

Interim Management Report of Fund Performance

June 2020

This Interim Management Report of Fund Performance contains financial highlights but does not contain the complete interim financial statements of the Portfolio. You can request a copy of the interim financial statements, at no cost, by calling 514-350-5050 or toll free 1-888-377-7337 or by writing to us at 2 Complexe Desjardins, East Tower, 31st Floor, P. O. Box 1116, Montréal, Québec H5B 1C2, or by visiting our website at www.professionalsf.com or SEDAR's website at www.sedar.com.

You may also contact us using one of these methods to request a copy of the Portfolio's proxy voting policies and procedures, proxy voting disclosure records and quarterly portfolio disclosure.

PERFORMANCE ANALYSIS

Investment Objective and Strategies

The Portfolio seeks to achieve steady income and to ensure invested capital preservation. The Portfolio invests primarily in debt instruments of Canadian and foreign issuers. The Portfolio may also invest in equity securities of Canadian and foreign issuers paying dividends or income. The Portfolio Manager uses a top-down global active short-term management approach, including to set the duration of the portfolio. The implementation of dynamic positioning strategies on the yield curve, the choice of classes of issuers and the selection of securities are based on quantitative and qualitative comparisons, and simulations on interest rates, yield differentials, currencies and volatility.

Risk

The Portfolio invests primarily in debt securities, both Canadian and foreign. Derivatives may also be used for hedging purposes or to establish market positions. The risks related to investments in the Portfolio remain as set out in the Simplified Prospectus. The risks associated with the Portfolio and its holdings are as follows: credit risk, sector risk, foreign securities risk, large transactions risk, specific issuer risk, currency risk, interest rate risk, derivatives risk, securities lending risk, exchange-traded funds risk, asset-backed and mortgage-backed securities risk, multi-series risk, short selling risk and loss restrictions risk.

Operating Results

The FDP Canadian Bond Portfolio, Series A posted a net return of 7.3% for the first six-month period of 2020, versus 6.3% for 2019. The FDP Canadian Bond Portfolio, Series I posted a net return of 7.8% for the first six-month period of 2020.

In the context of a global economy weakened by a pandemic, governments and central banks introduced unprecedented fiscal and monetary measures, which relieved markets and economies. The Bank of Canada has announced quantitative easing measures, purchasing government of Canada, provincial and corporate bonds.

Accordingly, the bond market, as measured by the FTSE Canada Universe Bond Index, posted a 7.5% return. The 10-year government of Canada bond yield declined by 117 basis points in 2020, causing the spread between long- and short-term yields to narrow significantly. Credit spreads for both provincial and corporate bonds widened in the first quarter of 2020 before narrowing in the second quarter of 2020 in response to the governments' and central banks' support of markets and economies.

Recent Developments

There are currently no events to report for 2020.

Related Party Transactions

The Manager of the FDP Canadian Bond Portfolio is Professionals' Financial – Mutual Funds Inc. The Manager is in charge of the portfolio's research, analyses, selections and transactions. The Investment Committee of Professionals' Financial – Mutual Funds Inc. supervises the execution of the mandates entrusted to the internal managers and to other external managers, as the case may be.

Monthly management fees, calculated daily at an annual percentage of the Portfolio's net assets after deducting the value of interfund investments, are paid to the Manager.

FINANCIAL HIGHLIGHTS

The following tables illustrate key financial data concerning the Portfolio. Their purpose is to help you understand its financial results for the past five years and six-month period.

This information comes from the audited annual financial statements and the June 30, 2020 unaudited interim financial statements of the Portfolio. You can obtain the financial statements on the website at www.professionalsf.com.

Portfolio's Distributions and Net Assets per Unit (in dollars)

Series A	Six months ended June 30		Years ended December 31			
	2020	2019	2018	2017	2016	2015
Net assets, beginning of period	12.092	11.602	11.755	11.756	11.913	12.075
Increase (decrease) from operations:						
Total revenue	0.176	0.364	0.353	0.347	0.346	0.347
Total expenses	(0.067)	(0.131)	(0.126)	(0.133)	(0.147)	(0.131)
Realized gains (losses)	0.210	0.361	(0.201)	(0.036)	0.121	0.188
Unrealized gains (losses)	0.554	0.130	0.040	0.029	(0.141)	(0.088)
Total increase (decrease) from operations ⁽¹⁾	0.873	0.724	0.066	0.207	0.179	0.316
Distributions:						
from income	0.117	0.236	0.222	0.211	0.200	0.216
from dividends	—	—	0.001	0.005	0.002	—
from capital gains	—	—	—	—	0.087	0.254
from capital returns	—	—	—	—	—	—
Total distributions ⁽²⁾	0.117	0.236	0.223	0.216	0.289	0.470
Net assets at the end of the period	12.849	12.092	11.602	11.755	11.756	11.913

Series I	Six months ended June 30		Years ended December 31			
	2020	2019	2018	2017	2016	2015
Net assets, beginning of period	9.973	9.568	9.828	9.825	9.930	10.000
Increase (decrease) from operations:						
Total revenue	0.143	0.307	0.289	0.290	0.289	0.276
Total expenses	(0.009)	(0.025)	(0.019)	(0.015)	(0.015)	(0.011)
Realized gains (losses)	0.175	0.287	(0.162)	(0.029)	0.093	0.078
Unrealized gains (losses)	0.466	0.087	(0.061)	0.019	(0.200)	(0.182)
Total increase (decrease) from operations ⁽¹⁾	0.775	0.656	0.047	0.265	0.167	0.161
Distributions:						
from income	0.143	0.285	0.398	0.269	0.268	0.231
from dividends	—	—	0.001	0.006	0.002	0.001
from capital gains	—	—	—	—	0.051	0.062
from capital returns	—	—	0.001	—	—	—
Total distributions ⁽²⁾	0.143	0.285	0.400	0.275	0.321	0.294
Net assets at the end of the period	10.598	9.973	9.568	9.828	9.825	9.930

⁽¹⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of units outstanding over the financial period.

⁽²⁾ Distributions were reinvested in additional units of the Portfolio.

FDP CANADIAN BOND PORTFOLIO, SERIES A AND I (CONTINUED)

Ratios and Supplemental Data

	Six months ended June 30		Years ended December 31			
Series A	2020	2019	2018	2017	2016	2015
Net asset value (in thousands of dollars) ⁽¹⁾	345,712	323,896	307,749	332,787	302,963	362,440
Number of units outstanding (thousands) ⁽¹⁾	26,906	26,786	26,526	28,310	25,772	30,424
Management expense ratio (%) ⁽²⁾	1.078	1.084	1.093	1.230	1.221	1.197
Management expense ratio before waivers and absorptions (%)	1.078	1.084	1.093	1.230	1.221	1.197
Portfolio turnover rate (%) ⁽³⁾	1,311.42	2,235.60	2,150.70	1,635.70	1,381.07	1,437.73
Trading expense ratio (%) ⁽⁴⁾	0.01	—	—	0.02	0.02	0.03
Net asset value per unit	12.849	12.092	11.602	11.755	11.756	11.913

	Six months ended June 30		Years ended December 31			
Series I	2020	2019	2018	2017	2016	2015
Net asset value (in thousands of dollars) ⁽¹⁾	14,498	13,465	10,525	133,963	98,331	73,446
Number of units outstanding (thousands) ⁽¹⁾	1,368	1,350	1,100	13,632	10,008	7,397
Management expense ratio (%) ⁽²⁾	0.170	0.256	0.192	0.251	0.154	0.115
Management expense ratio before waivers and absorptions (%)	0.170	0.256	0.192	0.251	0.154	0.115
Portfolio turnover rate (%) ⁽³⁾	1,311.42	2,235.60	2,150.70	1,635.70	1,381.07	1,437.73
Trading expense ratio (%) ⁽⁴⁾	0.01	—	—	0.02	0.02	0.03
Net asset value per unit	10.598	9.973	9.568	9.828	9.825	9.930

⁽¹⁾ For the years ended December 31, 2015 and before, the information is derived from the audited annual financial statements in accordance with Canadian generally accepted accounting principles as defined in Part V of the Canada CPA Handbook. As a result, net assets per unit presented in the financial statements differ from the net asset value calculated for the purposes of calculating unit prices and the differences are explained in the notes to the financial statements. For the following fiscal years, the information is derived from audited annual financial statements in accordance with International Financial Reporting Standards (IFRS). In compliance with these Standards, net assets per unit presented in the financial statements generally equal the net asset value calculated to establish unit prices.

⁽²⁾ Management expense ratio includes management fees and operating expenses. It excludes income tax withheld on dividend income and transaction costs, and is expressed as a percentage of the daily average annualized net asset value during the fiscal year.

⁽³⁾ The portfolio turnover rate indicates how actively the portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

⁽⁴⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

MANAGEMENT FEES

Series A and Series I units pay management fees to the Manager, Professionals' Financial – Mutual Funds Inc., for service rendered to the unitholders, and investment management and administration services. Series A units' annual management fees of 0.85% and 0.05% for Series I are calculated daily according to the net assets and paid monthly after deducting the value of interfund investments. For the first six months of the year 2020, Series A units paid \$1,622,000 and \$4,000 for Series I to the Manager.

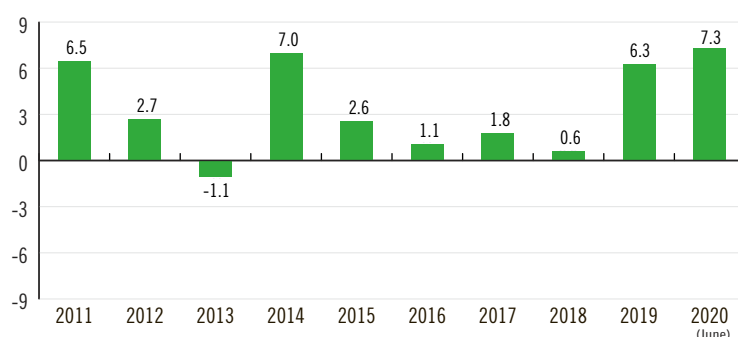
PAST PERFORMANCE

Information on performance presupposes that the Portfolio's distributions during the periods presented have been totally reinvested in additional units of the same series. The returns do not include deductions for sales fees, transfer, redemption or other optional fees (because there are none) or income taxes payable, and would be lower if they included such items. The Portfolio's past performance is not necessarily indicative of future performance.

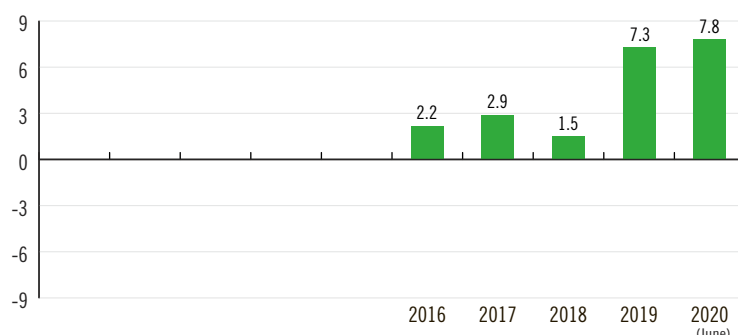
Annual Performance

The following bar graphs indicate the Portfolio's annual returns for each year. They show the year-to-year variation in the Portfolio's return. The graphs present, in percentage form, what would have been the upward or downward variation, on the last day of the period, of an investment made on the first day of that period.

% Series A



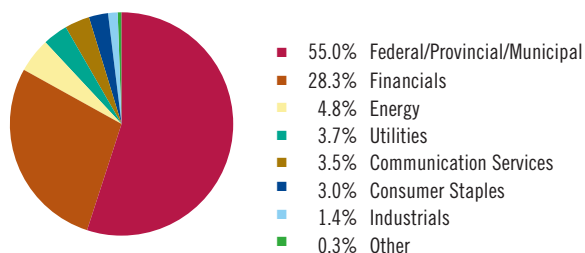
% Series I



FDP CANADIAN BOND PORTFOLIO, SERIES A AND I (CONTINUED)

OVERVIEW OF PORTFOLIO

Portfolio Mix



Top 25 Portfolio Holdings

	% of net asset value
Province of Ontario, 3.50%, Jun. 2, 2043	3.9
Province of Ontario, 2.40%, Jun. 2, 2026	3.4
Province of Ontario, 2.60%, Jun. 2, 2027	3.3
Canadian Imperial Bank of Commerce, 2.47%, Dec. 5, 2022	3.2
Province of Québec, 3.75%, Sep. 1, 2024	2.6
Province of Ontario, 1.75%, Sep. 8, 2025	2.4
Government of Canada, 3.50%, Dec. 1, 2045	2.3
Dollarama Inc., 3.55%, Nov. 6, 2023	2.3
Province of Québec, 3.50%, Dec. 1, 2045	2.3
Scotiabank, 2.38%, May 1, 2023	2.3
Bank of Montreal, 2.12%, Mar. 16, 2022	2.1
Canada Housing Trust, 2.65%, Mar. 15, 2028	1.9
Royal Bank of Canada, 3.30%, Sep. 26, 2023	1.8
Government of Canada, 2.00%, Dec. 1, 2051	1.8
Government of Canada, 2.25%, Jun. 1, 2029	1.8
HSBC Bank Canada, 2.25%, Sep. 15, 2022	1.8
Province of Ontario, 2.60%, Jun. 2, 2025	1.7
Province of Québec, 6.25%, Jun. 1, 2032	1.7
Province of Ontario, 5.85%, Mar. 8, 2033	1.7
Canadian Imperial Bank of Commerce, 2.04%, Mar. 21, 2022	1.6
Granite REIT Holdings Limited Partnership, 3.79%, Jul. 5, 2021	1.6
Province of Ontario, 2.60%, Sep. 8, 2023	1.6
Province of Québec, 5.00%, Dec. 1, 2041	1.5
Province of Ontario, 5.60%, Jun. 2, 2035	1.5
The Empire Life Insurance Company, 3.38%, Dec. 16, 2026	1.4

This portfolio may change due to continual trading in the Portfolio. An update of this data is available every quarter on our website at www.professionalsf.com.