12,070	12,388	
3.70% December 18, 2020	13,790	13,744	13,766	
9.95% May 15, 2021	3,900	5,902	5,873	
8.00% September 08, 2023	3,400	4,544	4,732	
9.00% August 23, 2024	3,195	4,694	4,814	
5.70% June 18, 2029	4,339	4,876	5,167	
6.35% June 18, 2031	17,372	20,290	22,282	
4.70% June 18, 2037	10,487	10,380	11,097	
4.30% June 18, 2042	13,882	13,806	13,854	
Province of British Columbia, (MTN)				
4.95% June 18, 2040	15,720	16,128	17,363	
Province of British Columbia, Series BCCD				
4.65% December 18, 2018	14,276	14,727	15,503	
Province of Manitoba				
8.50% July 22, 2013	2,503	3,069	2,841	
5.05% December 03, 2013	4,734	4,912	5,087	
4.80% December 03, 2014	4,551	4,763	4,937	
4.30% March 01, 2016	6,925	7,295	7,450	
4.15% June 03, 2020	2,968	2,963	3,074	
4.40% September 05, 2025	10,882	10,922	11,275	
7.75% December 22, 2025	4,467	5,651	6,259	
5.70% March 05, 2037	7,646	8,713	9,248	
4.60% March 05, 2038	5,797	5,661	6,038	
4.65% March 05, 2040	4,947	4,824	5,209	
4.10% March 05, 2041	9,596	9,148	9,229	
Province of Manitoba, (MTN)				
6.50% September 22, 2017	8,934	10,367	10,670	
Province of New Brunswick				
5.88% December 06, 2012	3,957	4,227	4,196	
3.35% June 01, 2013	3,759	3,810	3,873	
8.50% June 28, 2013	4,165	5,179	4,707	
4.50% February 04, 2015	4,947	5,336	5,329	
4.30% December 03, 2015	4,947	5,308	5,305	
4.70% July 21, 2016	2,869	3,133	3,134	
6.00% December 27, 2017	7,558	8,236	8,813	
4.45% March 26, 2018	6,262	6,248	6,718	
4.40% June 03, 2019	4,749	4,810	5,020	
4.50% June 02, 2020	14,860	15,192	15,676	
4.65% September 26, 2035	5,565	5,259	5,742	
4.55% March 26, 2037	8,765	8,298	8,904	
4.80% September 26, 2039	11,268	11,098	11,925	
Province of Newfoundland				
5.25% June 04, 2014	3,759	3,990	4,094	
10.95% April 15, 2021	3,192	5,001	5,022	
5.60% October 17, 2033	7,617	7,749	8,995	
4.65% October 17, 2040	12,396	11,925	13,046	
Province of Nova Scotia				
4.60% August 18, 2016	791	827	861	
4.15% November 25, 2019	2,473	2,453	2,568	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
4.10% June 01, 2021	8,508	8,488	8,665	
4.50% June 01, 2037	17,798	16,901	17,994	
4.70% June 01, 2041	6,727	6,592	7,047	
4.40% June 01, 2042	4,000	4,042	3,992	
Province of Ontario				
5.38% December 02, 2012	20,993	22,665	22,110	
4.50% December 02, 2012	10,000	10,438	10,411	
4.75% June 02, 2013	29,786	31,644	31,477	
5.00% March 08, 2014	54,011	58,323	58,222	
3.25% September 08, 2014	20,823	21,297	21,521	
4.50% March 08, 2015	20,004	21,247	21,539	
3.15% September 08, 2015	15,995	16,329	16,426	
4.40% March 08, 2016	19,341	19,457	20,857	
3.20% September 08, 2016	14,345	14,309	14,656	
4.30% March 08, 2017	37,520	37,788	40,238	
4.20% March 08, 2018	12,861	13,221	13,631	
4.40% June 02, 2019	38,534	39,802	40,870	
4.20% June 02, 2020	44,025	44,622	45,641	
4.00% June 02, 2021	10,882	10,850	11,018	
8.10% September 08, 2023	6,771	8,912	9,448	
8.50% December 02, 2025	7,088	9,764	10,479	
8.00% June 02, 2026	505	664	721	
7.60% June 02, 2027	22,225	29,339	31,116	
6.50% March 08, 2029	30,017	36,917	38,460	
6.20% June 02, 2031	11,267	12,973	14,137	
5.85% March 08, 2033	20,275	23,188	24,588	
4.70% June 02, 2037	32,217	32,335	33,874	
4.60% June 02, 2039	42,534	41,998	44,199	
4.65% June 02, 2041	73,879	75,953	77,549	
Province of Ontario, (MTN)				
5.50% June 02, 2018	15,028	16,142	17,071	
5.60% June 02, 2035	29,923	33,412	35,411	
Province of Ontario, Series HC				
9.50% July 13, 2022	13,148	19,110	19,671	
Province of Prince Edward Island				
4.25% September 24, 2019	198	196	207	
6.10% July 29, 2027	3,433	3,615	4,165	
5.70% June 15, 2035	4,254	4,647	5,012	
4.65% November 19, 2037	989	966	1,014	
4.60% May 19, 2041	3,858	3,831	3,939	
Province of Quebec				
6.00% October 01, 2012	25,661	28,428	27,076	
5.25% October 01, 2013	19,470	20,484	20,926	
5.50% December 01, 2014	16,799	18,824	18,587	
5.00% December 01, 2015	35,200	37,216	38,757	
4.50% December 01, 2016	10,981	11,245	11,875	
4.50% December 01, 2017	28,116	28,314	30,302	
4.50% December 01, 2019	20,499	20,992	21,757	
4.50% December 01, 2020	37,163	38,925	39,133	
4.25% December 01, 2021	15,915	16,124	16,339	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
9.38% January 16, 2023	5,451	7,850	8,119	
8.50% April 01, 2026	12,901	17,603	18,996	
6.00% October 01, 2029	15,039	16,797	18,228	
6.25% June 01, 2032	21,996	24,829	27,584	
5.75% December 01, 2036	20,776	24,209	24,892	
5.00% December 01, 2038	32,647	34,265	35,564	
5.00% December 01, 2041	41,182	43,828	45,146	
Province of Quebec, (MTN)				
4.50% December 01, 2018	18,292	18,286	19,582	
Province of Saskatchewan				
4.90% December 03, 2013	8,211	8,469	8,799	
4.65% September 05, 2017	2,879	2,897	3,150	
3.90% July 28, 2020	2,770	2,762	2,842	
9.60% February 04, 2022	3,759	5,466	5,643	
6.40% September 05, 2031	13,841	15,979	18,022	
5.60% September 05, 2035	1,000	1,180	1,202	
4.75% June 01, 2040	5,065	5,285	5,497	
		1,799,307	1,863,234	24.2
Total Government		5,194,364	5,313,270	69.0
Corporate				
407 International, Inc.				
3.87% November 24, 2017	1,880	1,879	1,890	
4.30% May 26, 2021	7,848	7,916	7,954	
407 International, Inc., (MTN)				
5.10% January 20, 2014	4,947	5,325	5,266	
3.88% June 16, 2015	3,562	3,564	3,704	
4.99% June 16, 2020	2,869	2,875	3,079	
407 International, Inc., Series 06D1, Note				
5.75% February 14, 2036	7,519	7,371	7,897	
407 International, Inc., Series 99A2, Senior Note				
6.47% July 27, 2029	3,242	3,497	3,863	
Aeroports De Montreal				
5.17% September 17, 2035	5,032	4,788	5,164	
5.67% October 16, 2037	6,880	6,958	7,557	
5.47% April 16, 2040	1,000	1,000	1,071	
Alliance Pipeline, LP, Senior Note				
5.55% December 31, 2023	9,807	9,862	10,547	
6.77% December 31, 2025	2,773	3,003	3,203	
AltaGas Income Trust				
5.49% March 27, 2017	1,286	1,286	1,367	
AltaGas, Ltd.				
4.10% March 24, 2016	2,473	2,472	2,495	
4.60% January 15, 2018	890	889	899	
AltaLink, LP				
5.38% March 26, 2040	989	989	1,059	
4.87% November 15, 2040	989	953	984	
AltaLink, LP, (MTN)				
5.24% May 29, 2018	3,562	3,574	3,921	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
AltaLink, LP, Series 032, Note				
5.43% June 05, 2013	2,778	2,847	2,950	
American Express Canada (MTN)				
4.85% October 03, 2014	14,048	14,052	14,805	
American Express Canada, Guaranteed Note, (MTN)				
5.90% April 02, 2013	6,262	6,285	6,621	
3.60% June 03, 2016	5,600	5,598	5,570	
Aon Finance NS 1 ULC				
4.76% March 08, 2018	1,696	1,714	1,710	
Arrow Lakes Power				
5.52% April 05, 2041	2,275	2,275	2,347	
Bank of Montreal				
3.93% April 27, 2015	16,818	16,818	17,511	
3.10% March 10, 2016	10,091	10,091	10,112	
3.49% June 10, 2016	14,345	14,345	14,551	
5.45% July 17, 2017	1,090	1,194	1,207	
3.98% July 08, 2021	9,893	9,893	10,036	
6.17% March 28, 2023	2,632	2,521	2,982	
4.61% September 10, 2025	2,968	2,968	2,965	
Bank of Montreal, DPNT				
5.05% September 03, 2013	18,854	19,465	20,017	
5.18% June 10, 2015	7,182	7,308	7,805	
6.02% May 02, 2018	12,394	12,857	14,171	
Bank of Montreal, Series C, Subordinated Note				
4.87% April 22, 2020	1,256	1,164	1,339	
Bank of Nova Scotia				
8.30% September 27, 2013	1,287	1,436	1,450	
3.43% July 16, 2014	16,818	17,107	17,266	
3.35% November 18, 2014	13,554	13,599	13,859	
3.34% March 25, 2015	7,321	7,321	7,473	
3.61% February 22, 2016	15,334	15,332	15,686	
4.10% June 08, 2017	9,893	9,892	10,225	
4.94% April 15, 2019	5,651	5,829	5,981	
6.65% January 22, 2021	5,510	5,655	6,247	
Bank of Nova Scotia, DPNT				
4.56% October 30, 2013	15,950	15,889	16,805	
Bank of Nova Scotia, Note				
4.99% March 27, 2018	15,965	16,229	16,711	
8.90% June 20, 2025	1,380	1,818	1,960	
BC Tel, Note				
9.65% April 08, 2022	6,925	10,102	9,503	
BC Tel, Series 3, Note				
10.65% June 19, 2021	2,820	4,050	4,043	
BCIMC Realty Corp., (MTN)				
5.25% September 19, 2012	4,680	4,719	4,862	
5.65% January 05, 2018	3,000	3,231	3,323	
Bell Aliant Regional Communications, (MTN)				
6.29% February 17, 2015	4,442	4,538	4,866	
5.52% February 26, 2019	3,166	3,185	3,249	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Bell Aliant Regional Communications, LP				
4.37% September 13, 2017	5,936	5,934	5,923	
4.88% April 26, 2018	4,947	4,947	5,016	
Bell Aliant Regional Communications, Note				
5.41% September 26, 2016	5,804	5,798	6,175	
Bell Canada				
4.85% June 30, 2014	10,416	10,671	11,021	
3.60% December 02, 2015	12,218	12,198	12,363	
4.40% March 16, 2018	16,921	16,938	17,193	
Bell Canada, Note, (MTN)				
7.85% April 02, 2031	7,426	8,394	8,661	
7.30% February 23, 2032	4,901	5,393	5,395	
Bell Canada, Series M-17				
6.10% March 16, 2035	200	203	197	
BMO Capital Trust II, Series A, Note				
10.22% December 31, 2107	7,578	8,370	10,197	
BMW Canada, Inc.				
3.22% March 28, 2013	4,600	4,598	4,680	
2.76% April 01, 2014	4,056	4,055	4,076	
3.15% April 01, 2015	1,484	1,484	1,498	
Borealis Infrastructure Trust, Series N, Secured Note				
6.35% December 01, 2020	7,259	8,124	8,049	
British Columbia Ferry Services, Inc., Series 08-1, Senior Secured Note				
5.58% January 11, 2038	3,067	3,040	3,359	
British Columbia Ferry Services, Inc., Series B, Senior Secured Note				
6.25% October 13, 2034	2,959	3,240	3,498	
Broadcast Centre Trust, Secured Note				
7.53% May 01, 2027	2,856	3,666	3,630	
Broadway Credit Card Trust, Series A, Note				
4.80% March 17, 2014	5,708	5,548	6,018	
Brookfield Asset Management, Inc.				
8.95% June 02, 2014	2,499	2,895	2,868	
5.29% April 25, 2017	2,637	2,741	2,750	
5.30% March 01, 2021	4,067	4,082	4,088	
Brookfield Asset Management, Inc., Note				
5.95% June 14, 2035	3,831	3,540	3,495	
Brookfield Power Corp.				
5.25% November 05, 2018	1,450	1,488	1,500	
5.84% November 05, 2036	1,228	1,119	1,103	
Brookfield Renewable Power, (MTN)				
6.13% November 30, 2016	2,360	2,484	2,586	
Brookfield Renewable Power, Inc.				
5.14% October 13, 2020	3,364	3,363	3,367	
Caisse Centrale Desjardins du Quebec				
3.79% June 08, 2015	1,979	1,979	2,041	
3.50% October 05, 2017	2,968	2,968	2,952	
Cameco Corp.				
4.70% September 16, 2015	4,897	4,913	5,130	
5.67% September 02, 2019	5,639	5,876	5,989	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Credit Card TST				
3.44% July 24, 2015	6,134	6,134	6,254	
Canadian Imperial Bank of Commerce				
3.30% November 19, 2014	5,936	5,980	6,062	
4.75% December 22, 2014	100	107	107	
3.10% March 02, 2015	13,702	13,676	13,871	
3.40% January 14, 2016	16,917	16,895	17,149	
3.95% July 14, 2017	7,420	7,404	7,613	
4.11% April 30, 2020	10,981	10,981	11,387	
3.15% November 02, 2020	9,151	9,132	9,048	
6.00% June 06, 2023	297	329	334	
Canadian Imperial Bank of Commerce, (MTN)				
5.15% June 06, 2018	6,025	6,086	6,348	
Canadian Imperial Bank of Commerce, DPNT				
5.00% September 10, 2012	19,846	21,231	20,602	
Canadian Imperial Bank of Commerce, DPNT, Note				
4.95% January 23, 2014	4,900	5,236	5,216	
Canadian Imperial Bank, DPNT				
3.05% June 03, 2013	2,968	2,966	3,022	
Canadian Natural Resources, Ltd.				
4.95% June 01, 2015	495	523	531	
Canadian Pacific RR Co.				
6.45% November 17, 2039	2,947	3,019	3,243	
Canadian Pacific RR Co., Senior Unsecured Note, (MTN)				
6.25% June 01, 2018	6,886	6,838	7,878	
Canadian Tire Corp., Ltd.				
5.65% June 01, 2016	1,682	1,697	1,846	
Canadian Tire Corp., Ltd. (MTN)				
6.32% February 24, 2034	6,706	6,650	6,882	
Canadian Utilities Ltd., Series 1992				
9.40% May 01, 2023	2,592	3,626	3,755	
Canadian Western Bank				
4.39% November 30, 2020	3,300	3,300	3,323	
Capital Desjardins, Inc.				
5.76% April 01, 2019	4,007	4,058	4,301	
5.19% May 05, 2020	11,872	11,872	12,488	
3.80% November 23, 2020	6,925	6,925	6,967	
5.54% June 01, 2021	3,647	3,987	3,966	
Capital Power Income LP (MTN)				
5.95% June 23, 2036	2,008	1,791	1,770	
Capital Power, LP				
4.60% December 01, 2015	2,176	2,175	2,218	
5.28% November 16, 2020	3,463	3,463	3,425	
Cards II Trust				
3.05% May 15, 2013	11,721	11,735	11,920	
3.10% September 15, 2015	5,342	5,342	5,377	
3.33% May 15, 2016	7,500	7,500	7,540	
Caterpillar Financial Services, Ltd.				
2.64% December 03, 2013	989	989	996	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Central 1 Credit Union				
3.38% April 19, 2013	8,805	8,805	8,966	
CI Investments, Inc.				
3.94% December 14, 2016	4,026	4,035	4,077	
CIBC Capital Trust				
9.98% June 30, 2108	13,859	15,945	18,128	
10.25% June 30, 2108	1,068	1,147	1,422	
Citigroup Finance Canada, Inc., (MTN)				
4.90% November 13, 2012	1,979	1,977	2,046	
4.35% March 08, 2013	1,880	1,882	1,928	
5.50% May 21, 2013	5,262	5,142	5,513	
City of Montreal				
4.95% December 10, 2014	6,925	7,410	7,487	
Co-Operators Financial Services				
5.78% March 10, 2020	4,699	4,699	4,806	
Cogeco Cable, Inc.				
5.15% November 16, 2020	1,385	1,382	1,373	
Consumers Waterheater, Inc.				
6.75% April 30, 2014	2,709	2,704	2,885	
CU, Inc.				
6.50% March 07, 2039	1,979	2,454	2,447	
4.95% November 18, 2050	1,187	1,187	1,190	
CU, Inc., (MTN)				
6.80% August 13, 2019	4,083	4,547	4,919	
5.18% November 21, 2035	3,205	3,156	3,319	
5.58% May 26, 2038	3,746	3,844	4,107	
CU, Inc., Note				
6.15% November 22, 2017	5,194	5,667	6,010	
Daimler Canada Finance, Inc.				
3.16% April 14, 2014	3,463	3,463	3,499	
DundeeWealth, Inc.				
5.10% September 25, 2014	530	565	565	
Eagle Credit Card Trust				
2.78% December 17, 2013	1,484	1,484	1,497	
3.47% December 17, 2015	3,166	3,166	3,220	
Emera, Inc.				
4.10% October 20, 2014	1,979	1,978	2,053	
4.83% December 02, 2019	4,650	4,647	4,835	
Empire Life Insurance				
6.73% May 20, 2019	2,078	2,279	2,254	
Enbridge Gas Distribution, Inc.				
4.04% November 23, 2020	1,484	1,483	1,488	
4.95% November 22, 2050	2,374	2,369	2,396	
Enbridge Gas Distribution, Inc., (MTN)				
5.16% September 24, 2014	2,948	2,991	3,185	
Enbridge Pipelines, Inc.				
6.62% November 19, 2018	99	117	118	
5.35% November 10, 2039	1,979	1,977	2,112	
5.33% April 06, 2040	2,000	2,148	2,126	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Enbridge Pipelines, Inc., (MTN)				
4.46% December 17, 2012	2,760	2,787	2,861	
6.55% November 17, 2027	5,213	5,960	6,219	
Enbridge, Inc.				
5.17% May 19, 2016	14,315	14,830	15,536	
4.77% September 02, 2019	4,254	4,256	4,459	
4.53% March 09, 2020	5,392	5,394	5,520	
Enbridge, Inc., (MTN)				
5.00% August 09, 2016	1,088	1,147	1,172	
7.20% June 18, 2032	14,822	17,039	18,473	
Encana Corp., (MTN)				
5.80% January 18, 2018	9,949	9,958	11,134	
Enersource Corp.				
4.52% April 29, 2021	1,484	1,484	1,520	
5.30% April 29, 2041	1,100	1,100	1,140	
EPCOR Utilities, Inc.				
6.65% April 15, 2038	2,671	3,112	3,236	
5.75% November 24, 2039	2,078	2,276	2,256	
EPCOR Utilities, Inc., (MTN)				
5.65% November 16, 2035	3,136	3,068	3,353	
Fairfax Financial Holdings, Ltd.				
7.25% June 22, 2020	1,979	1,979	2,117	
6.40% May 25, 2021	2,300	2,292	2,292	
First Capital Realty, Inc.				
5.48% July 30, 2019	2,078	2,080	2,114	
5.60% April 30, 2020	890	893	901	
First Capital Realty, Inc., Series E, Note				
5.36% January 31, 2014	5,006	4,929	5,240	
FortisAlberta, Inc.				
5.37% October 30, 2039	2,472	2,456	2,636	
4.80% October 27, 2050	989	988	966	
FortisAlberta, Inc., (MTN)				
4.99% January 03, 2047	2,473	2,470	2,490	
FortisAlberta, Inc., Senior Note				
6.22% October 31, 2034	6,120	6,626	7,210	
FortisBC, Inc.				
5.00% November 24, 2050	1,979	1,976	1,988	
FortisBC, Inc., Note				
5.60% November 09, 2035	2,206	2,193	2,383	
GAZ Metro, LP, Series D, Note				
10.45% October 31, 2016	5,515	7,910	7,395	
GE Capital Canada Funding Co.				
4.38% September 28, 2012	297	307	306	
2.95% February 10, 2014	2,078	2,076	2,097	
5.68% September 10, 2019	989	1,053	1,069	
GE Capital Canada Funding Co., (MTN)				
5.15% June 06, 2013	11,268	11,620	11,865	
4.40% June 01, 2014	13,781	13,552	14,405	
4.24% June 08, 2015	4,947	4,947	5,141	
5.53% August 17, 2017	23,012	23,436	24,996	
5.73% October 22, 2037	6,767	6,526	6,883	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
GE Capital Canada Funding Co., Note, (MTN)				
4.55% January 17, 2017	693	697	719	
Genworth MI Canada, Inc.				
4.59% December 15, 2015	1,385	1,385	1,420	
George Weston, Ltd.				
5.05% March 10, 2014	2,473	2,606	2,610	
7.10% February 05, 2032	989	1,069	1,079	
Glacier Credit Card Trust				
5.03% February 20, 2013	5,574	5,561	5,832	
3.16% November 20, 2015	890	890	893	
Golden Credit Card Trust				
3.51% May 15, 2016	19,765	19,765	20,037	
Golden Credit Card Trust, Senior Note				
5.42% April 15, 2019	9,458	9,625	10,011	
Great West Lifeco Delaware Finance, LP, Subordinated Note				
5.69% June 21, 2067	9,878	9,607	10,402	
Great-West Lifeco Finance Delaware, LP II				
7.13% June 26, 2068	3,957	4,484	4,471	
Great-West Lifeco, Inc.				
4.65% August 13, 2020	3,957	3,957	4,034	
Great-West Lifeco, Inc., Note				
6.67% March 21, 2033	6,015	6,860	6,996	
6.00% November 16, 2039	1,979	1,990	2,155	
Great-West Lifeco, Inc., Senior Unsecured Note				
6.14% March 21, 2018	2,473	2,718	2,796	
Greater Toronto Airport Authority, (MTN)				
4.70% February 15, 2016	9,167	9,174	9,808	
7.05% June 12, 2030	7,519	7,966	9,381	
Greater Toronto Airport Authority, Note				
6.45% December 03, 2027	3,913	3,814	4,555	
Greater Toronto Airports Authority				
5.30% February 25, 2041	3,957	3,956	4,127	
Greater Toronto Airports, (MTN)				
6.25% December 13, 2012	8,684	9,413	9,225	
4.85% June 01, 2017	7,915	8,199	8,530	
5.26% April 17, 2018	297	315	326	
7.10% June 04, 2031	6,925	7,604	8,721	
5.63% June 07, 2040	2,968	3,124	3,242	
H&R Real Estate Investment Trust				
4.78% July 27, 2016	1,979	1,983	2,013	
Halifax International Airport Authority				
4.89% November 15, 2050	3,166	3,166	3,091	
Health Montreal Collective LP				
6.72% September 30, 2049	20,100	20,100	20,624	
Honda Canada Finance, Inc.				
5.08% May 09, 2013	1,000	1,050	1,048	
5.61% September 12, 2013	5,060	5,085	5,393	
Honda Canada Finance, Inc., (MTN)				
5.68% September 26, 2012	5,233	5,266	5,460	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
HSBC Bank of Canada				
3.86% May 21, 2015	9,992	9,989	10,350	
3.56% October 04, 2017	4,353	4,353	4,345	
4.94% March 16, 2021	1,868	1,963	1,975	
4.80% April 10, 2022	6,792	6,736	7,135	
Husky Energy, Inc.				
3.75% March 12, 2015	989	989	1,017	
5.00% March 12, 2020	8,211	8,181	8,557	
Hydro One, Inc.				
2.95% September 11, 2015	5,639	5,627	5,669	
4.40% June 01, 2020	5,342	5,340	5,526	
6.03% March 03, 2039	4,947	5,477	5,756	
5.00% October 19, 2046	1,979	1,994	1,995	
Hydro One, Inc., (MTN)				
5.77% November 15, 2012	6,262	6,625	6,594	
5.00% November 12, 2013	19,321	20,834	20,538	
5.18% October 18, 2017	6,529	6,969	7,187	
6.35% January 31, 2034	3,202	3,142	3,812	
5.36% May 20, 2036	11,684	12,106	12,409	
5.49% July 16, 2040	3,759	3,773	4,078	
Hydro Ottawa Holdings, Inc., Senior Unsecured Note				
4.93% February 09, 2015	2,146	2,151	2,300	
IGM Financial, Inc.				
6.00% December 10, 2040	1,484	1,480	1,537	
IGM Financial, Inc., Note				
7.00% December 31, 2032	8,142	9,423	9,350	
7.11% March 07, 2033	1,700	2,004	1,980	
Industrial Alliance Capital Trust, Note				
5.13% June 30, 2019	6,826	6,883	7,136	
ING Bank of Canada, Guaranteed				
4.30% December 05, 2016	6,120	6,096	5,783	
Intact Financial Corp.				
5.41% September 03, 2019	4,686	4,791	4,963	
6.40% November 23, 2039	495	524	529	
Integrated Team Solutions SJHC Partnership				
5.95% November 30, 2042	693	693	724	
International Bank Recon & Development, MPLE				
4.30% December 15, 2012	22,733	24,082	23,605	
International Finance Corp., Series MPLE				
4.70% December 15, 2012	17,036	17,876	17,788	
John Deere Credit, Inc.				
2.30% January 14, 2013	2,176	2,174	2,186	
3.90% July 29, 2013	866	865	896	
3.50% June 23, 2014	1,484	1,482	1,525	
Laurentian Bank of Canada				
3.70% November 02, 2020	2,176	2,170	2,179	
Loblaw Cos., Ltd.				
6.85% March 01, 2032	2,968	3,177	3,207	
Loblaw Cos., Ltd., (MTN)				
4.85% May 08, 2014	8,439	8,747	8,912	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
5.22% June 18, 2020	2,968	2,966	3,076	
6.45% February 09, 2028	2,491	2,550	2,582	
6.54% February 17, 2033	12,089	12,309	12,560	
Manitoba Telecom Services, Inc., (MTN)				
6.15% June 10, 2014	2,760	2,752	2,976	
Manulife Finance Cap Trust				
7.41% December 31, 2108	7,288	7,977	8,299	
Manulife Finance Delaware				
5.06% December 15, 2041	4,350	3,678	3,670	
Manulife Finance Delaware, LP				
4.45% December 15, 2026	1,515	1,540	1,538	
Manulife Financial Capital Trust, Series B, Note				
6.70% December 31, 2051	6,688	7,293	6,962	
Manulife Financial Corp.				
4.90% June 02, 2014	7,044	7,189	7,389	
5.16% June 26, 2015	1,499	1,585	1,588	
4.08% August 20, 2015	6,932	6,933	7,067	
7.77% April 08, 2019	7,252	7,648	8,741	
Manulife Financial Corp., (MTN)				
4.67% March 28, 2013	5,698	5,731	5,896	
5.51% June 26, 2018	3,698	3,701	3,950	
Master Credit Card Trust				
3.50% May 21, 2016	3,957	3,957	4,008	
Master Credit Card Trust, (MTN)				
5.30% August 21, 2012	15,028	15,284	15,611	
Merrill Lynch Canada Finance Co., (MTN)				
5.00% February 18, 2014	6,262	6,095	6,485	
Metro, Inc., (MTN)				
5.97% October 15, 2035	4,383	4,281	4,387	
Molson Coors Capital Finance, ULC				
5.00% September 22, 2015	7,895	7,883	8,377	
National Bank of Canada				
4.03% May 26, 2015	4,304	4,304	4,487	
3.58% April 26, 2016	7,420	7,420	7,547	
National Bank of Canada, (MTN)				
4.93% December 22, 2019	11,550	11,825	12,306	
4.70% November 02, 2020	198	206	209	
NAV Canada				
4.40% February 18, 2021	1,484	1,484	1,531	
NAV Canada, (MTN)				
4.71% February 24, 2016	2,686	2,851	2,888	
NAV Canada, Note				
7.56% March 01, 2027	5,817	6,945	7,195	
NBC Asset Trust				
7.45% June 30, 2020	3,789	3,828	4,440	
Northwestconnect Group				
5.95% April 30, 2041	5,461	5,456	5,835	
Nova Gas Transmission, Ltd., Series 21, Note				
12.20% February 28, 2016	7,741	11,941	10,657	

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Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Nova Scotia Power, Inc.				
5.95% July 27, 2039	841	838	949	
5.61% June 15, 2040	3,067	3,076	3,311	
Ontario Electricity Financial Corp., Note				
10.00% February 06, 2020	11,268	17,148	16,452	
8.25% June 22, 2026	11,182	15,637	16,231	
Ontario Electricity Financial Corp., Series DJ5, Note				
10.00% October 17, 2014	27,305	36,195	34,005	
Ontario Electricity Financial Corp., Series FV6, Note				
8.90% August 18, 2022	8,666	12,055	12,475	
Ontario School Boards Financing Corp.				
5.38% June 25, 2032	6,062	6,073	6,397	
Ontario School Boards Financing Corp., Note				
5.48% November 26, 2029	10,241	10,473	10,944	
5.07% April 18, 2031	6,101	6,031	6,295	
Ontario School Boards Financing Corp., Series 01A2				
6.25% October 19, 2016	10,892	11,861	12,596	
Ottawa MacDonald-Cartier International Airport Authority, Note				
4.73% May 02, 2017	2,968	2,968	3,164	
Pembina Pipeline Corp.				
4.89% March 29, 2021	2,473	2,473	2,535	
Plenary Properties LTAP, LP				
6.29% January 31, 2044	5,441	5,758	5,908	
Power Corp. Canada				
7.57% April 22, 2019	3,759	3,825	4,491	
Power Financial Corp., Note				
6.90% March 11, 2033	4,511	4,902	5,173	
PSP Capital, Inc., Note				
4.57% December 09, 2013	5,758	5,819	6,088	
Reliance LP				
7.30% April 03, 2013	1,979	1,979	2,066	
RioCan Real Estate Investment Trust				
4.50% January 21, 2016	1,385	1,386	1,414	
Riocan REIT				
5.70% September 11, 2012	3,008	3,003	3,125	
Rogers Communications, Inc.				
5.80% May 26, 2016	8,261	8,319	9,031	
5.38% November 04, 2019	1,979	1,978	2,052	
4.70% September 29, 2020	4,650	4,647	4,534	
5.34% March 22, 2021	14,392	14,388	14,493	
6.11% August 25, 2040	9,398	9,370	8,961	
6.56% March 22, 2041	6,826	6,826	6,868	
RONA, Inc., Note				
5.40% October 20, 2016	4,947	4,937	5,089	
Royal Bank of Canada				
3.36% January 11, 2016	29,185	29,130	29,543	
3.66% January 25, 2017	19,786	19,779	20,086	
4.35% June 15, 2020	5,936	5,934	6,170	
3.18% November 02, 2020	8,904	8,902	8,819	
4.93% July 16, 2025	6,925	7,050	7,149	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Royal Bank of Canada, (MTN)				
5.45% November 04, 2018	4,947	5,316	5,279	
Royal Bank of Canada, DPNT				
5.20% August 15, 2012	23,780	25,082	24,708	
Royal Bank of Canada, Senior Note				
4.97% June 05, 2014	4,452	4,776	4,769	
Royal Bank of Canada, Series 2014, Subordinated Note				
5.95% June 18, 2014	13,161	13,514	14,272	
Royal Bank of Canada, Subordinated Note, (MTN)				
5.00% June 06, 2018	3,957	4,159	4,157	
Royal Office Finance LP, Series A, Note				
5.21% November 12, 2037	12,102	12,008	12,981	
Score Trust, Series 2004-1, Note				
4.95% February 20, 2014	8,026	7,897	8,478	
Scotiabank Capital Trust				
6.28% June 30, 2013	495	533	531	
Scotiabank Capital Trust, Note				
6.63% June 30, 2052	9,780	10,658	10,211	
Scotiabank Capital Trust, Series 06-1				
5.65% December 31, 2056	4,947	4,976	5,064	
Scotiabank Tier I Capital Trust				
7.80% June 30, 2108	7,142	7,567	8,519	
Shaw Communications, Inc.				
6.50% June 02, 2014	4,947	5,420	5,392	
5.65% October 01, 2019	6,431	6,455	6,603	
5.50% December 07, 2020	1,781	1,775	1,782	
6.75% November 09, 2039	15,137	14,983	14,674	
Shaw Communications, Inc., Series N, Senior Note				
6.15% May 09, 2016	6,471	6,247	7,078	
Shaw Communications, Inc., Unsecured Note				
7.50% November 20, 2013	2,503	2,583	2,773	
Shoppers Drug Mart Corp., (MTN)				
4.99% June 03, 2013	2,959	2,998	3,106	
SNC-Lavalin Group, Inc.				
6.19% July 03, 2019	3,857	4,196	4,310	
SNC-Lavalin Innisfree McGill Finance, Inc.				
6.63% June 30, 2044	1,088	1,088	1,224	
Sobeys, Inc.				
6.64% June 07, 2040	1,385	1,384	1,421	
Sun Life Assurance Co. of Canada, Note				
6.15% June 30, 2022	2,503	2,519	2,597	
Sun Life Capital Trust II				
5.86% December 31, 2108	2,770	2,770	2,928	
Sun Life Financial, Inc.				
7.90% March 31, 2019	702	743	784	
5.70% July 02, 2019	2,770	2,956	3,008	
5.59% January 30, 2023	2,369	2,398	2,521	
4.95% June 01, 2036	10,772	10,929	11,211	
Sun Life Financial, Inc., (MTN)				
5.40% May 29, 2042	6,342	6,080	6,043	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Sun Life Financial, Inc., Senior Note, (MTN)				
4.80% November 23, 2035	7,028	7,177	7,289	
Suncor Energy, Inc.				
5.80% May 22, 2018	100	113	112	
Suncor Energy, Inc., (MTN)				
5.39% March 26, 2037	6,599	6,543	6,700	
TD Capital Trust II				
6.79% December 31, 2012	1,622	1,688	1,728	
TD Capital Trust IV				
9.52% June 30, 2108	3,957	5,190	5,164	
6.63% June 30, 2108	1,108	1,249	1,239	
TELUS Corp.				
4.95% May 15, 2014	3,651	3,734	3,866	
3.65% May 25, 2016	2,700	2,690	2,713	
4.95% March 15, 2017	3,957	4,176	4,177	
5.05% December 04, 2019	5,441	5,421	5,575	
5.05% July 23, 2020	4,354	4,347	4,424	
TELUS Corp., Senior Unsecured Note				
5.95% April 15, 2015	5,006	5,076	5,496	
Teranet Holdings, LP				
3.53% December 16, 2015	3,734	3,734	3,771	
4.81% December 16, 2020	4,637	4,585	4,673	
5.75% December 17, 2040	3,364	3,364	3,287	
6.10% June 17, 2041	3,759	3,757	3,861	
Terasen Gas Vancouver Island, Inc.				
5.20% December 06, 2040	1,237	1,233	1,255	
Terasen Gas Vancouver Issue, Senior Unsecured Note				
6.05% February 15, 2038	1,059	1,173	1,206	
Terasen Gas, Inc., Note, (MTN)				
5.90% February 26, 2035	1,979	2,248	2,246	
Terasen Gas, Inc., Senior Note, (MTN)				
5.80% May 13, 2038	1,912	1,761	2,153	
Terasen Gas, Inc., Series B, Note				
10.30% September 30, 2016	1,979	2,708	2,630	
Thomson Reuters Corp.				
5.20% December 01, 2014	7,782	7,751	8,409	
5.70% July 15, 2015	3,383	3,428	3,742	
6.00% March 31, 2016	8,617	9,659	9,632	
4.35% September 30, 2020	2,671	2,711	2,685	
Tim Hortons, Inc.				
4.20% June 01, 2017	1,286	1,312	1,329	
Toronto Hydro Corp.				
4.49% November 12, 2019	2,473	2,489	2,586	
Toronto Hydro Corp., Note				
5.15% November 14, 2017	4,135	4,152	4,534	
Toronto-Dominion Bank				
5.38% November 01, 2017	7,771	8,015	8,111	
3.37% November 02, 2020	3,858	3,858	3,850	
5.83% July 09, 2023	3,957	4,294	4,421	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Toronto-Dominion Bank, (MTN)				
5.48% April 02, 2020	10,892	11,038	11,847	
4.97% October 30, 2104	14,276	14,377	15,150	
4.78% December 14, 2105	36,770	33,530	38,545	
Toronto-Dominion Bank, DPNT				
4.85% February 13, 2013	26,978	27,653	28,269	
Toronto-Dominion Bank, Note				
10.05% August 04, 2014	7,736	10,414	9,341	
9.15% May 26, 2025	1,336	1,898	1,917	
Toyota Credit Canada, Inc., Series E, (MTN)				
5.05% July 27, 2012	3,067	3,065	3,167	
TransAlta Corp.				
7.30% October 22, 2029	3,858	4,622	4,198	
TransAlta Corp., Note, (MTN)				
6.90% November 15, 2030	1,979	2,069	2,095	
TransCanada PipeLines, Ltd.				
5.65% January 15, 2014	2,968	3,238	3,204	
TransCanada PipeLines, Ltd., (MTN)				
4.65% October 03, 2016	8,765	8,790	9,389	
TransCanada PipeLines, Ltd., Note, (MTN)				
5.05% August 20, 2013	345	366	365	
8.29% February 05, 2026	2,888	3,484	3,860	
7.90% April 15, 2027	10,538	12,777	13,796	
6.50% December 09, 2030	2,503	2,539	2,907	
Transportation-Canada Pipelines				
8.05% February 17, 2039	2,000	2,901	2,836	
Union Gas, Ltd.				
8.65% November 10, 2025	2,968	4,180	4,171	
5.20% July 23, 2040	322	320	332	
4.88% June 21, 2041	2,900	2,896	2,843	
Union Gas, Ltd., Series 1992, Note				
9.70% November 06, 2017	4,773	6,486	6,374	
Union Gas, Ltd., Series 1993, Note				
8.75% August 03, 2018	3,423	4,343	4,444	
Veresen, Inc.				
5.60% July 28, 2014	3,067	3,248	3,252	
VW Credit Canada, Inc.				
2.55% November 18, 2013	6,004	5,989	6,029	
3.60% February 01, 2016	495	495	504	
Wells Fargo Financial Canada Corp.				
3.97% November 03, 2014	7,667	7,669	7,893	
3.70% March 30, 2016	4,056	4,054	4,090	
Wells Fargo Financial Canada Corp., (MTN)				
4.33% December 06, 2013	594	611	618	
4.38% June 30, 2015	4,947	5,091	5,155	
Westcoast Energy, Inc.				
3.28% January 15, 2016	3,662	3,653	3,687	
5.60% January 16, 2019	2,275	2,500	2,524	
4.57% July 02, 2020	989	989	1,017	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Westcoast Energy, Inc., (MTN) 7.15% March 20, 2031	3,463	3,681	4,326	
Yellow Media, Inc. 5.71% April 21, 2014	16,488	16,733	15,354	
Total Corporate		<u>2,266,456</u>	<u>2,335,729</u>	30.3
Total Fixed Income Investments		<u>7,460,820</u>	<u>7,648,999</u>	99.3
Total Investments		<u>7,460,820</u>	<u>7,648,999</u>	99.3
Other Assets and Liabilities			<u>53,073</u>	0.7
Net Assets			<u>7,702,072</u>	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Federal Non-Agency	29.7	29.3
Federal Agency	13.3	13.8
Government Guaranteed	0.2	0.2
Municipal	1.6	1.3
Provincial	24.2	22.9
Corporate	30.3	31.4
Other Assets and Liabilities	0.7	1.1

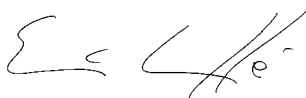
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 601,368,096	\$ 595,232,949
Cash	1,136,573	5,434,039
Interest receivable	3,667,422	3,745,311
Securities lending income receivable	1,513	1,023
Accounts receivable from issue of units	269,150	179,367
Accounts receivable for investment sales	869,994	-
	607,312,748	604,592,689
Liabilities		
Operating expenses payable	19,179	24,327
Payables for investment purchases	405,823	-
	425,002	24,327
Net Assets	\$ 606,887,746	\$ 604,568,362
Number of Units Issued and Outstanding (Note 7)	35,767,714	36,424,254
Net Assets per Unit	\$ 16.97	\$ 16.60
Investments at Cost	\$ 587,832,776	\$ 582,619,025

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 12,165,112	\$ 12,917,583
Securities lending income	8,809	7,074
	<u>12,173,921</u>	<u>12,924,657</u>
Expenses		
System application fees	-	738
Custodian fees	8,907	7,758
Fund accounting expenses	29,295	30,610
Unitholder communication costs	299	299
Audit fees	8,709	8,749
Securities filing fees	5,185	70,372
Independent review committee fees	99	1,206
Other operating expenses	2,079	1,193
	<u>54,573</u>	<u>120,925</u>
Net Investment Income for the Period	<u>12,119,348</u>	<u>12,803,732</u>
Gain on Investments		
Net realized gain on sale of investments	66,090	285,437
Net change in unrealized appreciation in value of investments	921,396	10,739,048
Net Gain on Investments	<u>987,486</u>	<u>11,024,485</u>
Increase in Net Assets from Operations	<u>\$ 13,106,834</u>	<u>\$ 23,828,217</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.36</u>	<u>\$ 0.64</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 604,568,362	\$ 407,357,612
Increase in Net Assets from Operations	<u>13,106,834</u>	<u>23,828,217</u>
Capital Transactions		
Proceeds from issue of units	4,366,497	286,125,608
Reinvestment of distributions	12,120,773	12,628,232
Redemption of units	(15,153,947)	(33,085)
Net capital transactions	<u>1,333,323</u>	<u>298,720,755</u>
Distributions		
From net investment income	(12,120,773)	(12,628,232)
Total distributions	<u>(12,120,773)</u>	<u>(12,628,232)</u>
Increase in Net Assets for the Period	<u>2,319,384</u>	<u>309,920,740</u>
Net Assets - End of Period	<u>\$ 606,887,746</u>	<u>\$ 717,278,352</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Government				
Federal Non-Agency				
Government of Canada				
2.00% September 01, 2012	9,124	9,204	9,193	
1.50% December 01, 2012	5,685	5,666	5,691	
1.75% March 01, 2013	11,400	11,263	11,447	
5.25% June 01, 2013	8,352	9,038	8,928	
3.50% June 01, 2013	3,314	3,457	3,434	
2.00% August 01, 2013	2,900	2,924	2,924	
2.50% September 01, 2013	7,972	8,156	8,118	
2.00% March 01, 2014	3,500	3,489	3,520	
5.00% June 01, 2014	7,850	8,636	8,549	
3.00% June 01, 2014	5,040	5,165	5,203	
2.25% August 01, 2014	1,500	1,507	1,516	
2.00% December 01, 2014	6,362	6,321	6,367	
4.50% June 01, 2015	8,260	8,942	9,003	
2.50% June 01, 2015	7,188	7,235	7,295	
3.00% December 01, 2015	6,386	6,590	6,592	
2.00% June 01, 2016	5,364	5,227	5,281	
4.00% June 01, 2016	5,044	5,228	5,435	
2.75% September 01, 2016	3,200	3,242	3,256	
4.00% June 01, 2017	4,776	5,049	5,159	
4.25% June 01, 2018	5,735	6,270	6,293	
3.75% June 01, 2019	9,954	10,188	10,564	
3.50% June 01, 2020	7,457	7,707	7,734	
10.50% March 15, 2021	150	243	243	
3.25% June 01, 2021	6,286	6,280	6,359	
8.00% June 01, 2023	1,949	2,804	2,869	
9.00% June 01, 2025	1,700	2,775	2,777	
8.00% June 01, 2027	2,570	3,807	4,033	
5.75% June 01, 2029	6,085	7,396	7,933	
5.75% June 01, 2033	6,528	8,096	8,717	
5.00% June 01, 2037	6,957	8,622	8,617	
4.00% June 01, 2041	8,173	8,707	8,851	
3.50% December 01, 2045	720	720	714	
		189,954	192,615	
				31.8
Federal Agency				
Asian Development Bank, Series MPLE, Senior Unsecured Note				
4.65% February 16, 2027	400	424	417	
Canada Housing Trust				
4.55% December 15, 2012	14,150	14,930	14,765	
3.95% June 15, 2013	3,494	3,661	3,646	
3.55% September 15, 2013	3,000	3,123	3,117	
2.70% December 15, 2013	6,400	6,450	6,535	
2.20% March 15, 2014	5,110	5,038	5,149	
3.15% June 15, 2014	9,000	9,152	9,297	
2.75% December 15, 2014	6,800	6,770	6,937	
2.95% March 15, 2015	1,500	1,526	1,539	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
3.15% June 15, 2015	1,500	1,503	1,548	
2.75% June 15, 2016	2,000	2,019	2,016	
4.10% December 15, 2018	4,700	4,893	5,012	
3.75% March 15, 2020	2,000	2,019	2,065	
3.35% December 15, 2020	3,000	2,948	2,983	
3.80% June 15, 2021	2,000	2,049	2,053	
Canada Housing Trust No 1				
3.60% June 15, 2013	3,500	3,639	3,629	
2.45% December 15, 2015	3,800	3,743	3,802	
2.75% December 15, 2015	2,800	2,798	2,837	
2.75% June 15, 2016	5,500	5,493	5,545	
3.80% June 15, 2021	2,000	1,992	2,053	
Canada Post Corp.				
4.08% July 16, 2025	300	304	313	
Inter-American Development Bank, Note				
4.40% January 26, 2026	900	872	917	
South Coast British Columbia Transportation Authority				
3.80% November 02, 2020	200	200	197	
		85,546	86,372	14.2
Government Guaranteed				
Milit-Air, Inc., Secured Note				
5.75% June 30, 2019	3,742	4,048	4,128	
		4,048	4,128	0.7
Municipal				
City of Edmonton				
9.00% March 25, 2013	300	371	336	
City of Montreal				
5.00% December 01, 2018	500	522	542	
4.50% December 01, 2021	500	497	511	
6.00% June 01, 2043	300	303	360	
City of Toronto				
4.55% May 20, 2015	400	404	429	
4.85% July 28, 2016	550	548	599	
4.50% December 02, 2019	500	500	523	
5.20% June 01, 2040	400	407	430	
4.70% June 10, 2041	500	498	498	
City of Winnipeg				
9.13% May 12, 2015	500	672	618	
Municipal Finance Authority of British Columbia				
4.65% April 19, 2016	800	803	869	
3.00% June 01, 2016	1,000	999	1,011	
4.80% December 01, 2017	800	845	872	
4.88% June 03, 2019	500	499	543	
4.45% June 01, 2020	500	499	524	
4.15% June 01, 2021	500	499	508	
4.95% December 01, 2027	200	199	215	
Peel Regional Municipality				
5.10% June 29, 2040	350	357	372	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
PSP Capital, Inc.				
2.94% December 03, 2015	1,200	1,200	1,207	
Regional Municipality of York				
4.50% June 30, 2020	550	548	573	
Ville Montreal				
5.00% December 01, 2017	100	101	109	
		11,271	11,649	1.9
Provincial				
Alberta Capital Finance Authority, Note				
3.05% June 15, 2015	700	698	718	
4.35% June 15, 2016	700	696	756	
Cadillac Fairview Finance Trust				
3.24% January 25, 2016	1,200	1,200	1,217	
3.64% May 09, 2018	1,100	1,100	1,107	
4.31% January 25, 2021	800	800	818	
CDP Financial, Inc.				
4.60% July 15, 2020	600	625	629	
Financement-Quebec				
4.25% March 01, 2014	500	528	529	
3.50% December 01, 2016	800	822	824	
3.50% December 01, 2017	1,800	1,790	1,832	
Hydro Quebec				
5.00% February 15, 2050	1,600	1,738	1,784	
Hydro Quebec, (MTN)				
6.00% February 15, 2040	2,200	2,613	2,761	
Hydro Quebec, Series 19, Note				
6.50% February 15, 2035	1,980	2,389	2,575	
Hydro Quebec, Series HL, Note				
11.00% August 15, 2020	2,500	3,956	3,880	
Hydro Quebec, Series JM, Note				
5.00% February 15, 2045	1,150	1,190	1,269	
Province of Alberta				
2.75% December 01, 2014	800	796	816	
4.00% December 01, 2019	900	925	937	
4.50% December 01, 2040	400	396	420	
Province of British Columbia				
8.50% August 23, 2013	850	1,057	969	
4.25% June 18, 2014	1,000	1,058	1,063	
4.70% December 01, 2017	400	399	438	
4.10% December 18, 2019	1,000	1,000	1,040	
3.70% December 18, 2020	1,674	1,668	1,671	
9.95% May 15, 2021	300	454	452	
5.70% June 18, 2029	1,320	1,466	1,572	
6.35% June 18, 2031	1,390	1,647	1,783	
5.40% June 18, 2035	500	562	581	
4.30% June 18, 2042	1,450	1,466	1,447	
Province of British Columbia, (MTN)				
4.95% June 18, 2040	1,600	1,644	1,767	
Province of British Columbia, Series BCCD				
4.65% December 18, 2018	1,150	1,201	1,249	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Province of Manitoba				
5.05% December 03, 2013	1,000	1,086	1,075	
4.80% December 03, 2014	800	796	868	
4.15% June 03, 2020	500	499	518	
4.40% September 05, 2025	800	802	829	
7.75% December 22, 2025	625	736	876	
5.70% March 05, 2037	400	476	484	
4.65% March 05, 2040	300	293	316	
4.10% March 05, 2041	1,100	1,048	1,058	
Province of Manitoba, (MTN)				
6.50% September 22, 2017	787	903	940	
Province of New Brunswick				
8.50% June 28, 2013	500	602	565	
4.50% February 04, 2015	1,000	1,069	1,077	
6.00% December 27, 2017	650	650	758	
4.40% June 03, 2019	1,000	1,015	1,057	
4.50% June 02, 2020	1,300	1,346	1,371	
4.55% March 26, 2037	1,300	1,228	1,321	
4.80% September 26, 2039	1,350	1,352	1,429	
Province of Newfoundland				
5.25% June 04, 2014	500	538	545	
10.95% April 15, 2021	300	475	472	
6.15% April 17, 2028	925	988	1,141	
4.65% October 17, 2040	800	776	842	
Province of Nova Scotia				
4.60% August 18, 2016	450	447	490	
4.15% November 25, 2019	700	700	727	
4.90% June 01, 2035	2,200	2,226	2,354	
4.40% June 01, 2042	400	404	399	
Province of Ontario				
5.38% December 02, 2012	2,310	2,494	2,433	
4.75% June 02, 2013	2,000	2,106	2,114	
5.00% March 08, 2014	2,030	2,134	2,188	
3.25% September 08, 2014	1,900	1,929	1,964	
4.50% March 08, 2015	1,800	1,915	1,938	
3.15% September 08, 2015	3,301	3,367	3,390	
4.40% March 08, 2016	1,000	991	1,078	
3.20% September 08, 2016	1,500	1,496	1,532	
4.30% March 08, 2017	3,000	3,185	3,217	
4.20% March 08, 2018	2,000	1,998	2,120	
4.40% June 02, 2019	3,500	3,585	3,712	
4.20% June 02, 2020	5,500	5,615	5,702	
4.00% June 02, 2021	2,700	2,714	2,734	
8.10% September 08, 2023	870	1,192	1,214	
8.50% December 02, 2025	1,200	1,620	1,774	
7.60% June 02, 2027	1,728	2,309	2,419	
6.50% March 08, 2029	2,700	3,350	3,459	
6.20% June 02, 2031	860	950	1,079	
5.85% March 08, 2033	2,400	2,688	2,911	
4.70% June 02, 2037	3,050	3,049	3,207	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
4.60% June 02, 2039	2,999	2,973	3,116	
4.65% June 02, 2041	6,599	6,761	6,927	
Province of Ontario, (MTN)				
5.60% June 02, 2035	2,400	2,734	2,840	
Province of Prince Edward Island				
4.25% September 24, 2019	400	400	418	
5.70% June 15, 2035	230	250	271	
4.65% November 19, 2037	200	195	205	
4.60% May 19, 2041	100	99	102	
Province of Quebec				
6.00% October 01, 2012	2,405	2,616	2,538	
5.25% October 01, 2013	1,000	1,080	1,075	
5.00% December 01, 2015	3,550	3,752	3,909	
4.50% December 01, 2016	3,030	3,098	3,277	
4.50% December 01, 2019	3,300	3,424	3,502	
4.50% December 01, 2020	3,400	3,510	3,580	
4.25% December 01, 2021	1,800	1,794	1,848	
8.50% April 01, 2026	600	835	883	
6.00% October 01, 2029	1,000	1,209	1,212	
6.25% June 01, 2032	2,235	2,455	2,803	
5.75% December 01, 2036	1,800	2,119	2,157	
5.00% December 01, 2038	1,100	1,203	1,198	
5.00% December 01, 2041	3,543	3,787	3,884	
Province of Quebec, (MTN)				
4.50% December 01, 2018	2,700	2,782	2,890	
Province of Saskatchewan				
4.65% September 05, 2017	800	796	875	
3.90% July 28, 2020	400	399	410	
9.60% February 04, 2022	500	690	751	
5.80% September 05, 2033	600	605	736	
4.75% June 01, 2040	730	766	792	
		155,358	160,800	26.5
Total Government		446,177	455,564	75.1
Corporate				
407 International, Inc.				
4.30% May 26, 2021	500	500	507	
407 International, Inc., (MTN)				
3.88% June 16, 2015	500	500	520	
4.99% June 16, 2020	500	500	537	
407 International, Inc., Series 99A2, Senior Note				
6.47% July 27, 2029	580	675	691	
Aeroports De Montreal				
5.17% September 17, 2035	600	601	616	
5.67% October 16, 2037	400	400	439	
5.47% April 16, 2040	520	520	557	
Alliance Pipeline, LP, Senior Note				
5.55% December 31, 2023	1,267	1,267	1,363	
AltaLink, LP				
4.87% November 15, 2040	300	300	298	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
AltaLink, LP, (MTN)				
5.24% May 29, 2018	500	500	550	
American Express Canada, Guaranteed Note, (MTN)				
5.90% April 02, 2013	500	499	529	
3.60% June 03, 2016	400	400	398	
Bank of Montreal				
3.93% April 27, 2015	1,000	1,000	1,041	
3.10% March 10, 2016	1,000	1,000	1,002	
3.49% June 10, 2016	1,500	1,500	1,522	
3.98% July 08, 2021	1,000	1,000	1,014	
4.61% September 10, 2025	500	500	500	
Bank of Montreal, DPNT				
5.05% September 03, 2013	500	540	531	
6.02% May 02, 2018	1,400	1,399	1,601	
Bank of Montreal, Series C, Subordinated Note				
4.87% April 22, 2020	400	404	426	
Bank of Nova Scotia				
3.35% November 18, 2014	1,000	1,000	1,022	
3.34% March 25, 2015	1,000	1,000	1,021	
3.61% February 22, 2016	1,000	1,000	1,023	
4.10% June 08, 2017	1,000	1,000	1,034	
6.65% January 22, 2021	400	400	453	
Bank of Nova Scotia, DPNT				
4.56% October 30, 2013	2,565	2,533	2,703	
Bank of Nova Scotia, Note				
4.99% March 27, 2018	1,850	1,850	1,936	
8.90% June 20, 2025	500	618	710	
BCIMC Realty Corp., (MTN)				
5.25% September 19, 2012	160	160	166	
4.65% February 10, 2015	400	425	423	
BMO Capital Trust II, Series A, Note				
10.22% December 31, 2107	300	300	404	
BMW Canada, Inc.				
3.22% March 28, 2013	1,000	1,000	1,017	
2.76% April 01, 2014	500	500	502	
3.15% April 01, 2015	500	500	505	
British Columbia Ferry Services, Inc., Note				
5.02% March 20, 2037	300	300	304	
British Columbia Ferry Services, Inc., Series 08-1, Senior Secured Note				
5.58% January 11, 2038	350	350	383	
British Columbia Ferry Services, Inc., Series B, Senior Secured Note				
6.25% October 13, 2034	250	250	295	
Broadway Credit Card Trust, Series A, Note				
4.80% March 17, 2014	513	506	541	
Brookfield Asset Management, Inc.				
5.29% April 25, 2017	300	312	313	
5.30% March 01, 2021	200	200	201	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Brookfield Asset Management, Inc., Note				
5.95% June 14, 2035	250	253	228	
Caisse Centrale Desjardins du Quebec				
3.50% October 05, 2017	200	200	199	
Canada Life Capital Trust, Secured Note, Series B				
7.53% June 30, 2032	200	229	237	
Canadian Credit Card TST				
3.44% July 24, 2015	1,000	1,000	1,020	
Canadian Imperial Bank of Commerce				
3.30% November 19, 2014	800	808	817	
3.10% March 02, 2015	500	499	506	
3.40% January 14, 2016	1,500	1,498	1,521	
3.95% July 14, 2017	1,400	1,397	1,436	
4.11% April 30, 2020	700	700	726	
3.15% November 02, 2020	600	599	593	
Canadian Imperial Bank of Commerce, (MTN)				
5.15% June 06, 2018	400	399	421	
Canadian Imperial Bank, DPNT				
3.05% June 03, 2013	1,500	1,499	1,527	
Capital Desjardins, Inc.				
5.76% April 01, 2019	300	300	322	
5.19% May 05, 2020	1,250	1,250	1,315	
3.80% November 23, 2020	500	500	503	
Cards II Trust				
3.05% May 15, 2013	1,000	1,000	1,017	
3.10% September 15, 2015	500	500	503	
3.33% May 15, 2016	500	500	503	
Central 1 Credit Union				
3.38% April 19, 2013	1,000	1,000	1,018	
CIBC Capital Trust				
9.98% June 30, 2108	1,000	1,302	1,308	
10.25% June 30, 2108	600	860	799	
Citigroup Finance Canada, Inc., (MTN)				
4.90% November 13, 2012	500	499	517	
Consumers Gas Corp., Ltd., Note, (MTN)				
6.10% May 19, 2028	500	444	575	
Consumers Waterheater, Inc.				
6.75% April 30, 2014	150	150	160	
CU, Inc.				
4.95% November 18, 2050	200	200	200	
CU, Inc., (MTN)				
5.18% November 21, 2035	300	300	311	
CU, Inc., Note				
6.15% November 22, 2017	700	748	810	
Eagle Credit Card Trust				
2.78% December 17, 2013	200	200	202	
3.47% December 17, 2015	300	300	305	
Empire Life Insurance				
6.73% May 20, 2019	300	329	325	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Enbridge Gas Distribution, Inc.				
4.04% November 23, 2020	200	200	201	
4.95% November 22, 2050	500	499	505	
Enbridge Gas Distribution, Inc., Note, (MTN)				
6.90% November 15, 2032	275	306	347	
5.21% February 25, 2036	1,000	1,012	1,041	
Enbridge Pipelines, Inc., (MTN)				
4.46% December 17, 2012	500	516	518	
Enbridge, Inc.				
4.53% March 09, 2020	1,000	1,003	1,024	
Enbridge, Inc., (MTN)				
7.20% June 18, 2032	700	860	872	
Enersource Corp.				
4.52% April 29, 2021	300	300	307	
5.30% April 29, 2041	200	200	207	
FortisAlberta, Inc.				
5.40% April 21, 2036	400	428	427	
Gaz Metropolitan, Inc., Guaranteed Note				
5.45% July 12, 2021	500	498	553	
GE Capital Canada Funding Co.				
2.95% February 10, 2014	500	499	505	
GE Capital Canada Funding Co., (MTN)				
4.40% June 01, 2014	300	300	314	
4.24% June 08, 2015	500	500	520	
5.53% August 17, 2017	1,300	1,350	1,412	
5.73% October 22, 2037	900	856	915	
GE Capital Canada Funding Co., Note, (MTN)				
4.65% February 11, 2015	1,100	1,076	1,160	
4.55% January 17, 2017	500	497	519	
Genworth MI Canada, Inc.				
4.59% December 15, 2015	100	100	102	
Glacier Credit Card Trust				
3.16% November 20, 2015	200	200	201	
Golden Credit Card Trust				
3.51% May 15, 2016	1,700	1,700	1,723	
Golden Credit Card Trust, Senior Note				
5.42% April 15, 2019	900	900	953	
Great West Lifeco Delaware Finance, LP, Subordinated Note				
5.69% June 21, 2067	600	632	632	
Great-West Lifeco Finance Delaware, LP II				
7.13% June 26, 2068	300	340	339	
Great-West Lifeco, Inc.				
4.65% August 13, 2020	700	700	714	
Great-West Lifeco, Inc., Note				
6.67% March 21, 2033	300	328	349	
Great-West Lifeco, Inc., Senior Unsecured Note				
6.14% March 21, 2018	500	502	565	
Greater Toronto Airport Authority, (MTN)				
6.47% February 02, 2034	500	582	598	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Greater Toronto Airports Authority				
5.30% February 25, 2041	600	600	626	
Greater Toronto Airports, (MTN)				
6.25% December 13, 2012	1,090	1,167	1,158	
4.85% June 01, 2017	450	449	485	
5.26% April 17, 2018	1,000	1,067	1,099	
7.10% June 04, 2031	500	605	630	
5.63% June 07, 2040	500	499	546	
Halifax International Airport Authority				
4.89% November 15, 2050	300	300	293	
Honda Canada Finance, Inc.				
5.61% September 12, 2013	500	500	533	
Honda Canada Finance, Inc., (MTN)				
5.68% September 26, 2012	300	300	313	
HSBC Bank of Canada				
3.86% May 21, 2015	500	500	518	
3.56% October 04, 2017	400	400	399	
4.94% March 16, 2021	300	315	317	
4.80% April 10, 2022	500	499	525	
Hydro One, Inc.				
2.95% September 11, 2015	600	599	603	
6.03% March 03, 2039	800	886	931	
5.00% October 19, 2046	200	202	202	
Hydro One, Inc., (MTN)				
5.77% November 15, 2012	500	544	527	
5.18% October 18, 2017	1,500	1,635	1,651	
5.36% May 20, 2036	1,250	1,211	1,328	
5.49% July 16, 2040	200	200	217	
IGM Financial, Inc.				
7.35% April 08, 2019	250	250	297	
6.00% December 10, 2040	200	199	207	
ING Bank of Canada, Guaranteed				
4.30% December 05, 2016	600	599	567	
Intact Financial Corp.				
5.41% September 03, 2019	520	520	551	
6.40% November 23, 2039	110	117	117	
International Bank Recon & Development, MPLE				
4.30% December 15, 2012	1,000	1,022	1,038	
International Finance Corp., Series MPLE				
4.70% December 15, 2012	1,000	1,042	1,044	
John Deere Credit, Inc.				
2.30% January 14, 2013	300	300	301	
3.90% July 29, 2013	100	100	103	
Manulife Finance Cap Trust				
7.41% December 31, 2108	900	1,028	1,025	
Manulife Financial Corp.				
4.90% June 02, 2014	1,000	1,000	1,049	
4.08% August 20, 2015	700	700	714	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Manulife Financial Corp., (MTN)				
4.67% March 28, 2013	600	600	621	
5.51% June 26, 2018	600	600	641	
Master Credit Card Trust				
3.50% May 21, 2016	500	500	506	
Master Credit Card Trust, (MTN)				
5.30% August 21, 2012	3,000	3,220	3,116	
Merrill Lynch Canada Finance Co., (MTN)				
5.00% February 18, 2014	550	550	570	
National Bank of Canada				
4.03% May 26, 2015	650	650	678	
3.58% April 26, 2016	600	600	610	
National Bank of Canada, (MTN)				
4.93% December 22, 2019	475	475	506	
4.70% November 02, 2020	400	399	422	
NAV Canada				
5.30% April 17, 2019	300	330	331	
4.40% February 18, 2021	200	200	206	
NAV Canada, (MTN)				
4.71% February 24, 2016	1,000	1,065	1,075	
NAV Canada, Note				
7.56% March 01, 2027	480	559	594	
Nova Gas Transmission, Ltd., Series 21, Note				
12.20% February 28, 2016	760	1,163	1,046	
Ontario Electricity Financial Corp., Series DJ5, Note				
10.00% October 17, 2014	2,200	2,919	2,740	
Ontario Electricity Financial Corp., Series FV6, Note				
8.90% August 18, 2022	870	1,182	1,252	
Ontario School Boards Financing Corp.				
5.38% June 25, 2032	549	549	579	
Ontario School Boards Financing Corp., Note				
5.30% November 07, 2013	1,440	1,489	1,545	
5.48% November 26, 2029	597	597	638	
Ontario School Boards Financing Corp., Note				
5.07% April 18, 2031	443	443	457	
Ontario School Boards Financing Corp., Series 01A3				
6.55% October 19, 2026	277	302	321	
Ottawa MacDonald-Cartier International Airport Authority, Note				
4.73% May 02, 2017	500	500	533	
Plenary Properties LTAP, LP				
6.29% January 31, 2044	500	529	543	
Power Financial Corp., Note				
6.90% March 11, 2033	1,000	1,091	1,147	
PSP Capital, Inc., Note				
4.57% December 09, 2013	400	400	423	
Royal Bank of Canada				
3.36% January 11, 2016	3,500	3,492	3,543	
3.66% January 25, 2017	1,500	1,499	1,523	
3.18% November 02, 2020	1,000	1,000	990	
4.93% July 16, 2025	550	557	568	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Royal Bank of Canada, DPNT 5.20% August 15, 2012	3,500	3,725	3,637	
Royal Bank of Canada, Senior Note 4.97% June 05, 2014	480	516	514	
Royal Bank of Canada, Series 2014, Subordinated Note 5.95% June 18, 2014	500	511	542	
Royal Bank of Canada, Subordinated Note, (MTN) 5.00% June 06, 2018	1,100	1,088	1,156	
Royal Office Finance LP, Series A, Note 5.21% November 12, 2037	988	988	1,060	
Scotiabank Capital Trust, Note 6.63% June 30, 2052	1,135	1,254	1,185	
Sun Life Assurance Co. of Canada, Note 6.15% June 30, 2022	900	958	934	
Sun Life Financial, Inc. 4.95% June 01, 2036	850	785	885	
Sun Life Financial, Inc., (MTN) 5.40% May 29, 2042	800	721	762	
Sun Life Financial, Inc., Senior Note, (MTN) 4.80% November 23, 2035	600	598	622	
TD Capital Trust IV 10.00% June 30, 2108	800	1,210	1,057	
Thomson Reuters Corp. 5.20% December 01, 2014	500	538	540	
5.70% July 15, 2015	700	699	774	
6.00% March 31, 2016	500	560	559	
4.35% September 30, 2020	500	507	503	
Tim Hortons, Inc. 4.20% June 01, 2017	300	306	310	
Toronto Hydro Corp. 4.49% November 12, 2019	500	500	523	
Toronto Hydro Corp., Note 5.15% November 14, 2017	700	699	767	
Toronto-Dominion Bank 5.38% November 01, 2017	300	305	313	
3.37% November 02, 2020	200	200	200	
Toronto-Dominion Bank, (MTN) 5.48% April 02, 2020	2,350	2,381	2,556	
4.78% December 14, 2105	3,850	3,893	4,036	
Toronto-Dominion Bank, DPNT 5.14% November 19, 2012	1,000	1,052	1,046	
4.85% February 13, 2013	1,310	1,311	1,373	
Toyota Credit Canada, Inc., Series E, (MTN) 5.05% July 27, 2012	300	300	310	
TransCanada PipeLines, Ltd., (MTN) 4.65% October 03, 2016	700	700	750	
Transportation-Canada Pipelines 8.05% February 17, 2039	500	543	709	
VW Credit Canada, Inc. 2.55% November 18, 2013	600	599	602	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Wells Fargo Financial Canada Corp. 3.97% November 03, 2014	700	700	721	
3.70% March 30, 2016	500	500	504	
Wells Fargo Financial Canada Corp., (MTN) 6.05% August 27, 2012	800	869	837	
4.38% June 30, 2015	800	769	834	
Total Corporate		141,656	145,804	24.0
Total Fixed Income Investments		587,833	601,368	99.1
Total Investments		587,833	601,368	99.1
Other Assets and Liabilities			5,520	0.9
Net Assets			606,888	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Federal Non-Agency	31.8	32.2
Federal Agency	14.2	14.1
Government Guaranteed	0.7	0.7
Municipal	1.9	1.8
Provincial	26.5	25.1
Corporate	24.0	24.6
Other Assets and Liabilities	0.9	1.5

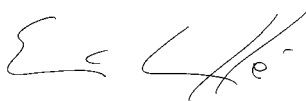
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 690,464,364	\$ 602,083,145
Cash	610,929	977,170
Interest receivable	1,368,188	1,259,007
	<u>692,443,481</u>	<u>604,319,322</u>
Liabilities		
Operating expenses payable	17,096	18,068
	<u>17,096</u>	<u>18,068</u>
Net Assets	<u>\$ 692,426,385</u>	<u>\$ 604,301,254</u>
Net Assets per Class		
Class A	\$ 373,532,974	\$ 330,717,935
Class D	318,893,411	273,583,319
	<u>\$ 692,426,385</u>	<u>\$ 604,301,254</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	12,892,885	11,934,564
Class D	23,739,071	21,291,953
	<u>23,739,071</u>	<u>21,291,953</u>
Net Assets per Unit		
Class A	\$ 28.97	\$ 27.71
Class D	\$ 13.43	\$ 12.85
	<u>\$ 13.43</u>	<u>\$ 12.85</u>
Investments at Cost	<u>\$ 613,272,570</u>	<u>\$ 536,081,625</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 17,787,709	\$ 10,931,187
	<u>17,787,709</u>	<u>10,931,187</u>
Expenses		
System application fees	-	872
Custodian fees	8,527	5,671
Fund accounting expenses	30,002	29,246
Unitholder communication costs	299	299
Audit fees	5,516	5,840
Securities filing fees	5,847	7,888
Independent review committee fees	94	1,351
Other operating expenses	1,988	1,191
	<u>52,273</u>	<u>52,358</u>
Net Investment Income for the Period	<u>17,735,436</u>	<u>10,878,829</u>
Gain on Investments		
Net realized gain on sale of investments	1,697,770	1,094,998
Net change in unrealized appreciation in value of investments	11,190,274	8,309,963
Net Gain on Investments	<u>12,888,044</u>	<u>9,404,961</u>
Increase in Net Assets from Operations	<u>\$ 30,623,480</u>	<u>\$ 20,283,790</u>
Increase in Net Assets from Operations per Class		
Class A	\$ 16,248,069	\$ 10,983,785
Class D	14,375,411	9,300,005
	<u>\$ 30,623,480</u>	<u>\$ 20,283,790</u>
Increase in Net Assets from Operations per Unit		
Class A	\$ 1.30	\$ 1.02
Class D	\$ 0.62	\$ 0.47

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010	2011	2010
	Fund		Class A		Class D	
Net Assets - Beginning of Period	\$ 604,301,254	\$ 483,401,609	\$ 330,717,935	\$ 259,028,186	\$ 273,583,319	\$ 224,373,423
Increase in Net Assets from Operations	30,623,480	20,283,790	16,248,069	10,983,785	14,375,411	9,300,005
Capital Transactions						
Proceeds from issue of units	73,600,535	38,239,000	33,494,606	26,450,000	40,105,929	11,789,000
Reinvestment of distributions	17,737,714	10,714,120	9,577,749	5,788,788	8,159,965	4,925,332
Redemption of units	(16,098,884)	(13,557,079)	(6,927,636)	(6,951,421)	(9,171,248)	(6,605,658)
Net capital transactions	75,239,365	35,396,041	36,144,719	25,287,367	39,094,646	10,108,674
Distributions						
From net investment income	(17,737,714)	(10,714,120)	(9,577,749)	(5,788,788)	(8,159,965)	(4,925,332)
Total distributions	(17,737,714)	(10,714,120)	(9,577,749)	(5,788,788)	(8,159,965)	(4,925,332)
Increase in Net Assets for the Period	88,125,131	44,965,711	42,815,039	30,482,364	45,310,092	14,483,347
Net Assets - End of Period	\$ 692,426,385	\$ 528,367,320	\$ 373,532,974	\$ 289,510,550	\$ 318,893,411	\$ 238,856,770

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Government				
Federal Non-Agency				
Government of Canada				
4.25% December 01, 2021	78,119	98,659	105,203	
4.25% December 01, 2026	77,087	102,549	114,693	
4.00% December 01, 2031	81,593	111,784	127,173	
3.00% December 01, 2036	73,242	92,411	105,225	
2.00% December 01, 2041	75,942	80,891	95,027	
1.50% December 01, 2044	32,325	34,785	36,296	
		521,079	583,617	84.3
Provincial				
Province of Manitoba				
1.74% December 01, 2018	1,289	1,243	1,352	
2.00% December 01, 2036	1,201	1,204	1,385	
Province of Ontario				
2.00% December 01, 2036	34,250	32,153	39,668	
Province of Quebec				
3.30% December 01, 2013	4,669	4,936	5,014	
4.50% December 01, 2021	7,936	9,957	10,642	
4.50% December 01, 2026	12,027	15,143	17,753	
4.25% December 01, 2031	12,665	17,115	19,505	
3.25% December 01, 2036	8,100	10,443	11,528	
		92,194	106,847	15.4
Total Government		613,273	690,464	99.7
Total Fixed Income Investments		613,273	690,464	99.7
Total Investments		613,273	690,464	99.7
Other Assets and Liabilities			1,962	0.3
Net Assets			692,426	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Federal Non-Agency	84.3	84.0
Provincial	15.4	15.6
Other Assets and Liabilities	0.3	0.4

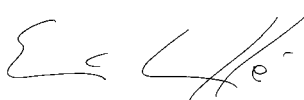
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 6,938,530,227	\$ 6,557,009,412
Cash	47,077,319	33,105,588
Interest receivable	51,321,826	50,897,111
Securities lending income receivable	126	-
Accounts receivable from issue of units	7,132,431	1,062,841
Accounts receivable for investment sales	36,555,383	-
	<u>7,080,617,312</u>	<u>6,642,074,952</u>
Liabilities		
Operating expenses payable	100,321	62,738
Payables for redemption of units	79,698,023	6,875,384
Payables for investment purchases	24,939,682	-
	<u>104,738,026</u>	<u>6,938,122</u>
Net Assets	<u>\$ 6,975,879,286</u>	<u>\$ 6,635,136,830</u>
Net Assets per Class		
Class A	\$ 6,477,784,316	\$ 6,212,513,402
Class D	498,094,970	422,623,428
	<u>\$ 6,975,879,286</u>	<u>\$ 6,635,136,830</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	270,034,588	265,331,456
Class D	39,055,369	33,952,331
	<u>309,090,000</u>	<u>300,000,000</u>
Net Assets per Unit		
Class A	\$ 23.99	\$ 23.41
Class D	\$ 12.75	\$ 12.45
	<u>\$ 12.75</u>	<u>\$ 12.45</u>
Investments at Cost	<u>\$ 6,618,713,470</u>	<u>\$ 6,197,629,228</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 157,143,955	\$ 151,253,101
Securities lending income	3,717	384
	<u>157,147,672</u>	<u>151,253,485</u>
Expenses		
System application fees	-	10,659
Custodian fees	77,661	63,310
Fund accounting expenses	110,121	105,777
Unitholder communication costs	299	299
Audit fees	6,387	6,587
Securities filing fees	63,704	23,331
Independent review committee fees	1,043	16,289
Other operating expenses	5,843	7,510
	<u>265,058</u>	<u>233,762</u>
Net Investment Income for the Period	<u>156,882,614</u>	<u>151,019,723</u>
Gain on Investments		
Net realized gain on sale of investments	44,265,179	25,656,914
Net change in unrealized appreciation (depreciation) in value of investments	(39,563,427)	266,848,004
Net Gain on Investments	<u>4,701,752</u>	<u>292,504,918</u>
Increase in Net Assets from Operations	<u>\$ 161,584,366</u>	<u>\$ 443,524,641</u>
Increase in Net Assets from Operations per Class		
Class A	\$ 147,983,945	\$ 420,721,343
Class D	13,600,421	22,803,298
	<u>\$ 161,584,366</u>	<u>\$ 443,524,641</u>
Increase in Net Assets from Operations per Unit		
Class A	\$ 0.56	\$ 1.59
Class D	<u>\$ 0.36</u>	<u>\$ 0.87</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010	2011	2010
	Fund		Class A		Class D	
Net Assets - Beginning of Period	\$ 6,635,136,830	\$ 5,864,186,395	\$ 6,212,513,402	\$ 5,596,511,284	\$ 422,623,428	\$ 267,675,111
Increase in Net Assets from Operations	161,584,366	443,524,641	147,983,945	420,721,343	13,600,421	22,803,298
Capital Transactions						
Proceeds from issue of units	914,137,516	324,209,797	809,995,892	265,944,744	104,141,624	58,265,053
Reinvestment of distributions	156,899,695	149,332,329	145,757,731	141,875,167	11,141,964	7,457,162
Redemption of units	(734,979,426)	(502,658,379)	(692,708,923)	(475,265,672)	(42,270,503)	(27,392,707)
Net capital transactions	336,057,785	(29,116,255)	263,044,700	(67,445,761)	73,013,085	38,329,508
Distributions						
From net investment income	(156,899,695)	(149,332,329)	(145,757,731)	(141,875,167)	(11,141,964)	(7,457,162)
Total distributions	(156,899,695)	(149,332,329)	(145,757,731)	(141,875,167)	(11,141,964)	(7,457,162)
Increase in Net Assets for the Period	340,742,456	265,076,059	265,270,914	211,400,415	75,471,542	53,675,644
Net Assets - End of Period	\$ 6,975,879,286	\$ 6,129,262,454	\$ 6,477,784,316	\$ 5,807,911,699	\$ 498,094,970	\$ 321,350,755

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Government				
Federal Non-Agency				
Government of Canada				
9.25% June 01, 2022	4,638	7,177	7,250	
8.00% June 01, 2023	84,514	120,551	124,419	
9.00% June 01, 2025	68,459	104,364	111,832	
8.00% June 01, 2027	118,318	170,422	185,672	
5.75% June 01, 2029	281,899	351,336	367,500	
5.75% June 01, 2033	291,642	366,624	389,431	
5.00% June 01, 2037	312,671	374,983	387,288	
4.00% June 01, 2041	373,919	388,880	404,954	
3.50% December 01, 2045	33,320	33,302	33,057	
		1,917,639	2,011,403	28.8
Federal Agency				
Asian Development Bank, Series MPLE, Senior Unsecured Note				
4.65% February 16, 2027	21,133	21,956	22,057	
Canada Post Corp.				
4.08% July 16, 2025	12,157	12,295	12,683	
4.36% July 16, 2040	12,140	12,435	12,848	
Inter-American Development Bank, Note				
4.40% January 26, 2026	25,233	24,228	25,703	
		70,914	73,291	1.0
Government Guaranteed				
Milit-Air, Inc., Secured Note				
5.75% June 30, 2019	383	386	422	
		386	422	-
Municipal				
City of Montreal				
4.50% December 01, 2021	8,937	9,023	9,140	
6.00% June 01, 2043	15,276	16,298	18,318	
City of Toronto				
6.80% July 26, 2021	2,783	3,292	3,394	
5.20% June 01, 2040	17,787	18,213	19,116	
4.70% June 10, 2041	13,296	13,283	13,253	
Municipal Finance Authority of British Columbia				
4.15% June 01, 2021	3,928	3,919	3,990	
4.98% April 06, 2025	1,549	1,548	1,670	
4.95% December 01, 2027	12,988	12,944	13,939	
Peel Regional Municipality				
5.10% June 29, 2040	11,988	12,037	12,756	
		90,557	95,576	1.4
Provincial				
Financement-Quebec				
5.25% June 01, 2034	41,247	44,527	45,548	
Hydro Quebec				
9.63% July 15, 2022	21,695	31,379	32,512	
6.00% August 15, 2031	11,785	14,289	14,339	
5.00% February 15, 2050	41,652	44,221	46,440	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Hydro Quebec, (MTN)				
6.00% February 15, 2040	51,992	61,052	65,261	
Hydro Quebec, Series 19, Note				
6.50% February 15, 2035	49,326	59,983	64,149	
Hydro Quebec, Series JM, Note				
5.00% February 15, 2045	46,565	48,327	51,392	
Province of Alberta				
4.50% December 01, 2040	16,983	16,898	17,856	
Province of British Columbia				
8.75% August 19, 2022	2,320	3,166	3,334	
8.00% September 08, 2023	13,451	17,755	18,720	
9.00% August 23, 2024	4,844	7,174	7,298	
6.15% November 19, 2027	5,000	6,271	6,217	
5.70% June 18, 2029	59,651	65,601	71,033	
6.35% June 18, 2031	28,326	33,050	36,331	
5.40% June 18, 2035	13,916	15,727	16,160	
4.70% June 18, 2037	37,662	37,647	39,854	
4.30% June 18, 2042	67,831	67,581	67,693	
Province of British Columbia, (MTN)				
4.95% June 18, 2040	51,952	53,647	57,383	
Province of Manitoba				
3.85% December 01, 2021	9,000	9,061	8,995	
4.40% September 05, 2025	17,942	18,256	18,590	
7.75% December 22, 2025	6,030	7,403	8,450	
10.50% March 05, 2031	3,734	5,992	6,820	
5.70% March 05, 2037	20,961	23,834	25,352	
4.60% March 05, 2038	23,836	23,360	24,825	
4.65% March 05, 2040	21,191	20,778	22,312	
4.10% March 05, 2041	28,391	27,000	27,304	
4.40% March 05, 2042	19,641	19,590	19,869	
Province of New Brunswick				
5.65% December 27, 2028	21,337	22,608	24,903	
5.50% January 27, 2034	18,826	21,725	21,695	
4.65% September 26, 2035	17,705	17,389	18,267	
4.55% March 26, 2037	24,552	23,607	24,941	
4.80% September 26, 2039	27,073	26,623	28,652	
4.80% June 03, 2041	21,825	22,373	23,142	
Province of Newfoundland				
10.95% April 15, 2021	5,204	8,355	8,187	
8.45% February 05, 2026	267	387	393	
6.15% April 17, 2028	16,883	18,602	20,821	
5.60% October 17, 2033	8,034	7,943	9,487	
5.70% October 17, 2035	3,451	3,911	4,143	
4.50% April 17, 2037	24,584	23,897	25,120	
4.65% October 17, 2040	18,777	18,212	19,762	
Province of Nova Scotia				
4.90% June 01, 2035	18,737	18,877	20,051	
4.50% June 01, 2037	20,966	20,297	21,197	
4.70% June 01, 2041	23,845	24,525	24,980	
4.40% June 01, 2042	17,200	17,357	17,165	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Province of Nova Scotia, (MTN)				
5.80% June 01, 2033	11,775	12,932	14,097	
Province of Nova Scotia, Series 9Z				
6.60% June 01, 2027	15,036	18,328	19,184	
Province of Ontario				
4.00% June 02, 2021	21,238	21,144	21,503	
8.10% September 08, 2023	48,548	65,286	67,739	
7.50% February 07, 2024	21,882	29,352	29,330	
8.50% December 02, 2025	28,720	41,237	42,459	
8.00% June 02, 2026	14,821	21,197	21,169	
7.60% June 02, 2027	81,878	108,563	114,633	
6.50% March 08, 2029	122,898	153,264	157,468	
6.20% June 02, 2031	43,647	51,086	54,764	
5.85% March 08, 2033	92,234	102,593	111,856	
4.70% June 02, 2037	135,179	137,022	142,133	
4.60% June 02, 2039	140,795	140,052	146,306	
4.65% June 02, 2041	247,003	255,299	259,274	
Province of Ontario, (MTN)				
5.60% June 02, 2035	118,160	133,323	139,832	
Province of Ontario, Series HC				
9.50% July 13, 2022	41,867	61,205	62,638	
Province of Prince Edward Island				
6.25% January 29, 2032	4,638	5,012	5,782	
5.70% June 15, 2035	8,340	9,274	9,826	
4.65% November 19, 2037	1,517	1,490	1,556	
4.60% May 19, 2041	7,071	7,014	7,219	
Province of Quebec				
4.25% December 01, 2021	82,272	83,199	84,464	
9.38% January 16, 2023	21,924	32,491	32,657	
5.35% June 01, 2025	25,972	28,827	29,211	
8.50% April 01, 2026	27,016	38,083	39,779	
6.00% October 01, 2029	50,684	56,885	61,432	
6.25% June 01, 2032	81,285	93,463	101,935	
5.75% December 01, 2036	92,107	107,267	110,355	
5.00% December 01, 2038	114,814	117,609	125,073	
5.00% December 01, 2041	186,214	198,867	204,137	
Province of Saskatchewan				
9.60% February 04, 2022	2,783	3,859	4,178	
5.75% March 05, 2029	14,710	15,975	17,720	
6.40% September 05, 2031	31,078	37,926	40,465	
5.80% September 05, 2033	4,175	4,862	5,119	
5.60% September 05, 2035	10,803	12,962	12,988	
5.00% March 05, 2037	10,010	11,089	11,167	
4.75% June 01, 2040	23,092	23,902	25,064	
		3,322,196	3,471,455	49.8
Total Government		5,401,692	5,652,147	81.0

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Corporate				
407 International, Inc., Series 04A3 5.96% December 03, 2035	14,381	15,807	16,504	
407 International, Inc., Series 99A2, Senior Note 6.47% July 27, 2029	19,124	21,086	22,786	
Aeroports De Montreal 5.17% September 17, 2035	7,820	7,644	8,025	
5.67% October 16, 2037	10,409	10,509	11,433	
Aeroports De Montreal, Note 6.55% October 11, 2033	19,664	21,908	23,790	
Alliance Pipeline, LP, Senior Note 5.55% December 31, 2023	4,445	4,443	4,781	
7.22% December 31, 2025	8,077	9,065	9,536	
6.77% December 31, 2025	4,926	5,294	5,690	
Alliance Pipeline, LP, Series A, Senior Note 7.18% June 30, 2023	3,478	3,862	4,109	
AltaLink, LP 5.38% March 26, 2040	7,158	7,375	7,666	
4.87% November 15, 2040	10,484	10,459	10,428	
AltaLink, LP, Secured Note, (MTN) 5.25% September 22, 2036	3,247	3,247	3,405	
Arrow Lakes Power 5.52% April 05, 2041	2,455	2,455	2,532	
Bank of Montreal 4.61% September 10, 2025	13,260	13,304	13,248	
Bank of Nova Scotia, Note 8.90% June 20, 2025	4,173	4,953	5,926	
British Columbia Ferry Services, Inc., Series 08-1, Senior Secured Note 5.58% January 11, 2038	8,999	9,262	9,855	
British Columbia Ferry Services, Inc., Series B, Senior Secured Note 6.25% October 13, 2034	5,386	5,603	6,367	
Brookfield Asset Management, Inc., Note 5.95% June 14, 2035	15,391	15,181	14,042	
Canada Life Assurance Co., Series B, Note 6.40% December 11, 2028	2,320	2,306	2,639	
Canada Life Capital Trust, Secured Note, Series B 7.53% June 30, 2032	2,458	2,651	2,907	
Canadian Utilities, Ltd. 9.92% April 01, 2022	491	709	719	
Canadian Utilities, Ltd., Series 1992 9.40% May 01, 2023	5,084	6,804	7,366	
CIBC Capital Trust 10.25% June 30, 2108	8,813	8,865	11,733	
Clarica Life Insurance Co., Series 2, Note 6.30% May 15, 2028	7,091	7,019	7,668	
Consumers Gas Corp., Ltd., Note, (MTN) 6.10% May 19, 2028	7,400	7,903	8,510	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
CU, Inc.				
4.95% November 18, 2050	1,948	1,948	1,953	
CU, Inc., (MTN)				
5.18% November 21, 2035	11,476	11,017	11,884	
5.58% May 26, 2038	4,081	4,081	4,474	
CU, Inc., Note, (MTN)				
5.90% November 20, 2034	21,626	23,363	24,479	
5.56% October 30, 2037	9,077	9,178	9,909	
Enbridge Gas Distribution, Inc.				
4.95% November 22, 2050	7,617	7,685	7,688	
Enbridge Gas Distribution, Inc., Note, (MTN)				
4.77% December 17, 2021	7,699	7,467	8,116	
6.05% July 05, 2023	3,707	4,151	4,262	
7.60% October 29, 2026	1,204	1,504	1,578	
6.65% November 03, 2027	3,850	4,382	4,642	
6.16% December 16, 2033	6,281	6,866	7,327	
5.21% February 25, 2036	6,865	6,422	7,146	
Enbridge Pipelines, Inc.				
8.20% February 15, 2024	4,638	6,295	6,267	
5.35% November 10, 2039	5,752	5,923	6,140	
5.33% April 06, 2040	8,567	9,166	9,108	
Enbridge Pipelines, Inc., Note, (MTN)				
6.35% November 17, 2023	5,498	5,111	6,481	
6.05% February 12, 2029	4,540	4,514	5,194	
5.08% December 19, 2036	7,422	7,229	7,580	
Enbridge, Inc.				
7.22% July 24, 2030	1,964	2,393	2,430	
Enbridge, Inc., (MTN)				
7.20% June 18, 2032	5,950	6,811	7,416	
5.57% November 14, 2035	7,069	6,416	7,388	
5.75% September 02, 2039	5,872	5,972	6,307	
Enersource Corp.				
5.30% April 29, 2041	1,571	1,571	1,627	
FortisAlberta, Inc.				
5.40% April 21, 2036	3,526	3,771	3,762	
7.06% February 14, 2039	5,000	6,761	6,597	
5.37% October 30, 2039	13,451	13,778	14,345	
4.80% October 27, 2050	5,468	5,409	5,342	
FortisAlberta, Inc., Senior Note				
6.22% October 31, 2034	4,638	5,497	5,464	
Gaz Metro, Inc.				
5.70% July 10, 2036	1,241	1,390	1,371	
GAZ Metro, LP, Note				
6.30% October 31, 2033	1,260	1,265	1,490	
GAZ Metro, LP, Secured Note, Series MTNE				
9.00% May 16, 2025	7,491	10,043	10,869	
GAZ Metro, LP, Secured Note, Series MTNI				
7.05% October 30, 2030	2,134	2,354	2,691	
Gaz Metropolitan, Inc., Guaranteed Note				
5.45% July 12, 2021	12,603	12,754	13,928	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
GE Capital Canada Funding Co., (MTN)				
5.73% October 22, 2037	36,890	35,488	37,523	
Great-West Lifeco, Inc., Note				
6.67% March 21, 2033	20,991	23,443	24,413	
6.00% November 16, 2039	8,350	8,850	9,092	
Greater Toronto Airport Authority, (MTN)				
7.05% June 12, 2030	13,222	14,931	16,497	
6.47% February 02, 2034	10,285	11,595	12,296	
Greater Toronto Airport Authority, Note				
6.45% December 03, 2027	11,596	12,272	13,499	
Greater Toronto Airport Authority, Note, (MTN)				
6.45% July 30, 2029	25,436	27,573	29,118	
6.98% October 15, 2032	16,727	19,443	20,947	
Greater Toronto Airports Authority				
5.30% February 25, 2041	14,927	15,136	15,570	
Greater Toronto Airports, (MTN)				
7.10% June 04, 2031	16,767	18,829	21,116	
5.63% June 07, 2040	16,512	17,376	18,037	
Halifax International Airport Authority				
5.50% July 19, 2041	5,335	5,270	5,719	
4.89% November 15, 2050	3,711	3,711	3,623	
Hydro One, Inc.				
6.03% March 03, 2039	2,700	3,217	3,141	
5.00% October 19, 2046	3,526	3,553	3,554	
Hydro One, Inc., (MTN)				
6.35% January 31, 2034	16,826	19,298	20,029	
5.36% May 20, 2036	29,266	29,046	31,082	
5.49% July 16, 2040	12,802	12,948	13,889	
Hydro One, Inc., Note				
7.35% June 03, 2030	19,751	23,576	25,602	
Hydro One, Inc., Note, (MTN)				
6.93% June 01, 2032	4,638	5,605	5,833	
IGM Financial, Inc.				
6.00% December 10, 2040	5,691	5,798	5,893	
IGM Financial, Inc., Note				
7.45% May 09, 2031	4,638	5,108	5,548	
7.11% March 07, 2033	12,060	14,666	14,049	
Intact Financial Corp.				
6.40% November 23, 2039	786	833	840	
Integrated Team Solutions SJHC Partnership				
5.95% November 30, 2042	2,004	2,022	2,092	
Lower Mattagami Energy				
5.14% May 18, 2041	4,910	4,978	4,971	
NAV Canada, Note				
7.56% March 01, 2027	14,532	17,464	17,974	
7.40% June 01, 2027	8,396	9,965	11,062	
Newfoundland & Labrador Hydro, Note				
5.70% July 14, 2033	1,855	2,174	2,200	
Northwestconnect Group				
5.95% April 30, 2041	7,704	7,743	8,232	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Nova Gas Transmission				
8.88% May 27, 2026	2,226	2,383	3,136	
NOVA Gas Transmission, Ltd., Note				
9.90% December 16, 2024	6,242	8,115	9,301	
8.46% June 05, 2026	1,244	1,719	1,702	
6.30% May 27, 2030	5,789	6,324	6,583	
Ontario Electricity Financial Corp., Note				
8.50% May 26, 2025	9,990	13,268	14,614	
9.00% May 26, 2025	5,000	7,649	7,550	
8.25% June 22, 2026	27,030	39,511	39,236	
Ontario Electricity Financial Corp., Series FV6, Note				
8.90% August 18, 2022	10,803	15,352	15,552	
Ontario Infrastructure Projects Corp., Note				
4.70% June 01, 2037	6,679	6,688	6,561	
Ontario School Boards Financing Corp.				
5.80% November 07, 2028	5,187	5,539	5,708	
5.38% June 25, 2032	5,345	5,345	5,640	
Ontario School Boards Financing Corp., Note				
5.48% November 26, 2029	10,760	10,926	11,499	
5.07% April 18, 2031	4,357	4,357	4,495	
Ontario School Boards Financing Corp., Series 01A3				
6.55% October 19, 2026	5,404	6,054	6,278	
Plenary Properties LTAP, LP				
6.29% January 31, 2044	7,978	8,443	8,662	
Power Corp. Canada				
8.57% April 22, 2039	1,484	1,483	2,010	
Power Financial Corp., Note				
6.90% March 11, 2033	9,138	11,006	10,479	
Royal Bank of Canada				
4.93% July 16, 2025	20,878	21,295	21,553	
Royal Office Finance LP, Series A, Note				
5.21% November 12, 2037	30,189	30,334	32,381	
Scotiabank Capital Trust, Series 06-1				
5.65% December 31, 2056	18,972	18,555	19,422	
SNC-Lavalin Innisfree McGill Finance, Inc.				
6.63% June 30, 2044	11,635	12,700	13,092	
Sun Life Capital Trust, Series B, Secured Note				
7.09% June 30, 2052	6,401	7,378	7,236	
Sun Life Financial, Inc., (MTN)				
5.40% May 29, 2042	13,347	13,056	12,719	
Sun Life Financial, Inc., Senior Note, (MTN)				
4.80% November 23, 2035	98	102	102	
TD Capital Trust IV				
10.00% June 30, 2108	16,655	17,598	22,003	
6.63% June 30, 2108	7,814	8,530	8,737	
Terasen Gas, Inc.				
6.00% October 02, 2037	4,638	5,379	5,363	
6.55% February 24, 2039	9,638	12,139	12,012	
Terasen Gas, Inc., Note, (MTN)				
6.95% September 21, 2029	517	533	648	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
6.50% May 01, 2034	2,271	2,315	2,762	
5.90% February 26, 2035	5,032	5,214	5,711	
5.55% September 25, 2036	4,168	3,856	4,540	
Terasen Gas, Inc., Senior Note, (MTN)				
5.80% May 13, 2038	12,261	12,491	13,807	
Toronto Hospital, Series Dom1, Note				
5.64% December 08, 2022	3,915	4,010	4,236	
Toronto Hydro Corp.				
5.54% May 21, 2040	4,638	4,775	5,066	
Toronto-Dominion Bank, Note				
9.15% May 26, 2025	2,876	3,937	4,126	
TransCanada PipeLines, Ltd., Note, (MTN)				
8.29% February 05, 2026	5,456	6,778	7,292	
7.90% April 15, 2027	14,981	18,443	19,613	
6.28% May 26, 2028	4,934	4,502	5,556	
6.89% August 07, 2028	13,916	15,743	16,716	
6.50% December 09, 2030	3,526	3,804	4,095	
Transportation-Canada Pipelines				
8.05% February 17, 2039	11,457	15,960	16,247	
University of British Columbia, Series B, Note				
4.82% July 26, 2035	1,623	1,623	1,607	
University of Toronto Governing Council, Senior Note				
6.78% July 18, 2031	3,711	4,179	4,684	
University of Windsor, Series A, Note				
5.37% June 29, 2046	5,518	5,518	5,690	
Total Corporate		<u>1,217,021</u>	<u>1,286,383</u>	<u>18.5</u>
Total Fixed Income Investments		<u>6,618,713</u>	<u>6,938,530</u>	<u>99.5</u>
Total Investments		<u>6,618,713</u>	<u>6,938,530</u>	<u>99.5</u>
Other Assets and Liabilities			<u>37,349</u>	<u>0.5</u>
Net Assets			<u>6,975,879</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Federal Non-Agency	28.8	33.0
Federal Agency	1.0	0.1
Municipal	1.4	1.0
Provincial	49.8	46.2
Corporate	18.5	18.5
Other Assets and Liabilities	0.5	1.2

Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 157,843,770	\$ 158,764,172
Cash	245,142	71,417
Interest receivable	828,194	863,711
Securities lending income receivable	513	45
Accounts receivable for investment sales	319,228	-
	<u>159,236,847</u>	<u>159,699,345</u>
Liabilities		
Operating expenses payable	15,074	23,775
Payables for investment purchases	521,067	-
	<u>536,141</u>	<u>23,775</u>
Net Assets	<u>\$ 158,700,706</u>	<u>\$ 159,675,570</u>
Number of Units Issued and Outstanding (Note 7)	<u>14,376,688</u>	<u>14,755,952</u>
Net Assets per Unit	<u>\$ 11.04</u>	<u>\$ 10.82</u>
Investments at Cost	<u>\$ 155,064,102</u>	<u>\$ 156,108,637</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 2,947,301	\$ 3,055,337
Securities lending income	2,974	-
	<u>2,950,275</u>	<u>3,055,337</u>
Expenses		
System application fees	-	265
Custodian fees	3,761	2,655
Fund accounting expenses	22,187	21,361
Unitholder communication costs	299	299
Audit fees	9,580	3,659
Securities filing fees	1,577	400
Independent review committee fees	25	411
Other operating expenses	1,776	640
	<u>39,205</u>	<u>29,690</u>
Net Investment Income for the Period	<u>2,911,070</u>	<u>3,025,647</u>
Gain on Investments		
Net realized gain (loss) on sale of investments	90,043	(186,889)
Net change in unrealized appreciation in value of investments	124,133	3,298,657
Net Gain on Investments	<u>214,176</u>	<u>3,111,768</u>
Increase in Net Assets from Operations	<u>\$ 3,125,246</u>	<u>\$ 6,137,415</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.21</u>	<u>\$ 0.42</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 159,675,570	\$ 146,620,950
Increase in Net Assets from Operations	<u>3,125,246</u>	<u>6,137,415</u>
Capital Transactions		
Proceeds from issue of units	5,999,945	8,157,000
Reinvestment of distributions	2,911,503	2,991,663
Redemption of units	(10,100,055)	(4,900,000)
Net capital transactions	<u>(1,188,607)</u>	<u>6,248,663</u>
Distributions		
From net investment income	(2,911,503)	(2,991,663)
Total distributions	<u>(2,911,503)</u>	<u>(2,991,663)</u>
Increase (Decrease) in Net Assets for the Period	<u>(974,864)</u>	<u>9,394,415</u>
Net Assets - End of Period	<u>\$ 158,700,706</u>	<u>\$ 156,015,365</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Government				
Federal Non-Agency				
Government of Canada				
2.00% September 01, 2012	3,800	3,837	3,829	
1.50% December 01, 2012	2,400	2,391	2,402	
1.75% March 01, 2013	3,400	3,397	3,414	
5.25% June 01, 2013	1,200	1,287	1,283	
3.50% June 01, 2013	2,500	2,610	2,590	
2.00% August 01, 2013	1,300	1,314	1,311	
2.50% September 01, 2013	2,800	2,863	2,851	
2.00% March 01, 2014	1,600	1,599	1,609	
5.00% June 01, 2014	1,300	1,412	1,416	
3.00% June 01, 2014	2,800	2,863	2,890	
2.25% August 01, 2014	1,000	1,006	1,011	
2.00% December 01, 2014	3,000	2,915	3,002	
4.50% June 01, 2015	1,700	1,861	1,853	
2.50% June 01, 2015	1,892	1,920	1,920	
3.00% December 01, 2015	2,200	2,280	2,271	
2.00% June 01, 2016	1,800	1,758	1,772	
4.00% June 01, 2016	2,000	2,134	2,155	
2.75% September 01, 2016	1,200	1,215	1,221	
4.00% June 01, 2017	1,898	2,021	2,050	
4.25% June 01, 2018	1,850	1,981	2,030	
3.75% June 01, 2019	3,301	3,426	3,503	
3.50% June 01, 2020	2,438	2,513	2,529	
10.50% March 15, 2021	150	242	243	
3.25% June 01, 2021	2,081	2,075	2,105	
8.00% June 01, 2023	675	977	994	
9.00% June 01, 2025	500	808	817	
8.00% June 01, 2027	800	1,249	1,255	
5.75% June 01, 2029	2,050	2,544	2,673	
5.75% June 01, 2033	2,150	2,752	2,871	
5.00% June 01, 2037	2,275	2,747	2,818	
4.00% June 01, 2041	2,656	2,835	2,877	
3.50% December 01, 2045	250	250	248	
		65,082	65,813	
				41.5
Federal Agency				
Asian Development Bank, Series MPLE, Senior Unsecured Note				
4.65% February 16, 2027	100	103	104	
Canada Housing Trust				
4.55% December 15, 2012	3,950	4,218	4,122	
3.95% June 15, 2013	1,804	1,893	1,883	
3.55% September 15, 2013	1,500	1,557	1,558	
2.70% December 15, 2013	1,700	1,697	1,736	
2.20% March 15, 2014	1,611	1,577	1,623	
3.15% June 15, 2014	1,700	1,699	1,756	
2.75% September 15, 2014	1,300	1,283	1,327	
2.75% December 15, 2014	1,400	1,399	1,428	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
2.95% March 15, 2015	1,300	1,286	1,334	
3.15% June 15, 2015	1,200	1,235	1,239	
2.75% June 15, 2016	1,000	1,009	1,008	
4.10% December 15, 2018	1,650	1,691	1,760	
3.75% March 15, 2020	1,000	1,005	1,032	
3.35% December 15, 2020	900	885	895	
3.80% June 15, 2021	600	615	616	
Canada Housing Trust No 1				
3.60% June 15, 2013	2,000	2,076	2,074	
2.45% December 15, 2015	1,300	1,284	1,301	
2.75% December 15, 2015	1,300	1,302	1,317	
2.75% June 15, 2016	1,500	1,498	1,512	
3.80% June 15, 2021	600	598	616	
Canada Post Corp.				
4.08% July 16, 2025	100	101	104	
Inter-American Development Bank, Note				
4.40% January 26, 2026	200	202	204	
South Coast British Columbia Transportation Authority				
3.80% November 02, 2020	100	100	98	
		30,313	30,647	19.3
Municipal				
City of Edmonton				
9.00% March 25, 2013	100	121	112	
City of Montreal				
5.00% December 01, 2018	100	102	109	
4.50% December 01, 2021	300	298	307	
6.00% June 01, 2043	150	159	180	
City of Toronto				
4.55% May 20, 2015	200	207	214	
4.85% July 28, 2016	200	207	218	
4.50% December 02, 2019	150	149	157	
5.20% June 01, 2040	150	149	161	
4.70% June 10, 2041	500	498	498	
City of Winnipeg				
9.13% May 12, 2015	100	127	124	
Financement-Quebec				
4.25% December 01, 2015	250	266	267	
Municipal Finance Authority of British Columbia				
4.65% April 19, 2016	250	260	272	
3.00% June 01, 2016	100	100	101	
4.60% April 23, 2018	250	251	270	
4.88% June 03, 2019	150	159	163	
4.45% June 01, 2020	100	100	105	
4.15% June 01, 2021	200	199	203	
4.95% December 01, 2027	100	94	107	
Peel Regional Municipality				
5.10% June 29, 2040	100	102	106	
PSP Capital, Inc.				
2.94% December 03, 2015	500	500	503	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Regional Municipality of York				
7.25% June 19, 2017	100	118	121	
4.50% June 30, 2020	100	100	104	
		4,266	4,402	2.8
Provincial				
Alberta Capital Finance Authority, Note				
3.05% June 15, 2015	300	299	308	
Cadillac Fairview Finance Trust				
3.24% January 25, 2016	500	500	507	
3.64% May 09, 2018	300	300	302	
4.31% January 25, 2021	300	300	307	
CDP Financial, Inc.				
4.60% July 15, 2020	250	260	262	
Financement-Quebec				
4.25% March 01, 2014	300	316	317	
3.25% June 01, 2014	400	411	413	
3.50% December 01, 2016	200	206	206	
3.50% December 01, 2017	300	298	305	
5.25% June 01, 2034	350	378	387	
Hydro Quebec				
9.63% July 15, 2022	200	291	300	
5.00% February 15, 2050	350	381	390	
Hydro Quebec, (MTN)				
6.00% February 15, 2040	350	406	439	
Hydro Quebec, Series 19, Note				
6.50% February 15, 2035	350	422	455	
Hydro Quebec, Series HL, Note				
11.00% August 15, 2020	550	854	854	
Hydro Quebec, Series JM, Note				
5.00% February 15, 2045	350	359	386	
Province of Alberta				
2.75% December 01, 2014	550	545	561	
4.00% December 01, 2019	250	256	260	
4.50% December 01, 2040	200	196	210	
Province of British Columbia				
8.50% August 23, 2013	500	610	570	
4.25% June 18, 2014	400	424	425	
5.30% June 17, 2019	100	109	113	
4.10% December 18, 2019	300	294	312	
3.70% December 18, 2020	415	414	414	
9.95% May 15, 2021	100	151	151	
9.00% August 23, 2024	100	150	151	
5.70% June 18, 2029	600	667	715	
6.35% June 18, 2031	150	178	192	
5.40% June 18, 2035	100	113	116	
4.70% June 18, 2037	300	312	317	
4.30% June 18, 2042	400	391	399	
Province of British Columbia, (MTN)				
4.95% June 18, 2040	425	438	469	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Province of British Columbia, Series BCCD				
4.65% December 18, 2018	300	314	326	
Province of Manitoba				
5.25% December 03, 2012	200	211	210	
5.05% December 03, 2013	100	109	107	
4.80% December 03, 2014	500	538	542	
4.40% September 05, 2025	500	502	518	
4.60% March 05, 2038	200	194	208	
4.65% March 05, 2040	200	195	211	
4.10% March 05, 2041	300	286	289	
Province of Manitoba, (MTN)				
6.50% September 22, 2017	350	409	418	
Province of New Brunswick				
3.35% June 01, 2013	150	154	155	
4.30% December 03, 2015	200	211	214	
4.70% July 21, 2016	300	328	328	
4.45% March 26, 2018	300	310	322	
4.50% June 02, 2020	775	795	818	
4.65% September 26, 2035	150	151	155	
4.55% March 26, 2037	200	195	203	
4.80% September 26, 2039	375	366	397	
Province of Newfoundland				
10.95% April 15, 2021	100	158	157	
8.45% February 05, 2026	100	145	147	
6.15% April 17, 2028	100	121	123	
4.50% April 17, 2037	115	115	118	
4.65% October 17, 2040	400	390	421	
Province of Nova Scotia				
4.15% November 25, 2019	300	298	311	
4.10% June 01, 2021	300	299	306	
4.50% June 01, 2037	400	371	404	
4.70% June 01, 2041	150	151	157	
4.40% June 01, 2042	100	101	100	
Province of Ontario				
5.38% December 02, 2012	600	657	632	
4.50% December 02, 2012	400	418	416	
4.75% June 02, 2013	1,200	1,272	1,268	
5.00% March 08, 2014	1,600	1,740	1,725	
3.25% September 08, 2014	590	599	610	
4.50% March 08, 2015	600	636	646	
3.15% September 08, 2015	201	205	206	
4.40% March 08, 2016	900	947	971	
3.20% September 08, 2016	500	499	511	
4.30% March 08, 2017	1,300	1,350	1,394	
4.20% March 08, 2018	700	706	742	
4.40% June 02, 2019	1,400	1,429	1,485	
4.20% June 02, 2020	1,850	1,871	1,918	
4.00% June 02, 2021	1,000	1,006	1,013	
8.10% September 08, 2023	400	536	558	
8.50% December 02, 2025	300	416	444	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
7.60% June 02, 2027	700	918	980	
6.50% March 08, 2029	1,100	1,344	1,409	
6.20% June 02, 2031	300	347	376	
5.85% March 08, 2033	900	1,037	1,091	
4.70% June 02, 2037	1,050	1,056	1,104	
4.60% June 02, 2039	1,050	1,034	1,091	
4.65% June 02, 2041	1,600	1,637	1,680	
Province of Ontario, (MTN)				
5.60% June 02, 2035	900	1,028	1,065	
Province of Ontario, Series HC				
9.50% July 13, 2022	350	510	524	
Province of Prince Edward Island				
4.25% September 24, 2019	100	100	104	
4.65% November 19, 2037	100	98	103	
4.60% May 19, 2041	100	99	102	
Province of Quebec				
6.00% October 01, 2012	550	608	580	
5.25% October 01, 2013	500	546	537	
5.50% December 01, 2014	496	546	549	
5.00% December 01, 2015	500	543	551	
4.50% December 01, 2016	600	628	649	
4.50% December 01, 2017	750	770	808	
4.50% December 01, 2019	950	979	1,008	
4.50% December 01, 2020	1,050	1,099	1,106	
4.25% December 01, 2021	600	609	616	
8.50% April 01, 2026	300	413	442	
6.00% October 01, 2029	350	388	424	
6.25% June 01, 2032	575	675	721	
5.75% December 01, 2036	650	762	779	
5.00% December 01, 2038	900	956	980	
5.00% December 01, 2041	1,433	1,530	1,571	
Province of Quebec, (MTN)				
4.50% December 01, 2018	1,000	1,024	1,071	
Province of Saskatchewan				
4.90% December 03, 2013	300	324	322	
3.90% July 28, 2020	200	199	205	
6.40% September 05, 2031	300	358	391	
4.75% June 01, 2040	300	305	326	
		55,403	56,982	35.9
Total Government		155,064	157,844	99.5
Total Fixed Income Investments		155,064	157,844	99.5
		155,064	157,844	99.5
Total Investments		155,064	157,844	99.5
Other Assets and Liabilities			857	0.5
Net Assets			158,701	100.0

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Federal Non-Agency	41.5	41.9
Federal Agency	19.3	20.6
Municipal	2.8	2.2
Provincial	35.9	34.7
Other Assets and Liabilities	0.5	0.6

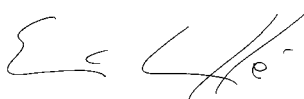
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 152,783,824	\$ 155,295,377
Cash	1,002,319	2,110,909
Interest receivable	1,669,935	1,554,751
Accounts receivable for investment sales	2,578,912	-
	<u>158,034,990</u>	<u>158,961,037</u>
Liabilities		
Operating expenses payable	14,560	23,311
Payables for investment purchases	2,530,428	-
	<u>2,544,988</u>	<u>23,311</u>
Net Assets	<u>\$ 155,490,002</u>	<u>\$ 158,937,726</u>
Number of Units Issued and Outstanding (Note 7)	<u>13,679,683</u>	<u>14,423,872</u>
Net Assets per Unit	<u>\$ 11.37</u>	<u>\$ 11.02</u>
Investments at Cost	<u>\$ 150,207,678</u>	<u>\$ 153,112,771</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 4,046,394	\$ 3,869,279
Securities lending income	47	-
	<u>4,046,441</u>	<u>3,869,279</u>
Expenses		
System application fees	-	258
Custodian fees	2,364	2,025
Fund accounting expenses	22,142	21,810
Unitholder communication costs	299	299
Audit fees	9,580	4,391
Securities filing fees	1,535	300
Independent review committee fees	25	398
Other operating expenses	1,764	593
	<u>37,709</u>	<u>30,074</u>
Net Investment Income for the Period	<u>4,008,732</u>	<u>3,839,205</u>
Gain on Investments		
Net realized gain on sale of investments	350,691	18,964
Net change in unrealized appreciation in value of investments	393,540	2,606,075
Net Gain on Investments	<u>744,231</u>	<u>2,625,039</u>
Increase in Net Assets from Operations	<u>\$ 4,752,963</u>	<u>\$ 6,464,244</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.34</u>	<u>\$ 0.47</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 158,937,726	\$ 141,276,839
Increase in Net Assets from Operations	<u>4,752,963</u>	<u>6,464,244</u>
Capital Transactions		
Proceeds from issue of units	2,999,781	3,592,000
Reinvestment of distributions	4,009,397	3,789,090
Redemption of units	(11,200,468)	(1,300,000)
Net capital transactions	<u>(4,191,290)</u>	<u>6,081,090</u>
Distributions		
From net investment income	(4,009,397)	(3,789,090)
Total distributions	<u>(4,009,397)</u>	<u>(3,789,090)</u>
Increase (Decrease) in Net Assets for the Period	<u>(3,447,724)</u>	<u>8,756,244</u>
Net Assets - End of Period	<u>\$ 155,490,002</u>	<u>\$ 150,033,083</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Corporate				
407 International, Inc.				
3.87% November 24, 2017	100	100	100	
4.30% May 26, 2021	200	200	203	
407 International, Inc., (MTN)				
3.88% June 16, 2015	500	500	520	
4.99% June 16, 2020	250	250	268	
407 International, Inc., Series 06D1, Note				
5.75% February 14, 2036	2,000	1,882	2,101	
Aeroports De Montreal				
5.17% September 17, 2035	1,440	1,246	1,478	
Alliance Pipeline, LP, Senior Note				
6.77% December 31, 2025	366	390	423	
AltaGas Income Trust				
5.49% March 27, 2017	800	828	850	
AltaLink, LP				
4.87% November 15, 2040	100	100	99	
American Express Canada, Guaranteed Note, (MTN)				
3.60% June 03, 2016	200	200	199	
Bank of Montreal				
3.10% March 10, 2016	300	300	301	
3.49% June 10, 2016	200	200	203	
4.61% September 10, 2025	200	200	200	
Bank of Nova Scotia				
3.61% February 22, 2016	500	500	511	
4.10% June 08, 2017	1,500	1,500	1,550	
6.65% January 22, 2021	2,000	2,271	2,267	
BC Tel, Note				
9.65% April 08, 2022	100	135	137	
BCIMC Realty Corp., (MTN)				
5.25% September 19, 2012	464	496	482	
4.65% February 10, 2015	1,465	1,526	1,551	
5.65% January 05, 2018	2,150	2,312	2,381	
Bell Aliant Regional Communications, LP				
4.88% April 26, 2018	200	200	203	
Bell Aliant Regional Communications, Note				
5.41% September 26, 2016	300	321	319	
Bell Canada				
4.85% June 30, 2014	500	531	529	
3.60% December 02, 2015	300	299	304	
4.40% March 16, 2018	500	500	508	
BMO Capital Trust II, Series A, Note				
10.22% December 31, 2107	4,480	5,836	6,028	
BMW Canada, Inc.				
3.22% March 28, 2013	1,000	1,000	1,017	
2.76% April 01, 2014	100	100	100	
British Columbia Ferry Services, Inc., Series 08-1, Senior Secured Note				
5.58% January 11, 2038	500	550	548	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Brookfield Asset Management, Inc.				
5.30% March 01, 2021	50	50	50	
Brookfield Renewable Power, (MTN)				
6.13% November 30, 2016	100	100	110	
Brookfield Renewable Power, Inc.				
5.14% October 13, 2020	1,000	1,000	1,001	
Caisse Centrale Desjardins du Quebec				
3.11% December 04, 2014	300	302	304	
3.79% June 08, 2015	1,500	1,500	1,547	
3.50% October 05, 2017	200	200	199	
Canada Life Capital Trust, Series A, Note				
6.68% June 30, 2012	2,000	2,130	2,086	
Canadian Credit Card TST				
3.44% July 24, 2015	200	200	204	
Canadian Imperial Bank of Commerce				
3.40% January 14, 2016	200	200	203	
4.11% April 30, 2020	1,000	1,000	1,037	
3.15% November 02, 2020	150	150	148	
Canadian Pacific RR Co., Senior Unsecured Note, (MTN)				
6.25% June 01, 2018	1,450	1,581	1,659	
Canadian Utilities, Ltd.				
6.14% November 22, 2012	2,930	3,173	3,095	
Canadian Western Bank				
4.39% November 30, 2020	100	100	101	
Capital Desjardins, Inc.				
5.19% May 05, 2020	250	250	263	
3.80% November 23, 2020	200	200	201	
Capital Power, LP				
4.60% December 01, 2015	100	100	102	
5.28% November 16, 2020	200	200	198	
Cards II Trust				
3.05% May 15, 2013	1,000	1,000	1,017	
3.10% September 15, 2015	200	200	201	
3.33% May 15, 2016	200	200	201	
Caterpillar Financial Services, Ltd.				
5.20% June 03, 2013	300	311	317	
Central 1 Credit Union				
3.38% April 19, 2013	1,000	1,000	1,018	
CI Investments, Inc.				
3.94% December 14, 2016	100	100	101	
CIBC Capital Trust				
10.25% June 30, 2108	220	316	293	
Citigroup Finance Canada, Inc., (MTN)				
4.90% November 13, 2012	1,000	999	1,034	
4.35% March 08, 2013	1,000	999	1,026	
Co-Operators Financial Services				
5.78% March 10, 2020	1,000	1,000	1,023	
Cogeco Cable, Inc.				
5.15% November 16, 2020	100	100	99	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
CU, Inc.				
4.95% November 18, 2050	200	200	201	
CU, Inc., (MTN)				
6.80% August 13, 2019	300	363	361	
5.18% November 21, 2035	100	100	104	
CU, Inc., Note, (MTN)				
5.56% October 30, 2037	200	219	218	
Daimler Canada Finance, Inc.				
3.16% April 14, 2014	100	100	101	
Enbridge Gas Distribution, Inc.				
4.04% November 23, 2020	200	200	201	
4.95% November 22, 2050	200	200	202	
Enbridge Pipelines, Inc.				
6.62% November 19, 2018	600	693	714	
Fairfax Financial Holdings, Ltd.				
7.25% June 22, 2020	250	250	267	
6.40% May 25, 2021	200	199	199	
First Capital Realty, Inc.				
5.48% July 30, 2019	100	100	102	
FortisAlberta, Inc.				
5.40% April 21, 2036	400	428	427	
GE Capital Canada Funding Co.				
2.95% February 10, 2014	500	499	505	
GE Capital Canada Funding Co., (MTN)				
5.29% August 17, 2012	2,870	2,989	2,980	
5.15% June 06, 2013	2,050	2,111	2,159	
4.24% June 08, 2015	1,000	1,000	1,039	
5.53% August 17, 2017	2,500	2,496	2,716	
George Weston, Ltd.				
5.05% March 10, 2014	2,650	2,782	2,797	
7.10% February 05, 2032	4,900	5,310	5,347	
6.69% March 01, 2033	4,495	4,708	4,711	
Golden Credit Card Trust				
3.51% May 15, 2016	400	400	405	
Great-West Lifeco, Inc.				
4.65% August 13, 2020	200	200	204	
Greater Toronto Airport Authority, (MTN)				
5.00% June 01, 2015	2,250	2,370	2,432	
6.47% February 02, 2034	2,800	3,039	3,348	
Greater Toronto Airports Authority				
5.30% February 25, 2041	200	200	209	
H&R Real Estate Investment Trust				
4.78% July 27, 2016	100	100	102	
Health Montreal Collective LP				
6.72% September 30, 2049	600	600	616	
HSBC Bank of Canada				
3.86% May 21, 2015	300	300	311	
3.56% October 04, 2017	300	300	299	
4.94% March 16, 2021	3,031	3,086	3,205	
4.80% April 10, 2022	4,900	4,922	5,148	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
HSBC Canada Asset Trust, Note				
5.15% June 30, 2015	1,000	1,032	1,057	
Husky Energy, Inc.				
3.75% March 12, 2015	1,000	999	1,028	
Hydro One, Inc.				
3.13% November 19, 2014	1,000	1,027	1,019	
2.95% September 11, 2015	100	100	101	
Hydro One, Inc., (MTN)				
5.00% November 12, 2013	1,000	1,079	1,063	
5.18% October 18, 2017	2,500	2,686	2,752	
5.36% May 20, 2036	1,900	2,055	2,018	
5.49% July 16, 2040	400	414	434	
IGM Financial, Inc., Note				
7.00% December 31, 2032	180	196	207	
Intact Financial Corp.				
5.41% September 03, 2019	1,000	999	1,059	
John Deere Credit, Inc.				
2.30% January 14, 2013	100	100	100	
3.90% July 29, 2013	25	25	26	
Loblaw Cos., Ltd., (MTN)				
4.85% May 08, 2014	1,300	1,390	1,373	
5.22% June 18, 2020	250	250	259	
6.54% February 17, 2033	1,500	1,581	1,558	
Manulife Financial Corp.				
4.08% August 20, 2015	500	500	510	
Master Credit Card Trust				
3.50% May 21, 2016	200	200	203	
National Bank of Canada				
4.03% May 26, 2015	500	500	521	
3.58% April 26, 2016	100	100	102	
National Bank of Canada, (MTN)				
4.93% December 22, 2019	2,160	2,244	2,301	
4.70% November 02, 2020	1,300	1,320	1,373	
Nova Gas Transmission, Ltd., Series 21, Note				
12.20% February 28, 2016	4,000	5,736	5,507	
Pembina Pipeline Corp.				
4.89% March 29, 2021	300	300	308	
Power Corp. Canada				
7.57% April 22, 2019	1,890	2,098	2,258	
Rogers Communications, Inc.				
5.80% May 26, 2016	600	637	656	
4.70% September 29, 2020	100	100	97	
5.34% March 22, 2021	600	600	604	
6.11% August 25, 2040	300	300	286	
Royal Bank of Canada				
5.06% July 17, 2013	3	3	3	
3.36% January 11, 2016	1,400	1,396	1,417	
3.66% January 25, 2017	2,000	1,979	2,030	
4.84% March 11, 2018	3	3	3	
3.18% November 02, 2020	1,000	1,000	990	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Royal Bank of Canada, DPNT				
5.20% August 15, 2012	40	43	42	
Royal Bank of Canada, Subordinated Note, (MTN)				
5.00% June 06, 2018	1,300	1,374	1,366	
Scotiabank Capital Trust				
6.28% June 30, 2013	1,440	1,573	1,544	
Scotiabank Capital Trust, Note				
6.63% June 30, 2052	1,000	1,076	1,044	
Scotiabank Capital Trust, Series 06-1				
5.65% December 31, 2056	1,430	1,359	1,464	
Shaw Communications, Inc.				
6.50% June 02, 2014	2,300	2,521	2,507	
5.65% October 01, 2019	500	498	513	
5.50% December 07, 2020	200	199	200	
6.75% November 09, 2039	1,500	1,480	1,454	
TD Capital Trust II				
6.79% December 31, 2012	2,370	2,594	2,525	
TD Capital Trust IV				
6.63% June 30, 2108	3,000	3,382	3,354	
TELUS Corp.				
4.95% May 15, 2014	1,500	1,605	1,588	
3.65% May 25, 2016	200	199	201	
5.05% December 04, 2019	2,200	2,217	2,254	
5.05% July 23, 2020	900	899	914	
TELUS Corp., Senior Unsecured Note				
5.95% April 15, 2015	1,200	1,319	1,317	
Teranet Holdings, LP				
3.53% December 16, 2015	250	250	252	
5.75% December 17, 2040	319	319	312	
Terasen Gas, Inc., Senior Note, (MTN)				
5.80% May 13, 2038	300	339	338	
Thomson Reuters Corp.				
6.00% March 31, 2016	1,000	1,095	1,118	
Toronto Hydro Corp.				
6.11% May 06, 2013	930	1,022	997	
4.49% November 12, 2019	2,400	2,404	2,510	
Toronto-Dominion Bank				
5.38% November 01, 2017	1,500	1,570	1,566	
3.37% November 02, 2020	100	100	100	
Toronto-Dominion Bank, (MTN)				
4.78% December 14, 2105	1,000	1,045	1,048	
Toronto-Dominion Bank, DPNT				
4.85% February 13, 2013	1,000	1,049	1,048	
Transportation-Canada Pipelines				
8.05% February 17, 2039	500	725	709	
Union Gas, Ltd.				
4.88% June 21, 2041	200	200	196	
Veresen, Inc.				
5.60% July 28, 2014	100	106	106	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Viterra, Inc. 6.41% February 16, 2021	250	250	263	
VW Credit Canada, Inc. 2.55% November 18, 2013	200	199	201	
Wells Fargo Financial Canada Corp. 3.97% November 03, 2014	250	250	257	
3.70% March 30, 2016	100	100	101	
Westcoast Energy, Inc. 3.28% January 15, 2016	200	200	201	
4.57% July 02, 2020	100	100	103	
Total Corporate		150,208	152,784	98.3
Total Fixed Income Investments		150,208	152,784	98.3
Total Investments		150,208	152,784	98.3
Other Assets and Liabilities			2,706	1.7
Net Assets			155,490	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Corporate	98.3	97.7
Other Assets and Liabilities	1.7	2.3

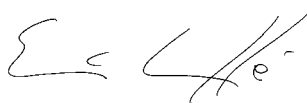
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 91,119,930	\$ 93,392,374
Cash	296,734	817,474
Margin due from brokers	244,242	557,420
Interest receivable	792,295	800,204
Securities lending income receivable	33	47
Accounts receivable for investment sales	1,266,383	-
	93,719,617	95,567,519
Liabilities		
Operating expenses payable	17,039	29,333
Payables for redemption of units	-	2,792,235
Payables for investment purchases	1,103,058	-
	1,120,097	2,821,568
Net Assets	\$ 92,599,520	\$ 92,745,951
Net Assets per Class		
Class A	\$ 92,599,520	\$ 92,745,951
	\$ 92,599,520	\$ 92,745,951
Number of Units Issued and Outstanding (Note 7)		
Class A	4,947,176	5,082,454
Net Assets per Unit		
Class A	\$ 18.72	\$ 18.25
Investments at Cost	\$ 89,041,009	\$ 91,399,462

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 2,053,510	\$ 2,717,863
Securities lending income	190	561
Net gain (loss) from futures contracts	34,948	(660,658)
Foreign exchange gain (loss)	(98)	410
	<u>2,088,550</u>	<u>2,058,176</u>
Expenses		
System application fees	-	211
Custodian fees	2,164	1,492
Fund accounting expenses	28,099	53,216
Unitholder communication costs	299	299
Audit fees	12,193	11,422
Securities filing fees	794	1,256
Independent review committee fees	16	350
Other operating expenses	1,726	876
	<u>45,291</u>	<u>69,122</u>
Net Investment Income for the Period	<u>2,043,259</u>	<u>1,989,054</u>
Gain on Investments		
Net realized gain on sale of investments	173,328	667,444
Transaction costs (Note 2,12)	(8,684)	(8,935)
Net change in unrealized appreciation in value of investments	86,009	1,860,770
Net Gain on Investments	<u>250,653</u>	<u>2,519,279</u>
Increase in Net Assets from Operations	<u>\$ 2,293,912</u>	<u>\$ 4,508,333</u>
Increase in Net Assets from Operations per Class		
Class A	<u>\$ 2,293,912</u>	<u>\$ 4,508,333</u>
	<u>\$ 2,293,912</u>	<u>\$ 4,508,333</u>
Increase in Net Assets from Operations per Unit		
Class A	<u>\$ 0.46</u>	<u>\$ 0.66</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010
	Fund		Class A	
	\$	\$	\$	\$
Net Assets - Beginning of Period	92,745,951	114,382,015	92,745,951	114,382,015
Increase in Net Assets from Operations	2,293,912	4,508,333	2,293,912	4,508,333
Capital Transactions				
Proceeds from issue of units	4,973,024	6,671,306	4,973,024	6,671,306
Reinvestment of distributions	1,961,266	2,085,010	1,961,266	2,085,010
Redemption of units	(7,413,367)	(3,025,000)	(7,413,367)	(3,025,000)
Net capital transactions	(479,077)	5,731,316	(479,077)	5,731,316
Distributions				
From net investment income	(1,961,266)	(2,085,010)	(1,961,266)	(2,085,010)
Total distributions	(1,961,266)	(2,085,010)	(1,961,266)	(2,085,010)
Decrease in Net Assets for the Period	(146,431)	8,154,639	(146,431)	8,154,639
Net Assets - End of Period	92,599,520	122,536,654	92,599,520	122,536,654

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Government				
Federal Non-Agency				
Government of Canada				
1.75% March 01, 2013	100	100	101	
3.50% June 01, 2013	300	311	311	
2.00% March 01, 2014	700	700	704	
3.00% June 01, 2014	1,580	1,617	1,631	
2.00% December 01, 2014	1,780	1,745	1,782	
2.50% June 01, 2015	576	590	585	
4.50% June 01, 2015	90	101	98	
2.00% June 01, 2016	500	496	492	
2.75% September 01, 2016	1,500	1,506	1,526	
4.00% June 01, 2017	340	359	367	
4.25% June 01, 2018	55	59	60	
3.75% June 01, 2019	608	640	645	
3.50% June 01, 2020	26	27	27	
10.50% March 15, 2021	500	823	812	
3.25% June 01, 2021	1,300	1,326	1,315	
5.75% June 01, 2033	350	461	467	
4.00% June 01, 2041	641	696	694	
		11,557	11,617	12.5
Federal Agency				
Asian Development Bank, Series MPLE, Senior Unsecured Note				
4.65% February 16, 2027	1,520	1,525	1,586	
Canada Housing Trust				
4.55% December 15, 2012	2,508	2,604	2,617	
2.20% March 15, 2014	3,220	3,131	3,245	
4.10% December 15, 2018	210	218	224	
Canada Housing Trust No 1				
2.75% June 15, 2016	1,000	999	1,008	
3.80% June 15, 2021	1,000	996	1,027	
Inter-American Development Bank, Note				
4.40% January 26, 2026	1,030	985	1,049	
		10,458	10,756	11.6
Municipal				
City of Montreal				
6.00% June 01, 2043	300	303	360	
City of Toronto				
4.90% October 29, 2014	440	441	475	
City of Winnipeg				
9.13% May 12, 2015	300	395	371	
Municipal Finance Authority of British Columbia				
3.00% June 01, 2016	100	100	101	
4.88% June 03, 2019	260	259	282	
5.35% December 02, 2024	300	299	336	
Regional Municipality of York				
4.50% June 30, 2020	100	100	104	
		1,897	2,029	2.2

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Provincial				
Alberta Capital Finance Authority, Note				
5.00% December 02, 2013	300	300	322	
Cadillac Fairview Finance Trust				
3.24% January 25, 2016	200	200	203	
3.64% May 09, 2018	300	300	302	
4.31% January 25, 2021	200	200	204	
CDP Financial, Inc.				
4.60% July 15, 2020	500	511	525	
Financement-Quebec				
3.50% December 01, 2016	200	206	206	
3.50% December 01, 2017	500	497	509	
Hydro Quebec				
5.00% February 15, 2050	500	551	557	
Hydro Quebec, (MTN)				
6.00% February 15, 2040	580	683	728	
Hydro Quebec, Series 19, Note				
6.50% February 15, 2035	360	451	468	
Hydro Quebec, Series JM, Note				
5.00% February 15, 2045	500	537	552	
Province of Alberta				
2.75% December 01, 2014	500	501	510	
4.00% December 01, 2019	300	301	312	
Province of British Columbia				
8.50% August 23, 2013	420	521	479	
4.10% December 18, 2019	300	318	312	
3.70% December 18, 2020	744	741	743	
5.70% June 18, 2029	200	242	238	
Province of British Columbia, (MTN)				
4.95% June 18, 2040	200	200	221	
Province of British Columbia, Series BCCD				
4.65% December 18, 2018	300	312	326	
Province of Manitoba				
5.20% December 03, 2015	200	204	222	
4.40% September 05, 2025	100	99	104	
4.60% March 05, 2038	510	488	531	
4.10% March 05, 2041	300	285	289	
Province of New Brunswick				
4.50% February 04, 2015	500	533	539	
4.40% June 03, 2019	500	507	529	
5.65% December 27, 2028	340	363	397	
4.80% September 26, 2039	100	95	106	
Province of Newfoundland				
5.25% June 04, 2014	300	320	327	
Province of Nova Scotia				
4.60% August 18, 2016	350	348	381	
4.50% June 01, 2037	300	280	303	
Province of Ontario				
5.38% December 02, 2012	440	473	463	
4.75% June 02, 2013	600	634	634	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
5.00% March 08, 2014	670	717	722	
3.25% September 08, 2014	500	508	517	
3.15% September 08, 2015	330	337	339	
4.00% June 02, 2021	400	398	405	
8.10% September 08, 2023	810	1,145	1,130	
7.60% June 02, 2027	540	743	756	
5.85% March 08, 2033	530	621	643	
Province of Prince Edward Island				
4.25% September 24, 2019	200	200	209	
4.60% May 19, 2041	300	298	306	
Province of Quebec				
5.25% October 01, 2013	420	451	451	
5.50% December 01, 2014	400	440	443	
5.00% December 01, 2015	880	952	969	
4.50% December 01, 2017	500	530	539	
4.50% December 01, 2019	600	621	637	
5.00% December 01, 2041	1,393	1,508	1,527	
Province of Quebec, (MTN)				
4.50% December 01, 2018	260	265	278	
Province of Saskatchewan				
4.90% December 03, 2013	410	404	439	
6.40% September 05, 2031	560	632	729	
		22,971	23,581	25.5
Total Government		46,883	47,983	51.8
Corporate				
407 International, Inc., (MTN)				
3.88% June 16, 2015	200	200	208	
4.99% June 16, 2020	250	250	268	
407 International, Inc., Series 06D1, Note				
5.75% February 14, 2036	490	491	515	
Aeroports De Montreal				
5.17% September 17, 2035	280	280	287	
Alliance Pipeline, LP, Senior Note				
5.55% December 31, 2023	242	240	260	
American Express Canada, Guaranteed Note, (MTN)				
3.60% June 03, 2016	100	100	99	
Bank of Montreal				
3.10% March 10, 2016	300	300	301	
3.49% June 10, 2016	200	200	203	
4.61% September 10, 2025	200	200	200	
Bank of Nova Scotia				
3.61% February 22, 2016	500	500	511	
6.65% January 22, 2021	200	224	227	
Bell Aliant Regional Communications, (MTN)				
6.29% February 17, 2015	150	150	164	
Bell Aliant Regional Communications, LP				
4.37% September 13, 2017	300	300	299	
4.88% April 26, 2018	200	200	203	
Bell Aliant Regional Communications, Note				
5.41% September 26, 2016	150	150	160	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
Bell Canada				
3.60% December 02, 2015	300	299	304	
4.40% March 16, 2018	500	500	508	
Brookfield Asset Management, Inc.				
5.30% March 01, 2021	50	50	50	
Brookfield Renewable Power, (MTN)				
6.13% November 30, 2016	200	200	219	
Brookfield Renewable Power, Inc.				
5.14% October 13, 2020	400	400	400	
Caisse Centrale Desjardins du Quebec				
3.50% October 05, 2017	200	200	199	
Canada Life Capital Trust, Series A, Note				
6.68% June 30, 2012	590	649	615	
Canadian Credit Card TST				
3.44% July 24, 2015	200	200	204	
Canadian Imperial Bank of Commerce				
3.40% January 14, 2016	100	100	101	
3.15% November 02, 2020	150	150	148	
Canadian Utilities, Ltd.				
6.14% November 22, 2012	1,400	1,516	1,479	
Canadian Western Bank				
4.39% November 30, 2020	100	100	101	
Capital Desjardins, Inc.				
5.19% May 05, 2020	250	250	263	
3.80% November 23, 2020	200	200	201	
Capital Power, LP				
4.60% December 01, 2015	100	100	102	
Cards II Trust				
3.05% May 15, 2013	1,000	1,000	1,017	
3.10% September 15, 2015	200	200	201	
Central 1 Credit Union				
3.38% April 19, 2013	300	300	305	
CI Investments, Inc.				
3.94% December 14, 2016	100	100	101	
CIBC Capital Trust				
10.25% June 30, 2108	50	50	67	
Citigroup Finance Canada, Inc., (MTN)				
4.90% November 13, 2012	200	200	207	
4.35% March 08, 2013	300	300	308	
Co-Operators Financial Services				
5.78% March 10, 2020	1,000	1,000	1,023	
CU, Inc.				
4.95% November 18, 2050	200	200	201	
CU, Inc., Note, (MTN)				
5.90% November 20, 2034	310	283	351	
Fairfax Financial Holdings, Ltd.				
7.25% June 22, 2020	250	250	267	
6.40% May 25, 2021	200	199	199	
GE Capital Canada Funding Co.				
2.95% February 10, 2014	500	499	505	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
GE Capital Canada Funding Co., (MTN)				
5.29% August 17, 2012	330	338	343	
5.15% June 06, 2013	310	315	326	
4.24% June 08, 2015	250	250	260	
5.53% August 17, 2017	290	262	315	
Golden Credit Card Trust				
3.51% May 15, 2016	300	300	304	
Great-West Lifeco, Inc.				
4.65% August 13, 2020	100	100	102	
Greater Toronto Airport Authority, (MTN)				
5.00% June 01, 2015	250	248	270	
6.47% February 02, 2034	540	632	646	
Greater Toronto Airports Authority				
5.30% February 25, 2041	100	100	104	
Health Montreal Collective LP				
6.72% September 30, 2049	600	600	616	
HSBC Bank of Canada				
3.86% May 21, 2015	300	300	311	
3.56% October 04, 2017	200	200	200	
4.94% March 16, 2021	3,150	3,263	3,331	
Husky Energy, Inc.				
3.75% March 12, 2015	500	500	514	
Hydro One, Inc.				
2.95% September 11, 2015	100	100	101	
Hydro One, Inc., (MTN)				
5.49% July 16, 2040	100	100	108	
Hydro One, Inc., Note				
7.35% June 03, 2030	450	559	583	
Intact Financial Corp.				
5.41% September 03, 2019	500	500	530	
Inter-American Development Bank, Note				
4.75% November 17, 2014	2,640	2,675	2,849	
International Bank Recon & Development, MPLE				
4.30% December 15, 2012	510	521	530	
International Finance Corp., Series MPLE				
4.70% December 15, 2012	410	427	428	
John Deere Credit, Inc.				
2.30% January 14, 2013	100	100	100	
Loblaw Cos., Ltd., (MTN)				
6.54% February 17, 2033	800	843	831	
Manitoba Telecom Services, Inc., (MTN)				
6.15% June 10, 2014	250	250	270	
Manulife Financial Corp.				
4.08% August 20, 2015	500	500	510	
Master Credit Card Trust, (MTN)				
5.30% August 21, 2012	510	512	530	
Metro, Inc., (MTN)				
5.97% October 15, 2035	660	601	661	
National Bank of Canada				
3.58% April 26, 2016	100	100	102	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value	Average cost	Fair value	% of net assets
	(in 000s)	(in \$000s)	(in \$000s)	
National Bank of Canada, (MTN)				
4.93% December 22, 2019	410	411	437	
NAV Canada, (MTN)				
4.71% February 24, 2016	260	268	280	
Newfoundland & Labrador Hydro, Series X, Note				
10.25% July 14, 2017	340	489	473	
Nova Gas Transmission, Ltd., Series 21, Note				
12.20% February 28, 2016	1,037	1,645	1,428	
Nova Scotia PowerCorp., Note, (MTNF)				
8.85% May 19, 2025	301	405	420	
OMERS Realty CTT				
4.05% May 05, 2014	710	710	741	
Ontario School Boards Financing Corp.				
5.80% November 07, 2028	1,006	1,049	1,107	
Ontario School Boards Financing Corp., Note				
7.20% June 09, 2025	961	1,175	1,152	
5.48% November 26, 2029	870	870	930	
Pembina Pipeline Corp.				
4.89% March 29, 2021	500	500	513	
Power Corp. Canada				
7.57% April 22, 2019	300	300	358	
Rogers Communications, Inc.				
5.80% May 26, 2016	160	160	175	
4.70% September 29, 2020	100	100	97	
5.34% March 22, 2021	500	500	503	
6.11% August 25, 2040	250	250	238	
Scotiabank Capital Trust, Note				
6.63% June 30, 2052	460	462	480	
Scotiabank Tier I Capital Trust				
7.80% June 30, 2108	100	100	119	
Shaw Communications, Inc.				
6.50% June 02, 2014	150	149	163	
5.65% October 01, 2019	400	399	411	
5.50% December 07, 2020	100	100	100	
6.75% November 09, 2039	1,000	983	969	
TELUS Corp.				
4.95% May 15, 2014	130	130	138	
3.65% May 25, 2016	200	199	201	
5.05% July 23, 2020	100	100	102	
Teranet Holdings, LP				
3.53% December 16, 2015	250	250	252	
5.75% December 17, 2040	213	213	208	
Thomson Reuters Corp.				
6.00% March 31, 2016	180	179	201	
Toronto Hydro Corp.				
4.49% November 12, 2019	500	500	523	
Toronto-Dominion Bank				
3.37% November 02, 2020	100	100	100	
Union Gas, Ltd.				
4.88% June 21, 2041	200	200	196	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in 000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
University of British Columbia, Series B, Note 4.82% July 26, 2035	130	130	129	
Veresen, Inc. 5.60% July 28, 2014	100	106	106	
Wells Fargo Financial Canada Corp. 3.97% November 03, 2014	250	250	257	
Westcoast Energy, Inc. 3.28% January 15, 2016	200	200	201	
4.57% July 02, 2020	100	100	103	
Total Corporate		<u>42,158</u>	<u>43,137</u>	<u>46.6</u>
Total Fixed Income Investments		<u>89,041</u>	<u>91,120</u>	<u>98.4</u>
Total Investments		<u>89,041</u>	<u>91,120</u>	<u>98.4</u>
Other Assets and Liabilities			<u>1,480</u>	<u>1.6</u>
Net Assets			<u>92,600</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Federal Non-Agency	12.5	17.5
Federal Agency	11.6	10.1
Municipal	2.2	2.1
Provincial	25.5	23.2
Corporate	46.6	47.8
Other Assets and Liabilities	1.6	(0.7)

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

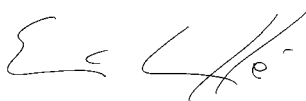
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 891,098,286	\$ 877,321,910
Cash	7,726,319	8,129,363
Margin due from brokers	464,578	2,332,114
Net unrealized gain on forward currency contracts (Note 5)	9,040,405	13,436,728
Interest receivable	5,006,275	4,893,182
Accounts receivable for investment sales	19,833,014	-
	<u>933,168,877</u>	<u>906,113,297</u>
Liabilities		
Operating expenses payable	18,438	22,136
Financing charges payable	198,038	855,641
Payables for investment purchases	22,061,151	-
Payables for repurchase agreements (Note 6)	295,890,407	308,840,184
Net unrealized loss on forward currency contracts (Note 5)	4,712,729	5,656,540
	<u>322,880,763</u>	<u>315,374,501</u>
Net Assets	<u>\$ 610,288,114</u>	<u>\$ 590,738,796</u>
Number of Units Issued and Outstanding (Note 7)	<u>46,334,330</u>	<u>46,334,330</u>
Net Assets per Unit	<u>\$ 13.17</u>	<u>\$ 12.75</u>
Investments at Cost	<u>\$ 860,027,336</u>	<u>\$ 842,050,257</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 12,681,780	\$ 11,129,739
Net loss from futures contracts	(278,315)	(1,695,168)
Net realized gain (loss) from forward currency contracts	13,444,409	(4,421,640)
Foreign exchange gain (loss)	-	(972,114)
	<u>25,847,874</u>	<u>4,040,817</u>
Expenses		
System application fees	-	684
Custodian fees	10,894	6,668
Fund accounting expenses	39,643	33,910
Unitholder communication costs	299	299
Audit fees	7,257	6,927
Securities filing fees	5,124	36,563
Financing charges	-	274,192
Independent review committee fees	89	1,060
Other operating expenses	2,046	4,063
	<u>65,352</u>	<u>364,366</u>
Net Investment Income for the Period	<u>25,782,522</u>	<u>3,676,451</u>
Gain (Loss) on Investments		
Net realized gain on sale of investments	1,451,326	1,322,439
Transaction costs (Note 2,12)	(31,315)	(29,128)
Net change in unrealized appreciation (depreciation) in value of investments	(4,200,703)	34,416,343
Net change in unrealized depreciation in value of forward currency contracts	(3,452,512)	(2,870,337)
Net Gain (Loss) on Investments	<u>(6,233,204)</u>	<u>32,839,317</u>
Increase in Net Assets from Operations	<u>\$ 19,549,318</u>	<u>\$ 36,515,768</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.42</u>	<u>\$ 0.97</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 590,738,796	\$ 378,001,435
Increase in Net Assets from Operations	<u>19,549,318</u>	<u>36,515,768</u>
Capital Transactions		
Proceeds from issue of units	-	147,460,750
Net capital transactions	-	147,460,750
Increase in Net Assets for the Period	<u>19,549,318</u>	<u>183,976,518</u>
Net Assets - End of Period	<u>\$ 610,288,114</u>	<u>\$ 561,977,953</u>

Statement of Cash Flow — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Cash Provided by (Used in) Operating Activities		
Net income for the period	\$ 25,782,522	\$ 3,676,451
Changes in Working Capital Balances Relating to Operations		
Purchase of investment securities	(830,273,548)	(338,520,556)
Proceeds from disposition of investment securities	813,747,795	87,206,954
Transaction costs	(31,315)	(29,128)
Increase (decrease) in margin due from brokers	1,867,536	(3,610,485)
Decrease in interest receivable	(113,093)	(1,361,793)
Decrease in accounts receivable for investment sales	(19,833,014)	-
Decrease (increase) in operating expenses payable	(3,698)	494
Decrease (increase) in financing charges payable	(657,603)	89,161
Increase in payable for investment purchases	22,061,151	-
	<u>(13,235,789)</u>	<u>(253,712,562)</u>
Net Cash Provided by (Used in) Operating Activities	12,546,733	(252,548,902)
Financing Activities		
Proceeds from issuance of units	-	147,460,750
Proceeds from repurchase agreements	(12,949,777)	106,360,691
Net Cash Provided by (Used in) Financing Activities	<u>(12,949,777)</u>	<u>253,821,441</u>
Net Decrease (Increase) in Cash and Cash Equivalents	\$ (403,044)	\$ 1,272,539
Cash - Beginning of Period	\$ 8,129,363	\$ 2,333,808
Cash - End of Period	<u>\$ 7,726,319</u>	<u>\$ 3,606,347</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Government				
Federal Non-Agency				
Government of Canada				
8.00% June 01, 2023	2,002	2,863	2,947	
9.00% June 01, 2025	8,200	12,836	13,395	
8.00% June 01, 2027	6,950	10,301	10,906	
5.75% June 01, 2029	23,945	28,883	31,216	
5.75% June 01, 2033	23,525	29,163	31,413	
5.00% June 01, 2037	14,274	16,785	17,681	
4.00% June 01, 2041	27,501	29,854	29,784	
3.50% December 01, 2045	1,000	1,003	992	
		131,688	138,334	22.7
Federal Agency				
Asian Development Bank, Series MPLE, Senior Unsecured Note				
4.65% February 16, 2027	5,000	4,909	5,219	
Canada Post Corp.				
4.08% July 16, 2025	267	268	278	
4.36% July 16, 2040	200	200	212	
Inter-American Development Bank, Note				
4.40% January 26, 2026	6,400	6,087	6,519	
		11,464	12,228	2.0
Municipal				
City of Montreal				
4.50% December 01, 2021	500	497	511	
6.00% June 01, 2043	1,200	1,409	1,439	
City of Toronto				
5.20% June 01, 2040	1,400	1,409	1,505	
Municipal Finance Authority of British Columbia				
4.98% April 06, 2025	397	401	429	
4.95% December 01, 2027	1,700	1,684	1,824	
Peel Regional Municipality				
5.10% June 29, 2040	500	510	532	
		5,910	6,240	1.0
Provincial				
Hydro Quebec				
5.00% February 15, 2050	10,700	11,534	11,930	
Hydro Quebec, (MTN)				
6.00% February 15, 2040	8,400	9,933	10,544	
Hydro Quebec, Series 19, Note				
6.50% February 15, 2035	500	608	650	
Hydro Quebec, Series JM, Note				
5.00% February 15, 2045	9,950	10,253	10,981	
Province of Alberta				
4.50% December 01, 2040	2,000	1,934	2,103	
Province of British Columbia				
8.00% September 08, 2023	1,300	1,782	1,809	
5.70% June 18, 2029	8,500	9,541	10,122	
6.35% June 18, 2031	1,700	2,065	2,180	
4.70% June 18, 2037	3,000	2,982	3,175	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Province of British Columbia, (MTN)				
4.95% June 18, 2040	4,900	5,001	5,412	
Province of Manitoba				
4.40% September 05, 2025	1,100	1,106	1,140	
7.75% December 22, 2025	1,000	1,367	1,401	
5.70% March 05, 2037	1,000	1,149	1,209	
4.60% March 05, 2038	2,300	2,199	2,395	
4.65% March 05, 2040	5,050	4,985	5,317	
4.10% March 05, 2041	1,600	1,525	1,539	
Province of New Brunswick				
5.65% December 27, 2028	3,500	3,849	4,085	
5.50% January 27, 2034	500	538	576	
4.65% September 26, 2035	1,770	1,707	1,826	
4.55% March 26, 2037	2,000	1,872	2,032	
4.80% September 26, 2039	2,600	2,584	2,752	
4.80% June 03, 2041	700	690	742	
Province of Newfoundland				
8.45% February 05, 2026	800	1,154	1,179	
6.15% April 17, 2028	3,350	3,918	4,131	
5.60% October 17, 2033	1,000	1,118	1,181	
4.65% October 17, 2040	2,000	1,936	2,105	
Province of Nova Scotia				
4.50% June 01, 2037	4,690	4,459	4,742	
Province of Nova Scotia, Series 9Z				
6.60% June 01, 2027	970	1,199	1,238	
Province of Ontario				
8.10% September 08, 2023	8,100	11,108	11,302	
8.50% December 02, 2025	1,500	2,116	2,218	
7.60% June 02, 2027	8,400	11,286	11,760	
6.50% March 08, 2029	8,000	9,668	10,250	
5.85% March 08, 2033	9,570	10,884	11,606	
4.70% June 02, 2037	7,500	7,432	7,886	
4.60% June 02, 2039	20,151	19,696	20,940	
4.65% June 02, 2041	14,300	14,659	15,010	
Province of Ontario, (MTN)				
5.60% June 02, 2035	9,520	10,685	11,266	
Province of Ontario, Series HC				
9.50% July 13, 2022	3,200	4,795	4,788	
Province of Prince Edward Island				
6.25% January 29, 2032	600	724	748	
5.70% June 15, 2035	600	682	707	
4.65% November 19, 2037	400	388	410	
4.60% May 19, 2041	900	894	919	
Province of Quebec				
4.25% December 01, 2021	7,800	7,848	8,008	
9.38% January 16, 2023	3,000	4,479	4,469	
6.00% October 01, 2029	7,750	8,821	9,393	
6.25% June 01, 2032	10,160	12,087	12,741	
5.75% December 01, 2036	3,500	3,882	4,193	
5.00% December 01, 2038	10,150	10,144	11,057	
5.00% December 01, 2041	21,368	23,413	23,425	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Province of Saskatchewan				
5.75% March 05, 2029	1,250	1,413	1,506	
6.40% September 05, 2031	1,400	1,729	1,823	
4.75% June 01, 2040	5,050	5,085	5,481	
		276,906	290,402	47.6
Total Government		425,968	447,204	73.3
Corporate				
407 International, Inc., Series 04A3				
5.96% December 03, 2035	1,500	1,608	1,721	
407 International, Inc., Series 99A2, Senior Note				
6.47% July 27, 2029	2,725	3,153	3,247	
Aéroports De Montreal				
5.17% September 17, 2035	2,200	2,172	2,258	
5.67% October 16, 2037	200	209	220	
5.47% April 16, 2040	1,480	1,491	1,585	
Alliance Pipeline, LP, Senior Note				
5.55% December 31, 2023	595	616	640	
Alliance Pipeline, LP, Series A, Senior Note				
7.18% June 30, 2023	1,791	2,102	2,116	
AltaLink, LP				
5.38% March 26, 2040	500	500	535	
4.87% November 15, 2040	100	100	99	
AltaLink, LP, Secured Note, (MTN)				
5.25% September 22, 2036	1,000	963	1,049	
Arrow Lakes Power				
5.52% April 05, 2041	300	300	310	
Bank of Montreal				
4.61% September 10, 2025	500	500	500	
Bell Aliant Regional Communications, (MTN)				
6.17% February 26, 2037	475	414	449	
Bell Canada				
6.55% May 01, 2029	3,000	3,107	3,078	
Bell Canada, Note, (MTN)				
7.30% February 23, 2032	2,800	2,832	3,082	
Bell Canada, Series M-17				
6.10% March 16, 2035	1,400	1,190	1,382	
British Columbia Ferry Services, Inc., Series 08-1, Senior Secured Note				
5.58% January 11, 2038	400	400	438	
British Columbia Ferry Services, Inc., Series B, Senior Secured Note				
6.25% October 13, 2034	1,100	1,226	1,300	
Brookfield Asset Management, Inc., Note				
5.95% June 14, 2035	1,000	979	912	
Canadian Pacific RR Co.				
6.45% November 17, 2039	1,000	1,024	1,100	
CIBC Capital Trust				
10.25% June 30, 2108	2,000	2,468	2,663	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
CU, Inc.				
6.22% March 06, 2024	500	500	584	
5.56% May 26, 2028	3,500	3,619	3,806	
4.95% November 18, 2050	200	200	201	
CU, Inc., Note, (MTN)				
5.56% October 30, 2037	500	516	546	
Enbridge Gas Distribution, Inc.				
4.95% November 22, 2050	300	299	303	
Enbridge Gas Distribution, Inc., Note, (MTN)				
5.21% February 25, 2036	1,600	1,565	1,666	
Enbridge Pipelines, Inc.				
5.35% November 10, 2039	1,700	1,709	1,815	
Enbridge Pipelines, Inc., Note, (MTN)				
6.05% February 12, 2029	300	329	343	
Enbridge, Inc., (MTN)				
5.57% November 14, 2035	2,000	1,864	2,090	
5.75% September 02, 2039	1,000	999	1,074	
Enersource Corp.				
5.30% April 29, 2041	100	100	104	
EPCOR Utilities, Inc.				
5.75% November 24, 2039	1,000	1,095	1,086	
FortisAlberta, Inc.				
5.37% October 30, 2039	500	496	533	
FortisAlberta, Inc., Senior Note				
6.22% October 31, 2034	1,000	1,121	1,178	
FortisBC, Inc.				
6.10% June 02, 2039	1,500	1,561	1,744	
5.00% November 24, 2050	100	100	100	
Gaz Metropolitan, Inc., Guaranteed Note				
5.45% July 12, 2021	2,000	2,061	2,210	
GE Capital Canada Funding Co., (MTN)				
5.73% October 22, 2037	5,200	5,103	5,289	
George Weston, Ltd.				
7.10% February 05, 2032	612	666	668	
Great-West Lifeco, Inc., Note				
6.67% March 21, 2033	2,719	3,060	3,162	
Greater Toronto Airport Authority, (MTN)				
6.47% February 02, 2034	4,500	5,150	5,380	
Greater Toronto Airport Authority, Note, (MTN)				
6.45% July 30, 2029	2,596	2,873	2,972	
Greater Toronto Airports Authority				
5.30% February 25, 2041	600	600	626	
Greater Toronto Airports, (MTN)				
7.10% June 04, 2031	570	689	718	
Halifax International Airport Authority				
4.89% November 15, 2050	300	300	293	
Health Montreal Collective LP				
6.72% September 30, 2049	2,100	2,100	2,155	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Hydro One, Inc.				
6.03% March 03, 2039	500	554	582	
5.00% October 19, 2046	200	201	202	
Hydro One, Inc., (MTN)				
5.36% May 20, 2036	4,000	3,986	4,248	
5.49% July 16, 2040	3,200	3,271	3,472	
Hydro One, Inc., Note, (MTN)				
6.93% June 01, 2032	2,000	2,038	2,515	
IGM Financial, Inc.				
6.00% December 10, 2040	200	199	207	
IGM Financial, Inc., Note				
7.00% December 31, 2032	1,700	2,017	1,952	
Loblaw Cos., Ltd.				
5.90% January 18, 2036	1,000	947	965	
Loblaw Cos., Ltd., (MTN)				
6.45% February 09, 2028	1,500	1,535	1,555	
6.54% February 17, 2033	1,900	1,968	1,974	
Manulife Finance Delaware				
5.06% December 15, 2041	1,400	1,184	1,181	
Metro, Inc., (MTN)				
5.97% October 15, 2035	2,100	1,938	2,102	
NAV Canada, Note				
7.56% March 01, 2027	1,200	1,433	1,484	
7.40% June 01, 2027	350	440	461	
Nova Scotia Power, Inc., Series S, Note, (MTN)				
6.95% August 25, 2033	1,000	1,165	1,246	
Nova Scotia PowerCorp., Note, (MTNF)				
8.85% May 19, 2025	700	937	977	
Ontario Electricity Financial Corp., Note				
8.25% June 22, 2026	7,000	9,836	10,161	
Ontario Infrastructure Projects Corp., Note				
4.70% June 01, 2037	700	685	688	
Plenary Properties LTAP, LP				
6.29% January 31, 2044	500	529	543	
Power Financial Corp., Note				
6.90% March 11, 2033	1,000	1,203	1,147	
Rogers Communications, Inc.				
6.11% August 25, 2040	1,500	1,499	1,430	
6.56% March 22, 2041	500	500	503	
Royal Bank of Canada				
4.93% July 16, 2025	1,800	1,817	1,858	
Royal Office Finance LP, Series A, Note				
5.21% November 12, 2037	2,766	2,766	2,967	
Scotiabank Capital Trust, Series 06-1				
5.65% December 31, 2056	2,500	2,527	2,559	
Shaw Communications, Inc.				
6.75% November 09, 2039	2,800	2,792	2,714	
SNC-Lavalin Innisfree McGill Finance, Inc.				
6.63% June 30, 2044	300	300	338	
Sobeys, Inc.				
6.64% June 07, 2040	1,000	1,030	1,026	

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (000s)/ Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Sun Life Capital Trust, Series B, Secured Note 7.09% June 30, 2052	1,300	1,569	1,470	
Suncor Energy, Inc., (MTN) 5.39% March 26, 2037	1,200	1,056	1,218	
TD Capital Trust IV 10.00% June 30, 2108	1,500	1,654	1,982	
Teranet Holdings, LP 5.75% December 17, 2040	531	531	519	
6.10% June 17, 2041	300	300	308	
Terasen Gas Vancouver Issue, Senior Unsecured Note 6.05% February 15, 2038	1,500	1,537	1,708	
Terasen Gas, Inc., Note, (MTN) 6.50% May 01, 2034	2,000	2,328	2,432	
5.55% September 25, 2036	1,000	973	1,089	
TransAlta Corp., Note, (MTN) 6.90% November 15, 2030	1,000	1,071	1,058	
TransCanada PipeLines, Ltd., Note, (MTN) 7.31% January 15, 2027	1,226	1,472	1,527	
6.28% May 26, 2028	1,700	1,838	1,914	
6.89% August 07, 2028	800	820	961	
Transportation-Canada Pipelines 8.05% February 17, 2039	2,300	2,952	3,262	
Union Gas, Ltd. 8.65% November 10, 2025	500	694	703	
5.20% July 23, 2040	1,200	1,236	1,238	
4.88% June 21, 2041	200	200	196	
Westcoast Energy, Inc., Note 8.85% July 21, 2025	1,000	1,378	1,411	
Total Corporate		136,935	143,383	23.5
Total Fixed Income Investments		562,903	590,587	96.8
Foreign Index Equivalents				
U.S. LIBOR GlobalAlpha Bond Fund Ltd.*	269,150	297,124	300,511	
Total Foreign Index Equivalents		297,124	300,511	49.2
Total Investments		860,027	891,098	146.0
Other Assets and Liabilities			(280,810)	(46.0)
Net Assets			610,288	100.0

*The U.S. LIBOR GlobalAlpha Bond Fund Ltd is a Cayman Islands exempted company that achieves its investment objective by investing in the BlackRock Fixed Income GlobalAlpha Fund Ltd. ("FIGA") and Strategic Short Duration Bond Fund Ltd. ("SSD"), each an exempted company incorporated under the laws of the Cayman Islands. FIGA seeks to invest in a diversified portfolio of long and short fixed income securities across global markets and SSD seeks to invest in a diversified portfolio of debt securities and other credit-related instruments in various global markets.

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Federal Non-Agency	22.7	27.4
Federal Agency	2.0	0.1
Municipal	1.0	0.9
Provincial	47.6	43.7
Corporate	23.5	25.0
Foreign Index Equivalents	49.2	51.4
Other Assets and Liabilities	(46.0)	(48.5)

Open futures contracts, forward currency contracts and repurchase agreements held by the fund as at June 30, 2011 are shown in Notes 4, 5 and 6 respectively.

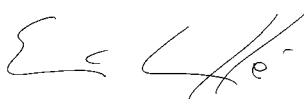
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 884,754,656	\$ 835,485,823
Cash	1,519,987	1,926,288
Securities lending income receivable	257	-
Dividends receivable	-	18,871
	<u>886,274,900</u>	<u>837,430,982</u>
Liabilities		
Operating expenses payable	10,902	10,156
Payables for investment purchases	-	246,809
	<u>10,902</u>	<u>256,965</u>
Net Assets	<u>\$ 886,263,998</u>	<u>\$ 837,174,017</u>
Number of Units Issued and Outstanding (Note 7)	<u>47,719,944</u>	<u>46,128,481</u>
Net Assets per Unit	<u>\$ 18.57</u>	<u>\$ 18.15</u>
Investments at Cost	<u>\$ 818,824,565</u>	<u>\$ 772,599,269</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 6,974,648	\$ 5,045,540
Interest income	7,621,250	6,285,280
Securities lending income	257	-
Foreign exchange gain (loss)	2,041	(365)
Withholding taxes	(122,086)	(54,328)
	<u>14,476,110</u>	<u>11,276,127</u>
Expenses		
Custodian fees	158	68
Fund accounting expenses	3,071	2,032
Unitholder communication costs	299	299
Audit fees	4,645	5,349
Securities filing fees	7,628	170
Independent review committee fees	131	2,031
Other operating expenses	2,222	818
	<u>18,154</u>	<u>10,767</u>
Net Investment Income for the Period	<u>14,457,956</u>	<u>11,265,360</u>
Gain (Loss) on Investments		
Net realized gain on sale of investments	2,269,277	775,876
Transaction costs (Note 2,12)	(1,624)	(261)
Net change in unrealized appreciation (depreciation) in value of investments	3,043,537	(23,993,865)
Net Gain (Loss) on Investments	<u>5,311,190</u>	<u>(23,218,250)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 19,769,146</u>	<u>\$ (11,952,890)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.42</u>	<u>\$ (0.27)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 837,174,017	\$ 724,045,333
Increase (Decrease) in Net Assets from Operations	<u>19,769,146</u>	<u>(11,952,890)</u>
Capital Transactions		
Proceeds from issue of units	62,983,154	42,524,805
Reinvestment of distributions	13,833,828	11,262,199
Redemption of units	(33,662,319)	(17,475,465)
Net capital transactions	<u>43,154,663</u>	<u>36,311,539</u>
Distributions		
From net investment income	(13,833,828)	(11,262,199)
Total distributions	<u>(13,833,828)</u>	<u>(11,262,199)</u>
Increase in Net Assets for the Period	<u>49,089,981</u>	<u>13,096,450</u>
Net Assets - End of Period	<u>\$ 886,263,998</u>	<u>\$ 737,141,783</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	7,171,059	152,960	175,123	
iShares S&P/TSX Capped REIT Index Fund	1,522,547	17,986	22,732	
Total Canadian Equity Index Equivalents		170,946	197,855	22.3
Canadian Fixed Income Index Equivalents				
BlackRock Canada Real Return Bond Index Class D	6,618,255	79,759	89,002	
BlackRock Canada Universe Bond Index Class D	12,595,573	262,230	266,652	
Total Canadian Fixed Income Index Equivalents		341,989	355,654	40.1
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	12,650,164	117,297	126,189	
BlackRock CDN US Equity Index Class D	18,411,266	125,453	138,326	
iShares Dow Jones U.S. Real Estate Index Fund	384,294	21,531	22,293	
iShares MSCI Emerging Markets Index Fund	967,936	41,618	44,438	
Total Foreign Index Equivalents		305,899	331,246	37.4
Transaction Costs (Note 2)		(9)		
Total Investments		818,825	884,755	99.8
Other Assets and Liabilities			1,509	0.2
Net Assets			886,264	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	22.3	23.0
Canadian Fixed Income Index Equivalents	40.1	39.1
Foreign Index Equivalents	37.4	37.7
Other Assets and Liabilities	0.2	0.2

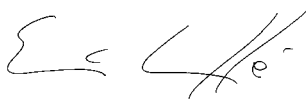
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 430,232,922	\$ 398,357,319
Cash	179,853	670,218
Dividends receivable	-	6,534
	<u>430,412,775</u>	<u>399,034,071</u>
Liabilities		
Operating expenses payable	8,131	10,141
	<u>8,131</u>	<u>10,141</u>
Net Assets	<u>\$ 430,404,644</u>	<u>\$ 399,023,930</u>
Number of Units Issued and Outstanding (Note 7)	<u>24,686,573</u>	<u>23,508,917</u>
Net Assets per Unit	<u>\$ 17.43</u>	<u>\$ 16.97</u>
Investments at Cost	<u>\$ 403,490,570</u>	<u>\$ 373,761,216</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 2,358,701	\$ 1,676,086
Interest income	5,473,173	4,762,470
Foreign exchange gain (loss)	2,469	(2,649)
Withholding taxes	(49,076)	(26,009)
	<u>7,785,267</u>	<u>6,409,898</u>
Expenses		
Custodian fees	152	87
Fund accounting expenses	3,071	5,524
Unitholder communication costs	299	299
Audit fees	4,645	5,412
Securities filing fees	3,615	-
Independent review committee fees	63	974
Other operating expenses	1,923	528
	<u>13,768</u>	<u>12,824</u>
Net Investment Income for the Period	<u>7,771,499</u>	<u>6,397,074</u>
Gain (Loss) on Investments		
Net realized gain on sale of investments	1,333,953	166,065
Transaction costs (Note 2,12)	(2,131)	(960)
Net change in unrealized appreciation (depreciation) in value of investments	2,146,249	(5,540,805)
Net Gain (Loss) on Investments	<u>3,478,071</u>	<u>(5,375,700)</u>
Increase in Net Assets from Operations	<u>\$ 11,249,570</u>	<u>\$ 1,021,374</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.47</u>	<u>\$ 0.04</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	<u>\$ 399,023,930</u>	<u>\$ 346,275,351</u>
Increase in Net Assets from Operations	<u>11,249,570</u>	<u>1,021,374</u>
Capital Transactions		
Proceeds from issue of units	38,594,903	40,386,742
Reinvestment of distributions	7,467,964	6,396,974
Redemption of units	(18,463,759)	(13,827,056)
Net capital transactions	<u>27,599,108</u>	<u>32,956,660</u>
Distributions		
From net investment income	(7,467,964)	(6,396,974)
Total distributions	<u>(7,467,964)</u>	<u>(6,396,974)</u>
Increase in Net Assets for the Period	<u>31,380,714</u>	<u>27,581,060</u>
Net Assets - End of Period	<u>\$ 430,404,644</u>	<u>\$ 373,856,411</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	1,796,162	38,638	43,864	
iShares S&P/TSX Capped REIT Index Fund	720,891	7,722	10,763	
Total Canadian Equity Index Equivalents		46,360	54,627	12.7
Canadian Fixed Income Index Equivalents				
BlackRock Canada Real Return Bond Index Class D	4,795,560	57,740	64,491	
BlackRock Canada Universe Bond Index Class D	9,015,341	189,010	190,857	
Total Canadian Fixed Income Index Equivalents		246,750	255,348	59.3
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	4,464,818	41,411	44,538	
BlackRock CDN US Equity Index Class D	6,537,064	44,741	49,114	
iShares Dow Jones U.S. Real Estate Index Fund	185,799	9,397	10,778	
iShares MSCI Emerging Markets Index Fund	344,770	14,834	15,828	
Total Foreign Index Equivalents		110,383	120,258	28.0
Transaction Costs (Note 2)		(2)		
Total Investments		403,491	430,233	100.0
Other Assets and Liabilities			172	-
Net Assets			430,405	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	12.7	12.7
Canadian Fixed Income Index Equivalents	59.3	59.6
Foreign Index Equivalents	28.0	27.5
Other Assets and Liabilities	-	0.2

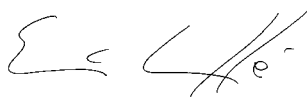
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 216,841,482	\$ 206,054,094
Cash	430,789	492,504
Dividends receivable	-	5,840
	217,272,271	206,552,438
Liabilities		
Operating expenses payable	6,889	10,141
Payables for investment purchases	-	125,908
	6,889	136,049
Net Assets	\$ 217,265,382	\$ 206,416,389
Number of Units Issued and Outstanding (Note 7)	11,633,192	11,269,516
Net Assets per Unit	\$ 18.68	\$ 18.32
Investments at Cost	\$ 199,560,989	\$ 189,287,236

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 2,253,421	\$ 1,626,630
Interest income	926,778	746,548
Foreign exchange gain	53	108
Withholding taxes	(34,144)	(12,678)
	<u>3,146,108</u>	<u>2,360,608</u>
Expenses		
Custodian fees	132	81
Fund accounting expenses	3,071	5,352
Unitholder communication costs	299	299
Audit fees	4,645	5,558
Securities filing fees	1,883	-
Independent review committee fees	32	498
Other operating expenses	1,792	387
	<u>11,854</u>	<u>12,175</u>
Net Investment Income for the Period	<u>3,134,254</u>	<u>2,348,433</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	479,606	(68,984)
Transaction costs (Note 2,12)	(851)	(306)
Net change in unrealized appreciation (depreciation) in value of investments	513,635	(8,785,517)
Net Gain (Loss) on Investments	<u>992,390</u>	<u>(8,854,807)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 4,126,644</u>	<u>\$ (6,506,374)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.36</u>	<u>\$ (0.60)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 206,416,389	\$ 177,321,499
Increase (Decrease) in Net Assets from Operations	<u>4,126,644</u>	<u>(6,506,374)</u>
Capital Transactions		
Proceeds from issue of units	13,733,321	13,133,700
Reinvestment of distributions	2,982,643	2,346,676
Redemption of units	(7,010,972)	(8,144,815)
Net capital transactions	<u>9,704,992</u>	<u>7,335,561</u>
Distributions		
From net investment income	(2,982,643)	(2,346,676)
Total distributions	<u>(2,982,643)</u>	<u>(2,346,676)</u>
Increase (Decrease) in Net Assets for the Period	<u>10,848,993</u>	<u>(1,517,489)</u>
Net Assets - End of Period	<u>\$ 217,265,382</u>	<u>\$ 175,804,010</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	2,674,616	58,378	65,316	
iShares S&P/TSX Capped REIT Index Fund	357,659	4,210	5,340	
Total Canadian Equity Index Equivalents		62,588	70,656	32.5
Canadian Fixed Income Index Equivalents				
BlackRock Canada Real Return Bond Index Class D	803,049	9,912	10,799	
BlackRock Canada Universe Bond Index Class D	1,531,488	32,251	32,422	
Total Canadian Fixed Income Index Equivalents		42,163	43,221	19.9
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	4,001,236	37,071	39,913	
BlackRock CDN US Equity Index Class D	5,794,180	39,442	43,532	
iShares Dow Jones U.S. Real Estate Index Fund	94,592	5,123	5,488	
iShares MSCI Emerging Markets Index Fund	305,617	13,178	14,031	
Total Foreign Index Equivalents		94,814	102,964	47.4
Transaction Costs (Note 2)		(4)		
Total Investments		199,561	216,841	99.8
Other Assets and Liabilities			424	0.2
Net Assets			217,265	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	32.5	32.9
Canadian Fixed Income Index Equivalents	19.9	19.7
Foreign Index Equivalents	47.4	47.2
Other Assets and Liabilities	0.2	0.2

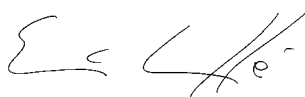
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 90,368,846	\$ 60,011,559
Cash	254,707	333,871
Dividends receivable	-	805
	<u>90,623,553</u>	<u>60,346,235</u>
Liabilities		
Operating expenses payable	6,232	10,211
Payables for investment purchases	-	152,331
	<u>6,232</u>	<u>162,542</u>
Net Assets	<u>\$ 90,617,321</u>	<u>\$ 60,183,693</u>
Number of Units Issued and Outstanding (Note 7)	<u>8,002,246</u>	<u>5,456,821</u>
Net Assets per Unit	<u>\$ 11.32</u>	<u>\$ 11.03</u>
Investments at Cost	<u>\$ 86,536,839</u>	<u>\$ 56,329,979</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 389,107	\$ 167,136
Interest income	1,148,829	561,246
Securities lending income	66	-
Foreign exchange gain (loss)	(1,506)	45
Withholding taxes	(10,248)	(4,442)
	<u>1,526,248</u>	<u>723,985</u>
Expenses		
Custodian fees	723	328
Fund accounting expenses	3,071	5,711
Unitholder communication costs	299	299
Audit fees	4,645	4,585
Securities filing fees	754	201
Independent review committee fees	9	115
Other operating expenses	1,695	286
	<u>11,196</u>	<u>11,525</u>
Net Investment Income for the Period	<u>1,515,052</u>	<u>712,460</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	182,701	(37,252)
Transaction costs (Note 2,12)	(4,302)	(4,090)
Net change in unrealized appreciation (depreciation) in value of investments	150,427	(674,219)
Net Gain (Loss) on Investments	<u>328,826</u>	<u>(715,561)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 1,843,878</u>	<u>\$ (3,101)</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.27</u>	<u>\$ -</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 60,183,693	\$ 40,996,475
Increase (Decrease) in Net Assets from Operations	<u>1,843,878</u>	<u>(3,101)</u>
Capital Transactions		
Proceeds from issue of units	34,145,258	7,911,405
Reinvestment of distributions	1,405,396	712,961
Redemption of units	(5,555,508)	(4,777,109)
Net capital transactions	<u>29,995,146</u>	<u>3,847,257</u>
Distributions		
From net investment income	(1,405,396)	(712,961)
Total distributions	<u>(1,405,396)</u>	<u>(712,961)</u>
Increase in Net Assets for the Period	<u>30,433,628</u>	<u>3,131,195</u>
Net Assets - End of Period	<u>\$ 90,617,321</u>	<u>\$ 44,127,670</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	336,077	7,598	8,207	
iShares S&P/TSX Capped REIT Index Fund	130,097	1,510	1,943	
Total Canadian Equity Index Equivalents		9,108	10,150	11.2
Canadian Fixed Income Index Equivalents				
BlackRock Canada Real Return Bond Index Class D	982,876	12,309	13,218	
BlackRock Canada Universe Bond Index Class D	1,909,760	40,152	40,430	
Total Canadian Fixed Income Index Equivalents		52,461	53,648	59.2
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	386,901	3,975	3,859	
BlackRock CDN US Equity Index Class D	28,846	203	217	
iShares Dow Jones U.S. Real Estate Index Fund	34,043	1,699	1,975	
iShares GSCI Commodity Trust	134,587	4,288	4,401	
iShares MSCI EAFE Index Fund (CAD-Hedged)	235,982	4,210	4,255	
iShares MSCI Emerging Markets Index Fund	56,904	2,381	2,612	
iShares Russell 2000 Index Fund	9,466	676	757	
iShares S&P 500 Index Fund (CAD-Hedged)	517,614	6,893	7,831	
iShares S&P Global Infrastructure Index Fund	18,669	656	664	
Total Foreign Index Equivalents		24,981	26,571	29.3
Transaction Costs (Note 2)		(13)		
Total Investments		86,537	90,369	99.7
Other Assets and Liabilities			248	0.3
Net Assets			90,617	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	11.2	11.2
Canadian Fixed Income Index Equivalents	59.2	59.9
Foreign Index Equivalents	29.3	28.6
Other Assets and Liabilities	0.3	0.3

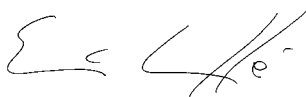
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 119,552,669	\$ 124,038,383
Cash	98,587	439,668
Dividends receivable	-	1,656
	119,651,256	124,479,707
Liabilities		
Operating expenses payable	6,317	10,196
Payables for investment purchases	-	189,732
	6,317	199,928
Net Assets	\$ 119,644,939	\$ 124,279,779
Number of Units Issued and Outstanding (Note 7)	10,795,295	11,506,736
Net Assets per Unit	\$ 11.08	\$ 10.80
Investments at Cost	\$ 111,637,257	\$ 116,200,602

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 522,337	\$ 430,094
Interest income	1,536,638	1,465,899
Securities lending income	123	-
Foreign exchange gain (loss)	(53)	115
Withholding taxes	(14,193)	(11,629)
	<u>2,044,852</u>	<u>1,884,479</u>
Expenses		
Custodian fees	339	182
Fund accounting expenses	3,071	5,711
Unitholder communication costs	299	299
Audit fees	4,645	5,081
Securities filing fees	1,063	-
Independent review committee fees	20	337
Other operating expenses	1,732	344
	<u>11,169</u>	<u>11,954</u>
Net Investment Income for the Period	<u>2,033,683</u>	<u>1,872,525</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	1,068,528	(266,459)
Transaction costs (Note 2,12)	(2,280)	(5,673)
Net change in unrealized appreciation (depreciation) in value of investments	77,631	(1,491,144)
Net Gain (Loss) on Investments	<u>1,143,879</u>	<u>(1,763,276)</u>
Increase in Net Assets from Operations	<u>\$ 3,177,562</u>	<u>\$ 109,249</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.29</u>	<u>\$ 0.01</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 124,279,779	\$ 120,247,691
Increase in Net Assets from Operations	<u>3,177,562</u>	<u>109,249</u>
Capital Transactions		
Proceeds from issue of units	9,175,217	5,598,285
Reinvestment of distributions	1,826,025	1,871,471
Redemption of units	(16,987,619)	(12,059,220)
Net capital transactions	<u>(5,986,377)</u>	<u>(4,589,464)</u>
Distributions		
From net investment income	(1,826,025)	(1,871,471)
Total distributions	<u>(1,826,025)</u>	<u>(1,871,471)</u>
Decrease in Net Assets for the Period	<u>(4,634,840)</u>	<u>(6,351,686)</u>
Net Assets - End of Period	<u>\$ 119,644,939</u>	<u>\$ 113,896,005</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	433,622	9,356	10,589	
iShares S&P/TSX Capped REIT Index Fund	173,727	1,749	2,594	
Total Canadian Equity Index Equivalents		11,105	13,183	11.0
Canadian Fixed Income Index Equivalents				
BlackRock Canada Real Return Bond Index Class D	1,316,220	15,708	17,701	
BlackRock Canada Universe Bond Index Class D	2,554,993	53,076	54,090	
Total Canadian Fixed Income Index Equivalents		68,784	71,791	60.0
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	502,866	5,759	5,016	
BlackRock CDN US Equity Index Class D	37,333	265	281	
iShares Dow Jones U.S. Real Estate Index Fund	45,515	2,061	2,640	
iShares GSCI Commodity Trust	175,393	5,288	5,735	
iShares MSCI EAFE Index Fund (CAD-Hedged)	305,161	5,388	5,502	
iShares MSCI Emerging Markets Index Fund	74,342	2,984	3,413	
iShares Russell 2000 Index Fund	12,985	925	1,038	
iShares S&P 500 Index Fund (CAD-Hedged)	671,406	8,358	10,158	
iShares S&P Global Infrastructure Index Fund	22,362	750	796	
Total Foreign Index Equivalents		31,778	34,579	28.9
Transaction Costs (Note 2)		(30)		
Total Investments		111,637	119,553	99.9
Other Assets and Liabilities			92	0.1
Net Assets			119,645	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	11.0	11.1
Canadian Fixed Income Index Equivalents	60.0	59.9
Foreign Index Equivalents	28.9	28.8
Other Assets and Liabilities	0.1	0.2

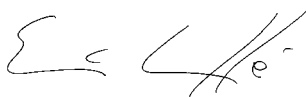
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 284,721,879	\$ 205,766,864
Cash	571,577	585,215
Dividends receivable	-	3,430
	<u>285,293,456</u>	<u>206,355,509</u>
Liabilities		
Operating expenses payable	7,351	10,271
Payables for investment purchases	-	171,437
	<u>7,351</u>	<u>181,708</u>
Net Assets	<u>\$ 285,286,105</u>	<u>\$ 206,173,801</u>
Number of Units Issued and Outstanding (Note 7)	<u>26,129,431</u>	<u>19,392,071</u>
Net Assets per Unit	<u>\$ 10.92</u>	<u>\$ 10.63</u>
Investments at Cost	<u>\$ 264,311,759</u>	<u>\$ 186,566,886</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 1,681,808	\$ 875,420
Interest income	2,905,186	1,605,893
Securities lending income	265	-
Foreign exchange loss	(1,969)	(1,154)
Withholding taxes	(48,377)	(25,640)
	<u>4,536,913</u>	<u>2,454,519</u>
Expenses		
Custodian fees	881	325
Fund accounting expenses	3,071	5,449
Unitholder communication costs	299	299
Audit fees	4,645	8,104
Securities filing fees	2,319	179
Independent review committee fees	32	416
Other operating expenses	1,801	376
	<u>13,048</u>	<u>15,148</u>
Net Investment Income for the Period	<u>4,523,865</u>	<u>2,439,371</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	299,442	(342,815)
Transaction costs (Note 2,12)	(11,155)	(11,466)
Net change in unrealized appreciation (depreciation) in value of investments	1,210,142	(4,129,323)
Net Gain (Loss) on Investments	<u>1,498,429</u>	<u>(4,483,604)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 6,022,294</u>	<u>\$ (2,044,233)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.27</u>	<u>\$ (0.13)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 206,173,801	\$ 147,299,247
Increase (Decrease) in Net Assets from Operations	<u>6,022,294</u>	<u>(2,044,233)</u>
Capital Transactions		
Proceeds from issue of units	82,105,699	21,365,373
Reinvestment of distributions	4,131,347	2,440,684
Redemption of units	(9,015,689)	(6,075,668)
Net capital transactions	<u>77,221,357</u>	<u>17,730,389</u>
Distributions		
From net investment income	(4,131,347)	(2,440,684)
Total distributions	<u>(4,131,347)</u>	<u>(2,440,684)</u>
Increase in Net Assets for the Period	<u>79,112,304</u>	<u>13,245,472</u>
Net Assets - End of Period	<u>\$ 285,286,105</u>	<u>\$ 160,544,719</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	1,683,698	35,821	41,117	
iShares S&P/TSX Capped REIT Index Fund	498,433	5,345	7,442	
Total Canadian Equity Index Equivalents		41,166	48,559	17.0
Canadian Fixed Income Index Equivalents				
BlackRock Canada Real Return Bond Index Class D	2,688,310	33,201	36,152	
BlackRock Canada Universe Bond Index Class D	4,664,711	98,106	98,753	
Total Canadian Fixed Income Index Equivalents		131,307	134,905	47.3
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	1,615,811	15,894	16,118	
BlackRock CDN US Equity Index Class D	824,415	5,640	6,194	
iShares Dow Jones U.S. Real Estate Index Fund	131,554	6,223	7,632	
iShares GSCI Commodity Trust	397,319	12,446	12,991	
iShares MSCI EAFE Index Fund (CAD-Hedged)	833,757	14,279	15,033	
iShares MSCI Emerging Markets Index Fund	216,708	8,665	9,949	
iShares Russell 2000 Index Fund	37,917	2,565	3,031	
iShares S&P 500 Index Fund (CAD-Hedged)	1,622,061	20,561	24,542	
iShares S&P Global Infrastructure Index Fund	162,103	5,614	5,768	
Total Foreign Index Equivalents		91,887	101,258	35.5
Transaction Costs (Note 2)		(48)		
Total Investments		264,312	284,722	99.8
Other Assets and Liabilities			564	0.2
Net Assets			285,286	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	17.0	17.3
Canadian Fixed Income Index Equivalents	47.3	47.1
Foreign Index Equivalents	35.5	35.4
Other Assets and Liabilities	0.2	0.2

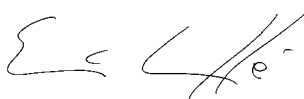
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 618,635,517	\$ 493,626,088
Cash	1,240,088	1,634,145
Securities lending income receivable	-	46
Dividends receivable	-	9,571
	619,875,605	495,269,850
Liabilities		
Operating expenses payable	9,322	10,230
Payables for investment purchases	-	641,245
	9,322	651,475
Net Assets	\$ 619,866,283	\$ 494,618,375
Number of Units Issued and Outstanding (Note 7)	59,466,296	48,708,491
Net Assets per Unit	\$ 10.42	\$ 10.15
Investments at Cost	\$ 584,842,671	\$ 463,899,610

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 4,599,529	\$ 2,483,946
Interest income	5,126,227	3,201,612
Securities lending income	912	564
Foreign exchange loss	(1,589)	(5,476)
Withholding taxes	(138,768)	(71,397)
	<u>9,586,311</u>	<u>5,609,249</u>
Expenses		
Custodian fees	676	323
Fund accounting expenses	3,071	5,711
Unitholder communication costs	299	299
Audit fees	4,645	5,091
Securities filing fees	5,158	297
Independent review committee fees	76	1,001
Other operating expenses	2,009	543
	<u>15,934</u>	<u>13,265</u>
Net Investment Income for the Period	<u>9,570,377</u>	<u>5,595,984</u>
Gain (Loss) on Investments		
Net realized loss on sale of investments	(829)	(1,399,179)
Transaction costs (Note 2,12)	(16,837)	(24,823)
Net change in unrealized appreciation (depreciation) in value of investments	4,066,368	(10,114,431)
Net Gain (Loss) on Investments	<u>4,048,702</u>	<u>(11,538,433)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 13,619,079</u>	<u>\$ (5,942,449)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.25</u>	<u>\$ (0.15)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 494,618,375	\$ 355,183,270
Increase (Decrease) in Net Assets from Operations	<u>13,619,079</u>	<u>(5,942,449)</u>
Capital Transactions		
Proceeds from issue of units	125,584,196	39,267,837
Reinvestment of distributions	8,681,955	5,589,914
Redemption of units	(13,955,367)	(10,017,480)
Net capital transactions	<u>120,310,784</u>	<u>34,840,271</u>
Distributions		
From net investment income	(8,681,955)	(5,589,914)
Total distributions	<u>(8,681,955)</u>	<u>(5,589,914)</u>
Increase in Net Assets for the Period	<u>125,247,908</u>	<u>23,307,908</u>
Net Assets - End of Period	<u>\$ 619,866,283</u>	<u>\$ 378,491,178</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	4,710,797	105,665	115,041	
iShares S&P/TSX Capped REIT Index Fund	1,290,324	15,069	19,265	
Total Canadian Equity Index Equivalents		<u>120,734</u>	<u>134,306</u>	<u>21.7</u>
Canadian Fixed Income Index Equivalents				
BlackRock Canada Long Bond Index Class D	9,540,211	117,649	121,802	
BlackRock Canada Real Return Bond Index Class D	5,126,590	62,477	68,942	
BlackRock Canada Universe Bond Index Class D	1,774,293	37,114	37,562	
Total Canadian Fixed Income Index Equivalents		<u>217,240</u>	<u>228,306</u>	<u>36.8</u>
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	4,761,209	52,688	47,495	
BlackRock CDN US Equity Index Class D	3,825,609	28,523	28,742	
iShares Dow Jones U.S. Real Estate Index Fund	330,452	16,979	19,170	
iShares GSCI Commodity Trust	876,211	26,890	28,650	
iShares MSCI EAFE Index Fund (CAD-Hedged)	1,772,920	31,452	31,966	
iShares MSCI Emerging Markets Index Fund	558,575	23,504	25,644	
iShares Russell 2000 Index Fund	91,202	6,640	7,290	
iShares S&P 500 Index Fund (CAD-Hedged)	3,260,884	42,291	49,337	
iShares S&P Global Infrastructure Index Fund	365,533	12,966	13,007	
iShares S&P Global Utilities Sector Index Fund	111,556	5,000	4,723	
Total Foreign Index Equivalents		<u>246,933</u>	<u>256,024</u>	<u>41.3</u>
Transaction Costs (Note 2)		(64)		
Total Investments		<u>584,843</u>	<u>618,636</u>	<u>99.8</u>
Other Assets and Liabilities			<u>1,230</u>	<u>0.2</u>
Net Assets			<u>619,866</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	21.7	21.8
Canadian Fixed Income Index Equivalents	36.8	36.8
Foreign Index Equivalents	41.3	41.2
Other Assets and Liabilities	0.2	0.2

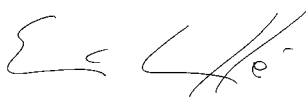
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 370,680,942	\$ 256,346,797
Cash	742,815	852,344
Dividends receivable	-	5,596
	371,423,757	257,204,737
Liabilities		
Operating expenses payable	7,864	10,258
Payables for investment purchases	-	336,270
	7,864	346,528
Net Assets	\$ 371,415,893	\$ 256,858,209
Number of Units Issued and Outstanding (Note 7)	35,986,057	25,505,813
Net Assets per Unit	\$ 10.32	\$ 10.07
Investments at Cost	\$ 342,057,969	\$ 228,940,342

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 3,145,634	\$ 1,408,446
Interest income	2,272,396	1,246,255
Securities lending income	448	-
Foreign exchange loss	(4,815)	(2,643)
Withholding taxes	(89,024)	(39,131)
	<u>5,324,639</u>	<u>2,612,927</u>
Expenses		
Custodian fees	1,053	720
Fund accounting expenses	3,071	5,460
Unitholder communication costs	299	299
Audit fees	4,645	8,104
Securities filing fees	2,977	299
Independent review committee fees	39	454
Other operating expenses	1,845	398
	<u>13,929</u>	<u>15,734</u>
Net Investment Income for the Period	<u>5,310,710</u>	<u>2,597,193</u>
Gain (Loss) on Investments		
Net realized loss on sale of investments	(828)	(568,138)
Transaction costs (Note 2,12)	(16,762)	(16,038)
Net change in unrealized appreciation (depreciation) in value of investments	1,216,518	(6,212,094)
Net Gain (Loss) on Investments	<u>1,198,928</u>	<u>(6,796,270)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 6,509,638</u>	<u>\$ (4,199,077)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.21</u>	<u>\$ (0.22)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 256,858,209	\$ 160,519,186
Increase (Decrease) in Net Assets from Operations	<u>6,509,638</u>	<u>(4,199,077)</u>
Capital Transactions		
Proceeds from issue of units	111,397,047	31,538,161
Reinvestment of distributions	4,809,097	2,599,546
Redemption of units	(3,349,001)	(2,679,071)
Net capital transactions	<u>112,857,143</u>	<u>31,458,636</u>
Distributions		
From net investment income	(4,809,097)	(2,599,546)
Total distributions	<u>(4,809,097)</u>	<u>(2,599,546)</u>
Increase in Net Assets for the Period	<u>114,557,684</u>	<u>24,660,013</u>
Net Assets - End of Period	<u>\$ 371,415,893</u>	<u>\$ 185,179,199</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	3,361,906	72,926	82,100	
iShares S&P/TSX Capped REIT Index Fund	868,073	9,907	12,961	
Total Canadian Equity Index Equivalents		<u>82,833</u>	<u>95,061</u>	<u>25.6</u>
Canadian Fixed Income Index Equivalents				
BlackRock Canada Long Bond Index Class D	6,818,643	84,429	87,055	
BlackRock Canada Real Return Bond Index Class D	1,181,233	14,714	15,885	
Total Canadian Fixed Income Index Equivalents		<u>99,143</u>	<u>102,940</u>	<u>27.7</u>
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	3,656,244	35,903	36,472	
BlackRock CDN US Equity Index Class D	3,501,695	24,369	26,309	
iShares Dow Jones U.S. Real Estate Index Fund	222,659	10,949	12,917	
iShares GSCI Commodity Trust	556,256	17,493	18,188	
iShares MSCI EAFE Index Fund (CAD-Hedged)	971,013	16,828	17,507	
iShares MSCI Emerging Markets Index Fund	375,588	15,604	17,243	
iShares Russell 2000 Index Fund	65,704	4,483	5,252	
iShares S&P 500 Index Fund (CAD-Hedged)	1,739,122	22,314	26,313	
iShares S&P Global Infrastructure Index Fund	350,707	12,208	12,479	
Total Foreign Index Equivalents		<u>160,151</u>	<u>172,680</u>	<u>46.5</u>
Transaction Costs (Note 2)		(69)		
Total Investments		<u>342,058</u>	<u>370,681</u>	<u>99.8</u>
Other Assets and Liabilities			735	0.2
Net Assets			<u>371,416</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	25.6	25.4
Canadian Fixed Income Index Equivalents	27.7	28.3
Foreign Index Equivalents	46.5	46.1
Other Assets and Liabilities	0.2	0.2

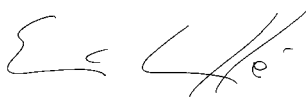
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 433,598,350	\$ 337,633,725
Cash	868,475	1,126,362
Dividends receivable	-	7,915
	434,466,825	338,768,002
Liabilities		
Operating expenses payable	8,196	10,299
Payables for investment purchases	-	445,843
	8,196	456,142
Net Assets	\$ 434,458,629	\$ 338,311,860
Number of Units Issued and Outstanding (Note 7)	43,657,146	34,768,403
Net Assets per Unit	\$ 9.95	\$ 9.73
Investments at Cost	\$ 411,869,095	\$ 317,250,291

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 4,313,865	\$ 2,321,646
Interest income	1,743,240	1,205,254
Securities lending income	633	571
Foreign exchange loss	(3,435)	(3,061)
Withholding taxes	(128,607)	(66,356)
	<u>5,925,696</u>	<u>3,458,054</u>
Expenses		
Custodian fees	773	498
Fund accounting expenses	3,071	5,540
Unitholder communication costs	299	299
Audit fees	4,645	5,091
Securities filing fees	3,614	199
Independent review committee fees	52	671
Other operating expenses	1,898	451
	<u>14,352</u>	<u>12,749</u>
Net Investment Income for the Period	<u>5,911,344</u>	<u>3,445,305</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	59,880	(880,196)
Transaction costs (Note 2,12)	(11,996)	(18,182)
Net change in unrealized appreciation (depreciation) in value of investments	1,345,821	(11,099,189)
Net Gain (Loss) on Investments	<u>1,393,705</u>	<u>(11,997,567)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 7,305,049</u>	<u>\$ (8,552,262)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.19</u>	<u>\$ (0.29)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 338,311,860	\$ 237,621,298
Increase (Decrease) in Net Assets from Operations	<u>7,305,049</u>	<u>(8,552,262)</u>
Capital Transactions		
Proceeds from issue of units	95,702,549	36,108,711
Reinvestment of distributions	5,302,454	3,439,935
Redemption of units	(6,860,829)	(5,946,791)
Net capital transactions	<u>94,144,174</u>	<u>33,601,855</u>
Distributions		
From net investment income	(5,302,454)	(3,439,935)
Total distributions	<u>(5,302,454)</u>	<u>(3,439,935)</u>
Increase in Net Assets for the Period	<u>96,146,769</u>	<u>21,609,658</u>
Net Assets - End of Period	<u>\$ 434,458,629</u>	<u>\$ 259,230,956</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	4,908,639	110,709	119,873	
iShares S&P/TSX Capped REIT Index Fund	1,064,188	12,232	15,888	
Total Canadian Equity Index Equivalents		122,941	135,761	31.3
Canadian Fixed Income Index Equivalents				
BlackRock Canada Long Bond Index Class D	6,366,898	78,537	81,287	
Total Canadian Fixed Income Index Equivalents		78,537	81,287	18.7
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	5,023,990	53,785	50,116	
BlackRock CDN US Equity Index Class D	5,525,205	41,201	41,511	
iShares Dow Jones U.S. Real Estate Index Fund	276,797	14,144	16,057	
iShares GSCI Commodity Trust	576,732	17,619	18,858	
iShares MSCI EAFE Index Fund (CAD-Hedged)	973,869	17,191	17,559	
iShares MSCI Emerging Markets Index Fund	477,233	20,305	21,910	
iShares Russell 2000 Index Fund	79,221	5,599	6,332	
iShares S&P 500 Index Fund (CAD-Hedged)	1,674,405	21,719	25,334	
iShares S&P Global Infrastructure Index Fund	388,809	13,512	13,835	
iShares S&P Global Utilities Sector Index Fund	118,993	5,382	5,038	
Total Foreign Index Equivalents		210,457	216,550	49.8
Transaction Costs (Note 2)		(66)		
Total Investments		411,869	433,598	99.8
Other Assets and Liabilities			861	0.2
Net Assets			434,459	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	31.3	31.1
Canadian Fixed Income Index Equivalents	18.7	18.9
Foreign Index Equivalents	49.8	49.8
Other Assets and Liabilities	0.2	0.2

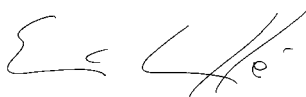
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 213,635,023	\$ 147,684,593
Cash	455,485	515,869
Dividends receivable	-	3,679
	214,090,508	148,204,141
Liabilities		
Operating expenses payable	6,909	10,237
Payables for investment purchases	-	220,795
	6,909	231,032
Net Assets	\$ 214,083,599	\$ 147,973,109
Number of Units Issued and Outstanding (Note 7)	21,819,962	15,416,872
Net Assets per Unit	\$ 9.81	\$ 9.60
Investments at Cost	\$ 196,910,227	\$ 130,941,549

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 2,345,448	\$ 1,019,930
Interest income	491,799	274,170
Securities lending income	305	-
Foreign exchange loss	(3,095)	(2,065)
Withholding taxes	(66,646)	(29,265)
	<u>2,767,811</u>	<u>1,262,770</u>
Expenses		
Custodian fees	811	564
Fund accounting expenses	3,071	5,986
Unitholder communication costs	299	320
Audit fees	4,645	7,084
Securities filing fees	1,730	205
Independent review committee fees	22	239
Other operating expenses	1,763	333
	<u>12,341</u>	<u>14,731</u>
Net Investment Income for the Period	<u>2,755,470</u>	<u>1,248,039</u>
Loss on Investments		
Net realized gain (loss) on sale of investments	17,875	(236,095)
Transaction costs (Note 2,12)	(8,125)	(8,602)
Net change in unrealized depreciation in value of investments	(18,248)	(5,394,352)
Net Loss on Investments	<u>(8,498)</u>	<u>(5,639,049)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 2,746,972</u>	<u>\$ (4,391,010)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.15</u>	<u>\$ (0.40)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 147,973,109	\$ 84,191,168
Increase (Decrease) in Net Assets from Operations	<u>2,746,972</u>	<u>(4,391,010)</u>
Capital Transactions		
Proceeds from issue of units	66,061,664	23,427,424
Reinvestment of distributions	2,503,826	1,245,961
Redemption of units	(2,698,146)	(2,106,186)
Net capital transactions	<u>65,867,344</u>	<u>22,567,199</u>
Distributions		
From net investment income	(2,503,826)	(1,245,961)
Total distributions	<u>(2,503,826)</u>	<u>(1,245,961)</u>
Increase in Net Assets for the Period	<u>66,110,490</u>	<u>16,930,228</u>
Net Assets - End of Period	<u>\$ 214,083,599</u>	<u>\$ 101,121,396</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	2,849,335	62,571	69,583	
iShares S&P/TSX Capped REIT Index Fund	548,344	6,341	8,187	
Total Canadian Equity Index Equivalents		<u>68,912</u>	<u>77,770</u>	<u>36.3</u>
Canadian Fixed Income Index Equivalents				
BlackRock Canada Long Bond Index Class D	1,791,967	22,193	22,878	
Total Canadian Fixed Income Index Equivalents		<u>22,193</u>	<u>22,878</u>	<u>10.7</u>
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	2,867,585	28,175	28,605	
BlackRock CDN US Equity Index Class D	3,403,258	23,780	25,569	
iShares Dow Jones U.S. Real Estate Index Fund	140,964	7,015	8,178	
iShares GSCI Commodity Trust	234,520	7,281	7,668	
iShares MSCI EAFE Index Fund (CAD-Hedged)	385,638	6,750	6,953	
iShares MSCI Emerging Markets Index Fund	250,526	10,524	11,502	
iShares Russell 2000 Index Fund	43,831	3,006	3,503	
iShares S&P 500 Index Fund (CAD-Hedged)	631,853	8,179	9,560	
iShares S&P Global Infrastructure Index Fund	321,756	11,133	11,449	
Total Foreign Index Equivalents		<u>105,843</u>	<u>112,987</u>	<u>52.8</u>
Transaction Costs (Note 2)		(38)		
Total Investments		<u>196,910</u>	<u>213,635</u>	<u>99.8</u>
Other Assets and Liabilities			449	0.2
Net Assets			<u>214,084</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	36.3	36.0
Canadian Fixed Income Index Equivalents	10.7	10.9
Foreign Index Equivalents	52.8	52.9
Other Assets and Liabilities	0.2	0.2

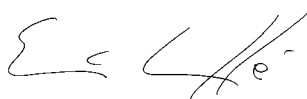
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 221,461,452	\$ 175,180,418
Cash	457,684	636,424
Dividends receivable	-	4,568
	221,919,136	175,821,410
Liabilities		
Operating expenses payable	6,937	10,279
Payables for investment purchases	-	275,967
	6,937	286,246
Net Assets	\$ 221,912,199	\$ 175,535,164
Number of Units Issued and Outstanding (Note 7)	22,916,273	18,515,001
Net Assets per Unit	\$ 9.68	\$ 9.48
Investments at Cost	\$ 206,359,703	\$ 160,518,050

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 2,680,186	\$ 1,421,163
Interest income	194,849	133,000
Securities lending income	373	-
Foreign exchange loss	(2,582)	(2,191)
Withholding taxes	(77,345)	(41,511)
	<u>2,795,481</u>	<u>1,510,461</u>
Expenses		
Custodian fees	469	470
Fund accounting expenses	3,071	5,711
Unitholder communication costs	299	299
Audit fees	4,645	5,091
Securities filing fees	1,846	139
Independent review committee fees	27	323
Other operating expenses	1,775	354
	<u>12,132</u>	<u>12,387</u>
Net Investment Income for the Period	<u>2,783,349</u>	<u>1,498,074</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	91,953	(430,151)
Transaction costs (Note 2,12)	(4,497)	(8,509)
Net change in unrealized appreciation (depreciation) in value of investments	439,381	(7,824,830)
Net Gain (Loss) on Investments	<u>526,837</u>	<u>(8,263,490)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 3,310,186</u>	<u>\$ (6,765,416)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.16</u>	<u>\$ (0.46)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 175,535,164	\$ 113,887,947
Increase (Decrease) in Net Assets from Operations	<u>3,310,186</u>	<u>(6,765,416)</u>
Capital Transactions		
Proceeds from issue of units	49,796,299	25,005,177
Reinvestment of distributions	2,516,491	1,496,796
Redemption of units	(6,729,450)	(4,718,982)
Net capital transactions	<u>45,583,340</u>	<u>21,782,991</u>
Distributions		
From net investment income	(2,516,491)	(1,496,796)
Total distributions	<u>(2,516,491)</u>	<u>(1,496,796)</u>
Increase in Net Assets for the Period	<u>46,377,035</u>	<u>13,520,779</u>
Net Assets - End of Period	<u>\$ 221,912,199</u>	<u>\$ 127,408,726</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	3,353,356	74,435	81,891	
iShares S&P/TSX Capped REIT Index Fund	574,320	6,235	8,575	
Total Canadian Equity Index Equivalents		<u>80,670</u>	<u>90,466</u>	<u>40.8</u>
Canadian Fixed Income Index Equivalents				
BlackRock Canada Long Bond Index Class D	705,618	8,767	9,009	
Total Canadian Fixed Income Index Equivalents		<u>8,767</u>	<u>9,009</u>	<u>4.0</u>
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	3,364,525	34,731	33,562	
BlackRock CDN US Equity Index Class D	4,175,746	30,104	31,373	
iShares Dow Jones U.S. Real Estate Index Fund	147,007	7,177	8,528	
iShares GSCI Commodity Trust	179,313	5,387	5,863	
iShares MSCI EAFE Index Fund (CAD-Hedged)	281,560	4,899	5,076	
iShares MSCI Emerging Markets Index Fund	280,252	11,792	12,866	
iShares Russell 2000 Index Fund	46,808	3,266	3,741	
iShares S&P 500 Index Fund (CAD-Hedged)	441,742	5,628	6,684	
iShares S&P Global Infrastructure Index Fund	385,547	13,371	13,719	
iShares S&P Global Utilities Sector Index Fund	13,549	605	574	
Total Foreign Index Equivalents		<u>116,960</u>	<u>121,986</u>	<u>55.0</u>
Transaction Costs (Note 2)		(37)		
Total Investments		<u>206,360</u>	<u>221,461</u>	<u>99.8</u>
Other Assets and Liabilities			451	0.2
Net Assets			<u>221,912</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	40.8	40.5
Canadian Fixed Income Index Equivalents	4.0	4.3
Foreign Index Equivalents	55.0	55.0
Other Assets and Liabilities	0.2	0.2

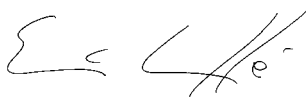
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 91,504,271	\$ 60,241,753
Cash	273,586	283,704
Dividends receivable	-	1,610
	<u>91,777,857</u>	<u>60,527,067</u>
Liabilities		
Operating expenses payable	6,189	10,216
Payables for investment purchases	-	95,327
	<u>6,189</u>	<u>105,543</u>
Net Assets	<u>\$ 91,771,668</u>	<u>\$ 60,421,524</u>
Number of Units Issued and Outstanding (Note 7)	<u>9,089,548</u>	<u>6,103,394</u>
Net Assets per Unit	<u>\$ 10.10</u>	<u>\$ 9.90</u>
Investments at Cost	<u>\$ 84,122,135</u>	<u>\$ 52,518,554</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 1,162,002	\$ 471,747
Interest income	1,243	-
Foreign exchange loss	(936)	(1,200)
Withholding taxes	(30,076)	(12,519)
	<u>1,132,233</u>	<u>458,028</u>
Expenses		
Custodian fees	783	666
Fund accounting expenses	3,071	6,049
Unitholder communication costs	299	320
Audit fees	4,645	4,560
Securities filing fees	743	82
Independent review committee fees	9	82
Other operating expenses	1,696	287
	<u>11,246</u>	<u>12,046</u>
Net Investment Income for the Period	<u>1,120,987</u>	<u>445,982</u>
Loss on Investments		
Net realized gain (loss) on sale of investments	87,395	(21,727)
Transaction costs (Note 2,12)	(3,186)	(1,537)
Net change in unrealized depreciation in value of investments	(341,063)	(2,642,461)
	<u>(256,854)</u>	<u>(2,665,725)</u>
Net Loss on Investments	<u>(256,854)</u>	<u>(2,665,725)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 864,133</u>	<u>\$ (2,219,743)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.11</u>	<u>\$ (0.55)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 60,421,524	\$ 28,722,456
Increase (Decrease) in Net Assets from Operations	<u>864,133</u>	<u>(2,219,743)</u>
Capital Transactions		
Proceeds from issue of units	32,565,609	13,941,731
Reinvestment of distributions	1,049,307	444,608
Redemption of units	(2,079,598)	(1,040,960)
Net capital transactions	<u>31,535,318</u>	<u>13,345,379</u>
Distributions		
From net investment income	(1,049,307)	(444,608)
Total distributions	<u>(1,049,307)</u>	<u>(444,608)</u>
Increase in Net Assets for the Period	<u>31,350,144</u>	<u>10,681,028</u>
Net Assets - End of Period	<u>\$ 91,771,668</u>	<u>\$ 39,403,484</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Canadian Equity Index Class D	1,595,518	35,086	38,964	
iShares S&P/TSX Capped REIT Index Fund	203,558	2,413	3,039	
Total Canadian Equity Index Equivalents		37,499	42,003	45.8
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	1,533,178	14,920	15,294	
BlackRock CDN US Equity Index Class D	1,964,322	13,725	14,758	
iShares Dow Jones U.S. Real Estate Index Fund	52,297	2,620	3,034	
iShares GSCI Commodity Trust	16,423	510	537	
iShares MSCI EAFE Index Fund (CAD-Hedged)	73,832	1,294	1,331	
iShares MSCI Emerging Markets Index Fund	119,406	5,071	5,482	
iShares Russell 2000 Index Fund	20,196	1,397	1,614	
iShares S&P 500 Index Fund (CAD-Hedged)	103,033	1,367	1,559	
iShares S&P Global Infrastructure Index Fund	165,591	5,732	5,892	
Total Foreign Index Equivalents		46,636	49,501	53.9
Transaction Costs (Note 2)		(13)		
Total Investments		84,122	91,504	99.7
Other Assets and Liabilities			268	0.3
Net Assets			91,772	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Canadian Equity Index Equivalents	45.8	45.5
Foreign Index Equivalents	53.9	54.2
Other Assets and Liabilities	0.3	0.3

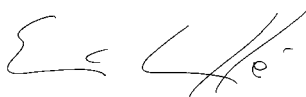
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 32,511,257	\$ 52,575,704
Cash	65,444	85,104
Dividends receivable	-	1,114
	32,576,701	52,661,922
Liabilities		
Operating expenses payable	5,753	10,162
Payables for redemption of units	-	8,763,966
	5,753	8,774,128
Net Assets	\$ 32,570,948	\$ 43,887,794
Number of Units Issued and Outstanding (Note 7)	1,300,090	1,794,377
Net Assets per Unit	\$ 25.05	\$ 24.46
Investments at Cost	\$ 32,412,861	\$ 53,081,029

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 133,675	\$ 591,067
Interest income	202,950	725,359
Foreign exchange gain (loss)	(2,268)	855
Withholding taxes	(4,631)	(16,034)
	<u>329,726</u>	<u>1,301,247</u>
Expenses		
Custodian fees	62	90
Fund accounting expenses	3,071	5,352
Unitholder communication costs	299	299
Audit fees	4,645	6,340
Securities filing fees	316	-
Independent review committee fees	11	377
Other operating expenses	1,677	353
	<u>10,081</u>	<u>12,811</u>
Net Investment Income for the Period	<u>319,645</u>	<u>1,288,436</u>
Gain (Loss) on Investments		
Net realized gain (loss) on sale of investments	164,512	(393,899)
Transaction costs (Note 2,12)	(722)	(635)
Net change in unrealized appreciation (depreciation) in value of investments	603,721	(3,545,058)
Net Gain (Loss) on Investments	<u>767,511</u>	<u>(3,939,592)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 1,087,156</u>	<u>\$ (2,651,156)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.69</u>	<u>\$ (0.43)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 43,887,794	\$ 136,839,590
Increase (Decrease) in Net Assets from Operations	<u>1,087,156</u>	<u>(2,651,156)</u>
Capital Transactions		
Proceeds from issue of units	-	1,687,299
Reinvestment of distributions	282,693	1,286,570
Redemption of units	(12,404,002)	(647,449)
Net capital transactions	<u>(12,121,309)</u>	<u>2,326,420</u>
Distributions		
From net investment income	(282,693)	(1,286,570)
Total distributions	<u>(282,693)</u>	<u>(1,286,570)</u>
Decrease in Net Assets for the Period	<u>(11,316,846)</u>	<u>(1,611,306)</u>
Net Assets - End of Period	<u>\$ 32,570,948</u>	<u>\$ 135,228,284</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Canadian Equity Index Equivalents				
BlackRock Active Canadian Equity Fund	227,148	6,781	7,549	
iShares S&P/TSX Capped REIT Index Fund	54,649	594	816	
Total Canadian Equity Index Equivalents		<u>7,375</u>	<u>8,365</u>	<u>25.7</u>
Canadian Fixed Income Index Equivalents				
BlackRock Canada CoreActive Universe Bond Class A	580,990	12,190	10,890	
Total Canadian Fixed Income Index Equivalents		<u>12,190</u>	<u>10,890</u>	<u>33.4</u>
Foreign Index Equivalents				
Alpha Tilts Fund B	126,242	4,498	4,624	
BlackRock CDN Global Market Selection Class A	31,565	1,779	1,628	
International Alpha Tilts Fund B	218,080	4,469	4,710	
iShares Dow Jones U.S. Real Estate Index Fund	13,670	743	793	
iShares MSCI Emerging Markets Index Fund	32,688	1,360	1,501	
Total Foreign Index Equivalents		<u>12,849</u>	<u>13,256</u>	<u>40.7</u>
Transaction Costs (Note 2)		(1)		
Total Investments		<u>32,413</u>	<u>32,511</u>	<u>99.8</u>
Other Assets and Liabilities			60	0.2
Net Assets			<u>32,571</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Canadian Equity Index Equivalents	25.7	32.4
Canadian Fixed Income Index Equivalents	33.4	38.3
Foreign Index Equivalents	40.7	49.1
Other Assets and Liabilities	0.2	(19.8)

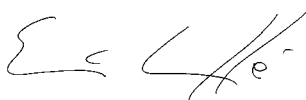
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 868,459,935	\$ 821,806,670
Cash	1,834,031	537,330
Net unrealized gain on forward currency contracts (Note 5)	29,444,106	24,431,812
Accounts receivable from issue of units	6,100,000	-
	<u>905,838,072</u>	<u>846,775,812</u>
Liabilities		
Operating expenses payable	16,063	20,405
Net unrealized loss on forward currency contracts (Note 5)	17,892,936	5,204,369
	<u>17,908,999</u>	<u>5,224,774</u>
Net Assets	<u>\$ 887,929,073</u>	<u>\$ 841,551,038</u>
Net Assets per Class		
Class A	<u>\$ 887,929,073</u>	<u>\$ 841,551,038</u>
	<u>\$ 887,929,073</u>	<u>\$ 841,551,038</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	<u>17,213,132</u>	<u>16,245,602</u>
Net Assets per Unit		
Class A	<u>\$ 51.58</u>	<u>\$ 51.80</u>
Investments at Cost	<u>\$ 789,817,793</u>	<u>\$ 707,402,773</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 6,671	\$ 6
Foreign exchange gain	245,180	850,768
	<u>251,851</u>	<u>850,774</u>
Expenses		
Custodian fees	271	139
Fund accounting expenses	6,581	7,089
Unitholder communication costs	299	299
Audit fees	9,580	10,456
Securities filing fees	7,833	2,473
Independent review committee fees	130	1,975
Other operating expenses	2,234	873
	<u>26,928</u>	<u>23,304</u>
Net Investment Income for the Period	<u>224,923</u>	<u>827,470</u>
Loss on Investments		
Net realized gain on sale of investments	2,254,649	6,866,814
Net realized gain (loss) from forward currency contracts	36,757,238	(5,706,239)
Net change in unrealized appreciation (depreciation) in value of investments	(35,761,755)	24,170,400
Net change in unrealized depreciation in value of forward currency contracts	(7,676,273)	(7,945,829)
Net Gain (Loss) on Investments	<u>(4,426,141)</u>	<u>17,385,146</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ (4,201,218)</u>	<u>\$ 18,212,616</u>
Increase (Decrease) in Net Assets from Operations per Class		
Class A	<u>\$ (4,201,218)</u>	<u>\$ 18,212,616</u>
	<u>\$ (4,201,218)</u>	<u>\$ 18,212,616</u>
Increase in Net Assets from Operations per Unit		
Class A	<u>\$ (0.25)</u>	<u>\$ 1.15</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010
	Fund		Class A	
Net Assets - Beginning of Period	\$ 841,551,038	\$ 720,077,705	\$ 841,551,038	\$ 720,077,705
Decrease in Net Assets from Operations	(4,201,218)	18,212,616	(4,201,218)	18,212,616
Capital Transactions				
Proceeds from issue of units	52,507,809	8,312,000	52,507,809	8,312,000
Redemption of units	(1,928,556)	(456,463)	(1,928,556)	(456,463)
Net capital transactions	50,579,253	7,855,537	50,579,253	7,855,537
Increase in Net Assets for the Period	46,378,035	26,068,153	46,378,035	26,068,153
Net Assets - End of Period	\$ 887,929,073	\$ 746,145,858	\$ 887,929,073	\$ 746,145,858

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Foreign Index Equivalents				
Global Ascent Ltd.*	585,894	789,818	868,460	
Total Foreign Index Equivalents		789,818	868,460	97.8
Total Investments		789,818	868,460	97.8
Other Assets and Liabilities			19,469	2.2
Net Assets			887,929	100.0

* The Global Ascent Ltd. is a global macro hedge fund that holds a diversified portfolio of long and short leveraged positions in various global markets.

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Foreign Index Equivalents	97.8	97.7
Other Assets and Liabilities	2.2	2.3

Open forward currency contracts held by the Fund as at June 30, 2011 are shown in Note 5.

Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

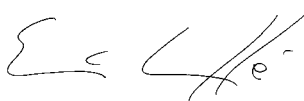
	2011	2010
Assets		
Investments - at fair value* (Note 2)	\$ 35,572,511	\$ 38,214,069
Cash	514	1,440,086
Interest receivable	113,522	35,787
	<u>35,686,547</u>	<u>39,689,942</u>
Liabilities		
Management fees payable	-	8,600
Operating expenses payable	8,898	14,274
Payables for redemption of units	282,711	185,748
	<u>291,609</u>	<u>208,622</u>
Net Assets	<u>\$ 35,394,938</u>	<u>\$ 39,481,320</u>
Net Assets per Class		
Class A	\$ 2,323,778	\$ 7,110,196
Class D	33,071,160	32,371,124
	<u>\$ 35,394,938</u>	<u>\$ 39,481,320</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	149,319	459,250
Class D	2,532,868	2,492,112
Net Assets per Unit		
Class A	\$ 15.56	\$ 15.48
Class D	\$ 13.06	\$ 12.99
Investments at Cost*	<u>\$ 35,595,899</u>	<u>\$ 38,199,064</u>

* Includes short-term investments

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Interest income	\$ 246,707	\$ 86,888
	<u>246,707</u>	<u>86,888</u>
Expenses		
Management fees	-	17,318
Custodian fees	504	690
Fund accounting expenses	20,514	21,972
Unitholder communication costs	299	299
Audit fees	5,516	7,242
Securities filing fees	404	2,836
Independent review committee fees	7	159
Other operating expenses	1,976	766
	<u>29,220</u>	<u>51,282</u>
Net Investment Income for the Period	<u>217,487</u>	<u>35,606</u>
Loss on Investments		
Net change in unrealized depreciation in value of investments	(23,880)	(1,690)
Net Loss on Investments	<u>(23,880)</u>	<u>(1,690)</u>
Increase in Net Assets from Operations	<u>\$ 193,607</u>	<u>\$ 33,916</u>
Increase in Net Assets from Operations per Class		
Class A	\$ 30,615	\$ 18,345
Class D	162,992	15,571
	<u>\$ 193,607</u>	<u>\$ 33,916</u>
Increase in Net Assets from Operations per Unit		
Class A	\$ 0.08	\$ 0.01
Class D	<u>\$ 0.07</u>	<u>\$ 0.01</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010	2011	2010
	Fund		Class A		Class D	
Net Assets - Beginning of Period	\$ 39,481,320	\$ 56,482,973	\$ 7,110,196	\$ 22,074,806	\$ 32,371,124	\$ 34,408,167
Increase in Net Assets from Operations	193,607	33,916	30,615	18,345	162,992	15,571
Capital Transactions						
Proceeds from issue of units	11,559,270	17,191,770	500,000	9,838,687	11,059,270	7,353,083
Reinvestment of distributions	217,176	14,595	32,205	5,669	184,971	8,926
Redemption of units	(15,839,259)	(28,778,717)	(5,317,033)	(20,638,026)	(10,522,226)	(8,140,691)
Net capital transactions	(4,062,813)	(11,572,352)	(4,784,828)	(10,793,670)	722,015	(778,682)
Distributions						
From net investment income	(217,176)	(14,595)	(32,205)	(5,669)	(184,971)	(8,926)
Total distributions	(217,176)	(14,595)	(32,205)	(5,669)	(184,971)	(8,926)
Increase (Decrease) in Net Assets for the Period	(4,086,382)	(11,553,031)	(4,786,418)	(10,780,994)	700,036	(772,037)
Net Assets - End of Period	\$ 35,394,938	\$ 44,929,942	\$ 2,323,778	\$ 11,293,812	\$ 33,071,160	\$ 33,636,130

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in \$000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Short Term Investments				
Federal Non-agency				
Government Guaranteed				
Bank of America NA Canada Branch 1.04% July 11, 2011	2,580	2,579	2,579	
Caisse Centrale Desjardins 1.18% September 07, 2011	1,800	1,793	1,796	
CPPIB Capital, Inc. 1.06% August 04, 2011	400	399	399	
Goldman Sachs CDA Finance Co. 1.12% August 03, 2011	775	774	774	
Government of Canada 0.91% July 06, 2011	2,054	2,053	2,054	
0.90% July 21, 2011	353	353	353	
0.92% August 04, 2011	212	212	212	
National Bank of Canada 1.04% July 05, 2011	1,650	1,649	1,650	
Ontario T-Bill 0.96% July 06, 2011	350	350	350	
1.00% July 13, 2011	524	524	524	
0.01% August 31, 2011	490	488	489	
		11,174	11,180	31.6
Commercial Paper				
C.I.B.C. 1.05% July 08, 2011	223	223	223	
C.I.B.C. 1.10% July 12, 2011	372	371	372	
C.I.B.C. 1.05% July 15, 2011	165	165	165	
C.I.B.C. 1.08% July 20, 2011	107	107	107	
C.I.B.C. 1.08% August 23, 2011	500	499	499	
C.I.B.C. 1.12% September 19, 2011	134	133	133	
C.I.B.C. 1.27% September 22, 2011	1,300	1,292	1,297	
Royal Bank of Canada 1.15% July 22, 2011	411	410	411	
Royal Bank of Canada 1.13% July 29, 2011	372	371	372	
Toronto Dominion Bank 1.03% July 18, 2011	140	140	140	
		3,711	3,719	10.5
Total Federal Non-Agency		14,885	14,899	42.1
Total Short Term Investments		14,885	14,899	42.1

Statement of Investment Portfolio — As at June 30, 2011

Security	Par value (in \$000s)	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fixed Income Investments				
Government				
Provincial				
Financement-Quebec 1.25% April 25, 2012	1,000	1,000	1,000	
Province of Manitoba 1.29% September 15, 2012	7,000	7,000	7,003	
Province of Ontario 2.05% November 10, 2011	3,000	3,023	3,009	
Province of Quebec 9.50% September 02, 2011	2,250	2,294	2,279	
		<u>13,317</u>	<u>13,291</u>	37.5
Total Government		<u>13,317</u>	<u>13,291</u>	<u>37.5</u>
Corporate				
Bank of Montreal 2.35% July 14, 2011	1,500	1,503	1,500	
1.38% November 16, 2011	1,000	1,000	1,000	
Bank of Nova Scotia Halifax 4.92% September 15, 2011	665	672	670	
Caisse Centrale Desjardin 09/11 Var 1.87% September 15, 2011	1,000	1,002	1,001	
Land Nordrhein Westfalen 4.20% April 18, 2012	200	204	204	
Royal Bank of Canada 1.25% April 10, 2012	1,000	1,000	1,000	
1.95% May 11, 2012	2,000	2,013	2,008	
		<u>7,394</u>	<u>7,383</u>	20.9
Total Corporate		<u>7,394</u>	<u>7,383</u>	<u>20.9</u>
Total Fixed Income Investments		<u>20,711</u>	<u>20,674</u>	<u>58.4</u>
Total Investments		<u>35,596</u>	<u>35,573</u>	<u>100.5</u>
Other Assets and Liabilities			<u>(178)</u>	<u>(0.5)</u>
Net Assets			<u>35,395</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Government Guaranteed	31.6	30.5
Commercial Paper	10.5	40.9
Provincial	37.5	25.4
Corporate	20.9	0.0
Other Assets and Liabilities	(0.5)	3.2

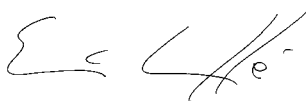
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 2,103,482,625	\$ 1,931,994,539
Cash	8,073,077	22,612,744
Margin due from brokers	4,439,423	9,787,457
Securities lending income receivable	146,533	25,489
Dividends receivable	6,140,082	3,516,644
Tax reclaim on dividends receivable	2,541,277	1,652,224
Accounts receivable from issue of units	-	70,014,580
Accounts receivable for investment sales	75,900	39,312
	<u>2,124,898,917</u>	<u>2,039,642,989</u>
Liabilities		
Operating expenses payable	81,299	154,762
Payables for redemption of units	5,584,722	-
Payables for investment purchases	239,843	48,416,023
	<u>5,905,864</u>	<u>48,570,785</u>
Net Assets	<u>\$ 2,118,993,053</u>	<u>\$ 1,991,072,204</u>
Net Assets per Class		
Class A	\$ 1,012,939,449	\$ 1,000,080,116
Class D	1,106,053,604	990,992,088
	<u>\$ 2,118,993,053</u>	<u>\$ 1,991,072,204</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	101,619,730	102,421,894
Class D	110,979,798	101,525,707
Net Assets per Unit		
Class A	\$ 9.97	\$ 9.76
Class D	\$ 9.97	\$ 9.76
Investments at Cost	<u>\$ 2,220,564,092</u>	<u>\$ 2,047,320,369</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 50,037,994	\$ 41,389,828
Interest income	41,168	24,398
Securities lending income	1,176,856	1,026,040
Net loss from futures contracts	(82,204)	(4,224,371)
Foreign exchange gain (loss)	654,207	(1,465,088)
Withholding taxes	(2,375,706)	(1,578,317)
	<u>49,452,315</u>	<u>35,172,490</u>
Expenses		
Custodian fees	253,306	345,379
Fund accounting expenses	53,888	53,507
Unitholder communication costs	299	299
Audit fees	11,612	11,586
Securities filing fees*	(17,982)	61,030
Independent review committee fees	314	5,401
Other operating expenses	20,798	13,862
	<u>322,235</u>	<u>491,064</u>
Net Investment Income for the Period	<u>49,130,080</u>	<u>34,681,426</u>
Loss on Investments		
Net realized loss on sale of investments	(5,304,097)	(55,940,328)
Transaction costs (Note 2,12)	(142,227)	(187,489)
Net change in unrealized depreciation in value of investments	(1,755,637)	(233,809,570)
Net Loss on Investments	<u>(7,201,961)</u>	<u>(289,937,387)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 41,928,119</u>	<u>\$ (255,255,961)</u>
Increase (Decrease) in Net Assets from Operations per Class		
Class A	\$ 19,154,791	\$ (153,884,221)
Class D	22,773,328	(101,371,740)
	<u>\$ 41,928,119</u>	<u>\$ (255,255,961)</u>
Increase (Decrease) in Net Assets from Operations per Unit		
Class A	\$ 0.19	\$ (1.11)
Class D	\$ 0.21	\$ (1.13)

* Net of 2010 filing fee reimbursement.

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010	2011	2010	2011	2010
	Fund		Class A		Class D	
Net Assets - Beginning of Period	\$ 1,991,072,204	\$ 1,911,557,353	\$ 1,000,080,116	\$ 1,104,935,429	\$ 990,992,088	\$ 806,621,924
Increase (Decrease) in Net Assets from Operations	41,928,119	(255,255,961)	19,154,791	(153,884,221)	22,773,328	(101,371,740)
Capital Transactions						
Proceeds from issue of units	343,336,974	908,585,048	173,431,234	784,959,833	169,905,740	123,625,215
Reinvestment of distributions	44,725,935	26,570,304	21,258,259	16,306,715	23,467,676	10,263,589
Redemption of units	(257,344,244)	(643,466,382)	(179,726,692)	(609,770,155)	(77,617,552)	(33,696,227)
Net capital transactions	130,718,665	291,688,970	14,962,801	191,496,393	115,755,864	100,192,577
Distributions						
From net investment income	(44,725,935)	(26,570,304)	(21,258,259)	(16,306,715)	(23,467,676)	(10,263,589)
Total distributions	(44,725,935)	(26,570,304)	(21,258,259)	(16,306,715)	(23,467,676)	(10,263,589)
Increase (Decrease) in Net Assets for the Period	127,920,849	9,862,705	12,859,333	21,305,457	115,061,516	(11,442,752)
Net Assets - End of Period	\$ 2,118,993,053	\$ 1,921,420,058	\$ 1,012,939,449	\$ 1,126,240,886	\$ 1,106,053,604	\$ 795,179,172

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Common Stocks				
Consumer Discretionary				
ABC-Mart, Inc.	5,100	178	198	
Accor SA	28,149	1,614	1,215	
Adidas AG	39,543	2,247	3,019	
Aisin Seiki Co., Ltd.	36,600	1,126	1,351	
Anheuser-Busch InBev	152,384	6,960	8,526	
Asics Corp.	28,000	323	400	
Autogrill SpA	21,148	270	267	
Axel Springer AG	8,143	393	389	
Bayerische Motoren Werke AG	62,867	3,452	6,042	
Bayerische Motoren Werke Preferred	9,549	384	583	
Benesse Corp.	12,500	558	515	
Bridgestone Corp.	122,800	2,354	2,709	
British Sky Broadcasting PLC	214,815	2,213	2,817	
Burberry Group PLC	82,258	877	1,848	
Bureau Veritas SA	10,437	639	850	
Casio Computer Co., Ltd.	42,500	458	287	
Christian Dior	10,301	1,130	1,564	
Cie Financiere Richemont SA	99,080	4,304	6,252	
Compass Group PLC	360,434	2,521	3,354	
Continental AG	15,229	1,084	1,541	
Crown, Ltd.	82,933	728	763	
Daihatsu Motor Co., Ltd.	36,000	415	586	
DaimlerChrysler AG	171,971	10,021	12,462	
Daito Trust Construction Co., Ltd.	13,800	730	1,121	
Daiwa House Industry Co., Ltd.	90,000	1,088	1,087	
DeNa Co., Ltd.	18,900	466	780	
Denso Corp.	92,700	2,942	3,300	
Dentsu, Inc.	35,100	902	994	
Echo Entertainment Group Ltd.	127,309	580	541	
Esprit Holdings, Ltd.	240,423	1,742	719	
Fairfax Media, Ltd.	426,144	737	431	
Fast Retailing Co., Ltd.	10,100	1,328	1,564	
Fiat SpA	146,561	2,138	1,544	
Fuji Heavy Industries, Ltd.	109,000	591	810	
FUJIFILM Holdings Corp.	87,200	2,976	2,604	
G4S PLC	270,630	1,081	1,172	
Galaxy Entertainment Group, Ltd.	239,000	520	491	
Gestelevision Telecinco SA	29,836	416	250	
Groupe Aeroplan, Inc.	15,374	1,537	1,318	
Hakuhodo DY Holdings, Inc.	4,160	247	212	
Harvey Norman Holdings, Ltd.	96,110	320	246	
Hennes & Mauritz AB-Class B	193,925	5,604	6,466	
Home Retail Group	151,768	770	385	
Honda Motor Co., Ltd.	309,600	10,661	11,414	
Husqvarna AB	86,221	661	550	
Inditex SA	41,461	2,379	3,646	
Intercontinental Hotels Group PLC	55,221	907	1,090	
Isetan Mitsukoshi Holdings, Ltd.-Class L	69,720	784	652	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Isuzu Motors, Ltd.	231,000	825	1,043	
ITV PLC	686,774	613	761	
Jardine Cycle & Carriage, Ltd.	19,419	346	655	
Jc Decaux SA	12,132	331	375	
Jupiter Telecommunications Co.	328	320	352	
Kabel Deutschland Holding AG	13,766	731	817	
Kingfisher PLC	451,279	1,621	1,868	
Koito Manufacturing Co., Ltd.	18,000	288	301	
Lagardere S.C.A.	22,879	1,166	933	
Li & Fung, Ltd.	1,074,000	2,319	2,065	
Luxottica Group SpA	22,912	631	706	
LVMH Moet Hennessy Louis Vuitton SA	46,557	5,382	8,081	
M6-Metropole Television	11,925	301	266	
Makita Corp.	21,600	734	960	
Marks & Spencer Group PLC	297,815	2,032	1,668	
Marui Co., Ltd.	41,600	404	302	
Mazda Motor Corp.	292,000	901	736	
McDonald's Holdings Co.	12,000	263	294	
Mediaset SpA	137,327	1,141	621	
Mitsubishi Motors Corp.	754,000	1,227	874	
Modern Times Group AB	9,013	511	575	
Namco Bandai Holdings, Inc.	40,150	479	462	
Next PLC	34,431	1,042	1,240	
NGK Spark Plug Co., Ltd.	29,000	420	383	
NHK Spring Co., Ltd.	26,000	246	254	
Nikon Corp.	65,200	1,416	1,471	
Nissan Motor Co., Ltd.	470,100	4,144	4,730	
Nitori Co., Ltd.	7,150	540	652	
NOK Corp.	18,500	333	303	
Nokian Renkaat OYJ	20,418	573	987	
OPAP SA	42,043	1,219	630	
Oriental Land Co., Ltd.	9,700	722	789	
Panasonic Corp.	419,100	7,009	4,903	
Pandora AS	10,705	606	324	
Pearson PLC	155,385	2,247	2,831	
Peugeot SA	29,119	1,320	1,258	
Pirelli & C SpA	44,534	337	464	
Porsche AG Preferred	29,157	2,245	2,222	
PPR SA	14,591	1,891	2,507	
ProSiebenSat.1 Media AG	14,145	388	388	
Publicis Groupe	24,045	994	1,294	
Rakuten, Inc.	1,386	998	1,375	
Reed Elsevier NV	131,861	1,877	1,707	
Reed Elsevier PLC	231,209	2,255	2,028	
Renault SA	36,506	2,525	2,088	
Rinnai Corp.	6,500	324	449	
Sands China, Ltd.	463,200	734	1,198	
Sankyo Co., Ltd./Gunma	9,800	582	484	
Sanoma-WSOY OYJ-Class B	14,820	348	265	
Sega Sammy Holdings, Inc.	40,800	728	754	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Sekisui Chemical Co., Ltd.	83,000	598	676	
Sekisui House, Ltd.	111,000	1,173	988	
SES-FDR	56,986	1,373	1,539	
Shangri-La Asia, Ltd.	271,333	598	638	
Sharp Corp.	192,000	2,626	1,673	
Shimamura Co., Ltd.	4,100	386	374	
Shimano, Inc.	14,600	659	765	
Singapore Press Holdings, Ltd.	261,707	765	798	
SJM Holdings, Ltd.	322,000	559	735	
Sky City Entertainment Group, Ltd.	103,229	259	296	
Societe Television Francaise 1	21,510	440	377	
Sodexho Alliance SA	18,010	1,095	1,360	
Sony Corp.	190,500	6,871	4,817	
Stanley Electric Co., Ltd.	26,500	533	444	
Sumitomo Rubber Industries, Inc.	30,800	304	357	
Suzuki Motor Corp.	63,900	1,575	1,377	
Swatch Group AG	5,901	1,605	2,864	
Swatch Group AG-Class B	8,370	457	724	
Tabcorp Holdings, Ltd.	127,309	1,042	431	
Takashimaya Co., Ltd.	49,000	478	323	
Tatts Group, Ltd.	256,953	634	635	
Toho Co., Ltd./Tokyo	23,200	420	368	
Toyoda Gosei Co., Ltd.	11,600	323	252	
Toyota Boshoku Corp.	11,500	259	183	
Toyota Industries Corp.	34,800	1,115	1,095	
Toyota Motor Corp.	523,700	23,615	20,590	
TUI AG	30,423	448	318	
TUI Travel PLC	87,553	377	304	
USS Co., Ltd.	4,030	285	299	
Vivendi SA	234,288	7,516	6,286	
Volkswagen AG	5,519	1,052	980	
Volkswagen AG Preferred	27,376	2,908	5,434	
Whitbread PLC	34,193	824	856	
Wolters Kluwer NV	56,876	1,285	1,215	
WPP PLC	240,672	2,535	2,909	
Wynn Macau, Ltd.	302,400	538	945	
Yamada Denki Co., Ltd.	15,810	1,196	1,232	
Yamaha Corp.	29,300	464	319	
Yamaha Motor Co., Ltd.	53,500	882	940	
Yamato Kogyo Co., Ltd.	7,800	273	232	
Yue Yuen Industrial Holdings	147,000	463	450	
		217,793	231,016	10.9
Consumer Staples				
Aeon Co., Ltd.	114,300	1,568	1,319	
Ajinomoto Co., Inc.	124,000	1,321	1,412	
Aryzta AG	16,472	756	851	
Asahi Breweries, Ltd.	73,400	1,335	1,416	
Associated British Foods PLC	68,302	1,062	1,145	
Beiersdorf AG	19,297	1,181	1,207	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
British American Tobacco PLC	379,089	12,941	16,041	
Carlsberg AS-Class B	20,251	1,698	2,124	
Carrefour SA	109,075	5,738	4,322	
Casino Guichard Perrachon SA	10,638	961	967	
Coca Cola Hellenic Bottling Co. SA	35,272	902	914	
Coca-Cola Amatil, Ltd.	105,461	983	1,243	
Coca-Cola West Japan Co., Ltd.	10,100	200	185	
Colruyt SA	14,769	726	713	
Danone	110,635	6,965	7,962	
Delhaize Group	19,125	1,478	1,384	
Diageo PLC	475,365	8,504	9,376	
Familymart Co., Ltd.	11,600	413	408	
Foster's Group, Ltd.	365,771	1,866	1,946	
Golden Agri-Resources, Ltd.	1,259,432	582	673	
Groupe Danone	67,000	558	428	
Heineken Holding NV	22,166	984	1,094	
Heineken NV	48,898	2,371	2,837	
Henkel KGaA	24,779	1,049	1,361	
Henkel KGaA Preferred	33,833	1,596	2,262	
Imperial Tobacco Group PLC	193,289	6,525	6,199	
J Front Retailing Co., Ltd.	88,600	550	375	
J Sainsbury PLC	225,392	1,364	1,150	
Japan Tobacco, Inc.	860	3,271	3,176	
Jeronimo Martins SGPS SA	43,276	434	799	
Kao Corp.	101,900	2,739	2,566	
Kerry Group PLC-Class A	26,023	819	1,039	
Kesko OYJ-Class B	13,408	506	601	
Kikkoman Corp.	29,000	352	292	
Kirin Holdings Co., Ltd.	157,000	2,355	2,092	
Koninklijke Ahold NV	224,631	2,992	2,911	
L'Oreal SA	45,512	4,840	5,698	
Lawson, Inc.	11,000	509	553	
Lifestyle International Holdings, Ltd.	110,000	224	309	
Lindt & Spruengli AG	163	440	490	
Lindt & Spruengli AG-PC	22	637	772	
Meiji Holdings Co., Ltd.	12,460	552	503	
Metcash, Ltd.	147,681	586	633	
Metro AG	24,825	1,526	1,451	
Nestle SA	657,804	30,727	39,358	
Nippon Meat Packers, Inc.	33,000	433	453	
Nisshin Seifun Group, Inc.	34,500	442	413	
Nissin Food Products Co., Ltd.	11,300	403	395	
Olam International, Ltd.	235,432	435	502	
Parmalat SpA	229,350	718	832	
Pernod-Ricard	37,637	3,207	3,580	
Reckitt Benckiser Group PLC	117,006	5,984	6,226	
SABMiller PLC	180,464	4,830	6,351	
Seven & I Holdings Co., Ltd.	142,620	4,006	3,669	
Shiseido Co., Ltd.	68,700	1,391	1,229	
Suedzucker AG	11,992	286	411	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Swedish Match AB	41,460	895	1,345	
Tesco PLC	1,527,408	10,580	9,513	
TNT Express NV	65,645	808	656	
Toyo Suisan Kaisha, Ltd.	17,000	415	385	
Uni-Charm Corp.	21,500	648	899	
Unilever NV	309,281	9,226	9,783	
Unilever PLC	243,512	7,196	7,561	
William Morrison Supermarkets	429,167	2,169	1,980	
Wilmar International, Ltd.	365,000	1,662	1,552	
Woolworths, Ltd.	229,929	5,542	6,593	
Yakult Honsha Co., Ltd.	17,700	493	490	
Yamazaki Baking Co., Ltd.	22,000	265	282	
		181,720	199,657	9.4
Energy				
Aker Solutions ASA	31,666	497	613	
BG Group PLC	643,214	12,078	14,082	
BP PLC	3,568,868	35,157	25,340	
Cairn Energy PLC	261,802	1,498	1,683	
Caltex Australia, Ltd.	25,190	319	306	
Cosmo Oil Company, Ltd.	110,000	344	298	
EDP Renovaveis SA	39,399	319	251	
ENI SpA	456,273	12,657	10,394	
Essar Energy PLC	59,033	496	374	
Fugro NV	13,087	820	910	
Galp Energia SGPS SA-Class B	42,882	676	986	
Idemitsu Kosan Co., Ltd.	4,100	375	419	
Inpex Holdings, Inc.	418	2,749	2,947	
Japan Petroleum Exploration Co.	5,400	319	242	
JX Holdings, Inc.	429,930	2,704	2,764	
Neste Oil OYJ	23,398	549	353	
OMV AG	31,246	1,538	1,312	
Origin Energy, Ltd.	201,577	2,641	3,285	
Paladin Resources, Ltd.	128,909	535	334	
Repsol YPF SA	150,388	4,470	5,034	
Royal Dutch Shell PLC-Class A	676,605	22,709	23,247	
Royal Dutch Shell PLC-Class B	511,799	17,024	17,616	
Saipem	50,619	1,961	2,513	
Santos, Ltd.	166,202	2,216	2,322	
SBM Offshore NV	32,385	748	827	
SeaDrill, Ltd.	58,960	1,423	2,013	
Showa Shell Sekiyu KK	37,900	407	337	
Statoil ASA	211,600	5,564	5,192	
Subsea 7 SA	53,511	1,350	1,327	
Technip SA	18,440	1,404	1,908	
Tenaris SA	89,528	1,527	1,973	
TonenGeneral Sekiyu KK	52,000	536	612	
Total SA	401,466	26,435	22,377	
Transocean, Ltd.	60,618	4,303	3,790	
Tullow Oil PLC	169,595	3,039	3,258	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost	Fair value	% of net assets
		(in \$000s)	(in \$000s)	
Woodside Petroleum, Ltd.	118,283	5,049	5,011	
WorleyParsons, Ltd.	37,523	912	1,091	
		<u>177,348</u>	<u>167,341</u>	7.9
Financials				
3i Group PLC	189,019	1,266	823	
Admiral Group PLC	38,961	779	1,003	
Aegon NV	328,141	3,044	2,158	
Aeon Credit Service Co., Ltd.	14,600	197	192	
Aeon Mall Co., Ltd.	14,200	356	329	
Ageas	413,543	4,664	1,082	
AlA Group, Ltd.	1,488,000	4,661	4,974	
Allianz AG	86,177	12,267	11,615	
Alpha Bank AE	92,644	1,573	452	
AMP, Ltd.	537,639	3,047	2,711	
Anglo Irish Bank Co. PLC	250,664	11,272	11,987	
Aozora Bank, Ltd.	117,000	229	259	
Ascendas REIT	338,042	489	542	
Assicurazioni Generali SpA	221,784	6,329	4,497	
ASX, Ltd.	32,399	1,024	1,019	
Aviva PLC	537,484	4,604	3,656	
AXA SA	331,564	8,611	7,270	
Baloise Holding AG	8,970	856	892	
Banca Cariage SpA	128,320	376	279	
Banca Monte dei Paschi di Siena SpA	825,643	1,284	600	
Banco Bilbao Vizcaya Argentaria SA	809,467	12,646	9,156	
Banco Comercial Portugues SA-Class R	607,296	919	348	
Banco de Sabadell SA	212,811	1,374	848	
Banco Espirito Santo SA	98,128	762	352	
Banco Popolare Scarl	337,356	2,278	747	
Banco Popular Espanol SA	184,350	1,775	998	
Banco Popular Espanol SA RTS	184,350	-	13	
Banco Santander Central Hispano SA	1,602,386	22,752	17,847	
Bank Hapoalim BM	203,644	841	976	
Bank Leumi Le-Israel BM	224,959	1,000	1,021	
Bank of Cyprus, Ltd.	167,402	925	478	
Bank of East Asia, Ltd.	292,520	1,170	1,159	
Bank of Kyoto, Ltd. (The)	59,000	603	518	
Bank of Yokohama, Ltd.	235,000	1,428	1,120	
Bankinter SA	40,089	458	262	
Barclays PLC	2,195,172	13,341	8,722	
Bendigo Bank, Ltd.	66,903	603	611	
BGP Holdings PLC	1,121,589	-	-	
BNP Paribas	182,057	14,915	13,560	
BOC Hong Kong Holdings, Ltd.	698,500	1,716	1,954	
British Land Co. PLC	158,984	1,567	1,499	
Capitaland, Ltd.	487,305	1,436	1,111	
CapitaMall REIT	360,700	483	530	
Capitamalls Asia, Ltd.	252,000	472	291	
CFS Retail Property Trust	348,356	623	653	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cheung Kong Holdings, Ltd.	265,000	3,591	3,730	
Chiba Bank, Ltd. (The)	148,000	1,040	888	
Chugoku Bank, Ltd.	31,000	424	368	
Chuo Mitsui Trust Holdings, Inc.	593,460	2,393	1,972	
City Developments, Ltd.	95,000	759	774	
CNP Assurances	27,055	678	568	
Commerzbank AG	678,826	5,009	2,809	
Commonwealth Bank of Australia	294,072	12,774	15,870	
Corio NV	11,353	782	726	
Credit Agricole SA	181,029	3,701	2,624	
Credit Saison Co., Ltd.	27,400	563	441	
Credit Suisse Group	213,865	10,587	8,013	
Criteria Caixacorp SA	160,610	897	1,082	
Criteria Caixacorp SA RTS	160,610	-	12	
Dai-ichi Life Insurance Co., Ltd.	1,709	2,825	2,291	
Daiwa Securities Group, Inc.	316,000	2,110	1,329	
Danske Bank A/S	123,817	3,256	2,207	
DB RREEF Trust	329,000	3,375	3,792	
Delta Lloyd	19,450	387	445	
Deutsche Bank AG	176,475	12,560	10,056	
Deutsche Boerse AG	37,280	3,158	2,738	
Dexia	109,094	1,200	327	
Dexus Property Group	888,648	789	803	
DnB Nor ASA	186,432	2,246	2,517	
EFG Eurobank Ergasias SA	59,282	991	269	
Eiffage SA	7,454	507	475	
Erste Bank der Oesterreichischen Sparkassen AG	36,077	1,755	1,807	
Exor	11,650	182	351	
Federated Investors, Inc.-Class B	35,066	1,423	1,311	
Fonciere Des Regions REIT	5,438	523	556	
Fukuoka Financial Group, Inc.	139,000	666	553	
GAM Holding, Ltd.	38,890	1,788	613	
Gecina SA	4,215	496	568	
Gjensidige Forsikring ASA	38,625	478	460	
Global Logistic Properties, Ltd.	354,000	621	570	
Goodman Group	1,333,956	796	965	
GPT Group	337,437	1,243	1,102	
Groupe Bruxelles Lambert SA	97,379	1,005	1,050	
Gunma Bank, Ltd.	74,000	468	373	
Hachijuni Bank (The), Ltd.	79,000	504	424	
Hammerson PLC	137,994	1,512	1,028	
Hang Lung Group, Ltd.	168,000	901	1,021	
Hang Lung Properties, Ltd.	461,000	1,722	1,824	
Hang Seng Bank, Ltd.	144,200	2,332	2,216	
Hannover Rueckversicherung AG	11,656	585	587	
Henderson Land Development Co., Ltd.	209,778	1,371	1,302	
Hiroshima Bank (The), Ltd.	93,000	449	387	
Hokuhoku Financial Group, Inc.	230,000	624	434	
Hong Kong Exchanges and Clearing, Ltd.	195,300	3,146	3,951	
HSBC Holdings PLC	3,361,519	39,727	32,178	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Hysan Development Co., Ltd.	115,000	362	546	
Icade	4,212	493	501	
ICAP PLC	108,750	849	797	
Immoeast AG	87,039	-	-	
Immofinanz AG	177,409	741	727	
Industrivarden AB	21,232	326	340	
Infineon Technologies AG	205,955	1,300	2,235	
ING Groep NV	726,798	10,866	8,633	
Insurance Australia Group, Ltd.	393,508	1,464	1,378	
Intesa Sanpaolo SpA	1,920,406	8,016	4,931	
Intesa Sanpaolo SpA RNC	172,311	713	352	
Investec PLC	92,612	750	723	
Investor AB-Class B	86,809	1,802	1,922	
Israel Discount Bank, Ltd.	138,277	273	262	
Iyo Bank, Ltd.	45,000	476	396	
Japan Prime Realty Investment Corp. REIT	122	340	310	
Japan Real Estate Investment Corp. REIT	88	834	829	
Japan Retail Fund Investment Corp. REIT	292	454	432	
Joyo Bank, Ltd. (The)	118,000	584	474	
Julius Baer Group, Ltd.	38,871	1,528	1,547	
KBC Groep NV	30,667	1,990	1,159	
Keppel Land, Ltd.	133,000	365	377	
Kerry Properties, Ltd.	137,500	698	636	
Kinnevik Investment AB	38,234	686	821	
Klepierre	20,353	792	810	
Land Securities Group PLC	146,056	2,085	1,927	
Legal & General Group PLC	1,112,321	1,931	2,037	
Lend Lease Corp, Ltd.	105,376	887	973	
Liberty International PLC	101,851	885	630	
Link REIT	429,000	1,080	1,415	
Lloyds TSB Group PLC	7,735,440	42,765	5,872	
London Stock Exchange Group PLC	27,646	422	454	
Macquarie Group, Ltd.	65,083	2,831	2,101	
Man Group PLC	20,408	1,904	2,619	
Map Group	69,939	192	241	
Mapfre SA	139,731	578	500	
Mediobanca SpA	98,636	1,376	958	
Merck & Co., Inc.	12,353	1,288	1,295	
Mirvac Group	626,000	909	808	
Mitsubishi Estate Co., Ltd.	238,000	4,544	3,996	
Mitsubishi UFJ Financial Group, Inc.	2,418,060	16,792	11,270	
Mitsubishi UFJ Lease & Finance Co., Ltd.	10,670	410	394	
Mitsui Fudosan Co., Ltd.	160,000	3,118	2,633	
Mitsui Sumitomo Insurance Group Holdings, Inc.	108,274	3,136	2,425	
Mizrahi Tefahot Bank, Ltd.	22,630	200	231	
Mizuho Financial Group, Inc.	3,895,400	10,195	6,098	
Mizuho Securities Co., Ltd.	103,000	353	236	
Mizuho Trust & Banking Co., Ltd.	267,000	377	227	
Muenchener Rueckversicherungs AG	35,758	5,757	5,279	
National Australia Bank, Ltd.	411,913	10,393	10,891	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
National Bank of Greece SA	179,221	4,056	1,229	
Natixis	164,335	1,013	796	
New World Development, Ltd.	450,000	886	655	
Nippon Building Fund, Inc. REIT	105	1,081	984	
Nishi-Nippon City Bank, Ltd. (The)	126,000	428	354	
NKSJ Holdings, Inc.	284,600	2,397	1,796	
Nomura Holdings, Inc.	669,200	5,957	3,167	
Nomura Real Estate Holdings, Inc.	17,100	361	272	
Nomura Real Estate Office Fund, Inc. REIT	50	366	316	
Nordea Bank AB	498,434	5,247	5,180	
NTT Urban Development Corp.	211	239	173	
Old Mutual PLC	1,029,753	2,207	2,128	
ORIX Corp.	19,970	2,353	1,857	
Oversea-Chinese Banking Corp.	474,000	2,863	3,484	
Pargesa Holding SA	4,963	479	442	
Petrofac, Ltd.	49,734	865	1,166	
Pohjola Bank PLC	24,813	312	308	
Prudential PLC	483,223	5,009	5,391	
QBE Insurance Group, Ltd.	200,509	3,990	3,572	
Raiffeisen International Bank Holding AG	8,904	697	441	
Ratos AB	36,166	598	670	
Resolution, Ltd.	275,853	789	1,256	
Resona Holdings, Inc.	352,200	2,960	1,587	
Royal Bank of Scotland Group PLC	3,379,213	9,222	2,014	
Sampo OYJ	80,428	2,040	2,506	
SBI Holdings, Inc.	3,624	836	321	
Schroders PLC	21,906	475	525	
SCOR	31,879	826	872	
Segro PLC REIT	139,235	1,021	674	
Seven Bank, Ltd.	115	308	220	
Shinsei Bank, Ltd.	241,000	472	230	
Shizuoka Bank, Ltd. (The)	117,000	1,176	1,030	
Singapore Exchange, Ltd.	166,000	896	983	
Sino Land Co.	506,000	977	782	
Skandinaviska Enskilda Banken AB-Class A	269,729	2,073	2,133	
Societe Generale-Class A	120,303	9,559	6,888	
Sony Financial Holdings, Inc.	33,400	589	577	
Standard Chartered PLC	445,818	11,893	11,315	
Standard Life PLC	439,423	1,776	1,432	
Stockland	455,111	1,770	1,603	
Sumitomo Mitsui Financial Group, Inc.	254,800	11,795	7,506	
Sumitomo Realty & Development Co., Ltd.	68,000	1,440	1,453	
Sun Hung Kai Properties, Ltd.	269,000	3,878	3,780	
Suncorp-Metway, Ltd.	243,056	2,279	2,037	
Suruga Bank, Ltd.	37,000	405	309	
Svenska Handelsbanken-Class A	93,451	2,571	2,789	
Swedbank AB	153,617	2,084	2,498	
Swire Pacific, Ltd.-Class A	137,000	1,630	1,932	
Swiss Life Holding	5,744	1,006	907	
Swiss Re, Ltd.	67,259	3,845	3,639	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
T&D Holdings, Inc.	55,200	1,964	1,254	
Tokio Marine Holdings, Inc.	137,100	4,460	3,672	
Tokyu Land Corp.	83,000	463	336	
TrygVesta AS	4,587	294	255	
UBS AG	690,936	15,609	12,141	
Unibail	17,340	3,740	3,869	
UniCredito Italiano SpA	2,554,658	9,619	5,205	
Unione Di Banche Italiane SCPA	151,660	2,135	823	
United Overseas Bank, Ltd.	234,679	3,098	3,620	
UOL Group, Ltd.	87,000	239	340	
Vienna Insurance Group	7,008	395	370	
Westfield Group	418,321	5,238	3,739	
Westfield Retail Trust-REIT	557,250	1,465	1,555	
Westpac Banking Corp.	571,215	12,249	13,132	
Wharf Holdings, Ltd.	288,500	1,446	1,934	
Wheelock & Co., Ltd.	167,000	519	642	
Wing Hang Bank, Ltd.	32,500	339	342	
Yamaguchi Financial Group, Inc.	38,000	468	339	
Zurich Financial Services AG	27,606	6,807	6,724	
		635,586	498,990	23.6
Health Care				
Actelion, Ltd.	20,990	1,123	994	
Alfresa Holdings Corp.	7,000	356	260	
Astellas Pharma, Inc.	84,600	3,490	3,144	
AstraZeneca PLC	264,123	13,085	12,713	
Bayer AG	157,001	10,966	12,179	
Cangene Corp.	215,250	9,639	9,787	
Celesio AG	16,776	565	322	
Chugai Pharmaceutical Co., Ltd.	43,800	861	689	
Cie Generale d'Optique Essilor International SA	38,104	2,288	2,982	
Cochlear, Ltd.	11,186	653	831	
Coloplast A/S-Class B	4,407	446	644	
CSL, Ltd., Australia	103,505	3,018	3,536	
Daiichi Sankyo Co., Ltd.	127,081	3,010	2,380	
Dainippon Sumitomo Pharma Co., Ltd.	28,300	276	257	
Eisai Co., Ltd.	48,200	1,918	1,806	
Elan Corp. PLC	92,273	1,019	1,026	
Fresenius Medical Care AG & Co. KGaA	37,357	2,006	2,686	
Fresenius SE	21,601	1,658	2,166	
Getinge AB	37,339	757	968	
GlaxoSmithKline PLC	984,712	22,279	20,353	
Grifols SA	25,672	510	497	
Hisamitsu Pharmaceutical Co.	12,200	493	499	
Kyowa Hakko Kogyo Co., Ltd.	48,000	519	438	
Lonza Group AG	9,695	931	729	
Miraca Holdings, Inc.	10,200	374	396	
Mitsubishi Tanabe Pharma Corp.	43,000	623	691	
Novartis AG Registered	443,058	24,853	26,128	
Novo-Nordisk A/S-Class B	79,461	5,596	9,615	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Olympus Corp.	41,600	1,257	1,341	
ONO Pharmaceutical Co., Ltd.	16,500	841	846	
Orion OYJ-Class B	17,243	362	429	
Otsuka Holdings Co., Ltd.	48,000	1,198	1,220	
Qiagen NV	45,351	967	837	
Ramsay Health Care, Ltd.	25,926	410	486	
Roche Holding AG Genuschein	133,380	22,401	21,480	
RSA Insurance Group PLC	673,574	1,621	1,408	
Sanofi-Aventis	211,560	16,431	16,394	
Santen Pharmaceutical Co., Ltd.	13,600	433	526	
Shionogi & Co., Ltd.	57,600	1,193	904	
Shire, Ltd.	107,396	2,120	3,235	
Smith & Nephew PLC	169,238	1,757	1,744	
Sonic Healthcare, Ltd.	70,454	875	937	
Sonova Holding AG	9,506	927	855	
Straumann Holding AG	1,454	379	336	
Suzuken Co., Ltd.	12,100	399	267	
Synthes, Inc.	12,405	1,671	2,099	
Systemex Corp.	14,200	433	511	
Taisho Pharmaceutical Co., Ltd.	23,000	469	496	
Takeda Pharmaceutical Co., Ltd.	150,500	7,645	6,672	
Terumo Corp.	31,700	1,634	1,640	
Teva Pharmaceutical Industries, Ltd.	178,204	10,165	8,259	
Tsumura & Co.	11,200	406	344	
UCB SA	18,539	840	804	
William Demant Holding	4,121	306	359	
		190,452	193,145	9.1
Industrials				
ABB, Ltd.	416,194	8,541	10,400	
Abertis Infraestructuras SA	70,324	1,489	1,516	
Acciona SA	4,774	720	489	
ACS Actividades Cons y Serv	26,949	1,316	1,226	
Adecco SA	25,204	1,416	1,557	
Aeroports de Paris	6,656	628	604	
Aggreko PLC	52,247	1,059	1,560	
Air France-KLM	24,509	500	362	
Airlines	44,180	827	927	
Alfa Laval AB	64,254	850	1,339	
All Nippon Airways Co., Ltd.	151,000	530	471	
Alstom	38,915	2,768	2,315	
Amada Co., Ltd.	65,000	514	477	
Amadeus IT Holding SA	47,054	932	942	
Amec PLC	63,358	866	1,067	
Antofagasta PLC	75,519	1,121	1,630	
AP Moller-Maersk A/S-Class A	107	961	854	
AP Moller-Maersk A/S-Class B	252	2,250	2,095	
Asahi Glass Co., Ltd.	191,000	2,104	2,136	
Asciano Group	564,561	836	957	
Assa Abloy AB-Class B	58,700	1,122	1,526	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Atlantia SpA	60,326	1,406	1,238	
Atlas Copco AB-Class A	127,981	2,003	3,257	
Atlas Copco AB-Class B	74,818	1,084	1,704	
Auckland International Airport, Ltd.	166,585	250	294	
Babcock International Group PLC	69,026	692	761	
BAE Systems PLC	647,259	4,338	3,194	
Balfour Beatty PLC	135,249	739	646	
Bekaert SA	7,569	754	556	
Bouygues	45,190	2,468	1,913	
Brambles Industries PLC	271,896	1,915	2,026	
Brenntag AG	6,444	621	723	
Bunzl PLC	64,533	754	780	
Cathay Pacific Airways, Ltd.	227,000	474	506	
Central Japan Railway Co.	287	2,492	2,164	
Chiyoda Corp.	28,000	236	309	
Cie de Saint-Gobain	75,664	4,095	4,728	
Cie Generale de Geophysique-Veritas	26,751	923	948	
Cie Generale des Etablissements Michelin	33,727	2,680	3,178	
Cobham PLC	225,065	835	738	
ComfortDelgro Corp., Ltd.	345,119	399	393	
Cosco Corp. Singapore, Ltd.	187,000	233	285	
Dai Nippon Printing Co., Ltd.	104,000	1,512	1,121	
Daikin Industries, Ltd.	44,700	1,666	1,514	
Delek Group, Ltd.	776	174	168	
Deutsche Post AG	159,774	3,434	2,961	
DSV A/S	40,466	731	936	
East Japan Railway Co.	64,500	4,618	3,538	
Edenred	30,572	584	899	
Elbit Systems, Ltd.	4,160	221	190	
European Aeronautic Defense and Space Co.	77,286	1,843	2,496	
Experian, Ltd.	190,346	2,080	2,339	
Fanuc, Ltd.	36,400	3,818	5,820	
Ferrovial SA	69,244	833	844	
Fiat Industrial SpA	145,214	1,747	1,800	
Finmeccanica SpA	78,175	1,415	907	
Fomento de Construcciones Y Contratas SA	9,617	391	283	
Fraport AG	6,792	408	527	
Fraser and Neave, Ltd.	172,745	581	786	
Fuji Electric Holdings Co., Ltd.	103,000	333	308	
Furukawa Electric Co., Ltd. (The)	116,000	574	463	
GEA Group AG	33,689	892	1,165	
Geberit AG	7,332	1,167	1,671	
Genting International PLC	1,163,600	971	1,766	
Hexagon AB	48,161	913	1,147	
Hino Motors, Ltd.	46,000	226	256	
Hitachi Construction Machinery Co., Ltd.	20,900	485	448	
Hitachi High-Technologies Corp.	12,600	274	264	
Hochtief AG	8,205	654	661	
Hopewell Holdings, Ltd.	106,000	367	321	
Hutchison Port Holdings Trust-UNIT	987,000	947	805	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Hutchison Whampoa, Ltd.	405,000	3,692	4,219	
IHI Corp.	242,000	502	599	
Independent Tankers Corp., Ltd.	1	-	-	
International Consolidated Airlines Group SA	177,892	800	696	
Intertek Group PLC	30,800	868	939	
Invensys PLC	157,148	760	784	
Itochu Corp.	284,200	2,476	2,826	
Japan Steel Works, Ltd. (The)	57,000	704	374	
JGC Corp.	38,000	764	995	
JS Group Corp.	50,800	1,001	1,251	
JTEKT Corp.	40,800	580	573	
Kajima Corp.	156,000	520	427	
Kamigumi Co., Ltd.	46,000	384	412	
Kawasaki Heavy Industries, Ltd.	264,000	810	1,003	
Kawasaki Kisen Kaisha, Ltd.	145,000	770	483	
Keihin Electric Express Railway Co., Ltd.	90,000	715	623	
Keio Corp.	104,000	662	549	
Keisei Electric Railway Co., Ltd.	52,000	340	295	
Keppel Corp., Ltd.	270,900	1,631	2,355	
Kinden Corp.	23,000	220	187	
Kintetsu Corp.	314,000	1,181	964	
Komatsu, Ltd.	180,100	3,995	5,370	
Kone OYJ	29,247	1,128	1,771	
Koninklijke Boskalis Westminster NV	13,919	649	635	
Koninklijke Vopak	13,467	577	637	
Kubota Corp.	220,000	1,909	1,861	
Kuehne & Nagel International AG	10,302	1,003	1,502	
Kurita Water Industries, Ltd.	21,500	649	611	
Legrand SA	37,560	1,255	1,523	
Leighton Holdings, Ltd.	29,481	898	634	
Man AG	360,816	2,254	1,325	
Marubeni Corp.	313,000	1,942	1,990	
Medipal Holdings Corp.	27,200	394	231	
Metso OYJ	24,320	906	1,333	
Minebea Co., Ltd.	63,000	345	321	
Mitsubishi Corp.	257,500	6,398	6,151	
Mitsubishi Electric Corp.	366,000	3,225	4,059	
Mitsubishi Heavy Industries, Ltd.	580,000	2,512	2,606	
Mitsubishi Logistics Corp.	21,000	275	226	
Mitsui & Co., Ltd.	329,700	5,337	5,441	
Mitsui Engineering & Shipbuilding Co., Ltd.	131,000	379	272	
Mitsui OSK Lines, Ltd.	212,000	1,729	1,089	
MTR Corp.	269,000	905	918	
Nabtesco Corp.	17,300	331	400	
Neptune Orient Lines, Ltd.	163,555	253	195	
NGK Insulators, Ltd.	48,000	932	855	
Nippon Express Co., Ltd.	159,000	765	618	
Nippon Sheet Glass Co., Ltd.	162,000	550	482	
Nippon Yusen KK	293,000	1,505	1,040	
Noble Group, Ltd.	727,326	980	1,126	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
NSK, Ltd.	84,000	636	800	
NTN Corp.	88,000	491	480	
NWS Holdings, Ltd.	239,500	389	307	
Obayashi Corp.	118,000	597	491	
Odakyu Electric Railway Co., Ltd.	122,000	1,002	929	
Orient Overseas International, Ltd.	40,500	249	251	
Orkla ASA	146,212	1,473	1,348	
Otsuka Corp.	3,000	246	179	
Qantas Airways, Ltd.	197,954	518	376	
QR National, Ltd.	328,717	921	1,145	
Randstad Holdings NV	22,719	1,008	1,013	
Renewable Energy Corp. AS	90,126	741	150	
Rolls Royce Holdings PLC	354,017	2,964	3,535	
Ryanair Holdings PLC	4,042	20	20	
Ryanair Holdings PLC, Sponsored ADR	11,948	403	338	
Safran SA	32,021	746	1,320	
Sandvik AB	190,824	2,536	3,237	
Scania AB-Class B	60,646	954	1,359	
Schindler Holding AG	9,325	721	1,091	
Schindler Holding AG-REG	3,951	298	462	
Schneider Electric SA	46,473	5,355	7,491	
Secom Co., Ltd.	40,100	1,978	1,843	
Securitas AB-Class B	61,848	760	630	
SembCorp Industries, Ltd.	184,736	540	725	
SembCorp Marine, Ltd.	163,581	451	682	
Serco Group PLC	92,510	767	792	
SGS SA	1,046	1,430	1,907	
Shimadzu Corp.	45,000	398	394	
Shimizu Corp.	109,000	531	435	
Siemens AG Registered	156,204	16,154	20,696	
Singapore Airlines, Ltd.	102,671	1,092	1,145	
Singapore Technologies Engineering, Ltd.	287,297	649	678	
Skanska AB-Class B	75,774	1,254	1,312	
SKF AB	73,964	1,348	2,069	
SMC Corp./Japan	10,300	1,387	1,774	
Smiths Group PLC	73,727	1,436	1,371	
Societe BIC SA	5,584	406	520	
Sojitz Corp.	228,800	632	407	
Sulzer AG	4,591	806	716	
Sumitomo Corp.	214,700	2,703	2,794	
Sumitomo Electric Industries, Ltd.	144,000	1,956	2,005	
Sumitomo Heavy Industries, Ltd.	104,000	671	692	
Taisei Corp.	190,000	516	416	
Thales SA	19,269	930	802	
THK Co., Ltd.	22,100	476	538	
TNT NV	63,991	1,923	523	
Tobu Railway Co., Ltd.	195,000	1,021	785	
Tokyu Corp.	221,000	1,147	882	
Toll Holdings, Ltd.	128,557	950	644	
Toppan Printing Co., Ltd.	107,000	1,040	794	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Toto, Ltd.	52,000	387	387	
Toyota Tsusho Corp.	42,000	786	687	
Transurban Group	251,191	1,230	1,355	
Ushio, Inc.	19,400	372	365	
Vallourec	21,434	2,326	2,519	
Vestas Wind Systems A/S	38,409	2,543	861	
Vinci SA	84,189	4,843	5,203	
Volvo AB-Class B	261,990	3,265	4,428	
Wartsila OYJ-Class B	31,985	853	1,042	
Weir Group PLC	40,441	1,130	1,332	
Wendel SA	6,292	740	745	
Wesfarmers, Ltd.	190,582	4,916	6,270	
Wesfarmers, Ltd.-PPS	29,332	831	977	
West Japan Railway Co.	33,200	1,356	1,244	
Wolseley PLC	53,439	1,947	1,682	
Yamato Holdings Co., Ltd.	76,100	1,161	1,144	
Yangzijiang Shipbuilding	351,000	379	403	
Zardoya Otis SA	30,070	639	427	
Zardoya Otis SA RTS	25,912	-	18	
		255,284	273,353	12.9
Information Technology				
Advantest Corp.	28,800	792	506	
Alcatel-Lucent	437,639	2,536	2,442	
Annaly Capital Management, Inc.	107,015	1,361	-	
ARM Holdings PLC	255,678	1,170	2,327	
ASM Pacific Technology	36,000	274	476	
ASML Holding NV	82,102	2,463	2,918	
Atos Origin	9,429	532	513	
Autonomy Corp.	43,942	1,085	1,162	
Brother Industries, Ltd.	45,300	581	639	
Canon, Inc.	28,223	1,462	1,595	
CapGemini SA	116,840	1,415	1,294	
Citizen Watch Co., Ltd.	46,000	314	263	
Computershare, Ltd.	85,015	775	778	
Dassault Systemes SA	11,515	708	946	
Elpida Memory, Inc.	37,900	722	425	
Foxconn International Holdings, Ltd.	395,000	508	168	
Fujitsu, Ltd.	355,000	2,480	1,939	
Gree, Inc.	17,100	215	357	
Hamamatsu Photonics KK	12,400	405	512	
Hirose Electric Co., Ltd.	6,100	695	599	
Hitachi, Ltd.	858,000	4,111	4,840	
Hoya Corp.	81,800	2,219	1,733	
Ibiden Co., Ltd.	22,800	882	681	
Indra Sistemas SA	19,485	438	388	
Itochu Techno-Science Corp.	5,400	187	184	
Keyence Corp.	7,832	1,823	2,123	
Konami Corp.	16,900	390	383	
Konica Minolta Holdings, Inc.	87,500	998	700	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Koninklijke (Royal) Philips Electronics NV	186,842	5,773	4,627	
Kyocera Corp.	29,000	2,698	2,824	
Mabuchi Motor Co., Ltd.	4,500	251	217	
Millicom International Cellular SA, SDR	14,424	1,285	1,455	
Murata Manufacturing Co., Ltd.	38,100	2,177	2,427	
NEC Corp.	498,000	1,848	1,089	
Neopost SA	6,468	622	535	
NICE Systems, Ltd.	11,583	363	402	
Nidec Corp.	20,900	1,713	1,853	
Nintendo Co., Ltd.	18,800	6,018	3,365	
Nippon Electric Glass Co., Ltd.	76,000	1,057	932	
Nokia OYJ	711,262	12,362	4,449	
Nomura Research Institute, Ltd.	18,600	457	389	
NTT Data Corp.	242	919	769	
Omron Corp.	39,100	885	1,037	
Oracle Corp. Japan	6,800	320	284	
Ricoh Co., Ltd.	128,000	2,063	1,358	
Rohm Co., Ltd.	18,800	1,412	1,027	
Sage Group PLC	252,090	1,037	1,128	
SAP AG	174,694	9,211	10,199	
Seiko Epson Corp.	23,900	490	396	
Square Enix Co., Ltd.	11,300	297	195	
STMicroelectronics NV	120,336	1,399	1,157	
Sumco Corp.	21,100	503	340	
TDK Corp.	23,800	1,556	1,254	
Telefonaktiebolaget LM Ericsson-Class B	571,802	7,294	7,976	
Tokyo Electron, Ltd.	32,800	2,031	1,711	
Toshiba Corp.	764,000	4,262	3,844	
Trend Micro, Inc.	20,300	728	603	
Yahoo! Japan Corp.	2,801	1,155	923	
Yaskawa Electric Corp.	42,000	390	450	
Yokogawa Electric Corp.	39,300	359	321	
		104,476	90,427	4.3
Materials				
Acerinox SA	18,315	373	322	
Air Liquide	54,153	5,998	7,489	
Akzo Nobel NV	44,168	2,746	2,688	
Alumina, Ltd.	467,199	907	1,019	
Arcor, Ltd.	234,372	1,334	1,744	
ArcelorMittal	162,875	7,652	5,465	
Arkema SA	10,561	1,121	1,049	
Asahi Kasei Corp.	238,000	1,355	1,533	
Aurizon Mines, Ltd.	492,891	9,952	11,204	
BASF SE	174,375	10,507	16,474	
BHP Billiton PLC	414,288	12,342	15,733	
BHP Billiton, Ltd.	609,681	21,004	27,585	
BlueScope Steel, Ltd.	364,473	1,212	454	
Boliden AB	52,552	699	939	
Boral, Ltd.	139,478	697	634	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cimpor Cimentos de Portugal SA	36,963	264	273	
CRH PLC	135,579	3,621	2,891	
Daicel Chemical Industries, Ltd.	51,000	339	323	
Daido Steel Co., Ltd.	52,000	279	332	
Denki Kagaku Kogyo KK	88,000	385	405	
Eramet	986	523	315	
Eurasian Natural Resources	50,459	836	610	
Fletcher Building, Ltd.	127,663	771	870	
Fortescue Metals Group, Ltd.	239,286	1,114	1,568	
Fresnillo PLC	34,949	505	759	
GDF Suez	234,779	11,387	8,290	
Givaudan	1,566	1,371	1,596	
Glencore International PLC	158,239	1,341	1,204	
Heidelbergcement AG	26,292	1,787	1,614	
Hitachi Chemical Co., Ltd.	19,200	413	365	
Hitachi Metals, Ltd.	29,000	355	391	
Holcim, Ltd.	46,425	3,401	3,376	
Holmen AB-Class B	9,481	298	286	
Iluka Resources, Ltd.	79,775	1,289	1,380	
Imerys SA	6,546	433	445	
Incitec Pivot, Ltd.	308,326	1,252	1,230	
Israel Chemicals, Ltd.	86,314	1,082	1,322	
Israel Corp., Ltd.	422	330	441	
James Hardie Industries NV	84,638	520	512	
JFE Holdings, Inc.	86,900	3,388	2,288	
Johnson Matthey PLC	40,927	1,108	1,246	
JSR Corp.	34,300	716	635	
K+S AG	32,704	2,296	2,425	
Kaneka Corp.	54,000	424	339	
Kansai Paint Co., Ltd.	41,000	333	358	
Kazakhmys PLC	41,424	926	886	
Kobe Steel, Ltd.	475,000	1,181	1,027	
Koninklijke DSM	29,017	1,384	1,817	
Kuraray Co., Ltd.	65,800	811	922	
Lafarge SA	37,739	3,080	2,313	
Lanxess AG	15,894	1,160	1,252	
Linde AG	32,104	3,834	5,409	
Lonmin PLC	30,930	1,000	696	
Lynas Corp, Ltd.	323,703	792	886	
MacArthur Coal, Ltd.	32,741	341	370	
Makhteshim-Agan Industries, Ltd.	42,325	168	228	
Maruichi Steel Tube, Ltd.	8,300	208	197	
Mitsubishi Chemical Holdings Corp.	258,000	1,489	1,748	
Mitsubishi Gas Chemical Co., Inc.	71,000	482	497	
Mitsubishi Materials Corp.	220,000	790	660	
Mitsui Chemicals, Inc.	158,000	628	549	
Newcrest Mining, Ltd.	145,110	4,612	5,654	
Nippon Paper Group, Inc.	18,200	561	387	
Nippon Steel Corp.	973,000	4,095	3,012	
Nisshin Steel Co., Ltd.	124,000	327	227	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Nitto Denko Corp.	31,700	1,416	1,534	
Norsk Hydro ASA	181,043	1,777	1,341	
Novozymes A/S-Class B	8,577	891	1,347	
Oji Paper Co., Ltd.	167,000	845	766	
OneSteel, Ltd.	244,885	781	468	
Orica, Ltd.	69,072	1,498	1,921	
Outokumpu OYJ	23,593	539	301	
OZ Minerals, Ltd.	62,885	1,004	858	
Prysmian SpA	39,001	763	757	
Randgold Resources, Ltd.	17,352	1,370	1,412	
Rautaruukki OYJ	15,643	427	341	
Rexam PLC	169,814	1,006	1,007	
Rio Tinto PLC	274,632	15,539	19,072	
Rio Tinto, Ltd.	82,624	5,529	7,070	
Salzgitter AG	7,368	739	542	
Shin-Etsu Chemical Co., Ltd.	77,800	4,520	3,984	
Showa Denko KK	289,000	693	570	
Sika AG	397	674	922	
Sims Group, Ltd.	29,665	666	541	
Solvay SA	11,356	1,344	1,688	
Ssab Svenskt Stal AB-Class A	29,195	561	422	
Stora Enso OYJ-Class R	111,572	1,113	1,130	
Sumitomo Chemical Co., Ltd.	298,000	1,654	1,421	
Sumitomo Metal Industries, Ltd.	637,000	2,070	1,370	
Sumitomo Metal Mining Co., Ltd.	100,000	1,556	1,570	
Svenska Cellulosa AB-Class B	109,579	1,559	1,492	
Syngenta AG	17,946	4,543	5,829	
Taiyo Nippon Sanso Corp.	48,000	458	365	
Teijin, Ltd.	179,000	733	751	
ThyssenKrupp AG	63,125	2,424	3,158	
Toray Industries, Inc.	279,000	1,702	1,974	
Tosoh Corp.	91,000	332	349	
Toyo Seikan Kaisha, Ltd.	28,900	538	465	
Ube Industries, Ltd.	196,000	593	562	
Umicore	21,863	794	1,151	
UPM-Kymmene OYJ	99,389	1,631	1,752	
Vedanta Resources PLC	23,282	878	755	
Voestalpine AG	21,200	933	1,122	
Wacker Chemie AG	2,868	523	600	
Xstrata PLC	393,616	6,933	8,355	
Yara International ASA	36,258	1,541	1,979	
		223,019	244,172	11.5
Telecommunication Services				
Belgacom SA	29,173	1,175	1,004	
Bezeq Israeli Telecommunication Corp., Ltd.	335,129	832	815	
BT Group PLC	1,476,249	4,629	4,609	
Cellcom Israel, Ltd.	11,325	340	303	
Deutsche Telekom AG	533,307	8,475	8,048	
Elisa OYJ-Class A	27,178	614	565	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Eurazeo	5,616	414	395	
Eutelsat Communications	18,912	620	820	
France Telecom SA	352,037	9,519	7,224	
Hellenic Telecommunications Organization SA	45,404	889	410	
Iliad SA	3,693	400	478	
Inmarsat PLC	88,199	974	760	
KDDI Corp.	556	3,401	3,834	
Koninklijke KPN	298,383	4,731	4,183	
Mobistar SA	5,817	432	426	
Nippon Telegraph & Telephone Corp.	90,900	4,386	4,198	
NTT DoCoMo, Inc.	2,911	4,944	4,968	
Partner Communications Co., Ltd.	15,861	305	231	
PCCW, Ltd.	717,000	233	297	
Portugal Telecom SGPS SA	127,949	1,486	1,223	
Singapore Telecommunications, Ltd.	1,512,572	3,528	3,746	
Softbank Corp.	164,100	4,288	5,932	
Starhub, Ltd.	114,000	200	249	
Swisscom AG	4,457	1,705	1,968	
TDC AS	71,305	628	628	
Tele2 AB-Class B	61,163	1,005	1,169	
Telecom Corp. of New Zealand, Ltd.	350,623	808	683	
Telecom Italia SpA	1,767,580	3,515	2,371	
Telecom Italia-RNC	1,136,135	1,791	1,269	
Telefonica SA	779,826	19,391	18,397	
Telekom Austria AG	64,477	1,185	796	
Telenor ASA	140,994	2,018	2,239	
TeliaSonera AB	408,793	2,969	2,901	
Telstra Corp., Ltd.	821,341	2,702	2,452	
United Internet AG	21,927	359	445	
Vodafone Group PLC	9,829,935	26,194	25,176	
		121,085	115,212	5.4
Utilities				
A2A SpA	199,181	522	299	
AGL Energy, Ltd.	88,512	1,194	1,338	
Air Water, Inc.	26,000	334	300	
Centrica PLC	978,943	4,771	4,904	
Cheung Kong Infrastructure Holdings, Ltd.	83,000	344	415	
Chubu Electric Power Co., Inc.	130,500	3,324	2,444	
Chugoku Electric Power Co.	56,600	1,237	937	
CLP Holdings, Ltd.	363,000	2,819	3,100	
Contact Energy, Ltd.	59,519	281	254	
E.ON AG	341,781	14,701	9,364	
EDF SA	45,417	3,045	1,722	
EDP-Energias de Portugal SA	368,646	1,578	1,262	
Electric Power Development Co.	23,020	781	598	
Electricite De France	45,829	993	1,058	
Enagas	35,116	851	821	
Enel Green Power SPA	341,858	778	905	
Enel SpA	1,248,552	8,492	7,844	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Fortum OYJ	83,390	2,518	2,325	
Gas Natural SDG SA	61,711	1,253	1,246	
Hokkaido Electric Power Co., Inc.	36,200	798	576	
Hokuriku Electric Power Co.	34,400	846	629	
Hong Kong & China Gas	902,016	1,801	1,973	
HongKong Electric Holdings	265,000	1,621	1,928	
Iberdrola Renovables	154,576	820	659	
Iberdrola SA	717,514	6,983	6,159	
International Power PLC	290,633	1,695	1,448	
Kansai Electric Power Co. (The), Inc.	143,400	3,538	2,723	
Kyushu Electric Power Co., Inc.	76,900	1,782	1,328	
National Grid PLC	665,065	6,787	6,312	
Osaka Gas Co., Ltd.	375,000	1,439	1,362	
Public Power Corp.	21,248	516	298	
Red Electrica de Espana	20,654	1,134	1,200	
RWE AG	79,538	7,450	4,249	
RWE AG Preferred	7,181	591	352	
Scottish & Southern Energy PLC	176,102	3,831	3,801	
Severn Trent PLC	44,276	985	1,009	
Shikoku Electric Power Co.	34,100	983	741	
Snam Rete Gas SpA	305,571	1,642	1,745	
Sp Ausnet	239,093	201	232	
Suez Environnement SA	51,821	1,249	997	
Terna SpA	227,141	915	1,018	
Toho Gas Co., Ltd.	76,000	402	394	
Tohoku Electric Power Co., Inc.	87,500	1,954	1,213	
Tokyo Electric Power Co. (The), Inc.	273,700	7,312	1,066	
Tokyo Gas Co., Ltd.	483,000	2,185	2,095	
United Utilities Group PLC	129,933	1,559	1,205	
Veolia Environnement SA	66,078	2,847	1,798	
Verbund-Oesterreichische Elektrizitaetswirtschafts AG-Class A	12,513	635	524	
		114,317	90,170	4.3
Total Common Stocks		2,221,080	2,103,483	99.3
Transaction Costs (Note 2)		(516)		
		2,220,564	2,103,483	99.3
Total Investments			15,510	0.7
Other Assets and Liabilities			2,118,993	100.0
Net Assets				

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Consumer Discretionary	10.9	10.7
Consumer Staples	9.4	9.0
Energy	7.9	7.4
Financials	23.6	23.2
Health Care	9.1	8.5
Industrials	12.9	12.6
Information Technology	4.3	4.5
Materials	11.5	11.3
Telecommunication Services	5.4	5.2
Utilities	4.3	4.6
Other Assets and Liabilities	0.7	3.0

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

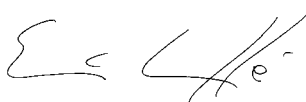
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 406,675,730	\$ 319,564,252
Cash	11,375	9,130
Net unrealized gain on forward currency contracts (Note 5)	28,630,249	30,477,049
Accounts receivable from issue of units	-	60,013,643
	435,317,354	410,064,074
Liabilities		
Operating expenses payable	10,978	15,319
Net unrealized loss on forward currency contracts (Note 5)	30,170,384	25,067,045
	30,181,362	25,082,364
Net Assets	\$ 405,135,992	\$ 384,981,710
Number of Units Issued and Outstanding (Note 7)	37,901,722	36,192,892
Net Assets per Unit	\$ 10.69	\$ 10.64
Investments at Cost	\$ 423,132,757	\$ 337,881,032

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 8,482,529	\$ 4,545,193
Interest income	224	-
	<u>8,482,753</u>	<u>4,545,193</u>
Expenses		
Custodian fees	1,252	1,225
Fund accounting expenses	6,581	8,662
Unitholder communication costs	299	299
Audit fees	6,967	6,169
Securities filing fees	3,382	82
Independent review committee fees	52	955
Other operating expenses	1,887	575
	<u>20,420</u>	<u>17,967</u>
Net Investment Income for the Period	<u>8,462,333</u>	<u>4,527,226</u>
Loss on Investments		
Net realized loss on sale of investments	(885,396)	(1,231,409)
Net realized gain (loss) from forward currency contracts	(367,778)	41,974,638
Net change in unrealized appreciation (depreciation) in value of investments	1,859,753	(44,956,948)
Net change in unrealized depreciation in value of forward currency contracts	(6,950,139)	(25,222,950)
Net Loss on Investments	<u>(6,343,560)</u>	<u>(29,436,669)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 2,118,773</u>	<u>\$ (24,909,443)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.06</u>	<u>\$ (0.76)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 384,981,710	\$ 338,028,583
Increase (Decrease) in Net Assets from Operations	<u>2,118,773</u>	<u>(24,909,443)</u>
Capital Transactions		
Proceeds from issue of units	82,697,453	411,646
Reinvestment of distributions	8,462,533	4,527,424
Redemption of units	(64,661,944)	(9,980,235)
Net capital transactions	<u>26,498,042</u>	<u>(5,041,165)</u>
Distributions		
From net investment income	(8,462,533)	(4,527,424)
Total distributions	<u>(8,462,533)</u>	<u>(4,527,424)</u>
Increase (Decrease) in Net Assets for the Period	<u>20,154,282</u>	<u>(34,478,032)</u>
Net Assets - End of Period	<u>\$ 405,135,992</u>	<u>\$ 303,550,551</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class A	40,761,393	423,133	406,676	
Total Foreign Index Equivalents		423,133	406,676	100.4
Total Investments		423,133	406,676	100.4
Other Assets and Liabilities			(1,540)	(0.4)
Net Assets			405,136	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Foreign Index Equivalents	100.4	83.0
Other Assets and Liabilities	(0.4)	17.0

Open forward currency contracts held by the Fund as at June 30, 2011 are shown in Note 5.

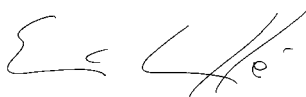
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 113,354,025	\$ 115,119,064
Cash	72,839	239,857
Dividends receivable	-	7,467
Accounts receivable from issue of units	1,046,413	-
	<u>114,473,277</u>	<u>115,366,388</u>
Liabilities		
Operating expenses payable	6,329	10,161
	<u>6,329</u>	<u>10,161</u>
Net Assets	<u>\$ 114,466,948</u>	<u>\$ 115,356,227</u>
Number of Units Issued and Outstanding (Note 7)	<u>13,109,471</u>	<u>13,449,528</u>
Net Assets per Unit	<u>\$ 8.73</u>	<u>\$ 8.58</u>
Investments at Cost	<u>\$ 114,654,370</u>	<u>\$ 117,155,949</u>

Approved by BlackRock Asset Management Canada Limited,
 Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 1,553,342	\$ 4,905,670
Interest income	992	-
Foreign exchange loss	(3,092)	(3,094)
Withholding taxes	(27,591)	(65,609)
	<u>1,523,651</u>	<u>4,836,967</u>
Expenses		
Custodian fees	123	103
Fund accounting expenses	3,071	5,440
Unitholder communication costs	299	299
Audit fees	4,645	3,666
Securities filing fees	1,077	-
Independent review committee fees	29	1,355
Other operating expenses	1,728	626
	<u>10,972</u>	<u>11,489</u>
Net Investment Income for the Period	<u>1,512,679</u>	<u>4,825,478</u>
Gain (Loss) on Investments		
Net realized loss on sale of investments	(154,902)	(477,527)
Transaction costs (Note 2,12)	(2,062)	(2,444)
Net change in unrealized appreciation (depreciation) in value of investments	736,540	(47,478,680)
Net Gain (Loss) on Investments	<u>579,576</u>	<u>(47,958,651)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 2,092,255</u>	<u>\$ (43,133,173)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.15</u>	<u>\$ (0.70)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 115,356,227	\$ 482,801,960
Increase (Decrease) in Net Assets from Operations	<u>2,092,255</u>	<u>(43,133,173)</u>
Capital Transactions		
Proceeds from issue of units	21,028,686	52,377,070
Reinvestment of distributions	1,515,095	4,824,508
Redemption of units	(24,010,220)	(9,426,810)
Net capital transactions	<u>(1,466,439)</u>	<u>47,774,768</u>
Distributions		
From net investment income	(1,515,095)	(4,824,508)
Total distributions	<u>(1,515,095)</u>	<u>(4,824,508)</u>
Decrease in Net Assets for the Period	<u>(889,279)</u>	<u>(182,913)</u>
Net Assets - End of Period	<u>\$ 114,466,948</u>	<u>\$ 482,619,047</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Foreign Index Equivalents				
BlackRock CDN MSCI EAFE Equity Index Class D	4,669,610	49,930	46,580	
BlackRock CDN US Equity Index Class D	6,745,221	49,638	50,678	
iShares MSCI Emerging Markets Index Fund	350,596	15,091	16,096	
Total Foreign Index Equivalents		114,659	113,354	99.0
Transaction Costs (Note 2)		(5)		
Total Investments		114,654	113,354	99.0
Other Assets and Liabilities			1,113	1.0
Net Assets			114,467	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Foreign Index Equivalents	99.0	99.8
Other Assets and Liabilities	1.0	0.2

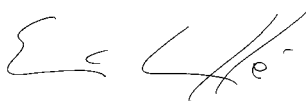
Statement of Net Assets — As at June 30, 2011 And December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 245,668,200	\$ 251,940,384
Cash	469,706	966,598
Margin due from brokers	246,897	125,441
Dividends receivable	973,034	109,191
Tax reclaim on dividends receivable	2,941	679
	<u>247,360,778</u>	<u>253,142,293</u>
Liabilities		
Operating expenses payable	60,811	73,917
Payables for investment purchases	70,892	-
	<u>131,703</u>	<u>73,917</u>
Net Assets	<u>\$ 247,229,075</u>	<u>\$ 253,068,376</u>
Net Assets per Class		
Class A	<u>\$ 247,229,075</u>	<u>\$ 253,068,376</u>
	<u>\$ 247,229,075</u>	<u>\$ 253,068,376</u>
Number of Units Issued and Outstanding (Note 7)		
Class A	<u>23,446,459</u>	<u>23,623,886</u>
Net Assets per Unit		
Class A	<u>\$ 10.54</u>	<u>\$ 10.71</u>
Investments at Cost	<u>\$ 242,488,152</u>	<u>\$ 242,268,768</u>

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011
Revenue	
Dividend income	\$ 4,032,933
Interest income	(897)
Net gain from futures contracts	36,299
Foreign exchange gain	25,673
Withholding taxes	(330,295)
	<u>3,763,713</u>
Expenses	
Custodian fees	197,362
Fund accounting expenses	31,264
Unitholder communication costs	334
Audit fees	4,639
Securities filing fees	2,189
Independent review committee fees	34
Other operating expenses	11,173
	<u>246,995</u>
Net Investment Income for the Period	<u>3,516,718</u>
Loss on Investments	
Net realized loss on sale of investments	(925,887)
Foreign tax	(10,573)
Transaction costs (Note 2,12)	(38,646)
Net change in unrealized depreciation in value of investments	(6,491,568)
Net Loss on Investments	<u>(7,466,674)</u>
Decrease in Net Assets from Operations	<u>\$ (3,949,956)</u>
Decrease in Net Assets from Operations per Class	
Class A	<u>\$ (3,949,956)</u>
	<u>\$ (3,949,956)</u>
Decrease in Net Assets from Operations per Unit	
Class A	<u>\$ (0.17)</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011	2011
	Fund	Class A
Net Assets - Beginning of Period	<u>\$ 253,068,376</u>	<u>\$ 253,068,376</u>
Decrease in Net Assets from Operations	<u>(3,949,956)</u>	<u>(3,949,956)</u>
Capital Transactions		
Proceeds from issue of units	1,046,547	1,046,547
Redemption of units	(2,935,892)	(2,935,892)
Net capital transactions	<u>6,573,188</u>	<u>6,573,188</u>
Decrease in Net Assets for the Period	<u>(5,839,301)</u>	<u>(5,839,301)</u>
Net Assets - End of Period	<u>\$ 247,229,075</u>	<u>\$ 247,229,075</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Common Stocks				
Consumer Discretionary				
Anhanguera Educacional Participacoes SA	7,800	185	160	
Anta Sports Products, Ltd.	56,000	117	96	
Arcelik	12,944	68	64	
Astra International Tbk PT	130,000	807	930	
AviChina Industry & Technology Co., Ltd.	116,000	75	66	
B2W Cia Global Do Varejo	4,684	79	55	
Bajaj Auto, Ltd.	5,048	155	153	
BEC World PCL	57,500	69	62	
Belle International Holdings, Ltd.	269,000	517	543	
Berjaya Sports Toto BHD	48,400	67	69	
Bosideng International Holdings, Ltd.	152,000	81	45	
Brilliance China Automotive Holdings, Ltd.	144,000	136	156	
Brookfield Incorporacoes SA	15,400	81	72	
Byd Co., Ltd.	33,000	217	103	
China Dongxiang Group Co.	181,000	94	55	
Cia Hering	7,800	140	173	
Cyfrowy Polsat SA	6,139	31	35	
Cyrela Brazil Realty SA Empreendimentos e Participacoes	18,900	263	174	
Dongfeng Motor Group Co., Ltd.	174,000	335	316	
E Mart Co., Ltd.	1,344	299	295	
Foschini Group, Ltd.	13,155	155	165	
Gafisa SA	27,600	204	127	
Geely Automobile Holdings, Ltd.	240,000	117	90	
Genting BHD	130,400	432	464	
Genting Malaysia BHD	188,900	203	217	
Golden Eagle Retail Group, Ltd.	43,000	122	105	
GOME Electrical Appliances Holdings, Ltd.	644,000	225	248	
Great Wall Motor Co., Ltd.	65,750	98	104	
Grupo Elektra SA de CV	4,685	182	231	
Grupo Televisa SA	148,600	639	703	
Guangzhou Automobile Group Co., Ltd.	142,000	211	167	
Hankook Tire Co., Ltd.	4,970	134	205	
Hengdeli Holdings, Ltd.	140,000	93	71	
Hero Honda Motors, Ltd.	4,644	176	187	
Hyundai Department Store Co., Ltd.	965	109	151	
Hyundai Mobis	4,384	1,009	1,581	
Hyundai Motor Co.	9,849	1,406	2,110	
Hyundai Motor Co. 2nd Preferred	2,460	129	182	
Hyundai Motor Co. Preferred	1,480	73	101	
Hyundai Wia Corp.	740	100	108	
Imperial Holdings, Ltd.	11,413	187	197	
Intime Department Store Group Co., Ltd.	61,000	105	100	
Jollibee Foods Corp.	27,050	54	53	
Kangwon Land, Inc.	6,150	137	159	
Kia Motors Corp.	15,374	556	1,003	
LG Electronics, Inc.	6,005	531	450	
Li Ning Co., Ltd.	43,500	128	72	
Lojas Americanas SA	19,980	186	186	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Lojas Renner SA	7,800	271	287	
Lotte Shopping Co., Ltd.	656	271	302	
Mahindra & Mahindra, Ltd.	17,849	277	270	
Mando Corp.	595	69	119	
Maruti Suzuki India, Ltd.	4,064	112	102	
Massmart Holdings Limited	6,381	127	127	
MRV Engenharia e Participacoes SA	18,600	185	149	
Naspers, Ltd.	24,777	1,217	1,343	
Parkson Holdings BHD	34,887	66	67	
Parkson Retail Group, Ltd.	90,000	159	127	
PDG Realty SA Empreendimentos e Participacoes	70,600	430	383	
Rossi Residencial SA	11,100	106	87	
SACI Falabella	22,918	229	230	
Skyworth Digital Holdings, Ltd.	116,000	71	67	
Steinhoff International Holdings, Ltd.	68,124	202	223	
Titan Industries, Ltd.	12,380	59	57	
Truworths International, Ltd.	27,884	275	290	
Turkiye Sise ve Cam Fabrikalari	24,901	58	52	
TVN SA	9,837	58	56	
UMW Holdings BHD	33,400	75	77	
Urbi Desarrollos Urbanos SAB de CV	33,800	74	72	
Woolworths Holdings, Ltd.	48,919	185	207	
Woongjin Coway Co., Ltd.	3,450	132	118	
Zee Entertainment Ent, Ltd.	25,592	70	75	
		16,295	18,046	
Consumer Staples				7.3
Alliance Global Group, Inc.	268,500	73	65	
Almacenes Exito SA	9,819	124	131	
Amorepacific Corp.	205	200	220	
Anadolu Efes Biracilik Ve Malt Sanayii	12,930	195	168	
Astra Agro Lestari Tbk PT	25,500	65	67	
BIM Birlesik Magazalar	5,331	170	166	
BRF-Brasil Foods SA	41,800	631	684	
British American Tobacco Malaysia BHD	7,300	111	109	
Centros Comerciales Sudamericanos SA	57,825	419	400	
Chaoda Modern Agriculture Holdings, Ltd.	182,000	155	76	
Charoen Pokphand Foods PCL	186,000	156	171	
Charoen Pokphand Indonesia Tbk PT	471,960	102	105	
China Agri-Industries Holdings, Ltd.	104,000	136	106	
China Mengniu Dairy Co., Ltd.	78,000	240	253	
China Resources Ent, Ltd.	76,000	333	297	
China Yurun Food Group, Ltd.	87,000	325	236	
Cia Brasileira de Distribuicao Grupo Pao de Acucar	6,534	253	290	
Cia Cervecerias Unidas SA	7,287	86	82	
Cia de Bebidas das Americas	200	5	6	
Cia de Bebidas das Americas	47,800	1,240	1,515	
CJ CheilJedang Corp.	490	97	104	
Coca-Cola FemsA SAB de CV	17,400	144	155	
Coca-Cola Icecek	4,060	51	58	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cosan SA Industria e Comercio	7,800	120	118	
CP ALL PCL	140,600	192	194	
Dabur India, Ltd.	24,292	61	60	
Embotelladoras Arca SAB de CV	16,300	72	112	
Fomento Economico Mexicano SAB de CV-UNIT	124,200	684	796	
Genting Plantations BHD	14,900	40	37	
Grupo Bimbo SAB de CV	105,100	211	234	
Grupo Modelo SAB de CV	40,700	239	235	
Gudang Garam Tbk PT	37,000	188	207	
Hengan International Group Co., Ltd.	47,000	454	405	
Hindustan Unilever, Ltd.	50,758	306	374	
Hypermarcas SA	18,000	275	163	
Indofood Sukses Makmur Tbk PT	280,500	160	182	
IOI Corp BHD	214,200	403	362	
ITC, Ltd.	130,205	533	571	
JBS SA	6,600	-	-	
JBS SA RTS	33,100	140	110	
Kernel Holding SA	3,262	79	87	
Kimberly-Clark de Mexico SAB de CV-Class A	33,800	217	214	
KT&G Corp.	7,086	409	425	
Kuala Lumpur Kepong BHD	30,700	187	217	
LG Household & Health Care, Ltd.	599	218	248	
Lotte Confectionery Co., Ltd.	45	54	69	
Magnit OJSC-GDR	14,208	364	429	
Marfrig Alimentos SA	8,900	82	85	
Natura Cosméticos SA	11,000	304	265	
Pick n Pay Stores, Ltd.	13,912	92	82	
PPB Group BHD	30,300	177	167	
Shinsegae Co., Ltd.	475	476	146	
Shoprite Holdings, Ltd.	26,026	368	376	
Souza Cruz SA	24,400	252	299	
Spar Group, Ltd.	11,015	162	141	
Tiger Brands, Ltd.	10,331	278	290	
Tingyi Cayman Islands Holding Corp.	124,000	332	369	
Tsingtao Brewery Co., Ltd.	18,000	102	100	
Unilever Indonesia Tbk PT	97,500	179	164	
United Spirits, Ltd.	4,785	109	101	
Vina Concha y Toro SA	33,711	84	87	
Wal-Mart de Mexico SAB de CV	402,200	1,061	1,147	
Want Want China Holdings, Ltd.	380,000	335	354	
Wumart Stores, Inc.	34,000	86	79	
		15,396	15,565	6.3
Energy				
Adaro Energy Tbk PT	919,500	237	254	
AK Transneft OAO	99	131	138	
Banpu PCL	9,750	229	219	
Bharat Petroleum Corp., Ltd.	5,091	66	71	
Bumi Resources Tbk PT	995,000	255	328	
China Coal Energy Co., Ltd.	262,000	412	339	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
China Oilfield Services, Ltd.	98,000	163	172	
China Petroleum & Chemical Corp.	1,078,000	976	1,043	
China Shenhua Energy Co., Ltd.	219,000	921	1,008	
CNOOC, Ltd.	1,143,000	2,362	2,574	
Coal India, Ltd.	29,382	227	249	
Ecopetrol SA	258,513	533	539	
Gazprom OAO	681,156	3,760	4,801	
Glow Energy PCL	32,700	50	51	
Grupa Lotos SA	4,146	45	66	
GS Holdings	3,290	170	232	
HRT Participacoes em Petroleo SA	300	311	259	
Indo Tambangraya Megah PT	25,500	129	128	
Inner Mongolia Yitai Coal Co.	38,200	241	215	
IRPC PCL	634,100	92	107	
Kunlun Energy Co., Ltd.	142,000	198	235	
Lukoil OAO	32,597	1,873	2,003	
MOL Hungarian Oil and Gas PLC	2,733	271	302	
NovaTek OAO	5,818	526	775	
OGX Petroleo e Gas Participacoes SA	82,600	1,018	742	
Oil & Natural Gas Corp., Ltd.	44,772	278	265	
PetroChina Co., Ltd.	1,348,000	1,625	1,896	
Petroleo Brasileiro SA	190,400	3,318	3,082	
Petroleo Brasileiro SA Preferred	268,700	4,178	3,936	
Petronas Dagangan BHD	16,000	59	82	
Polski Koncern Naftowy Orlen	20,482	289	372	
Polskie Gornictwo Naftowe i Gazownictwo SA	113,015	135	167	
PTT Aromatics & Refining PCL	70,400	73	83	
PTT Exploration & Production PCL	74,200	389	396	
PTT PCL	54,600	546	573	
Reliance Industries, Ltd.	76,126	1,680	1,471	
Rosneft Oil Co.	102,803	700	839	
S-Oil Corp.	2,920	190	363	
Sasol, Ltd.	34,811	1,566	1,752	
SK Energy Co., Ltd.	3,839	516	694	
Surgutneftegas OJSC	456,400	447	435	
Surgutneftegas OJSC Preferred	442,800	212	214	
Tambang Batubara Bukit Asam Tbk PT	51,500	112	120	
Tatneft	90,453	438	561	
Thai Oil PCL	52,200	101	122	
TMK OAO	3,743	70	67	
Tupras Turkiye Petrol Rafinerileri	7,995	203	188	
Ultrapar Participacoes SA	18,800	282	321	
Yanzhou Coal Mining Co., Ltd.	126,000	321	461	
		32,924	35,310	14.3
Financials				
ABSA Group, Ltd.	18,343	346	352	
African Bank Investments, Ltd.	46,212	234	225	
Agile Property Holdings, Ltd.	88,000	117	131	
Agricultural Bank of China, Ltd.	1,080,000	562	548	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Akbank TAS	76,620	449	342	
Alliance Financial Group BHD	59,300	62	60	
AMMB Holdings BHD	105,900	210	220	
Asya Katilim Bankasi	31,606	71	47	
Attijariwafa Bank	1,892	77	83	
Axis Bank, Ltd.	13,114	401	364	
Ayala Corp.	11,148	85	79	
Ayala Land, Inc.	340,500	134	118	
Banco Bradesco SA	122,441	2,417	2,384	
Banco de Credito e Inversiones	1,975	126	125	
Banco de Oro Unibank, Inc.	58,330	78	71	
Banco do Brasil SA	36,800	691	630	
Banco do Estado do Rio Grande do Sul	11,600	124	126	
Banco Santander Brasil SA-UNIT	41,500	552	463	
Banco Santander Chile	3,008,085	286	261	
BanColombia SA	14,651	233	232	
BanColombia SA Preferred	17,765	291	284	
Bangkok Bank PCL	53,600	273	265	
Bangkok Bank PCL NVDR	30,500	149	151	
Bank Central Asia Tbk PT	787,500	571	678	
Bank Danamon Indonesia Tbk PT	186,500	129	126	
Bank Handlowy w Warszawie SA	2,086	61	64	
Bank Mandiri Tbk PT	590,000	435	475	
Bank Millennium SA	27,110	45	51	
Bank Negara Indonesia Persero Tbk PT	471,626	217	203	
Bank of Ayudhya PCL	116,400	87	102	
Bank of China, Ltd.	3,749,700	2,042	1,763	
Bank of Communications Co., Ltd.	424,000	467	391	
Bank of India	6,400	62	57	
Bank of the Philippine Islands	92,990	119	121	
Bank Pekao SA	7,538	440	430	
Bank Rakyat Indonesia Persero Tbk PT	702,000	423	514	
BM&FBovespa SA	124,000	1,021	791	
BR Malls Participacoes SA	25,600	246	281	
BRE Bank SA	941	86	108	
Brookfield Incorporacoes SA	730	4	3	
BS Financial Group, Inc.	11,730	157	160	
Bursa Malaysia BHD	20,800	54	51	
Canara Bank	5,193	73	59	
CETIP SA	114	1	2	
CETIP SA-Balcao Organizado de Ativos e Derivativos	12,000	175	179	
China Citic Bank Corp., Ltd.	396,000	272	238	
China Citic Bank Corp., Ltd. RTS	79,200	-	8	
China Construction Bank Corp.	3,078,000	2,800	2,462	
China Everbright, Ltd.	56,000	136	103	
China Life Insurance Co., Ltd.	475,000	2,005	1,564	
China Merchants Bank Co., Ltd.	250,000	664	584	
China Minsheng Banking Corp., Ltd.	237,500	219	211	
China Overseas Land & Investment, Ltd.	262,000	565	539	
China Pacific Insurance Group Co., Ltd.	88,600	350	353	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
China Resources Land, Ltd.	120,000	245	208	
China Taiping Insurance Holdings Co., Ltd.	49,000	172	106	
China Vanke Co., Ltd.	84,000	111	109	
Chongqing Rural Commercial Bank	144,000	101	81	
CIMB Group Holdings BHD	312,200	852	888	
Commercial International Bank Egypt SAE	35,815	257	171	
Compartamos SAB de CV	66,100	141	115	
Corp Financiera Colombiana SA	4,431	83	82	
Corpbanca	4,350,813	76	66	
Corpbanca RTS	488,943	-	-	
Country Garden Holdings Co.	269,000	95	114	
CrediCorp., Ltd.	4,329	522	360	
Daewoo Securities Co., Ltd.	7,280	155	118	
DGB Financial Group Inc.	8,440	108	122	
Discovery Holdings, Ltd.	18,898	105	104	
DLF, Ltd.	23,879	128	109	
Dongbu Insurance Co., Ltd.	2,710	88	135	
Douja Promotion Groupe Addoha SA	8,049	101	97	
Egyptian Financial Group-Hermes Holding	16,262	91	52	
Egyptian Kuwaiti Holding Co.	41,149	67	51	
Emlak Konut Gayrimenkul Yatirim Ortakligi-REIT	39,900	71	65	
Evergrande Real Estate Group, Ltd.	335,000	169	211	
FirstRand, Ltd.	179,992	531	508	
Franshion Properties China, Ltd.	234,000	74	57	
Getin Holding SA	21,026	75	94	
Globe Trade Centre SA	10,505	80	68	
Greentown China Holdings, Ltd.	42,000	47	39	
Growthpoint Properties, Ltd.-UNIT	100,342	250	261	
Grupo de Inversiones Suramericana SA	14,980	316	306	
Grupo Financiero Banorte SAB de CV	103,900	441	454	
Grupo Financiero Inbursa SA	63,900	280	315	
Guangzhou R&F Properties Co., Ltd.	62,000	89	81	
Haci Omer Sabanci Holding	32,570	168	132	
Hana Financial Group, Inc.	14,120	443	475	
HDFC Bank, Ltd.	17,778	903	960	
Hong Leong Bank BHD	30,500	92	130	
Hong Leong Financial Group BHD	13,400	40	56	
Housing Development & Infrastructure, Ltd.	10,815	43	37	
Housing Development Finance Corp.	63,400	968	961	
Hyundai Securities Co.	7,600	97	81	
ICICI Bank, Ltd.	47,278	1,132	1,114	
Indiabulls Real Estate, Ltd.	17,541	53	43	
Indiabulls Wholesale Services	2,357	2	3	
IndusInd Bank, Ltd.	9,272	55	55	
Industrial & Commercial Bank of China	3,888,000	3,066	2,845	
Industrial Bank of Korea	10,630	146	179	
Infrastructure Development Finance Co., Ltd.	55,216	188	156	
Investec, Ltd.	14,924	124	119	
Itau Unibanco Holding SA	145,900	3,442	3,267	
Itausa-Investimentos Itau SA	148,000	1,136	1,090	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Itausa Investimentos Itau SA	1,461	9	11	
Kasikornbank PCL	74,900	295	289	
Kasikornbank PCL NVDR	38,300	148	147	
KB Financial Group, Inc.	21,130	963	965	
Komercni Banka	1,023	223	239	
Korea Exchange Bank	16,640	185	144	
Korea Investment Holdings Co., Ltd.	2,750	85	90	
Korea Life Insurance Co., Ltd.	11,270	76	79	
Kotak Mahindra Bank, Ltd.	15,921	155	165	
Krung Thai Bank PCL	178,500	95	105	
KWG Property Holding, Ltd.	83,000	66	53	
Liberty Holdings, Ltd.	7,032	72	72	
LIC Housing Finance, Ltd.	16,693	81	87	
Longfor Properties Co., Ltd.	82,500	103	122	
LSR Group-GDR	11,517	94	88	
Malayan Banking BHD	210,400	602	601	
Metropolitan Bank & Trust	55,209	89	86	
Mirae Asset Securities Co., Ltd.	1,679	85	68	
MMI Holdings, Ltd.	67,242	168	162	
Multiplan Empreendimentos Imobiliarios SA	4,300	95	90	
National Societe Generale Bank SAE	5,991	52	33	
Nedbank Group, Ltd.	12,900	253	269	
OTP Bank PLC	15,448	371	486	
PICC Property & Casualty Co., Ltd.	154,000	222	252	
Ping An Insurance Group Co. of China, Ltd.	111,000	1,183	1,103	
Poly Hong Kong Investments, Ltd.	128,000	137	81	
Porto Seguro SA	7,300	102	109	
Powszechna Kasa Oszczednosci Bank Polski SA	39,906	573	589	
Powszechny Zaklad Ubezpieczen SA	3,032	388	400	
Public Bank BHD	67,700	283	287	
Redefine Properties, Ltd.-UNIT	163,180	187	182	
Reliance Capital, Ltd.	5,759	75	72	
Remgro, Ltd.	27,647	419	439	
Renhe Commercial Holdings Co., Ltd.	702,000	130	130	
RHB Capital BHD	34,400	88	100	
RMB Holdings, Ltd.	45,069	233	171	
RMI Holdings	47,424	94	83	
Rural Electrification Corp., Ltd.	17,364	93	73	
Samsung Card Co.	2,749	146	143	
Samsung Fire & Marine Insurance Co., Ltd.	2,310	402	516	
Samsung Life Insurance Co., Ltd.	3,250	297	279	
Samsung Securities Co., Ltd.	3,250	186	232	
Sanlam, Ltd.	113,973	424	447	
Sberbank of Russia	553,032	1,661	1,912	
Sberbank of Russia Preferred	63,907	139	166	
Shanghai Lujiazui Finance & Trade Zone Development Co., Ltd.	30,000	49	37	
Shimao Property Holdings, Ltd.	102,500	171	122	
Shinhan Financial Group Co., Ltd.	19,430	769	892	
Shriram Transport Finance Co., Ltd.	7,232	110	96	
Shui On Land, Ltd.	166,500	85	70	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Siam Commercial Bank PCL	99,800	331	346	
Sino-Ocean Land Holdings, Ltd.	216,000	142	105	
SM Prime Holdings, Inc.	355,100	95	92	
Soho China, Ltd.	133,500	100	115	
SP Setia BHD	63,550	71	85	
Standard Bank Group, Ltd.	76,752	1,161	1,092	
State Bank of India	3,692	224	191	
Sul America SA-UNIT	7,100	82	85	
Talaat Moustafa Group	61,215	76	48	
Turkiye Garanti Bankasi	134,086	770	587	
Turkiye Halk Bankasi	19,953	186	144	
Turkiye Is Bankasi	100,564	411	296	
Turkiye Vakiflar Bankasi Tao	47,888	142	104	
UEM Land Holdings BHD	64,200	59	58	
Unitech, Ltd.	73,727	71	51	
VTB Bank OJSC	167,986,000	538	499	
Woori Finance Holdings Co., Ltd.	23,170	285	291	
Woori Investment & Securities Co., Ltd.	5,990	103	93	
Yapi ve Kredi Bankasi	55,512	192	134	
Yuexiu Property Co., Ltd.	326,000	85	59	
		58,048	55,391	22.4
Health Care				
Amil Participacoes SA	8,100	84	91	
Aspen Pharmacare Holdings, Ltd.	17,983	240	215	
Celltrion, Inc.	4,451	110	178	
China Shineway Pharmaceutical Group, Ltd.	24,000	78	46	
Cipla, Ltd.	19,141	133	136	
Diagnostics da America SA	14,800	194	192	
Dr Reddy's Laboratories, Ltd.	5,901	210	195	
Kalbe Farma Tbk PT	291,997	120	112	
Life Healthcare Group Holdings, Ltd.	46,582	111	116	
Lupin, Ltd.	8,624	77	83	
Netcare, Ltd.	55,201	113	118	
Odontoprev SA	5,700	87	91	
Piramal Healthcare, Ltd.	3,889	37	33	
Ranbaxy Laboratories, Ltd.	7,348	76	85	
Richter Gedeon Nyrt.	914	203	174	
Shandong Weigao Group Medical Polymer Co., Ltd.	92,000	132	127	
Sihuan Pharmaceutical Holdings Group, Ltd.	116,000	71	53	
Sinopharm Group Co.	50,400	195	163	
Sun Pharmaceutical Industries, Ltd.	17,966	173	194	
Yuhan Corp.	592	85	72	
		2,529	2,474	1.0
Industrials				
Aboitiz Equity Ventures, Inc.	123,400	124	114	
Adani Ent, Ltd.	13,437	188	207	
Aditya Birla Nuvo, Ltd.	2,173	42	42	
Air China, Ltd.	132,000	172	132	
AirAsia BHD	79,700	60	89	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Alfa SAB de CV	19,000	161	271	
All America Latina Logistica SA	28,600	283	232	
Aveng, Ltd.	24,152	142	122	
Barloworld, Ltd.	13,243	137	130	
Beijing Capital International Airport Co., Ltd.	122,000	66	55	
Beijing Ent Holdings, Ltd.	32,500	225	163	
Berjaya Corp BHD	161,300	59	61	
Bharat Heavy Electricals, Ltd.	6,831	328	302	
Bidvest Group, Ltd.	19,856	420	425	
Changsha Zoomlion Heavy Industry Science and Technology Development Co., Ltd.	82,160	143	151	
China Communications Construction Co., Ltd.	283,000	264	233	
China COSCO Holdings Co., Ltd.	165,000	189	124	
China High Speed Transmission Equipment Group Co., Ltd.	75,000	159	80	
China International Marine Containers Group Co., Ltd.	41,100	76	64	
China Merchants Holdings International Co., Ltd.	70,000	271	260	
China National Materials Co., Ltd.	71,000	71	56	
China Railway Construction Corp., Ltd.	126,000	166	102	
China Railway Group, Ltd.	257,000	197	116	
China Rongsheng Heavy Industry Group Co., Ltd.	112,500	112	66	
China Shipping Container Lines Co., Ltd.	228,000	88	74	
China Shipping Development Co., Ltd.	82,000	118	73	
China Southern Airlines Co., Ltd.	116,000	86	60	
China State Construction International Holdings, Ltd.	92,000	97	90	
Cia de Concessoes Rodoviaras	14,100	379	405	
Citic Pacific, Ltd.	82,000	204	198	
COSCO Pacific, Ltd.	104,000	164	175	
CSR Corp., Ltd.	123,000	131	111	
Daelim Industrial Co., Ltd.	1,820	151	211	
Daewoo Engineering & Construction Co., Ltd.	7,450	74	72	
Daewoo International Corp.	2,310	77	79	
Daewoo Shipbuilding & Marine Engineering Co., Ltd.	6,260	154	256	
Dongfang Electric Corp., Ltd.	21,800	104	78	
Doosan Corp.	655	80	74	
Doosan Heavy Industries and Construction Co., Ltd.	2,766	200	141	
Doosan Infracore Co., Ltd.	6,460	138	138	
EcoRodovias Infraestrutura e Logistica SA	10,800	90	89	
Embraer SA	35,500	254	260	
Empresas COPEC SA	29,049	554	527	
Enka Insaat ve Sanayi	20,751	73	61	
Gamuda BHD	105,300	131	128	
Glovis Co., Ltd.	719	99	112	
Gol Linhas Aereas Inteligentes SA	6,400	101	74	
Grupo Aeroportuario del Pacifico SAB de CV	30,700	110	121	
Grupo Carso SAB de CV	37,000	207	118	
GS Engineering & Construction Corp.	2,303	194	270	
Hanjin Heavy Industries & Construction Co., Ltd.	2,050	63	66	
Hanjin Shipping Co., Ltd.	3,330	108	67	
Hyundai Development Co.	3,900	114	105	
Hyundai Engineering & Construction Co., Ltd.	4,300	259	334	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Hyundai Heavy Industries Co., Ltd.	2,686	841	1,076	
Hyundai Merchant Marine Co., Ltd.	2,950	109	84	
Hyundai Mipo Dockyard	719	115	110	
IJM Corp BHD	73,300	132	151	
Jaiprakash Associates, Ltd.	56,088	117	98	
Jiangsu Expressway Co., Ltd.	78,000	85	69	
KCC Corp.	269	82	81	
KOC Holding	38,552	179	160	
Korean Air Lines Co., Ltd.	2,352	150	148	
Lan Airlines SA	8,653	267	237	
Larsen & Toubro, Ltd.	12,037	443	476	
LG Corp.	6,107	451	443	
Localiza Rent a Car SA	7,100	117	122	
Lonking Holdings, Ltd.	124,000	84	65	
LS Corp.	1,158	113	115	
LS Industrial Systems Co., Ltd.	981	78	68	
Malaysia Airports Holdings BHD	28,100	60	58	
Malaysia Marine and Heavy Engineering Holdings BHD	30,600	78	81	
Metallurgical Corp. of China, Ltd.	183,000	86	68	
MISC BHD	71,300	208	167	
MMC Corp BHD	48,600	45	44	
Mundra Port and Special Economic Zone, Ltd.	23,297	81	81	
Orascom Construction Industries	6,087	281	257	
PLUS Expressways BHD	95,800	134	138	
Reunert, Ltd.	11,415	101	99	
S1 Corp.	1,250	64	62	
Samsung C&T Corp.	8,040	470	595	
Samsung Engineering Co., Ltd.	1,931	279	445	
Samsung Heavy Industries Co., Ltd.	10,400	285	447	
Samsung Techwin Co., Ltd.	2,431	235	204	
Sany Heavy Equipment International Holdings Co., Ltd.	60,000	70	66	
Shanghai Electric Group Co., Ltd.	180,000	108	92	
Shanghai Industrial Holdings, Ltd.	34,000	167	120	
Siemens India, Ltd.	3,989	75	77	
Sime Darby BHD	172,700	486	509	
SK Holdings Co., Ltd.	1,660	173	278	
SK Networks Co., Ltd.	7,130	68	70	
SM Investments Corp.	11,980	147	142	
STX Pan Ocean Co., Ltd.	7,300	77	49	
Suzlon Energy, Ltd.	40,975	48	43	
TAM SA	4,800	113	99	
Tata Motors, Ltd.	17,476	460	374	
TAV Havalimanlari Holding	10,438	54	50	
Thai Airways International PCL	41,900	78	38	
Turk Hava Yollari	25,540	96	64	
United Tractors Tbk PT	107,378	254	301	
Weichai Power Co., Ltd.	26,000	155	146	
Zhejiang Expressway Co., Ltd.	92,000	88	67	
Zhuzhou CSR Times Electric Co., Ltd.	29,000	115	94	
		17,259	17,092	

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Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Information Technology				
Alibaba.com, Ltd.	81,000	155	124	
Asseco Poland SA	4,210	75	73	
Cielo SA	15,700	348	376	
GCL Poly Energy Holdings, Ltd.	445,000	147	221	
HCL Technologies, Ltd.	9,609	101	103	
Hynix Semiconductor, Inc.	32,290	638	730	
Infosys Technologies, Ltd.	25,122	1,709	1,575	
Kingboard Chemical Holdings, Ltd.	38,000	195	169	
Lenovo Group, Ltd.	386,000	248	212	
LG Display Co., Ltd.	14,860	513	396	
LG Innotek Co., Ltd.	657	77	57	
NCSOFT Corp.	975	206	256	
NHN Corp.	2,633	455	450	
Redecard SA	21,500	313	311	
Samsung Electro-Mechanics Co., Ltd.	3,906	420	325	
Samsung Electronics Co., Ltd.	7,067	4,933	5,270	
Samsung Electronics Co., Ltd. Preferred	1,320	658	662	
Samsung SDI Co., Ltd.	2,182	309	322	
Satyam Computer Services, Ltd.	34,524	58	63	
Semiconductor Manufacturing International Corp.	1,224,000	90	96	
Seoul Semiconductor Co., Ltd.	2,096	76	55	
SK C&C Co., Ltd.	980	80	115	
Tata Consultancy Services, Ltd.	27,313	703	696	
Tencent Holdings, Ltd.	64,500	1,411	1,682	
Totvs SA	7,000	142	123	
Wipro, Ltd.	28,538	284	257	
ZTE Corp.	38,400	126	134	
		14,470	14,853	6.0
Materials				
ACC, Ltd.	3,081	74	63	
African Rainbow Minerals, Ltd.	6,798	174	181	
Aluminum Corp of China, Ltd.	252,000	231	205	
Ambuja Cements, Ltd.	35,811	117	104	
Aneka Tambang Tbk PT	213,000	56	50	
Angang Steel Co., Ltd.	70,000	113	74	
Anglo Platinum, Ltd.	4,204	408	374	
AngloGold Ashanti, Ltd.	24,577	1,158	994	
Anhui Conch Cement Co., Ltd.	79,000	236	358	
ArcelorMittal South Africa, Ltd.	11,474	132	129	
Asian Paints, Ltd.	1,673	113	114	
BBMG Corp.	71,000	102	102	
Bradespar SA	14,500	347	354	
Braskem SA	10,100	103	139	
CAP SA	4,771	236	217	
Cementos Argos SA	18,821	126	115	
Cemex SAB de CV-UNIT	650,952	565	539	
Cheil Industries, Inc.	2,874	261	331	
China BlueChemical, Ltd.	114,000	89	91	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
China Molybdenum Co., Ltd.	80,000	69	65	
China National Building Material Co., Ltd.	184,000	216	348	
China Resources Cement Holdings, Ltd.	126,000	103	114	
China Shanshui Cement Group, Ltd.	108,000	91	119	
China Zhongwang Holdings, Ltd.	103,600	62	44	
Cia de Minas Buenaventura SA-ADR	12,152	574	445	
Cia Siderurgica Nacional SA	47,300	783	559	
CSG Holding Co., Ltd.	48,700	66	53	
Dongkuk Steel Mill Co., Ltd.	2,430	58	90	
Duratex SA	15,800	148	129	
Empresas CMPC SA	7,024	375	361	
Eregli Demir ve Celik Fabrikalari TAS	34,320	106	84	
Exxaro Resources, Ltd.	8,003	143	202	
Fibria Celulose SA	13,400	225	169	
Fosun International, Ltd.	103,500	82	76	
Fushan International Energy Group, Ltd.	190,000	123	111	
Gerdau SA	54,900	707	553	
Gold Fields, Ltd.	46,023	743	645	
Grupo Mexico SAB de CV	245,500	768	781	
Hanwha Chem Corp.	5,500	138	251	
Hanwha Corp.	2,940	114	130	
Harmony Gold Mining Co., Ltd.	24,691	290	314	
Hidili Industry International Development, Ltd.	67,000	63	56	
Hindalco Industries, Ltd.	64,562	292	251	
Honam Petrochemical Corp.	937	183	335	
Huabao International Holdings, Ltd.	121,000	187	106	
Hyosung Corp.	1,492	148	124	
Hyundai Hysco	2,050	94	94	
Hyundai Steel Co.	3,542	351	413	
Impala Platinum Holdings, Ltd.	32,494	893	842	
Indocement Tunggal Prakarsa Tbk PT	94,000	190	180	
Indorama Ventures PCL	92,267	157	135	
Industrias Penoles SAB de CV	8,885	271	321	
International Nickel Indonesia Tbk PT	160,500	84	80	
Inversiones Argos SA	18,985	221	197	
Jiangxi Copper Co., Ltd.	89,000	237	285	
Jindal Steel & Power, Ltd.	21,729	320	304	
JSW Steel, Ltd.	5,136	107	98	
KGHM Polska Miedz SA	8,939	375	619	
Klabin SA	29,000	89	103	
Korea Kumho Petrochemical	650	142	138	
Korea Zinc Co., Ltd.	555	138	205	
KP Chemical Corp.	3,140	80	70	
Kumba Iron Ore, Ltd.	5,139	278	353	
Lafarge Malayan Cement BHD	27,100	68	64	
Lee & Man Paper Manufacturing, Ltd.	104,000	85	61	
LG Chem, Ltd.	2,982	930	1,314	
LG Chem, Ltd. Preferred	500	77	74	
Maanshan Iron & Steel	112,000	66	50	
Mechel-ADR	9,306	230	214	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Metalurgica Gerdau SA	17,600	282	216	
Mexichem SAB de CV	46,000	143	180	
Minera Frisco SAB de CV	40,700	109	186	
Minmetals Resources, Ltd.	100,000	73	71	
MMC Norilsk Nickel	3,682	663	928	
MMX Mineracao e Metalicos SA	13,100	99	67	
Nine Dragons Paper Holdings, Ltd.	105,000	170	88	
Northam Platinum, Ltd.	12,777	81	77	
Novolipetsk Steel OJSC-GDR	4,211	149	158	
OCI Co., Ltd.	970	284	353	
Petronas Chemicals Group BHD	127,700	230	289	
Polymetal JSC	10,207	177	189	
Polyus Gold OJSC	3,044	156	183	
POSCO	4,190	1,815	1,756	
Pretoria Portland Cement Co., Ltd.	33,950	155	129	
PTT Chemical PCL	23,300	106	108	
Raspadskaya	9,980	56	57	
Sappi, Ltd.	34,295	176	168	
Semen Gresik Persero Tbk PT	189,500	201	205	
Sesa Goa, Ltd.	20,156	138	123	
Severstal OAO	12,875	184	228	
Siam Cement PCL	19,200	222	241	
Sinofert Holdings, Ltd.	134,000	77	57	
Sinopec Shanghai Petrochemical Co., Ltd.	148,000	68	63	
Sociedad Quimica y Minera de Chile SA	6,149	316	383	
Southern Copper Corp.	10,855	414	344	
Steel Authority of India, Ltd.	21,615	79	64	
Sterlite Industries India, Ltd.	78,177	293	282	
Suzano Papel e Celulose SA	10,600	101	74	
Synthos SA	38,020	72	68	
Tata Steel, Ltd.	17,848	243	236	
Ultratech Cement, Ltd.	4,015	94	80	
United Phosphorus, Ltd.	12,914	43	42	
Uralkali	54,279	296	470	
Usinas Siderurgicas de Minas Gerais SA	11,300	157	163	
Usinas Siderurgicas de Minas Gerais SA Preferred	29,200	365	247	
Vale Fertilizantes SA	6,200	66	90	
Vale SA	83,200	2,541	2,534	
Vale SA Preferred	128,100	3,480	3,532	
Zhaojin Mining Industry Co., Ltd.	56,000	112	111	
Zijin Mining Group Co., Ltd.	384,000	223	186	
		31,690	32,289	
Telecommunication Services				13.1
Advanced Info Service PCL	56,900	181	179	
America Movil SAB de CV	2,495,400	3,422	3,228	
Axiata Group BHD	161,800	243	259	
Brasil Telecom SA	16,700	116	152	
China Communications Services Corp., Ltd.	128,000	77	73	
China Mobile, Ltd.	385,000	3,971	3,436	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
China Telecom Corp., Ltd.	886,000	478	553	
China Unicom Hong Kong, Ltd.	376,000	557	731	
DiGi.Com BHD	19,900	162	184	
Egyptian Co. for Mobile Services	1,961	62	40	
ENTEL Chile SA	6,796	115	132	
Globe Telecom, Inc.	2,160	42	43	
Indosat Tbk PT	87,000	54	49	
KT Corp.-ADR	6,178	128	116	
KT Corp.	720	30	26	
LG Uplus Corp.	16,100	104	84	
Magyar Telekom Telecommunications PLC	30,674	93	95	
Maroc Telecom	11,493	207	202	
Maxis BHD	143,700	253	251	
Mobile Telesystems OJSC-ADR	32,981	714	605	
MTN Group, Ltd.	108,295	1,925	2,215	
Orascom Telecom Holding SAE	171,456	150	112	
Philippine Long Distance Telephone Co.	2,550	148	131	
Reliance Communications, Ltd.	30,279	71	63	
Sistema JSFC-GDR	6,164	161	152	
SK Telecom Co., Ltd.	90	13	13	
SK Telecom Co., Ltd.-ADR	9,929	179	179	
Tele Norte Leste Participacoes SA	3,600	68	60	
Tele Norte Leste Participacoes SA Preferred	14,800	214	219	
Telecom Egypt	22,318	69	52	
Telecomunicacoes de Sao Paulo SA	19,055	551	534	
Telefonica O2 Czech Republic	7,369	154	185	
Telefonos de Mexico SAB de CV	348,300	277	277	
Telekom Malaysia BHD	69,100	79	87	
Telekomunikacja Polska SA	46,905	269	275	
Telekomunikasi Indonesia Tbk PT	644,000	642	529	
Telemar Norte Leste SA	2,400	72	76	
Telkom SA, Ltd.	16,757	85	87	
Tim Participacoes SA	41,731	144	194	
Turk Telekomunikasyon	33,521	147	169	
Turkcell Iletisim Hizmet	49,165	340	255	
Vodacom Group, Ltd.	23,752	227	284	
XL Axiata Tbk PT	108,500	77	74	
		17,071	16,660	
Utilities				
Aboitiz Power Corp.	120,300	93	84	
AES Gener SA	158,256	90	93	
AES Tiete SA	6,500	89	102	
Centrais Eletricas Brasileiras SA	17,400	230	222	
Centrais Eletricas Brasileiras SA Preferred	14,400	225	233	
CEZ	10,551	462	523	
China Gas Holdings, Ltd.	196,000	100	75	
China Longyuan Power Group Corp.	130,000	132	121	
China Resources Power Holdings Co., Ltd.	106,000	220	198	
Cia de Saneamento Basico do Estado de Sao Paulo	7,300	162	210	

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Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Cia de Transmissao de Energia Electrica Paulista	159	5	5	
Cia de Transmissao de Energia Electrica Paulista Preferred	2,000	62	62	
Cia Energetica de Minas Gerais	24,500	415	477	
Cia Energetica de Sao Paulo	10,100	164	190	
Cia Paranaense de Energia	6,600	159	169	
Colbun SA	447,876	129	122	
CPFL Energia SA	12,200	145	167	
Datang International Power Generation Co., Ltd.	190,000	78	62	
E.CL SA	33,861	97	91	
EDP-Energias do Brasil SA	3,500	77	81	
Eletropaulo Metropolitana Eletricidade de Sao Paulo SA	6,100	114	128	
Empresa Nacional de Electricidad SA	209,474	399	382	
Enea SA	7,047	57	45	
Energy Development Corp.	490,000	65	72	
Enersis SA	833,915	408	369	
ENN Energy Holdings, Ltd.	46,000	140	149	
Federal Grid Co. Unified Energy System JSC	19,695,800	237	253	
Federal Hydrogenerating Co. JSC	7,376,300	393	341	
GAIL India, Ltd.	22,127	225	210	
GMR Infrastructure, Ltd.	57,113	50	40	
Guangdong Investment, Ltd.	160,000	82	82	
Huaneng Power International, Inc.	204,000	123	103	
Inter Rao Ues OAO	55,435,400	87	71	
Interconexion Electrica SA	25,343	192	174	
Korea Electric Power Corp.	16,660	428	426	
Korea Gas Corp.	1,670	68	56	
Manila Electric Co.	18,420	92	112	
NTPC, Ltd.	33,561	135	136	
Perusahaan Gas Negara PT	697,000	327	316	
Petronas Gas BHD	44,200	162	186	
PGE Polska Grupa Energetyczna SA	41,785	319	352	
Power Grid Corp of India, Ltd.	64,608	147	153	
Reliance Infrastructure, Ltd.	6,220	92	72	
Reliance Power, Ltd.	32,882	93	83	
Tata Power Co., Ltd.	5,657	161	160	
Tauron Polska Energia SA	67,140	142	155	
Tenaga Nasional BHD	174,000	407	375	
Tractebel Energia SA	8,300	127	140	
YTL Corp BHD	214,000	110	106	
YTL Power International BHD	140,000	110	98	
		8,626	8,632	3.5
Total Common Stocks		214,308	216,312	87.5

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Foreign Index Equivalents				
iPath MSCI India Index ETN	24,114	1,792	1,631	
iShares MSCI Taiwan Index Fund	1,897,439	26,569	27,725	
Total Foreign Index Equivalents		<u>28,361</u>	<u>29,356</u>	<u>11.9</u>
Transaction Costs (Note 2)		(181)		
Total Investments		<u>242,488</u>	<u>245,668</u>	<u>99.4</u>
Other Assets and Liabilities			<u>1,561</u>	<u>0.6</u>
Net Assets			<u>247,229</u>	<u>100.0</u>

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Consumer Discretionary	7.3	6.1
Consumer Staples	6.3	6.1
Energy	14.3	13.2
Financials	22.4	21.1
Health Care	1.0	0.6
Industrials	6.9	6.2
Information Technology	6.0	5.1
Materials	13.1	12.6
Telecommunication Services	6.7	6.9
Utilities	3.5	3.0
Foreign Index Equivalents	11.9	18.7
Other Assets and Liabilities	0.6	0.4

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

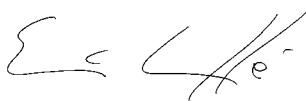
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 620,575,383	\$ 498,727,267
Cash	5,311,685	4,301,786
Margin due from brokers	1,058,751	594,164
Securities lending income receivable	37,928	-
Dividends receivable	1,867,345	505,087
Tax reclaim on dividends receivable	695,388	225,123
Accounts receivable for investment sales	22,489	366,797
	629,568,969	504,720,224
Liabilities		
Operating expenses payable	29,669	24,002
Payables for investment purchases	69,382	1,036,826
	99,051	1,060,828
Net Assets	\$ 629,469,918	\$ 503,659,396
Number of Units Issued and Outstanding (Note 7)	59,827,037	48,883,500
Net Assets per Unit	\$ 10.52	\$ 10.30
Investments at Cost	\$ 587,385,681	\$ 460,075,236

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Periods Ended June 30 (Unaudited)

	2011	2010
Revenue		
Dividend income	\$ 14,886,619	\$ 2,564,675
Interest income	6,546	(1,230)
Securities lending income	216,940	-
Net loss from futures contracts	(57,183)	(187,992)
Foreign exchange gain	129,432	54,025
Withholding taxes	(731,324)	(265,887)
	<u>14,451,030</u>	<u>2,163,591</u>
Expenses		
Custodian fees	105,626	144,584
Fund accounting expenses	35,919	12,746
Unitholder communication costs	299	120
Audit fees	4,645	4,552
Securities filing fees	5,498	-
Independent review committee fees	67	-
Other operating expenses	10,862	361
	<u>162,916</u>	<u>162,363</u>
Net Investment Income for the Period	<u>14,288,114</u>	<u>2,001,228</u>
Loss on Investments		
Net realized gain (loss) on sale of investments	1,142,586	(603,931)
Transaction costs (Note 2,12)	(157,546)	(107,898)
Net change in unrealized depreciation in value of investments	(5,462,329)	(20,271,691)
Net Loss on Investments	<u>(4,477,289)</u>	<u>(20,983,520)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 9,810,825</u>	<u>\$ (18,982,292)</u>
Increase (Decrease) in Net Assets from Operations per Unit	<u>\$ 0.17</u>	<u>\$ (0.72)</u>

Statement of Changes in Net Assets — For the Periods Ended June 30 (Unaudited)

	2011	2010
Net Assets - Beginning of Period	\$ 503,659,396	\$ -
Increase (Decrease) in Net Assets from Operations	<u>9,810,825</u>	<u>(18,982,292)</u>
Capital Transactions		
Proceeds from issue of units	115,999,697	363,435,000
Reinvestment of distributions	-	1,306,540
Net capital transactions	<u>115,999,697</u>	<u>364,741,540</u>
Distributions		
From net investment income	-	(1,306,540)
Total distributions	<u>-</u>	<u>(1,306,540)</u>
Increase in Net Assets for the Period	<u>125,810,522</u>	<u>344,452,708</u>
Net Assets - End of Period	<u>\$ 629,469,918</u>	<u>\$ 344,452,708</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average	Fair	% of
		cost	value	
		(in \$000s)	(in \$000s)	
Common Stocks				
Consumer Discretionary				
ABC-Mart, Inc.	1,600	61	62	
Accor SA	7,972	392	344	
Adidas AG	11,790	663	900	
Aisin Seiki Co., Ltd.	10,700	334	395	
Anheuser-Busch InBev	45,182	2,408	2,528	
Asics Corp.	8,000	84	114	
Autogrill SpA	7,289	92	92	
Axel Springer AG	2,208	107	105	
Bayerische Motoren Werke AG	18,465	1,031	1,775	
Bayerische Motoren Werke Preferred	2,807	109	171	
Benesse Corp.	3,700	172	152	
Bridgestone Corp.	36,600	650	807	
British Sky Broadcasting PLC	64,299	658	843	
Burberry Group PLC	25,142	320	565	
Bureau Veritas SA	3,035	188	247	
Casio Computer Co., Ltd.	13,400	102	91	
Christian Dior	3,033	344	461	
Cie Financiere Richemont SA	29,108	1,213	1,837	
Compass Group PLC	105,576	898	982	
Continental AG	4,461	382	452	
Crown, Ltd.	24,239	182	223	
Daihatsu Motor Co., Ltd.	11,000	123	179	
DaimlerChrysler AG	50,765	2,903	3,679	
Daito Trust Construction Co., Ltd.	4,100	229	333	
Daiwa House Industry Co., Ltd.	27,000	290	326	
DeNa Co., Ltd.	5,500	161	227	
Denso Corp.	27,300	838	972	
Dentsu, Inc.	10,100	286	286	
Echo Entertainment Group Ltd.	36,932	168	157	
Esprit Holdings, Ltd.	68,200	417	204	
Fairfax Media, Ltd.	114,105	165	116	
Fast Retailing Co., Ltd.	3,000	460	465	
Fiat SpA	42,542	507	448	
Fuji Heavy Industries, Ltd.	32,000	199	238	
FUJIFILM Holdings Corp.	26,100	877	779	
G4S PLC	77,186	320	334	
Galaxy Entertainment Group, Ltd.	69,000	143	142	
Gestevisión Telecinco SA	9,240	108	77	
Groupe Aeroplan, Inc.	4,680	389	401	
Hakuhodo DY Holdings, Inc.	1,230	70	63	
Harvey Norman Holdings, Ltd.	32,550	104	83	
Hennes & Mauritz AB-Class B	57,005	1,835	1,901	
Home Retail Group	44,976	155	114	
Honda Motor Co., Ltd.	91,700	3,199	3,381	
Husqvarna AB	24,606	180	157	
Inditex SA	12,175	801	1,071	
Intercontinental Hotels Group PLC	15,730	277	311	
Isetan Mitsukoshi Holdings, Ltd.-Class L	19,900	220	186	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Isuzu Motors, Ltd.	64,000	218	289	
ITV PLC	201,472	246	223	
Jardine Cycle & Carriage, Ltd.	6,000	139	202	
Jc Decaux SA	3,762	104	116	
Jupiter Telecommunications Co.	97	98	104	
Kabel Deutschland Holding AG	4,015	231	238	
Kingfisher PLC	132,052	483	547	
Koito Manufacturing Co., Ltd.	5,000	80	84	
Lagardere S.C.A.	6,410	259	261	
Li & Fung, Ltd.	316,000	951	608	
Luxottica Group SpA	6,242	170	192	
LVMH Moet Hennessy Louis Vuitton SA	13,843	1,739	2,403	
M6-Metropole Television	3,410	81	76	
Makita Corp.	6,000	191	267	
Marks & Spencer Group PLC	88,180	490	494	
Marui Co., Ltd.	13,100	105	95	
Mazda Motor Corp.	81,000	223	204	
McDonald's Holdings Co.	3,900	90	95	
Mediaset SpA	37,845	271	171	
MGM China Holdings, Ltd.	92,800	180	165	
Mitsubishi Motors Corp.	210,000	289	243	
Modern Times Group AB	2,749	161	175	
Namco Bandai Holdings, Inc.	10,200	100	117	
Next PLC	9,979	335	359	
NGK Spark Plug Co., Ltd.	9,000	125	119	
NHK Spring Co., Ltd.	8,000	76	78	
Nikon Corp.	19,000	407	429	
Nissan Motor Co., Ltd.	138,700	1,174	1,396	
Nitori Co., Ltd.	2,000	167	182	
NOK Corp.	5,800	101	95	
Nokian Renkaat OYJ	6,094	173	294	
OPAP SA	11,930	217	179	
Oriental Land Co., Ltd.	2,700	219	220	
Panasonic Corp.	123,100	1,704	1,440	
Pandora AS	3,176	199	96	
Pearson PLC	46,152	715	841	
Peugeot SA	8,939	281	386	
Pirelli & C SpA	12,621	88	132	
Porsche AG Preferred	8,520	484	649	
PPR SA	4,301	604	739	
ProSiebenSat.1 Media AG	4,146	124	114	
Publicis Groupe	7,224	345	389	
Rakuten, Inc.	403	314	400	
Reed Elsevier NV	38,264	468	495	
Reed Elsevier PLC	67,637	550	593	
Renault SA	10,997	520	629	
Rinnai Corp.	1,800	97	124	
Samsonite International SA	364,611	671	663	
Sands China, Ltd.	131,200	218	339	
Sankyo Co., Ltd./Gunma	2,900	140	143	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Sanoma-WSOY OYJ-Class B	4,716	97	84	
Sega Sammy Holdings, Inc.	11,900	178	220	
Sekisui Chemical Co., Ltd.	24,000	166	196	
Sekisui House, Ltd.	31,000	296	276	
SES-FDR	16,675	395	450	
Shangri-La Asia, Ltd.	75,166	152	177	
Sharp Corp.	57,000	674	497	
Shimamura Co., Ltd.	1,300	128	119	
Shimano, Inc.	4,200	195	220	
Singapore Press Holdings, Ltd.	83,000	244	253	
SJM Holdings, Ltd.	91,000	148	208	
Sky City Entertainment Group, Ltd.	30,697	70	88	
Societe Television Francaise 1	7,171	125	126	
Sodexo Alliance SA	5,246	331	396	
Sony Corp.	56,000	1,855	1,416	
Stanley Electric Co., Ltd.	7,800	150	131	
Sumitomo Rubber Industries, Inc.	9,200	89	107	
Suzuki Motor Corp.	18,800	415	405	
Swatch Group AG	1,738	567	844	
Swatch Group AG-Class B	2,325	135	201	
Tabcorp Holdings, Ltd.	36,932	231	125	
Takashimaya Co., Ltd.	14,000	124	92	
Tatts Group, Ltd.	68,531	155	169	
Toho Co., Ltd./Tokyo	5,900	99	94	
Toyoda Gosei Co., Ltd.	3,600	96	78	
Toyota Boshoku Corp.	3,800	65	60	
Toyota Industries Corp.	9,700	282	305	
Toyota Motor Corp.	154,500	6,082	6,074	
TUI AG	7,332	84	77	
TUI Travel PLC	30,237	104	105	
USS Co., Ltd.	1,290	98	96	
Vivendi SA	68,938	1,743	1,850	
Volkswagen AG	1,583	161	281	
Volkswagen AG Preferred	8,064	1,282	1,601	
Whitbread PLC	9,587	226	240	
Wolters Kluwer NV	16,222	345	347	
WPP PLC	70,701	762	854	
Wynn Macau, Ltd.	83,600	149	261	
Yamada Denki Co., Ltd.	4,830	356	376	
Yamaha Corp.	8,800	105	96	
Yamaha Motor Co., Ltd.	15,600	238	274	
Yamato Kogyo Co., Ltd.	2,400	72	71	
Yue Yuen Industrial Holdings	41,000	137	126	
		62,635	68,734	10.9
Consumer Staples				
Aeon Co., Ltd.	33,600	386	388	
Ajinomoto Co., Inc.	37,000	358	421	
Aryzta AG	4,533	181	234	
Asahi Breweries, Ltd.	21,600	396	417	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Associated British Foods PLC	19,366	301	325	
Beiersdorf AG	5,466	315	342	
British American Tobacco PLC	111,965	3,785	4,738	
Carlsberg AS-Class B	6,058	531	635	
Carrefour SA	32,129	1,502	1,273	
Casino Guichard Perrachon SA	3,275	288	298	
Coca Cola Hellenic Bottling Co. SA	9,769	247	253	
Coca-Cola Amatil, Ltd.	31,549	339	372	
Coca-Cola West Japan Co., Ltd.	3,300	58	61	
Colruyt SA	4,022	198	194	
Danone	32,509	1,904	2,339	
Delhaize Group	5,844	483	423	
Diageo PLC	140,962	2,488	2,780	
Familymart Co., Ltd.	3,600	127	127	
Foster's Group, Ltd.	109,551	564	583	
Golden Agri-Resources, Ltd.	353,000	155	189	
Groupe Danone	21,000	146	134	
Heineken Holding NV	6,311	261	311	
Heineken NV	14,563	694	845	
Henkel KGaA	7,572	349	416	
Henkel KGaA Preferred	10,150	546	679	
Imperial Tobacco Group PLC	56,784	1,655	1,821	
J Front Retailing Co., Ltd.	27,000	150	114	
J Sainsbury PLC	65,743	353	335	
Japan Tobacco, Inc.	252	875	931	
Jeronimo Martins SGPS SA	11,940	128	220	
Kao Corp.	30,500	760	768	
Kerry Group PLC-Class A	7,631	238	305	
Kesko OYJ-Class B	3,665	139	164	
Kikkoman Corp.	10,000	112	101	
Kirin Holdings Co., Ltd.	47,000	664	626	
Koninklijke Ahold NV	66,674	896	864	
L'Oreal SA	13,367	1,419	1,674	
Lawson, Inc.	3,200	148	161	
Lifestyle International Holdings, Ltd.	30,500	63	86	
Lindt & Spruengli AG	50	120	150	
Lindt & Spruengli AG-PC	6	161	211	
Meiji Holdings Co., Ltd.	3,600	145	145	
Metcash, Ltd.	41,084	158	176	
Metro AG	7,449	450	435	
Nestle SA	194,094	9,938	11,613	
Nippon Meat Packers, Inc.	10,000	132	137	
Nisshin Seifun Group, Inc.	10,000	125	120	
Nissin Food Products Co., Ltd.	3,700	132	129	
Olam International, Ltd.	71,000	143	151	
Parmalat SpA	67,592	182	245	
Pernod-Ricard	11,058	960	1,052	
Reckitt Benckiser Group PLC	34,386	1,794	1,830	
SABMiller PLC	53,044	1,649	1,867	
Seven & I Holdings Co., Ltd.	42,000	1,068	1,081	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Shiseido Co., Ltd.	20,000	424	358	
Suedzucker AG	4,131	89	142	
Swedish Match AB	12,460	301	404	
Tesco PLC	452,061	2,909	2,815	
TNT Express NV	21,603	266	216	
Toyo Suisan Kaisha, Ltd.	5,000	117	113	
Uni-Charm Corp.	6,700	244	280	
Unilever NV	91,732	2,753	2,901	
Unilever PLC	71,549	2,102	2,222	
William Morrison Supermarkets	125,700	547	580	
Wilmar International, Ltd.	110,000	514	468	
Woolworths, Ltd.	67,603	1,700	1,938	
Yakult Honsha Co., Ltd.	5,200	143	144	
Yamazaki Baking Co., Ltd.	7,000	90	90	
		53,558	58,960	9.4
Energy				
Aker Solutions ASA	8,869	125	172	
BG Group PLC	190,051	3,348	4,161	
BP PLC	1,053,155	8,468	7,478	
Cairn Energy PLC	80,267	525	516	
Caltex Australia, Ltd.	8,116	93	99	
Cosmo Oil Company, Ltd.	30,000	85	81	
EDP Renovaveis SA	11,695	76	74	
ENI SpA	135,029	2,974	3,076	
Essar Energy PLC	17,570	153	111	
Fugro NV	3,675	231	256	
Galp Energia SGPS SA-Class B	12,496	208	287	
Idemitsu Kosan Co., Ltd.	1,200	100	123	
Inpex Holdings, Inc.	123	654	867	
Japan Petroleum Exploration Co.	1,600	75	72	
JX Holdings, Inc.	125,400	740	806	
Neste Oil OYJ	7,588	127	115	
OMV AG	9,224	348	387	
Origin Energy, Ltd.	59,346	852	967	
Paladin Resources, Ltd.	37,370	138	97	
Repsol YPF SA	44,155	1,114	1,478	
Royal Dutch Shell PLC-Class A	199,667	6,023	6,860	
Royal Dutch Shell PLC-Class B	151,047	4,413	5,199	
Saipem	14,909	581	740	
Santos, Ltd.	48,716	621	681	
SBM Offshore NV	10,156	202	259	
SeaDrill, Ltd.	17,266	441	589	
Showa Shell Sekiyu KK	11,700	92	104	
Statoil ASA	62,229	1,439	1,527	
Subsea 7 SA	15,774	390	391	
Technip SA	5,604	422	580	
Tenaris SA	26,792	557	590	
TonenGeneral Sekiyu KK	16,000	152	188	
Total SA	118,476	6,388	6,604	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Transocean, Ltd.	17,793	1,255	1,113	
Tullow Oil PLC	49,545	934	952	
Woodside Petroleum, Ltd.	34,801	1,429	1,474	
WorleyParsons, Ltd.	10,731	257	312	
		46,030	49,386	7.8
Financials				
3i Group PLC	52,767	235	230	
Admiral Group PLC	10,981	237	283	
Aegon NV	95,978	650	631	
Aeon Credit Service Co., Ltd.	4,800	56	63	
Aeon Mall Co., Ltd.	4,400	100	102	
Ageas	121,281	359	317	
AlA Group, Ltd.	437,000	1,385	1,461	
Allianz AG	25,519	3,026	3,439	
Alpha Bank AE	27,453	187	134	
AMP, Ltd.	158,191	832	798	
Anglo Irish Bank Co. PLC	74,205	3,175	3,549	
Aozora Bank, Ltd.	27,000	46	60	
Ascendas REIT	98,000	146	157	
Assicurazioni Generali SpA	65,124	1,368	1,320	
ASX, Ltd.	10,218	319	321	
Aviva PLC	157,335	894	1,070	
AXA SA	98,200	1,908	2,153	
Baloise Holding AG	2,702	225	269	
Banca Cariage SpA	31,863	71	69	
Banca Monte dei Paschi di Siena SpA	238,844	253	174	
Banco Bilbao Vizcaya Argentaria SA	240,418	2,936	2,720	
Banco Comercial Portugues SA-Class R	180,467	154	103	
Banco de Sabadell SA	63,239	308	252	
Banco Espirito Santo SA	30,656	138	110	
Banco Popolare Scarl	98,122	408	217	
Banco Popular Espanol SA	52,361	331	284	
Banco Popular Espanol SA RTS	52,361	-	4	
Banco Santander Central Hispano SA	472,904	5,877	5,267	
Bank Hapoalim BM	59,008	247	283	
Bank Leumi Le-Israel BM	64,127	280	291	
Bank of Cyprus, Ltd.	45,830	209	131	
Bank of East Asia, Ltd.	83,200	324	330	
Bank of Kyoto, Ltd. (The)	17,000	151	149	
Bank of Yokohama, Ltd.	66,000	337	315	
Bankinter SA	11,854	84	78	
Barclays PLC	644,254	3,190	2,560	
Bendigo Bank, Ltd.	19,329	166	177	
BNP Paribas	53,815	3,697	4,008	
BOC Hong Kong Holdings, Ltd.	211,000	545	590	
British Land Co. PLC	47,845	350	451	
Capitaland, Ltd.	138,000	390	315	
CapitaMall REIT	106,000	152	156	
Capitamalls Asia, Ltd.	74,000	98	86	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
CFS Retail Property Trust	102,699	181	193	
Cheung Kong Holdings, Ltd.	78,000	1,045	1,098	
Chiba Bank, Ltd. (The)	41,000	261	246	
Chugoku Bank, Ltd.	10,000	127	119	
Chuo Mitsui Trust Holdings, Inc.	174,220	625	579	
City Developments, Ltd.	29,000	241	236	
CNP Assurances	7,850	166	165	
Commerzbank AG	199,896	1,067	827	
Commonwealth Bank of Australia	86,795	4,348	4,684	
Corio NV	3,156	183	202	
Credit Agricole SA	53,943	771	782	
Credit Saison Co., Ltd.	7,800	107	125	
Credit Suisse Group	63,536	2,909	2,381	
Criteria Caixacorp SA	46,779	235	315	
Criteria Caixacorp SA RTS	46,779	-	3	
Dai-ichi Life Insurance Co., Ltd.	501	783	672	
Daiwa Securities Group, Inc.	93,000	456	391	
Danske Bank A/S	36,290	836	647	
DB RREEF Trust	97,000	1,069	1,118	
Delta Lloyd	5,594	119	128	
Deutsche Bank AG	52,324	3,319	2,982	
Deutsche Boerse AG	10,944	796	804	
Dexia	31,785	141	95	
Dexus Property Group	260,578	195	236	
DnB Nor ASA	55,121	648	744	
EFG Eurobank Ergasias SA	19,310	134	88	
Eiffage SA	2,448	125	156	
Erste Bank der Oesterreichischen Sparkassen AG	10,888	471	545	
Exor	3,892	84	117	
Federated Investors, Inc.-Class B	10,563	430	395	
Fonciere Des Regions REIT	1,700	171	174	
Fukuoka Financial Group, Inc.	41,000	179	163	
GAM Holding, Ltd.	11,076	139	175	
Gecina SA	1,219	132	164	
Gjensidige Forsikring ASA	11,151	134	133	
Global Logistic Properties, Ltd.	102,000	158	164	
Goodman Group	383,537	240	277	
GPT Group	95,624	254	312	
Groupe Bruxelles Lambert SA	28,934	259	312	
Gunma Bank, Ltd.	23,000	129	116	
Hachijuni Bank (The), Ltd.	24,000	137	129	
Hammerson PLC	38,569	229	287	
Hang Lung Group, Ltd.	49,000	276	298	
Hang Lung Properties, Ltd.	140,000	577	554	
Hang Seng Bank, Ltd.	43,500	680	668	
Hannover Rueckversicherung AG	3,223	157	162	
Henderson Land Development Co., Ltd.	63,000	412	391	
Hiroshima Bank (The), Ltd.	30,000	127	125	
Hokuhoku Financial Group, Inc.	70,000	139	132	
Hong Kong Exchanges and Clearing, Ltd.	57,100	1,021	1,155	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
HSBC Holdings PLC	991,899	10,274	9,495	
Hysan Development Co., Ltd.	33,000	107	157	
Icade	1,241	121	148	
ICAP PLC	30,705	203	225	
Immoeast AG	5,028	-	-	
Immofinanz AG	52,678	192	216	
Immofinanz AG	66,523	-	-	
Industrivarden AB	6,540	105	105	
Infineon Technologies AG	61,756	458	670	
ING Groep NV	213,501	2,057	2,536	
Insurance Australia Group, Ltd.	116,233	398	407	
Intesa Sanpaolo SpA	563,468	1,728	1,447	
Intesa Sanpaolo SpA RNC	50,870	133	104	
Investec PLC	25,947	203	203	
Investor AB-Class B	25,865	497	573	
Israel Discount Bank, Ltd.	42,379	85	80	
Iyo Bank, Ltd.	14,000	131	123	
Japan Prime Realty Investment Corp. REIT	42	105	107	
Japan Real Estate Investment Corp. REIT	26	230	245	
Japan Retail Fund Investment Corp. REIT	92	124	136	
Joyo Bank, Ltd. (The)	34,000	144	137	
Julius Baer Group, Ltd.	11,881	421	473	
KBC Groep NV	8,851	392	335	
Keppel Land, Ltd.	39,000	115	111	
Kerry Properties, Ltd.	38,500	188	178	
Kinnevik Investment AB	11,650	214	250	
Klepierre	5,804	202	231	
Land Securities Group PLC	42,842	431	565	
Legal & General Group PLC	335,237	468	614	
Lend Lease Corp, Ltd.	28,949	217	267	
Liberty International PLC	33,043	199	204	
Link REIT	124,000	331	409	
Lloyds TSB Group PLC	2,276,906	2,168	1,729	
London Stock Exchange Group PLC	8,044	85	132	
Macquarie Group, Ltd.	19,523	809	630	
Man Group PLC	5,971	585	766	
Map Group	24,410	70	84	
Mapfre SA	42,290	138	151	
Mediobanca SpA	28,748	269	279	
Merck & Co., Inc.	3,776	314	396	
Mirvac Group	182,976	229	236	
Mitsubishi Estate Co., Ltd.	70,000	1,201	1,175	
Mitsubishi UFJ Financial Group, Inc.	716,400	3,711	3,339	
Mitsubishi UFJ Lease & Finance Co., Ltd.	3,450	132	127	
Mitsui Fudosan Co., Ltd.	47,000	818	773	
Mitsui Sumitomo Insurance Group Holdings, Inc.	31,700	810	710	
Mizrahi Tefahot Bank, Ltd.	7,073	61	72	
Mizuho Financial Group, Inc.	1,141,161	1,905	1,786	
Mizuho Securities Co., Ltd.	30,000	84	69	
Mizuho Trust & Banking Co., Ltd.	82,000	80	70	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Muenchener Rueckversicherungs AG	10,510	1,552	1,552	
National Australia Bank, Ltd.	121,879	2,906	3,223	
National Bank of Greece SA	51,938	649	356	
Natixis	47,929	282	232	
New World Development, Ltd.	137,000	248	199	
Nippon Building Fund, Inc. REIT	30	305	281	
Nishi-Nippon City Bank, Ltd. (The)	41,000	121	115	
NKSJ Holdings, Inc.	83,000	577	524	
Nomura Holdings, Inc.	197,100	1,286	933	
Nomura Real Estate Holdings, Inc.	5,800	98	92	
Nomura Real Estate Office Fund, Inc. REIT	15	91	95	
Nordea Bank AB	146,529	1,439	1,523	
NTT Urban Development Corp.	65	61	53	
Old Mutual PLC	309,929	577	641	
ORIX Corp.	5,950	515	553	
Oversea-Chinese Banking Corp.	140,000	957	1,029	
Pargesa Holding SA	1,450	112	129	
Petrofac, Ltd.	14,136	274	331	
Pohjola Bank PLC	7,915	94	98	
Prudential PLC	141,947	1,262	1,584	
QBE Insurance Group, Ltd.	58,677	1,079	1,045	
Raiffeisen International Bank Holding AG	2,729	130	135	
Ratos AB	11,068	168	205	
Resolution, Ltd.	79,045	321	360	
Resona Holdings, Inc.	105,900	557	477	
Royal Bank of Scotland Group PLC	976,671	694	582	
Sampo OYJ	23,610	584	736	
SBI Holdings, Inc.	1,065	178	94	
Schroders PLC	6,083	134	146	
SCOR	9,037	210	247	
Segro PLC REIT	39,737	173	192	
Seven Bank, Ltd.	34	69	65	
Shinsei Bank, Ltd.	78,000	95	75	
Shizuoka Bank, Ltd. (The)	34,000	302	299	
Singapore Exchange, Ltd.	48,000	286	284	
Sino Land Co.	142,000	281	219	
Skandinaviska Enskilda Banken AB-Class A	78,483	531	621	
Societe Generale-Class A	35,366	1,935	2,025	
Sony Financial Holdings, Inc.	9,400	165	162	
Standard Chartered PLC	131,876	3,549	3,347	
Standard Life PLC	127,034	395	414	
Stockland	136,798	490	482	
Sumitomo Mitsui Financial Group, Inc.	74,900	2,443	2,206	
Sumitomo Realty & Development Co., Ltd.	20,000	404	427	
Sun Hung Kai Properties, Ltd.	79,000	1,190	1,110	
Suncorp-Metway, Ltd.	73,124	587	613	
Suruga Bank, Ltd.	12,000	117	100	
Svenska Handelsbanken-Class A	27,550	796	822	
Swedbank AB	45,040	547	732	
Swire Pacific, Ltd.-Class A	40,500	539	571	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Swiss Life Holding	1,810	227	286	
Swiss Re, Ltd.	19,649	1,123	1,063	
T&D Holdings, Inc.	16,100	397	366	
Tokio Marine Holdings, Inc.	40,400	1,189	1,082	
Tokyu Land Corp.	26,000	114	105	
TrygVesta AS	1,341	81	75	
UBS AG	204,462	3,284	3,593	
Unibail	5,118	948	1,142	
UniCredito Italiano SpA	752,156	1,974	1,532	
Unione Di Banche Italiane SCPA	44,914	432	244	
United Overseas Bank, Ltd.	69,000	1,015	1,064	
UOL Group, Ltd.	25,000	77	98	
Vienna Insurance Group	2,145	103	113	
Westfield Group	122,307	1,351	1,093	
Westfield Retail Trust-REIT	161,391	425	450	
Westpac Banking Corp.	168,608	3,810	3,876	
Wharf Holdings, Ltd.	83,018	474	557	
Wheelock & Co., Ltd.	49,000	152	188	
Wing Hang Bank, Ltd.	10,000	109	105	
Yamaguchi Financial Group, Inc.	11,000	112	98	
Zurich Financial Services AG	8,119	1,933	1,978	
		148,893	147,160	23.4
Health Care				
Actelion, Ltd.	6,121	271	290	
Alfresa Holdings Corp.	2,200	103	82	
Astellas Pharma, Inc.	24,800	896	922	
AstraZeneca PLC	78,015	3,618	3,755	
Bayer AG	46,450	3,032	3,603	
Cangene Corp.	63,800	2,885	2,901	
Celesio AG	4,232	115	81	
Chugai Pharmaceutical Co., Ltd.	11,900	223	187	
Cie Generale d'Optique Essilor International SA	11,373	724	890	
Cochlear, Ltd.	3,168	224	235	
Coloplast A/S-Class B	1,218	143	178	
CSL, Ltd., Australia	30,132	961	1,029	
Daiichi Sankyo Co., Ltd.	38,000	727	712	
Dainippon Sumitomo Pharma Co., Ltd.	8,200	71	75	
Eisai Co., Ltd.	14,400	507	539	
Elan Corp. PLC	27,459	180	305	
Fresenius Medical Care AG & Co. KGaA	10,861	598	781	
Fresenius SE	6,531	491	655	
Getinge AB	10,747	244	279	
GlaxoSmithKline PLC	290,602	5,400	6,007	
Grifols SA	7,316	98	142	
Hisamitsu Pharmaceutical Co.	3,700	143	151	
Kyowa Hakko Kogyo Co., Ltd.	14,000	147	128	
Lonza Group AG	2,797	210	210	
Miraca Holdings, Inc.	3,000	109	116	
Mitsubishi Tanabe Pharma Corp.	12,000	174	193	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Novartis AG Registered	130,741	6,981	7,710	
Novo-Nordisk A/S-Class B	23,585	2,115	2,854	
Olympus Corp.	12,100	342	390	
ONO Pharmaceutical Co., Ltd.	5,100	228	261	
Orion OYJ-Class B	5,077	100	126	
Otsuka Holdings Co., Ltd.	13,600	337	346	
Qiagen NV	12,537	273	231	
Ramsay Health Care, Ltd.	7,101	111	133	
Roche Holding AG Genuschein	39,361	6,036	6,339	
RSA Insurance Group PLC	201,727	393	422	
Sanofi-Aventis	62,441	4,265	4,839	
Santen Pharmaceutical Co., Ltd.	4,000	136	155	
Shionogi & Co., Ltd.	16,100	310	253	
Shire, Ltd.	31,550	733	950	
Smith & Nephew PLC	51,023	524	526	
Sonic Healthcare, Ltd.	19,739	228	262	
Sonova Holding AG	2,734	331	246	
Straumann Holding AG	479	113	111	
Suzuken Co., Ltd.	3,600	128	79	
Synthes, Inc.	3,633	455	615	
Systemex Corp.	4,000	121	144	
Taisho Pharmaceutical Co., Ltd.	7,000	142	151	
Takeda Pharmaceutical Co., Ltd.	44,600	2,022	1,977	
Terumo Corp.	9,700	508	502	
Teva Pharmaceutical Industries, Ltd.	52,810	2,997	2,448	
Tsumura & Co.	3,300	100	101	
UCB SA	5,385	197	233	
William Demant Holding	1,256	91	109	
		52,611	56,959	9.1
Industrials				
ABB, Ltd.	123,322	2,528	3,081	
Abertis Infraestructuras SA	20,561	377	443	
Acciona SA	1,490	139	153	
ACS Actividades Cons y Serv	8,292	367	377	
Adecco SA	7,372	425	455	
Aeroports de Paris	1,927	155	175	
Aggreko PLC	15,274	345	456	
Air France-KLM	7,310	110	108	
Airlines	12,465	209	261	
Alfa Laval AB	18,339	289	382	
All Nippon Airways Co., Ltd.	47,000	154	147	
Alstom	11,631	648	692	
Amada Co., Ltd.	19,000	147	139	
Amadeus IT Holding SA	13,697	279	274	
Amec PLC	18,100	255	305	
Antofagasta PLC	22,889	370	494	
AP Moller-Maersk A/S-Class A	31	261	248	
AP Moller-Maersk A/S-Class B	73	637	607	
Asahi Glass Co., Ltd.	56,000	639	626	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Asciano Group	156,999	243	266	
Assa Abloy AB-Class B	17,911	416	466	
Atlantia SpA	17,069	343	350	
Atlas Copco AB-Class A	37,536	660	955	
Atlas Copco AB-Class B	22,414	364	510	
Auckland International Airport, Ltd.	58,239	88	103	
Babcock International Group PLC	19,362	187	214	
BAE Systems PLC	191,057	1,014	943	
Balfour Beatty PLC	37,078	160	177	
Bekaert SA	2,076	220	153	
Bouygues	13,142	617	556	
Brambles Industries PLC	81,248	519	605	
Brenntag AG	1,813	177	203	
Bunzl PLC	17,951	205	217	
Cathay Pacific Airways, Ltd.	63,000	135	140	
Central Japan Railway Co.	85	713	641	
Chiyoda Corp.	8,000	72	88	
Cie de Saint-Gobain	22,204	1,061	1,387	
Cie Generale de Geophysique-Veritas	8,571	233	304	
Cie Generale des Etablissements Michelin	9,910	737	934	
Cobham PLC	62,384	199	204	
ComfortDelgro Corp., Ltd.	110,000	126	125	
Cosco Corp. Singapore, Ltd.	53,000	70	81	
Dai Nippon Printing Co., Ltd.	31,000	415	334	
Daikin Industries, Ltd.	13,000	470	440	
Delek Group, Ltd.	245	55	53	
Deutsche Post AG	47,542	809	881	
DSV A/S	12,435	229	288	
East Japan Railway Co.	19,000	1,303	1,042	
Edenred	9,474	189	279	
Elbit Systems, Ltd.	1,289	69	59	
European Aeronautic Defense and Space Co.	23,119	523	747	
Experian, Ltd.	55,269	551	679	
Fanuc, Ltd.	10,700	1,310	1,711	
Ferrovial SA	20,407	187	249	
Fiat Industrial SpA	43,453	531	539	
Finmeccanica SpA	21,812	274	253	
Fomento de Construcciones Y Contratas SA	3,114	84	92	
Fraport AG	1,970	105	153	
Fraser and Neave, Ltd.	53,000	209	241	
Fuji Electric Holdings Co., Ltd.	29,000	86	87	
Furukawa Electric Co., Ltd. (The)	34,000	160	136	
GEA Group AG	9,716	236	336	
Geberit AG	2,166	391	494	
Genting International PLC	349,000	333	530	
Hexagon AB	13,699	257	326	
Hino Motors, Ltd.	14,000	72	78	
Hitachi Construction Machinery Co., Ltd.	5,800	126	124	
Hitachi High-Technologies Corp.	3,600	79	75	
Hochtief AG	2,294	173	185	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Hopewell Holdings, Ltd.	35,500	110	107	
Hutchison Port Holdings Trust-UNIT	290,522	289	237	
Hutchison Whampoa, Ltd.	119,000	933	1,240	
IHI Corp.	73,000	139	181	
International Consolidated Airlines Group SA	49,777	224	195	
Intertek Group PLC	8,620	239	263	
Invensys PLC	43,671	207	218	
Itochu Corp.	84,400	776	839	
Japan Steel Works, Ltd. (The)	17,000	178	112	
JGC Corp.	12,000	223	314	
JS Group Corp.	14,600	307	359	
JTEKT Corp.	11,800	135	166	
Kajima Corp.	50,000	126	137	
Kamigumi Co., Ltd.	13,000	107	116	
Kawasaki Heavy Industries, Ltd.	79,000	236	300	
Kawasaki Kisen Kaisha, Ltd.	37,000	154	123	
Keihin Electric Express Railway Co., Ltd.	25,000	221	173	
Keio Corp.	31,000	208	164	
Keisei Electric Railway Co., Ltd.	15,000	94	85	
Keppel Corp., Ltd.	79,200	523	689	
Kinden Corp.	7,000	63	57	
Kintetsu Corp.	88,000	280	270	
Komatsu, Ltd.	52,900	1,156	1,577	
Kone OYJ	8,924	409	540	
Koninklijke Boskalis Westminster NV	3,759	153	171	
Koninklijke Vopak	3,780	166	179	
Kubota Corp.	65,000	580	550	
Kuehne & Nagel International AG	3,005	336	438	
Kurita Water Industries, Ltd.	6,000	175	171	
Legrand SA	10,982	395	445	
Leighton Holdings, Ltd.	8,047	244	173	
Man AG	104,564	400	384	
Marubeni Corp.	93,000	584	591	
Medipal Holdings Corp.	8,400	100	71	
Metso OYJ	7,111	279	390	
Minebea Co., Ltd.	18,000	107	92	
Mitsubishi Corp.	75,700	1,873	1,808	
Mitsubishi Electric Corp.	108,000	994	1,198	
Mitsubishi Heavy Industries, Ltd.	171,000	666	768	
Mitsubishi Logistics Corp.	6,000	77	65	
Mitsui & Co., Ltd.	96,900	1,506	1,599	
Mitsui Engineering & Shipbuilding Co., Ltd.	41,000	103	85	
Mitsui OSK Lines, Ltd.	62,000	442	319	
MTR Corp.	78,000	285	266	
Nabtesco Corp.	5,200	102	120	
Neptune Orient Lines, Ltd.	59,000	94	71	
NGK Insulators, Ltd.	14,000	263	249	
Nippon Express Co., Ltd.	45,000	207	175	
Nippon Sheet Glass Co., Ltd.	54,000	124	161	
Nippon Yusen KK	83,000	333	295	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Noble Group, Ltd.	212,727	320	329	
NSK, Ltd.	24,000	191	229	
NTN Corp.	28,000	129	153	
NWS Holdings, Ltd.	72,000	94	92	
Obayashi Corp.	35,000	155	146	
Odakyu Electric Railway Co., Ltd.	34,000	301	259	
Orient Overseas International, Ltd.	12,500	102	78	
Orkla ASA	45,121	377	416	
Otsuka Corp.	800	53	48	
Qantas Airways, Ltd.	59,720	142	114	
QR National, Ltd.	92,496	248	322	
Randstad Holdings NV	6,623	319	295	
Renewable Energy Corp. AS	25,918	81	43	
Rolls Royce Holdings PLC	104,448	977	1,043	
Ryanair Holdings PLC, Sponsored ADR	3,452	95	98	
Safran SA	9,727	293	401	
Sandvik AB	56,263	805	954	
Scania AB-Class B	17,805	321	399	
Schindler Holding AG	2,635	241	308	
Schindler Holding AG-REG	1,177	107	138	
Schneider Electric SA	13,741	1,660	2,215	
Secom Co., Ltd.	12,000	556	551	
Securitas AB-Class B	16,740	171	171	
SembCorp Industries, Ltd.	55,000	178	216	
SembCorp Marine, Ltd.	44,000	141	183	
Serco Group PLC	26,835	255	230	
SGS SA	305	443	556	
Shimadzu Corp.	13,000	104	114	
Shimizu Corp.	34,000	134	136	
Siemens AG Registered	46,098	4,802	6,108	
Singapore Airlines, Ltd.	32,000	358	357	
Singapore Technologies Engineering, Ltd.	90,000	218	212	
Skanska AB-Class B	23,408	400	405	
SKF AB	22,287	477	623	
SMC Corp./Japan	3,100	452	534	
Smiths Group PLC	22,879	410	425	
Societe BIC SA	1,604	128	149	
Sojitz Corp.	72,200	133	129	
Sulzer AG	1,337	231	209	
Sumitomo Corp.	62,900	768	819	
Sumitomo Electric Industries, Ltd.	43,100	556	600	
Sumitomo Heavy Industries, Ltd.	31,000	192	206	
Taisei Corp.	58,000	128	127	
Thales SA	5,539	207	230	
THK Co., Ltd.	6,500	146	158	
TNT NV	18,846	534	154	
Tobu Railway Co., Ltd.	56,000	234	226	
Tokyu Corp.	62,000	271	247	
Toll Holdings, Ltd.	35,698	215	179	
Toppan Printing Co., Ltd.	30,000	274	223	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Toto, Ltd.	17,000	118	126	
Toyota Tsusho Corp.	11,400	181	187	
Transurban Group	75,655	342	408	
Ushio, Inc.	5,600	95	105	
Vallourec	6,265	644	736	
Vestas Wind Systems A/S	11,741	587	263	
Vinci SA	25,121	1,330	1,553	
Volvo AB-Class B	76,877	1,025	1,299	
Wartsila OYJ-Class B	9,329	255	304	
Weir Group PLC	11,540	331	380	
Wendel SA	1,830	209	217	
Wesfarmers, Ltd.	56,045	1,608	1,844	
Wesfarmers, Ltd.-PPS	8,169	234	272	
West Japan Railway Co.	9,900	373	371	
Wolseley PLC	15,832	421	498	
Yamato Holdings Co., Ltd.	21,500	308	323	
Yangzijiang Shipbuilding	104,000	125	119	
Zardoya Otis SA	7,593	112	108	
Zardoya Otis SA RTS	7,593	-	5	
		72,469	80,427	12.8
Information Technology				
Advantest Corp.	8,500	208	149	
Alcatel-Lucent	129,987	405	725	
ARM Holdings PLC	75,045	417	683	
ASM Pacific Technology	10,500	96	139	
ASML Holding NV	24,065	814	855	
Atos Origin	2,670	133	145	
Autonomy Corp.	12,830	350	339	
Brother Industries, Ltd.	12,500	150	176	
Canon, Inc.	8,441	431	477	
CapGemini SA	33,410	401	370	
Citizen Watch Co., Ltd.	15,500	103	89	
Computershare, Ltd.	24,198	253	221	
Dassault Systemes SA	3,524	235	289	
Elpida Memory, Inc.	10,700	193	120	
Foxconn International Holdings, Ltd.	125,000	105	53	
Fujitsu, Ltd.	106,000	722	579	
Gree, Inc.	5,500	71	115	
Hamamatsu Photonics KK	3,600	119	149	
Hirose Electric Co., Ltd.	1,700	180	167	
Hitachi, Ltd.	252,000	1,106	1,421	
Hoya Corp.	23,800	606	504	
Ibiden Co., Ltd.	6,900	231	206	
Indra Sistemas SA	5,480	102	109	
Itochu Techno-Science Corp.	1,800	66	61	
Keyence Corp.	2,300	569	623	
Konami Corp.	5,100	98	116	
Konica Minolta Holdings, Inc.	25,500	289	204	
Koninklijke (Royal) Philips Electronics NV	54,867	1,790	1,359	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Kyocera Corp.	8,500	824	828	
Mabuchi Motor Co., Ltd.	1,400	73	68	
Millicom International Cellular SA, SDR	4,232	386	427	
Murata Manufacturing Co., Ltd.	11,500	667	732	
NEC Corp.	141,000	421	308	
Neopost SA	1,721	137	142	
NICE Systems, Ltd.	3,280	100	114	
Nidec Corp.	6,100	596	541	
Nintendo Co., Ltd.	5,500	1,663	985	
Nippon Electric Glass Co., Ltd.	22,000	307	270	
Nokia OYJ	208,803	2,385	1,306	
Nomura Research Institute, Ltd.	5,800	140	121	
NTT Data Corp.	71	263	226	
Omron Corp.	11,000	262	292	
Oracle Corp. Japan	2,100	105	88	
Ricoh Co., Ltd.	37,000	561	393	
Rohm Co., Ltd.	5,300	365	289	
Sage Group PLC	71,640	279	321	
SAP AG	51,799	2,669	3,024	
Seiko Epson Corp.	7,200	113	119	
Square Enix Co., Ltd.	3,500	67	60	
STMicroelectronics NV	36,837	359	354	
Sumco Corp.	7,100	137	115	
TDK Corp.	6,700	444	353	
Telefonaktiebolaget LM Ericsson-Class B	167,889	1,917	2,342	
Tokyo Electron, Ltd.	9,500	608	496	
Toshiba Corp.	225,000	1,244	1,132	
Trend Micro, Inc.	5,900	190	175	
Yahoo! Japan Corp.	779	300	257	
Yaskawa Electric Corp.	12,000	135	129	
Yokogawa Electric Corp.	11,100	87	91	
		28,047	26,541	4.2
Materials				
Acerinox SA	5,366	98	94	
Air Liquide	16,012	1,788	2,214	
Akzo Nobel NV	12,974	757	790	
Alumina, Ltd.	131,770	214	287	
Amcor, Ltd.	70,429	434	524	
ArcelorMittal	47,869	1,747	1,606	
Arkema SA	3,086	313	306	
Asahi Kasei Corp.	70,000	411	451	
Aurizon Mines, Ltd.	145,787	3,160	3,314	
BASF SE	51,512	3,266	4,867	
BHP Billiton PLC	122,277	3,938	4,644	
BHP Billiton, Ltd.	179,911	6,807	8,140	
BlueScope Steel, Ltd.	97,618	220	122	
Boliden AB	14,721	200	263	
Boral, Ltd.	38,197	181	174	
Cimpor Cimentos de Portugal SA	10,985	71	81	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
CRH PLC	39,763	949	848	
Daicel Chemical Industries, Ltd.	17,000	123	108	
Daido Steel Co., Ltd.	15,000	73	96	
Denki Kagaku Kogyo KK	27,000	131	124	
Eramet	319	104	102	
Eurasian Natural Resources	13,876	223	168	
Fletcher Building, Ltd.	37,757	230	257	
Fortescue Metals Group, Ltd.	69,598	322	456	
Fresnillo PLC	9,705	147	211	
GDF Suez	68,964	2,464	2,435	
Givaudan	462	426	471	
Glencore International PLC	46,223	391	352	
Heidelbergcement AG	8,046	470	494	
Hitachi Chemical Co., Ltd.	6,200	132	118	
Hitachi Metals, Ltd.	9,000	100	121	
Holcim, Ltd.	13,689	982	996	
Holmen AB-Class B	2,825	82	85	
Iluka Resources, Ltd.	23,346	378	404	
Imerys SA	1,890	113	128	
Incitec Pivot, Ltd.	91,058	283	363	
Israel Chemicals, Ltd.	25,646	329	393	
Israel Corp., Ltd.	124	103	130	
James Hardie Industries NV	23,681	155	143	
JFE Holdings, Inc.	25,900	888	682	
Johnson Matthey PLC	11,653	310	355	
JSR Corp.	9,500	189	176	
K+S AG	9,605	629	712	
Kaneka Corp.	16,000	103	101	
Kansai Paint Co., Ltd.	13,000	113	113	
Kazakhmys PLC	11,646	236	249	
Kobe Steel, Ltd.	135,000	305	292	
Koninklijke DSM	8,824	417	552	
Kuraray Co., Ltd.	18,700	246	262	
Lafarge SA	11,322	726	694	
Lanxess AG	4,864	370	383	
Linde AG	9,430	1,137	1,589	
Lonmin PLC	8,817	241	198	
Lynas Corp, Ltd.	94,248	222	258	
MacArthur Coal, Ltd.	9,425	105	107	
Makhteshim-Agan Industries, Ltd.	14,100	58	76	
Maruichi Steel Tube, Ltd.	2,400	49	57	
Mitsubishi Chemical Holdings Corp.	74,500	407	505	
Mitsubishi Gas Chemical Co., Inc.	21,000	125	147	
Mitsubishi Materials Corp.	59,000	173	177	
Mitsui Chemicals, Inc.	49,000	156	170	
Newcrest Mining, Ltd.	42,668	1,433	1,662	
Nippon Paper Group, Inc.	5,600	161	119	
Nippon Steel Corp.	286,000	1,036	885	
Nisshin Steel Co., Ltd.	38,000	74	69	
Nitto Denko Corp.	9,500	385	460	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Norsk Hydro ASA	51,805	344	384	
Novozymes A/S-Class B	2,566	314	403	
Oji Paper Co., Ltd.	45,000	220	206	
OneSteel, Ltd.	71,215	217	136	
Orica, Ltd.	20,730	506	576	
Outokumpu OYJ	7,277	139	93	
OZ Minerals, Ltd.	18,722	223	255	
Prysmian SpA	11,050	195	214	
Randgold Resources, Ltd.	4,952	435	403	
Rautaruukki OYJ	4,418	90	96	
Rexam PLC	47,512	233	282	
Rio Tinto PLC	81,052	4,468	5,629	
Rio Tinto, Ltd.	24,293	1,646	2,079	
Salzgitter AG	2,178	156	160	
Shin-Etsu Chemical Co., Ltd.	22,900	1,276	1,173	
Showa Denko KK	83,000	176	164	
Sika AG	114	220	265	
Sims Group, Ltd.	8,717	162	159	
Solvay SA	3,299	327	490	
Ssab Svenskt Stal AB-Class A	9,645	161	139	
Stora Enso OYJ-Class R	31,372	273	318	
Sumitomo Chemical Co., Ltd.	88,000	413	420	
Sumitomo Metal Industries, Ltd.	188,000	496	404	
Sumitomo Metal Mining Co., Ltd.	30,000	455	471	
Svenska Cellulosa AB-Class B	32,968	455	449	
Syngenta AG	5,275	1,394	1,713	
Taiyo Nippon Sanso Corp.	14,000	124	107	
Teijin, Ltd.	50,000	172	210	
ThyssenKrupp AG	18,873	620	944	
Toray Industries, Inc.	83,000	482	587	
Tosoh Corp.	27,000	78	104	
Toyo Seikan Kaisha, Ltd.	8,400	145	135	
Ube Industries, Ltd.	53,000	141	152	
Umicore	6,714	254	353	
UPM-Kymmene OYJ	29,558	461	521	
Vedanta Resources PLC	6,494	243	211	
Voestalpine AG	5,910	209	313	
Wacker Chemie AG	863	131	181	
Xstrata PLC	115,672	2,032	2,455	
Yara International ASA	10,545	414	576	
		63,109	71,860	11.4
Telecommunication Services				
Belgacom SA	8,191	288	282	
Bezeq Israeli Telecommunication Corp., Ltd.	93,175	231	227	
BT Group PLC	432,844	946	1,351	
Cellcom Israel, Ltd.	3,131	95	84	
Deutsche Telekom AG	156,615	2,114	2,364	
Elisa OYJ-Class A	7,866	155	163	
Eurazeo	1,703	113	120	

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Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Eutelsat Communications	5,265	189	228	
France Telecom SA	103,355	2,204	2,121	
Hellenic Telecommunications Organization SA	14,490	140	131	
Iliad SA	1,063	110	138	
Inmarsat PLC	25,629	289	221	
KDDI Corp.	163	847	1,124	
Koninklijke KPN	87,704	1,278	1,230	
Mobistar SA	1,902	119	139	
Nippon Telegraph & Telephone Corp.	26,700	1,196	1,233	
NTT DoCoMo, Inc.	854	1,386	1,457	
Partner Communications Co., Ltd.	4,699	91	68	
PCCW, Ltd.	244,000	84	101	
Portugal Telecom SGPS SA	37,412	404	358	
Singapore Telecommunications, Ltd.	445,000	1,013	1,102	
Softbank Corp.	48,200	1,358	1,742	
Starhub, Ltd.	35,000	63	77	
Swisscom AG	1,330	502	587	
TDC AS	20,700	181	182	
Tele2 AB-Class B	18,387	329	352	
Telecom Corp. of New Zealand, Ltd.	102,131	156	199	
Telecom Italia SpA	526,968	729	707	
Telecom Italia-RNC	348,291	394	389	
Telefonica SA	230,145	5,149	5,429	
Telekom Austria AG	17,792	236	220	
Telenor ASA	41,511	601	659	
TeliaSonera AB	120,466	854	855	
Telstra Corp., Ltd.	246,257	699	735	
United Internet AG	6,523	96	132	
Vodafone Group PLC	2,900,749	6,781	7,429	
		31,420	33,936	
Utilities				5.4
A2A SpA	61,350	98	92	
AGL Energy, Ltd.	26,369	367	399	
Air Water, Inc.	9,000	106	104	
Centrica PLC	287,422	1,342	1,440	
Cheung Kong Infrastructure Holdings, Ltd.	26,000	107	130	
Chubu Electric Power Co., Inc.	38,200	918	715	
Chugoku Electric Power Co.	16,000	326	265	
CLP Holdings, Ltd.	108,000	838	922	
Contact Energy, Ltd.	21,210	95	90	
E.ON AG	101,459	3,427	2,780	
EDF SA	13,374	630	507	
EDP-Energias de Portugal SA	110,665	398	379	
Electric Power Development Co.	6,200	195	161	
Electricite De France	12,953	326	299	
Enagas	9,532	181	223	
Enel Green Power SPA	94,783	212	251	
Enel SpA	366,936	1,899	2,305	
Fortum OYJ	24,908	646	695	

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Gas Natural SDG SA	18,867	308	381	
Hokkaido Electric Power Co., Inc.	9,800	201	156	
Hokuriku Electric Power Co.	9,400	209	172	
Hong Kong & China Gas	270,050	591	591	
HongKong Electric Holdings	77,000	486	560	
Iberdrola Renovables	44,991	168	192	
Iberdrola SA	210,571	1,611	1,808	
International Power PLC	88,962	466	443	
Kansai Electric Power Co. (The), Inc.	42,000	1,000	797	
Kyushu Electric Power Co., Inc.	21,900	475	378	
National Grid PLC	198,056	1,727	1,880	
Osaka Gas Co., Ltd.	109,000	397	396	
Public Power Corp.	6,020	103	84	
Red Electrica de Espana	6,335	302	368	
RWE AG	23,352	1,829	1,247	
RWE AG Preferred	2,110	155	103	
Scottish & Southern Energy PLC	51,983	921	1,122	
Severn Trent PLC	12,893	251	294	
Shikoku Electric Power Co.	10,400	286	226	
Snam Rete Gas SpA	89,409	439	511	
Sp Ausnet	75,743	63	73	
Suez Environnement SA	14,483	294	279	
Terna SpA	70,169	290	314	
Toho Gas Co., Ltd.	25,000	130	130	
Tohoku Electric Power Co., Inc.	25,200	516	349	
Tokyo Electric Power Co. (The), Inc.	81,900	1,843	319	
Tokyo Gas Co., Ltd.	145,000	647	629	
United Utilities Group PLC	37,092	318	344	
Veolia Environnement SA	19,801	591	539	
Verbund-Oesterreichische Elektrizitaetswirtschafts AG-Class A	4,053	148	170	
		28,876	26,612	4.2
Total Common Stocks		587,648	620,575	98.6
Transaction Costs (Note 2)		(262)		
		587,386	620,575	98.6
Total Investments			8,895	1.4
Other Assets and Liabilities			629,470	100.0
Net Assets				

Statement of Investment Portfolio — As at June 30, 2011

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011	As at December 31, 2010
	(%)	(%)
Consumer Discretionary	10.9	10.9
Consumer Staples	9.4	9.3
Energy	7.8	7.6
Financials	23.4	23.7
Health Care	9.1	8.6
Industrials	12.8	12.7
Information Technology	4.2	4.6
Materials	11.4	11.6
Telecommunication Services	5.4	5.4
Utilities	4.2	4.6
Other Assets and Liabilities	1.4	1.0

Open futures contracts held by the Fund as at June 30, 2011 are shown in Note 4.

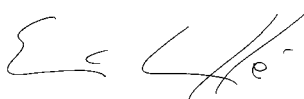
Statement of Net Assets — As at June 30, 2011 and December 31, 2010 (Unaudited)

	2011	2010
Assets		
Investments - at fair value (Note 2)	\$ 10,854,563	\$ 10,759,641
Cash	355,105	74,974
Net unrealized gain on forward currency contracts (Note 5)	26,971	14,662
Dividends receivable	16,964	5,316
Tax reclaim on dividends receivable	10,047	-
Accounts receivable for investment sales	20,313	-
	11,283,963	10,854,593
Liabilities		
Operating expenses payable	9,931	14,643
Payables for investment purchases	-	22,166
Net unrealized loss on forward currency contracts (Note 5)	29,009	1,738
	38,940	38,547
Net Assets	\$ 11,245,023	\$ 10,816,046
Number of Units Issued and Outstanding (Note 7)	1,037,602	1,037,602
Net Assets per Unit	\$ 10.84	\$ 10.42
Investments at Cost	\$ 10,590,653	\$ 10,435,119

Approved by BlackRock Asset Management Canada Limited,
Manager of the Funds



Bill Chinery, Director



Eric Léveillé, Director

Statement of Operations — For the Six Months Ended June 30 (Unaudited)

	2011
Revenue	
Dividend income	\$ 165,453
Interest income	36
Foreign exchange loss	(22,752)
Withholding taxes	(17,376)
	<u>125,361</u>
Expenses	
Custodian fees	8,980
Fund accounting expenses	28,587
Unitholder communication costs	299
Audit fees	4,549
Securities filing fees	97
Independent review committee fees	1
Other operating expenses	2,963
	<u>45,476</u>
Net Investment Income for the Period	<u>79,885</u>
Gain on Investments	
Net realized gain on sale of investments	445,486
Foreign tax	(7,359)
Transaction costs (Note 2,12)	(13,461)
Net change in unrealized depreciation in value of investments	(60,612)
Net change in unrealized depreciation in value of forward currency contracts	(14,962)
Net Gain on Investments	<u>349,092</u>
Increase in Net Assets from Operations	<u>\$ 428,977</u>
Increase in Net Assets from Operations per Unit	<u>\$ 0.41</u>

Statement of Changes in Net Assets — For the Six Months Ended June 30 (Unaudited)

	2011
Net Assets - Beginning of Period	<u>\$ 10,816,046</u>
Increase in Net Assets from Operations	<u>428,977</u>
Increase in Net Assets for the Period	<u>428,977</u>
Net Assets - End of Period	<u>\$ 11,245,023</u>

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Common Stocks				
Consumer Discretionary				
DaimlerChrysler AG	2,654	180	192	
DIRECTV-Class A	5,880	251	288	
Focus Media Holding, Ltd.-ADR	4,396	107	132	
Nissan Motor Co., Ltd.	22,500	211	226	
Sands China, Ltd.	51,600	116	134	
Swatch Group AG	476	207	231	
		1,072	1,203	10.7
Consumer Staples				
Heineken NV	4,372	210	254	
Imperial Tobacco Group PLC	11,547	356	370	
Reckitt Benckiser Group PLC	7,063	385	376	
		951	1,000	8.9
Energy				
Chevron Corp.	3,338	288	331	
OGX Petroleo e Gas Participacoes SA	19,800	219	178	
Tullow Oil PLC	8,288	159	159	
		666	668	5.9
Financials				
China Overseas Land & Investment, Ltd.	12,000	24	25	
Citigroup, Inc.	7,090	320	285	
Comerica, Inc.	6,625	237	221	
Goldman Sachs Group, Inc.	1,761	282	226	
ING Groep NV	15,895	184	189	
Julius Baer Group, Ltd.	6,640	269	264	
Lloyds TSB Group PLC	223,037	237	169	
Sberbank of Russia	38,676	128	134	
Societe Generale-Class A	2,915	172	167	
UBS AG	12,759	237	224	
		2,090	1,904	16.9
Health Care				
Novartis AG Registered	8,737	484	515	
Sanofi-Aventis	7,940	508	616	
Vertex Pharmaceuticals, Inc.	3,526	126	177	
		1,118	1,308	11.6
Industrials				
Changsha Zoomlion Heavy Industry Science and Technology Development Co., Ltd.	82,680	130	152	
Dover Corp.	3,352	195	219	
Genting International PLC	100,000	157	152	
Man AG	52,341	236	192	
Schneider Electric SA	1,403	225	226	
SPX Corp.	4,819	337	385	
		1,280	1,326	11.8

Statement of Investment Portfolio — As at June 30, 2011

Security	Holdings	Average cost (in \$000s)	Fair value (in \$000s)	% of net assets
Information Technology				
Activision Blizzard, Inc.	33,455	394	377	
Apple, Inc.	1,042	336	337	
Nidec Corp.	2,200	201	195	
Nii Holdings, Inc.-Class B	8,083	328	331	
Veeco Instruments, Inc.	2,309	111	108	
		1,370	1,348	12.0
Materials				
Arch Coal, Inc.	7,143	226	184	
Cytec Industries, Inc.	3,186	171	176	
Praxair, Inc.	1,648	156	172	
Rio Tinto PLC	5,133	342	356	
Teck Resources, Ltd.	3,573	173	175	
Xstrata PLC	8,582	182	182	
		1,250	1,245	11.1
Telecommunication Services				
MTN Group, Ltd.	9,881	180	202	
Rogers Communications, Inc.-Class B	9,394	340	358	
Telefonica SA	12,437	280	293	
		800	853	7.6
Total Common Stocks		10,597	10,855	96.5
Transaction Costs (Note 2)		(6)		
Total Investments		10,591	10,855	96.5
Other Assets and Liabilities			390	3.5
Net Assets			11,245	100.0

Portfolio Concentration

(as a percentage of Net Assets)

Portfolio by Category	As at June 30, 2011 (%)	As at December 31, 2010 (%)
Consumer Discretionary	10.7	12.0
Consumer Staples	8.9	14.4
Energy	5.9	7.6
Financials	16.9	14.0
Health Care	11.6	13.6
Industrials	11.8	9.9
Information Technology	12.0	13.7
Materials	11.1	9.3
Telecommunication Services	7.6	5.0
Other Assets and Liabilities	3.5	0.5

Open forward currency contracts held by the Fund as at June 30, 2011 are shown in Note 5.

1. Trust agreements

The following BlackRock Asset Management Canada Limited (“BlackRock Canada”) funds (each, a “Fund”, collectively, the “Funds”) are open-ended unit trusts, each formed under the laws of the Province of Ontario and governed by a master declaration of trust amended and restated as of June 1, 2011 (the “Master Declaration of Trust”) and a supplemental declaration of trust agreement, each of which was established on the dates noted below, as may be amended:

BlackRock Canadian Equity Index Fund	October 26, 1999
BlackRock Canadian Equity Ex-Trusts Index Fund	November 11, 2005
BlackRock CDN MSCI Canada IMI Index Fund	October 30, 2009
BlackRock CDN US Equity Index Non-Taxable Fund	December 15, 1998
BlackRock CDN US Equity Index Plus Non-Taxable Fund	May 14, 2010
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	July 22, 2005
BlackRock CDN US Equity Index Fund	January 17, 2000
BlackRock CDN US Alpha Tilts Non-Taxable Fund	February 22, 2001
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	July 22, 2005
BlackRock CDN Russell 3000 Index Non-Taxable Fund	November 01, 2010
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	November 01, 2010
BlackRock Active Canadian Equity Fund	September 01, 1997
BlackRock Active Canadian Equity Ex-Income Trusts Fund	November 11, 2005
BlackRock Active Canadian Equity DC Fund	December 31, 2001
BlackRock Active Canadian Equity Small Cap Fund	November 03, 1998
BlackRock Canada Universe Bond Index Fund	October 26, 1999
BlackRock Canada ex-BBB Universe Bond Index Fund	April 01, 2002
BlackRock Canada Real Return Bond Index Fund	July 06, 1998
BlackRock Canada Long Bond Index Fund	July 06, 1998
BlackRock Canada All Government Bond Index Fund	May 10, 2009
BlackRock Canada Credit-Screened Bond Index Fund	May 10, 2009
BlackRock Canada CoreActive Universe Bond Fund	January 31, 2001
BlackRock Canada CorePlus Long Bond Fund	December 21, 2006
BlackRock Balanced Moderate Index DC Fund	June 30, 1999
BlackRock Balanced Conservative Index DC Fund	August 01, 1999
BlackRock Balanced Aggressive Index DC Fund	August 01, 1999
BlackRock CDN LifePath Retirement Index Fund I	March 09, 2007
BlackRock CDN LifePath Index 2010 Retirement Fund	March 09, 2007
BlackRock CDN LifePath 2015 Index Fund	August 17, 2007
BlackRock CDN LifePath 2020 Index Fund	March 09, 2007
BlackRock CDN LifePath 2025 Index Fund	August 17, 2007
BlackRock CDN LifePath 2030 Index Fund	March 09, 2007
BlackRock CDN LifePath 2035 Index Fund	August 17, 2007
BlackRock CDN LifePath 2040 Index Fund	March 09, 2007
BlackRock CDN LifePath 2045 Index Fund	April 30, 2008
BlackRock Balanced Active Fund	January 31, 1997
BlackRock CDN Global Market Selection Fund	October 01, 2001
BlackRock CDN Short Term Index Fund	September 30, 1997
BlackRock CDN MSCI EAFE Equity Index Fund	April 15, 1999
BlackRock CDN MSCI EAFE Index Hedged Fund	July 22, 2005
BlackRock CDN MSCI ACWI ex-Canada Index Fund	August 17, 2007
BlackRock CDN MSCI Emerging Markets Index Fund	April 05, 2010
BlackRock CDN MSCI EAFE Index Plus Fund	March 23, 2010
BlackRock CDN Global Equity Focus Fund	September 10, 2010

The Statements of Investment Portfolio are as at June 30, 2011. The Statements of Net Assets are as at June 30, 2011 and December 31, 2010. The Statements of Operations and the Statements of Changes in Net Assets and, where applicable, the Statement of Cash Flows are for the six months ended June 30, 2011 and June 30, 2010, except for the Funds established during either year, in which case the information provided for the year of inception relates to the period from commencement of operations to June 30 of the applicable year.

a. Manager and Trustee:

BlackRock Canada is the manager and trustee of the Funds. BlackRock Canada is responsible for the day-to-day administration of the Funds. State Street Trust Company Canada is the custodian and record-keeper of the Funds.

b. Funds that issued units for the first time during the period 2010:

Fund	Commencement Date
BlackRock CDN MSCI EAFE Index Plus Fund	April 15, 2010
BlackRock CDN US Equity Index Plus Non-Taxable Fund	June 3, 2010
BlackRock CDN MSCI Emerging Markets Index Fund	September 16, 2010
BlackRock CDN Global Equity Focus Fund	November 30, 2010
BlackRock CDN Russell 3000 Index Non-Taxable Fund	December 1, 2010
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	December 1, 2010

c. Currency codes that are used throughout this report are as follows:

AUD	Australian Dollar	EGP	Egyptian Pound	KRW	South Korean Won	SEK	Swedish Krona
BRL	Brazilian Real	EUR	Euro	MAD	Moroccan Dirham	SGD	Singapore Dollar
CAD	Canadian Dollar	GBP	British Pound Sterling	MXN	Mexican Peso	THB	Thailand Baht
CHF	Swiss Franc	HKD	Hong Kong Dollar	MYR	Malaysian Ringgit	TRY	Turkish Lira
CLP	Chilean Peso	HUF	Hungarian Forint	NOK	Norwegian Krona	USD	United States Dollar
CNY	Yuan Renminbi	IDR	Indonesian Rupiah	NZD	New Zealand Dollar	ZAR	South African Rand
COP	Colombian Peso	ILS	Israeli Shekel	PHP	Philippine Peso		
CZK	Czech Koruna	INR	Indian Rupee	PLN	Polish Zloty		
DKK	Danish Krona	JPY	Japanese Yen	RUB	New Russian Ruble		

2. Summary of significant accounting policies

These financial statements, prepared in accordance with Canadian generally accepted accounting principles (“GAAP”), include estimates and assumptions by BlackRock Canada that may affect the reported amounts of assets, liabilities, income, expenses and changes in net assets during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Funds:

Amendments to Section 3862 of the CICA Handbook

In March 2009, the Accounting Standard Board (“AcSB”) incorporated the amendments to International Financial Reporting Standards (“IFRS”) 7, Financial Instruments: Disclosures, into CICA Handbook Section 3862. These amendments have been made to address the need for increased consistency and comparability in fair value measurements, and also to expand the disclosures surrounding fair value measurements. The amendments are applicable for fiscal years ending after September 30, 2009. For the purpose of these expanded disclosures, a three-level hierarchy has been established. The fair value hierarchy is further detailed in note 11.

a. Valuation of investments

Investments held by the Funds have been categorized as held for trading and are stated at fair value. Investments at fair value on the valuation date are determined as follows:

- Securities listed upon a recognized public stock exchange are valued at their bid prices for long positions and at their ask prices for the short positions on the valuation date.
- Fixed income securities are valued at their bid quotations for long positions and at their ask quotations for short positions by sources independent of BlackRock Canada.
- Money market securities are valued using cost plus accrued interest, which approximates fair value.
- Funds invested in other funds that are not listed on a public exchange are valued using the net asset value of the underlying fund.

Investments in securities having no quoted market prices or where, in the opinion of BlackRock Canada, a market quotation for a security is inaccurate, unreliable or not readily available, will be priced at fair value using valuation techniques, which may include: valuation of similar instruments using arm’s length market transactions, discounted cash flow analysis, and/or models as may be determined by BlackRock Canada.

The Funds are required to calculate the net asset value per unit for the purposes of the financial statements in accordance with Canadian GAAP. The Canadian Securities Administrators (“CSA”) has amended the regulation NI 81-106 effective September 2008, allowing the Funds to adopt Section 3855 of the CICA Handbook, Financial Instruments – Recognition and Measurement (“Section 3855”) for financial reporting purposes, without affecting the method by which net asset value per unit is calculated for the purpose of purchase and redemption of units of the Funds. Under Canadian GAAP, financial instruments that are quoted in active markets shall be valued based on the bid price for long positions and the ask price for short position, as compared to using the net asset value per unit in which such securities would be valued using the closing price. As a result, the net assets per unit presented in the financial statements (the “Net Assets per unit”) may differ from the Net Asset Value per unit (the “Net Asset Value per unit”). The comparison between the Net Assets per unit and the Net Asset Value per unit as at June 30, 2011 and December 31, 2010 is detailed in note 10.

b. Cash and bank overdraft

Cash represents cash and cash equivalents held by the Funds and bank overdraft is short-term borrowings. All are carried at fair value.

c. Investment transactions and income recognition

Investment transactions are accounted for on a trade date basis. Realized and unrealized gains and losses from investment transactions are calculated on an average cost basis. Interest income is recorded as revenue on an accrual basis. Dividend income is recorded on the ex-dividend date. Distributions from underlying funds and income trusts are recorded on the ex-dividend date.

d. Futures contracts

Certain Funds may invest in futures contracts for the purpose of acting as a substitute for other investments such as equities or bonds. A futures contract is an agreement between two parties to buy or sell a security or financial interest, at a specified date, quantity and price. The futures contracts held by the Funds are standardized contracts and are traded on a recognized exchange. On entering into such a contract, the Fund is required to maintain with the broker an amount of cash and/or cash equivalents equal to the minimum initial margin requirements of the exchange on which the contract is traded. Pursuant to the contract, the Fund agrees to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in the value of the contracts held. Such receipts or payments are known as “variation margin” and recorded by the Fund as investment income (or loss) and in the Statement of Net Assets included in margin due to or from broker. Long futures contracts are valued at their bid prices and short future contracts are valued at their ask prices as reported by the exchange on which they are traded.

e. Forward currency contracts

Certain Funds may enter into forward currency contracts to hedge or gain foreign currency exposure. A forward currency contract is an obligation to purchase or sell one currency against another currency, at a future date and price, which has been agreed on by two parties (the Fund and the counterparty). The contracts are traded over-the-counter and not on a recognized exchange. The forward currency contracts are marked-to-market daily using the relevant exchange rates of the underlying currencies and any gains or losses are recorded for financial statement purposes as unrealized gains or losses until the contract settlement date.

When the contracts are closed or delivered, the gains and losses are recognized as capital gains if the Fund enters into forward currency contracts for hedging, or investment income if the Fund enters into forward currency contracts to gain foreign currency exposure.

f. Repurchase agreements

Certain Funds have financed the acquisition of some investments through the use of repurchase agreements. A repurchase agreement is a current sale of a security for a fixed price, with a current agreement by the Fund to repurchase such security at a later date at a different fixed price, reflective of the cost of financing for the term of the repurchase agreement. Repurchase agreements are valued daily at par and the cost of financing is accrued daily and posted as interest expense.

g. Translation of foreign currency

Foreign currency amounts are expressed in Canadian dollars as follows:

- (i) Fair market values of investments and other assets at the rate of exchange on each valuation date; and
- (ii) Purchase and sale of investments, investment income and expenses at the rate of exchange prevailing on the respective dates of such transactions.
- (iii) Foreign exchange gain and loss are derived from realized gains and losses of foreign currency securities and spot contracts on settlement.

h. Net securities lending income

The Funds may lend securities to investment dealers and banks on a collateralized basis. Income is recognized on an accrual basis.

i. Real return bonds

The par and the cost base of the real return bonds are adjusted daily by an inflation adjustment. Interest income is accrued on each valuation date based on the inflation adjusted par at that time. The daily change in the inflation adjusted par is recognized as income. At maturity, the bonds will pay their final coupon interest payment plus the cumulative inflation compensation accrued from the original issue date.

j. Increase (decrease) in net assets from operations per unit

The increase (decrease) in net assets from operations per unit is based on the increase (decrease) in net assets from operations, divided by the average number of units outstanding during the year.

k. Allocation of income and expenses amongst classes

Certain Funds are structured with more than one class. Expenses directly attributable to a class are charged to that class. Other income, expenses, gains and losses are allocated to each class proportionately based upon the relative net asset value of each class.

l. National Instrument 81-106 – Investment Fund Continuous Disclosure (“NI 81-106”)

As non-reporting issuers pursuant to NI 81-106, the Funds rely on Part 2.11 of NI 81-106, Filing Exemption for Mutual Funds that are Non-Reporting Issuers, for the exemption not to file the Financial Statements with the securities regulators.

m. Transaction costs

Transaction costs, such as commissions incurred in the purchase and sale of securities by the Fund are expensed and are included in the Statements of Operations.

3. Taxation

The Funds qualify as unit trusts as defined in the Income Tax Act (Canada) (the “Act”) and accordingly, are not taxed on that portion of taxable income that is paid to or allocated to unitholders.

In accordance with the Master Declaration of Trust, the Funds pay sufficient income and net capital gains in order to minimize income taxes. Accordingly, no provisions for income taxes have been made in the financial statements. Net income is paid to unitholders as specified in the Funds’ Master Declaration of Trust. Net capital gains, when distributed, are paid to unitholders at least annually and, typically, on the last valuation date of the year.

a. Suspended losses

All Funds are subject to suspended loss rules contained in subsections 40(3.3) and 40(3.4) of the Act. A loss on a disposition of capital property is considered a suspended loss when a Fund acquires a property that is the same or identical to the property sold (“substituted property”), within 30 days before and 30 days after the disposition and the Fund still owns the substituted property 30 days after the original disposition. If a loss is suspended, the loss cannot be deducted against other capital gains. Instead it is deferred until the substituted property is sold and is not acquired within 30 days before and after the sale.

The suspended losses for the Funds as at December 31, 2010 are listed below:

Fund	December 31, 2010
BlackRock Canadian Equity Index Fund	\$54,866,576
BlackRock Canadian Equity Ex-Trusts Index Fund	11,781,635
BlackRock CDN MSCI Canada IMI Index Fund	2,027,954
BlackRock CDN US Equity Index Non-Taxable Fund	374,844,334
BlackRock CDN US Equity Index Plus Non-Taxable Fund	920,133
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	47,811,485
BlackRock CDN US Equity Index Fund	67,296,936
BlackRock CDN US Alpha Tilts Non-Taxable Fund	270,017,399
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	14,835,724
BlackRock Active Canadian Equity Fund	105,862,097
BlackRock Active Canadian Equity Ex-Income Trusts Fund	124,459,137
BlackRock Active Canadian Equity DC Fund	28,925,366
BlackRock Active Canadian Equity Small Cap Fund	11,199,120
BlackRock Canada Universe Bond Index Fund	5,690,711
BlackRock Canada ex-BBB Universe Bond Index Fund	362,564
BlackRock Canada Real Return Bond Index Fund	1,559,427
BlackRock Canada Long Bond Index Fund	7,940,880
BlackRock Canada All Government Bond Index Fund	71,856
BlackRock Canada Credit-Screened Bond Index Fund	116,903
BlackRock Canada CoreActive Universe Bond Fund	3,409,379
BlackRock Canada CorePlus Long Bond Fund	182,416
BlackRock Balanced Moderate Index DC Fund	7,354,121
BlackRock Balanced Conservative Index DC Fund	3,278,200
BlackRock Balanced Aggressive Index DC Fund	1,055,067
BlackRock CDN LifePath Retirement Index Fund I	834,420
BlackRock CDN LifePath Index 2010 Retirement Fund	4,326,655
BlackRock CDN LifePath 2015 Index Fund	1,672,204

Fund	December 31, 2010
BlackRock CDN LifePath 2020 Index Fund	12,849,042
BlackRock CDN LifePath 2025 Index Fund	1,262,770
BlackRock CDN LifePath 2030 Index Fund	8,863,770
BlackRock CDN LifePath 2035 Index Fund	696,062
BlackRock CDN LifePath 2040 Index Fund	4,557,421
BlackRock CDN LifePath 2045 Index Fund	57,940
BlackRock Balanced Active Fund	2,347,398
BlackRock CDN Global Market Selection Fund	94,077
BlackRock CDN MSCI EAFE Equity Index Fund	217,420,740
BlackRock CDN MSCI EAFE Index Hedged Fund	3,422,914
BlackRock CDN MSCI ACWI ex-Canada Index Fund	27,589,514
BlackRock CDN MSCI Emerging Markets Index Fund	3,031
BlackRock CDN MSCI EAFE Index Plus Fund	1,109,757

b. Capital loss carry-forwards

The capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains. The following Funds had capital loss carry-forwards as at December 31, 2010:

Fund	December 31, 2010
BlackRock Canadian Equity Index Fund	\$47,059,028
BlackRock Canadian Equity Ex-Trusts Index Fund	16,866,338
BlackRock CDN US Equity Index Non-Taxable Fund	1,081,054,304
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	71,867,794
BlackRock CDN US Equity Index Fund	66,967,235
BlackRock CDN US Alpha Tilts Non-Taxable Fund	338,835,420
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	95,504,162
BlackRock CDN Russell 3000 Index Non-Taxable Fund	5,389
BlackRock Active Canadian Equity Fund	26,205,979
BlackRock Canada CoreActive Universe Bond Fund	19,938,094
BlackRock Balanced Moderate Index DC Fund	62,799,105
BlackRock Balanced Conservative Index DC Fund	13,803,110
BlackRock Balanced Aggressive Index DC Fund	13,404,270
BlackRock CDN LifePath Retirement Index Fund I	285,561
BlackRock CDN LifePath Index 2010 Retirement Fund	3,201,649
BlackRock CDN LifePath 2020 Index Fund	8,302,705
BlackRock CDN LifePath 2025 Index Fund	366,926
BlackRock CDN LifePath 2030 Index Fund	4,355,356
BlackRock CDN LifePath 2035 Index Fund	179,248
BlackRock CDN LifePath 2040 Index Fund	566,668
BlackRock Balanced Active Fund	3,941,865
BlackRock CDN Global Market Selection Fund	10,932,806
BlackRock CDN Short Term Index Fund	3,664
BlackRock CDN MSCI EAFE Equity Index Fund	54,885,070
BlackRock CDN MSCI EAFE Index Hedged Fund	7,629,291
BlackRock CDN MSCI ACWI ex-Canada Index Fund	65,799,277
BlackRock CDN MSCI Emerging Markets Index Fund	636,395

c. Non-capital loss carry-forwards

BlackRock CDN Global Market Selection Fund reported non-capital loss carry-forward as at December 31, 2010 which may be applied against future taxable income. This loss will expire on December 31 of the year indicated below unless it is applied against taxable income.

Fund	2020
BlackRock CDN Global Market Selection Fund	\$92,678,975

4. Futures contracts

The schedule below is a summary of the open futures contracts held by the Funds as at June 30, 2011:

	Currency	Quantity	Current Price (CAD)	Delivery Date	Initial Contract Value Local Currency	Current Contract Fair Market Value (CAD)	Total Gain (Loss) on Open Contracts (CAD)
BlackRock Canadian Equity Index Fund							
S&P/TSX 60 INDEX	CAD	156	762	Sep-11	23,162,772	23,765,040	602,268
Total: BlackRock Canadian Equity Index Fund						23,765,040	602,268
BlackRock Canadian Equity Ex-Trusts Index Fund							
S&P/TSX 60 INDEX	CAD	3	762	Sep-11	450,482	457,020	6,538
Total: BlackRock Canadian Equity Ex-Trusts Index Fund						457,020	6,538
BlackRock CDN MSCI Canada IMI Index Fund							
S&P/TSX 60 INDEX	CAD	28	762	Sep-11	4,152,771	4,265,520	112,749
Total: BlackRock CDN MSCI Canada IMI Index Fund						4,265,520	112,749
BlackRock CDN US Equity Index Non-Taxable Fund							
US S&P 500 EMINI	USD	379	1,268	Sep-11	24,287,999	24,026,707	586,359
Total: BlackRock CDN US Equity Index Non-Taxable Fund						24,026,707	586,359
BlackRock CDN US Equity Index Plus Non-Taxable Fund							
US S&P 500 EMINI	USD	87	1,268	Sep-11	5,527,994	5,515,366	180,298
Total: BlackRock CDN US Equity Index Plus Non-Taxable Fund						5,515,366	180,298
BlackRock CDN US Equity Index Fund							
US S&P 500 EMINI	USD	291	1,268	Sep-11	18,554,027	18,447,947	541,456
Total: BlackRock CDN US Equity Index Fund						18,447,947	541,456
BlackRock CDN US Alpha Tilts Non-Taxable Fund							
US S&P 500 EMINI	USD	28	1,268	Sep-11	1,784,731	1,775,060	52,616
Total: BlackRock CDN US Alpha Tilts Non-Taxable Fund						1,775,060	52,616
BlackRock CDN Russell 3000 Index Non-Taxable Fund							
RUSSELL 2000 MINI INDEX	USD	24	795	Sep-11	1,891,258	1,908,582	83,329
US S&P 500 EMINI	USD	170	1,268	Sep-11	10,899,319	10,777,151	258,218
Total: BlackRock CDN Russell 3000 Index Non-Taxable Fund						12,685,733	341,547
BlackRock Active Canadian Equity Fund							
S&P/TSX 60 INDEX	CAD	96	762	Sep-11	14,331,023	14,624,640	293,617
Total: BlackRock Active Canadian Equity Fund						14,624,640	293,617
BlackRock Active Canadian Equity DC Fund							
S&P/TSX 60 INDEX	CAD	48	762	Sep-11	7,208,204	7,312,320	104,116
Total: BlackRock Active Canadian Equity DC Fund						7,312,320	104,116

Notes to Financial Statements (Unaudited) June 30, 2011

	Currency	Quantity	Current Price (CAD)	Delivery Date	Initial Contract Value Local Currency	Current Contract Fair Market Value (CAD)	Total Gain (Loss) on Open Contracts (CAD)
BlackRock Active Canadian Equity Small Cap Fund							
S&P/TSX 60 INDEX	CAD	10	762	Sep-11	1,498,232	1,523,400	25,168
Total: BlackRock Active Canadian Equity Small Cap Fund						1,523,400	25,168
BlackRock Canada CoreActive Universe Bond Fund							
Australia 10Y Bond	AUD	7	98	Sep-11	747,316	766,784	(5,370)
Canada 10Y Bond	CAD	37	124	Sep-11	4,618,373	4,588,370	(30,003)
EURO-BUND	EUR	(22)	176	Sep-11	(2,780,931)	(3,865,174)	26,042
Long Gilt Future	GBP	26	186	Sep-11	3,166,725	4,840,235	(66,355)
Japan 10YR Bond (TSE)	JPY	(2)	2	Sep-11	(282,628,566)	(3,371,158)	6,316
US 10YR Note	USD	(23)	118	Sep-11	(2,854,186)	(2,715,354)	39,220
Total: BlackRock Canada CoreActive Universe Bond Fund						243,703	(30,149)
BlackRock Canada CorePlus Long Bond Fund							
Canada 10Y Bond	CAD	89	124	Sep-11	11,017,527	11,036,890	19,363
US 10YR Note	USD	(113)	118	Sep-11	(13,833,494)	(13,340,653)	10,053
Total: BlackRock Canada CorePlus Long Bond Fund						(2,303,763)	29,416
BlackRock CDN MSCI EAFE Equity Index Fund							
Australia SPI 200 Futures	AUD	35	4,753	Sep-11	3,938,727	4,158,774	89,140
Germany DJ EURO STOXX 50	EUR	157	3,999	Sep-11	4,295,958	6,278,515	267,399
United Kingdom FTSE 100	GBP	59	9,153	Sep-11	3,357,182	5,400,389	198,702
Japan Topix Index	JPY	70	10	Sep-11	566,271,240	7,102,017	334,950
US EMINI MSCI EAFE	USD	18	1,656	Sep-11	1,490,516	1,490,414	51,916
Total: BlackRock CDN MSCI EAFE Equity Index Fund						24,430,109	942,107
BlackRock CDN MSCI Emerging Markets Index Fund							
US EMINI MSCI EMERGING MKT	USD	25	1,116	Sep-11	1,395,071	1,394,569	48,186
Total: BlackRock CDN MSCI Emerging Markets Index Fund						1,394,569	48,186
BlackRock CDN MSCI EAFE Index Plus Fund							
Germany DJ EURO STOXX 50	EUR	89	3,999	Sep-11	2,447,572	3,559,158	134,395
United Kingdom FTSE 100	GBP	28	9,153	Sep-11	1,606,894	2,562,897	73,142
Hang Seng Index		(5)	2,782	Jul-11	(5,474,892)	(695,430)	(16,385)
Japan Topix Index	JPY	20	10	Sep-11	161,672,640	2,029,148	97,124
US EMINI MSCI EAFE	USD	8	1,656	Sep-11	657,484	662,406	27,868
Total: BlackRock CDN MSCI EAFE Index Plus Fund						8,118,179	316,143

The schedule below is a summary of gain (loss) on open future contracts held by the funds as December 31, 2010:

Fund	Contract Fair Market Value (CAD)	Total Gain (Loss) on Open Contracts (CAD)
BlackRock Canadian Equity Index Fund	20,404,860	361,143
BlackRock Canadian Equity Ex-Trusts Index Fund	767,100	15,232
BlackRock CDN MSCI Canada IMI Index Fund	3,375,240	76,344
BlackRock CDN US Equity Index Non-Taxable Fund	37,408,090	922,225
BlackRock CDN US Equity Index Plus Non-Taxable Fund	4,808,719	74,136

Fund	Contract Fair Market Value (CAD)	Total Gain (Loss) on Open Contracts (CAD)
BlackRock CDN US Equity Index Fund	21,795,365	487,479
BlackRock CDN US Alpha Tilts Non-Taxable Fund	3,434,800	23,340
BlackRock CDN Russell 3000 Index Non-Taxable Fund	843,500	8,306
BlackRock Active Canadian Equity Fund	15,802,260	222,122
BlackRock Active Canadian Equity DC Fund	3,988,920	53,671
BlackRock Active Canadian Equity Small Cap Fund	1,380,780	21,147
BlackRock Canada CoreActive Universe Bond Fund	2,669,274	(104,108)
BlackRock Canada CorePlus Long Bond Fund	16,433,560	(294,752)
BlackRock CDN MSCI EAFE Equity Index Fund	23,232,357	(147,074)
BlackRock CDN MSCI Emerging Markets Index Fund	746,628	20,398
BlackRock CDN MSCI EAFE Index Plus Fund	4,350,982	(18,652)

5. Forward currency contracts

The schedule below is a summary of forward currency contracts held by the Funds as at June 30, 2011:

Contract	Face Value Local	Currency	Counter-party Rating*	Settlement Date	Cost (CAD)	Fair Market Value (CAD)	Net Unrealized Gain (Loss) (CAD)
BlackRock CDN US Equity Index Hedged Non-Taxable Fund							
SELL	(607,682,383)	USD	P-1	4-Aug-11	(599,275,705)	(586,915,317)	12,360,388
SELL	(630,958,257)	USD	P-1	6-Jul-11	(619,683,032)	(608,953,067)	10,729,965
SELL	(299,306,249)	USD	P-1	4-Aug-11	(294,391,641)	(289,077,694)	5,313,947
SELL	(310,770,486)	USD	P-1	6-Jul-11	(304,685,600)	(299,932,109)	4,753,491
SELL	(14,003,834)	USD	P-1	6-Jul-11	(13,662,000)	(13,515,438)	146,562
Total Unrealized Gain							33,304,353
BUY	48,743,944	USD	P-1	6-Jul-11	47,264,000	47,043,959	(220,041)
BUY	299,306,249	USD	P-1	6-Jul-11	294,182,126	288,867,697	(5,314,429)
BUY	607,682,383	USD	P-1	6-Jul-11	598,853,366	586,488,959	(12,364,407)
Total Unrealized Loss							(17,898,877)
Total: BlackRock CDN US Equity Index Hedged Non-Taxable Fund					(891,398,486)	(875,993,010)	15,405,476
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund							
SELL	(37,004,814)	USD	P-1	3-Aug-11	(36,455,145)	(35,739,308)	715,837
SELL	(36,775,500)	USD	P-1	6-Jul-11	(35,945,845)	(35,492,924)	452,921
SELL	(612,962)	USD	P-1	6-Jul-11	(598,000)	(591,585)	6,415
Total Unrealized Gain							1,175,173
BUY	383,648.00	USD	P-1	6-Jul-11	372,000	370,268	(1,732)
BUY	37,004,814	USD	P-1	6-Jul-11	36,431,610	35,714,241	(717,369)
Total Unrealized Loss							(719,101)
Total: BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund					(36,195,380)	(35,739,308)	456,072
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund							
SELL	(412,577,503)	USD	P-1	4-Aug-11	(406,869,906)	(398,477,992)	8,391,914
SELL	(426,350,530)	USD	P-1	6-Jul-11	(418,731,646)	(411,481,204)	7,250,442
SELL	(203,209,816)	USD	P-1	4-Aug-11	(199,873,111)	(196,265,281)	3,607,830

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Contract	Face Value Local	Currency	Counter- party Rating*	Settlement Date	Cost (CAD)	Fair Market Value (CAD)	Net Unrealized Gain (Loss) (CAD)
SELL	(209,993,545)	USD	P-1	6-Jul-11	(205,881,872)	(202,669,847)	3,212,025
SELL	(9,849,424)	USD	P-1	6-Jul-11	(9,609,000)	(9,505,918)	103,082
Total Unrealized Gain							22,565,293
BUY	30,406,180	USD	P-1	6-Jul-11	29,483,000	29,345,740	(137,260)
BUY	203,209,816	USD	P-1	6-Jul-11	199,730,864	196,122,706	(3,608,158)
BUY	412,577,503	USD	P-1	6-Jul-11	406,583,164	398,188,522	(8,394,642)
Total Unrealized Loss							(12,140,060)
Total: BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund					(605,168,507)	(594,743,274)	10,425,233
BlackRock Canada CorePlus Long Bond Fund							
SELL	(311,362,571)	USD	P-1	3-Aug-11	(305,409,318)	(300,714,461)	4,694,857
SELL	(309,416,261)	USD	P-1	6-Jul-11	(302,961,837)	(298,625,113)	4,336,724
SELL	(1,946,310)	USD	P-1	6-Jul-11	(1,887,255)	(1,878,431)	8,824
Total Unrealized Gain							9,040,405
BUY	311,362,571	USD	P-1	6-Jul-11	305,216,273	300,503,544	(4,712,729)
Total Unrealized Loss							(4,712,729)
Total: BlackRock Canada CorePlus Long Bond Fund					(305,042,137)	(300,714,461)	4,327,676
BlackRock CDN Global Market Selection Fund							
SELL	(912,433,035)	USD	P-1	5-Aug-11	(898,925,377)	(881,273,447)	17,651,930
SELL	(947,110,340)	USD	P-1	8-Jul-11	(925,783,309)	(914,124,882)	11,658,427
SELL	(10,362,138)	USD	P-1	8-Jul-11	(10,135,000)	(10,001,251)	133,749
Total Unrealized Gain							29,444,106
BUY	45,039,443	USD	P-1	8-Jul-11	43,674,000	43,470,833	(203,167)
BUY	912,433,035	USD	P-1	8-Jul-11	898,345,069	880,655,300	(17,689,769)
Total Unrealized Loss							(17,892,936)
Total: BlackRock CDN Global Market Selection Fund					(892,824,617)	(881,273,447)	11,551,170
BlackRock CDN MSCI EAFE Index Hedged Fund							
SELL	(411,699,000)	USD	P-1	3-Aug-11	(405,583,623)	(397,619,544)	7,964,079
SELL	(420,409,000)	USD	P-1	6-Jul-11	(410,924,573)	(405,746,889)	5,177,684
SELL	(128,282,509)	USD	P-1	6-Jul-11	(126,271,589)	(123,808,550)	2,463,039
SELL	(56,634,000)	GBP**	P-1	6-Jul-11	(89,959,214)	(87,751,009)	2,208,205
SELL	(6,613,719,000)	JPY**	P-1	3-Aug-11	(80,971,973)	(79,103,820)	1,868,153
SELL	(82,264,075)	USD	P-1	6-Jul-11	(80,926,166)	(79,395,047)	1,531,119
SELL	(89,004,902)	USD	P-1	6-Jul-11	(87,375,307)	(85,900,782)	1,474,525
SELL	(55,602,000)	GBP**	P-1	3-Aug-11	(87,564,078)	(86,182,868)	1,381,210
SELL	(30,883,000)	CHF**	P-1	3-Aug-11	(36,261,526)	(35,429,717)	831,809
SELL	(36,008,909)	USD	P-1	6-Jul-11	(35,473,622)	(34,753,068)	720,554
SELL	(36,839,155)	USD	P-1	6-Jul-11	(36,253,957)	(35,554,359)	699,598
BUY	13,183,968	EUR**	P-1	6-Jul-11	126,271,590	126,742,193	470,603
SELL	(11,691,484)	USD	P-1	6-Jul-11	(12,979,992)	(12,724,166)	255,826
SELL	(91,043,000)	USD	P-1	6-Jul-11	(11,505,540)	(11,283,734)	221,806

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Contract	Face Value Local	Currency	Counter- party Rating*	Settlement Date	Cost (CAD)	Fair Market Value (CAD)	Net Unrealized Gain (Loss) (CAD)
SELL	(91,676,000)	HKD**	P-1	3-Aug-11	(11,507,720)	(11,302,130)	205,590
SELL	(7,254,497)	HKD**	P-1	6-Jul-11	(11,511,251)	(11,370,828)	140,423
SELL	(4,839,357)	USD	P-1	6-Jul-11	(7,139,312)	(7,001,491)	137,821
BUY	4,586,949	SEK**	P-1	6-Jul-11	12,979,992	13,112,604	132,612
SELL	(87,210,000)	USD	P-1	3-Aug-11	(4,782,979)	(4,673,859)	109,120
SELL	(3,860,268)	USD	P-1	6-Jul-11	(4,514,986)	(4,426,975)	88,011
SELL	(8,979,000)	SEK**	P-1	6-Jul-11	(13,422,260)	(13,338,040)	84,220
SELL	(4,686,155)	USD	P-1	6-Jul-11	(3,800,937)	(3,725,638)	75,299
SELL	(3,065,289)	SGD**	P-1	3-Aug-11	(7,139,398)	(7,064,297)	75,101
SELL	(5,974,445)	USD	P-1	6-Jul-11	(4,584,184)	(4,522,721)	61,463
SELL	(10,559,000)	USD	P-1	6-Jul-11	(3,018,281)	(2,958,384)	59,897
BUY	307,000	EUR**	P-1	6-Jul-11	5,792,731	5,819,459	26,728
SELL	(1,649,760)	USD	P-1	6-Jul-11	(5,792,731)	(5,766,081)	26,650
SELL	(503,793)	ILS**	P-1	3-Aug-11	(3,011,371)	(2,991,503)	19,868
BUY	1,349,074	NOK**	P-1	6-Jul-11	3,800,937	3,817,845	16,908
BUY	2,203,023	DKK**	P-1	6-Jul-11	4,514,986	4,531,737	16,751
SELL	(1,666,309)	GBP**	P-1	6-Jul-11	(489,047)	(475,678)	13,369
SELL	(1,823,678)	USD	P-1	6-Jul-11	(1,605,317)	(1,592,223)	13,094
SELL	(283,218)	USD	P-1	6-Jul-11	(496,079)	(486,223)	9,856
SELL	(194,394)	USD	P-1	6-Jul-11	(1,311,227)	(1,302,024)	9,203
SELL	(280,000)	USD	P-1	6-Jul-11	(2,135,274)	(2,126,191)	9,083
SELL	(256,181)	USD	P-1	6-Jul-11	(1,616,000)	(1,608,195)	7,805
SELL	(1,359,000)	USD	P-1	6-Jul-11	(1,766,697)	(1,760,076)	6,621
BUY	195,229	JPY**	P-1	6-Jul-11	1,766,696	1,770,370	3,674
BUY	140,720	JPY**	P-1	6-Jul-11	1,311,227	1,313,954	2,727
SELL	(39,699)	USD	P-1	6-Jul-11	(274,867)	(273,341)	1,526
BUY	31,643	CHF**	P-1	6-Jul-11	136,314	137,548	1,234
BUY	824	AUD**	P-1	6-Jul-11	1,605,318	1,606,518	1,200
SELL	(194,394)	USD	P-1	6-Jul-11	(188,728)	(187,615)	1,113
SELL	(280,000)	SEK**	P-1	6-Jul-11	(43,919)	(42,823)	1,096
SELL	(256,181)	USD	P-1	6-Jul-11	(248,147)	(247,247)	900
SELL	(1,359,000)	HKD**	P-1	6-Jul-11	(169,319)	(168,560)	759
SELL	(195,229)	USD	P-1	6-Jul-11	(189,147)	(188,420)	727
SELL	(140,720)	USD	P-1	6-Jul-11	(136,314)	(135,813)	501
BUY	39,699	SGD**	P-1	6-Jul-11	189,147	189,471	324
BUY	31,643	NOK**	P-1	6-Jul-11	188,728	189,040	312
SELL	(824)	USD	P-1	6-Jul-11	(38,486)	(38,315)	171
BUY	206,000	DKK**	P-1	6-Jul-11	38,486	38,645	159
SELL	(31,643)	USD	P-1	6-Jul-11	(30,609)	(30,540)	69
BUY	39,000	SGD**	P-1	6-Jul-11	30,609	30,662	53
SELL	(824)	USD	P-1	6-Jul-11	(797)	(796)	1
Total Unrealized Gain							28,630,249
SELL	(26,000)	NZD**	P-1	6-Jul-11	(20,674)	(20,724)	(50)
BUY	21,338	ILS**	P-1	6-Jul-11	20,674	20,594	(80)
BUY	44,801	NZD**	P-1	6-Jul-11	43,406	43,239	(167)
BUY	45,332	NOK**	P-1	6-Jul-11	43,919	43,750	(169)
BUY	54,253	ILS**	P-1	6-Jul-11	52,563	52,361	(202)

Notes to Financial Statements (Unaudited) June 30, 2011

Contract	Face Value Local	Currency	Counter- party Rating*	Settlement Date	Cost (CAD)	Fair Market Value (CAD)	Net Unrealized Gain (Loss) (CAD)
SELL	(154,000)	AUD**	P-1	6-Jul-11	(43,405)	(43,679)	(274)
BUY	622,000	DKK**	P-1	6-Jul-11	496,079	495,760	(319)
SELL	(622,000)	CHF**	P-1	3-Aug-11	(494,849)	(495,170)	(321)
SELL	(738,000)	EUR**	P-1	6-Jul-11	(132,378)	(132,742)	(364)
SELL	(187,000)	NZD**	P-1	6-Jul-11	(52,562)	(53,039)	(477)
BUY	136,634	DKK**	P-1	6-Jul-11	132,377	131,868	(509)
SELL	(210,000)	NOK**	P-1	6-Jul-11	(216,394)	(216,957)	(563)
SELL	(850,000)	AUD**	P-1	6-Jul-11	(158,851)	(159,456)	(605)
BUY	163,958	SGD**	P-1	6-Jul-11	158,851	158,240	(611)
BUY	174,763	ILS**	P-1	6-Jul-11	169,319	168,668	(651)
BUY	223,352	DKK**	P-1	6-Jul-11	216,394	215,562	(832)
BUY	1,992,000	NOK**	P-1	6-Jul-11	248,147	247,073	(1,074)
BUY	504,771	SEK**	P-1	6-Jul-11	489,047	487,166	(1,881)
BUY	542,811	JPY**	P-1	6-Jul-11	525,902	523,880	(2,022)
BUY	1,206,304	AUD**	P-1	6-Jul-11	1,168,727	1,164,233	(4,494)
SELL	(463,000)	EUR**	P-1	6-Jul-11	(525,903)	(530,707)	(4,804)
SELL	(839,000)	CHF**	P-1	6-Jul-11	(1,168,728)	(1,173,967)	(5,239)
BUY	475,202	EUR**	P-1	6-Jul-11	464,296	458,629	(5,667)
BUY	1,754,000	USD	P-1	6-Jul-11	274,867	268,260	(6,607)
BUY	502,819	USD	P-1	3-Aug-11	494,849	485,623	(9,226)
SELL	(597,000)	USD	P-1	6-Jul-11	(464,297)	(475,835)	(11,538)
SELL	(24,157,000)	USD	P-1	3-Aug-11	(4,511,308)	(4,532,038)	(20,730)
SELL	(21,226,000)	NZD**	P-1	3-Aug-11	(3,792,374)	(3,813,899)	(21,525)
BUY	10,559,000	USD	P-1	6-Jul-11	3,018,281	2,994,880	(23,401)
SELL	(34,304,000)	USD	P-1	3-Aug-11	(35,312,005)	(35,339,684)	(27,679)
SELL	(9,259,000)	USD	P-1	6-Jul-11	(7,250,040)	(7,279,319)	(29,279)
BUY	34,304,000	USD	P-1	6-Jul-11	35,473,622	35,440,506	(33,116)
BUY	2,927,659	HKD**	P-1	6-Jul-11	2,860,470	2,825,555	(34,915)
SELL	(10,218,000)	USD	P-1	6-Jul-11	(2,860,470)	(2,898,162)	(37,692)
BUY	3,854,331	USD	P-1	6-Jul-11	3,765,874	3,719,908	(45,966)
BUY	4,433,076	USD	P-1	6-Jul-11	4,331,337	4,278,469	(52,868)
BUY	3,059,870	USD	P-1	3-Aug-11	3,011,371	2,955,227	(56,144)
BUY	12,979,065	SEK**	P-1	6-Jul-11	12,585,000	12,526,410	(58,590)
BUY	1,339,000	USD	P-1	6-Jul-11	2,135,274	2,074,700	(60,574)
BUY	3,853,451	ILS**	P-1	3-Aug-11	3,792,374	3,721,669	(70,705)
SELL	(23,513,000)	AUD**	P-1	6-Jul-11	(4,331,337)	(4,410,926)	(79,589)
BUY	8,979,000	USD	P-1	6-Jul-11	7,139,311	7,059,186	(80,125)
BUY	4,583,964	USD	P-1	3-Aug-11	4,511,309	4,427,200	(84,109)
BUY	7,420,337	USD	P-1	6-Jul-11	7,250,041	7,161,547	(88,494)
SELL	(21,539,000)	USD	P-1	6-Jul-11	(3,765,874)	(3,874,143)	(108,269)
BUY	4,839,357	USD	P-1	6-Jul-11	4,779,900	4,670,580	(109,320)
BUY	7,254,380	GBP**	P-1	3-Aug-11	7,139,398	7,006,292	(133,106)
BUY	11,781,639	USD	P-1	6-Jul-11	11,511,251	11,370,745	(140,506)
SELL	(85,736,000)	SGD**	P-1	3-Aug-11	(12,954,285)	(13,100,956)	(146,671)
BUY	13,737,536	USD	P-1	6-Jul-11	13,422,260	13,258,429	(163,831)
BUY	91,043,000	USD	P-1	6-Jul-11	11,505,540	11,292,315	(213,225)
BUY	11,693,055	USD	P-1	3-Aug-11	11,507,720	11,293,171	(214,549)

Notes to Financial Statements (Unaudited) June 30, 2011

Contract	Face Value Local	Currency	Counter- party Rating*	Settlement Date	Cost (CAD)	Fair Market Value (CAD)	Net Unrealized Gain (Loss) (CAD)
SELL	(6,871,809,000)	USD	P-1	6-Jul-11	(81,890,965)	(82,122,098)	(231,133)
BUY	13,162,917	USD	P-1	3-Aug-11	12,954,284	12,712,765	(241,519)
SELL	(35,649,000)	USD	P-1	6-Jul-11	(36,424,750)	(36,830,066)	(405,316)
BUY	34,991,235	HKD**	P-1	6-Jul-11	34,188,186	33,770,887	(417,299)
BUY	37,280,334	USD	P-1	6-Jul-11	36,424,750	35,980,151	(444,599)
SELL	(90,579,000)	USD	P-1	3-Aug-11	(126,152,510)	(126,730,800)	(578,290)
BUY	35,880,715	USD	P-1	3-Aug-11	35,312,005	34,653,651	(658,354)
BUY	36,845,527	USD	P-1	3-Aug-11	36,261,526	35,585,469	(676,057)
SELL	(30,540,000)	USD	P-1	6-Jul-11	(34,188,186)	(35,006,011)	(817,825)
BUY	30,883,000	USD	P-1	6-Jul-11	36,253,957	35,399,170	(854,787)
BUY	83,814,508	CHF**	P-1	6-Jul-11	81,890,965	80,891,408	(999,557)
BUY	92,072,272	USD	P-1	6-Jul-11	89,959,214	88,861,176	(1,098,038)
BUY	55,602,000	USD	P-1	6-Jul-11	87,375,307	86,151,986	(1,223,321)
BUY	82,276,048	GBP**	P-1	3-Aug-11	80,971,973	79,462,337	(1,509,636)
BUY	132,025,280	USD	P-1	6-Jul-11	128,995,300	127,420,790	(1,574,510)
BUY	88,974,320	USD	P-1	3-Aug-11	87,564,077	85,931,539	(1,632,538)
BUY	6,613,719,000	USD	P-1	6-Jul-11	80,926,166	79,037,773	(1,888,393)
BUY	128,184,231	JPY**	P-1	3-Aug-11	126,152,510	123,800,532	(2,351,978)
SELL	(93,899,000)	USD	P-1	6-Jul-11	(128,995,300)	(131,387,685)	(2,392,385)
BUY	411,699,000	USD	P-1	6-Jul-11	405,321,782	397,340,657	(7,981,125)
Total Unrealized Loss							(30,170,384)
Total: BlackRock CDN MSCI EAFE Index Hedged Fund					(404,805,476)	(406,345,611)	(1,540,135)
BlackRock CDN Global Equity Focus Fund							
BUY	25,670,000	JPY**	P-1	7-Jul-11	289,426	306,780	17,354
SELL	(177,000)	GBP**	P-1	22-Sep-11	(283,410)	(274,522)	8,888
SELL	(6,861,000)	JPY**	P-1	7-Jul-11	(82,724)	(81,995)	729
Total Unrealized Gain							26,971
BUY	9,418,000.00	JPY	P-1	22-Sep-11	113,575	112,819	(756)
BUY	84,339.00	USD	P-1	7-Jul-11	82,724	81,400	(1,324)
SELL	(82,442)	EUR	P-1	22-Sep-11	(113,575)	(115,327)	(1,752)
SELL	(303,550)	USD	P-1	7-Jul-11	(289,426)	(292,971)	(3,545)
BUY	288,943	USD	P-1	22-Sep-11	283,410	279,411	(3,999)
BUY	578,165	USD	P-1	31-Aug-11	567,093	558,782	(8,311)
SELL	(502,000)	CHF**	P-1	31-Aug-11	(567,093)	(576,415)	(9,322)
Total Unrealized Loss							(29,009)
Total: BlackRock CDN Global Equity Focus Fund					-	(2,038)	(2,038)

* Source: Moody's Investors Service, Inc.

** Forward currency contracts against USD

Notes to Financial Statements (Unaudited) June 30, 2011

The schedule below is a summary of gain (loss) on forward currency contract held by the funds as December 31, 2010:

Fund	Cost (CAD)	Fair Market Value (CAD)	Net Unrealized Gain (Loss) (CAD)
BlackRock CDN US Equity Index Hedged Non-Taxable Fund			
Total Unrealized Gain	(1,992,890,874)	(1,947,153,245)	45,737,629
Total Unrealized Loss	1,255,518,513	1,227,737,925	(27,780,588)
Total: BlackRock CDN US Equity Index Hedged Non-Taxable Fund	(737,372,361)	(719,415,320)	17,957,041
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund			
Total Unrealized Gain	(69,277,802)	(67,623,007)	1,654,795
Total Unrealized Loss	34,586,236	33,801,479	(784,757)
Total: BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	(34,691,566)	(33,821,527)	870,039
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund			
Total Unrealized Gain	1,055,583,214	1,032,329,927	23,253,288
Total Unrealized Loss	525,642,175	516,011,938	(9,630,238)
Total: BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	1,581,225,389	1,548,341,864	13,623,050
BlackRock Canada CorePlus Long Bond Fund			
Total Unrealized Gain	(619,501,289)	(606,064,561)	13,436,728
Total Unrealized Loss	308,654,589	302,998,050	(5,656,540)
Total: BlackRock Canada CorePlus Long Bond Fund	(310,846,700)	(303,066,511)	7,780,188
BlackRock CDN Global Market Selection Fund			
Total Unrealized Gain	(1,633,774,584)	(1,609,342,773)	24,431,812
Total Unrealized Loss	809,619,418	804,415,049	(5,204,369)
Total: BlackRock CDN Global Market Selection Fund	(824,155,167)	(804,927,724)	19,227,443
BlackRock CDN MSCI EAFE Index Hedged Fund			
Total Unrealized Gain	(1,017,261,184)	(986,784,135)	30,477,049
Total Unrealized Loss	705,461,625	680,394,580	(25,067,045)
Total: BlackRock CDN MSCI EAFE Index Hedged Fund	(311,799,559)	(306,389,555)	5,410,004
BlackRock CDN Global Equity Focus Fund			
Total Unrealized Gain	222,476	237,138	14,662
Total Unrealized Loss	(487,476)	(489,214)	(1,738)
Total: BlackRock CDN Global Equity Focus Fund	(265,000)	(252,076)	12,924

6. Repurchase Agreements

The table below is a summary of the repurchase agreements held by the Funds as at June 30, 2011:

BlackRock Canada CorePlus Long Bond Fund

Security Sold	Trade Date	Currency	Expiration Date	Counter-party	Amount of Cash Received (CAD)	Repurchase Price (CAD)	Fair Value of Securities Sold At 06/30/2011 (CAD)
Province of Ontario 8.1%, September 2023	16-May-11	CAD	Open	TD	11,356,200	140.20	11,301,898
Province of British Columbia 5.7%, June 2029	16-May-11	CAD	Open	TD	10,189,800	119.88	10,121,873
Province of Quebec 6%, October 2029	16-May-11	CAD	Open	TD	9,328,675	120.37	9,393,491
Province of Quebec 6.25%, June 2032	16-May-11	CAD	Open	TD	12,879,832	126.77	12,741,086
Province of Ontario 5.85%, March 2033	16-May-11	CAD	Open	TD	11,546,205	120.65	11,605,973
Province of Quebec 5%, December 2038	16-May-11	CAD	Open	TD	11,159,925	109.95	11,056,924
Hydro Quebec, Note, (MTN) 6%, February 2040	16-May-11	CAD	Open	TD	10,554,600	125.65	10,543,816
Hydro Quebec, Series JM, Note 5%, February 2045	16-May-11	CAD	Open	TD	9,867,375	110.25	9,877,808
Government of Canada 8%, June 2027	16-May-11	CAD	Open	TD	11,071,350	159.30	10,906,357

Security Sold	Trade Date	Currency	Expiration Date	Counter-party	Amount of Cash Received (CAD)	Repurchase Price (CAD)	Fair Value of Securities Sold At 06/30/2011 (CAD)
Province of Ontario, (MTN) 5.6%, June 2035	16-May-11	CAD	Open	TD	7,159,800	119.33	7,100,478
Province of Ontario 4.6%, June 2039	16-May-11	CAD	Open	TD	21,063,840	104.53	20,939,810
Government of Canada 8%, June 2023	10-Jun-11	CAD	Open	TD	2,981,979	148.95	2,947,291
Government of Canada 9%, June 2025	28-Jun-11	CAD	Open	RBC	13,591,500	165.75	13,395,198
Government of Canada 5.75%, June 2029	28-Jun-11	CAD	Open	RBC	31,637,331	132.13	31,216,064
Province of Ontario 7.6%, June 2027	28-Jun-11	CAD	Open	RBC	11,886,000	141.50	11,760,431
Province of Ontario 6.5%, March 2029	28-Jun-11	CAD	Open	RBC	7,860,000	131.00	7,687,745
Hydro Quebec 5%, February 2050	28-Jun-11	CAD	Open	RBC	7,990,500	114.15	7,804,617
Province of Quebec 4.25%, December 2021	28-Jun-11	CAD	Open	RBC	5,185,000	103.70	5,133,216
Province of Quebec 9.375%, January 2023	28-Jun-11	CAD	Open	RBC	4,626,000	154.20	4,468,601
Government of Canada 5.75%, June 2033	28-Jun-11	CAD	Open	RBC	31,852,850	135.40	31,413,007
Government of Canada 4%, June 2041	28-Jun-11	CAD	Open	RBC	9,110,200	110.00	8,969,406
Province of Ontario 4.65%, June 2041	28-Jun-11	CAD	Open	RBC	15,172,300	106.10	15,010,443
Government of Canada 4%, June 2041	28-Jun-11	CAD	Open	RBC	9,891,000	109.90	9,747,000
Government of Canada 5%, June 2037	28-Jun-11	CAD	Open	RBC	17,928,144	125.60	17,680,419
Total: BlackRock Canada CorePlus Long Bond Fund					295,890,407		292,822,952

7. Unitholders' equity

The authorized capital of the Funds consists of an unlimited number of units without nominal or par value. Unitholders have the right, under the Funds' Master Declaration of Trust, to request the redemption of their units at the current net asset value per unit. For certain funds the authorized capital consists of multiple classes of units. The Class D units are created primarily for defined contribution pension plan investors and Class A units primarily for defined benefit investors.

In accordance with the Funds' Master Declaration of Trust, the number of units issued as a result of distributions will be consolidated so that the number of units then outstanding will be equal to the number of units outstanding immediately prior to the issuance of such additional units.

Changes in issued units, for the periods ended June 30, 2011 and June 30, 2010 respectively, are summarized below:

Fund/Class	2011		2010	
	Units issued	Units redeemed	Units issued	Units redeemed
BlackRock Canadian Equity Index Class A	5,961,809	(1,989,338)	1,708,166	(4,037,082)
BlackRock Canadian Equity Index Class D	11,256,183	(7,909,900)	6,067,760	(3,103,426)
BlackRock Canadian Equity Ex-Trusts Index Fund	16,300	(1,057,269)	63,560	(354,813)
BlackRock CDN MSCI Canada IMI Index Fund	3,282,768	(14,949,966)	6,524,047	(1,710,803)
BlackRock CDN US Equity Index Non-Taxable Class A	56,041,410	(77,591,447)	30,531,492	(45,263,680)
BlackRock CDN US Equity Index Non-Taxable Class D	3,454,487	(1,029,341)	4,810,288	(3,258,027)
BlackRock CDN US Equity Index Plus Non-Taxable Fund	1,415,384	(11,182,164)	20,836,388	-
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	2,830,807	(7,752,468)	2,888,006	(8,237,903)
BlackRock CDN US Equity Index Class A	-	(15,090)	7,534,930	(7,285,340)
BlackRock CDN US Equity Index Class D	15,293,190	(3,664,273)	10,892,809	(20,290,391)
BlackRock CDN US Alpha Tilts Non-Taxable Fund	274,753	(27,380,571)	7,466,471	(43,237,548)
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	93,164	(464,272)	1,558,942	(1,614,069)
BlackRock CDN Russell 3000 Index Non-Taxable Fund	2,734,368	(6,456,357)	-	-
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	10,054	(5,307,143)	-	-
BlackRock Active Canadian Equity Fund	1,274,918	(5,633,531)	2,772,199	(8,306,254)
BlackRock Active Canadian Equity Ex-Income Trusts Fund	5,798,704	(16,061,212)	-	(2,593,596)
BlackRock Active Canadian Equity DC Fund	1,047,106	(1,417,406)	1,547,286	(1,876,837)
BlackRock Active Canadian Equity Small Cap Fund	-	(10,755)	-	(272,654)
BlackRock Canada Universe Bond Index Class A	25,856,800	(23,624,825)	23,278,159	(14,642,355)
BlackRock Canada Universe Bond Index Class D	17,782,639	(8,795,925)	16,341,407	(7,691,376)

Fund/Class	2011		2010	
	Units issued	Units redeemed	Units issued	Units redeemed
BlackRock Canada ex-BBB Universe Bond Index Fund	261,264	(917,804)	18,099,144	(2,073)
BlackRock Canada Real Return Bond Index Class A	1,202,459	(244,138)	1,049,380	(275,843)
BlackRock Canada Real Return Bond Index Class D	3,143,342	(696,224)	1,010,173	(555,734)
BlackRock Canada Long Bond Index Class A	34,435,151	(29,732,019)	12,473,768	(22,068,128)
BlackRock Canada Long Bond Index Class D	8,463,503	(3,360,465)	5,137,026	(2,348,402)
BlackRock Canada All Government Bond Index Fund	556,168	(935,432)	798,192	(466,651)
BlackRock Canada Credit-Screened Bond Index Fund	266,482	(1,010,671)	342,586	(123,258)
BlackRock Canada CoreActive Universe Bond Class A	270,511	(405,789)	380,095	(171,648)
BlackRock Canada CorePlus Long Bond Fund	-	-	12,557,647	-
BlackRock Balanced Moderate Index DC Fund	3,416,250	(1,824,787)	2,580,027	(1,060,568)
BlackRock Balanced Conservative Index DC Fund	2,250,517	(1,072,861)	2,580,409	(885,358)
BlackRock Balanced Aggressive Index DC Fund	738,217	(374,541)	795,204	(494,077)
BlackRock CDN LifePath Retirement Index Fund I	3,039,571	(494,146)	778,895	(470,744)
BlackRock CDN LifePath Index 2010 Retirement Fund	841,152	(1,552,593)	562,540	(1,212,420)
BlackRock CDN LifePath 2015 Index Fund	7,570,824	(833,464)	2,194,903	(623,577)
BlackRock CDN LifePath 2020 Index Fund	12,108,309	(1,350,504)	4,281,328	(1,093,255)
BlackRock CDN LifePath 2025 Index Fund	10,806,236	(325,992)	3,484,188	(296,502)
BlackRock CDN LifePath 2030 Index Fund	9,577,130	(688,387)	4,140,269	(682,640)
BlackRock CDN LifePath 2035 Index Fund	6,676,778	(273,688)	2,730,603	(245,739)
BlackRock CDN LifePath 2040 Index Fund	5,096,545	(695,273)	2,953,697	(556,587)
BlackRock CDN LifePath 2045 Index Fund	3,191,635	(205,481)	1,583,030	(118,875)
BlackRock Balanced Active Fund	-	(494,287)	75,140	(29,147)
BlackRock CDN Global Market Selection Class A	1,071,497	(103,967)	171,593	(9,669)
BlackRock CDN Short Term Index Class A	32,260	(342,191)	638,225	(1,338,572)
BlackRock CDN Short Term Index Class D	848,596	(807,840)	568,319	(629,228)
BlackRock CDN MSCI EAFE Equity Index Class A	17,299,287	(18,101,451)	86,504,500	(68,264,438)
BlackRock CDN MSCI EAFE Equity Index Class D	17,250,390	(7,796,299)	13,785,664	(3,687,129)
BlackRock CDN MSCI EAFE Index Hedged Fund	7,682,137	(5,973,307)	39,129	(1,016,356)
BlackRock CDN MSCI ACWI ex-Canada Index Fund	2,427,630	(2,767,687)	6,801,425	(1,193,331)
BlackRock CDN MSCI Emerging Markets Index Class A	96,932	(274,359)	-	-
BlackRock CDN MSCI EAFE Index Plus Fund	10,943,537	-	38,928,860	-

8. Redemptions

In determining the amount of distributions payable to unitholders at the end of the year, net realized capital gains may be allocated to redeeming unitholders. Any such redeeming unitholders will receive a T3 supplementary slip for the allocated gain. Any net capital gains that remain after allocations to redeeming unitholders will be distributed to remaining unitholders.

9. Related party

BlackRock Canada has appointed 1) BlackRock Institutional Trust Company, N.A. ("BTC"), a national banking association organized under the laws of the United States of America that operates as a limited purpose trust company, and 2) BlackRock Investment Management (UK) Limited, ("BIM UK"), a corporation incorporated under the laws of England and Wales and is authorized and regulated by the Financial Services Authority of the United Kingdom ("FSA"), as sub-advisers of the Funds. As sub-advisers, BTC and BIM UK are responsible for the investment management activities of the Funds, subject to the policies, control and supervision of BlackRock Canada. BTC and BIM UK, affiliates of BlackRock Canada, are indirect subsidiaries of BlackRock, Inc., an asset management company. BlackRock Canada remains responsible for the management of the Funds, including the management of investment portfolios and the investment advice provided by BTC and BIM UK.

The Funds are responsible for all operating expenses incurred by or on behalf of the Funds. If BlackRock Canada provides any of these services, it will be entitled to fees for such services. The Funds are responsible for all commissions payable to brokers or dealers on behalf of the Funds.

a. Investments in other funds

The Funds may invest in other investment funds managed by BlackRock, Inc. or its subsidiaries, in accordance with their investment objectives. Full disclosure of such investments held as at June 30, 2011 is provided in the statement of investments in the financial statements.

b. Securities lending

The Funds may lend investments, either directly, or through an agent, to brokers, dealers and other financial institutions. Securities lending enables the Funds to earn additional income. By using such income to offset the Funds' expenses, the Funds will be able to reduce the effect such expenses have on the Funds' ability to provide investment results that more closely correspond to the investment objectives of the Funds.

The Funds have entered into a securities lending authorization agreement with BTC and BlackRock Advisors (UK) Limited ("BRAL"), as lending agents, subject to the overriding authority of BlackRock Canada. BRAL is a corporation incorporated under the laws of England and Wales and is authorized and regulated by the FSA. Both BTC and BRAL have considerable experience and expertise in securities lending.

The net income earned in connection with securities lending is allocated 50% to the applicable lending agent and 50% to the relevant Fund. The lending agents bear all operational costs with respect to the lending of securities.

The Funds require collateral in the form of cash or obligations of, or guaranteed by, the Government of Canada or a province thereof or of the United States Government or its agencies or instrumentalities or other acceptable collateral that has an aggregate value of not less than 102% of the fair value of the loaned securities. BlackRock Canada assesses the credit-worthiness of each borrower, and acts promptly to demand payment from any borrower in realizing any collateral.

During the period, the Funds received sovereign, Canadian agencies and US Government-backed instruments bonds as collateral which is held by the lending agent on behalf of the Funds. The market value of securities on loan and the market value of the associated collateral as at June 30, 2011 are provided below.

Fund	Market Value of Securities on Loan as at 06/30/2011*	Market Value of Collateral as at 06/30/2011*
BlackRock Canadian Equity Index Fund	\$78,842,492	\$86,323,446
BlackRock Canadian Equity Ex-Trusts Index Fund	618,986	673,936
BlackRock CDN MSCI Canada IMI Index Fund	17,977,329	19,427,210
BlackRock CDN US Equity Index Non-Taxable Fund	3,318,960	3,842,940
BlackRock Active Canadian Equity Fund	33,087,975	36,021,113
BlackRock Active Canadian Equity Ex-Income Trusts Fund	17,436,173	18,881,854
BlackRock Active Canadian Equity DC Fund	6,077,793	6,565,950
BlackRock Active Canadian Equity Small Cap Fund	9,152,891	9,928,841
BlackRock Canada Universe Bond Index Fund	713,843,849	742,472,161
BlackRock Canada ex-BBB Universe Bond Index Fund	54,692,937	56,888,144
BlackRock Canada All Government Bond Index Fund	15,001,181	15,603,325
BlackRock Canada CoreActive Universe Bond Fund	1,402,382	1,458,490
BlackRock Balanced Moderate Index DC Fund	895,200	967,707
BlackRock CDN MSCI EAFE Equity Index Fund	106,639,393	127,558,023
BlackRock CDN MSCI EAFE Index Plus Fund	20,149,980	21,910,063

* at market close prices

c. Inter-fund Trading

Certain Funds executed inter-fund trades for the periods ended June 30, 2011 and June 30, 2010 respectively. Inter-fund trading is the buying and selling of portfolio securities between funds to which BlackRock Canada serves as trustee and manager. At certain regularly scheduled meetings, the Independent Review Committee reviews such transactions for compliance with certain requirements and restrictions, including the price at which the inter-fund trades are executed.

10. Comparison of Net Asset Value per unit and Net Assets per unit

The primary reason for the difference between the Net Asset Value per unit and Net Assets per unit is described in Note 2.

Fund/Class	As at June 30, 2011		As at December 31, 2010	
	Net Asset Value per unit	Net Assets per unit	Net Asset Value per unit	Net Assets per unit
BlackRock Canadian Equity Index Class A	\$58.47	\$58.33	\$58.38	\$58.28
BlackRock Canadian Equity Index Class D	24.42	24.36	24.38	24.34
BlackRock Canadian Equity Ex-Trusts Index Fund	58.45	58.31	58.67	58.57
BlackRock CDN MSCI Canada IMI Index Fund	11.69	11.66	11.77	11.74
BlackRock CDN US Equity Index Non-Taxable Class A	8.71	8.70	8.45	8.45
BlackRock CDN US Equity Index Non-Taxable Class D	15.17	15.16	14.73	14.73

Fund/Class	As at June 30, 2011		As at December 31, 2010	
	Net Asset Value per unit	Net Assets per unit	Net Asset Value per unit	Net Assets per unit
BlackRock CDN US Equity Index Plus Non-Taxable Fund	11.37	11.36	11.03	11.03
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	11.24	11.24	10.57	10.57
BlackRock CDN US Equity Index Class A	7.51	7.51	7.31	7.31
BlackRock CDN US Equity Index Class D	7.51	7.51	7.31	7.31
BlackRock CDN US Alpha Tilts Non-Taxable Fund	8.16	8.16	7.83	7.83
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	10.55	10.55	9.83	9.83
BlackRock CDN Russell 3000 Index Non-Taxable Fund	10.52	10.51	10.18	10.18
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	11.13	11.13	10.44	10.44
BlackRock Active Canadian Equity Fund	33.24	33.15	33.03	32.97
BlackRock Active Canadian Equity Ex-Income Trusts Fund	33.07	32.99	33.13	33.08
BlackRock Active Canadian Equity DC Fund	24.25	24.19	24.30	24.25
BlackRock Active Canadian Equity Small Cap Fund	47.27	47.12	47.54	47.47
BlackRock Canada Universe Bond Index Class A	24.76	24.73	24.22	24.19
BlackRock Canada Universe Bond Index Class D	21.17	21.15	20.71	20.69
BlackRock Canada ex-BBB Universe Bond Index Fund	16.98	16.97	16.61	16.60
BlackRock Canada Real Return Bond Index Class A	29.00	28.97	27.73	27.71
BlackRock Canada Real Return Bond Index Class D	13.45	13.43	12.86	12.85
BlackRock Canada Long Bond Index Class A	24.01	23.99	23.44	23.41
BlackRock Canada Long Bond Index Class D	12.77	12.75	12.46	12.45
BlackRock Canada All Government Bond Index Fund	11.04	11.04	10.83	10.82
BlackRock Canada Credit-Screened Bond Index Fund	11.39	11.37	11.05	11.02
BlackRock Canada CoreActive Universe Bond Class A	18.74	18.72	18.27	18.25
BlackRock Canada CorePlus Long Bond Fund	13.19	13.17	12.76	12.75
BlackRock Balanced Moderate Index DC Fund	18.57	18.57	18.15	18.15
BlackRock Balanced Conservative Index DC Fund	17.44	17.43	16.97	16.97
BlackRock Balanced Aggressive Index DC Fund	18.68	18.68	18.32	18.32
BlackRock CDN LifePath Retirement Index Fund I	11.33	11.32	11.04	11.03
BlackRock CDN LifePath Index 2010 Retirement Fund	11.09	11.08	10.81	10.80
BlackRock CDN LifePath 2015 Index Fund	10.93	10.92	10.65	10.63
BlackRock CDN LifePath 2020 Index Fund	10.44	10.42	10.17	10.15
BlackRock CDN LifePath 2025 Index Fund	10.33	10.32	10.09	10.07
BlackRock CDN LifePath 2030 Index Fund	9.97	9.95	9.75	9.73
BlackRock CDN LifePath 2035 Index Fund	9.82	9.81	9.62	9.60
BlackRock CDN LifePath 2040 Index Fund	9.70	9.68	9.50	9.48
BlackRock CDN LifePath 2045 Index Fund	10.11	10.10	9.91	9.90
BlackRock Balanced Active Fund	25.06	25.05	24.46	24.46
BlackRock CDN Global Market Selection Class A	51.58	51.58	51.80	51.80
BlackRock CDN Short Term Index Class A	15.56	15.56	15.48	15.48
BlackRock CDN Short Term Index Class D	13.06	13.06	12.99	12.99
BlackRock CDN MSCI EAFE Equity Index Class A	9.98	9.97	9.77	9.76
BlackRock CDN MSCI EAFE Equity Index Class D	9.98	9.97	9.76	9.76
BlackRock CDN MSCI EAFE Index Hedged Fund	10.69	10.69	10.63	10.64
BlackRock CDN MSCI ACWI ex-Canada Index Fund	8.73	8.73	8.57	8.58
BlackRock CDN MSCI Emerging Markets Index Class A	10.57	10.54	10.81	10.71
BlackRock CDN MSCI EAFE Index Plus Fund	10.53	10.52	10.31	10.30
BlackRock CDN Global Equity Focus Fund	10.85	10.84	10.42	10.42

11. Financial instrument risk

a. Valuation of financial instruments

The Funds are required to classify fair value measurement using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted market price in an active market for an identical instrument. Example of securities that are priced at Level 1 include listed equities, exchange traded derivatives and exchange-traded funds. The Fund does not adjust the quoted price for these instruments. A financial instrument is regarded as quoted in an active market if quoted prices are readily or regularly available from an exchange or prices that represent actual and regularly occurring market transactions on an arm's length basis.

Level 2: Valuation techniques used to price securities are based on observable inputs. This category includes instruments valued using quoted prices in active markets for similar instruments, quoted prices for similar instruments in markets that are considered less than active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data. Examples of securities that are priced at Level 2 include money market, bonds and forward contracts.

Valuation techniques used for non-standardized financial instruments such as options, currency swaps or other over the counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, options pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs can have a significant impact on the instrument's valuation. This also includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments, and instruments for which there is no active market.

The determination of what constitutes 'observable' requires significant judgment by BlackRock Canada. BlackRock Canada considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Tables below present the hierarchical classification of the financial instruments measured at fair value as at June 30, 2011 and December 31, 2010. The Funds held no financial instruments that are categorized as level 3. There were no significant transfers between the levels during the period.

i) Equity Funds

As at June 30, 2011

Fund	Investments			Derivatives		
	Level 1	Level 2		Level 1	Level 2	
	Equities (000's CAD)	Money Market Investments (000's CAD)	Securities Subtotal (000's CAD)	Futures (000's CAD)	Forward Currency (000's CAD)	Other Financial Instruments** (000's CAD)
BlackRock Canadian Equity Index Fund	3,155,877	-	3,155,877	602	-	-
BlackRock Canadian Equity Ex-Trusts Index Fund	85,398	-	85,398	7	-	-
BlackRock CDN MSCI Canada IMI Index Fund	1,201,499	-	1,201,499	113	-	-
BlackRock CDN US Equity Index Non-Taxable Fund	3,577,087	1,790	3,578,877	586	-	-
BlackRock CDN US Equity Index Plus Non-Taxable Fund	177,214	434	177,648	180	-	-
BlackRock CDN US Equity Index Fund	1,647,799	1,313	1,649,112	541	-	-
BlackRock CDN US Alpha Tilts Non-Taxable Fund	464,068	1,298	465,366	53	-	-
BlackRock CDN Russell 3000 Index Non-Taxable Fund	570,799	825	571,624	342	-	-
BlackRock Active Canadian Equity Fund	1,747,883	-	1,747,883	294	-	-
BlackRock Active Canadian Equity Ex-Income Trusts Fund	1,389,161	-	1,389,161	-	-	-
BlackRock Active Canadian Equity DC Fund	552,148	-	552,148	104	-	-
BlackRock Active Canadian Equity Small Cap Fund	173,690	-	173,690	25	-	-
BlackRock CDN MSCI EAFE Equity Index Fund	2,103,483	-	2,103,483	942	-	-
BlackRock CDN MSCI EAFE Index Plus Fund	620,575	-	620,575	316	-	-
BlackRock CDN MSCI Emerging Markets Index Fund	245,668	-	245,668	48	-	-
BlackRock CDN Global Equity Focus Fund	10,855	-	10,855	-	(2)	-

As at December 31, 2010

Fund	Investments			Derivatives		
	Level 1	Level 2		Level 1	Level 2	
	Equities (000's CAD)	Money Market Investments (000's CAD)	Securities Subtotal (000's CAD)	Futures (000's CAD)	Forward Currency (000's CAD)	Other Financial Instruments** (000's CAD)
BlackRock Canadian Equity Index Fund	2,829,404	-	2,829,404	361	-	-
BlackRock Canadian Equity Ex-Trusts Index Fund	146,417	-	146,417	15	-	-
BlackRock CDN MSCI Canada IMI Index Fund	1,354,115	-	1,354,115	76	-	-
BlackRock CDN US Equity Index Non-Taxable Fund	3,600,221	8,647	3,608,868	922	-	-
BlackRock CDN US Equity Index Plus Non-Taxable Fund	280,137	447	280,584	74	-	-
BlackRock CDN US Equity Index Fund	1,515,077	2,940	1,518,017	487	-	-
BlackRock CDN US Alpha Tilts Non-Taxable Fund	656,429	398	656,827	23	-	-
BlackRock CDN Russell 3000 Index Non-Taxable Fund	538,362	80	538,442	8	-	-
BlackRock Active Canadian Equity Fund	1,902,858	-	1,902,858	222	-	-
BlackRock Active Canadian Equity Ex-Income Trusts Fund	1,729,296	-	1,729,296	-	-	-
BlackRock Active Canadian Equity DC Fund	566,062	-	566,062	54	-	-
BlackRock Active Canadian Equity Small Cap Fund	175,643	-	175,643	21	-	-
BlackRock CDN MSCI EAFE Equity Index Fund	1,931,995	-	1,931,995	(147)	-	-
BlackRock CDN MSCI EAFE Index Plus Fund	498,727	-	498,727	(19)	-	-
BlackRock CDN MSCI Emerging Markets Index Fund	251,940	-	251,940	20	-	-
BlackRock CDN Global Equity Focus Fund	10,760	-	10,760	-	13	-

ii) Fixed Income Funds

As at June 30, 2011

Fund	Investments			Derivatives		
	Level 2			Level 1	Level 2	
	Debt Securities (000's CAD)	Money Market Investments*/ Fund of Funds (000's CAD)	Securities Subtotal (000's CAD)	Futures (000's CAD)	Forward Currency (000's CAD)	Other Financial Instruments** (000's CAD)
BlackRock Canada Universe Bond Index Fund	7,648,999	-	7,648,999	-	-	-
BlackRock Canada ex-BBB Universe Bond Index Fund	601,368	-	601,368	-	-	-
BlackRock Canada Real Return Bond Index Fund	690,464	-	690,464	-	-	-
BlackRock Canada Long Bond Index Fund	6,938,530	-	6,938,530	-	-	-
BlackRock Canada All Government Bond Index Fund	157,844	-	157,844	-	-	-
BlackRock Canada Credit-Screened Bond Index Fund	152,784	-	152,784	-	-	-
BlackRock Canada CoreActive Universe Bond Fund	91,120	-	91,120	(30)	-	-
BlackRock Canada CorePlus Long Bond Fund	590,587	300,511	891,098	29	4,328	(295,890)
BlackRock CDN Short Term Index Fund	20,674	14,899	35,573	-	-	-

As at December 31, 2010

Fund	Investments			Derivatives		
	Level 2			Level 1	Level 2	
	Debt Securities (000's CAD)	Money Market Investments*/ Fund of Funds (000's CAD)	Securities Subtotal (000's CAD)	Futures (000's CAD)	Forward Currency (000's CAD)	Other Financial Instruments** (000's CAD)
BlackRock Canada Universe Bond Index Fund	7,217,113	-	7,217,113	-	-	-
BlackRock Canada ex-BBB Universe Bond Index Fund	595,233	-	595,233	-	-	-
BlackRock Canada Real Return Bond Index Fund	602,083	-	602,083	-	-	-
BlackRock Canada Long Bond Index Fund	6,557,009	-	6,557,009	-	-	-
BlackRock Canada All Government Bond Index Fund	158,764	-	158,764	-	-	-
BlackRock Canada Credit-Screened Bond Index Fund	155,295	-	155,295	-	-	-
BlackRock Canada CoreActive Universe Bond Fund	93,392	-	93,392	(104)	-	-
BlackRock Canada CorePlus Long Bond Fund	573,451	303,871	877,322	(295)	7,780	(308,840)
BlackRock CDN Short Term Index Fund	10,016	28,198*	38,214	-	-	-

iii) Funds holding investment funds (Fund of Funds)

As at June 30, 2011

Fund	Investments			Derivatives		
	Level 1	Level 2	Securities Subtotal	Level 1	Level 2	
	Exchange Traded Funds (000's CAD)	Fund of Funds (000's CAD)	(000's CAD)	Futures (000's CAD)	Forward Currency (000's CAD)	Other Financial Instruments** (000's CAD)
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	-	861,540	861,540	-	15,405	-
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	-	35,112	35,112	-	456	-
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	-	584,052	584,052	-	10,425	-
BlackRock Balanced Moderate Index DC Fund	89,463	795,292	884,755	-	-	-
BlackRock Balanced Conservative Index DC Fund	37,370	392,863	430,233	-	-	-
BlackRock Balanced Aggressive Index DC Fund	24,858	191,983	216,841	-	-	-
BlackRock CDN LifePath Retirement Index Fund I	24,438	65,931	90,369	-	-	-
BlackRock CDN LifePath Index 2010 Retirement Fund	31,876	87,677	119,553	-	-	-
BlackRock CDN LifePath 2015 Index Fund	86,387	198,335	284,722	-	-	-
BlackRock CDN LifePath 2020 Index Fund	100,568	518,068	618,636	-	-	-
BlackRock CDN LifePath 2025 Index Fund	122,860	247,821	370,681	-	-	-
BlackRock CDN LifePath 2030 Index Fund	140,811	292,787	433,598	-	-	-
BlackRock CDN LifePath 2035 Index Fund	67,000	146,635	213,635	-	-	-
BlackRock CDN LifePath 2040 Index Fund	65,626	155,835	221,461	-	-	-
BlackRock CDN LifePath 2045 Index Fund	22,488	69,016	91,504	-	-	-
BlackRock Balanced Active Fund	3,110	29,401	32,511	-	-	-
BlackRock CDN Global Market Selection Fund	-	868,460	868,460	-	11,551	-
BlackRock CDN MSCI EAFE Index Hedged Fund	-	406,676	406,676	-	(1,540)	-
BlackRock CDN MSCI ACWI ex-Canada Index Fund	16,096	97,258	113,354	-	-	-

As at December 31, 2010

Fund	Investments			Derivatives		
	Level 1	Level 2	Securities Subtotal (000's CAD)	Level 1	Level 2	
	Exchange Traded Funds (000's CAD)	Fund of Funds (000's CAD)		Futures (000's CAD)	Forward Currency (000's CAD)	Other Financial Instruments** (000's CAD)
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	-	771,911	771,911	-	17,957	-
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	-	35,906	35,906	-	870	-
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	-	539,464	539,464	-	13,623	-
BlackRock Balanced Moderate Index DC Fund	83,215	752,271	835,486	-	-	-
BlackRock Balanced Conservative Index DC Fund	34,225	364,132	398,357	-	-	-
BlackRock Balanced Aggressive Index DC Fund	22,903	183,151	206,054	-	-	-
BlackRock CDN LifePath Retirement Index Fund I	15,679	44,333	60,012	-	-	-
BlackRock CDN LifePath Index 2010 Retirement Fund	32,819	91,219	124,038	-	-	-
BlackRock CDN LifePath 2015 Index Fund	61,925	143,842	205,767	-	-	-
BlackRock CDN LifePath 2020 Index Fund	158,283	335,343	493,626	-	-	-
BlackRock CDN LifePath 2025 Index Fund	84,177	172,170	256,347	-	-	-
BlackRock CDN LifePath 2030 Index Fund	110,904	226,730	337,634	-	-	-
BlackRock CDN LifePath 2035 Index Fund	47,278	100,407	147,685	-	-	-
BlackRock CDN LifePath 2040 Index Fund	53,474	121,706	175,180	-	-	-
BlackRock CDN LifePath 2045 Index Fund	15,723	44,519	60,242	-	-	-
BlackRock Balanced Active Fund	4,888	47,688	52,576	-	-	-
BlackRock CDN Global Market Selection Fund	-	821,807	821,807	-	19,227	-
BlackRock CDN MSCI EAFE Index Hedged Fund	-	319,564	319,564	-	5,410	-
BlackRock CDN MSCI ACWI ex-Canada Index Fund	16,681	98,438	115,119	-	-	-

** Repurchase Agreements

b. Strategy in using financial instruments

The Funds' activities expose them to a variety of financial risks: market risk (including currency risk, interest rate risk, and other market risk), credit risk and liquidity risk.

The Funds' overall risk management program focuses on the processes, strategies, and the objectives of each Fund.

- Index funds – the overall risk management program focuses on processes and strategies to minimize tracking between each Fund's performance and the performance of the relevant index.
- Active funds – the overall risk management program seeks to minimize the potentially adverse effect of risk on each Fund's performance in a manner consistent with their investment objective.
- Funds invested in other funds – the level of risk depends on the investment objective of the Fund, and the type of securities in which the Fund invests. The portfolio managers focus on the overall asset allocation strategy of the Funds and the exposure of the underlying funds.

c. Currency risk

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, which is the Funds' reporting currency. To the extent that they have not mitigated this risk through the use of currency forward contracts, these Funds are exposed to the risk that the value of the financial instruments denominated in other currencies will fluctuate due to changes in foreign exchange rates.

The tables below indicate the currencies, other than the Canadian dollar, to which the Funds had net direct exposure of at least 2% of net assets in their trading of financial instruments as well as the underlying principal amount of forward currency contracts used to hedge this exposure, as applicable. The tables also indicate the effect on net assets, had the Canadian dollar strengthened or weakened by

Notes to Financial Statements (Unaudited) June 30, 2011

1% in relation to each currency as at June 30, 2011 and December 31, 2010, respectively. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

As at June 30, 2011

Fund	Currency	Financial instruments (CAD)	Forward currency contracts (CAD)	Net exposure (CAD)	Net exposure as a percentage of net assets (%)	Change in CAD currency (%)	Effect on net assets (000's CAD)
BlackRock CDN US Equity Index Non-Taxable Fund	USD	3,601,220,236	-	3,601,220,236	99.99	+/- 1	-/+ 35,656
BlackRock CDN US Equity Index Plus Non-Taxable Fund	USD	182,289,757	-	182,289,757	99.74	+/- 1	-/+ 1,805
BlackRock CDN US Equity Index Fund	USD	1,666,294,073	-	1,666,294,073	99.99	+/- 1	-/+ 16,498
BlackRock CDN US Alpha Tilts Non-Taxable Fund	USD	465,886,508	-	465,886,508	99.98	+/- 1	-/+ 4,613
BlackRock CDN Russell 3000 Index Non Taxable Fund	USD	582,846,796	-	582,846,796	99.84	+/- 1	-/+ 5,771
BlackRock Balanced Moderate Index DC Fund	USD	66,741,033	-	66,741,033	7.53	+/- 1	-/+ 661
BlackRock Balanced Conservative Index DC Fund	USD	26,623,401	-	26,623,401	6.19	+/- 1	-/+ 264
BlackRock Balanced Aggressive Index DC Fund	USD	19,528,678	-	19,528,678	8.99	+/- 1	-/+ 193
BlackRock CDN LifePath Retirement Index Fund I	USD	10,430,059	-	10,430,059	11.51	+/- 1	-/+ 103
BlackRock CDN LifePath Index 2010 Retirement Fund	USD	13,623,438	-	13,623,438	11.39	+/- 1	-/+ 135
BlackRock CDN LifePath 2015 Index Fund	USD	39,377,547	-	39,377,547	13.80	+/- 1	-/+ 390
BlackRock CDN LifePath 2020 Index Fund	USD	98,487,533	-	98,487,533	15.89	+/- 1	-/+ 975
BlackRock CDN LifePath 2025 Index Fund	USD	66,085,181	-	66,085,181	17.79	+/- 1	-/+ 654
BlackRock CDN LifePath 2030 Index Fund	USD	82,035,881	-	82,035,881	18.88	+/- 1	-/+ 812
BlackRock CDN LifePath 2035 Index Fund	USD	42,328,332	-	42,328,332	19.77	+/- 1	-/+ 419
BlackRock CDN LifePath 2040 Index Fund	USD	45,307,155	-	45,307,155	20.42	+/- 1	-/+ 449
BlackRock CDN LifePath 2045 Index Fund	USD	16,561,671	-	16,561,671	18.05	+/- 1	-/+ 164
BlackRock Balanced Active Fund	USD	11,659,352	-	11,659,352	35.45	+/- 1	-/+ 115
BlackRock CDN MSCI EAFE Index Equity Fund	AUD	183,266,067	-	183,266,067	8.63	+/- 1	-/+ 1,815
	CHF	177,832,164	-	177,832,164	8.37	+/- 1	-/+ 1,761
	DKK	22,281,684	-	22,281,684	1.05	+/- 1	-/+ 221
	EUR	665,648,683	-	665,648,683	31.33	+/- 1	-/+ 6,591
	GBP	451,891,627	-	451,891,627	21.27	+/- 1	-/+ 4,474
	ILS	14,925,092	-	14,925,092	0.70	+/- 1	-/+ 148
	HKD	57,336,304	-	57,336,304	2.70	+/- 1	-/+ 568
	JPY	425,053,336	-	425,053,336	20.01	+/- 1	-/+ 4,208
	NOK	19,211,718	-	19,211,718	0.90	+/- 1	-/+ 190
	NZD	2,409,676	-	2,409,676	0.11	+/- 1	-/+ 24
	SEK	66,054,613	-	66,054,613	3.11	+/- 1	-/+ 654
	SGD	35,256,328	-	35,256,328	1.66	+/- 1	-/+ 349
	USD	1,718,418	-	1,718,418	0.08	+/- 1	-/+ 17
Total: BlackRock CDN MSCI EAFE Index Equity Fund		2,122,885,710	-	2,122,885,710	99.93		-/+ 21,020
BlackRock CDN MSCI ACWI ex-Canada Index Fund	USD	16,137,005.56	-	16,137,005.56	14.23	+/- 1	-/+ 160

As at June 30, 2011

Fund	Currency	Financial instruments (CAD)	Forward currency contracts (CAD)	Net exposure (CAD)	Net exposure as a percentage of net assets (%)	Change in CAD currency (%)	Effect on net assets (000's CAD)
BlackRock CDN MSCI Emerging Markets Index Fund	BRL	38,241,449	-	38,241,449	15.47	+/- 1	-/+ 379
	CLP	4,173,543	-	4,173,543	1.69	+/- 1	-/+ 41
	COP	2,067,281	-	2,067,281	0.84	+/- 1	-/+ 20
	CZK	976,891	-	976,891	0.40	+/- 1	-/+ 10
	EGP	771,516	-	771,516	0.31	+/- 1	-/+ 8
	HUF	1,058,672	-	1,058,672	0.43	+/- 1	-/+ 10
	IDR	6,432,656	-	6,432,656	2.60	+/- 1	-/+ 64
	KRW	35,838,547	-	35,838,547	14.50	+/- 1	-/+ 355
	MAD	396,881	-	396,881	0.16	+/- 1	-/+ 4
	MXN	10,810,569	-	10,810,569	4.37	+/- 1	-/+ 107
	MYR	7,749,724	-	7,749,724	3.13	+/- 1	-/+ 77
	PHP	1,403,622	-	1,403,622	0.57	+/- 1	-/+ 14
	PLN	4,205,568	-	4,205,568	1.70	+/- 1	-/+ 42
	RUB	14,518,127	-	14,518,127	5.87	+/- 1	-/+ 144
	THB	4,085,327	-	4,085,327	1.65	+/- 1	-/+ 40
	TRY	3,398,123	-	3,398,123	1.37	+/- 1	-/+ 34
	ZAR	17,922,633	-	17,922,633	7.25	+/- 1	-/+ 177
HKD	42,610,205	-	42,610,205	17.24	+/- 1	-/+ 422	
USD	34,444,289	-	34,444,289	13.93	+/- 1	-/+ 341	
Total: BlackRock CDN MSCI Emerging Markets Index Fund		231,105,623	-	231,105,623	93.48		-/+ 2,289
BlackRock CDN MSCI EAFE Index Plus Fund	AUD	54,065,532	-	54,065,532	8.59	+/- 1	-/+ 535
	CHF	52,270,854	-	52,270,854	8.30	+/- 1	-/+ 518
	DKK	6,623,251	-	6,623,251	1.05	+/- 1	-/+ 66
	EUR	197,156,602	-	197,156,602	31.32	+/- 1	-/+ 1,952
	GBP	133,479,262	-	133,479,262	21.21	+/- 1	-/+ 1,322
	ILS	4,411,151	-	4,411,151	0.70	+/- 1	-/+ 44
	HKD	17,770,553	-	17,770,553	2.82	+/- 1	-/+ 176
	JPY	125,456,246	-	125,456,246	19.93	+/- 1	-/+ 1,242
	NOK	5,659,867	-	5,659,867	0.90	+/- 1	-/+ 56
	NZD	745,781	-	745,781	0.12	+/- 1	-/+ 7
	SEK	19,678,063	-	19,678,063	3.13	+/- 1	-/+ 195
	SGD	10,516,893	-	10,516,893	1.67	+/- 1	-/+ 104
USD	1,311,853	-	1,311,853	0.21	+/- 1	-/+ 13	
Total: BlackRock CDN MSCI EAFE Index Equity Plus Fund		629,145,908	-	629,145,908	99.95		-/+ 6,230
BlackRock CDN Global Equity Focus Fund	CHF	1,244,515	(576,415)	668,100	5.94	+/- 1	-/+ 7
	BRL	177,971	-	177,971	1.58	+/- 1	-/+ 2
	RUB	134,681	-	134,681	1.20	+/- 1	-/+ 1
	ZAR	207,300	-	207,300	1.84	+/- 1	-/+ 2
	EUR	1,942,243	(115,327)	1,826,916	16.25	+/- 1	-/+ 18
	GBP	1,811,764	(274,522)	1,537,242	13.67	+/- 1	-/+ 15
	HKD	311,770	-	311,770	2.77	+/- 1	-/+ 3
	JPY	422,833	337,604	760,437	6.76	+/- 1	-/+ 8
	SGD	151,730	-	151,730	1.35	+/- 1	-/+ 2
	USD	4,313,445	(211,571)	4,101,874	36.48	+/- 1	-/+ 41
	Total: BlackRock CDN Global Equity Focus Fund		10,718,252	(840,231)	9,878,021	87.84	

As at December 31, 2010

Fund	Currency	Financial instruments (CAD)	Forward currency contracts (CAD)	Net exposure (CAD)	Net exposure as a percentage of net assets (%)	Change in CAD currency (%)	Effect on net assets (000's CAD)
BlackRock CDN US Equity Index Non-Taxable Fund	USD	3,636,689,268	-	3,636,689,268	100.00	+/- 1	-/+ 36,007
BlackRock CDN US Equity Index Plus Non-Taxable Fund	USD	284,576,204	-	284,576,204	99.84	+/- 1	-/+ 2,818
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	USD	771,910,906	(719,415,320)	52,495,586	6.65	+/- 1	-/+ 520
BlackRock CDN US Equity Index Fund	USD	1,536,463,411	-	1,536,463,411	99.99	+/- 1	-/+ 15,213
BlackRock CDN US Alpha Tilts Non-Taxable Fund	USD	659,722,707	-	659,722,707	99.97	+/- 1	-/+ 6,532
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	USD	35,906,251	(33,821,527)	2,084,723	5.67	+/- 1	-/+ 21
BlackRock CDN Russell 3000 Index Non Taxable Fund	USD	539,296,961	-	539,296,961	99.99	+/- 1	-/+ 5,340
BlackRock CDN Russell 3000 Index Hedged Non Taxable Fund	USD	539,464,006	(516,317,989)	23,146,016	4.18	+/- 1	-/+ 229
BlackRock Balanced Moderate Index DC Fund	USD	63,059,160	-	63,059,160	7.53	+/- 1	-/+ 624
BlackRock Balanced Conservative Index DC Fund	USD	24,437,149	-	24,437,149	6.12	+/- 1	-/+ 242
BlackRock Balanced Aggressive Index DC Fund	USD	18,038,036	-	18,038,036	8.74	+/- 1	-/+ 179
BlackRock CDN LifePath Retirement Index Fund I	USD	6,635,307	-	6,635,307	11.03	+/- 1	-/+ 66
BlackRock CDN LifePath Index 2010 Retirement Fund	USD	14,200,035	-	14,200,035	11.43	+/- 1	-/+ 141
BlackRock CDN LifePath 2015 Index Fund	USD	28,798,868	-	28,798,868	13.97	+/- 1	-/+ 285
BlackRock CDN LifePath 2020 Index Fund	USD	80,370,816	-	80,370,816	16.25	+/- 1	-/+ 796
BlackRock CDN LifePath 2025 Index Fund	USD	46,199,890	-	46,199,890	17.99	+/- 1	-/+ 457
BlackRock CDN LifePath 2030 Index Fund	USD	66,397,075	-	66,397,075	19.63	+/- 1	-/+ 657
BlackRock CDN LifePath 2035 Index Fund	USD	30,528,510	-	30,528,510	20.63	+/- 1	-/+ 302
BlackRock CDN LifePath 2040 Index Fund	USD	37,359,751	-	37,359,751	21.28	+/- 1	-/+ 370
BlackRock CDN LifePath 2045 Index Fund	USD	11,911,113	-	11,911,113	19.71	+/- 1	-/+ 118
BlackRock Balanced Active Fund	USD	18,946,577	-	18,946,577	35.98	+/- 1	-/+ 188
BlackRock CDN Global Market Selection Fund	USD	822,249,911	(804,927,724)	17,322,188	2.06	+/- 1	-/+ 172
BlackRock CDN MSCI EAFE Index Equity Fund	AUD	168,926,937	-	168,926,937	8.79	+/- 1	-/+ 1,673
	CHF	153,590,178	-	153,590,178	8.00	+/- 1	-/+ 1,521
	DKK	18,914,453	-	18,914,453	0.98	+/- 1	-/+ 187
	EUR	560,461,585	-	560,461,585	29.17	+/- 1	-/+ 5,549
	GBP	410,864,807	-	410,864,807	21.39	+/- 1	-/+ 4,068
	ILS	15,168,434	-	15,168,434	0.79	+/- 1	-/+ 150
	HKD	54,426,579	-	54,426,579	2.83	+/- 1	-/+ 539
	JPY	422,605,066	-	422,605,066	22.00	+/- 1	-/+ 4,184
	NOK	15,915,520	-	15,915,520	0.83	+/- 1	-/+ 158
	NZD	1,964,095	-	1,964,095	0.10	+/- 1	-/+ 19
	SEK	61,450,189	-	61,450,189	3.20	+/- 1	-/+ 608
	SGD	32,715,978	-	32,715,978	1.70	+/- 1	-/+ 324
	USD	2,347,709	-	2,347,709	0.12	+/- 1	-/+ 23
Total: BlackRock CDN MSCI EAFE Index Equity Fund		1,919,351,530	-	1,919,351,530	99.91		-/+ 19,003

As at December 31, 2010

Fund	Currency	Financial instruments (CAD)	Forward currency contracts (CAD)	Net exposure (CAD)	Net exposure as a percentage of net assets (%)	Change in CAD currency (%)	Effect on net assets (000's CAD)
BlackRock CDN MSCI EAFE Index Hedged Fund	AUD	25,884,704	(27,220,081)	(1,335,376)	(0.41)	+/- 1	+/- -13
	CHF	25,692,966	(25,269,967)	422,999	0.13	+/- 1	-/+ 4
	DKK	3,227,599	(2,960,665)	266,934	0.08	+/- 1	-/+ 3
	EUR	94,846,670	(89,395,113)	5,451,557	1.68	+/- 1	-/+ 54
	GBP	67,172,406	(63,849,483)	3,322,923	1.02	+/- 1	-/+ 33
	HKD	2,748,253	(2,471,108)	277,145	0.09	+/- 1	-/+ 3
	ILS	8,180,845	(9,037,164)	(856,320)	(0.26)	+/- 1	+/- -8
	JPY	74,362,601	(68,131,313)	6,231,288	1.92	+/- 1	-/+ 62
	NOK	2,332,819	(2,431,509)	(98,690)	(0.03)	+/- 1	+/- -1
	NZD	319,564	(329,270)	(9,706)	(0.00)	+/- 1	+/- 0
	SEK	9,363,233	(9,782,482)	(419,249)	(0.13)	+/- 1	+/- -4
	SGD	5,432,592	(5,398,212)	34,380	0.01	+/- 1	-/+ 0
	USD	-	(113,187)	(113,187)	(0.03)	+/- 1	+/- -1
Total: BlackRock CDN MSCI EAFE Index Hedged Fund		319,564,252	(306,389,555)	13,174,697	4.05		-/+ 132
BlackRock CDN MSCI ACWI ex-Canada Index Fund	USD	16,694,456	-	16,694,456	14.47	+/- 1	-/+ 165
BlackRock CDN MSCI Emerging Markets Index Fund	BRL	40,432,174	-	40,432,174	15.98	+/- 1	-/+ 400
	CLP	4,279,364	-	4,279,364	1.69	+/- 1	-/+ 42
	COP	2,037,693	-	2,037,693	0.81	+/- 1	-/+ 20
	CZK	837,647	-	837,647	0.33	+/- 1	-/+ 8
	EGP	1,086,530	-	1,086,530	0.43	+/- 1	-/+ 11
	HUF	921,444	-	921,444	0.36	+/- 1	-/+ 9
	IDR	5,810,006	-	5,810,006	2.30	+/- 1	-/+ 58
	KRW	34,359,676	-	34,359,676	13.58	+/- 1	-/+ 340
	MAD	385,449	-	385,449	0.15	+/- 1	-/+ 4
	MXN	11,512,472	-	11,512,472	4.55	+/- 1	-/+ 114
	MYR	7,272,756	-	7,272,756	2.87	+/- 1	-/+ 72
	PHP	1,326,503	-	1,326,503	0.52	+/- 1	-/+ 13
	PLN	4,111,713	-	4,111,713	1.62	+/- 1	-/+ 41
	RUB	13,529,114	-	13,529,114	5.35	+/- 1	-/+ 134
	THB	4,169,757	-	4,169,757	1.65	+/- 1	-/+ 41
	TRY	3,832,235	-	3,832,235	1.51	+/- 1	-/+ 38
	ZAR	19,765,116	-	19,765,116	7.81	+/- 1	-/+ 196
	HKD	43,567,082	-	43,567,082	17.22	+/- 1	-/+ 431
	USD	53,830,727	-	53,830,727	21.27	+/- 1	-/+ 533
Total: BlackRock CDN MSCI Emerging Markets Index Fund		253,067,458	-	253,067,458	100.00		-/+ 2,505

As at December 31, 2010

Fund	Currency	Financial instruments (CAD)	Forward currency contracts (CAD)	Net exposure (CAD)	Net exposure as a percentage of net assets (%)	Change in CAD currency (%)	Effect on net assets (000's CAD)
BlackRock CDN MSCI EAFE Index Equity Plus Fund	AUD	43,931,649	-	43,931,649	8.72	+/- 1	-/+ 435
	CHF	40,238,204	-	40,238,204	7.99	+/- 1	-/+ 398
	DKK	4,983,251	-	4,983,251	0.99	+/- 1	-/+ 49
	EUR	147,358,343	-	147,358,343	29.26	+/- 1	-/+ 1,459
	GBP	107,708,601	-	107,708,601	21.39	+/- 1	-/+ 1,066
	ILS	4,004,093	-	4,004,093	0.80	+/- 1	-/+ 40
	HKD	14,271,296	-	14,271,296	2.83	+/- 1	-/+ 141
	JPY	111,274,761	-	111,274,761	22.09	+/- 1	-/+ 1,102
	NOK	4,210,460	-	4,210,460	0.84	+/- 1	-/+ 42
	NZD	523,284	-	523,284	0.10	+/- 1	-/+ 5
	SEK	16,210,043	-	16,210,043	3.22	+/- 1	-/+ 160
	SGD	8,657,661	-	8,657,661	1.72	+/- 1	-/+ 86
	USD	258,492	-	258,492	0.05	+/- 1	-/+ 3
Total: BlackRock CDN MSCI EAFE Index Equity Plus Fund		503,630,138	-	503,630,138	99.99		-/+ 4,986
BlackRock CDN Global Equity Focus Fund	CHF	1,043,909	-	1,043,909	9.65	+/- 1	-/+ 10
	RUB	185,345	-	185,345	1.71	+/- 1	-/+ 2
	EUR	1,524,957	(181,619)	1,343,338	12.42	+/- 1	-/+ 13
	GBP	1,471,805	-	1,471,805	13.61	+/- 1	-/+ 15
	HKD	255,360	-	255,360	2.36	+/- 1	-/+ 3
	JPY	335,380	499,219	834,598	7.72	+/- 1	-/+ 8
	SGD	130,201	-	130,201	1.20	+/- 1	-/+ 1
	USD	5,580,915	(569,676)	5,011,240	46.87	+/- 1	-/+ 50
Total: BlackRock CDN Global Equity Focus Fund		10,527,872	(252,076)	10,275,796	95.54		-/+ 102

The direct exposure to currency risk for the Funds that are invested in other funds valued in Canadian dollars is minimal. If the underlying funds are valued in currencies other than Canadian dollars, the direct exposure to currency risk can be material. The Funds invested in other funds that are valued in Canadian dollars may have indirect exposure to currency risk if underlying funds are invested in financial instruments that are denominated in currencies other than Canadian dollars.

d. Interest rate risk

Interest rate risk arises on interest bearing financial instruments, such as bonds and fixed income derivatives held in an investment portfolio. The Funds are 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.

Notes to Financial Statements (Unaudited) June 30, 2011

Tables below summarize the fixed income Funds' fair market value exposure, categorized by maturity date and not including notional exposure, to interest rate risk as well as management's estimate of the interest rate sensitivity of the net assets due to a 1% change in interest rates, assuming a parallel shift in the yield curve, with all other factors remaining constant, as at June 30, 2011 and December 31, 2010. Interest rate sensitivity for each Fund is determined based on the weighted average duration of the portfolio. In practice, actual results may differ from this sensitivity analysis and the differences can be material.

As at June 30, 2011

Fund	<1 year (CAD)	1- 3 years (CAD)	3-5 years (CAD)	>5 years (CAD)	Total (CAD)*	Change in interest rate (%)	Effect on net assets (000's CAD)
BlackRock Canada Universe Bond Index Fund	-	1,969,821,542	1,614,821,405	4,064,356,129	7,648,999,076	+/- 1	-/+ 490,622
BlackRock Canada ex-BBB Universe Bond Index Fund	-	161,541,483	121,915,247	317,911,366	601,368,096	+/- 1	-/+ 38,234
BlackRock Canada Real Return Bond Index Fund	-	5,013,910	-	685,450,454	690,464,364	+/- 1	-/+ 110,096
BlackRock Canada Long Bond Index Fund	-	-	-	6,938,530,227	6,938,530,227	+/- 1	-/+ 921,658
BlackRock Canada All Government Bond Index Fund	-	46,137,663	31,923,407	79,782,700	157,843,770	+/- 1	-/+ 10,427
BlackRock Canada Credit-Screened Bond Index Fund	2,086,019	27,124,358	25,154,784	98,418,663	152,783,824	+/- 1	-/+ 8,645
BlackRock Canada CoreActive Universe Bond Fund	615,375	19,835,623	19,373,414	51,295,518	91,119,930	+/- 1	-/+ 5,695
BlackRock Canada CorePlus Long Bond Fund	-	-	-	590,586,697	590,586,697	+/- 1	-/+ 83,854
BlackRock CDN Short Term Index Fund	13,671,077	7,003,220	-	-	20,674,297	+/- 1	-/+ 43

As at December 31, 2010

Fund	<1 year (CAD)	1- 3 years (CAD)	3-5 years (CAD)	>5 years (CAD)	Total (CAD)*	Change in interest rate (%)	Effect on net assets (000's CAD)
BlackRock Canada Universe Bond Index Fund	5,622,791	1,764,940,995	1,576,846,806	3,869,702,901	7,217,113,493	+/- 1	-/+ 452,212
BlackRock Canada ex-BBB Universe Bond Index Fund	-	156,561,637	125,319,653	313,351,659	595,232,949	+/- 1	-/+ 37,665
BlackRock Canada Real Return Bond Index Fund	-	4,188,521	-	597,894,624	602,083,145	+/- 1	-/+ 96,205
BlackRock Canada Long Bond Index Fund	-	-	-	6,557,009,411	6,557,009,411	+/- 1	-/+ 852,300
BlackRock Canada All Government Bond Index Fund	-	41,182,177	39,188,764	78,393,231	158,764,172	+/- 1	-/+ 10,331
BlackRock Canada Credit-Screened Bond Index Fund	-	24,946,903	23,070,959	107,277,515	155,295,377	+/- 1	-/+ 8,614
BlackRock Canada CoreActive Universe Bond Fund	-	16,622,473	23,665,849	53,104,051	93,392,373	+/- 1	-/+ 5,723
BlackRock Canada CorePlus Long Bond Fund	-	-	-	573,450,816	573,450,816	+/- 1	-/+ 73,606
BlackRock CDN Short Term Index Fund	5,526,639	6,996,780	-	-	12,523,419	+/- 1	-/+ 50

*Excludes cash, cash equivalents and investments in other funds

The tables below summarize notional exposure of fixed income Funds to interest rate risk as at June 30, 2011 and December 31, 2010, respectively. The tables also include the Funds' holdings of fixed income derivative instruments at fair market value, categorized by maturity date.

As at June 30, 2011

Fund	<1 year (CAD)	1-3 years (CAD)	3-5 years (CAD)	>5 years (CAD)	Total (CAD)
BlackRock Canada CoreActive Universe Bond Fund	-	-	-	243,703	243,703
BlackRock Canada CorePlus Long Bond Fund	-	-	-	(2,303,763)	(2,303,763)

As at December 31, 2010

Fund	<1 year (CAD)	1-3 years (CAD)	3-5 years (CAD)	>5 years (CAD)	Total (CAD)
BlackRock Canada CoreActive Universe Bond Fund	-	5,811,331	-	(3,142,057)	2,669,274
BlackRock Canada CorePlus Long Bond Fund	-	36,234,869	-	(19,801,310)	16,433,560

Funds invested in other funds may be exposed to indirect interest rate risk in the event the underlying funds are invested in interest bearing financial instruments.

e. Other market risk

Other market risk is the risk that the value of financial instruments may fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk). All securities present the risk of loss of capital due to market risk. The Funds moderate this risk through the use of various investment strategies within the parameters of the Funds' investment guidelines.

Management's estimate of the effect on net assets due to a reasonable possible change in indices, with all other variables held constant, is shown in the tables below presenting the data as at June 30, 2011 and December 31, 2010, respectively. The estimate is calculated based on the percentage of a Fund's total net assets that are invested in financial instruments constituting the primary index. In practice the actual results may differ from the sensitivity analysis below and the differences can be material.

As at June 30, 2011

Fund	Market indices	Change in market prices (%)	Effect on net assets (000's CAD)
BlackRock Canadian Equity Index Fund	S&P/TSX Capped Composite Index	+/- 1	+/- 31,569
BlackRock Canadian Equity Ex-Trusts Index Fund	S&P/TSX Equity Index	+/- 1	+/- 854
BlackRock CDN MSCI Canada IMI Index Fund	MSCI Canada IMI Index	+/- 1	+/- 12,015
BlackRock CDN US Equity Index Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 35,800
BlackRock CDN US Equity Index Plus Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 1,776
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 8,619
BlackRock CDN US Equity Index Fund	S&P 500 Index	+/- 1	+/- 16,499
BlackRock CDN US Alpha Tilts Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 4,655
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 351
BlackRock CDN Russell 3000 Index Non-Taxable Fund	Russell 3000 Index	+/- 1	+/- 5,715
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	Russell 3000 Index	+/- 1	+/- 5,838
BlackRock Active Canadian Equity Fund	S&P/TSX Index	+/- 1	+/- 17,480
BlackRock Active Canadian Equity Ex-Income Trusts Fund	S&P/TSX Equity Index	+/- 1	+/- 13,889
BlackRock Active Canadian Equity DC Fund	S&P/TSX Equity Index	+/- 1	+/- 5,520
BlackRock Active Canadian Equity Small Cap Fund	S&P/TSX Equity Completion Index	+/- 1	+/- 1,737
BlackRock Canada Universe Bond Index Fund	DEX Universe Bond Index	+/- 1	+/- 76,482
BlackRock Canada ex-BBB Universe Bond Index Fund	DEX Universe Bond Index	+/- 1	+/- 6,014
BlackRock Canada Real Return Bond Index Fund	DEX Real Return Bond Index	+/- 1	+/- 6,903
BlackRock Canada Long Bond Index Fund	DEX Long Term Bond Index	+/- 1	+/- 69,410
BlackRock Canada All Government Bond Index Fund	DEX Universe All Government Bond	+/- 1	+/- 1,579
BlackRock Canada Credit-Screened Bond Index Fund	DEX Universe All Corporate Bond Index	+/- 1	+/- 1,528
BlackRock Canada CoreActive Universe Bond Fund	DEX Universe Bond Index	+/- 1	+/- 911
BlackRock Canada CorePlus Long Bond Fund	DEX Long Term Bond Index	+/- 1	+/- 9,063

As at June 30, 2011

Fund	Market indices	Change in market prices (%)	Effect on net assets (000's CAD)
BlackRock CDN Short Term Index Fund	DEX 91 Day T-Bill Index	+/- 1	+/- 356
BlackRock CDN MSCI EAFE Equity Index Fund	MSCI EAFE Index	+/- 1	+/- 21,042
BlackRock CDN MSCI EAFE Index Hedged Fund	MSCI EAFE Index	+/- 1	+/- 4,068
BlackRock CDN MSCI Emerging Markets Index Fund	MSCI Emerging Markets Free Index	+/- 1	+/- 2,457
BlackRock CDN MSCI EAFE Index Plus Fund	MSCI EAFE Index	+/- 1	+/- 6,207
BlackRock CDN Global Equity Focus Fund	MSCI World Index U.S.	+/- 1	+/- 109

As at December 31, 2010

Fund	Market indices	Change in market prices (%)	Effect on net assets (000's CAD)
BlackRock Canadian Equity Index Fund	S&P/TSX Capped Composite Index	+/- 1	+/- 28,308
BlackRock Canadian Equity Ex-Trusts Index Fund	S&P/TSX Equity Index	+/- 1	+/- 1,464
BlackRock CDN MSCI Canada IMI Index Fund	MSCI Canada IMI Index	+/- 1	+/- 13,754
BlackRock CDN US Equity Index Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 36,005
BlackRock CDN US Equity Index Plus Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 2,805
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 7,006
BlackRock CDN US Equity Index Fund	S&P 500 Index	+/- 1	+/- 15,181
BlackRock CDN US Alpha Tilts Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 6,566
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	S&P 500 Index	+/- 1	+/- 359
BlackRock CDN Russell 3000 Index Non-Taxable Fund	Russell 3000 Index	+/- 1	+/- 4,811
BlackRock CDN Russell 3000 Index Hedged Non-Taxable Fund	Russell 3000 Index	+/- 1	+/- 4,867
BlackRock Active Canadian Equity Fund	S&P/TSX Index	+/- 1	+/- 19,023
BlackRock Active Canadian Equity Ex-Income Trusts Fund	S&P/TSX Equity Index	+/- 1	+/- 17,292
BlackRock Active Canadian Equity DC Fund	S&P/TSX Equity Index	+/- 1	+/- 5,658
BlackRock Active Canadian Equity Small Cap Fund	S&P/TSX Equity Completion Index	+/- 1	+/- 1,757
BlackRock Canada Universe Bond Index Fund	DEX Universe Bond Index	+/- 1	+/- 72,135
BlackRock Canada ex-BBB Universe Bond Index Fund	DEX Universe Bond Index	+/- 1	+/- 5,955
BlackRock Canada Real Return Bond Index Fund	DEX Real Return Bond Index	+/- 1	+/- 6,019
BlackRock Canada Long Bond Index Fund	DEX Long Term Bond Index	+/- 1	+/- 65,582
BlackRock Canada All Government Bond Index Fund	DEX Universe All Government Bond	+/- 1	+/- 1,587
BlackRock Canada Credit-Screened Bond Index Fund	DEX Universe All Corporate Bond Index	+/- 1	+/- 1,553
BlackRock Canada CoreActive Universe Bond Fund	DEX Universe Bond Index	+/- 1	+/- 962
BlackRock Canada CorePlus Long Bond Fund	DEX Long Term Bond Index	+/- 1	+/- 8,772
BlackRock CDN Short Term Index Fund	DEX 91 Day T-Bill Index	+/- 1	+/- 384
BlackRock CDN MSCI EAFE Equity Index Fund	MSCI EAFE Index	+/- 1	+/- 18,634
BlackRock CDN MSCI EAFE Index Hedged Fund	MSCI EAFE Index	+/- 1	+/- 2,697
BlackRock CDN MSCI Emerging Markets Index Fund	MSCI Emerging Markets Free Index	+/- 1	+/- 2,521
BlackRock CDN MSCI EAFE Index Plus Fund	MSCI EAFE Index	+/- 1	+/- 4,986
BlackRock CDN Global Equity Focus Fund	MSCI World Index U.S.	+/- 1	+/- 108

Funds invested in other funds are also exposed to other market risk. Had the indices of the underlying funds in which the Funds invested increased or decreased by 1%, the net assets of the Funds invested in other funds would have increased or decreased by approximately 1% in proportion to the amount of the Funds invested in underlying funds.

f. Credit risk

The Funds are exposed to credit risk, which is the risk that the counterparty will be unable to pay amounts to the Funds or deliver securities in full to the Fund when due. All transactions in listed securities are settled (paid for) using approved brokers on delivery. The risk of default is considered minimal, as delivery of securities sold by a Fund is only made when the broker has received payment. Payment from the Fund is made on a purchase when the securities have been received by the broker. A trade will fail if either party fails to meet its obligations.

Credit risk arising on debt instruments is mitigated by investing primarily in instruments that have been rated as “investment grade” or above by independent third party rating agencies. Similarly, credit risk arising on forward currency contracts is mitigated by investing primarily in instruments issued by counterparties who have been rated as having a superior ability to repay short-term debt by third party rating agencies.

The tables below summarize information on credit ratings of the Funds’ holdings for those Funds that had direct investments in debt securities and derivatives as at June 30, 2011 and December 31, 2010, respectively:

As at June 30, 2011

Fund	A/A ³ (%) ¹	AA/Aa ³ (%) ¹	AAA/Aaa ³ (%) ¹	BBB/Bbb ³ (%) ¹	P-1 (Forwards) ⁴ (%) ²	Total (%)
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	-	-	-	-	100.0	100.0
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	-	-	-	-	100.0	100.0
BlackRock Canada Universe Bond Index Fund	19.1	22.9	50.9	7.1	-	100.0
BlackRock Canada ex-BBB Universe Bond Index Fund	19.8	25.2	55.0	-	-	100.0
BlackRock Canada Real Return Bond Index Fund	9.2	8.0	82.8	-	-	100.0
BlackRock Canada Long Bond Index Fund	35.3	30.4	34.3	-	-	100.0
BlackRock Canada All Government Bond Index Fund	12.4	19.7	67.9	-	-	100.0
BlackRock Canada Credit-Screened Bond Index Fund	41.1	28.4	1.6	28.9	-	100.0
BlackRock Canada CoreActive Universe Bond Fund	21.8	24.3	39.4	14.5	-	100.0
BlackRock Canada CorePlus Long Bond Fund	36.1	27.6	29.0	7.3	-	100.0
BlackRock CDN Global Market Selection Fund	-	-	-	-	100.0	100.0
BlackRock CDN Short Term Index Fund	20.4	71.1	8.5	-	-	100.0
BlackRock CDN MSCI EAFE Index Hedged Fund	-	-	-	-	100.0	100.0

As at December 31, 2010

Fund	A/A ³ (%) ¹	AA/Aa ³ (%) ¹	AAA/Aaa ³ (%) ¹	BBB/Bbb ³ (%) ¹	P-1 (Forwards) ⁴ (%) ²	Total (%)
BlackRock CDN US Equity Index Hedged Non-Taxable Fund	-	-	-	-	100.0	100.0
BlackRock CDN US Alpha Tilts Hedged Non-Taxable Fund	-	-	-	-	100.0	100.0
BlackRock Canada Universe Bond Index Fund	19.2	23.2	51.3	6.2	-	100.0
BlackRock Canada ex-BBB Universe Bond Index Fund	19.8	25.5	54.5	0.1	-	100.0
BlackRock Canada Real Return Bond Index Fund	9.4	8.3	82.3	-	-	100.0
BlackRock Canada Long Bond Index Fund	32.9	28.3	38.6	0.3	-	100.0
BlackRock Canada All Government Bond Index Fund	11.4	19.3	69.3	-	-	100.0
BlackRock Canada Credit-Screened Bond Index Fund	47.0	28.2	1.0	23.8	-	100.0
BlackRock Canada CoreActive Universe Bond Fund	21.9	23.8	43.1	11.2	-	100.0
BlackRock Canada CorePlus Long Bond Fund	32.0	27.1	34.6	6.4	-	100.0
BlackRock CDN Global Market Selection Fund	-	-	-	-	100.0	100.0
BlackRock CDN Short Term Index Fund	-	51.0	49.0	-	-	100.0
BlackRock CDN MSCI EAFE Index Hedged Fund	-	-	-	-	100.0	100.0

¹Percentage of Fixed Income Holdings

²Percentage of Forward Currency Contracts

³Source: PC-Bond, a business unit of TSX Inc.

⁴Source: Moody’s Investors Service - Short Term

The Funds invested in other funds may be indirectly exposed to credit risk in the event that the underlying funds invest in debt instruments and derivatives. Each Fund may enter into securities lending transactions with a counterparty 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 the credit risk arising on debt instruments is mitigated by investing primarily in instruments that have been rated as “investment grade or above” by independent third party rating agencies. Similarly, credit risk arising on forward currency contracts is mitigated by investing primarily in instruments issued by counterparties who have been rated as having a superior ability to repay short-term debt by third party rating agencies. Additionally, the value of cash or securities held as collateral must be at least 102% of the fair market value of securities loaned.

g. Liquidity risk

The Funds' exposure to liquidity risk is concentrated mainly in the cash redemptions of units. Therefore, a Fund generally invests the majority of its assets in investments that are traded in active markets and can be readily sold. In addition, the Funds generally retain sufficient cash and cash equivalents to maintain anticipated ongoing liquidity. The Funds may, from time to time, enter into over-the-counter derivative contracts that are not traded in an organized market and may be illiquid. The Funds also have the ability to borrow for the purpose of redeeming units. No such borrowing occurred during the year.

12. Brokers' commissions

Commissions paid to brokers for portfolio transactions for periods ended June 30, 2011 and June 30, 2010 are summarized below:

Fund	2011	2010
BlackRock Canadian Equity Index Fund	\$183,607	\$74,304
BlackRock Canadian Equity Ex-Trusts Index Fund	33,709	10,863
BlackRock CDN MSCI Canada IMI Index Fund	38,426	53,772
BlackRock CDN US Equity Index Non-Taxable Fund	50,729	79,378
BlackRock CDN US Equity Index Plus Non-Taxable Fund	38,197	17,923
BlackRock CDN US Equity Index Fund	16,260	77,913
BlackRock CDN US Alpha Tilts Non-Taxable Fund	282,408	1,059,587
BlackRock CDN Russell 3000 Index Non-Taxable Fund	37,584	-
BlackRock Active Canadian Equity Fund	1,236,617	1,037,982
BlackRock Active Canadian Equity Ex-Income Trusts Fund	1,313,497	695,695
BlackRock Active Canadian Equity DC Fund	433,725	246,691
BlackRock Active Canadian Equity Small Cap Fund	228,525	274,683
BlackRock Canada CoreActive Universe Bond Fund	8,684	8,935
BlackRock Canada CorePlus Long Bond Fund	31,315	29,128
BlackRock Balanced Moderate Index DC Fund	1,624	261
BlackRock Balanced Conservative Index DC Fund	2,131	960
BlackRock Balanced Aggressive Index DC Fund	851	306
BlackRock CDN LifePath Retirement Index Fund I	4,302	4,090
BlackRock CDN LifePath Index 2010 Retirement Fund	2,280	5,673
BlackRock CDN LifePath 2015 Index Fund	11,155	11,466
BlackRock CDN LifePath 2020 Index Fund	16,837	24,823
BlackRock CDN LifePath 2025 Index Fund	16,762	16,038
BlackRock CDN LifePath 2030 Index Fund	11,996	18,182
BlackRock CDN LifePath 2035 Index Fund	8,125	8,602
BlackRock CDN LifePath 2040 Index Fund	4,497	8,509
BlackRock CDN LifePath 2045 Index Fund	3,186	1,537
BlackRock Balanced Active Fund	722	635
BlackRock CDN MSCI EAFE Equity Index Fund	142,227	187,489
BlackRock CDN MSCI ACWI ex-Canada Index Fund	2,062	2,444
BlackRock CDN MSCI Emerging Markets Index Fund	38,646	-
BlackRock CDN MSCI EAFE Index Plus Fund	157,546	107,898
BlackRock CDN Global Equity Focus Fund	13,461	-

13. Independent review committee

On behalf of the Funds, BlackRock Canada has established an independent review committee ("IRC") pursuant to the requirements of the regulatory relief obtained by BlackRock Canada. Under the terms of the regulatory relief, BlackRock Canada is required to present conflicts of interest relating to trades in securities of related issuers and inter-fund trading to the IRC for its approval. The IRC is governed by certain provisions of National Instrument 81-107 – Independent Review Committee for Investment Funds ("NI 81-107") in determining whether to provide its approval. In accordance with the applicable requirements of NI 81-107, the IRC has considered and provided its approval and has provided standing instructions which BlackRock Canada can rely upon in respect of these two conflicts of interest matters. Fees and expenses incurred with respect to the IRC are permitted to be charged to the Funds.

14. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's financial statement presentation.

15. International financial reporting standards

The Funds will be required to adopt the International Financial Reporting Standards (IFRS). In preparation to meet the requirements BlackRock Canada has taken the following steps in managing the transition to IFRS:

- Commenced the development of a changeover plan to meet the timetable established by CICA for changeover to IFRS; and
- Commenced identification of key issues and likely impacts resulting from adoption of IFRS.

Based on BlackRock Canada's current evaluation of the differences between Canadian GAAP and IFRS, BlackRock Canada does not expect that net assets or net asset value per unit will be materially impacted by the changeover to IFRS. However, BlackRock Canada expects there will be changes in presentations and disclosure in the financial statements.

On January 12, 2011 the AcSB approved the deferral from applying IFRS for entities currently applying Accounting Guideline 18, Investment Companies (AcG-18). The deferral will allow these entities to continue to apply existing Canadian standards in Part V of the CICA Handbook until fiscal years beginning on or after January 1, 2013. Earlier adoption of IFRS would still be permitted. The funds have elected to defer adoption of IFRS to January 1, 2013.