

Annual Report 2003



Message from the President



International markets posted spirited returns in the past six months. Thus, despite a difficult start to the year, Canadian, U.S. and Asian stock markets experienced annual growth rates of more than 15% in their respective currencies. However, the high-flying loonie weighed negatively on returns generated by foreign investments.

With this context, the Desjardins Funds with exposure to the Canadian stock and bond markets logged solid performances for the year ended September 30, 2003. In spite of the short-term volatility in the stock markets, the Desjardins Fund portfolio managers were therefore able to maintain the security of the capital entrusted to them within a long-term horizon. To do so, they opted for portfolio diversification and selected high-quality securities so as to minimize risk and maximize investors' returns.

Moreover, in the past few months, Desjardins Trust has focused on retooling its range of Desjardins Funds, whose primary objective continues to be to offer high-performance products that meet the changing needs of investors. Thus, starting in January 2004, Desjardins Trust will introduce a range of funds that is not only updated but also enhanced with the addition of thirteen new funds*. Building portfolios in line with each investor profile will now be easier through a wider range of products, management styles and portfolio managers that are recognized nationally and internationally.

With respect to these managers, Desjardins Trust has entered into collaborative agreements with Fidelity and CI. These prominent firms are partnering with Desjardins to market some of their top products under the Desjardins Funds banner without front-end or back-end loads. This further confirms the major role played by Desjardins Trust in the mutual funds industry.

Finally, Desjardins Group recently reached a partnership agreement with Fiera Capital Management, a highly regarded investment management firm. Desjardins Funds will now be able to draw on this team for the management of some of its portfolios.

Together with the long-term economic outlook, these actions allow Desjardins Trust to look to the future with enthusiasm. By offering top-quality products, Desjardins Trust seeks to contribute to the financial success of Desjardins members and clients and, in addition, assist Desjardins Group in being the main financial asset manager of Quebecers.

A handwritten signature in dark ink, appearing to read 'Jean Landry'.

Jean Landry, CA
President and Chief Operating Officer
Desjardins Trust

*The launch of new funds, as are the changes proposed to current funds, is subject to the approval of securities authorities and, in some cases, the approval of unitholders affected by the changes.

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Review of Financial Year

Long awaited recovery finally here

Unlike in the previous two years, a global economic upturn and strong market rallies marked the financial year ended September 30, 2003. Indeed, highly positive indicators appeared as early as the fall of 2002. The situation in the U.S. seemed to improve gradually while stronger consumer spending gave a welcome boost to foreign companies exporting to North America.

However, in the spring of 2003, a solid market recovery was no doubt prevented by the uncertainty surrounding the start of hostilities in Iraq. Worried about the duration of the conflict, investors sought a safe haven in bonds and gold, thereby sharply lifting their prices. Given the very stakes of the conflict, oil prices spiked up, thus severely hurting the economies of several Western countries.

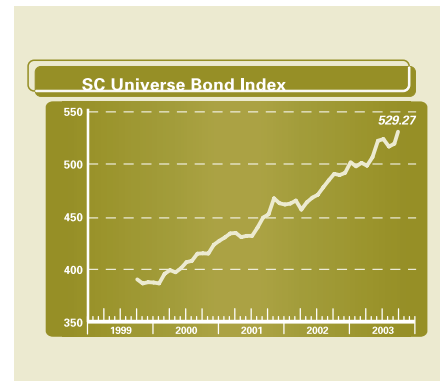
Fortunately, the war ended quickly, bringing back optimism to the markets, especially since fundamental indicators pointed to a long-awaited economic recovery in North America. Indeed, corporate earnings started to grow, consumer confidence strengthened and investors gradually plunked some of their hefty cash resources back into the stock markets.

Since June, and for the first time in three years, analysts have been upgrading earnings expectations for U.S. firms. This is a bellwether indicator of short-term market trends.

Higher corporate productivity partly explains this jump in earnings. In the U.S. manufacturing sector, productivity continued to climb in 2003 on the back of a record 6.1% rise in 2002.

However, higher productivity also explains why the current recovery has not yet created jobs in the U.S. Nonetheless, hiring intentions are very encouraging and could, if they materialize, further fuel consumer spending.

Your Desjardins portfolio managers will also continue to keep close tabs on price index trends, since the threat of deflation cannot be definitely ruled out. In fact, deflation fears are keeping interest rates low, a situation that is making capital markets more accessible to businesses.



Market developments

Money market

At the beginning of the financial year, monetary policy in Canada was clearly distinguishable from that in the U.S. While the U.S. Federal Reserve sought to stimulate the economy through very low interest rates, the Bank of Canada increased its rates in March and in April 2003. The resulting spread between U.S. and Canadian short-term interest rates propped up the loonie, which in turn had a dampening effect on our exports. The SARS outbreak in Toronto and an isolated case of mad cow disease also put the brakes on the Canadian economy. These factors, coupled with the fear of deflation, led the central bank to change course and cut interest rates in July as well as in September. Thus, as at September 30, 2003, the overnight rate was set at 2.75%, exactly where it stood at the same time last year.

Bond market

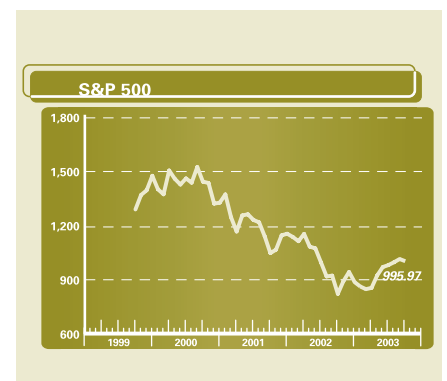
In the first half of the financial year, investors were jittery about the impending conflict in Iraq and drove up demand for bonds to overwhelming levels. This trend could have been reversed along with the upswing in stock market indices, but many investors chose to wait for confirmation of a recovery to unload their bonds. In addition, the spectre of deflation raised by central banks in May helped maintain bond rates at a record low. Improved economic data, especially those related to the manufacturing sector, combined with the ballooning U.S. budget deficit, have tended to cause these rates to rise moderately since June.

Stock markets

Following upturns in the last quarter of 2002, most stock markets were weighed down heavily in the first quarter of 2003 amid the uncertainty preceding hostilities in Iraq. The Canadian stock market fared better than its counterparts, thanks to the relative importance of its energy sector, which benefited from price hikes resulting from the impending war.

At the end of March, despite persistent geopolitical tensions, both investors and consumers were upbeat, strongly fuelling the stock markets. Sectors that were hardest hit by the market pullback, such as technology, staged the best performance. Similarly, European stock markets posted spectacular gains, starting in April. Improved corporate earnings and a spike in manufacturing sector investments gave a solid foundation to this market rally.

The returns generated by international equities are obviously overshadowed by the loonie's rise of more than 14% against the U.S. dollar since the beginning of 2003. U.S. dollar returns therefore need to be reduced by approximately 14% to determine the equivalent results in Canadian dollars.



Your Portfolio Managers

During the year ended September 30, 2003, most of the Desjardins Funds were managed by Elantis Investment Management and the New York firm AllianceBernstein. Under their respective mandates, the managers strived to achieve stable returns and provide added value to the Funds compared with the performance of benchmark indices.

As of October 1, 2003, Desjardins Investment Management will become the securities advisor for all Desjardins Funds and, in this capacity, will be responsible for hiring securities subadvisors. Desjardins Investment Management, which already had responsibility for managing the Desjardins Select and Desjardins Ethical Funds, can enter into agreements regarding the composition of these Funds with seven prominent fund producers.

Also effective October 1, Fiera Capital Management, a new portfolio management firm in which Desjardins Group has a 30% interest, will take over the management mandates that had been entrusted up to now to Elantis Investment Management. It is important to note that Fiera Capital Management will not take over any mandates from AllianceBernstein, which still carries on mandates.

Elantis Investment Management

Until the end of September 2003, the company managed assets amounting to \$13 billion and consisted of three management teams, each coordinated by a Chief Investment Officer: fixed income securities, North American equities and international equities. These teams were composed of seasoned managers and supported by fundamental and quantitative research groups.

Fiera Capital Management

Fiera Capital Management brings together top-flight fund management experts covering all asset categories. It particularly specializes in managing bonds, Canadian equities and asset mix.

The company, which Desjardins has entrusted with over \$5 billion in assets under management, is determined to achieve further expansion through acquisitions and external contributions. Fiera Capital Management is targeting vigorous annual growth and seeks to achieve industry-best results. To do so, it focuses on accountability and teamwork.

AllianceBernstein

This prestigious company resulted from the 2000 merger of Alliance Capital Management and Sanford C. Bernstein. The two components each play a specific role: Alliance Capital Management manages growth portfolios, whereas Sanford C. Bernstein is responsible for value management.

AllianceBernstein is headquartered in New York and has 36 offices throughout the world. It manages the pension funds of some 40 U.S. states, as well as the pension funds of 45 Fortune 100 corporations. The company is a world-renowned leader in international investment fund management.

AllianceBernstein, whose assets under management total US\$427 billion, has over 4,000 employees, including 550 professionals, managers and analysts. Noted for its impartiality and efficiency, its sizeable fundamental research department ranks among the best in North America.

Desjardins Select and Desjardins Ethical Funds

The wide range of Desjardins Funds gives investors access to the products of national and international investment fund companies and the expertise of experienced portfolio managers, who draw on a variety of management styles.

Accordingly, Desjardins Select and Desjardins Ethical Funds are developed based on funds proposed by recognized producers.

Fidelity Investments Canada

Since its inception in 1987, Fidelity Investments Canada has become the eighth largest investment fund company in Canada. It is part of Boston-based Fidelity Investments, one of the largest financial services providers in the world, with over 18 million clients and assets exceeding US\$880 billion. Toronto is home to Fidelity Investments Canada, which also operates regional offices. The company manages assets of over C\$26 billion.

CI Mutual Funds

Since acquiring BPI in 1999, CI Mutual Funds has become one of Canada's ten largest investment fund managers. The company made major acquisitions in 2002 and 2003, which have enabled it to offer the broadest range of funds in Canada. Its assets under management total nearly \$35 billion.

AGF Funds

Founded in 1957, AGF is the first mutual fund producer to offer a U.S. equities fund to Canadian investors. Today, it manages assets in excess of \$27 billion and serves over one million investors.

Talvest Fund Management

Created in 1985, Talvest Fund Management manages over \$4 billion in assets. The company has regional offices in Montréal, Toronto, Calgary and Vancouver.

Cartier Mutual Funds

Established in 1999, Cartier Mutual Funds manages institutional and private investments. It has entered into agreements with 13 management companies that draw on complementary styles.

Brandes Investment Partners

Founded in California, Brandes Investment Partners boasts over 25 years of experience in global investment management. It has assets under management totalling over \$100 billion, including more than \$7 billion from Canadian investors.

Credential Group®

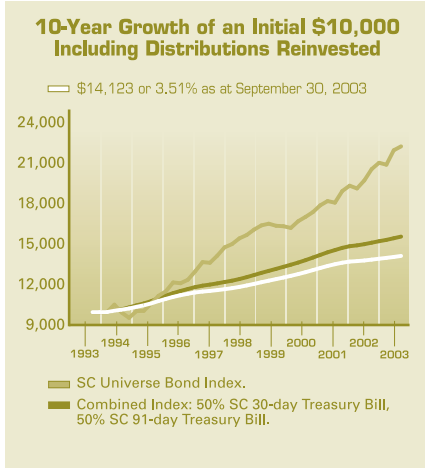
This company was the first to market mutual funds in Canada that satisfy socially responsible investment conditions with the launch of its family of Ethical Funds® in 1986. Vancouver-based Credential Group® manages \$2 billion in assets and supports cooperative movements.

Objective

The objective of the Desjardins Money Market Fund is to conserve capital while achieving a regular income.

Portfolio Composition

The assets of the Desjardins Money Market Fund are primarily invested in Treasury bills and short-term debt securities.



FIXED INCOME FUNDS

Desjardins Money Market Fund

Overview

Amid fears of an overheated economy, the Bank of Canada increased its key interest rate twice, in March and April. However, two successive rate cuts of 0.25% were made subsequently to offset the slowdown brought about by the SARS outbreak and the boycott of Canadian beef exports, following an isolated case of mad cow disease. Thus, at the end of the financial year, the target overnight rate of the central bank was the same as at the beginning of the year.

Top 10 Holdings

	%
1. Treasury Bills – Canada, 2003-12-18	11.6
2. Treasury Bills – Canada, 2003-11-20	11.5
3. Treasury Bills – Canada, 2004-02-12	8.1
4. Treasury Bills – Canada, 2004-03-11	6.5
5. Treasury Bills – Québec, 2003-12-23	6.1
6. Treasury Bills – Canada, 2004-01-15	6.0
7. Treasury Bills – Québec, 2003-11-14	5.0
8. Treasury Bills – Québec, 2003-12-19	3.5
9. Hydro-Québec, notes, 2003-11-14	2.9
10. Canadian Wheat Board, notes, 2003-12-15	2.3
Total	63.5

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 10.005	\$ 10.005	\$ 10.005	\$ 10.005	\$ 10.005
Income and gain on investment operations					
Net investment income (loss)	0.193	0.168	0.290	0.444	0.378
Distributions to investors					
Net investment income	0.193	0.168	0.290	0.444	0.378
Net Asset Value, End of Year	\$ 10.005	\$ 10.005	\$ 10.005	\$ 10.005	\$ 10.005
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$597,545	\$605,543	\$253,368	\$ 98,364	\$122,814
Average net assets (in thousands)	\$593,515	\$558,194	\$153,142	\$111,204	\$ 94,296
Management expense ratio (Note 4)	1.15%	1.15%	1.15%	1.15%	1.15%
Management expense ratio before waived fees	1.44%	1.31%	1.31%	1.22%	n.a.

Years Ended September 30	2003	2002	2001	2000	1999
Annual return	1.95%	1.66%	4.15%	4.35%	3.85%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Money Market Fund

Investment Portfolio as at September 30, 2003

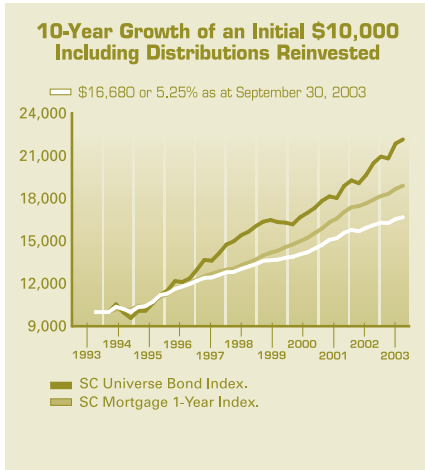
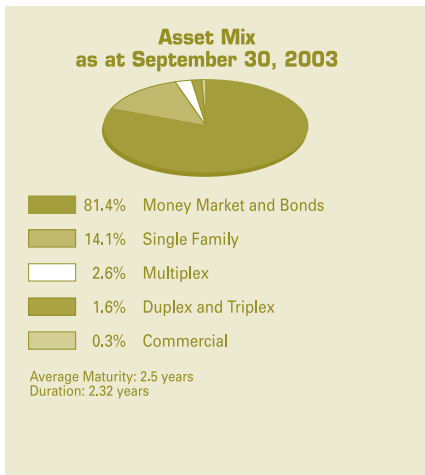
	Par Value	Amortized Cost		Par Value	Amortized Cost
Money Market Securities (95.6%)			Bonds (5.2%)		
Apollo Trust, notes			Provincial Governments and Crown Corporations (1.2%)		
2003-12-22	\$ 3,675,000	\$ 3,649,716	Province of Nova Scotia, floating rate		
Caisse centrale Desjardins, notes			2005-02-28	\$ 7,000,000	\$ 7,004,390
2003-12-03	7,360,000	7,321,295	Corporations (4.0%)		
Canadian Imperial Bank of Commerce, notes	1,000,000	993,560	Caisse centrale Desjardins, floating rate	6,000,000	6,001,000
Canadian Wheat Board, notes			2004-06-11		
2003-11-17	8,000,000	7,941,520	GE Capital Canada Funding Company, floating rate	6,000,000	6,000,000
2003-12-15	13,850,000	13,668,565	2005-01-05		
Corporation d'hébergement du Québec, notes			Molson, floating rate	5,000,000	5,000,000
2003-11-07	11,825,000	11,716,328	2005-09-16		
2003-11-26	5,825,000	5,732,266	Shell Canada, floating rate	7,175,000	7,175,364
2003-12-03	4,000,000	3,937,760	2003-12-15		<u>24,176,364</u>
2003-12-10	8,505,000	8,450,908	Total Bonds		<u>31,180,754</u>
Credit Union Central of Saskatchewan, notes			Total Investments (100.8%)		<u>602,239,603</u>
2003-11-05	4,000,000	3,971,000	Net Other Assets (– 0.8%)		<u>(4,694,754)</u>
DaimlerChrysler Canada Finance, notes			Net Assets (100%)		<u>\$597,544,849</u>
2003-12-17	7,300,000	7,250,506			
Financement-Québec, notes					
2003-11-21	9,500,000	9,432,930			
2003-11-24	500,000	496,630			
Financière Agricole du Québec, notes					
2004-03-26	1,900,000	1,874,483			
Hertz Canada, notes					
2003-10-16	6,400,000	6,349,376			
Hydro-Québec, notes					
2003-11-14	17,650,000	17,529,264			
2003-11-17	6,575,000	6,526,082			
2003-12-02	3,925,000	3,896,819			
2003-12-11	4,000,000	3,963,120			
Kellogg, notes					
2003-10-23	4,500,000	4,489,965			
National Bank of Canada, notes					
2004-01-05	2,350,000	2,314,398			
Prime Trust, notes					
2003-10-09	4,650,000	4,599,548			
Province of Nova Scotia, notes					
2003-12-04	8,200,000	8,158,261			
2003-12-30	12,800,000	12,611,807			
Province of Prince Edward Island, notes					
2004-01-20	5,500,000	5,412,550			
Rocket Trust, notes					
2003-12-18	4,000,000	3,972,679			
Royal Bank of Canada, notes					
2004-03-01	11,000,000	10,876,140			
Treasury Bills – Canada					
2003-11-20	69,575,000	68,689,697			
2003-12-18	70,300,000	69,470,635			
2004-01-15	35,975,000	35,566,227			
2004-01-29	4,225,000	4,148,443			
2004-02-12	49,250,000	48,628,375			
2004-02-26	5,725,000	5,608,668			
2004-03-11	39,275,000	38,767,072			
2004-07-15	3,000,000	2,924,010			
Treasury Bills – New Brunswick					
2003-11-28	2,700,000	2,681,424			
Treasury Bills – Ontario					
2003-11-12	13,600,000	13,512,140			
Treasury Bills – Québec					
2003-11-07	12,800,000	12,714,284			
2003-11-14	29,900,000	29,694,608			
2003-12-19	21,235,000	21,106,863			
2003-12-23	36,425,000	36,188,294			
Volvo Group, notes					
2003-12-19	4,250,000	4,220,633			
Total Money Market Securities		<u>571,058,849</u>			

Objective

The objective of the Desjardins Mortgage Fund is to provide a high income return.

Portfolio Composition

This Fund's portfolio is made up primarily of quality residential mortgages. It may also contain mortgage claims, as well as money market instruments and bonds for liquidity purposes.



FIXED INCOME FUNDS

Desjardins Mortgage Fund

Overview

The stock market upturn having lured investors away from fixed income issues, their returns, especially those of mortgage securities, fell short of previous year results. The Fund underperformed its benchmark index, due to the lack of high-quality mortgages. Unitholders were however compensated by monthly income and low variability.

Top 10 Holdings

	%
1. Mortgages	18.6
2. Canada Housing Trust, Series 1, 5.527%, 2006-06-15	9.6
3. Toronto-Dominion Bank NHA, 3.875%, 2007-02-01	8.0
4. Toronto-Dominion Bank NHA, 4.750%, 2007-07-01	6.6
5. Maritime Life NHA, 5.000%, 2004-05-01	3.8
6. GE Capital Canada Funding Company, 4.350%, 2006-02-06	3.0
7. Toronto-Dominion Bank NHA, 4.500%, 2007-09-01	2.7
8. Treasury Bills – Canada, 2004-01-15	2.4
9. Citigroup Finance Canada, 4.300%, 2005-01-11	2.2
10. Canadian Wheat Board, notes, 2003-11-07	2.2
Total	59.1

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 4.584	\$ 4.588	\$ 4.508	\$ 4.477	\$ 4.601
Income and gain on investment operations					
Net investment income (loss)	0.147	0.168	0.166	0.228	0.227
Realized and unrealized net gain (loss) on investments	0.007	(0.008)	0.087	0.036	(0.132)
Total	0.154	0.160	0.253	0.264	0.095
Distributions to investors					
Net investment income	0.146	0.164	0.173	0.233	0.219
Net Asset Value, End of Year	\$ 4.592	\$ 4.584	\$ 4.588	\$ 4.508	\$ 4.477

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$367,537	\$246,634	\$136,033	\$121,148	\$163,759
Average net assets (in thousands)	\$303,100	\$202,940	\$124,978	\$136,962	\$167,935
Management expense ratio (Note 4)	1.84%	1.84%	1.84%	1.77%	1.73%
Management expense ratio before waived fees	1.97%	1.87%	n.a.	n.a.	n.a.
Portfolio turnover rate	36.70%	31.26%	19.09%	4.93%	29.28%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	3.40%	3.55%	7.68%	4.68%	3.33%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Mortgage Fund

Investment Portfolio as at September 30, 2003

	Par Value	Average Cost	Market Value	Principal Balance Outstanding	Amortized Cost	Market Value
Bonds (29.5%)						
Provincial Governments and Crown Corporations (1.7%)						
Hydro One 4.000%, 2005-10-31	\$ 6,000,000	\$ 6,044,820	\$ 6,102,978			
Corporations (27.8%)						
Bank of Montreal floating rate, 2010-06-08	4,500,000	4,719,150	4,760,542			
Canada Housing Trust, Series 1 5.527%, 2006-06-15	33,500,000	35,265,200	35,447,430			
CHIP Four Term Trust 6.710%, 2005-11-15	4,000,000	4,293,360	4,278,472			
Citigroup Finance Canada 4.300%, 2005-01-11	8,000,000	8,103,200	8,141,273			
DaimlerChrysler Canada Finance 7.200%, 2006-05-03	4,000,000	4,181,680	4,278,976			
Enbridge 5.450%, 2006-04-12	5,000,000	4,990,545	5,239,264			
Gaz Métropolitain 10.750%, 2006-12-15	4,000,000	4,892,800	4,840,232			
GE Capital Canada Funding Company 4.350%, 2006-02-06	10,885,000	11,058,833	11,126,464			
GMAC Commercial Mortgage Securities of Canada 6.800%, 2005-06-06	5,000,000	5,195,000	5,159,320			
Greater Toronto Airports Authority 5.950%, 2007-12-03	5,000,000	5,118,500	5,331,129			
Royal Bank of Canada 6.500%, 2011-09-12	1,045,000	1,117,314	1,132,491			
6.750%, initial rate (until 2007) 2012-06-04	2,000,000	2,183,200	2,204,020			
Télébec 8.350%, 2005-06-30	2,350,000	2,550,925	2,542,787			
TELUS Corporation 7.500%, 2006-06-01	2,000,000	2,100,400	2,145,000			
Toyota Credit Canada 6.750%, 2004-11-09	5,400,000	5,651,370	5,627,265			
		<u>101,421,477</u>	<u>102,254,665</u>			
Total Bonds		<u>107,466,297</u>	<u>108,357,643</u>			
Mortgage-Backed Securities (25.2%)						
Canada Trustco NHA 5.000%, 2004-02-01				\$ 6,092,145	\$ 6,177,618	\$ 6,110,405
Equitable Trust NHA 7.250%, 2006-03-01				3,901,821	4,223,214	4,220,683
Maritime Life NHA 5.000%, 2004-05-01				13,724,930	14,038,682	13,823,384
Toronto-Dominion Bank NHA 6.250%, 2005-06-01				4,384,937	4,612,954	4,601,742
3.875%, 2007-02-01				29,459,402	29,031,357	29,646,597
4.750%, 2007-07-01				23,475,289	23,742,203	24,178,698
4.500%, 2007-09-01				9,743,460	9,673,502	9,954,805
					<u>91,499,530</u>	<u>92,536,314</u>
Mortgages (18.6%)				67,158,813	67,495,563	68,568,120
Leasing Securities (1.2%)						
Glacier Credit Card Trust 6.163%, 2006-07-21				4,000,000	4,266,000	4,284,651
					Average Cost	
Properties Acquired Through Realization of Mortgage (0.0%)					4,535	4,535
Total Investments (74.5%)				<u>\$270,731,925</u>		<u>273,751,263</u>
Money Market Securities (25.3%)						92,836,859
Net Other Assets (0.2%)						949,168
Net Assets (100%)						<u>\$367,537,290</u>

Desjardins Mortgage Fund

Schedule of Mortgage Interest Rates as at September 30, 2003

Interest Rate	Number of Mortgage Loans	Principal Balance Outstanding	Amortized Cost	Market Value	Interest Rate	Number of Mortgage Loans	Principal Balance Outstanding	Amortized Cost	Market Value
3.750%	1	\$ 63,026	\$ 63,604	\$ 63,052	6.750%	125	\$ 5,338,496	\$ 5,364,830	\$ 5,473,368
4.250	18	837,016	844,510	837,603	7.000	135	5,978,906	6,006,641	6,124,444
4.500	90	3,768,903	3,798,865	3,777,487	7.250	101	4,840,180	4,870,972	5,028,627
4.750	65	2,900,126	2,912,503	2,900,373	7.500	95	3,842,089	3,870,164	3,996,751
5.000	89	3,503,322	3,526,108	3,509,674	7.750	95	3,637,680	3,661,897	3,798,670
5.250	58	1,911,403	1,915,657	1,900,724	8.000	37	1,415,988	1,426,701	1,485,196
5.500	73	3,786,424	3,794,988	3,792,132	8.250	59	2,160,979	2,180,261	2,299,285
5.750	85	4,280,132	4,291,268	4,312,672	8.500	12	405,553	408,446	431,087
6.000	95	5,514,932	5,532,332	5,584,722	8.750	2	34,027	34,339	37,918
6.250	161	8,023,454	8,052,472	8,172,936					
6.500	109	4,916,177	4,939,005	5,041,399					
						1,505	\$ 67,158,813	\$ 67,495,563	\$ 68,568,120

Schedule of Mortgage Insurance Categories as at September 30, 2003

	Number of Mortgage Loans	Principal Balance Outstanding	Amortized Cost	Market Value
Loans insured by CMHC	297	\$ 14,849,752	\$ 14,919,777	\$ 15,175,474
Loans insured by MICC	74	2,688,943	2,688,943	2,712,490
Loans insured by GE Capital	1	77,366	78,076	80,927
Loans insured at 50% by GE Capital	8	870,001	877,983	902,485
Conventional loans – uninsured	1,125	48,672,751	48,930,784	49,696,744
	1,505	\$ 67,158,813	\$ 67,495,563	\$ 68,568,120

Schedule of Mortgage Maturities as at September 30, 2003

	Number of Mortgage Loans	Principal Balance Outstanding	Amortized Cost	Market Value
One year and under	629	\$ 25,948,362	\$ 26,091,416	\$ 26,152,573
Over one year and under five years	869	40,936,163	41,128,008	42,119,108
Five years and over	7	274,288	276,139	296,439
	1,505	\$ 67,158,813	\$ 67,495,563	\$ 68,568,120

FIXED INCOME FUNDS

Desjardins Bond Fund

Overview

Uncertainty preceding hostilities in Iraq pushed investors to seek safe haven in bonds, but improved leading indicators at the end of the conflict put upward pressure on bond rates. However, U.S. monetary authorities were concerned that low inflation levels could hurt the economy. The increase in bond rates was therefore limited.

Top 10 Holdings

	%
1. Government of Canada, 5.750%, 2029-06-01	12.5
2. Government of Canada, 9.000%, 2004-12-01	8.6
3. Province of Québec, 6.500%, 2005-12-01	6.5
4. Province of Québec, 5.500%, 2009-06-01	4.5
5. Province of Ontario, 6.500%, 2029-03-08	4.0
6. Government of Canada, 8.750%, 2005-12-01	3.4
7. Government of Canada, 8.000%, 2027-06-01	2.6
8. Government of Canada, 5.250%, 2012-06-01	2.5
9. Government of Canada, 7.250%, 2007-06-01	1.9
10. Province of Québec, 6.000%, 2029-10-01	1.6
Total	48.1

Statement of Financial Highlights

Data per Unit – A-Class

	2003*	2002*	2001**	2000***	1999***
Net Asset Value, Beginning of Year	\$ 5.346	\$ 5.299	\$ 5.250	\$ 5.112	\$ 5.486
Income and gain on investment operations					
Net investment income (loss)	0.218	0.237	0.184	0.259	0.286
Realized and unrealized net gain (loss) on investments	0.088	0.045	0.056	0.146	(0.389)
Total	0.306	0.282	0.240	0.405	(0.103)
Distributions to investors					
Net investment income	0.216	0.235	0.191	0.267	0.271
Net Asset Value, End of Year	\$ 5.436	\$ 5.346	\$ 5.299	\$ 5.250	\$ 5.112

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$261,068	\$201,963	\$183,648	\$165,257	\$217,237
Average net assets (in thousands)	\$224,421	\$194,185	\$174,728	\$179,910	\$218,168
Management expense ratio (Note 4)	1.84%	1.84%	1.84%	1.77%	1.75%
Management expense ratio before waived fees	1.97%	1.88%	n.a.	n.a.	n.a.
Portfolio turnover rate	43.63%	32.01%	24.36%	41.10%	45.98%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	5.88%	5.44%	7.06%	4.64%	0.54%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

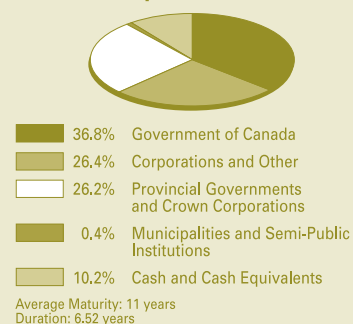
Objective

The objective of the Desjardins Bond Fund is to provide a high and regular income return as well as greater security of capital.

Portfolio Composition

This Fund's portfolio is made up mainly of government and corporate bonds. Foreign bonds may also be held when justified by market conditions.

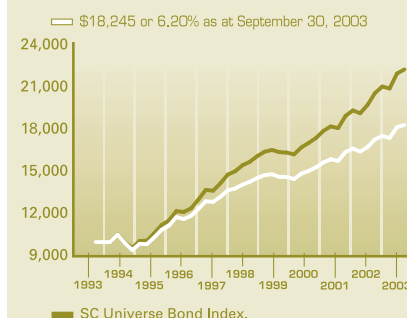
Asset Mix
as at September 30, 2003



Compound Annual Return (in %)
as at September 30, 2003



10-Year Growth of an Initial \$10,000
Including Distributions Reinvested



Desjardins Bond Fund

Investment Portfolio as at September 30, 2003

Bonds (88.5%)	Par Value	Average Cost	Market Value		Par Value	Average Cost	Market Value
Government of Canada (36.8%)							
package, 9.000%, 2004-12-01	\$ 600,000	\$ 657,985	\$ 642,038	GE Capital Canada Funding Company	\$ 2,190,000	\$ 2,186,868	\$ 2,302,617
9.000%, 2004-12-01	20,885,000	22,980,576	22,385,793	5.300%, 2007-07-24			
8.750%, 2005-12-01	8,000,000	8,956,000	8,964,631	George Weston	1,880,000	1,878,928	2,020,440
stripped, 2006-12-01	4,630,000	3,721,779	4,155,907	5.900%, 2009-02-05			
7.250%, 2007-06-01	4,430,000	4,913,180	5,005,665	GMAC Commercial Mortgage			
6.000%, 2011-06-01	3,125,000	3,290,351	3,458,874	Securities of Canada	1,045,000	1,036,138	1,061,206
5.250%, 2012-06-01	6,095,000	6,124,866	6,436,662	5.450%, 2005-03-21			
10.250%, 2014-03-15	1,445,000	2,003,493	2,121,297	Greater Toronto Airports Authority	1,300,000	1,299,324	1,369,208
8.000%, 2023-06-01	2,645,000	3,362,346	3,595,912	6.250%, 2012-01-30	1,850,000	1,848,391	1,920,617
8.000%, 2027-06-01	4,850,000	6,214,513	6,742,962	6.980%, 2032-10-05			
5.750%, 2029-06-01	30,000,000	30,955,145	32,625,000	Loblaws Companies	1,500,000	1,552,650	1,621,228
		<u>93,180,234</u>	<u>96,134,741</u>	6.000%, 2008-06-02	1,017,000	1,057,680	1,110,575
				6.850%, 2032-03-01			
Provincial Governments and Crown Corporations (26.2%)				Molson			
Hydro One				6.000%, 2008-06-02	1,330,000	1,287,334	1,423,857
6.400%, 2011-12-01	1,500,000	1,578,450	1,650,318	National Bank of Canada			
6.930%, 2032-06-01	2,185,000	2,278,955	2,480,939	6.900%, 2010-06-07	1,850,000	1,943,240	1,964,810
New Brunswick Highway Corporation				PanCanadian Petroleum			
6.470%, 2027-11-30	1,800,000	1,800,000	2,001,546	8.400%, 2004-12-15	1,525,000	1,757,242	1,621,988
Nova Scotia Power				5.800%, 2008-06-02	1,960,000	1,898,529	2,087,395
8.850%, 2025-05-19	475,000	612,798	583,301	Power Financial Corporation			
Ontario Hydro				6.900%, 2033-03-11	890,000	893,943	971,144
8.250%, 2026-06-22	1,875,000	2,328,015	2,521,569	Proviso			
Province of British Columbia				6.350%, 2004-12-01	500,000	525,850	519,746
5.700%, 2029-06-18	980,000	953,550	1,003,963	Royal Bank of Canada			
Province of Ontario				6.500%, 2011-09-12	2,000,000	2,138,400	2,167,448
6.250%, 2005-03-08	3,600,000	3,906,000	3,772,032	Suncor Energy			
6.500%, 2029-03-08	9,185,000	9,988,763	10,355,846	6.800%, 2007-03-05	655,000	693,593	715,823
Province of Québec				6.100%, 2007-08-07	530,000	551,730	569,482
package, 12.600%, 2004-12-28	1,150,000	1,488,974	1,287,879	Sun Life Assurance Company of Canada			
6.500%, 2005-12-01	15,945,000	16,968,669	17,079,704	6.150%, 2022-06-30	2,000,000	2,021,200	2,128,138
7.750%, 2006-03-30	2,480,000	2,696,886	2,747,828	Télébec			
11.000%, 2009-04-01	2,440,000	3,232,439	3,259,006	8.350%, 2005-06-30	600,000	689,490	649,222
5.500%, 2009-06-01	11,130,000	11,859,572	11,860,911	Toronto-Dominion Bank			
stripped, 2012-06-04	2,082,000	1,180,506	1,356,856	5.200%, 2012-09-04	650,000	649,513	682,829
9.375%, 2023-01-16	1,470,000	1,952,740	2,148,945	5.690%, 2018-06-03	2,350,000	2,349,577	2,452,611
6.000%, 2029-10-01	4,040,000	<u>3,932,840</u>	<u>4,251,199</u>	Toyota Credit Canada			
		<u>66,759,157</u>	<u>68,361,842</u>	6.750%, 2004-11-09	3,055,000	3,093,045	3,183,573
				TransAlta Corporation			
Municipalities and Semi-Public Institutions (0.4%)				6.600%, 2009-10-13	1,385,000	1,384,598	1,433,235
Régie d'aqueduc intermunicipale				TransCanada PipeLines			
des Moulins				8.290%, 2026-02-05	1,100,000	1,338,788	1,327,832
11.000%, 2004-01-09	1,000,000	<u>1,264,480</u>	<u>1,022,300</u>	6.890%, 2028-08-07	2,475,000	2,594,389	2,588,275
				Wells Fargo Financial Canada			
Corporations (25.1%)				Corporation			
AltaLink				5.100%, 2006-10-26	915,000	940,171	955,849
4.450%, 2008-06-05	1,500,000	1,499,595	1,525,711	Westcoast Energy			
Bank of Nova Scotia				5.750%, 2003-12-01	1,500,000	<u>1,509,090</u>	<u>1,505,624</u>
5.190%, 2007-02-19	2,330,000	2,328,369	2,448,266			<u>63,853,530</u>	<u>65,602,575</u>
Bell Canada				Total Bonds		<u>225,057,401</u>	<u>231,121,458</u>
6.250%, 2003-12-01	1,730,000	1,721,177	1,740,471				
10.350%, 2009-12-15	800,000	1,014,800	1,048,587	Principal Balance Outstanding			
11.450%, 2010-04-15	1,080,000	1,440,720	1,482,463	Amortized Cost			
Bombardier Capital							
6.600%, 2004-11-29	1,070,000	1,068,117	1,088,725	Mortgage-Backed Securities (0.9%)			
Canadian Imperial Bank of Commerce				Toronto-Dominion Bank NHA			
7.000%, 2011-10-23	900,000	981,261	987,118	5.375%, 2028-07-01	2,436,083	<u>2,328,424</u>	<u>2,423,295</u>
Canadian Utilities				Leasing Securities (0.4%)			
8.430%, 2005-06-01	3,420,000	3,749,747	3,718,375	Broadcast Center Trust			
Citigroup Finance Canada				7.530%, 2027-05-01	750,510	<u>806,611</u>	<u>909,393</u>
4.300%, 2005-01-11	2,135,000	2,140,850	2,172,702				
Consumers Gas				Average Cost			
6.050%, 2023-07-05	1,975,000	1,972,235	1,915,018				
Enbridge				Total Investments (89.8%)		<u>\$228,192,436</u>	<u>234,454,146</u>
5.700%, 2005-03-17	885,000	884,912	915,775	Money Market Securities (9.0%)			<u>23,376,172</u>
5.450%, 2006-04-12	3,000,000	2,994,327	3,143,559	Net Other Assets (1.2%)			<u>3,237,490</u>
Gaz Métropolitain				Net Assets (100%)			<u>\$261,067,808</u>
11.750%, 2005-11-15	220,000	234,146	248,990				
10.750%, 2006-12-15	1,100,000	1,334,080	1,331,064				
6.050%, 2008-11-10	1,370,000	1,369,493	1,480,979				

BALANCED FUNDS

Desjardins Balanced Fund

Overview

The Fund benefited from the decline in bond rates in the fall of 2002 as well as the robust stock market performance since mid-March. Expecting investors to flock back to stock markets, portfolio managers favoured Canadian and international equities, as a hedge against the downward trend that seems to be dogging the U.S. dollar.

Top 10 Holdings

	%
1. Government of Canada, 5.750%, 2029-06-01	2.6
2. Royal Bank of Canada	2.1
3. Government of Canada, 9.000%, 2004-12-01	1.8
4. Province of Québec, 5.500%, 2009-06-01	1.7
5. Government of Canada, stripped, 2006-12-01	1.7
6. Bank of Nova Scotia	1.5
7. Toronto-Dominion Bank	1.5
8. Treasury Bills – Canada, 2003-11-20	1.3
9. Alcan	1.3
10. EnCana Corporation	1.3
Total	16.8

Statement of Financial Highlights

Data per Unit – A-Class

	2003*	2002*	2001**	2000***	1999***
Net Asset Value, Beginning of Year	\$ 13.185	\$ 14.581	\$ 16.689	\$ 16.820	\$ 15.916
Income and gain on investment operations					
Net investment income (loss)	0.197	0.211	0.152	0.220	0.296
Realized and unrealized net gain (loss) on investments	0.966	(1.103)	(2.103)	0.425	0.899
Total	1.163	(0.892)	(1.951)	0.645	1.195
Distributions to investors					
Net investment income	0.203	0.200	0.157	0.238	0.291
Net gain on sale of investments	—	0.304	—	0.538	—
Total	0.203	0.504	0.157	0.776	0.291
Net Asset Value, End of Year	\$ 14.145	\$ 13.185	\$ 14.581	\$ 16.689	\$ 16.820

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$381,857	\$398,645	\$491,576	\$616,295	\$780,024
Average net assets (in thousands)	\$387,352	\$475,732	\$556,346	\$684,810	\$809,556
Management expense ratio (Note 4)	2.17%	2.17%	2.17%	2.09%	2.06%
Management expense ratio before waived fees	2.33%	2.23%	n.a.	n.a.	n.a.
Portfolio turnover rate	51.54%	52.91%	31.36%	72.24%	54.39%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	8.89%	-6.50%	-15.69%	16.85%	8.20%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

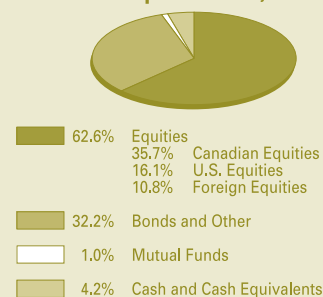
Objective

The objective of the Desjardins Balanced Fund is to provide reasonable income and long-term capital growth.

Portfolio Composition

The Desjardins Balanced Fund portfolio includes money market and fixed income securities, as well as Canadian and foreign equities.

**Asset Mix
as at September 30, 2003**

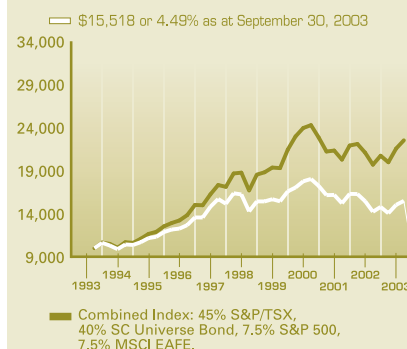


Average Maturity: 10.58 years
Duration: 6.03 years

**Compound Annual Return (in %)
as at September 30, 2003**



**10-Year Growth of an Initial \$10,000
Including Distributions Reinvested**



Desjardins Balanced Fund

Investment Portfolio as at September 30, 2003

Equities (62.6%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Canadian Equities (35.7%)							
Energy (4.7%)							
AltaGas Services	9,800	\$ 91,010	\$ 123,578				
Bonavista Energy Trust	1,800	29,178	30,258				
Cequel Energy	19,000	80,661	128,250				
CHC Helicopter Corporation, Class A	4,500	136,063	120,060				
EnCana Corporation	98,119	3,775,631	4,798,019				
Ensign Resource Service Group	64,350	818,827	1,277,991				
Flint Energy Services	3,600	88,164	67,140				
Great Northern Exploration	18,000	49,524	81,900				
Great Northern Exploration Private Investment	17,600	64,680	80,080				
Hawker Resources	8,700	27,405	37,410				
Hydrogenics Corporation	1,000	8,596	6,660				
Nexen	21,400	759,049	786,450				
Nuvista Energy	8,600	60,982	59,254				
Nuvista Energy, Private Investment	2,700	19,845	18,603				
Penn West Petroleum	11,200	389,289	512,288				
Petro-Canada	84,600	2,231,703	4,440,654				
Progress Energy	8,600	70,450	84,710				
Shell Canada	28,700	1,321,458	1,529,997				
Suncor Energy	50,900	760,912	1,268,937				
Talisman Energy	34,600	1,640,836	2,217,860				
Tesco Corporation	3,700	45,046	40,330				
Trican Well Service	4,400	64,996	97,240				
Zargon Oil & Gas	12,000	84,733	145,800				
		<u>12,619,038</u>	<u>17,953,469</u>				
Materials (5.7%)							
Abitibi-Consolidated	47,100	554,956	446,508				
Agrium	24,400	414,662	418,948				
Alcan	97,300	4,517,827	5,098,520				
Barrick Gold Corporation	141,700	3,878,261	3,603,431				
Cambior	11,600	29,000	43,036				
Cambior, Warrants, 2008-08-12	5,800	—	9,222				
Domtar	144,400	1,988,009	2,197,768				
Eldorado Gold Corporation	27,600	62,562	97,428				
Falconbridge	34,500	697,236	775,215				
FNX Mining Company	16,200	103,476	109,350				
Glamis Gold	70,300	987,371	1,256,964				
IAMGold Corporation	12,500	97,634	104,375				
Inco	70,900	2,122,067	2,657,332				
Placer Dome	33,800	665,437	627,328				
SFK Pulp Fund	130,100	1,394,539	1,116,258				
Tembec, Class A	49,300	592,005	401,795				
TimberWest Forest Corp.	185,300	2,373,809	2,149,480				
West Fraser Timber Co.	2,100	65,405	74,970				
Wheaton River Minerals	42,000	54,600	112,980				
Winpak	2,600	206,354	319,800				
		<u>20,805,210</u>	<u>21,620,708</u>				
Industrials (3.6%)							
Bombardier, Class B	130,800	639,471	741,636				
BW Technologies	5,800	115,397	130,500				
Canadian National Railway Company	38,500	1,748,960	2,686,530				
Canadian Pacific Railway	35,500	1,195,768	1,135,645				
Coretec	17,900	84,701	26,850				
Enghouse Systems	4,100	67,155	61,295				
Finning International	93,700	2,261,453	2,989,030				
FirstService Corporation	5,400	146,192	131,976				
MAAX	8,700	138,262	198,795				
Martinrea International	13,400	139,096	97,418				
Martinrea International, Rights 2005-12-31	466	—	396				
Masonite International Corporation	49,850	953,165	1,589,717				
Moore Wallace	96,700	1,509,684	1,837,300				
Mullen Transportation	4,200	113,264	132,300				
Richelieu Hardware	11,100	72,819	185,370				
SNC-Lavalin Group	4,900	91,837	213,395				
Transcontinental, Class A	9,600	117,206	192,960				
Vitran Corporation, Class A	12,500	114,012	176,750				
WestAim Corporation	345,700	3,036,253	1,158,095				
WestJet Airlines	3,700	45,339	89,910				
		<u>12,590,034</u>	<u>13,775,868</u>				
Consumer Discretionary (2.1%)							
CanWest Global Communications Corp.	112,700	\$ 1,051,014	\$ 1,256,605				
Dorel Industries, Class B	6,200	189,170	241,924				
Forzani Group	94,800	1,811,437	1,640,040				
Magna International, Class A	21,350	1,916,364	2,081,625				
Mega Bloks	6,000	128,804	138,300				
Quebecor, Class B	5,200	74,461	114,452				
Quebecor World	4,100	144,651	104,017				
Reitmans (Canada), Class A	8,400	160,039	168,000				
Rogers Communications, Class B	76,600	1,268,589	1,585,620				
RONA	7,000	117,525	147,000				
Shermag	2,600	39,310	40,170				
Torstar Corporation, Class B	14,400	353,085	374,544				
TVA Group, Class B	6,000	110,083	125,100				
Wescast Industries, Class A	2,400	91,243	95,088				
Westport Innovations	18,200	259,640	31,850				
		<u>7,715,415</u>	<u>8,144,335</u>				
Consumer Staples (1.2%)							
Alimentation Couche-Tard, Class B	15,800	221,488	268,600				
George Weston	29,500	1,977,542	2,979,500				
Jean Coutu Group (PJC), Class A	67,800	658,458	1,111,920				
Metro, Class A	6,500	122,657	122,850				
Vincor International	800	19,522	21,360				
		<u>2,999,667</u>	<u>4,504,230</u>				
Health Care (1.1%)							
Angiotech Pharmaceuticals	14,900	722,546	876,567				
Axcan Pharma	56,200	990,993	1,027,336				
Biovail Corporation	38,700	2,260,253	1,944,675				
Inex Pharmaceuticals Corporation	10,500	62,020	65,625				
Labopharm	11,400	41,015	73,188				
Neurochem	2,300	19,112	37,490				
Patheon	12,500	130,544	171,250				
Theratechnologies	5,700	61,480	31,863				
		<u>4,287,963</u>	<u>4,227,994</u>				
Financials (12.3%)							
AGF Management, Class B	66,100	1,332,983	1,067,515				
Bank of Montreal	81,300	2,275,198	3,795,897				
Bank of Nova Scotia	92,850	3,267,949	5,858,835				
Boardwalk Equities	11,300	166,566	173,568				
Brascan Corporation, Class A	37,000	902,395	1,263,180				
Canadian Imperial Bank of Commerce	82,800	3,718,753	4,579,668				
C.I. Fund Management	134,800	1,967,286	1,877,764				
Home Capital Group, Class B	7,100	149,542	180,340				
Industrial Alliance Insurance and Financial Services	32,100	1,092,846	1,171,971				
Kingsway Financial Services	10,300	158,298	130,810				
Manulife Financial Corporation	105,350	2,905,209	4,111,811				
National Bank of Canada	42,500	1,392,205	1,548,275				
Northbridge Financial Corporation	7,700	121,004	152,075				
Power Financial Corporation	56,200	1,769,774	2,478,420				
Royal Bank of Canada	136,200	4,385,638	8,097,090				
Sun Life Financial Services of Canada	158,786	3,468,702	4,644,491				
Toronto-Dominion Bank	151,100	4,963,991	5,778,064				
		<u>34,038,339</u>	<u>46,909,774</u>				
Information Technology (2.8%)							
Aastra Technologies	8,100	142,075	127,980				
Cinram International	40,400	809,596	1,007,980				
Cognos	41,000	1,636,439	1,724,870				
DALSA Corporation	10,700	175,437	160,500				
Gennum Corporation	9,500	138,576	125,020				
Mediagrif Interactive Technologies	800	7,051	7,000				
Nortel Networks Corporation	827,558	19,779,617	4,592,947				
Open Text Corporation	37,400	1,328,168	1,723,737				
Zarlink Semiconductor	222,800	1,288,646	1,174,156				
		<u>25,305,605</u>	<u>10,644,190</u>				
Telecommunication Services (1.5%)							
BCE	146,900	3,625,509	4,282,135				
Stratos Global Corporation	15,000	188,100	189,450				
TELUS Corporation	63,900	1,356,501	1,474,173				
		<u>5,170,110</u>	<u>5,945,758</u>				
Utilities (0.7%)							
Canadian Hydro Developers	18,100	37,504	36,200				
Enbridge	36,300	1,283,605	1,747,845				
Terasen	19,200	696,096	835,200				
		<u>2,017,205</u>	<u>2,619,245</u>				
Total Canadian Equities						<u>127,548,586</u>	<u>136,345,571</u>

Desjardins Balanced Fund

Investment Portfolio as at September 30, 2003

U.S. Equities (16.1%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Energy (1.5%)				Financials (3.4%)			
Amerada Hess Corporation	3,300	\$ 209,637	\$ 223,262	American International Group	15,600	\$ 1,431,680	\$ 1,215,524
Ashland	4,200	182,216	186,315	AmSouth Bancorporation	8,400	276,182	240,707
ChevronTexaco Corporation	11,600	1,239,532	1,119,241	Bank of America Corporation	13,100	1,314,480	1,380,549
ConocoPhillips	11,400	870,365	842,854	Citigroup	34,701	1,902,484	2,132,613
Exxon Mobil Corporation	44,300	2,401,553	2,189,515	Countrywide Credit Industries	4,800	410,901	507,406
Kerr-McGee Corporation	3,700	227,975	223,043	Fannie Mae	5,500	600,047	521,390
Marathon Oil Corporation	11,200	373,642	431,048	FleetBoston Financial Corporation	19,500	790,153	793,935
Occidental Petroleum Corporation	11,700	510,438	556,624	Golden West Financial Corporation	3,200	361,804	386,798
		<u>6,015,358</u>	<u>5,771,902</u>	Huntington Bancshares	7,700	224,818	205,778
Materials (0.3%)				Jefferson-Pilot Corporation	3,800	214,283	227,737
Dow Chemical Company	10,400	517,670	456,998	J.P. Morgan Chase & Co.	14,900	678,330	690,754
E.I. du Pont de Nemours and Company	5,300	346,801	286,357	KeyCorp	7,300	273,718	252,067
Temple-Inland	4,100	260,090	268,804	Merrill Lynch & Co.	4,900	367,412	354,207
Worthington Industries	9,600	186,108	162,826	MetLife	14,300	656,965	541,667
		<u>1,310,669</u>	<u>1,174,985</u>	Morgan Stanley	5,900	405,778	402,034
Industrials (0.8%)				National City Corporation	12,600	536,389	501,264
Danaher Corporation	2,800	288,743	279,274	SouthTrust Corporation	6,200	236,505	246,068
First Data Corporation	3,700	199,222	199,660	Torchmark Corporation	6,600	382,976	362,210
General Electric Company	52,700	2,444,213	2,121,465	U.S. Bancorp	9,800	327,987	317,482
Textron	6,800	321,865	362,259	Wachovia Corporation	15,400	830,366	856,595
		<u>3,254,043</u>	<u>2,962,658</u>	Washington Mutual	6,200	332,711	329,625
Consumer Discretionary (2.2%)				Wells Fargo Company	8,400	577,883	584,184
AOL Time Warner	31,000	705,658	632,542			<u>13,133,852</u>	<u>13,050,594</u>
Autoliv, SDR	3,000	100,628	121,574	Information Technology (3.5%)			
AutoNation	17,800	348,295	421,612	Adobe Systems	5,100	242,913	270,386
Bed Bath & Beyond	6,700	367,157	345,441	Altera Corporation	9,300	191,895	237,360
Comcast Corporation, Class A	18,600	806,791	775,628	Apple Computer	7,000	188,086	195,012
eBay	8,400	452,347	604,602	Applied Materials	14,900	333,258	364,995
Fortune Brands	5,700	414,963	436,821	Cisco Systems	49,300	1,252,308	1,300,872
Liz Claiborne	9,200	412,674	423,027	Corning	41,200	359,135	524,097
Lowe's Companies	7,800	505,860	546,670	Dell	16,400	720,370	739,475
Office Depot	25,400	518,701	481,918	Electronic Arts	2,800	292,512	348,733
Sears, Roebuck & Co.	7,900	329,329	466,519	Hewlett-Packard Company	35,900	1,083,791	938,562
Sherwin-Williams Company	8,900	362,403	353,466	Intel Corporation	37,000	1,280,535	1,374,534
Starbucks Corporation	6,000	206,896	233,350	International Business Machines Corporation (IBM)	8,600	1,144,936	1,025,817
Viacom, Class B	13,300	886,867	687,881	KLA-Tencor Corporation	3,000	194,834	208,232
Wal-Mart Stores	25,700	1,965,211	1,938,293	Linear Technology Corporation	5,100	259,622	246,625
		<u>8,383,780</u>	<u>8,469,344</u>	Maxim Integrated Products	4,100	204,266	218,698
Consumer Staples (0.6%)				Mercury Interactive Corporation	3,000	167,429	183,965
Altria Group	10,600	577,960	626,965	Microsoft Corporation	56,400	2,182,822	2,116,561
Avon Products	5,900	491,385	514,374	Network Appliance	7,700	176,146	213,473
Colgate-Palmolive Company	2,700	234,376	203,780	Novellus Systems	3,700	185,154	168,632
ConAgra Foods	10,400	315,723	298,298	NVIDIA Corporation	5,300	160,838	113,877
Procter & Gamble Company	6,900	878,034	864,876	Oracle Corporation	40,600	692,996	615,152
		<u>2,497,478</u>	<u>2,508,293</u>	QUALCOMM	6,300	309,946	354,254
Health Care (2.5%)				Siebel Systems	13,800	185,585	181,138
Abbott Laboratories	6,700	430,767	384,979	Symantec Corporation	3,700	228,113	314,879
Aetna	6,800	500,056	560,422	VERITAS Software Corporation	7,800	253,203	330,741
Allergan	3,600	368,603	383,957	Xilinx	5,800	212,329	223,300
Amgen	8,900	666,935	776,040	Yahoo!	9,400	274,166	449,106
Bristol-Myers Squibb Company	10,000	492,835	346,513			<u>12,777,188</u>	<u>13,258,476</u>
Genzyme Corporation	3,300	205,692	206,105	Telecommunication Services (0.7%)			
Humana	13,300	252,031	324,184	AT&T Wireless Services	55,900	577,439	617,488
Johnson & Johnson	15,100	1,193,683	1,009,766	BellSouth Corporation	7,600	369,047	243,029
Medco Health Solutions	1,363	48,989	47,727	Nextel Communications, Class A	10,500	222,122	279,189
Medtronic	11,400	744,899	722,314	Qwest Communications International	66,400	392,923	304,867
Merck & Co.	11,300	993,394	772,438	SBC Communications	14,299	714,160	429,634
Pfizer	46,640	2,354,962	1,913,417	Sprint Corporation	13,000	268,296	265,084
Stryker Corporation	5,800	603,606	589,853	Verizon Communications	12,800	805,566	560,730
UnitedHealth Group	6,600	441,159	448,485			<u>3,349,553</u>	<u>2,700,021</u>
WellPoint Health Networks	3,000	345,140	312,267	Utilities (0.6%)			
Wyeth	9,200	674,416	572,733	Ameren Corporation	3,800	219,911	220,194
		<u>10,317,167</u>	<u>9,371,200</u>	Constellation Energy Group	12,300	528,029	594,304
				Entergy Corporation	8,300	566,521	606,932
				Exelon Corporation	4,100	310,017	351,577
				Sempra Energy	12,900	478,308	511,457
						<u>2,102,786</u>	<u>2,284,464</u>
				Total U.S. Equities		<u>63,141,874</u>	<u>61,551,937</u>

Desjardins Balanced Fund

Investment Portfolio as at September 30, 2003

Foreign Equities (10.8%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Australia (0.4%)				Japan (2.5%)			
Australia & New Zealand Banking Group	34,611	\$ 384,246	\$ 570,698	Canon	16,500	\$ 827,723	\$ 1,091,891
BHP Billiton	35,100	331,128	340,486	Daiichi Pharmaceutical	5,000	174,999	109,686
National Australia Bank	9,587	282,406	271,245	Daito Trust Construction Co.	8,500	225,433	306,485
News Corporation, Preferred	16,500	144,660	151,873	Daiwa House Industry Co.	28,000	281,048	345,808
Qantas Airways	50,300	140,223	151,555	East Japan Railway Company	17	120,083	111,468
Westpac Banking Corp.	9,000	125,334	133,932	Fuji Photo Film Co.	2,000	73,812	79,507
		1,407,997	1,619,789	Hitachi	40,000	352,770	300,576
Austria (0.1%)				Honda Motor Co.	13,900	860,599	753,052
OMV	1,900	230,226	307,315	ITOCHU Corporation	35,000	139,654	146,773
Belgium (0.2%)				Kyocera Corporation	1,000	227,317	79,992
Agfa Gevaert	7,000	228,998	227,984	Mitsubishi Corporation	11,000	129,987	127,587
Delhaize Le Lion	5,500	438,991	302,878	Mitsubishi Tokyo Financial Group	24	367,367	205,070
KBC Bankverzekeringsholding	2,200	111,973	113,190	Mitsui & Co.	19,000	198,752	174,322
		779,962	644,052	Mitsui Chemicals	23,000	164,332	179,800
Bermuda (0.2%)				Nichirei Corporation	32,000	186,518	149,706
Tyco International	23,500	544,040	648,335	Nippon Meat Packers	25,000	368,549	376,326
XL Capital	2,400	288,789	250,980	Nippon Telegraph and Telephone Corporation	10	179,443	61,327
		832,829	899,315	Nissan Motor Co.	69,000	720,091	1,007,717
Cayman Islands (0.1%)				Nomura Holdings	13,000	396,951	283,608
ACE	6,400	293,658	285,896	NTT DoCoMo	40	115,384	132,350
Denmark (0.1%)				Oji Paper Co.	22,000	188,396	166,117
Danske Bank	10,000	283,543	257,468	Promise Co.	10,100	635,857	599,819
Finland (0.1%)				Sharp Corporation	5,000	92,802	99,081
Fortum	8,500	68,400	100,304	Sony Corporation	5,500	327,651	259,974
Nokia	24,900	602,422	522,627	Sumitomo Corporation	17,000	172,871	137,223
		670,822	622,931	Sumitomo Mitsui Financial Group	60	339,227	327,240
France (1.1%)				Takeda Chemical Industries	3,000	259,588	147,985
Assurances Générales de France	13,000	812,911	823,277	Takefuji Corporation	1,850	236,453	160,317
Aventis	5,800	600,617	406,548	Tanabe Seiyaku Co.	12,000	159,720	136,277
BNP Paribas	9,600	719,332	635,902	Tohoku Electric Power Company	6,400	126,311	136,054
Carrefour	2,800	183,374	190,317	Tokyo Electric Power Company	6,200	167,142	179,594
Compagnie de Saint-Gobain	3,696	225,653	183,588	Toyota Motor Corporation	13,000	782,819	516,797
France Télécom	3,000	101,913	93,223	UFJ Holdings	88	321,872	468,220
Orange	15,600	183,235	214,768	Uny Co.	10,000	153,155	146,167
PSA Peugeot Citroën	8,500	579,988	488,011			10,074,676	9,503,916
Société Générale	6,800	675,344	611,986	Luxembourg (0.1%)			
Total	3,408	510,702	694,930	Arcelor	37,000	680,496	607,769
		4,593,069	4,342,550	Netherlands (0.6%)			
Germany (0.7%)				ABN AMRO Holding	18,117	489,218	451,806
Altana	1,500	91,709	128,578	DSM	10,800	563,910	692,619
AMB Aachener & Muenchener Beteiligungs	2,300	387,958	181,917	Elsevier	4,409	97,354	67,290
Bayer	3,430	201,096	99,840	ING Groep	5,000	104,863	123,747
Celanese	4,900	121,821	216,255	Koninklijke (Royal) Philips Electronics	5,900	389,991	180,647
Continental	1,800	68,066	70,774	Royal Dutch Petroleum Company	11,008	796,902	653,133
DaimlerChrysler	2,300	174,202	108,564	Unilever	1,000	81,703	79,456
Deutsche Telekom	9,000	505,384	175,590	Wolters Kluwer	6,142	222,454	119,058
E.On	3,200	207,037	210,960			2,746,395	2,367,756
Hannover Rueckversicherungs	5,700	182,711	205,195	Norway (0.0%)			
HeidelbergCement	6,250	344,488	310,450	Norske Skogindustrier	1,950	36,290	43,455
Merck KGaA	2,000	134,500	86,536	Singapore (0.2%)			
Siemens	5,495	397,427	440,935	Flextronics International	7,800	153,897	149,360
Volkswagen	7,700	456,906	464,614	Oversea-Chinese Banking Corporation	14,000	120,927	122,462
		3,273,305	2,700,208	Singapore Airlines	24,000	181,860	198,688
Hong Kong (0.1%)				United Overseas Bank	10,400	105,735	108,841
CLP Holdings	43,500	261,073	257,896			562,419	579,351
i-CABLE Communications	3,671	—	1,159	Spain (0.4%)			
Wharf Holdings	36,714	88,351	129,318	Banco Santander Central Hispano	42,043	562,454	481,573
		349,424	388,373	Grupo Dragados	7,807	87,376	215,943
Ireland (0.1%)				Iberdrola	7,933	200,211	180,361
Allied Irish Banks	10,437	204,250	206,911	Telefonica	31,143	509,454	496,861
Bank of Ireland	12,300	193,301	198,559			1,359,495	1,374,738
		397,551	405,470				
Italy (0.4%)							
ENI	40,350	784,136	831,671				
IntesaBci	43,665	144,173	178,625				
Parmalat Finanziaria	58,000	278,186	245,024				
Telecom Italia	40,250	127,790	133,941				
Telecom Italia Mobile (T.I.M.), RNC	15,000	200,811	94,167				
		1,535,096	1,483,428				

Desjardins Balanced Fund

Investment Portfolio as at September 30, 2003

Foreign Equities (continued)	Number of Shares	Average Cost	Market Value	Bonds (30.8%)	Par Value	Average Cost	Market Value
Sweden (0.2%)				Government of Canada (8.6%)			
Electrolux	6,900	\$ 171,080	\$ 202,650	stripped, 2003-12-01	\$ 2,920,000	\$ 2,899,239	\$ 2,907,675
Svenska Cellulosa	7,700	413,203	375,791	package, 9.000%, 2004-12-01	1,075,000	1,157,012	1,150,318
		584,283	578,441	9.000%, 2004-12-01	6,510,000	7,038,556	6,977,809
Switzerland (0.6%)				8.750%, 2005-12-01	285,000	321,484	319,365
Nestlé	1,500	461,101	467,345	stripped, 2006-12-01	7,170,000	5,763,531	6,435,821
Novartis	13,800	812,765	721,537	7.250%, 2007-06-01	1,915,000	2,123,869	2,163,848
Roche Holding	3,000	341,300	336,120	5.250%, 2012-06-01	1,000,000	1,004,900	1,056,056
Schweizerische Rueckversicherung	2,710	406,465	232,643	8.000%, 2023-06-01	880,000	1,112,890	1,196,371
UBS	4,600	357,381	348,767	8.000%, 2027-06-01	285,000	376,058	396,236
		2,379,012	2,106,412	5.750%, 2029-06-01	9,300,000	9,527,262	10,113,750
United Kingdom (2.6%)						31,324,801	32,717,249
AstraZeneca	8,400	565,950	479,332	Provincial Governments and			
Aviva	35,000	637,050	366,916	Crown Corporations (10.0%)			
Barclays	33,600	381,645	348,279	Hydro One			
BHP Billiton	14,367	103,076	128,844	6.930%, 2032-06-01	2,000,000	2,086,000	2,270,882
BP	113,000	1,450,412	1,047,635	New Brunswick Highway Corporation			
British American Tobacco	17,200	201,243	249,620	6.470%, 2027-11-30	3,035,000	3,035,000	3,374,829
British Sky Broadcasting Group	6,200	89,905	85,525	Nova Scotia Power			
BT Group	70,000	892,873	282,847	8.850%, 2025-05-19	880,000	1,135,288	1,080,641
Diageo	11,500	149,754	167,671	Ontario Hydro			
George Wimpey	77,000	501,446	630,907	8.250%, 2026-06-22	2,860,000	3,539,878	3,846,233
GlaxoSmithKline	34,376	1,285,861	963,828	Province of British Columbia			
HBOS	5,000	87,397	77,222	5.700%, 2029-06-18	515,000	501,160	527,593
HSBC Holdings	8,000	140,478	142,501	Province of Ontario			
InterContinental Hotels Group	36,949	394,519	398,131	6.200%, 2009-11-19	2,250,000	2,307,825	2,482,144
Lloyds TSB Group	56,200	929,197	521,982	6.500%, 2029-03-08	2,165,000	2,387,779	2,440,981
Persimmon	15,500	74,917	187,196	Province of Québec			
Royal & Sun Alliance Insurance Group	155,000	1,353,657	280,967	package, 12.600%, 2004-12-28	3,850,000	4,984,826	4,311,593
Royal & Sun Alliance Insurance Group Rights	155,000	—	42,624	7.750%, 2006-03-30	2,200,000	2,396,807	2,437,589
Royal Bank of Scotland Group	10,200	370,903	350,327	6.500%, 2007-10-01	2,870,000	2,994,989	3,166,283
Safeway	40,000	233,182	249,175	11.000%, 2009-04-01	1,705,000	2,258,733	2,277,297
Shell Transport & Trading Company	53,600	607,644	446,998	5.500%, 2009-06-01	6,205,000	6,611,738	6,612,485
Signet Group	107,000	199,011	253,407	8.500%, 2026-04-01	1,610,000	2,110,183	2,207,978
Taylor Woodrow	34,356	155,207	178,540	6.000%, 2029-10-01	1,175,000	1,110,375	1,236,425
Tesco	40,400	194,582	218,565			37,460,581	38,272,953
Trinity Mirror	20,000	177,319	251,420	Corporations (12.2%)			
Unilever	26,800	276,125	309,228	Bank of Nova Scotia			
Vodafone Group	393,500	1,447,272	1,060,004	5.190%, 2007-02-19	2,085,000	2,083,541	2,190,831
Whitbread	27,300	414,178	426,840	Bell Canada			
		13,314,803	10,146,531	6.250%, 2003-12-01	2,575,000	2,561,868	2,590,586
Total Foreign Equities		46,385,351	41,265,164	11.450%, 2010-04-15	645,000	860,430	885,360
Total Equities		237,075,811	239,162,672	Canadian Imperial Bank of Commerce			
				7.000%, 2011-10-23	750,000	817,718	822,598
				Canadian Utilities			
				8.430%, 2005-06-01	1,670,000	1,834,128	1,815,698
				Citigroup Finance Canada			
				4.300%, 2005-01-11	1,375,000	1,378,768	1,399,281
				Consumers Gas			
				10.800%, 2011-04-15	480,000	642,998	648,484
				6.050%, 2023-07-05	2,545,000	2,541,436	2,467,706
				Enbridge			
				5.700%, 2005-03-17	1,570,000	1,569,843	1,624,596
				6.800%, 2010-03-10	590,000	589,369	647,865
				Gaz Métropolitain			
				11.750%, 2005-11-15	522,000	605,935	590,786
				10.750%, 2006-12-15	665,000	806,512	804,689
				6.050%, 2008-11-10	1,265,000	1,264,532	1,367,473
				GE Capital Canada Funding Company			
				5.300%, 2007-07-24	1,540,000	1,537,798	1,619,192
				George Weston			
				5.900%, 2009-02-05	1,675,000	1,674,045	1,800,126
				GMAC Commercial Mortgage			
				Securities of Canada			
				5.450%, 2005-03-21	600,000	594,912	609,305
				Greater Toronto Airports Authority			
				6.250%, 2012-01-30	1,160,000	1,159,397	1,221,755
				6.980%, 2032-10-05	1,450,000	1,448,739	1,505,348

Desjardins Balanced Fund

Investment Portfolio as at September 30, 2003

Bonds (continued)	Par Value	Average Cost	Market Value		Number of Units	Average Cost	Market Value
Molson				Mutual Funds (1.0%)			
6.000%, 2008-06-02	\$ 1,865,000	\$ 1,857,298	\$ 1,996,611	Desjardins International RSP Fund	489,647	\$ 3,500,000	\$ 3,819,250
National Bank of Canada							
6.900%, 2010-06-07	1,650,000	1,733,160	1,752,398				
PanCanadian Petroleum							
5.800%, 2008-06-02	1,765,000	1,707,549	1,879,721				
Power Financial Corporation							
6.900%, 2033-03-11	560,000	562,481	611,057				
Royal Bank of Canada							
6.500%, 2011-09-12	1,265,000	1,352,538	1,370,911	Mortgage-Backed Securities (0.9%)			
Suncor Energy				Toronto-Dominion Bank NHA			
6.800%, 2007-03-05	1,105,000	1,170,107	1,207,609	5.375%, 2028-07-01	\$ 3,640,231	3,475,110	3,621,121
Sun Life Assurance Company of Canada							
6.150%, 2022-06-30	910,000	919,646	968,303	Leasing Securities (0.5%)			
Télébec				Broadcast Center Trust			
8.350%, 2005-06-30	2,475,000	2,844,146	2,678,041	7.530%, 2027-05-01	1,487,360	1,574,992	1,802,234
Toyota Credit Canada							
6.750%, 2004-11-09	1,360,000	1,359,606	1,417,237	Derivative Financial Instruments (Table) (-0.0%)			(122,989)
TransAlta Corporation							
6.600%, 2009-10-13	1,250,000	1,249,638	1,293,533				
TransCanada PipeLines							
8.230%, 2031-01-16	2,365,000	2,916,791	2,853,809	Total Investments (95.8%)		\$359,910,109	365,772,758
Wells Fargo Financial Canada Corporation				Money Market Securities (3.6%)			13,738,960
5.100%, 2006-10-26	735,000	755,220	767,812	Net Other Assets (0.6%)			2,345,418
Westcoast Energy				Net Assets (100%)			\$381,857,136
5.750%, 2003-12-01	3,080,000	3,098,665	3,091,547				
		<u>45,498,814</u>	<u>46,500,268</u>				
Total Bonds		<u>114,284,196</u>	<u>117,490,470</u>				

Table

Foreign Currency Forward Contracts	Currency Amount	Purchase Value	Market Value	Unrealized Appreciation (Depreciation)
Currency Purchased				
Canadian Dollar, 2003-12	3,752,883	\$ 3,752,883	\$ 3,752,883	\$ —
Currency Sold				
Hong Kong Dollar, 2003-12	1,900,000	332,825	332,606	219
Singapore Dollar, 2003-12	500,000	390,396	391,943	(1,547)
Swiss Franc, 2003-12	220,000	218,016	226,203	(8,187)
Yen, 2003-12	240,000,000	2,811,646	2,925,120	(113,474)
		<u>\$ 3,752,883</u>	<u>\$ 3,875,872</u>	<u>(122,989)</u>
Total Derivative Financial Instruments				<u>\$ (122,989)</u>

BALANCED FUNDS

Desjardins Québec Fund

Overview

The Fund was propped up by the dip in bond rates last fall and the improvement in spreads between Québec bonds and those of other provinces. On the flipside, aerospace companies, including Bombardier and Air Canada, had a difficult year. The spike in corporate investment combined with solid efforts made by economic leaders and the stock market rally starting in spring boosted Fund returns to attractive levels.

Top 10 Holdings

	%
1. Province of Québec, 6.000%, 2029-10-01	6.9
2. Alcan	6.8
3. Canadian National Railway Company	5.8
4. BCE	4.9
5. National Bank of Canada	4.8
6. Bombardier, Class B	4.1
7. Power Financial Corporation	3.9
8. Province of Québec, 9.375%, 2023-01-16	3.7
9. Power Corporation of Canada	2.7
10. Domtar	2.6
Total	46.2

Statement of Financial Highlights

Data per Unit – A-Class

	2003*	2002*	2001**	2000***	1999***
Net Asset Value, Beginning of Year	\$ 11.441	\$ 12.161	\$ 13.021	\$ 13.010	\$ 12.018
Income and gain on investment operations					
Net investment income (loss)	0.148	0.155	0.137	0.280	0.244
Realized and unrealized net gain (loss) on investments	1.103	(0.740)	(0.856)	0.997	0.973
Total	1.251	(0.585)	(0.719)	1.277	1.217
Distributions to investors					
Net investment income	0.140	0.135	0.141	0.275	0.225
Net gain on sale of investments	—	—	—	0.991	—
Total	0.140	0.135	0.141	1.266	0.225
Net Asset Value, End of Year	\$ 12.552	\$ 11.441	\$ 12.161	\$ 13.021	\$ 13.010

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$241,730	\$209,117	\$176,393	\$158,873	\$122,424
Average net assets (in thousands)	\$225,069	\$212,260	\$177,738	\$143,870	\$108,862
Management expense ratio (Note 4)	2.16%	2.16%	2.16%	2.10%	2.07%
Management expense ratio before waived fees	2.29%	2.19%	n.a.	n.a.	n.a.
Portfolio turnover rate	10.50%	13.18%	19.63%	51.70%	30.39%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	11.01%	-4.91%	-5.35%	22.06%	10.11%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

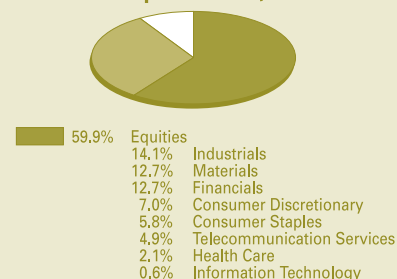
Objective

The objective of the Desjardins Québec Fund is to provide both reasonable income and long-term capital appreciation.

Portfolio Composition

This Fund's portfolio is composed of stocks and bonds. Eligible securities are limited to those issued by public organizations and by companies whose head office and main decision-making center are located in Québec.

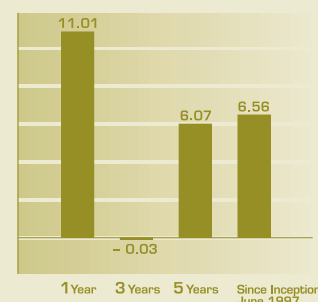
Asset Mix
as at September 30, 2003



Average Maturity: 14 years
Duration: 7.89 years

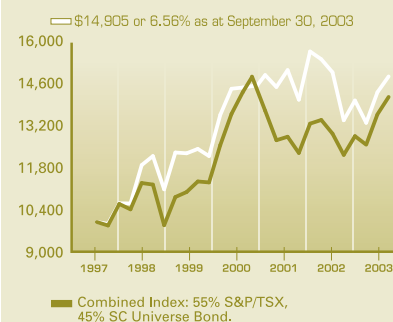
Compound Annual Return (in %)
as at September 30, 2003

A-Class



Growth of \$10,000 Invested Since Inception, Including Distributions Reinvested

A-Class



BALANCED FUNDS

Desjardins Québec Fund

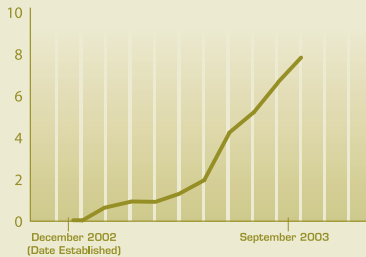
Return as at September 30, 2003

T-Class

Due to the recent introduction of this class of units, which has been available for less than 12 months, the annual rate of return cannot be posted.

Growth of Net Assets (in millions of dollars)

T-Class



Statement of Financial Highlights (continued)

	2003*	2002*	2001**	2000***	1999***
Data per Unit – T-Class ****					
Net Asset Value, Beginning of Year	\$ 10.000	n.a.	n.a.	n.a.	n.a.
Income and gain on investment operations					
Net investment income (loss)	0.101	n.a.	n.a.	n.a.	n.a.
Realized and unrealized net gain (loss) on investments	0.519	n.a.	n.a.	n.a.	n.a.
Total	0.620	n.a.	n.a.	n.a.	n.a.
Distributions to investors					
Net investment income	0.064	n.a.	n.a.	n.a.	n.a.
Return of capital	0.386	n.a.	n.a.	n.a.	n.a.
Total	0.450	n.a.	n.a.	n.a.	n.a.
Net Asset Value, End of Year	\$ 10.170	n.a.	n.a.	n.a.	n.a.
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$ 7,905	n.a.	n.a.	n.a.	n.a.
Average net assets (in thousands)	\$ 2,993	n.a.	n.a.	n.a.	n.a.
Management expense ratio (Note 4)	2.16%	n.a.	n.a.	n.a.	n.a.
Management expense ratio before waived fees	2.29%	n.a.	n.a.	n.a.	n.a.
Portfolio turnover rate	10.50%	n.a.	n.a.	n.a.	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

**** Beginning of operations in December 2002.

Desjardins Québec Fund

Investment Portfolio as at September 30, 2003

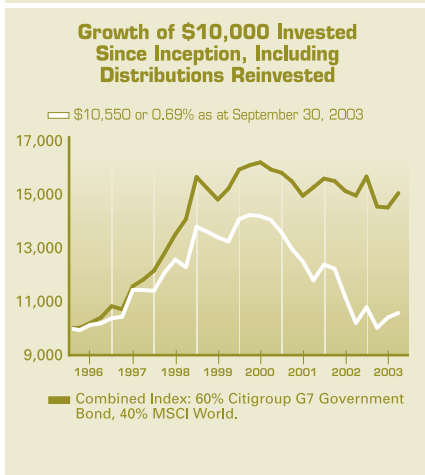
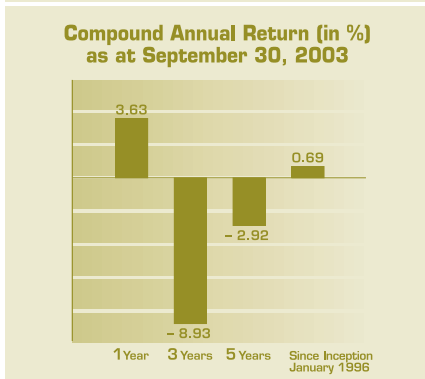
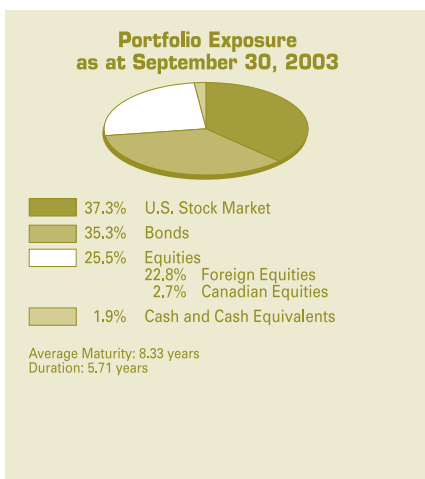
Equities (59.9%)	Number of Shares	Average Cost	Market Value	Bonds (31.3%)	Par Value	Average Cost	Market Value
Materials (12.7%)				Provincial Governments and Crown Corporations (28.2%)			
Abitibi-Consolidated	612,619	\$ 7,854,114	\$ 5,807,628	Hydro-Québec			
Alcan	323,400	16,057,948	16,946,160	7.000%, 2004-06-01	\$ 2,495,000	\$ 2,639,394	\$ 2,567,570
Cascades	50,000	752,000	657,500	8.500%, 2005-08-15	2,850,000	3,331,043	3,136,322
Domtar	425,000	6,391,740	6,468,500	10.000%, 2011-09-26	2,835,000	3,831,158	3,841,423
Tembec, Class A	214,900	2,600,349	1,751,435	Province of Québec			
		<u>33,656,151</u>	<u>31,631,223</u>	6.500%, 2005-12-01	4,000,000	4,233,000	4,284,655
Industrials (14.1%)				7.750%, 2006-03-30	4,905,000	5,276,838	5,434,716
Bombardier, Class B	1,808,600	13,729,245	10,254,762	6.500%, 2007-10-01	3,180,000	3,342,184	3,508,286
Canadian National Railway Company	206,500	11,878,806	14,409,570	11.000%, 2009-04-01	1,015,000	1,344,642	1,355,693
MAAX	98,000	1,545,809	2,239,300	5.500%, 2009-06-01	5,325,000	4,956,056	5,674,695
Richelieu Hardware	63,500	281,137	1,060,450	6.250%, 2010-12-01	2,435,000	2,494,372	2,688,319
SNC-Lavalin Group	87,000	1,450,813	3,788,850	9.375%, 2023-01-16	6,275,000	8,666,540	9,173,216
Transcontinental, Class A	170,000	1,853,049	3,417,000	8.500%, 2026-04-01	4,455,000	5,543,089	6,109,654
		<u>30,738,859</u>	<u>35,169,932</u>	6.000%, 2029-10-01	16,370,000	15,634,360	17,225,772
Consumer Discretionary (7.0%)				6.250%, 2032-06-01	5,000,000	5,244,700	5,450,411
Astral Media, Class A	126,000	1,992,812	3,151,260			<u>66,537,376</u>	<u>70,450,732</u>
Dorel Industries, Class B	77,500	1,966,626	3,024,050	Municipalities and Semi-Public Institutions (1.3%)			
Gildan Activewear, Class A	71,500	2,225,493	2,711,995	Cégep Édouard-Montpetit			
Mega Bloks	41,600	894,400	958,880	6.000%, 2007-11-19	200,000	204,060	216,676
Quebecor World	168,000	6,173,453	4,262,160	Cité de la Santé de Laval			
RONA	120,000	2,049,303	2,520,000	7.500%, 2003-12-29	250,000	270,770	252,731
Shermag	50,000	702,031	772,500	City of Montreal			
		<u>16,004,118</u>	<u>17,400,845</u>	10.750%, 2011-10-02	1,000,000	1,362,150	1,393,000
Consumer Staples (5.8%)				City of Pointe-Claire			
Alimentation Couche-Tard, Class B	138,200	1,160,358	2,349,400	6.000%, 2007-11-12	200,000	204,060	213,520
Jean Coutu Group (PJC), Class A	213,600	1,558,537	3,503,040	Conseil scolaire de l'île de Montréal			
Metro, Class A	77,600	1,418,949	1,466,640	5.950%, 2007-11-07	200,000	203,380	215,907
Molson, Class A	173,000	4,631,723	5,760,900	Montreal Catholic School Commission			
Saputo Group	53,800	955,729	1,428,390	6.250%, 2007-10-10	200,000	207,400	218,046
		<u>9,725,296</u>	<u>14,508,370</u>	Montreal General Hospital			
Health Care (2.1%)				7.500%, 2003-12-29	100,000	108,308	101,093
Axcan Pharma	134,300	1,921,505	2,455,004	Town of Mount-Royal			
CryoCath Technologies	99,500	680,747	479,590	6.000%, 2007-10-15	200,000	204,040	216,612
Labopharm	136,000	413,954	873,120	Université du Québec			
Neurochem	53,400	436,688	870,420	5.750%, 2008-02-26	200,000	200,560	214,843
Theratechnologies	107,900	1,207,355	603,161	Ville Saint-Laurent			
		<u>4,660,249</u>	<u>5,281,295</u>	5.550%, 2008-02-03	200,000	197,780	210,160
Financials (12.7%)						<u>3,162,508</u>	<u>3,252,588</u>
Industrial Alliance Insurance and Financial Services	86,500	2,492,448	3,158,115	Corporations (1.8%)			
National Bank of Canada	331,700	9,021,498	12,083,831	Bell Canada			
Power Corporation of Canada	159,000	5,013,637	6,695,490	6.250%, 2003-12-01	700,000	696,430	704,237
Power Financial Corporation	223,000	7,417,225	9,834,300	11.450%, 2010-04-15	430,000	583,712	590,240
		<u>23,944,808</u>	<u>31,771,736</u>	Bombardier Capital			
Information Technology (0.6%)				6.600%, 2004-11-29	100,000	99,824	101,750
CGI Group, Class A	196,000	1,563,953	1,530,760	Gaz Métropolitain			
Mediagrif Interactive Technologies	14,400	126,920	126,000	10.750%, 2006-12-15	770,000	933,856	931,745
		<u>1,690,873</u>	<u>1,656,760</u>	6.050%, 2008-11-10	600,000	599,778	648,604
Telecommunication Services (4.9%)				National Bank of Canada			
BCE	419,400	15,481,705	12,225,510	6.900%, 2010-06-07	860,000	903,344	913,371
Total Equities		<u>135,902,059</u>	<u>149,645,671</u>	Télébec			
				8.350%, 2005-06-30	475,000	545,133	513,968
						<u>4,362,077</u>	<u>4,403,915</u>
				Total Bonds		<u>74,061,961</u>	<u>78,107,235</u>
				Total Investments (91.2%)		<u>\$209,964,020</u>	<u>227,752,906</u>
				Money Market Securities (7.9%)			<u>19,718,924</u>
				Net Other Assets (0.9%)			<u>2,163,136</u>
				Net Assets (100%)			<u>\$249,634,966</u>

Objective

The objective of the Desjardins Worldwide Balanced Fund is to provide long-term capital growth.

Portfolio Composition

This Fund's portfolio mainly includes Canadian money market instruments. Its management makes use of long-term international stock and bond index futures contracts and foreign currency futures contracts.



BALANCED FUNDS

Desjardins Worldwide Balanced Fund

Overview

The drop in bond rates at the beginning of the year, mainly due to the uncertainty regarding the consequences of the Iraq war and the deflation fears of U.S. monetary authorities, automatically upped the market value of the Fund's bond portfolio. As well, the Fund rose on the back of the upswing in leading stock markets since spring. However, the loonie's strength hurt the performance of international investments from the Canadian perspective.

Top 10 Holdings

	%
1. S&P 500, 2003-12	37.3
2. Government of Canada, 6.000%, 2011-06-01	6.1
3. Government of Canada, 8.750%, 2005-12-01	6.0
4. Province of Ontario, 5.500%, 2008-10-01	4.9
5. Government of Canada, 5.750%, 2029-06-01	4.2
6. iUnits S&P/TSX 60 Index Fund	2.8
7. Province of Ontario, 6.875%, 2008-07-29	2.2
8. Province of Québec, 5.625%, 2011-06-21	2.2
9. Government of Canada, 6.000%, 2008-06-01	2.1
10. Inter-American Development Bank	2.0
Total	69.8

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 7.647	\$ 8.826	\$ 10.148	\$ 10.515	\$ 11.568
Income and gain on investment operations					
Net investment income (loss)	0.211	(0.974)	(1.599)	(0.009)	1.360
Realized and unrealized net gain (loss) on investments	0.066	(0.205)	0.277	(0.355)	(1.129)
Total	0.277	(1.179)	(1.322)	(0.364)	0.231
Distributions to investors					
Net investment income	—	—	—	0.003	1.194
Net gain on sale of investments	—	—	—	—	0.090
Total	—	—	—	0.003	1.284
Net Asset Value, End of Year	\$ 7.924	\$ 7.647	\$ 8.826	\$ 10.148	\$ 10.515

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$ 50,378	\$ 54,552	\$ 72,079	\$ 94,511	\$ 127,816
Average net assets (in thousands)	\$ 53,171	\$ 67,215	\$ 83,078	\$ 111,649	\$ 109,486
Management expense ratio (Note 4)	2.40%	2.40%	2.40%	2.32%	2.30%
Management expense ratio before waived fees	2.57%	2.47%	n.a.	n.a.	n.a.
Portfolio turnover rate	373.26%	485.48%	389.94%	326.87%	280.80%

Years Ended September 30

	2003	2002	2001	2000	1999
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Annual return

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Worldwide Balanced Fund

Investment Portfolio as at September 30, 2003

		Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Money Market Securities (38.4%)*				Equities (25.5%)			
Business Development Bank of Canada				Canadian Index-Based Investments (2.7%)			
2003-11-13	\$	554,127	\$ 539,156	iUnits S&P/TSX 60 Index Fund	33,400	\$ 1,442,215	\$ 1,390,442
2003-12-10		817,837	808,321	Foreign Equities (22.8%)			
Caisse centrale Desjardins				Australia (0.4%)			
2003-10-01		5,341,623	5,340,842	National Australia Bank	6,400	188,918	181,075
Canadian Wheat Board				Denmark (0.3%)			
2003-11-03		1,968,587	1,885,780	Danske Bank	5,400	153,105	139,033
Enbridge				Finland (0.4%)			
2003-12-01		1,361,113	1,347,445	Nokia	8,900	200,589	186,802
EnCana Corporation				France (2.9%)			
2003-10-02		1,354,643	1,350,146	Axa	7,200	155,730	163,922
2003-10-03		941,335	945,045	Axa, Rights	7,200	—	453
Export Development Corporation				BNP Paribas	4,300	273,429	284,831
2003-10-27		1,209,746	1,214,244	LVMH (Louis Vuitton Moët Hennessy)	2,600	174,225	218,245
Macro Trust				PSA Peugeot Citroën	2,300	161,341	132,050
2003-10-06		548,557	539,686	Sanofi-Synthelabo	1,900	179,348	156,049
Plaza Trust				Schneider Electric	2,800	209,193	196,045
2003-10-20		2,044,247	2,023,720	Suez	5,900	128,362	126,527
Thomson Corporation				Total	850	187,834	173,325
2003-10-10		538,591	539,831			1,469,462	1,451,447
Treasury Bills – Canada [†]				Germany (1.4%)			
2003-12-02		1,505,653	1,477,858	Deutsche Bank	2,700	188,398	221,329
Volvo Group				Deutsche Telekom	6,300	126,925	122,913
2003-12-10		1,362,379	1,346,527	E.On	2,500	155,804	164,813
		19,548,438	19,358,601	Siemens	2,300	162,569	184,559
						633,696	693,614
Bonds (35.3%)				Hong Kong (0.2%)			
	Par Value			Cheung Kong (Holdings)	11,000	95,754	117,483
Government of Canada (18.4%)				Italy (0.8%)			
8.750%, 2005-12-01	\$	2,690,000	3,053,957	Assicurazioni Generali	4,900	157,326	148,950
6.000%, 2008-06-01		950,000	998,640	ENI	6,600	160,169	136,035
6.000%, 2011-06-01		2,770,000	2,974,857	Mediaset	9,200	105,551	114,209
5.750%, 2029-06-01		1,960,000	2,013,985			423,046	399,194
			9,041,439	Japan (4.4%)			
Government of the United States (1.5%)				Canon	3,900	221,332	258,083
3.625%, 2013-05-15	US\$	365,000	500,416	Daiwa House Industry Co.	22,000	192,160	271,706
5.375%, 2031-02-15	US\$	210,000	316,451	Fuji Heavy Industries	27,000	187,356	187,181
			816,867	Ito-Yokado	3,000	199,682	135,259
			777,588	Mitsubishi Heavy Industries	68,000	253,184	267,028
Provincial Governments and Crown Corporations (13.4%)				Nomura Holdings	7,000	154,128	152,712
Financement-Québec				NTT DoCoMo	50	150,724	165,438
5.000%, 2012-10-25	US\$	640,000	1,009,588	SECOM Co.	2,500	173,778	127,260
Hydro-Québec				Sony Corporation	2,600	162,609	122,897
5.375%, 2008-03-19	DM	620,000	558,470	Takeda Chemical Industries	2,500	164,622	123,321
Province of Ontario				Toshiba Corporation	21,000	94,553	119,624
6.875%, 2008-07-29	FF	4,000,000	1,189,197	Toyota Motor Corporation	7,000	269,718	278,275
5.500%, 2008-10-01	US\$	1,650,000	2,504,508			2,223,846	2,208,784
Province of Québec				Netherlands (1.4%)			
6.875%, 2007-09-20	FF	1,450,000	378,983	Elsevier	11,500	188,394	175,512
5.125%, 2009-01-04	DM	95,000	74,368	Koninklijke (Royal) Philips Electronics	6,900	264,886	211,265
5.750%, 2009-02-15	US\$	110,000	150,724	Royal Dutch Petroleum Company			
5.625%, 2011-06-21	EUR	620,000	1,131,138	New York Registered Shares	5,500	387,983	328,283
			6,996,976			841,263	715,060
Corporations (2.0%)				Singapore (0.6%)			
Inter-American Development Bank				Haw Par Corporation	666	2,098	2,226
5.750%, 2009-12-07	£	420,000	931,097	Singapore Press Holdings	5,500	96,073	78,608
			997,414	Singapore Telecommunications	169,000	199,100	219,103
Total Bonds				United Overseas Bank	200	2,382	2,093
						299,653	302,030
		17,786,379	17,766,012				

*Securities held in U.S. dollars.

[†]Securities held as collateral for stock index futures contracts.

Desjardins Worldwide Balanced Fund

Investment Portfolio as at September 30, 2003

Foreign Equities (continued)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Spain (1.3%)				Index-Based Investments (0.0%)			
Banco Bilbao Vizcaya Argentaria	11,100	\$ 165,362	\$ 154,737	iShares MSCI Australia	300	\$ 4,505	\$ 4,764
Banco Popular Espanol	2,600	168,511	173,737				
Endesa	9,500	179,455	198,350	Total Foreign Equities		11,816,807	11,474,094
Telefonica	9,700	149,600	154,756				
		662,928	681,580	Total Equities		13,259,022	12,864,536
Switzerland (2.0%)				Derivative Financial Instruments (Table) (- 1.1%)			(578,089)
Credit Suisse Group	4,400	158,614	190,212				
Nestlé	800	286,106	249,251	Total Investments (98.1%)		\$ 50,593,839	49,411,060
Novartis	3,400	215,947	177,770				
Roche Holding	1,430	168,287	160,217	Net Other Assets (1.9%)			966,569
STMicroelectronics	3,000	91,378	97,944				
Zurich Financial Services	800	117,433	135,062	Net Assets (100%)			\$ 50,377,629
		1,037,765	1,010,456				
United Kingdom (6.7%)							
AstraZeneca	4,200	204,999	239,666				
BAE Systems	36,400	258,911	137,275				
Barclays	14,600	158,943	151,336				
BHP Billiton	24,779	195,450	222,219				
BP	26,200	319,423	242,903				
British Sky Broadcasting Group	7,800	118,299	107,596				
Diageo	8,500	160,784	123,931				
GlaxoSmithKline	6,700	205,698	187,853				
HBOS	10,200	175,012	157,532				
HSBC Holdings	23,400	408,123	416,816				
mm02	89,200	121,306	114,636				
Rio Tinto	5,500	157,889	158,406				
Royal Bank of Scotland Group	4,900	198,614	168,294				
Shire Pharmaceuticals Group	12,900	120,910	126,258				
Tesco	48,400	221,593	261,845				
Unilever	12,100	174,110	139,614				
Vodafone Group, ADR	15,600	382,213	426,592				
		3,582,277	3,382,772				

Table

Stock Index Futures Contracts	Number	Purchase Value	Market Value	Unrealized Appreciation (Depreciation)
Index Purchased				
S&P 500, 2003-12	56	\$ 19,370,255	\$ 18,792,166	\$ (578,089)

BALANCED FUNDS

Desjardins Diversified Secure Fund

Overview

The Fund's sound diversification played a key role in its performance during the year. The Fund took advantage of the solid performance of bonds and the spectacular stock market rise since spring, while the stability of short-term securities guaranteed capital preservation.

Top 10 Holdings

	%
1. Treasury Bills – Canada, 2003-11-20	6.9
2. Government of Canada, 7.000%, 2006-12-01	5.5
3. Treasury Bills – Canada, 2004-03-11	4.5
4. Treasury Bills – Québec, 2003-11-14	4.5
5. Treasury Bills – Canada, 2004-02-12	3.5
6. Treasury Bills – Canada, 2003-12-18	3.3
7. Treasury Bills – Québec, 2003-12-23	2.8
8. Canadian Utilities, 8.430%, 2005-06-01	2.6
9. Financement-Québec, notes, 2003-11-28	2.3
10. Corporation d'hébergement du Québec, notes, 2003-12-10	1.9
Total	37.8

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 10.369	\$ 10.718	\$ 11.014	\$ 11.128	\$ 11.027
Income and gain on investment operations					
Net investment income (loss)	0.227	0.222	0.279	0.407	0.360
Realized and unrealized net gain (loss) on investments	0.172	(0.352)	(0.281)	(0.032)	0.120
Total	0.399	(0.130)	(0.002)	0.375	0.480
Distributions to investors					
Net investment income	0.229	0.219	0.294	0.406	0.351
Net gain on sale of investments	—	—	—	0.083	0.028
Total	0.229	0.219	0.294	0.489	0.379
Net Asset Value, End of Year	\$ 10.539	\$ 10.369	\$ 10.718	\$ 11.014	\$ 11.128
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$103,200	\$119,751	\$136,498	\$155,752	\$211,974
Average net assets (in thousands)	\$110,039	\$131,616	\$144,641	\$178,280	\$237,319
Management expense ratio (Note 4)	1.93%	1.93%	1.93%	1.85%	1.81%
Management expense ratio before waived fees	2.08%	1.97%	n.a.	n.a.	n.a.
Portfolio turnover rate	89.15%	68.49%	34.78%	82.50%	76.64%
Years Ended September 30	2003	2002	2001	2000	1999
Annual return	3.89%	-1.26%	-0.27%	6.31%	5.30%

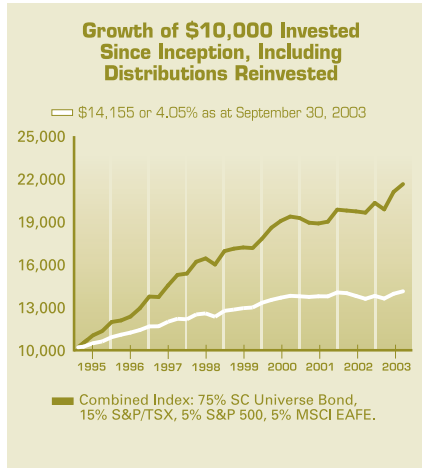
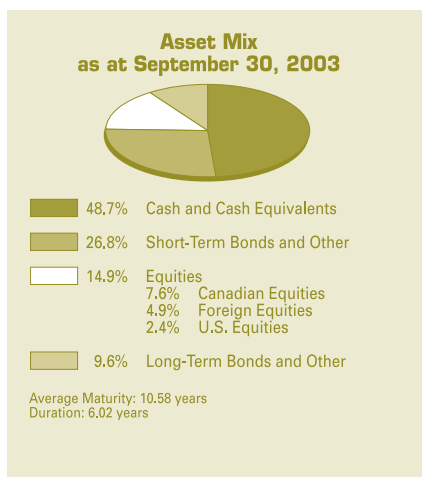
* Twelve-month period ended September 30.
 ** Nine-month period ended September 30.
 *** Twelve-month period ended December 31.

Objective

The objective of the Desjardins Diversified Secure Fund is to obtain the best possible return while protecting capital investment on a one-year horizon.

Portfolio Composition

Following a predetermined allocation model, the assets of this Fund are invested in money market securities, fixed income securities and Canadian, U.S. and foreign equities.



Desjardins Diversified Secure Fund

Investment Portfolio as at September 30, 2003

	Par Value	Average Cost	Market Value		Par Value	Average Cost	Market Value
Bonds (35.8%)							
Government of Canada (15.3%)							
stripped, 2003-12-01	\$ 1,180,000	\$ 1,171,610	\$ 1,175,019	Greater Toronto Airports Authority	\$ 550,000	\$ 570,900	\$ 601,010
7.500%, 2003-12-01	815,000	862,618	821,322	6.700%, 2010-07-19	90,000	89,953	94,791
package, 9.000%, 2004-12-01	50,000	53,815	53,503	6.250%, 2012-01-30	130,000	129,887	134,962
9.000%, 2004-12-01	1,695,000	1,840,660	1,816,803	6.980%, 2032-10-05			
8.750%, 2005-12-01	1,115,000	1,268,812	1,249,445	John Deere Credit			
7.000%, 2006-12-01	5,135,000	5,700,740	5,696,258	4.450%, 2005-04-01	250,000	249,968	254,953
4.500%, 2007-09-01	1,800,000	1,819,689	1,864,515	Loblaws Companies			
6.000%, 2011-06-01	850,000	912,277	940,814	6.000%, 2008-06-02	580,000	572,176	626,875
5.250%, 2012-06-01	875,000	878,675	924,049	6.850%, 2032-03-01	65,000	67,600	70,981
8.000%, 2023-06-01	355,000	449,475	482,627	Molson			
5.750%, 2029-06-01	660,000	693,166	717,750	6.000%, 2008-06-02	433,000	423,830	463,556
		15,651,537	15,742,105	NAV CANADA			
Provincial Governments and Crown Corporations (4.6%)				6.600%, 2006-12-01	600,000	641,904	652,648
Hydro One				Power Financial Corporation			
6.940%, 2005-06-03	450,000	478,755	479,108	6.900%, 2033-03-11	55,000	55,244	60,015
6.400%, 2011-12-01	60,000	63,138	66,013	Royal Bank of Canada			
6.930%, 2032-06-01	130,000	135,590	147,607	6.500%, 2011-09-12	125,000	133,650	135,465
Hydro-Québec				Shell Canada			
8.500%, 2005-08-15	1,505,000	1,691,564	1,656,198	floating rate, 2003-12-15	1,000,000	1,000,260	999,690
New Brunswick Highway Corporation				Suncor Energy			
6.470%, 2027-11-30	325,000	325,000	361,390	6.800%, 2007-03-05	140,000	148,249	153,000
Nova Scotia Power				Sun Life Assurance Company of Canada			
8.850%, 2025-05-19	125,000	161,263	153,500	6.150%, 2022-06-30	575,000	581,095	611,840
Ontario Hydro				TELUS Corporation			
8.250%, 2026-06-22	355,000	431,898	477,417	7.500%, 2006-06-01	400,000	417,800	429,000
Province of Ontario				Toronto-Dominion Bank			
6.500%, 2029-03-08	115,000	126,834	129,659	6.600%, initial rate (until 2005)			
Province of Québec				2010-04-14	600,000	638,700	631,915
6.500%, 2007-10-01	195,000	203,492	215,131	Toyota Credit Canada			
11.000%, 2009-04-01	180,000	238,459	240,418	6.750%, 2004-11-09	715,000	714,793	745,092
5.500%, 2009-06-01	540,000	575,397	575,462	TransAlta Corporation			
8.500%, 2026-04-01	195,000	221,319	267,426	6.600%, 2009-10-13	85,000	84,975	87,960
		4,652,709	4,769,329	TransCanada PipeLines			
Municipalities and Semi-Public Institutions (0.1%)				8.290%, 2026-02-05	170,000	206,904	205,210
Cégep de Valleyfield				Wells Fargo Financial Canada			
8.000%, 2005-12-14	65,000	73,678	71,500	Corporation			
Corporations (15.8%)				5.100%, 2006-10-26	65,000	66,788	67,902
Bank of Montreal				Westcoast Energy			
5.450%, 2004-09-15	400,000	399,256	410,368	5.750%, 2003-12-01	140,000	140,848	140,525
Bank of Nova Scotia				9.700%, 2004-11-15	600,000	677,070	642,884
5.190%, 2007-02-19	165,000	164,885	173,375			16,023,757	16,377,726
Bell Canada				Total Bonds		36,401,681	36,960,660
6.250%, 2003-12-01	540,000	537,246	543,268				
11.450%, 2010-04-15	135,000	180,090	185,308	Equities (14.9%)			
Canada Life Financial Corporation							
8.000%, 2011-09-19	500,000	558,705	562,314	Canadian Equities (7.6%)			
Canadian Imperial Bank of Commerce							
7.000%, 2011-10-23	70,000	76,320	76,776	Energy (1.0%)			
Canadian Utilities				EnCana Corporation	5,669	209,237	277,214
8.430%, 2005-06-01	2,460,000	2,693,549	2,674,621	Imperial Oil	500	20,911	25,400
Citigroup Finance Canada				Nexen	1,800	58,328	66,150
4.300%, 2005-01-11	730,000	730,896	742,891	Penn West Petroleum	700	24,373	32,018
Coca-Cola Enterprises (Canada) Bottling				Petro-Canada	4,600	124,943	241,454
Finance Company				Precision Drilling Corporation	800	45,422	40,832
5.650%, 2004-03-17	300,000	310,380	304,013	Shell Canada	1,600	76,592	85,296
Consumers Gas				Suncor Energy	5,300	73,448	132,129
4.610%, 2004-09-27	600,000	603,300	610,535	Talisman Energy	2,200	105,559	141,020
DaimlerChrysler Canada Finance						738,813	1,041,513
7.200%, 2006-05-03	350,000	363,468	374,410	Materials (1.2%)			
Enbridge				Abitibi-Consolidated	3,869	50,606	36,678
5.700%, 2005-03-17	230,000	229,977	237,998	Alcan	7,200	343,763	377,280
5.800%, 2008-07-29	600,000	583,230	637,616	Barrick Gold Corporation	9,500	272,710	241,585
6.800%, 2010-03-10	100,000	99,893	109,808	Domtar	5,000	66,068	76,100
Gaz Métropolitain				Falconbridge	2,300	45,115	51,681
10.750%, 2006-12-15	100,000	121,280	121,006	Glamis Gold	2,000	35,948	35,760
6.050%, 2008-11-10	110,000	109,959	118,911	Inco	4,400	122,361	164,912
GE Capital Canada Funding Company				NOVA Chemicals Corporation	700	18,775	19,320
5.300%, 2007-07-24	450,000	449,357	473,141	Placer Dome	2,100	41,862	38,976
George Weston				Potash Corporation of Saskatchewan	500	39,269	47,835
5.900%, 2009-02-05	135,000	134,923	145,085	Teck Corporation, Class B	4,120	48,895	59,369
GMAC Commercial Mortgage				Tembec, Class A	5,400	69,252	44,010
Securities of Canada						1,154,624	1,193,506
5.450%, 2005-03-21	65,000	64,449	66,008				

Desjardins Diversified Secure Fund

Investment Portfolio as at September 30, 2003

Canadian Equities (continued)	Number of Shares	Average Cost	Market Value	U.S. Equities (2.4%)	Number of Shares	Average Cost	Market Value
Industrials (0.5%)				Energy (0.2%)			
ATS Automation Tooling Systems	900	\$ 12,175	\$ 11,907	Apache Corporation	225	\$ 17,584	\$ 21,068
Bombardier, Class B	9,900	150,888	56,133	Ashland	700	41,710	31,053
Canadian National Railway Company	2,600	105,037	181,428	ConocoPhillips	100	8,676	7,393
Canadian Pacific Railway	2,400	75,791	76,776	Exxon Mobil Corporation	1,400	77,085	69,195
Finning International	500	12,589	15,950	Occidental Petroleum Corporation	1,100	41,969	52,332
JDS Uniphase Canada, Exchangeable	300	43,908	1,470			187,024	181,041
Masonite International Corporation	2,200	53,914	70,158	Materials (0.1%)			
Moore Wallace	2,900	50,118	55,100	Alcoa	600	29,766	21,196
Transcontinental, Class A	3,000	56,306	60,300	Boise Cascade Corporation	600	30,298	22,363
		560,726	529,222	Dow Chemical Company	700	36,875	30,759
						96,939	74,318
Consumer Discretionary (0.5%)				Industrials (0.2%)			
Canadian Tire Corporation, Class A	1,300	29,445	47,060	3M Co.	200	15,422	18,654
CanWest Global Communications Corp.	4,500	47,681	50,175	Automatic Data Processing	400	30,017	19,365
Forzani Group	2,600	49,878	44,980	Boeing Company	400	23,218	18,544
Magna International, Class A	1,500	103,375	146,250	FedEx Corp.	300	18,920	26,102
Quebecor World	900	32,838	22,833	General Electric Company	2,100	74,208	84,537
Rogers Communications, Class B	5,800	132,541	120,060	Honeywell International	500	34,303	17,792
RONA	1,900	32,228	39,900	United Technologies Corporation	200	19,540	20,872
Thomson Corporation	1,800	84,091	73,638			215,628	205,866
		512,077	544,896	Consumer Discretionary (0.3%)			
Consumer Staples (0.4%)				American Greetings Corporation	1,000	21,446	26,238
Cott Corporation	2,300	69,050	72,496	AOL Time Warner	1,600	80,502	32,647
George Weston	1,600	162,844	161,600	Comcast Corporation, Class A	599	42,297	24,979
Jean Coutu Group (PJC), Class A	3,400	43,143	55,760	Cooper Tire & Rubber Company	1,000	25,028	21,431
Loblaw Companies	1,300	60,657	78,325	Home Depot	500	17,261	21,505
Molson, Class A	800	25,264	26,640	Kohl's Corporation	200	17,871	14,449
		360,958	394,821	Lowe's Companies	200	10,106	14,017
Health Care (0.2%)				Marriott International	500	28,654	29,054
Angiotech Pharmaceuticals	800	41,206	47,064	Target Corporation	500	24,242	25,408
Axcan Pharma	2,100	35,487	38,388	Viacom, Class B	400	27,787	20,688
Biovail Corporation	2,400	143,296	120,600	Wal-Mart Stores	800	58,467	60,336
		219,989	206,052	Walt Disney Company	1,100	44,064	29,961
Financials (2.7%)				Whirlpool Corporation	100	9,598	9,152
AGF Management, Class B	2,500	62,350	40,375			407,323	329,865
Bank of Montreal	5,500	153,929	256,795	Consumer Staples (0.2%)			
Bank of Nova Scotia	6,200	223,220	391,220	Altria Group	300	19,312	17,744
Brascan Corporation, Class A	2,700	61,441	92,178	Coca-Cola Company	500	42,123	29,007
Canadian Imperial Bank of Commerce	4,700	203,358	259,957	Kroger Co.	800	29,379	19,305
C.I. Fund Management	2,800	43,639	39,004	Monsanto Company	100	2,921	3,233
Industrial Alliance Insurance and Financial Services	1,100	38,005	40,161	PepsiCo	700	44,488	43,322
Manulife Financial Corporation	7,200	220,946	281,016	Procter & Gamble Company	200	24,087	25,069
National Bank of Canada	1,400	44,550	51,002	Supervalu	900	28,359	28,999
Power Corporation of Canada	2,200	62,195	92,642	Walgreen Co.	600	33,258	24,826
Power Financial Corporation	2,200	62,488	97,020			223,927	191,505
Royal Bank of Canada	9,000	331,115	535,050	Health Care (0.3%)			
Sun Life Financial Services of Canada	9,124	256,914	266,877	Abbott Laboratories	500	33,885	28,730
Toronto-Dominion Bank	10,300	345,146	393,872	Amgen	400	36,008	34,878
		2,109,296	2,837,169	Bristol-Myers Squibb Company	700	49,294	24,256
Information Technology (0.5%)				Cardinal Health	200	21,599	15,770
Cinram International	2,100	48,530	52,395	Eli Lilly and Company	200	21,591	16,043
Cognos	2,400	86,452	100,968	Johnson & Johnson	600	42,232	40,123
Nortel Networks Corporation	49,345	1,227,412	273,865	Medco Health Solutions	97	3,486	3,397
Open Text Corporation	1,000	39,281	46,089	Medtronic	600	31,802	38,017
Zarlink Semiconductor	9,000	49,729	47,430	Merck & Co.	300	27,676	20,507
		1,451,404	520,747	Pfizer	1,540	76,907	63,179
Telecommunication Services (0.4%)				Schering-Plough Corporation	700	30,106	14,406
BCE	9,623	249,716	280,510	Tenet Healthcare Corporation	450	27,241	8,799
Stratos Global Corporation	1,200	15,048	15,156	UnitedHealth Group	400	22,265	27,181
TELUS Corporation	4,700	167,736	108,429	Wyeth	200	16,237	12,451
		432,500	404,095			440,329	347,737
Utilities (0.2%)							
Enbridge	1,800	68,326	86,670				
Terasen	500	18,075	21,750				
TransCanada Corporation	4,400	79,798	110,308				
		166,199	218,728				
Total Canadian Equities		7,706,586	7,890,749				

Desjardins Diversified Secure Fund

Investment Portfolio as at September 30, 2003

U.S. Equities (continued)	Number of Shares	Average Cost	Market Value	Foreign Equities (4.9%)	Number of Shares	Average Cost	Market Value
Financials (0.5%)				Australia (0.1%)			
Allstate Corporation	600	\$ 26,903	\$ 29,598	National Australia Bank	2,800	\$ 82,716	\$ 79,220
American Express Company	500	27,778	30,425				
American International Group	400	29,305	31,167	Bermuda (0.0%)			
Bank of America Corporation	100	9,481	10,539	Tyco International	700	34,210	19,312
Bank One Corporation	500	27,604	26,097				
Citigroup	1,100	55,461	67,603	Denmark (0.1%)			
Fannie Mae	100	10,417	9,480	Danske Bank	2,400	68,006	61,792
Freddie Mac	100	9,900	7,069				
J.P. Morgan Chase & Co.	600	34,876	27,816	Finland (0.1%)			
Loews Corporation	200	14,059	10,903	Nokia	4,300	100,386	90,253
MBNA Corporation	900	31,408	27,710				
Merrill Lynch & Co.	400	24,713	28,915	France (0.6%)			
Morgan Stanley	200	13,782	13,628	Axa	3,100	67,097	70,578
Torchmark Corporation	500	31,603	27,440	Axa, Rights	3,100	—	195
Travelers Property Casualty Corp.				BNP Paribas	1,700	109,726	112,608
Class B	200	4,857	4,289	LVMH (Louis Vuitton Moët Hennessy)	1,300	88,076	109,123
Union Planters Corporation	1,300	53,717	55,545	PSA Peugeot Citroën	1,300	89,630	74,637
U.S. Bancorp	1,300	44,616	42,115	Sanofi-Synthelabo	300	25,739	24,639
Washington Mutual	500	27,413	26,583	Schneider Electric	1,100	79,777	77,017
Wells Fargo Company	300	15,612	20,864	Suez	2,500	55,532	53,613
		493,505	497,786	Total	354	56,742	72,185
						572,319	594,595
Information Technology (0.4%)				Germany (0.3%)			
Analog Devices	100	6,055	5,134	Deutsche Bank	1,100	78,568	90,171
Applied Materials	800	27,787	19,597	Deutsche Telekom	2,700	54,911	52,677
Cisco Systems	1,600	43,586	42,219	E.On	900	57,712	59,333
Dell	500	26,432	22,545	Siemens	850	60,080	68,206
EMC Corporation	1,100	27,913	18,761			251,271	270,387
Hewlett-Packard Company	1,000	46,637	26,144	Hong Kong (0.1%)			
Intel Corporation	1,300	43,825	48,294	Cheung Kong (Holdings)	5,000	43,524	53,401
International Business Machines Corporation (IBM)	200	28,117	23,856				
Lucent Technologies	1,900	80,305	5,542	Italy (0.1%)			
Micron Technology	400	15,430	7,249	Assicurazioni Generali	1,900	61,497	57,756
Microsoft Corporation	2,200	63,437	82,561	ENI	2,530	50,259	52,147
Motorola	1,100	31,204	17,781	Mediaset	3,760	44,115	46,677
Oracle Corporation	2,200	37,813	33,333			155,871	156,580
QUALCOMM	100	13,616	5,623	Japan (1.0%)			
Sun Microsystems	1,600	15,281	7,152	Canon	1,900	110,878	125,733
Texas Instruments	400	15,216	12,316	Daiwa House Industry Co.	9,000	78,333	111,153
VERITAS Software Corporation	200	14,093	8,481	Fuji Heavy Industries	12,000	83,270	83,192
		536,747	386,588	Ito-Yokado	1,000	72,772	45,086
				Mitsubishi Estate Company	4,000	34,815	51,146
Telecommunication Services (0.1%)				Mitsubishi Heavy Industries	29,000	107,974	113,880
AT&T Corp.	300	76,487	8,730	Nitto Denko Corporation	1,000	40,935	58,540
AT&T Wireless Services	1,100	32,566	12,151	Nomura Holdings	2,000	46,652	43,632
BellSouth Corporation	700	43,530	22,384	NTT DoCoMo	21	63,655	69,484
Qwest Communications International	800	32,957	3,673	Oji Paper Co.	7,000	39,093	52,855
SBC Communications	900	58,870	27,042	SECOM Co.	1,500	94,940	76,356
Sprint Corp. (PCS Group)	500	16,330	3,869	Sony Corporation	1,100	50,254	51,995
Verizon Communications	400	30,306	17,523	Takeda Chemical Industries	700	56,232	34,530
		291,046	95,372	Toshiba Corporation	9,000	40,169	51,268
				Toyota Motor Corporation	3,000	121,139	119,261
						1,041,111	1,088,111
Utilities (0.0%)				Netherlands (0.3%)			
Allegheny Energy	700	35,718	8,640	Elsevier	4,900	80,272	74,783
American Electric Power Company	700	44,183	28,358	Koninklijke (Royal) Philips Electronics	3,000	135,437	91,855
		79,901	36,998	Royal Dutch Petroleum Company	2,200	178,490	130,532
						394,199	297,170
Index-Based Investments (0.1%)				Netherlands Antilles (0.0%)			
Standard & Poor's Depository Receipts	600	102,811	80,943	Schlumberger	200	16,275	13,072
Total U.S. Equities		3,075,180	2,428,019	Singapore (0.1%)			
				Haw Par Corporation	331	1,042	1,105
				Singapore Press Holdings	2,881	52,383	41,176
				Singapore Telecommunications	68,000	78,535	88,160
						131,960	130,441

Desjardins Diversified Secure Fund

Investment Portfolio as at September 30, 2003

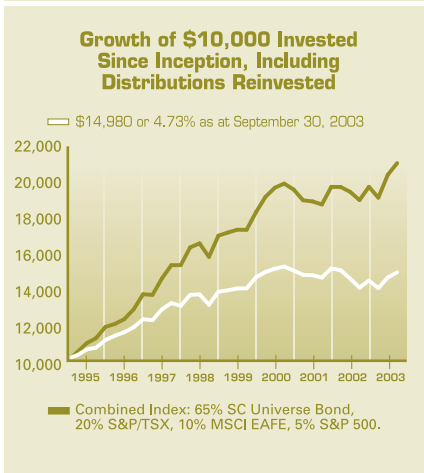
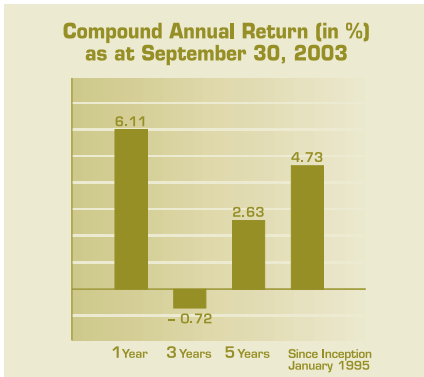
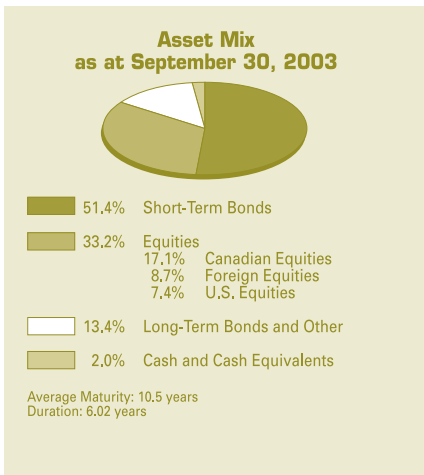
Foreign Equities (continued)	Number of Shares	Average Cost	Market Value		Principal Balance Outstanding	Amortized Cost	Market Value
Spain (0.3%)				Mortgage-Backed Securities (0.4%)			
Banco Bilbao Vizcaya Argentaria	5,200	\$ 78,092	\$ 72,489	Toronto-Dominion Bank NHA			
Banco Popular Espanol	1,300	84,878	86,868	5.375%, 2028-07-01	\$ 407,558	\$ 389,071	\$ 405,418
Endesa, ADR	3,800	88,470	79,795				
Telefonica	4,600	71,516	73,389	Leasing Securities (0.2%)			
		322,956	312,541	Broadcast Center Trust			
Switzerland (0.4%)				7.530%, 2027-05-01	132,068	142,873	160,027
Credit Suisse Group	1,600	55,874	69,168				
Nestlé	500	162,608	155,782				
Novartis	1,520	90,594	79,474				
Roche Holding	530	60,423	59,381				
STMicroelectronics	1,300	39,597	42,442	Total Investments (51.3%)		\$ 52,917,767	52,902,834
Zurich Financial Services	350	51,377	59,090				
		460,473	465,337	Money Market Securities (48.0%)			49,495,597
United Kingdom (1.4%)				Net Other Assets (0.7%)			801,481
AstraZeneca	1,600	83,816	91,300				
BAE Systems	3,000	19,234	11,314	Net Assets (100%)			\$103,199,912
Barclays	4,600	49,433	47,681				
BHP Billiton	11,685	85,747	104,792				
BP	11,400	125,249	105,691				
British Sky Broadcasting Group	4,400	71,499	60,695				
Diageo	3,300	52,215	48,114				
GlaxoSmithKline	2,900	88,161	81,310				
HBOS	4,400	76,478	67,955				
HSBC Holdings	10,580	183,213	188,458				
mm02	39,500	53,718	50,764				
Rio Tinto	2,400	68,897	69,123				
Royal Bank of Scotland Group	2,100	81,128	72,126				
Shire Pharmaceuticals Group	5,700	53,426	55,788				
Tesco	19,400	88,685	104,954				
Unilever	5,200	74,401	60,000				
Vodafone Group	30,406	130,288	81,907				
Vodafone Group, ADR	2,360	66,461	64,536				
WPP Group	5,200	75,050	59,241				
		1,527,099	1,425,749				
Total Foreign Equities		5,202,376	5,057,961				
Total Equities		15,984,142	15,376,729				

Objective

The objective of the Desjardins Diversified Moderate Fund is to obtain the best possible return while protecting capital invested on a three-year horizon with moderate volatility in the short term.

Portfolio Composition

Following a predetermined allocation model, the assets of this Fund are invested in money market securities, fixed income securities and Canadian, U.S. and foreign equities.



BALANCED FUNDS

Desjardins Diversified Moderate Fund

Overview

The relative stability of rates on short-term bonds, which made up more than half its assets, benefited the Fund. The upbeat stock market mood since spring also boosted results. However, the loonie's strength partially offset U.S. stock market gains in local currency terms.

Top 10 Holdings

	%
1. Government of Canada, 7.000%, 2006-12-01	11.2
2. Government of Canada, 9.000%, 2004-12-01	6.4
3. Hydro-Québec, 8.500%, 2005-08-15	4.4
4. Government of Canada, 4.500%, 2007-09-01	4.1
5. Government of Canada, 8.750%, 2005-12-01	3.5
6. Government of Canada, 6.000%, 2011-06-01	2.9
7. Toronto-Dominion Bank, 6.600%, initial rate (until 2005), 2010-04-14	1.8
8. Government of Canada, stripped, 2003-12-01	1.7
9. Hydro-Québec, 7.000%, 2004-06-01	1.7
10. TELUS Corporation, 7.500%, 2006-06-01	1.6
Total	39.3

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 10.450	\$ 11.183	\$ 11.781	\$ 12.085	\$ 11.775
Income and gain on investment operations					
Net investment income (loss)	0.298	0.324	0.280	0.394	0.383
Realized and unrealized net gain (loss) on investments	0.332	(0.739)	(0.584)	(0.089)	0.296
Total	0.630	(0.415)	(0.304)	0.305	0.679
Distributions to investors					
Net investment income	0.301	0.318	0.294	0.406	0.369
Net gain on sale of investments	—	—	—	0.203	—
Total	0.301	0.318	0.294	0.609	0.369
Net Asset Value, End of Year	\$ 10.779	\$ 10.450	\$ 11.183	\$ 11.781	\$ 12.085

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$264,304	\$289,749	\$348,027	\$413,942	\$525,945
Average net assets (in thousands)	\$273,884	\$330,135	\$378,112	\$459,480	\$548,623
Management expense ratio (Note 4)	2.01%	2.01%	2.01%	1.94%	1.90%
Management expense ratio before waived fees	2.16%	2.06%	n.a.	n.a.	n.a.
Portfolio turnover rate	86.16%	69.52%	34.20%	71.25%	59.61%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	6.11%	- 3.84%	- 4.10%	8.76%	7.01%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Diversified Moderate Fund

Investment Portfolio as at September 30, 2003

	Par Value	Average Cost	Market Value		Par Value	Average Cost	Market Value
Bonds (64.3%)							
Government of Canada (33.7%)							
stripped, 2003-12-01	\$ 4,395,000	\$ 4,363,752	\$ 4,376,449	GMAC Commercial Mortgage Securities of Canada			
7.500%, 2003-12-01	3,550,000	3,752,870	3,577,536	5.450%, 2005-03-21	\$ 140,000	\$ 138,813	\$ 142,171
package, 9.000%, 2004-12-01	50,000	53,815	53,503	Greater Toronto Airports Authority			
9.000%, 2004-12-01	15,710,000	17,019,982	16,838,921	6.700%, 2010-07-19	2,200,000	2,283,600	2,404,042
8.750%, 2005-12-01	8,150,000	9,277,626	9,132,718	6.250%, 2012-01-30	235,000	234,878	247,511
stripped, 2006-12-01	520,000	417,995	466,754	6.980%, 2032-10-05	320,000	319,722	332,215
7.000%, 2006-12-01	26,725,000	29,630,025	29,646,055	John Deere Credit			
4.500%, 2007-09-01	10,500,000	10,608,050	10,876,338	4.450%, 2005-04-01	1,350,000	1,349,825	1,376,747
6.000%, 2011-06-01	6,900,000	7,399,705	7,637,194	Loblaw Companies			
5.250%, 2012-06-01	3,150,000	3,162,935	3,326,577	6.000%, 2008-06-02	3,100,000	3,058,183	3,350,538
8.000%, 2023-06-01	730,000	924,162	992,445	Molson			
5.750%, 2029-06-01	1,840,000	1,883,727	2,001,000	6.000%, 2008-06-02	2,426,000	2,392,657	2,597,200
		88,494,644	88,925,490	NAV CANADA			
Provincial Governments and Crown Corporations (9.5%)				6.600%, 2006-12-01	3,244,000	3,470,561	3,528,650
Hydro One				Power Financial Corporation			
6.940%, 2005-06-03	2,200,000	2,340,580	2,342,304	6.900%, 2033-03-11	125,000	125,554	136,397
6.930%, 2032-06-01	330,000	344,190	374,696	Provigo			
Hydro-Québec				6.350%, 2004-12-01	450,000	461,162	467,772
7.000%, 2004-06-01	4,250,000	4,560,511	4,373,617	Royal Bank of Canada			
8.500%, 2005-08-15	10,675,000	11,878,801	11,747,451	6.500%, 2011-09-12	290,000	310,068	314,280
New Brunswick Highway Corporation				Suncor Energy			
6.470%, 2027-11-30	825,000	825,000	917,375	6.800%, 2007-03-05	400,000	423,568	437,144
Nova Scotia Power				Sun Life Assurance Company of Canada			
8.850%, 2025-05-19	200,000	258,020	245,600	6.150%, 2022-06-30	2,725,000	2,753,885	2,899,588
Ontario Hydro				TELUS Corporation			
8.250%, 2026-06-22	950,000	1,162,200	1,277,595	7.500%, 2006-06-01	4,000,000	4,178,000	4,290,000
Province of British Columbia				Toronto-Dominion Bank			
5.700%, 2029-06-18	135,000	131,376	138,301	6.600%, initial rate (until 2005)			
Province of Ontario				2010-04-14	4,400,000	4,683,800	4,634,046
6.500%, 2029-03-08	195,000	215,066	219,857	Toyota Credit Canada			
Province of Québec				6.750%, 2004-11-09	3,220,000	3,219,066	3,355,517
7.750%, 2006-03-30	330,000	354,805	365,638	TransAlta Corporation			
11.000%, 2009-04-01	560,000	741,871	747,969	6.600%, 2009-10-13	205,000	204,941	212,139
5.500%, 2009-06-01	1,525,000	1,598,707	1,625,147	TransCanada PipeLines			
8.500%, 2026-04-01	590,000	728,690	809,135	8.230%, 2031-01-16	530,000	650,379	639,543
		25,139,817	25,184,685	Wells Fargo Financial Canada Corporation			
Municipalities and Semi-Public Institutions (0.0%)				5.100%, 2006-10-26	165,000	169,539	172,366
Université de Sherbrooke				Westcoast Energy			
6.750%, 2004-02-18	100,000	105,550	101,460	5.750%, 2003-12-01	540,000	541,641	542,024
Corporations (21.1%)				9.700%, 2004-11-15	1,271,000	1,404,188	1,361,843
Bank of Montreal						54,013,377	55,756,372
5.450%, 2004-09-15	1,975,000	1,961,241	2,026,194	Total Bonds		167,753,388	169,968,007
Bank of Nova Scotia							
5.190%, 2007-02-19	425,000	424,703	446,572	Equities (33.2%)			
Bell Canada							
6.250%, 2003-12-01	2,760,000	2,745,924	2,776,705	Canadian Equities (17.1%)			
11.450%, 2010-04-15	350,000	466,900	480,428	Energy (2.1%)			
Bombardier Capital				EnCana Corporation	33,986	1,254,573	1,661,914
6.600%, 2004-11-29	1,200,000	1,226,450	1,221,000	Imperial Oil	2,500	105,349	127,000
Canadian Imperial Bank of Commerce				Nexen	8,500	276,263	312,375
7.000%, 2011-10-23	175,000	190,801	191,940	Penn West Petroleum	3,700	128,964	169,238
Canadian Utilities				Petro-Canada	22,800	612,893	1,196,771
8.430%, 2005-06-01	330,000	362,432	358,791	Precision Drilling Corporation	3,800	215,277	193,952
Citigroup Finance Canada				Shell Canada	7,900	378,173	421,149
4.300%, 2005-01-11	3,425,000	3,428,681	3,485,483	Suncor Energy	26,400	372,048	658,152
Coca-Cola Enterprises (Canada) Bottling Finance Company				Talisman Energy	14,000	675,026	897,400
5.650%, 2004-03-17	2,000,000	2,066,800	2,026,753			4,018,566	5,637,951
Consumers Gas				Materials (2.5%)			
6.050%, 2023-07-05	265,000	264,629	256,952	Abitibi-Consolidated	27,101	354,652	256,917
DaimlerChrysler Canada Finance				Alcan	35,900	1,710,887	1,881,160
7.200%, 2006-05-03	1,850,000	1,921,188	1,979,026	Barrick Gold Corporation	58,400	1,654,633	1,485,110
Enbridge				Domtar	31,700	421,076	482,474
5.700%, 2005-03-17	250,000	249,975	258,694	Falconbridge	11,200	218,976	251,664
5.800%, 2008-07-29	3,200,000	3,110,560	3,400,619	Glamis Gold	10,000	179,643	178,800
6.800%, 2010-03-10	250,000	249,733	274,519	Inco	22,100	613,965	828,308
Gaz Métropolitain				NOVA Chemicals Corporation	3,200	85,631	88,320
10.750%, 2006-12-15	200,000	242,560	242,012	Placer Dome	15,900	312,980	295,104
6.050%, 2008-11-10	360,000	359,867	389,162	Potash Corporation of Saskatchewan	3,600	281,461	344,412
GE Capital Canada Funding Company				Teck Corporation, Class B	20,420	242,617	294,252
5.300%, 2007-07-24	2,030,000	2,027,097	2,134,390	Tembec, Class A	28,500	365,685	232,275
George Weston						6,442,206	6,618,796
5.900%, 2009-02-05	340,000	339,806	365,399				

Desjardins Diversified Moderate Fund

Investment Portfolio as at September 30, 2003

Canadian Equities (continued)	Number of Shares	Average Cost	Market Value	U.S. Equities (7.4%)	Number of Shares	Average Cost	Market Value
Industrials (1.3%)				Energy (0.6%)			
ATS Automation Tooling Systems	4,900	\$ 66,287	\$ 64,827	Apache Corporation	2,520	\$ 196,221	\$ 235,965
Bombardier, Class B	49,100	703,083	278,397	Ashland	3,800	226,495	168,571
Canadian National Railway Company	16,200	657,102	1,130,435	ChevronTexaco Corporation	2,400	305,927	231,567
Canadian Pacific Railway	16,100	508,537	515,039	ConocoPhillips	2,600	223,322	192,230
Finning International	5,800	146,000	185,020	Exxon Mobil Corporation	10,900	589,668	538,730
JDS Uniphase Canada, Exchangeable	1,200	175,490	5,880	Occidental Petroleum Corporation	5,400	204,910	256,903
Masonite International Corporation	16,900	414,845	538,941			<u>1,746,543</u>	<u>1,623,966</u>
Moore Wallace	18,200	314,681	345,800	Materials (0.2%)			
Transcontinental, Class A	15,000	281,313	301,500	Alcoa	3,300	164,212	116,578
		<u>3,267,338</u>	<u>3,365,839</u>	Boise Cascade Corporation	3,800	192,966	141,630
Consumer Discretionary (1.2%)				Dow Chemical Company	4,000	210,227	175,768
Canadian Tire Corporation, Class A	9,000	203,881	325,800			<u>567,405</u>	<u>433,976</u>
CanWest Global Communications Corp.	22,200	235,184	247,530	Industrials (0.7%)			
Forzani Group	13,300	255,216	230,090	3M Co.	2,800	205,122	261,162
Magna International, Class A	9,900	689,880	965,250	Automatic Data Processing	2,400	180,370	116,189
Quebecor World	4,600	168,076	116,702	Boeing Company	2,900	177,465	134,442
Rogers Communications, Class B	28,800	665,156	596,160	FedEx Corp.	2,800	182,211	243,618
RONA	9,400	159,421	197,400	General Electric Company	16,400	549,604	660,190
Thomson Corporation	8,700	411,710	355,917	Honeywell International	2,800	188,570	99,633
		<u>2,788,524</u>	<u>3,034,849</u>	United Technologies Corporation	1,900	193,667	198,282
Consumer Staples (0.8%)						<u>1,677,009</u>	<u>1,713,516</u>
Cott Corporation	14,900	446,553	469,648	Consumer Discretionary (1.0%)			
George Weston	8,100	818,377	818,100	American Greetings Corporation	5,300	115,637	139,063
Jean Coutu Group (PJC), Class A	16,600	210,638	272,240	AOL Time Warner	7,900	413,720	161,196
Loblaw Companies	6,300	290,958	379,575	Comcast Corporation, Class A	5,100	355,165	212,672
Molson, Class A	4,100	128,987	136,530	Cooper Tire & Rubber Company	6,100	154,392	130,728
		<u>1,895,513</u>	<u>2,076,093</u>	Home Depot	4,600	137,224	197,847
Health Care (0.4%)				Kohl's Corporation	1,900	168,781	137,268
Angiotech Pharmaceuticals	4,400	219,830	258,852	Lowe's Companies	2,500	126,691	175,215
Axcan Pharma	14,800	249,563	270,544	Marriott International	3,300	191,223	191,756
Biovail Corporation	12,100	717,377	608,025	Target Corporation	3,600	171,280	182,936
		<u>1,186,770</u>	<u>1,137,421</u>	Viacom, Class B	3,799	266,872	196,486
Financials (6.3%)				Wal-Mart Stores	7,900	569,620	595,818
AGF Management, Class B	12,400	309,797	200,260	Walt Disney Company	5,700	231,721	155,254
Bank of Montreal	33,000	927,267	1,540,770	Whirlpool Corporation	1,500	145,385	137,275
Bank of Nova Scotia	36,800	1,328,701	2,322,080			<u>3,047,711</u>	<u>2,613,514</u>
Brascan Corporation, Class A	13,100	296,409	447,234	Consumer Staples (0.6%)			
Canadian Imperial Bank of Commerce	27,900	1,204,744	1,543,149	Altria Group	4,600	291,289	272,079
C.I. Fund Management	19,400	302,353	270,242	Coca-Cola Company	5,000	427,603	290,066
Industrial Alliance Insurance and Financial Services	6,000	207,300	219,060	Kroger Co.	4,000	145,456	96,527
Manulife Financial Corporation	42,400	1,299,531	1,654,872	Monsanto Company	600	17,383	19,397
National Bank of Canada	6,800	216,381	247,724	PepsiCo	4,200	265,053	259,934
Power Corporation of Canada	11,100	314,263	467,421	Procter & Gamble Company	2,500	307,912	313,361
Power Financial Corporation	10,700	305,230	471,870	Supervalu	4,600	142,190	148,215
Royal Bank of Canada	53,240	1,986,384	3,165,118	Walgreen Co.	3,100	175,400	128,267
Sun Life Financial Services of Canada	59,070	1,664,774	1,727,798			<u>1,772,286</u>	<u>1,527,846</u>
Toronto-Dominion Bank	59,800	2,036,653	2,286,752	Health Care (1.0%)			
		<u>12,399,787</u>	<u>16,564,350</u>	Abbott Laboratories	3,200	204,821	183,871
Information Technology (1.1%)				Amgen	2,200	197,061	191,830
Cinram International	10,600	245,778	264,470	Bristol-Myers Squibb Company	3,600	257,211	124,745
Cognos	11,700	421,803	492,219	Cardinal Health	1,500	163,597	118,275
Nortel Networks Corporation	290,008	7,509,043	1,609,544	Eli Lilly and Company	2,100	226,655	168,449
Open Text Corporation	6,000	236,015	276,535	Johnson & Johnson	5,100	365,059	341,047
Zarlink Semiconductor	58,100	321,291	306,187	Medco Health Solutions	470	16,893	16,457
		<u>8,733,930</u>	<u>2,948,955</u>	Medtronic	2,900	154,414	183,747
Telecommunication Services (0.9%)				Merck & Co.	3,900	349,200	266,594
BCE	60,470	1,553,357	1,762,701	Pfizer	15,080	745,881	618,660
Stratos Global Corporation	7,100	89,034	89,673	Schering-Plough Corporation	3,500	149,554	72,030
TELUS Corporation	23,100	823,524	532,917	Tenet Healthcare Corporation	2,100	123,720	41,063
		<u>2,465,915</u>	<u>2,385,291</u>	UnitedHealth Group	3,000	165,555	203,857
Utilities (0.5%)				Wyeth	2,800	218,018	174,310
Enbridge	11,800	448,860	568,170			<u>3,337,639</u>	<u>2,704,935</u>
Terasen	3,800	137,370	165,300				
TransCanada Corporation	26,200	475,708	656,834				
		<u>1,061,938</u>	<u>1,390,304</u>				
Total Canadian Equities		<u>44,260,487</u>	<u>45,159,849</u>				

Desjardins Diversified Moderate Fund

Investment Portfolio as at September 30, 2003

U.S. Equities (continued)	Number of Shares	Average Cost	Market Value	Foreign Equities (8.7%)	Number of Shares	Average Cost	Market Value
Financials (1.6%)				Australia (0.2%)			
Allstate Corporation	3,500	\$ 154,405	\$ 172,656	National Australia Bank	14,250	\$ 420,966	\$ 403,175
American Express Company	3,600	203,759	219,057				
American International Group	4,700	340,894	366,216	Bermuda (0.0%)			
Bank of America Corporation	3,500	329,938	368,849	Tyco International	4,200	199,719	115,873
Bank One Corporation	4,200	233,829	219,211				
Citigroup	8,600	418,347	528,529	Denmark (0.1%)			
Fannie Mae	2,100	220,215	199,076	Danske Bank	11,800	334,363	303,812
Freddie Mac	1,800	176,678	127,248				
J.P. Morgan Chase & Co.	5,000	294,421	231,797	Finland (0.1%)			
Loews Corporation	2,600	169,335	141,741	Nokia	18,700	434,621	392,495
MBNA Corporation	4,600	160,524	141,630				
Merrill Lynch & Co.	2,500	154,839	180,718	France (1.0%)			
Morgan Stanley	2,900	198,925	197,610	Axa	15,600	337,649	355,165
Torchmark Corporation	2,800	176,657	153,665	Axa, Rights	15,600	—	982
Travelers Property Casualty Corp.				BNP Paribas	7,900	509,020	523,294
Class B	1,100	26,142	23,589	LVMH (Louis Vuitton Moët Hennessy)	5,300	358,534	444,884
Union Planters Corporation	7,400	305,840	316,178	PSA Peugeot Citroën	5,100	353,737	292,806
U.S. Bancorp	6,500	222,453	210,575	Sanofi-Synthelabo	1,000	85,875	82,131
Washington Mutual	3,100	170,161	164,813	Schneider Electric	5,000	364,387	350,079
Wells Fargo Company	4,000	195,910	278,183	Suez	10,900	241,561	233,754
		<u>4,153,272</u>	<u>4,241,341</u>	Total	1,695	265,438	345,630
Information Technology (1.2%)						<u>2,516,201</u>	<u>2,628,725</u>
Analog Devices	1,400	86,551	71,879	Germany (0.5%)			
Applied Materials	5,000	178,685	122,482	Deutsche Bank	5,000	355,775	409,868
Cisco Systems	13,200	366,131	348,307	Deutsche Telekom	11,660	237,298	227,487
Dell	5,300	285,746	238,977	E.On	4,600	294,727	303,255
EMC Corporation	5,800	159,052	98,922	Siemens	4,000	282,757	320,972
Hewlett-Packard Company	9,000	425,240	235,294			<u>1,170,557</u>	<u>1,261,582</u>
Intel Corporation	11,800	397,308	438,365	Hong Kong (0.1%)			
International Business Machines Corporation (IBM)	3,200	458,521	381,699	Cheung Kong (Holdings)	23,000	200,212	245,646
Lucent Technologies	9,500	389,376	27,710				
Micron Technology	2,100	82,593	38,057	Italy (0.3%)			
Microsoft Corporation	18,600	573,785	698,015	Assicurazioni Generali	8,800	284,702	267,502
Motorola	5,400	156,965	87,287	ENI	11,680	230,916	240,741
Oracle Corporation	11,000	167,895	166,667	Mediaset	17,000	198,119	211,039
QUALCOMM	1,700	242,849	95,592			<u>713,737</u>	<u>719,282</u>
Sun Microsystems	8,200	72,724	36,653	Japan (1.9%)			
Texas Instruments	3,900	148,940	120,078	Canon	6,300	359,247	416,904
VERITAS Software Corporation	1,900	138,117	80,565	Daiwa House Industry Co.	41,000	356,796	506,361
		<u>4,330,478</u>	<u>3,286,549</u>	Fuji Heavy Industries	59,000	409,409	409,026
Telecommunication Services (0.2%)				Ito-Yokado	6,000	360,266	270,518
AT&T Corp.	1,400	373,671	40,742	Mitsubishi Estate Company	22,000	191,485	281,305
AT&T Wireless Services	5,700	168,512	62,964	Mitsubishi Heavy Industries	147,000	547,323	577,251
BellSouth Corporation	3,800	233,995	121,515	Nitto Denko Corporation	4,700	192,394	275,136
Qwest Communications International	4,000	160,353	18,365	Nomura Holdings	9,000	201,915	196,344
SBC Communications	5,700	377,997	171,265	NTT DoCoMo	93	281,897	307,715
Sprint Corp. (PCS Group)	2,500	75,947	19,345	Oji Paper Co.	36,000	201,051	271,827
Verizon Communications	4,500	344,033	197,132	SECOM Co.	5,000	323,950	254,520
		<u>1,734,508</u>	<u>631,328</u>	Sony Corporation	4,700	214,956	222,160
Utilities (0.1%)				Takeda Chemical Industries	3,200	254,880	157,851
Allegheny Energy	3,300	170,602	40,731	Toshiba Corporation	45,000	200,844	256,338
American Electric Power Company	3,300	210,239	133,690	Toyota Motor Corporation	14,100	555,248	560,526
		<u>380,841</u>	<u>174,421</u>			<u>4,651,661</u>	<u>4,963,782</u>
Index-Based Investments (0.2%)				Netherlands (0.5%)			
Standard & Poor's Depository Receipts	4,700	824,121	634,054	Elsevier	24,800	406,277	378,495
				Koninklijke (Royal) Philips Electronics	12,600	595,465	385,789
Total U.S. Equities		<u>23,571,813</u>	<u>19,585,446</u>	Royal Dutch Petroleum Company	10,100	830,377	599,259
						<u>1,832,119</u>	<u>1,363,543</u>
				Netherlands Antilles (0.1%)			
				Schlumberger	2,400	194,458	156,863

Desjardins Diversified Moderate Fund

Investment Portfolio as at September 30, 2003

Foreign Equities (continued)	Number of Shares	Average Cost	Market Value		Principal Balance Outstanding	Amortized Cost	Market Value
Singapore (0.2%)				Mortgage-Backed Securities (0.3%)			
Haw Par Corporation	1,452	\$ 4,573	\$ 4,854	Toronto-Dominion Bank NHA			
Singapore Press Holdings	14,900	279,483	212,957	5.375%, 2028-07-01	\$ 866,060	\$ 815,392	\$ 861,513
Singapore Telecommunications	312,000	361,046	404,499				
		645,102	622,310	Leasing Securities (0.2%)			
Spain (0.5%)				Broadcast Center Trust			
Banco Bilbao Vizcaya Argentaria	22,800	342,193	317,838	7.530%, 2027-05-01	384,362	419,929	465,731
Banco Popular Espanol	5,300	345,236	354,156				
Endesa, ADR	16,900	394,705	354,879				
Telefonica	20,900	324,587	333,442				
		1,406,721	1,360,315				
Switzerland (0.8%)				Total Investments (98.0%)		\$260,359,015	259,012,483
Credit Suisse Group	7,900	278,338	341,517				
Nestlé	1,600	525,900	498,501	Money Market Securities (0.9%)			2,409,322
Novartis	6,700	396,246	350,312				
Roche Holding	2,600	302,650	291,304	Net Other Assets (1.1%)			2,881,808
STMicroelectronics	6,500	197,989	212,211				
Zurich Financial Services	1,750	256,887	295,448	Net Assets (100%)			\$264,303,613
		1,958,010	1,989,293				
United Kingdom (2.4%)							
AstraZeneca	6,900	359,777	393,737				
Barclays	20,700	223,370	214,565				
BHP Billiton	56,020	410,922	502,391				
BP	51,100	567,215	473,754				
British Sky Broadcasting Group	19,800	295,538	273,129				
Diageo	14,400	227,665	209,954				
GlaxoSmithKline	13,000	396,605	364,491				
HBOS	19,500	338,692	301,165				
HSBC Holdings	45,720	798,697	814,394				
mm02	196,900	267,769	253,048				
Rio Tinto	12,000	344,485	345,613				
Royal Bank of Scotland Group	9,200	348,269	315,981				
Shire Pharmaceuticals Group	28,400	266,186	277,963				
Tesco	90,000	411,578	486,901				
Unilever	23,200	332,191	267,690				
Vodafone Group	129,334	563,055	348,398				
Vodafone Group, ADR	11,560	336,980	316,116				
WPP Group	25,100	370,565	285,951				
		6,859,559	6,445,241				
Total Foreign Equities		23,538,006	22,971,937				
Total Equities		91,370,306	87,717,232				

BALANCED FUNDS

Desjardins Diversified Audacious Fund

Overview

Falling rates at the beginning of the year significantly fuelled the market value of the bond portion of the portfolio, while the sharp stock market upswing since spring also pushed up the Fund. International returns for Canadian investors were however overshadowed by a soaring loonie.

Top 10 Holdings

	%
1. Government of Canada, 7.000%, 2006-12-01	6.0
2. Treasury Bills – Canada, 2003-10-23	2.7
3. Royal Bank of Canada	2.2
4. Desjardins International RSP Fund	2.1
5. Government of Canada, 4.500%, 2007-09-01	2.0
6. Government of Canada, 9.000%, 2004-12-01	2.0
7. Hydro-Québec, 8.500%, 2005-08-15	1.9
8. Government of Canada, 7.500%, 2003-12-01	1.9
9. Government of Canada, 6.000%, 2011-06-01	1.6
10. Bank of Nova Scotia	1.6
Total	24.0

Statement of Financial Highlights

Data per Unit – A-Class

	2003*	2002*	2001**	2000***	1999***
Net Asset Value, Beginning of Year	\$ 10.321	\$ 11.661	\$ 12.943	\$ 13.657	\$ 12.741
Income and gain on investment operations					
Net investment income (loss)	0.167	0.177	0.191	0.287	0.245
Realized and unrealized net gain (loss) on investments	0.587	(1.265)	(1.271)	(0.188)	0.909
Total	0.754	(1.088)	(1.080)	0.099	1.154
Distributions to investors					
Net investment income	0.169	0.170	0.202	0.298	0.238
Net gain on sale of investments	—	0.082	—	0.515	—
Total	0.169	0.252	0.202	0.813	0.238
Net Asset Value, End of Year	\$ 10.906	\$ 10.321	\$ 11.661	\$ 12.943	\$ 13.657

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$137,515	\$145,734	\$188,185	\$230,232	\$268,839
Average net assets (in thousands)	\$140,950	\$178,489	\$209,821	\$249,929	\$273,340
Management expense ratio (Note 4)	2.14%	2.14%	2.14%	2.06%	2.02%
Management expense ratio before waived fees	2.30%	2.19%	n.a.	n.a.	n.a.
Portfolio turnover rate	56.78%	62.49%	38.08%	90.06%	61.56%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	7.37%	–9.58%	–12.14%	12.84%	10.08%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

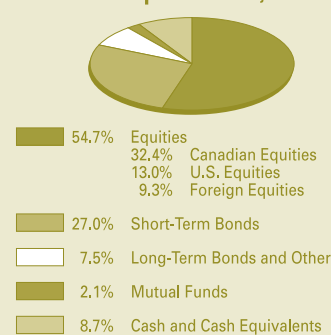
Objective

The objective of the Desjardins Diversified Audacious Fund is to obtain the best possible return with a view to capital conservation on a five-year horizon, despite an increased risk of short-term volatility.

Portfolio Composition

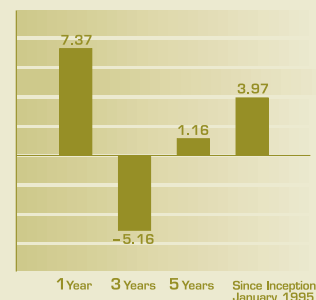
Following a predetermined allocation model, the assets of this Fund are invested in money market securities, fixed income securities and Canadian, U.S. and foreign equities.

**Asset Mix
as at September 30, 2003**

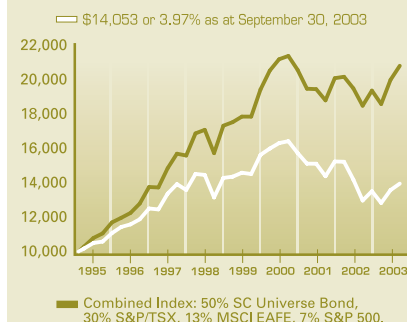


Average Maturity: 10.58 years
Duration: 6.04 years

**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



Desjardins Diversified Audacious Fund

Investment Portfolio as at September 30, 2003

Equities (54.7%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Canadian Equities (32.4%)				Information Technology (2.1%)			
Energy (4.1%)				Cinram International	10,500	\$ 242,649	\$ 261,974
EnCana Corporation	34,051	\$ 1,248,248	\$ 1,665,094	Cognos	11,700	423,204	492,219
Imperial Oil	2,500	105,540	127,000	Nortel Networks Corporation	282,341	7,149,168	1,566,993
Nexen	8,400	271,936	308,700	Open Text Corporation	6,100	239,311	281,144
Penn West Petroleum	4,100	142,981	187,534	Zarlink Semiconductor	58,400	323,209	307,768
Petro-Canada	22,800	609,730	1,196,772			8,377,541	2,910,098
Precision Drilling Corporation	3,800	215,338	193,952	Telecommunication Services (1.8%)			
Shell Canada	7,900	378,173	421,149	BCE	60,823	1,569,027	1,772,990
Suncor Energy	26,600	365,445	663,138	Stratos Global Corporation	6,700	84,018	84,621
Talisman Energy	12,600	608,804	807,660	TELUS Corporation	23,700	867,909	546,759
		3,946,195	5,570,999			2,520,954	2,404,370
Materials (4.8%)				Utilities (0.9%)			
Abitibi-Consolidated	27,854	364,910	264,056	Enbridge	10,100	383,831	486,315
Alcan	36,000	1,713,723	1,886,400	Terasen	3,800	137,370	165,300
Barrick Gold Corporation	59,300	1,681,469	1,507,999	TransCanada Corporation	26,400	480,590	661,848
Domtar	31,900	423,200	485,518			1,001,791	1,313,463
Falconbridge	11,200	217,601	251,664	Total Canadian Equities		43,348,754	44,459,132
Glamis Gold	10,800	193,984	193,104				
Inco	22,300	618,437	835,804	U.S. Equities (13.0%)			
NOVA Chemicals Corporation	3,300	89,156	91,080	Energy (1.0%)			
Placer Dome	12,000	232,349	222,720	Apache Corporation	2,415	184,906	226,133
Potash Corporation of Saskatchewan	3,600	282,424	344,412	Ashland	3,700	232,548	164,135
Teck Corporation, Class B	20,060	238,175	289,065	ChevronTexaco Corporation	1,300	171,353	125,432
Tembec, Class A	27,000	348,242	220,050	ConocoPhillips	2,600	229,740	192,230
		6,403,670	6,591,872	Exxon Mobil Corporation	7,800	452,778	385,513
Industrials (2.3%)				Occidental Petroleum Corporation	5,300	205,340	252,146
ATS Automation Tooling Systems	5,200	70,346	68,796			1,476,665	1,345,589
Bombardier, Class B	49,000	710,018	277,830	Materials (0.3%)			
Canadian National Railway Company	16,300	651,982	1,137,414	Alcoa	3,300	176,681	116,578
Canadian Pacific Railway	16,200	511,654	518,238	Boise Cascade Corporation	3,700	196,624	137,903
Finning International	3,100	78,035	98,890	Dow Chemical Company	4,000	213,468	175,768
JDS Uniphase Canada, Exchangeable	1,400	205,210	6,860			586,773	430,249
Masonite International Corporation	12,300	301,655	392,247	Industrials (1.1%)			
Moore Wallace	16,400	283,513	311,600	3M Co.	2,800	212,194	261,162
Transcontinental, Class A	14,800	277,544	297,480	Automatic Data Processing	2,300	175,497	111,347
		3,089,957	3,109,355	Boeing Company	2,700	184,610	125,170
Consumer Discretionary (2.3%)				FedEx Corp.	2,700	169,021	234,917
Canadian Tire Corporation, Class A	8,900	201,611	322,180	General Electric Company	13,600	599,695	547,475
CanWest Global Communications Corp.	22,300	236,238	248,645	Honeywell International	2,700	174,891	96,074
Forzani Group	18,700	358,497	323,510	United Technologies Corporation	1,900	195,027	198,282
Magna International, Class A	9,900	701,329	965,250			1,710,935	1,574,427
Quebecor World	5,200	189,969	131,924	Consumer Discretionary (1.8%)			
Rogers Communications, Class B	28,900	657,716	598,230	American Greetings Corporation	5,200	109,834	136,439
RONA	9,500	161,117	199,500	AOL Time Warner	7,800	479,140	159,156
Thomson Corporation	8,700	407,988	355,917	Comcast Corporation, Class A	5,100	333,802	212,672
		2,914,465	3,145,156	Cooper Tire & Rubber Company	5,400	137,349	115,727
Consumer Staples (1.5%)				Home Depot	4,400	184,610	189,245
Cott Corporation	15,000	451,692	472,800	Kohl's Corporation	1,900	169,741	137,268
George Weston	8,100	817,508	818,100	Lowe's Companies	2,500	126,436	175,215
Jean Coutu Group (PJC), Class A	18,000	228,403	295,200	Marriott International	3,300	203,573	191,756
Loblaws Companies	6,300	293,269	379,575	Target Corporation	3,600	175,248	182,936
Molson, Class A	4,100	129,377	136,530	Viacom, Class B	3,700	264,944	191,366
		1,920,249	2,102,205	Wal-Mart Stores	6,400	459,617	482,688
Health Care (0.8%)				Walt Disney Company	5,600	230,753	152,531
Angiotech Pharmaceuticals	4,200	211,822	247,086	Whirlpool Corporation	1,500	149,575	137,275
Axcan Pharma	11,800	198,950	215,704			3,024,622	2,464,274
Biovail Corporation	12,100	718,558	608,025	Consumer Staples (1.0%)			
		1,129,330	1,070,815	Altria Group	3,400	226,147	201,102
Financials (11.8%)				Coca-Cola Company	3,500	284,403	203,047
AGF Management, Class B	13,500	337,084	218,025	Kroger Co.	4,000	153,576	96,527
Bank of Montreal	33,200	927,607	1,550,108	Monsanto Company	500	13,851	16,164
Bank of Nova Scotia	35,200	1,267,846	2,221,120	PepsiCo	4,100	266,322	253,745
Brascan Corporation, Class A	13,200	298,222	450,648	Procter & Gamble Company	2,300	264,286	288,292
Canadian Imperial Bank of Commerce	26,300	1,108,104	1,454,653	Supervalu	4,500	141,611	144,993
C.I. Fund Management	21,100	328,848	293,923	Walgreen Co.	3,000	168,144	124,129
Industrial Alliance Insurance and Financial Services	6,000	207,300	219,060			1,518,340	1,327,999
Manulife Financial Corporation	42,600	1,299,270	1,662,678				
National Bank of Canada	6,800	216,381	247,724				
Power Corporation of Canada	11,200	317,734	471,632				
Power Financial Corporation	10,600	299,812	467,460				
Royal Bank of Canada	51,720	1,865,309	3,074,754				
Sun Life Financial Services of Canada	59,384	1,668,098	1,736,982				
Toronto-Dominion Bank	56,800	1,902,987	2,172,032				
		12,044,602	16,240,799				

Desjardins Diversified Audacious Fund

Investment Portfolio as at September 30, 2003

U.S. Equities (continued)	Number of Shares	Average Cost	Market Value	Foreign Equities (9.3%)	Number of Shares	Average Cost	Market Value
Health Care (1.8%)				Bermuda (0.1%)			
Abbott Laboratories	3,100	\$ 206,157	\$ 178,125	Tyco International	4,100	\$ 241,751	\$ 113,114
Amgen	2,200	195,583	191,830				
Bristol-Myers Squibb Company	3,600	271,306	124,745	Finland (0.2%)			
Cardinal Health	1,500	168,406	118,275	Nokia	12,400	280,136	260,264
Eli Lilly and Company	2,100	230,408	168,449				
Johnson & Johnson	4,700	342,289	314,298	France (1.1%)			
Medco Health Solutions	458	16,462	16,037	BNP Paribas	7,100	448,976	470,302
Medtronic	2,900	169,958	183,747	LVMH (Louis Vuitton Moët Hennessy)	3,500	250,271	293,791
Merck & Co.	3,800	348,513	259,758	PSA Peugeot Citroën	3,400	242,059	195,204
Pfizer	11,640	609,223	477,534	Sanofi-Synthelabo	1,100	95,224	90,344
Schering-Plough Corporation	3,400	161,921	69,972	Schneider Electric	3,300	249,029	231,052
Tenet Healthcare Corporation	2,250	131,562	43,996	Total	1,248	203,699	254,481
UnitedHealth Group	3,000	162,676	203,857			1,489,258	1,535,174
Wyeth	2,700	223,162	168,085	Germany (0.7%)			
		3,237,626	2,518,708	Deutsche Bank	4,400	304,363	360,684
Financials (2.8%)				Deutsche Telekom	8,200	167,634	159,982
Allstate Corporation	3,400	172,605	167,723	E.ON	4,100	252,903	270,293
American Express Company	3,600	203,503	219,057	Siemens	2,500	176,921	200,607
American International Group	4,400	385,568	342,840			901,821	991,566
Bank of America Corporation	2,200	202,060	231,848	Italy (0.4%)			
Bank One Corporation	3,200	174,501	167,018	Assicurazioni Generali	5,800	187,119	176,308
Citigroup	8,500	488,436	522,383	ENI	7,700	150,639	158,708
Fannie Mae	1,600	180,950	151,677	Mediaset	15,160	169,764	188,197
Freddie Mac	1,800	180,571	127,248			507,522	523,213
J.P. Morgan Chase & Co.	4,900	305,226	227,161	Japan (1.5%)			
Loews Corporation	2,500	187,737	136,289	Canon	4,200	230,671	277,936
MBNA Corporation	4,500	157,935	138,551	Daiwa House Industry Co.	37,000	321,130	456,960
Merrill Lynch & Co.	2,500	172,261	180,718	Ito-Yokado	3,000	218,317	135,259
Morgan Stanley	2,900	219,947	197,610	Nomura Holdings	9,000	197,864	196,344
Torchmark Corporation	2,700	173,746	148,177	NTT DoCoMo	61	184,881	201,834
Travelers Property Casualty Corp.				SECOM Co.	3,500	273,921	178,164
Class B	1,100	30,444	23,589	Sony Corporation	3,200	147,488	151,258
Union Planters Corporation	6,900	288,059	294,814	Takeda Chemical Industries	3,300	250,688	162,784
U.S. Bancorp	6,400	221,089	207,335	Toyota Motor Corporation	9,000	393,804	357,782
Washington Mutual	3,000	167,276	159,496			2,218,764	2,118,321
Wells Fargo Company	2,900	154,734	201,683	Netherlands (0.5%)			
		4,066,648	3,845,217	Koninklijke (Royal) Philips Electronics	9,000	481,016	275,564
Information Technology (2.3%)				Royal Dutch Petroleum Company	5,700	520,029	338,196
Analog Devices	1,400	88,508	71,879			1,001,045	613,760
Applied Materials	4,900	172,037	120,032	Netherlands Antilles (0.1%)			
Cisco Systems	12,100	330,583	319,281	Schlumberger	2,100	171,710	137,255
Dell	5,200	257,071	234,468				
EMC Corporation	5,700	165,280	97,217	Singapore (0.4%)			
Hewlett-Packard Company	7,200	317,996	188,235	Haw Par Corporation	1,341	4,223	4,483
Intel Corporation	10,900	401,683	404,930	Singapore Press Holdings	14,120	263,256	201,809
International Business Machines Corporation (IBM)	3,100	464,421	369,771	Singapore Telecommunications	279,000	327,543	361,715
Lucent Technologies	9,300	295,270	27,127			595,022	568,007
Micron Technology	2,100	92,630	38,057	Spain (0.7%)			
Microsoft Corporation	17,000	636,553	637,971	Banco Bilbao Vizcaya Argentaria	14,800	220,694	206,316
Motorola	5,300	146,033	85,671	Banco Popular Espanol	3,500	225,319	233,877
Oracle Corporation	10,800	201,014	163,636	Endesa, ADR	11,100	273,316	233,086
QUALCOMM	1,600	216,938	89,969	Telefonica	18,600	286,862	296,748
Sun Microsystems	8,100	101,439	36,206			1,006,191	970,027
Texas Instruments	3,800	156,077	116,999	Switzerland (0.7%)			
VERITAS Software Corporation	1,900	136,925	80,565	Credit Suisse Group	5,300	195,652	229,119
		4,180,458	3,082,014	Nestlé	1,100	378,336	342,719
Telecommunication Services (0.4%)				Novartis	4,680	275,182	244,695
AT&T Corp.	1,400	348,046	40,742	Roche Holding	1,800	228,590	201,672
AT&T Wireless Services	5,600	156,071	61,859			1,077,760	1,018,205
BellSouth Corporation	3,700	230,957	118,317				
Qwest Communications International	4,000	170,112	18,365				
SBC Communications	5,000	331,651	150,232				
Sprint Corp. (PCS Group)	2,500	84,501	19,345				
Verizon Communications	4,400	347,483	192,751				
		1,668,821	601,611				
Utilities (0.1%)							
Allegheny Energy	3,300	193,476	40,731				
American Electric Power Company	3,300	221,621	133,690				
		415,097	174,421				
Index-Based Investments (0.4%)							
Standard & Poor's Depository Receipts	4,300	736,002	580,092				
Total U.S. Equities		22,621,987	17,944,601				

Desjardins Diversified Audacious Fund

Investment Portfolio as at September 30, 2003

Foreign Equities (continued)	Number of Shares	Average Cost	Market Value		Par Value	Average Cost	Market Value
United Kingdom (2.9%)				Corporations (13.5%)			
AstraZeneca	4,800	\$ 243,672	\$ 273,904	Bank of Montreal			
BAE Systems	8,000	66,831	30,170	5.450%, 2004-09-15	\$ 500,000	\$ 499,070	\$ 512,961
Barclays	14,300	158,347	148,226	Bank of Nova Scotia			
BHP Billiton	35,589	259,217	319,164	5.190%, 2007-02-19	120,000	119,916	126,091
BP	36,200	428,098	335,614	Bell Canada			
British Sky Broadcasting Group	13,700	199,768	188,984	6.250%, 2003-12-01	1,010,000	1,004,849	1,016,113
Diageo	10,000	157,218	145,801	11.450%, 2010-04-15	100,000	133,400	137,265
GlaxoSmithKline	9,200	287,620	257,948	Canada Life Financial Corporation			
HBOS	12,600	217,783	194,599	8.000%, 2011-09-19	500,000	558,705	562,314
HSBC Holdings	32,620	615,509	581,049	Canadian Imperial Bank of Commerce			
Royal Bank of Scotland Group	6,200	231,513	212,944	7.000%, 2011-10-23	50,000	54,515	54,840
Tesco	80,000	367,035	432,801	Canadian Utilities			
Unilever	15,000	215,879	173,076	8.430%, 2005-06-01	1,940,000	2,130,663	2,109,254
Vodafone Group	105,400	455,900	283,925	Citigroup Finance Canada			
Vodafone Group, ADR	8,860	253,347	242,282	4.300%, 2005-01-11	940,000	941,012	956,600
WPP Group	15,900	270,682	181,140	Coca-Cola Enterprises (Canada) Bottling			
		4,428,419	4,001,627	Finance Company			
Total Foreign Equities		13,919,399	12,850,533	5.650%, 2004-03-17	300,000	310,380	304,013
Total Equities		79,890,140	75,254,266	Consumers Gas			
				4.610%, 2004-09-27	1,000,000	1,005,500	1,017,558
				6.050%, 2023-07-05	75,000	74,895	72,722
				DaimlerChrysler Canada Finance			
				7.200%, 2006-05-03	530,000	550,394	566,964
Bonds (34.2%)	Par Value			Enbridge			
Government of Canada (16.6%)				5.700%, 2005-03-17	115,000	114,989	118,999
stripped, 2003-12-01	\$ 630,000	625,521	627,341	5.800%, 2008-07-29	900,000	874,845	956,424
7.500%, 2003-12-01	2,561,000	2,711,552	2,580,865	6.800%, 2010-03-10	65,000	64,930	71,375
package, 9.000%, 2004-12-01	25,000	26,907	26,752	Gaz Métropolitain			
9.000%, 2004-12-01	2,575,000	2,794,281	2,760,040	10.750%, 2006-12-15	35,000	42,448	42,352
8.750%, 2005-12-01	1,680,000	1,906,999	1,882,573	6.050%, 2008-11-10	125,000	124,954	135,126
stripped, 2006-12-01	185,000	148,709	166,057	GE Capital Canada Funding Company			
7.000%, 2006-12-01	7,430,000	8,252,712	8,242,102	5.300%, 2007-07-24	590,000	589,156	620,340
4.500%, 2007-09-01	2,700,000	2,727,370	2,796,773	George Weston			
6.000%, 2011-06-01	2,020,000	2,165,909	2,235,816	5.900%, 2009-02-05	90,000	89,949	96,723
5.250%, 2012-06-01	550,000	552,195	580,831	GMAC Commercial Mortgage			
8.000%, 2023-06-01	185,000	233,587	251,510	Securities of Canada			
8.000%, 2027-06-01	45,000	59,378	62,564	5.450%, 2005-03-21	35,000	34,703	35,543
5.750%, 2029-06-01	545,000	558,034	592,688	Greater Toronto Airports Authority			
		22,763,154	22,805,912	6.700%, 2010-07-19	600,000	622,799	655,647
Provincial Governments and Crown Corporations (4.1%)				6.250%, 2012-01-30	65,000	64,966	68,460
Hydro One				6.980%, 2032-10-05	90,000	89,922	93,435
6.940%, 2005-06-03	600,000	638,340	638,810	John Deere Credit			
6.930%, 2032-06-01	90,000	93,870	102,190	4.450%, 2005-04-01	370,000	369,952	377,331
Hydro-Québec				Loblaw Companies			
8.500%, 2005-08-15	2,385,000	2,657,466	2,624,606	6.000%, 2008-06-02	850,000	838,534	918,696
New Brunswick Highway Corporation				Molson			
6.470%, 2027-11-30	210,000	210,000	233,514	6.000%, 2008-06-02	580,000	569,600	620,930
Nova Scotia Power				NAV CANADA			
8.850%, 2025-05-19	60,000	77,406	73,680	6.600%, 2006-12-01	850,000	909,364	924,585
Ontario Hydro				Power Financial Corporation			
8.250%, 2026-06-22	270,000	328,430	363,106	6.900%, 2033-03-11	35,000	35,155	38,191
Province of British Columbia				Royal Bank of Canada			
5.700%, 2029-06-18	95,000	92,476	97,323	6.500%, 2011-09-12	80,000	85,536	86,698
Province of Ontario				Suncor Energy			
6.500%, 2029-03-08	50,000	55,145	56,374	6.800%, 2007-03-05	70,000	74,125	76,500
Province of Québec				Sun Life Assurance Company of Canada			
7.750%, 2006-03-30	190,000	204,778	210,519	6.150%, 2022-06-30	780,000	788,268	829,974
6.500%, 2007-10-01	280,000	292,194	308,906	TELUS Corporation			
11.000%, 2009-04-01	160,000	211,963	213,705	7.500%, 2006-06-01	500,000	522,250	536,250
5.500%, 2009-06-01	490,000	514,618	522,178	Toronto-Dominion Bank			
8.500%, 2026-04-01	170,000	205,637	233,141	6.600%, initial rate (until 2005)			
		5,582,323	5,678,052	2010-04-14	1,200,000	1,277,400	1,263,831
				Toyota Credit Canada			
				6.750%, 2004-11-09	1,045,000	1,044,697	1,088,980
				TransAlta Corporation			
				6.600%, 2009-10-13	55,000	54,984	56,915
				TransCanada PipeLines			
				8.230%, 2031-01-16	135,000	165,663	162,902
				Wells Fargo Financial Canada			
				Corporation			
				5.100%, 2006-10-26	45,000	46,238	47,009
				Westcoast Energy			
				5.750%, 2003-12-01	75,000	75,455	75,281
				9.700%, 2004-11-15	1,000,000	1,128,450	1,071,474
						18,082,631	18,506,666
				Total Bonds		46,428,108	46,990,630

Desjardins Diversified Audacious Fund
Investment Portfolio as at September 30, 2003

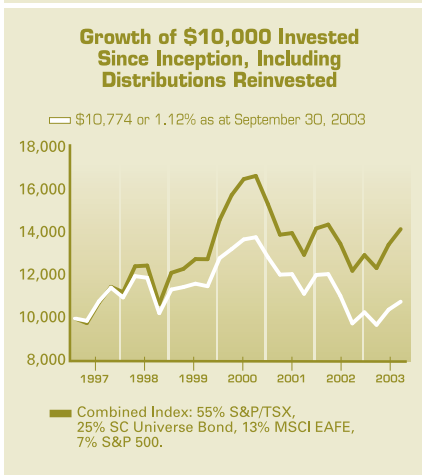
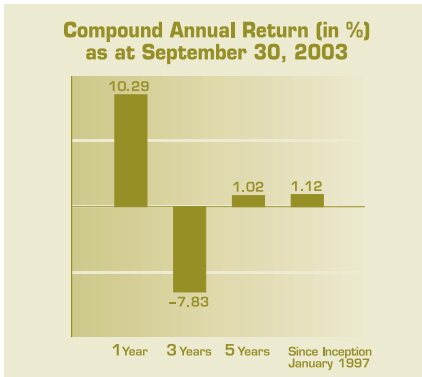
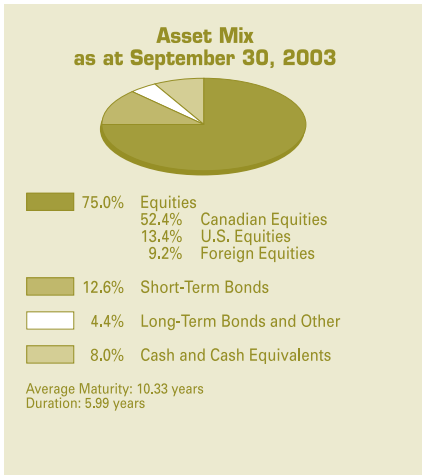
	Number of Units	Average Cost	Market Value
Mutual Funds (2.1%)			
Desjardins International RSP Fund	372,687	\$ 2,800,000	\$ 2,906,961
	Principal Balance Outstanding	Amortized Cost	
Mortgage-Backed Securities (0.2%)			
Toronto-Dominion Bank NHA 5.375%, 2028-07-01	\$ 194,516	185,693	193,495
Leasing Securities (0.1%)			
Broadcast Center Trust 7.530%, 2027-05-01	125,692	136,533	152,301
		Average Cost	
Total Investments (91.3%)		\$129,440,474	125,497,653
Money Market Securities (8.2%)			11,245,822
Net Other Assets (0.5%)			771,932
Net Assets (100%)			\$137,515,407

Objective

The objective of the Desjardins Diversified Ambitious Fund is to obtain the best possible return with a view to capital protection on a five-year horizon, despite a high risk of volatility in the short term.

Portfolio Composition

Following a predetermined allocation model, the assets of this Fund are invested in money market securities, fixed income securities and Canadian, U.S. and foreign equities.



BALANCED FUNDS

Desjardins Diversified Ambitious Fund

Overview

The Fund was initially lifted by the reduction in bond rates which had started before the beginning of the year and continued in 2003. Bullish stock markets added value to the portfolio since spring, but international returns for Canadian investors were weighed down by the strength of the Canadian dollar.

Top 10 Holdings

	%
1. Royal Bank of Canada	3.7
2. Bank of Nova Scotia	2.6
3. Toronto-Dominion Bank	2.5
4. Treasury Bills – Canada, 2003-11-20	2.4
5. Alcan	2.2
6. Government of Canada, 7.000%, 2006-12-01	2.2
7. BCE	2.1
8. Sun Life Financial Services of Canada	2.0
9. EnCana Corporation	2.0
10. Manulife Financial Corporation	1.9
Total	23.6

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 8.875	\$ 10.295	\$ 11.961	\$ 12.420	\$ 11.084
Income and gain on investment operations					
Net investment income (loss)	0.061	0.059	0.081	0.116	0.078
Realized and unrealized net gain (loss) on investments	0.850	(1.297)	(1.657)	(0.064)	1.337
Total	0.911	(1.238)	(1.576)	0.052	1.415
Distributions to investors					
Net investment income	0.037	0.048	0.090	0.117	0.079
Net gain on sale of investments	—	0.134	—	0.394	—
Total	0.037	0.182	0.090	0.511	0.079
Net Asset Value, End of Year	\$ 9.749	\$ 8.875	\$ 10.295	\$ 11.961	\$ 12.420

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$ 43,071	\$ 43,061	\$ 54,620	\$ 68,925	\$ 71,968
Average net assets (in thousands)	\$ 43,014	\$ 53,146	\$ 62,579	\$ 72,730	\$ 72,044
Management expense ratio (Note 4)	2.20%	2.20%	2.20%	2.14%	2.07%
Management expense ratio before waived fees	2.37%	2.27%	n.a.	n.a.	n.a.
Portfolio turnover rate	38.32%	45.67%	33.85%	108.98%	62.76%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	10.29%	-12.32%	-19.04%	19.75%	12.20%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Diversified Ambitious Fund

Investment Portfolio as at September 30, 2003

	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Equities (75.0%)							
Canadian Equities (52.4%)				Information Technology (3.4%)			
Energy (6.6%)				Cinram International	5,400	\$ 125,181	\$ 134,730
EnCana Corporation	17,176	\$ 628,154	\$ 839,907	Cognos	5,900	213,561	248,213
Imperial Oil	1,300	54,894	66,040	Nortel Networks Corporation	143,226	3,583,171	794,905
Nexen	4,300	139,004	158,025	Open Text Corporation	3,100	121,234	142,877
Penn West Petroleum	2,000	69,616	91,480	Zarlink Semiconductor	29,500	163,267	155,465
Petro-Canada	11,500	305,152	603,635			4,206,414	1,476,190
Precision Drilling Corporation	1,900	107,844	96,976	Telecommunication Services (2.8%)			
Shell Canada	4,000	191,482	213,240	BCE	30,707	816,388	895,109
Suncor Energy	13,400	189,825	334,062	Stratos Global Corporation	3,400	42,636	42,942
Talisman Energy	6,400	307,933	410,240	TELUS Corporation	11,900	446,391	274,533
		1,993,904	2,813,605			1,305,415	1,212,584
Materials (7.7%)				Utilities (1.5%)			
Abitibi-Consolidated	14,516	191,645	137,612	Enbridge	5,100	193,606	245,565
Alcan	18,200	866,179	953,680	Terasen	1,900	68,685	82,650
Barrick Gold Corporation	29,900	841,857	760,357	TransCanada Corporation	13,300	234,080	333,432
Domtar	16,100	212,966	245,042			496,371	661,647
Falconbridge	5,700	111,101	128,079	Total Canadian Equities		22,039,402	22,559,965
Glamis Gold	5,300	95,175	94,764				
Inco	11,200	310,395	419,776	U.S. Equities (13.4%)			
NOVA Chemicals Corporation	1,600	43,442	44,160	Energy (1.1%)			
Placer Dome	6,100	114,405	113,216	Apache Corporation	735	57,027	68,823
Potash Corporation of Saskatchewan	1,800	141,415	172,206	Ashland	1,100	68,109	48,797
Teck Corporation, Class B	10,140	121,027	146,117	ChevronTexaco Corporation	700	93,001	67,540
Tembec, Class A	13,600	174,598	110,840	ConocoPhillips	800	70,525	59,148
		3,224,205	3,325,849	Exxon Mobil Corporation	3,200	185,145	158,160
Industrials (3.7%)				Occidental Petroleum Corporation	1,600	62,570	76,119
ATS Automation Tooling Systems	2,700	36,526	35,721			536,377	478,587
Bombardier, Class B	26,000	394,471	147,420	Materials (0.3%)			
Canadian National Railway Company	8,200	326,969	572,196	Alcoa	1,000	52,731	35,327
Canadian Pacific Railway	8,200	259,179	262,318	Boise Cascade Corporation	1,100	57,859	40,998
Finning International	2,400	60,412	76,560	Dow Chemical Company	1,200	63,912	52,731
JDS Uniphase Canada, Exchangeable	700	101,348	3,430			174,502	129,056
Masonite International Corporation	6,200	151,903	197,718	Industrials (1.2%)			
Moore Wallace	8,300	143,463	157,700	3M Co.	800	59,440	74,618
Transcontinental, Class A	7,600	142,502	152,760	Automatic Data Processing	700	53,438	33,888
		1,616,773	1,605,823	Boeing Company	900	60,698	41,723
Consumer Discretionary (3.7%)				FedEx Corp.	800	49,464	69,605
Canadian Tire Corporation, Class A	4,500	101,937	162,900	General Electric Company	4,800	230,457	193,227
CanWest Global Communications Corp.	11,300	119,719	125,995	Honeywell International	800	52,437	28,466
Forzani Group	9,400	180,249	162,620	United Technologies Corporation	600	62,170	62,615
Magna International, Class A	5,000	353,390	487,500			568,104	504,142
Quebecor World	2,600	94,806	65,962	Consumer Discretionary (1.8%)			
Rogers Communications, Class B	14,600	337,791	302,220	American Greetings Corporation	1,600	34,655	41,981
RONA	4,800	81,391	100,800	AOL Time Warner	2,300	134,623	46,931
Thomson Corporation	4,400	208,825	180,004	Comcast Corporation, Class A	1,500	93,825	62,551
		1,478,108	1,588,001	Cooper Tire & Rubber Company	1,800	46,073	38,576
Consumer Staples (2.5%)				Home Depot	1,400	59,492	60,214
Cott Corporation	7,600	228,566	239,552	Kohl's Corporation	600	52,986	43,348
George Weston	4,100	415,207	414,100	Lowe's Companies	700	34,260	49,060
Jean Coutu Group (PJC), Class A	8,500	107,857	139,400	Marriott International	1,000	61,362	58,108
Loblaws Companies	3,200	149,024	192,800	Target Corporation	1,100	53,722	55,897
Molson, Class A	2,100	66,009	69,930	Viacom, Class B	1,100	80,105	56,892
		966,663	1,055,782	Wal-Mart Stores	2,300	169,465	173,467
Health Care (1.3%)				Walt Disney Company	1,700	68,515	46,304
Angiotech Pharmaceuticals	2,200	106,768	129,426	Whirlpool Corporation	500	49,236	45,758
Axcan Pharma	6,000	101,149	109,680			938,319	779,087
Biovail Corporation	6,100	360,742	306,525	Consumer Staples (1.1%)			
		568,659	545,631	Altria Group	1,400	92,146	82,807
Financials (19.2%)				Coca-Cola Company	1,500	120,301	87,020
AGF Management, Class B	6,300	157,278	101,745	Kroger Co.	1,200	45,832	28,958
Bank of Montreal	16,700	451,757	779,723	Monsanto Company	200	5,572	6,466
Bank of Nova Scotia	17,900	642,568	1,129,490	PepsiCo	1,200	78,607	74,267
Brascan Corporation, Class A	6,700	142,016	228,738	Procter & Gamble Company	700	79,613	87,741
Canadian Imperial Bank of Commerce	13,500	570,710	746,685	Supervalu	1,400	43,696	45,109
C.I. Fund Management	11,700	175,732	162,981	Walgreen Co.	900	51,069	37,239
Industrial Alliance Insurance and Financial Services	3,100	107,105	113,181			516,836	449,607
Manulife Financial Corporation	21,500	663,431	839,144				
National Bank of Canada	3,400	108,191	123,862				
Power Corporation of Canada	5,600	154,693	235,816				
Power Financial Corporation	5,400	148,504	238,140				
Royal Bank of Canada	27,000	1,046,123	1,605,150				
Sun Life Financial Services of Canada	29,967	841,073	876,534				
Toronto-Dominion Bank	28,600	973,709	1,093,664				
		6,182,890	8,274,853				

Desjardins Diversified Ambitious Fund

Investment Portfolio as at September 30, 2003

U.S. Equities (continued)	Number of Shares	Average Cost	Market Value	Foreign Equities (9.2%)	Number of Shares	Average Cost	Market Value
Health Care (1.9%)				Bermuda (0.1%)			
Abbott Laboratories	900	\$ 59,821	\$ 51,714	Tyco International	1,200	\$ 70,522	\$ 33,106
Amgen	700	62,080	61,037				
Bristol-Myers Squibb Company	1,100	81,411	38,116	Finland (0.2%)			
Cardinal Health	500	55,067	39,425	Nokia	3,800	85,848	79,758
Eli Lilly and Company	600	66,541	48,128				
Johnson & Johnson	1,500	109,890	100,308	France (1.1%)			
Medco Health Solutions	133	4,780	4,657	BNP Paribas	2,200	138,937	145,728
Medtronic	900	51,679	57,025	LVMH (Louis Vuitton Moët Hennessy)	1,100	81,646	92,334
Merck & Co.	1,100	98,892	75,193	PSA Peugeot Citroën	1,100	78,313	63,154
Pfizer	4,360	229,007	178,871	Sanofi-Synthelabo	400	34,627	32,852
Schering-Plough Corporation	1,000	46,448	20,580	Schneider Electric	1,000	75,463	70,016
Tenet Healthcare Corporation	750	43,854	14,665	Total	419	69,118	85,439
UnitedHealth Group	1,000	54,702	67,952			478,104	489,523
Wyeth	800	66,724	49,803				
		1,030,896	807,474	Germany (0.7%)			
Financials (2.9%)				Deutsche Bank	1,300	89,925	106,566
Allstate Corporation	1,000	51,057	49,330	Deutsche Telekom	2,500	51,108	48,775
American Express Company	1,100	62,195	66,934	E.On	1,200	74,021	79,110
American International Group	1,400	124,639	109,086	Siemens	800	56,615	64,194
Bank of America Corporation	1,000	91,083	105,385			271,669	298,645
Bank One Corporation	1,200	65,889	62,632	Italy (0.4%)			
Citigroup	2,500	149,395	153,642	Assicurazioni Generali	1,800	58,072	54,716
Fannie Mae	600	69,422	56,879	ENI	2,300	41,105	47,406
Freddie Mac	500	50,993	35,347	Mediaset	4,600	51,511	57,105
J.P. Morgan Chase & Co.	1,500	92,112	69,539			150,688	159,227
Loews Corporation	800	59,693	43,613	Japan (1.5%)			
MBNA Corporation	1,400	49,204	43,105	Canon	1,300	68,771	86,028
Merrill Lynch & Co.	700	49,721	50,601	Daiwa House Industry Co.	11,000	95,517	135,853
Morgan Stanley	900	68,507	61,327	Ito-Yokado	1,000	72,772	45,086
Torchmark Corporation	800	51,757	43,904	Nomura Holdings	3,000	64,026	65,448
Travelers Property Casualty Corp.				NTT DoCoMo	18	54,555	59,558
Class B	300	8,545	6,433	SECOM Co.	1,000	78,263	50,904
Union Planters Corporation	2,200	92,141	93,999	Sony Corporation	1,000	46,090	47,268
U.S. Bancorp	1,900	65,841	61,553	Takeda Chemical Industries	1,000	75,626	49,328
Washington Mutual	900	50,254	47,849	Toyota Motor Corporation	2,700	125,387	107,335
Wells Fargo Company	1,200	70,696	83,455			681,007	646,808
		1,323,144	1,244,613	Netherlands (0.4%)			
Information Technology (2.2%)				Koninklijke (Royal) Philips Electronics	2,700	144,006	82,669
Analog Devices	400	25,882	20,537	Royal Dutch Petroleum Company	1,700	155,219	100,865
Applied Materials	1,500	54,870	36,744			299,225	183,534
Cisco Systems	3,900	105,212	102,909	Netherlands Antilles (0.1%)			
Dell	1,600	79,135	72,144	Schlumberger	700	57,432	45,752
EMC Corporation	1,700	55,958	28,994				
Hewlett-Packard Company	2,700	117,778	70,588	Singapore (0.4%)			
Intel Corporation	3,500	130,970	130,024	Haw Par Corporation	403	1,269	1,347
International Business Machines Corporation (IBM)	900	135,945	107,353	Singapore Press Holdings	4,060	74,202	58,027
Lucent Technologies	2,800	83,038	8,167	Singapore Telecommunications	84,000	98,627	108,904
Micron Technology	600	29,363	10,873			174,098	168,278
Microsoft Corporation	5,400	213,193	202,649	Spain (0.7%)			
Motorola	1,600	42,132	25,863	Banco Bilbao Vizcaya Argentaria	4,700	70,236	65,519
Oracle Corporation	3,200	61,739	48,485	Banco Popular Espanol	1,100	70,815	73,504
QUALCOMM	500	66,037	28,115	Endesa, ADR	3,400	83,718	71,396
Sun Microsystems	2,400	30,080	10,728	Telefonica	5,700	87,909	90,939
Texas Instruments	1,100	43,223	33,868			312,678	301,358
VERITAS Software Corporation	600	45,957	25,442	Switzerland (0.8%)			
		1,320,512	963,483	Credit Suisse Group	1,600	59,065	69,168
Telecommunication Services (0.4%)				Nestlé	400	139,524	124,625
AT&T Corp.	400	94,413	11,640	Novartis	1,450	84,554	75,814
AT&T Wireless Services	1,700	47,720	18,779	Roche Holding	530	67,307	59,381
BellSouth Corporation	1,100	67,999	35,175			350,450	328,988
Qwest Communications International	1,200	55,927	5,510				
SBC Communications	1,700	106,704	51,079				
Sprint Corp. (PCS Group)	700	26,854	5,416				
Verizon Communications	1,300	102,721	56,949				
		502,338	184,548				
Utilities (0.1%)							
Allegheny Energy	1,000	55,674	12,343				
American Electric Power Company	1,000	65,932	40,512				
		121,606	52,855				
Index-Based Investments (0.4%)							
Standard & Poor's Depositary Receipts	1,400	247,237	188,867				
Total U.S. Equities		7,279,871	5,782,319				

Desjardins Diversified Ambitious Fund

Investment Portfolio as at September 30, 2003

Foreign Equities (continued)	Number of Shares	Average Cost	Market Value	Par Value	Average Cost	Market Value
United Kingdom (2.8%)						
AstraZeneca	1,500	\$ 76,149	\$ 85,595			
BAE Systems	1,800	15,106	6,788			
Barclays	4,200	46,509	43,535			
BHP Billiton	10,571	76,798	94,801			
BP	11,000	130,249	101,982			
British Sky Broadcasting Group	4,200	61,244	57,937			
Diageo	3,100	48,739	45,198			
GlaxoSmithKline	2,800	87,537	78,506			
HBOS	4,000	69,139	61,777			
HSBC Holdings	9,730	182,351	173,318			
Royal Bank of Scotland Group	1,900	72,863	65,257			
Tesco	24,300	111,488	131,463			
Unilever	4,800	69,081	55,384			
Vodafone Group	31,208	134,314	84,068			
Vodafone Group, ADR	3,080	86,148	84,225			
WPP Group	4,700	80,013	53,545			
		1,347,728	1,223,379			
Total Foreign Equities		4,279,449	3,958,356			
Total Equities		33,598,722	32,300,640			
Bonds (14.9%)						
Government of Canada (6.8%)						
stripped, 2003-12-01	\$ 150,000	148,934	149,367			
7.500%, 2003-12-01	74,000	78,588	74,574			
9.000%, 2004-12-01	470,000	511,438	503,774			
8.750%, 2005-12-01	290,000	327,137	324,968			
7.000%, 2006-12-01	855,000	949,167	948,453			
4.500%, 2007-09-01	270,000	272,708	279,677			
package, 6.000%, 2008-06-01	25,000	25,148	27,257			
10.000%, 2008-06-01	50,000	63,423	63,431			
6.000%, 2011-06-01	135,000	144,619	149,423			
5.250%, 2012-06-01	140,000	140,596	147,848			
8.000%, 2023-06-01	75,000	95,033	101,963			
5.750%, 2029-06-01	145,000	149,608	157,688			
		2,906,399	2,928,423			
Provincial Governments and Crown Corporations (2.7%)						
Hydro One						
6.940%, 2005-06-03	60,000	63,834	63,881			
6.400%, 2011-12-01	20,000	21,046	22,004			
6.930%, 2032-06-01	30,000	31,290	34,063			
Hydro-Québec						
8.500%, 2005-08-15	240,000	264,703	264,111			
New Brunswick Highway Corporation						
6.470%, 2027-11-30	55,000	55,000	61,158			
Nova Scotia Power						
8.850%, 2025-05-19	25,000	32,253	30,700			
Ontario Hydro						
8.250%, 2026-06-22	65,000	79,202	87,414			
Province of British Columbia						
5.700%, 2029-06-18	50,000	48,651	51,223			
Province of Ontario						
4.875%, 2004-06-02	125,000	128,310	126,892			
6.500%, 2029-03-08	45,000	49,631	50,736			
Province of Québec						
6.500%, 2007-10-01	95,000	99,137	104,807			
11.000%, 2009-04-01	50,000	66,239	66,783			
5.500%, 2009-06-01	120,000	125,991	127,880			
8.500%, 2026-04-01	50,000	64,609	68,571			
		1,129,896	1,160,223			
Municipalities and Semi-Public Institutions (0.1%)						
Commission scolaire La Jeune Lorette						
9.000%, 2004-06-08	\$ 30,000	\$ 34,827	\$ 31,312			
Corporations (5.3%)						
Bank of Montreal						
5.450%, 2004-09-15	125,000	123,340	128,241			
Bank of Nova Scotia						
5.190%, 2007-02-19	35,000	34,976	36,777			
Bell Canada						
6.250%, 2003-12-01	100,000	99,490	100,605			
11.450%, 2010-04-15	25,000	33,350	34,316			
Canada Life Financial Corporation						
8.000%, 2011-09-19	100,000	111,741	112,463			
Canadian Imperial Bank of Commerce						
7.000%, 2011-10-23	20,000	21,806	21,936			
Canadian Utilities						
8.430%, 2005-06-01	75,000	82,371	81,543			
Citigroup Finance Canada						
4.300%, 2005-01-11	110,000	110,145	111,943			
Coca-Cola Enterprises (Canada) Bottling						
Finance Company						
5.650%, 2004-03-17	120,000	124,152	121,605			
DaimlerChrysler Canada Finance						
7.200%, 2006-05-03	50,000	51,924	53,487			
Enbridge						
5.700%, 2005-03-17	25,000	24,998	25,869			
5.800%, 2008-07-29	90,000	87,485	95,642			
6.800%, 2010-03-10	20,000	19,979	21,962			
Gaz Métropolitain						
10.750%, 2006-12-15	25,000	30,320	30,251			
6.050%, 2008-11-10	15,000	14,994	16,215			
GE Capital Canada Funding Company						
5.300%, 2007-07-24	75,000	74,893	78,857			
George Weston						
5.900%, 2009-02-05	25,000	24,986	26,868			
GMAC Commercial Mortgage						
Securities of Canada						
5.450%, 2005-03-21	15,000	14,873	15,233			
Greater Toronto Airports Authority						
6.700%, 2010-07-19	60,000	62,280	65,565			
6.250%, 2012-01-30	20,000	19,990	21,065			
6.980%, 2032-10-05	25,000	24,978	25,954			
John Deere Credit						
4.450%, 2005-04-01	30,000	29,996	30,594			
Loblaw Companies						
6.000%, 2008-06-02	44,000	45,544	47,556			
6.850%, 2032-03-01	15,000	15,600	16,380			
Molson						
6.000%, 2008-06-02	85,000	83,873	90,998			
NAV CANADA						
6.600%, 2006-12-01	85,000	90,936	92,458			
Power Financial Corporation						
6.900%, 2033-03-11	10,000	10,044	10,912			
Provigo						
6.350%, 2004-12-01	25,000	25,863	25,987			
Royal Bank of Canada						
6.500%, 2011-09-12	25,000	26,730	27,093			
Suncor Energy						
6.800%, 2007-03-05	30,000	31,768	32,786			
Sun Life Assurance Company of Canada						
6.150%, 2022-06-30	95,000	96,007	101,088			

Desjardins Diversified Ambitious Fund

Investment Portfolio as at September 30, 2003

Bonds (continued)	Par Value	Average Cost	Market Value		Number of Units	Average Cost	Market Value
TELUS Corporation 7.500%, 2006-06-01	\$ 100,000	\$ 104,450	\$ 107,251	Mutual Funds (1.9%)			
Toronto-Dominion Bank 6.600%, initial rate (until 2005) 2010-04-14	100,000	106,450	105,319	Desjardins International RSP Fund	106,482	\$ 800,000	\$ 830,560
Toyota Credit Canada 6.750%, 2004-11-09	165,000	164,952	171,944				
TransAlta Corporation 6.600%, 2009-10-13	15,000	14,996	15,522				
TransCanada PipeLines 8.230%, 2031-01-16	35,000	42,950	42,234	Mortgage-Backed Securities (0.1%)			
Wells Fargo Financial Canada Corporation 5.100%, 2006-10-26	15,000	15,413	15,670	Toronto-Dominion Bank NHA 5.375%, 2028-07-01	\$ 55,576	53,055	55,284
Westcoast Energy 5.750%, 2003-12-01	35,000	35,212	35,131	Leasing Securities (0.1%)			
9.700%, 2004-11-15	100,000	112,845	107,147	Broadcast Center Trust 7.530%, 2027-05-01	23,681	26,467	28,694
		2,246,700	2,302,467				
Total Bonds		6,317,822	6,422,425	Total Investments (92.0%)		\$ 40,796,066	39,637,603
				Money Market Securities (7.7%)			3,313,051
				Net Other Assets (0.3%)			120,147
				Net Assets (100%)			\$ 43,070,801

BALANCED FUNDS

Desjardins Select Balanced Fund

Overview

Although Canadian bonds outperformed their international counterparts, their returns lagged behind prior year results. Previously snapped up as safe havens, bonds are now less attractive in the current context of a stock market recovery. The Canadian stock market climbed during the whole year, but the returns of international markets in Canadian dollar terms were undermined due to a high-flying loonie.

Investment Portfolio as at September 30, 2003

	Number of Units	Average Cost	Market Value
Underlying Funds (100.7%)			
AGF Canadian Real Value Balanced Fund	9,792,260	\$ 60,117,960	\$ 55,228,344
CI International Balanced Fund	1,875,867	17,291,596	18,871,222
Fidelity Canadian Asset Allocation Fund	2,791,030	56,022,068	55,569,409
Harbour Growth and Income Fund	1,633,618	20,643,878	17,822,777
Talvest Cdn. Asset Allocation Fund	4,823,507	40,609,427	36,369,243
Total Investments		\$ 194,684,929	183,860,995
Net Other Assets (- 0.7%)			(1,210,989)
Net Assets (100%)			\$ 182,650,006

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 8.968	\$ 9.682	\$ 10.959	\$ 11.050	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	(0.135)	(0.020)	(0.036)	0.029	0.308
Realized and unrealized net gain (loss) on investments	0.925	(0.694)	(1.241)	0.359	1.022
Total	0.790	(0.714)	(1.277)	0.388	1.330
Distributions to investors					
Net investment income	—	—	—	0.020	0.222
Net gain on sale of investments	—	—	—	0.459	0.058
Total	—	—	—	0.479	0.280
Net Asset Value, End of Year	\$ 9.758	\$ 8.968	\$ 9.682	\$ 10.959	\$ 11.050
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$182,650	\$180,820	\$197,339	\$199,714	\$ 51,157
Average net assets (in thousands)	\$179,733	\$205,368	\$207,377	\$137,156	\$ 33,055
Management expense ratio (Note 4)	3.14%	3.14%	3.14%	3.14%	3.00%
Management expense ratio before waived fees	3.23%	3.20%	3.24%	3.17%	n.a.
Portfolio turnover rate	11.93%	24.91%	15.03%	12.47%	7.71%
Years Ended September 30					
Annual return	8.81%	-7.37%	-15.27%	21.48%	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

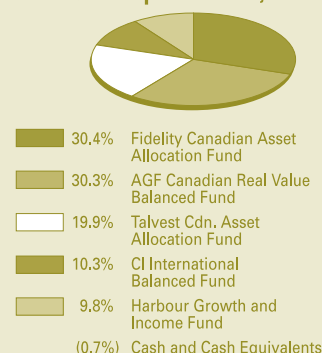
Objective

The objective of the Desjardins Select Balanced Fund is to provide both a reasonable income return and long-term capital appreciation.

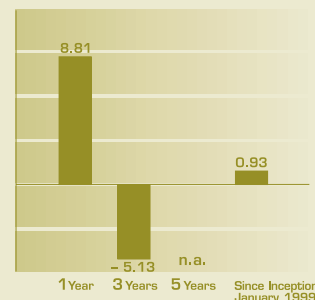
Portfolio Composition

The assets of this Fund are invested in mutual funds, called underlying funds, whose portfolios are composed of equities and fixed income securities.

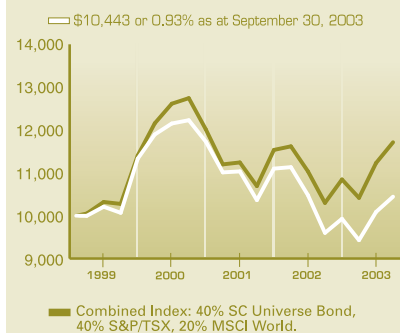
**Asset Mix
as at September 30, 2003**



**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



Desjardins Select Balanced Fund

Underlying Funds

Asset Mix as at September 30, 2003

	%
Equities	
Materials	14.1
Financials	9.0
Consumer Staples	5.8
Industrials	5.0
Energy	4.9
Consumer Discretionary	4.1
Health Care	3.2
Other	3.8
Bonds	32.4
Cash and Cash Equivalents	17.7
Total	100.0

Return as at September 30, 2003

Due to the recent introduction of this Fund, whose units have been available for less than 12 months, the annual rate of return cannot be posted.

AGF Canadian Real Value Balanced Fund

Objective

To obtain superior returns with moderate risk through a combination of capital growth, dividend income and interest income.

Portfolio Composition

Common shares of Canadian corporations, bonds and short-term money market instruments.

Top 10 Holdings

	%
1. Canada Housing Trust, 4.100%, 2008-12-15	5.7
2. Bank of Nova Scotia	2.9
3. Government of Canada, 7.250%, 2007-06-01	2.6
4. Domtar	2.4
5. Barrick Gold Corporation	2.3
6. BCE	2.2
7. NOVA Chemicals Corporation	2.0
8. Kinross Gold Corporation	1.9
9. Suncor Energy	1.9
10. Toronto-Dominion Bank	1.9

Total **25.8**

Asset Mix as at September 30, 2003

	%
Equities and Bonds	
U.S.	35.6
Europe	30.1
Australasia	18.0
Canada	9.9
Latin America	1.2
Bermuda	1.0
Barbados	0.3
South Africa	0.1
Cash and Cash Equivalents	3.8
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



CI International Balanced Fund

Objective

To maximize total investment return.

Portfolio Composition

Equity securities, equity-related securities and fixed income securities from around the world.

Top 10 Holdings

	%
1. Government of Canada, 3.000%, 2005-12-01	6.4
2. Government of Germany, 4.500%, 2006-08-18	2.8
3. Microsoft Corporation	2.1
4. Government of Japan, 1.800%, 2010-03-22	1.8
5. Citigroup	1.8
6. General Electric Company	1.6
7. Inter-American Development Bank, 1.900%, 2009-07-08	1.5
8. Government of Spain, 3.200%, 2006-01-31	1.4
9. Government of Canada, 5.750%, 2029-06-01	1.3
10. Treasury Bills – France, 5.000%, 2006-01-12	1.3

Total **22.0**

Fidelity Canadian Asset Allocation Fund**Objective**

To achieve high total investment return.

Portfolio Composition

Equity securities, fixed income securities and money market instruments primarily within Canada.

Top 10 Holdings

	%
1. Royal Bank of Canada	n.a.
2. BCE	n.a.
3. Loblaw Companies	n.a.
4. Canadian National Railway Company	n.a.
5. National Bank of Canada	n.a.
6. Talisman Energy	n.a.
7. EnCana Corporation	n.a.
8. ATCO, Class I	n.a.
9. Penn West Petroleum	n.a.
10. Canadian Imperial Bank of Commerce	n.a.
Total	21.1

Asset Mix

as at September 30, 2003

	%
Canadian Equities	52.4
Canadian Bonds	29.3
Foreign Bonds	3.6
Foreign Equities	2.5
Convertible Securities	0.2
Cash and Cash Equivalents	12.0
Total	100.0

Compound Annual Return (in %) as at September 30, 2003**Harbour Growth and Income Fund****Objective**

To obtain long-term total return through a prudent balance of income and capital appreciation.

Portfolio Composition

Equity and equity-related securities of mid- to large-capitalization Canadian companies and fixed income securities issued by Canadian governments and companies.

Top 10 Holdings

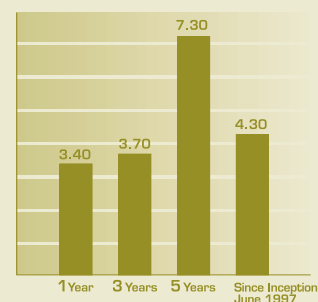
	%
1. Government of Canada, 8.750%, 2005-12-01	3.4
2. EnCana Corporation	2.7
3. Royal Bank of Canada	2.6
4. Bank of Nova Scotia	2.5
5. TJX Companies	2.4
6. Potash Corporation of Saskatchewan	2.4
7. Berkshire Hathaway	2.3
8. Petro-Canada	1.9
9. Toronto-Dominion Bank	1.8
10. Suncor Energy	1.7
Total	23.7

Asset Mix

as at September 30, 2003*

	%
Equities	
Energy	12.5
Financials	11.7
Materials	8.4
Consumer Discretionary	5.3
Industrials	3.9
Health Care	1.3
Consumer Staples	0.2
Bonds	7.9
Cash and Cash Equivalents	48.8
Total	100.0

* U.S. and Foreign Securities represent 9.0% and 4.0% of net assets, respectively.

Compound Annual Return (in %) as at September 30, 2003

Desjardins Select Balanced Fund

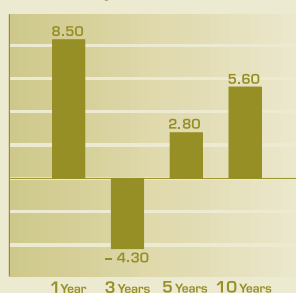
Underlying Funds

Asset Mix as at September 30, 2003

	%
Bonds	
Canadian	32.4
Foreign	5.4
Stock Index Futures Contracts	27.6
Equities	
Canadian	20.8
Foreign	12.1
Foreign Currency Forward and Spot Contracts	(1.4)
Cash and Cash Equivalents	3.1

Total **100.0**

Compound Annual Return (in %) as at September 30, 2003



Talvest Cdn. Asset Allocation Fund

Objective

To obtain stable, long-term growth of capital.

Portfolio Composition

Primarily Canadian equity and debt securities.

Top 10 Holdings

	%
1. S&P 500 Index Future, 2003-12	8.3
2. S&P 500 E-mini Index Future, 2003-12	6.1
3. Dow Jones EURO STOXX 50 Index Future, 2003-12	3.4
4. Government of Canada, 5.250%, 2012-06-01	3.2
5. Government of Canada, 3.500%, 2005-06-01	2.8
6. Government of Canada, 4.500%, 2007-09-01	2.6
7. TOPIX Index Future, 2003-12	2.6
8. S&P/TSX 60 Index Future, 2003-12	2.5
9. Bank of Montreal NHA, 3.000%, 2005-12-01	2.2
10. Province of Ontario, 6.100%, 2011-12-02	1.8

Total **35.5**

BALANCED FUNDS

Desjardins Select Cartier Fund

Overview

The asset mix among underlying funds favoured stocks (75%) over fixed income issues (25%). The Fund therefore rose on the back of the stock market upswing. Returns were however mitigated by the multimanager approach used, which consisted in entrusting a single investment category to various portfolio managers whose styles differ. This strategy aims to reduce long-term risk but could, in the short term, lead to underperformance compared with the indices.

Investment Portfolio as at September 30, 2003

	Number of Units	Average Cost	Market Value
Underlying Funds (100.5%)			
Cartier Money Market Fund	747,055	\$ 7,470,550	\$ 7,470,550
Cartier Bond Fund	4,215,680	20,520,728	21,438,840
Cartier Cdn. Equity Fund	6,366,681	41,905,994	41,912,501
Cartier Small Cap Cdn. Equity Fund	1,453,094	10,083,343	10,036,377
Cartier U.S. Equity Fund	2,956,306	13,350,585	10,060,309
Cartier Global Equity Fund	3,701,560	19,043,732	15,958,536
Total Investments		\$ 112,374,932	106,877,113
Net Other Assets (~ 0.5%)			(532,723)
Net Assets (100%)			\$ 106,344,390

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 10.152	\$ 10.788	\$ 11.805	\$ 10.931	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	0.024	0.029	0.091	0.133	0.117
Realized and unrealized net gain (loss) on investments	0.718	(0.602)	(1.022)	1.182	1.049
Total	0.742	(0.573)	(0.931)	1.315	1.166
Distributions to investors					
Net investment income	0.013	0.029	0.086	0.093	0.116
Net gain on sale of investments	0.018	0.034	—	0.348	0.119
Total	0.031	0.063	0.086	0.441	0.235
Net Asset Value, End of Year	\$ 10.863	\$ 10.152	\$ 10.788	\$ 11.805	\$ 10.931
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$106,344	\$ 97,467	\$ 78,295	\$ 50,174	\$ 10,715
Average net assets (in thousands)	\$101,961	\$ 95,096	\$ 72,505	\$ 27,572	\$ 7,316
Management expense ratio (Note 4)	3.25%	3.25%	3.25%	3.25%	3.21%
Management expense ratio before waived fees	3.37%	3.35%	3.33%	3.32%	n.a.
Portfolio turnover rate	4.25%	30.91%	21.46%	24.89%	24.71%
Years Ended September 30					
Annual return	7.39%	-5.37%	-10.31%	26.06%	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

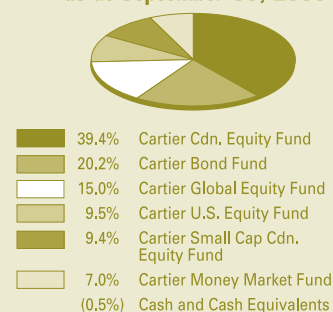
Objective

The objective of the Desjardins Select Cartier Fund is to provide both a reasonable income and long-term capital appreciation.

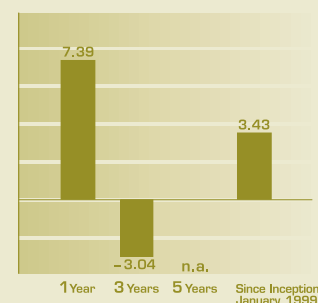
Portfolio Composition

The assets of this Fund are strategically allocated among several of the mutual funds of Cartier Mutual Funds Inc., each with a specific category of investments.

**Asset Mix
as at September 30, 2003**



**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



Desjardins Select Cartier Fund

Underlying Funds

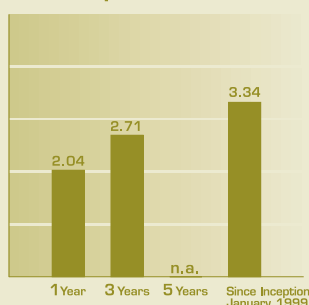
Cartier Money Market Fund

Asset Mix

as at September 30, 2003

	%
Government of Canada	44.0
Provincial Governments and Crown Corporations	35.9
Corporations	17.3
Cash and Cash Equivalents	2.8
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



Objective

To obtain current income consistent with preservation of capital and liquidities.

Portfolio Composition

Primarily high-quality bonds and Treasury bills issued or guaranteed by the Government of Canada or one of the provinces, and high-quality bonds and commercial paper issued by Canadian chartered banks, trust companies and corporations, with maturities of less than three years in all cases and less than one year in most cases.

Top 10 Holdings

	%
1. Province of Québec, notes, 2003-11-21	9.2
2. Treasury Bills – Canada, 2003-11-20	9.2
3. Treasury Bills – Canada, 2003-12-18	7.5
4. Treasury Bills – Canada, 2004-03-11	6.9
5. Hydro-Québec, notes, 2003-11-17	5.2
6. Province of Québec, notes, 2003-11-28	4.0
7. Hydro-Québec, notes, 2003-12-11	4.0
8. Canadian Wheat Board, notes, 2003-12-15	4.0
9. Province of Québec, notes, 2003-12-10	3.6
10. Caisse centrale Desjardins, notes, 2003-12-03	3.5

Total **57.1**

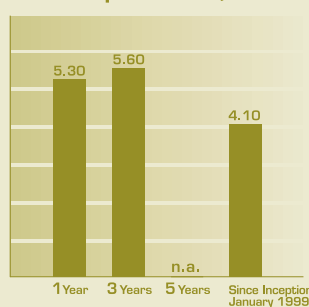
Cartier Bond Fund

Asset Mix

as at September 30, 2003

	%
Bonds	
Government of Canada	37.9
Provincial Governments and Crown Corporations	23.4
Corporations	20.6
Cash and Cash Equivalents	18.1
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



Objective

To obtain a high level of total return (income plus capital appreciation), over the medium to long term, superior to the SCM Universe Index (Scotia Capital Markets), and consistent with capital preservation.

Portfolio Composition

Primarily debt securities issued or guaranteed by the Government of Canada or one of the provinces, municipalities and their entities and Canadian corporations, as well as foreign-denominated securities of these issuers.

Top 10 Holdings

	%
1. Government of Canada, 5.250%, 2013-06-01	5.5
2. Government of Canada, 5.000%, 2004-09-01	4.4
3. Government of Canada, 5.000%, 2003-12-01	4.4
4. Province of Québec, 6.250%, 2032-06-01	3.5
5. Government of Canada, 5.750%, 2029-06-01	3.4
6. Government of Canada, 5.750%, 2033-06-01	3.3
7. Government of Canada, 4.250%, 2008-09-01	3.0
8. Government of Canada, 3.500%, 2005-06-01	2.9
9. Province of New Brunswick, 5.750%, 2029-12-15	2.4
10. Province of Ontario, 6.500%, 2029-03-08	1.8

Total **34.6**

Cartier Cdn. Equity Fund**Objective**

To obtain long-term capital appreciation superior to the S&P/TSX Index.

Portfolio Composition

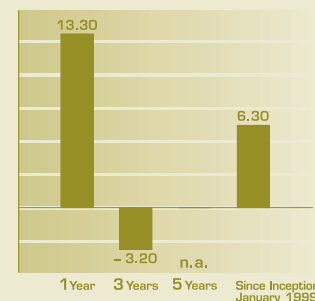
Primarily a diversified selection of equity securities of Canadian corporations offering growth potential.

Top 10 Holdings

	%
1. Scotiabank	5.2
2. Royal Bank of Canada	5.2
3. Toronto-Dominion Bank	4.4
4. Manulife Financial Corporation	3.1
5. EnCana Corporation	3.0
6. Bank of Montreal	2.6
7. Enbridge	2.3
8. Thomson Corporation	2.2
9. BCE	2.2
10. Alcan	2.1
Total	32.3

**Asset Mix
as at September 30, 2003**

	%
Equities	
Financials	28.9
Consumer Discretionary	14.1
Energy	12.9
Materials	12.4
Consumer Staples	7.6
Industrials	5.0
Utilities	4.5
Telecommunication Services	3.8
Information Technology	2.4
Health Care	1.0
Cash and Cash Equivalents	7.4
Total	100.0

**Compound Annual Return (in %)
as at September 30, 2003****Cartier Small Cap Cdn. Equity Fund****Objective**

To obtain long-term growth superior to the Nesbitt Burns Small Cap Index.

Portfolio Composition

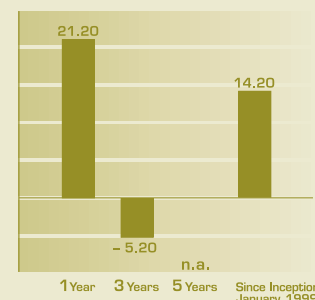
Primarily equity securities and convertible debentures issued by Canadian small-cap corporations deemed to be undervalued or having above-average growth potential.

Top 10 Holdings

	%
1. Ivanhoe Mines	3.5
2. Mediagrif Interactive Technologies	2.6
3. Labopharm	2.5
4. Van Houtte	2.5
5. Mega Bloks	2.5
6. Trinidad Energy Services Income Trust	2.1
7. Axcan Pharma	2.1
8. CCS Income Trust	2.0
9. Canico Resource Corp.	1.9
10. Shermag	1.9
Total	23.6

**Asset Mix
as at September 30, 2003**

	%
Equities	
Materials	20.8
Energy	15.1
Consumer Discretionary	14.4
Consumer Staples	13.3
Industrials	10.4
Health Care	6.8
Telecommunication Services	6.3
Financials	4.5
Information Technology	3.9
Utilities	0.6
Cash and Cash Equivalents	3.9
Total	100.0

**Compound Annual Return (in %)
as at September 30, 2003**

Desjardins Select Cartier Fund

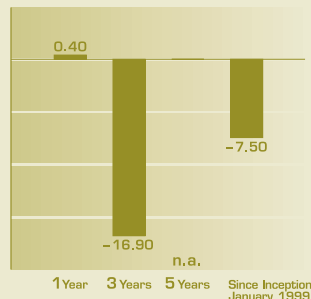
Underlying Funds

Asset Mix as at September 30, 2003

	%
Equities	
Financials	18.2
Information Technology	9.6
Consumer Discretionary	6.9
Industrials	6.9
Health Care	6.8
Consumer Staples	5.6
Energy	3.1
Materials	2.5
Telecommunication Services	2.0
Utilities	1.6
Futures Contracts – Equities	35.2
Cash and Cash Equivalents	1.6

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Cartier U.S. Equity Fund

Objective

To obtain long-term growth superior to the Standard & Poor's 500 Index.

Portfolio Composition

Primarily equity securities issued by U.S. mid- or large-cap corporations and derivatives, to replicate U.S. stock market indexes.

Top 10 Holdings

	%
1. American International Group	2.0
2. MBNA Corporation	1.8
3. Oracle Corporation	1.6
4. CDW Corporation	1.6
5. Pfizer	1.6
6. Safeway	1.6
7. AFLAC	1.6
8. General Dynamics Corporation	1.6
9. Merck & Co.	1.5
10. General Electric Company	1.5

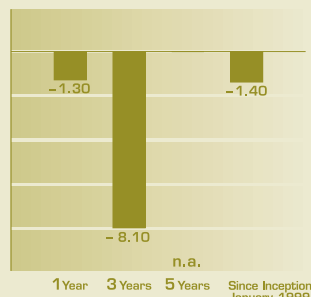
Total 16.4

Asset Mix as at September 30, 2003

	%
Equities	
Europe	45.8
Australasia	8.4
U.S.	7.0
Canada	1.0
Futures Contracts – Equities	34.5
Cash and Cash Equivalents	3.3

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Cartier Global Equity Fund

Objective

To obtain long-term growth superior to the Morgan Stanley Capital International World Index.

Portfolio Composition

Primarily equity securities and derivative products providing access to the international market, to replicate international stock market indexes.

Top 10 Holdings

	%
1. British American Tobacco	2.5
2. Nestlé	2.2
3. Cadbury Schweppes	1.8
4. Kone OYJ Corp., Class B	1.7
5. Groupe Danone	1.7
6. Diageo	1.6
7. GlaxoSmithKline	1.6
8. Reckitt Benckiser	1.5
9. Altria Group	1.5
10. The New York Times Company, Class A	1.4

Total 17.5

BALANCED FUNDS

Desjardins Ethical Income Fund

Overview

The underlying funds, except for those invested in international bonds and North American equities, posted gains but underperformed their respective indices. This year turned out to be more difficult than the previous one for fixed income funds, which made up 55% of the portfolio. Canadian equity funds performed strongly, but our conservative approach prevented them from emulating the benchmark that was boosted, perhaps too quickly, by surging technology stocks.

Investment Portfolio as at September 30, 2003

	Number of Units	Average Cost	Market Value
Underlying Funds (100.4%)			
Ethical® Money Market Fund	15,521	\$ 155,208	\$ 155,207
Ethical Income Fund	100,206	1,035,383	1,101,745
Ethical Global Bond Fund	44,100	451,564	463,317
Ethical Growth Fund®	72,473	710,920	692,118
Ethical Special Equity Fund	8,450	98,938	168,641
Ethical North American Equity Fund	97,347	730,982	450,473
Ethical Pacific Rim Fund	21,338	144,346	100,344
Total Investments		\$ 3,327,341	3,131,845
Net Other Assets (– 0.4%)			(13,426)
Net Assets (100%)			\$ 3,118,419

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 8.850	\$ 9.114	\$ 9.749	\$ 10.000	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	0.033	(0.016)	(0.045)	0.043	—
Realized and unrealized net gain (loss) on investments	0.389	(0.185)	(0.590)	(0.191)	—
Total	0.422	(0.201)	(0.635)	(0.148)	—
Distributions to investors					
Net investment income	0.037	0.011	—	0.041	—
Net gain on sale of investments	0.013	0.052	—	0.062	—
Total	0.050	0.063	—	0.103	—
Net Asset Value, End of Year	\$ 9.222	\$ 8.850	\$ 9.114	\$ 9.749	\$ 10.000
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$ 3,118	\$ 2,970	\$ 2,868	\$ 3,116	\$ 150
Average net assets (in thousands)	\$ 3,017	\$ 3,029	\$ 3,030	\$ 2,535	\$ 150
Management expense ratio (Note 4)	3.25%	3.25%	3.25%	3.25%	n.a.
Management expense ratio before waived fees	4.12%	4.00%	4.09%	4.27%	n.a.
Portfolio turnover rate	9.59%	15.37%	16.69%	42.07%	n.a.
Years Ended September 30					
Annual return	4.78%	–2.25%	–9.60%	n.a.	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

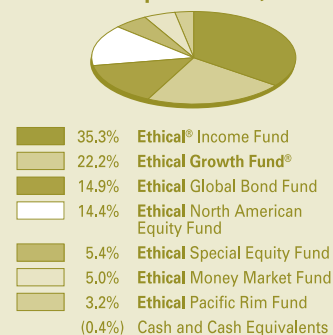
Objective

The objective of the Desjardins Ethical Income Fund is to provide both a reasonable income return and long-term capital appreciation.

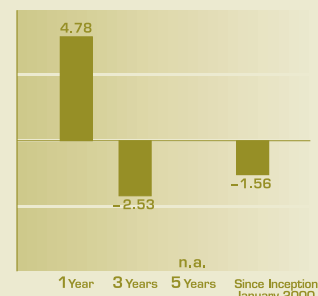
Portfolio Composition

The assets of this Fund are invested in several Ethical investment funds based on the following asset mix strategy: 55% in fixed income securities funds and 45% in growth securities funds.

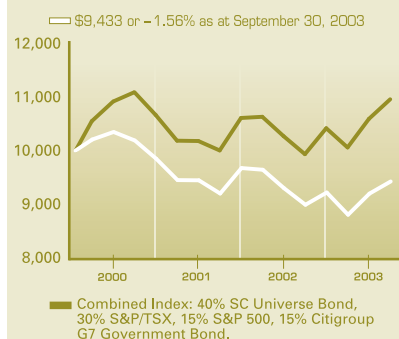
Asset Mix as at September 30, 2003



Compound Annual Return (in %) as at September 30, 2003



Growth of \$10,000 Invested Since Inception, Including Distributions Reinvested



Desjardins Ethical Income Fund

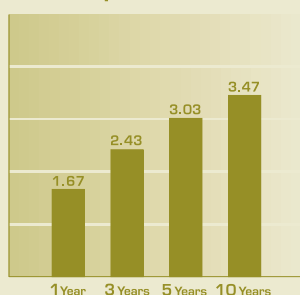
Underlying Funds

Asset Mix as at September 30, 2003

	%
Financial Institutions, Corporations and Other	65.8
Government of Canada	20.7
Provincial Governments and Crown Corporations	13.5

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical® Money Market Fund

Objective

To maximize current income with minimum risk.

Portfolio Composition

High-quality, short-term money market securities issued or guaranteed by the Government of Canada or a province, or by Canadian corporations and financial institutions.

Top 10 Holdings	%
1. Pure Trust, notes, 2003-11-03	7.3
2. HSBC, notes, 2003-11-24	7.3
3. Canada Mortgage and Housing Corporation (CMHC) notes, 2003-10-01	6.8
4. Province of Nova Scotia, notes, 2003-10-03	6.8
5. Zeus Trust, notes, 2003-10-15	6.8
6. Prime Trust, notes, 2003-11-28	6.8
7. Province of Québec, notes, 2003-12-02	6.7
8. Royal Bank of Canada, notes, 2003-10-16	6.7
9. Treasury Bills – Canada, 2003-11-20	5.4
10. Cadbury Beverages Canada, notes, 2004-01-14	4.8
Total	65.4

Asset Mix as at September 30, 2003

	%
Bonds	
Government of Canada	40.6
Corporations	29.2
Provincial Governments and Crown Corporations	22.5
Municipalities and Semi-Public Institutions	1.3
Mortgage-Backed Securities	4.3
Cash and Cash Equivalents	2.1

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical® Income Fund

Objective

To provide high current income and preservation of capital.

Portfolio Composition

Bonds, debentures and other securities issued or guaranteed by the Government of Canada or a province, residential first mortgages and money market securities.

Top 10 Holdings	%
1. Government of Canada, 6.000%, 2011-06-01	4.5
2. Government of Canada, 5.250%, 2012-06-01	4.0
3. Government of Canada, 5.500%, 2010-06-01	3.9
4. Government of Canada, 6.000%, 2005-09-01	3.2
5. Government of Canada, 8.000%, 2023-06-01	3.0
6. Government of Canada, 5.750%, 2029-06-01	2.9
7. Government of Canada, 7.250%, 2007-06-01	2.8
8. Government of Canada, 6.000%, 2008-06-01	2.5
9. Ontrea, 5.700%, 2011-10-31	2.5
10. Province of British Columbia, 5.700%, 2009-06-01	2.5
Total	31.8

Ethical® Global Bond Fund**Objective**

To achieve long-term capital appreciation and preserve invested capital.

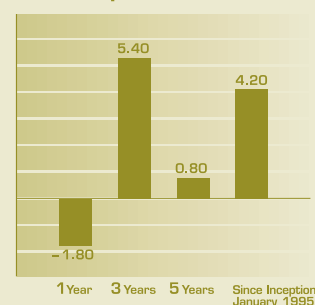
Portfolio Composition

Derivatives, mainly bond index and currency futures, and high-quality Canadian bonds which may be used to purchase futures contracts on margin.

Top Holdings	%
1. Euro-Bobl Futures, 2003-12	48.1
2. Euro Bund Futures, 2003-12	17.0
3. U.S. Long Bond Futures, 2003-12	9.3
4. Euro-SCHATZ Futures, 2003-12	3.4
Total	77.8

**Asset Mix
as at September 30, 2003**

	%
Bond Markets	
International	68.5
U.S.	9.3
Cash and Cash Equivalents	22.2
Total	100.0

**Compound Annual Return (in %)
as at September 30, 2003****Ethical Growth Fund®****Objective**

To maximize long-term capital return.

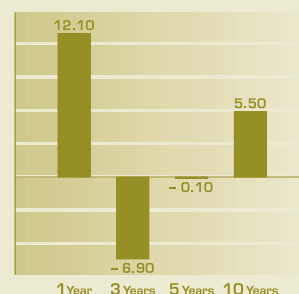
Portfolio Composition

Primarily shares of Canadian corporations and, at the Manager's discretion, investments in other classes of assets such as short-term investments, bonds and debentures.

Top 10 Holdings	%
1. Bank of Nova Scotia	7.0
2. Alcan	6.6
3. Canadian Imperial Bank of Commerce	6.5
4. Barrick Gold Corporation	5.2
5. Petro-Canada	4.5
6. Manulife Financial Corporation	4.4
7. EnCana Corporation	4.3
8. Toronto-Dominion Bank	3.8
9. Investors Group	3.6
10. Canadian National Railway Company	2.8
Total	48.7

**Asset Mix
as at September 30, 2003**

	%
North American Equities	
Financials	27.2
Materials	15.1
Industrials	13.8
Energy	13.7
Consumer Discretionary	7.7
Information Technology	6.7
Telecommunication Services	5.0
Health Care	0.9
Consumer Staples	0.4
Foreign Equities	6.2
Trust Units	0.5
Cash and Cash Equivalents	2.8
Total	100.0

**Compound Annual Return (in %)
as at September 30, 2003**

Desjardins Ethical Income Fund

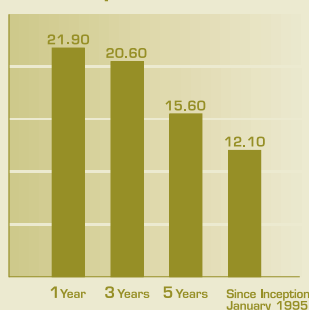
Underlying Funds

Asset Mix as at September 30, 2003

	%
Canadian Equities	
Energy	15.7
Financials	14.5
Materials	13.7
Consumer Discretionary	11.3
Industrials	9.6
Information Technology	3.1
Telecommunication Services	2.7
Trust Units	17.3
Cash and Cash Equivalents	12.1

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical® Special Equity Fund

Objective

To provide long-term growth of capital.

Portfolio Composition

Primarily common shares of Canadian companies listed on a stock exchange and having a market capitalization of less than \$500 million (small-cap), and small-cap foreign companies listed on an international stock exchange within the foreign content limits permitted by Canadian tax law.

Top 10 Holdings

	%
1. IAMGold Corporation	6.4
2. E-L Financial Corporation	5.3
3. Crescent Point Energy Trust – Units	4.2
4. Major Drilling Group International	4.0
5. Cascades	4.0
6. Vermilion Energy Trust – Units	4.0
7. TSX Group	4.0
8. Hip Interactive	3.9
9. AltaGas Services	3.6
10. Uni-Select	3.4

Total 42.8

Asset Mix as at September 30, 2003

	%
U.S. Equities	
Information Technology	26.8
Consumer Discretionary	24.3
Financials	24.0
Health Care	16.4
Industrials	2.4
Telecommunication Services	0.9
Foreign Equities	4.4
Cash and Cash Equivalents	0.8

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical® North American Equity Fund

Objective

To maximize long-term capital return.

Portfolio Composition

Primarily shares of North American companies and, at the Manager's discretion, investments in other classes of assets such as bonds, money market securities and debentures.

Top 10 Holdings

	%
1. Microsoft Corporation	6.3
2. Intel Corporation	4.6
3. Wal-Mart Stores	4.6
4. MBNA Corporation	4.2
5. Citigroup	4.1
6. Lowe's Companies	4.0
7. American International Group	3.9
8. Pfizer	3.9
9. Dell	3.8
10. Amgen	3.6

Total 43.0

Ethical® Pacific Rim Fund**Objective**

To achieve long-term growth of capital.

Portfolio Composition

Primarily equity securities traded on the stock markets of one or several of the countries in the Pacific Rim Region and Asia.

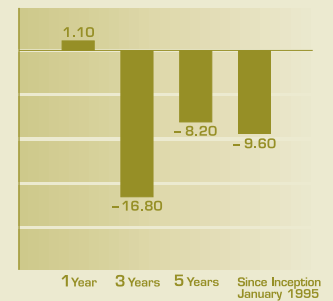
Top 10 Holdings

	%
1. Canon	4.5
2. Bharti Tele-Ventures	3.2
3. Ricoh Company	2.8
4. Mitsubishi Corporation	2.6
5. Toyota Motor Corporation	2.6
6. Hoya Corporation	2.5
7. Suzuki Motor Corporation	2.5
8. BHP Billiton	2.4
9. East Japan Railway Company	2.3
10. KDDI Corporation	2.2
Total	27.6

**Asset Mix
as at September 30, 2003**

	%
Equities	
Japan	54.8
Australia	15.5
South Korea	7.6
Hong Kong	6.8
Taiwan	6.0
India	5.3
Singapore	2.5
Malaysia	1.2
Thailand	0.5
Cash and Cash Equivalents	(0.2)

Total 100.0

**Compound Annual Return (in %)
as at September 30, 2003**

Objective

The objective of the Desjardins Ethical Balanced Fund is to provide both a reasonable income return and long-term capital appreciation.

Portfolio Composition

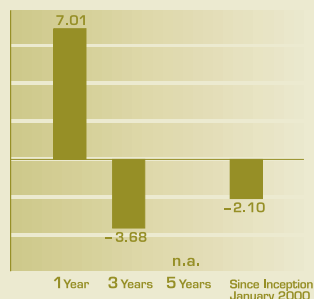
The assets of this Fund are invested in several Ethical investment funds based on the following asset mix strategy: 35% in fixed income securities funds and 65% in growth securities funds.

**Asset Mix
as at September 30, 2003**

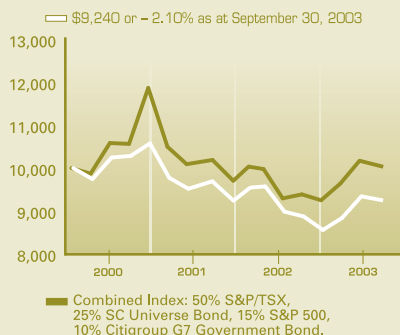


36.5%	Ethical Growth Fund®
20.3%	Ethical® Income Fund
14.5%	Ethical North American Equity Fund
10.4%	Ethical Special Equity Fund
10.1%	Ethical Global Bond Fund
4.9%	Ethical Money Market Fund
3.2%	Ethical Pacific Rim Fund
0.1%	Cash and Cash Equivalents

**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



BALANCED FUNDS

Desjardins Ethical Balanced Fund

Overview

The Fund's solid gains were fuelled by the underlying equity funds, which account for 65% of the portfolio, and to a lesser extent by the fixed income portfolios. The large-cap Canadian equity fund did not perform as well as the index, which was carried along by the technology sector's winning streak. The small-cap Canadian equity fund rose more than 20% during the year, and the portfolio manager, remembering past lessons, maintained its technology sector underweighting.

Investment Portfolio as at September 30, 2003

	Number of Units	Average Cost	Market Value
Underlying Funds (99.9%)			
Ethical® Money Market Fund	24,848	\$ 248,477	\$ 248,477
Ethical Income Fund	92,785	960,762	1,020,149
Ethical Global Bond Fund	48,436	495,531	508,872
Ethical Growth Fund®	192,286	1,885,183	1,836,334
Ethical Special Equity Fund	26,163	298,574	522,153
Ethical North American Equity Fund	157,470	1,169,163	728,691
Ethical Pacific Rim Fund	33,630	224,340	158,149
Total Investments		\$ 5,282,030	5,022,825
Net Other Assets (0.1%)			5,440
Net Assets (100%)			\$ 5,028,265

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 8.626	\$ 8.904	\$ 9.820	\$ 10.000	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	(0.072)	(0.122)	(0.104)	(0.063)	—
Realized and unrealized net gain (loss) on investments	0.676	(0.156)	(0.812)	(0.107)	—
Total	0.604	(0.278)	(0.916)	(0.170)	—
Distributions to investors					
Net gain on sale of investments	—	—	—	0.010	—
Net Asset Value, End of Year	\$ 9.230	\$ 8.626	\$ 8.904	\$ 9.820	\$ 10.000

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$ 5,028	\$ 4,617	\$ 4,454	\$ 4,410	\$ 150
Average net assets (in thousands)	\$ 4,759	\$ 4,917	\$ 4,598	\$ 3,604	\$ 150
Management expense ratio (Note 4)	3.25%	3.25%	3.25%	3.25%	n.a.
Management expense ratio before waived fees	3.77%	3.66%	3.75%	3.93%	n.a.
Portfolio turnover rate	9.72%	15.94%	11.80%	36.22%	n.a.

Years Ended September 30	2003	2002	2001	2000	1999
Annual return	7.01%	-3.12%	-13.81%	n.a.	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Ethical® Money Market Fund**Objective**

To maximize current income with minimum risk.

Portfolio Composition

High-quality, short-term money market securities issued or guaranteed by the Government of Canada or a province, or by Canadian corporations and financial institutions.

Top 10 Holdings	%
1. Pure Trust, notes, 2003-11-03	7.3
2. HSBC, notes, 2003-11-24	7.3
3. Canada Mortgage and Housing Corporation (CMHC) notes, 2003-10-01	6.8
4. Province of Nova Scotia, notes, 2003-10-03	6.8
5. Zeus Trust, notes, 2003-10-15	6.8
6. Prime Trust, notes, 2003-11-28	6.8
7. Province of Québec, notes, 2003-12-02	6.7
8. Royal Bank of Canada, notes, 2003-10-16	6.7
9. Treasury Bills – Canada, 2003-11-20	5.4
10. Cadbury Beverages Canada, notes, 2004-01-14	4.8
Total	65.4

Asset Mix as at September 30, 2003

	%
Financial Institutions, Corporations and Other	65.8
Government of Canada	20.7
Provincial Governments and Crown Corporations	13.5

Total	100.0
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Compound Annual Return (in %) as at September 30, 2003**Ethical® Income Fund****Objective**

To provide high current income and preserve capital.

Portfolio Composition

Bonds, debentures and other securities issued or guaranteed by the Government of Canada or a province, residential first mortgages and money market securities.

Top 10 Holdings	%
1. Government of Canada, 6.000%, 2011-06-01	4.5
2. Government of Canada, 5.250%, 2012-06-01	4.0
3. Government of Canada, 5.500%, 2010-06-01	3.9
4. Government of Canada, 6.000%, 2005-09-01	3.2
5. Government of Canada, 8.000%, 2023-06-01	3.0
6. Government of Canada, 5.750%, 2029-06-01	2.9
7. Government of Canada, 7.250%, 2007-06-01	2.8
8. Government of Canada, 6.000%, 2008-06-01	2.5
9. Ontrea, 5.700%, 2011-10-31	2.5
10. Province of British Columbia, 5.700%, 2009-06-01	2.5
Total	31.8

Asset Mix as at September 30, 2003

	%
Bonds	
Government of Canada	40.6
Corporations	29.2
Provincial Governments and Crown Corporations	22.5
Municipalities and Semi-Public Institutions	1.3
Mortgage-Backed Securities	4.3
Cash and Cash Equivalents	2.1

Total	100.0
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Compound Annual Return (in %) as at September 30, 2003

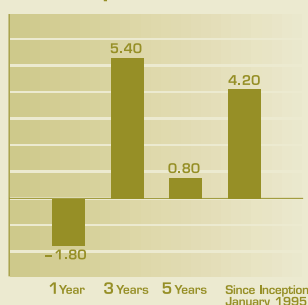
Desjardins Ethical Balanced Fund

Underlying Funds

Asset Mix as at September 30, 2003

	%
Bond Markets	
International	68.5
U.S.	9.3
Cash and Cash Equivalents	22.2
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical® Global Bond Fund

Objective

To achieve long-term capital appreciation and preserve invested capital.

Portfolio Composition

Derivatives, mainly bond index and currency futures, and high-quality Canadian bonds which may be used to purchase futures contracts on margin.

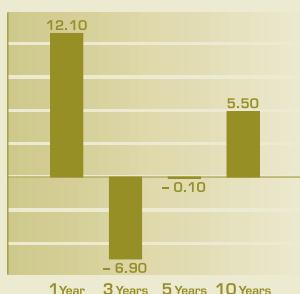
Top Holdings

	%
1. Euro-Bobl Futures, 2003-12	48.1
2. Euro Bund Futures, 2003-12	17.0
3. U.S. Long Bond Futures, 2003-12	9.3
4. Euro-SCHATZ Futures, 2003-12	3.4
Total	77.8

Asset Mix as at September 30, 2003

	%
North American Equities	
Financials	27.2
Materials	15.1
Industrials	13.8
Energy	13.7
Consumer Discretionary	7.7
Information Technology	6.7
Telecommunication Services	5.0
Health Care	0.9
Consumer Staples	0.4
Foreign Equities	6.2
Trust Units	0.5
Cash and Cash Equivalents	2.8
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical Growth Fund®

Objective

To maximize long-term capital return.

Portfolio Composition

Primarily shares of Canadian corporations and, at the Manager's discretion, investments in other classes of assets such as short-term investments, bonds and debentures.

Top 10 Holdings

	%
1. Bank of Nova Scotia	7.0
2. Alcan	6.6
3. Canadian Imperial Bank of Commerce	6.5
4. Barrick Gold Corporation	5.2
5. Petro-Canada	4.5
6. Manulife Financial Corporation	4.4
7. EnCana Corporation	4.3
8. Toronto-Dominion Bank	3.8
9. Investors Group	3.6
10. Canadian National Railway Company	2.8
Total	48.7

Ethical® Special Equity Fund**Objective**

To provide long-term growth of capital.

Portfolio Composition

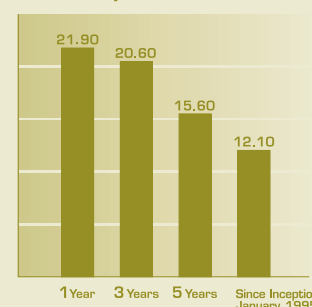
Primarily common shares of Canadian companies listed on a stock exchange and having a market capitalization of less than \$500 million (small-cap), and small-cap foreign companies listed on an international stock exchange within the foreign content limits permitted by Canadian tax law.

Top 10 Holdings	%
1. IAMGold Corporation	6.4
2. E-L Financial Corporation	5.3
3. Crescent Point Energy Trust – Units	4.2
4. Major Drilling Group International	4.0
5. Cascades	4.0
6. Vermilion Energy Trust – Units	4.0
7. TSX Group	4.0
8. Hip Interactive	3.9
9. AltaGas Services	3.6
10. Uni-Select	3.4
Total	42.8

**Asset Mix
as at September 30, 2003**

	%
Canadian Equities	
Energy	15.7
Financials	14.5
Materials	13.7
Consumer Discretionary	11.3
Industrials	9.6
Information Technology	3.1
Telecommunication Services	2.7
Trust Units	17.3
Cash and Cash Equivalents	12.1

Total **100.0**

**Compound Annual Return (in %)
as at September 30, 2003****Ethical® North American Equity Fund****Objective**

To maximize long-term capital return.

Portfolio Composition

Primarily shares of North American companies and, at the Manager's discretion, investments in other classes of assets such as bonds, money market securities and debentures.

Top 10 Holdings	%
1. Microsoft Corporation	6.3
2. Intel Corporation	4.6
3. Wal-Mart Stores	4.6
4. MBNA Corporation	4.2
5. Citigroup	4.1
6. Lowe's Companies	4.0
7. American International Group	3.9
8. Pfizer	3.9
9. Dell	3.8
10. Amgen	3.6
Total	43.0

**Asset Mix
as at September 30, 2003**

	%
U.S. Equities	
Information Technology	26.8
Consumer Discretionary	24.3
Financials	24.0
Health Care	16.4
Industrials	2.4
Telecommunication Services	0.9
Foreign Equities	4.4
Cash and Cash Equivalents	0.8

Total **100.0**

**Compound Annual Return (in %)
as at September 30, 2003**

Desjardins Ethical Balanced Fund

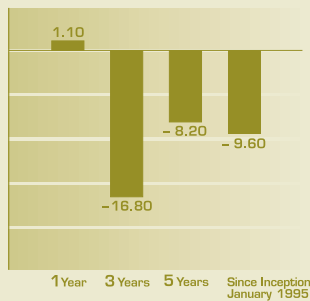
Underlying Funds

Asset Mix as at September 30, 2003

	%
Equities	
Japan	54.8
Australia	15.5
South Korea	7.6
Hong Kong	6.8
Taiwan	6.0
India	5.3
Singapore	2.5
Malaysia	1.2
Thailand	0.5
Cash and Cash Equivalents	(0.2)

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical® Pacific Rim Fund

Objective

To achieve long-term growth of capital.

Portfolio Composition

Primarily equity securities traded on the stock markets of one or several of the countries in the Pacific Rim Region and Asia.

Top 10 Holdings

	%
1. Canon	4.5
2. Bharti Tele-Ventures	3.2
3. Ricoh Company	2.8
4. Mitsubishi Corporation	2.6
5. Toyota Motor Corporation	2.6
6. Hoya Corporation	2.5
7. Suzuki Motor Corporation	2.5
8. BHP Billiton	2.4
9. East Japan Railway Company	2.3
10. KDDI Corporation	2.2

Total 27.6

CANADIAN EQUITY FUNDS

Desjardins Dividend Fund

Overview

The common and preferred shares of well-established companies with healthy balance sheets picked by the Fund generated the expected results. The rather conservative profile of the portfolio at the beginning of the year helped conserve asset value. Cyclical stocks were later gradually added to take advantage of the upturn and the increase in dividend rates paid out by numerous companies.

Top 10 Holdings

	%
1. Royal Bank of Canada	4.7
2. Bank of Nova Scotia	4.6
3. Toronto-Dominion Bank	3.6
4. BCE	3.3
5. Canadian Imperial Bank of Commerce	2.4
6. Bank of Montreal	2.4
7. Alcan	2.3
8. Petro-Canada	2.0
9. TransCanada Corporation	1.5
10. EnCana Corporation	1.4
Total	28.2

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 15.050	\$ 16.191	\$ 16.735	\$ 14.633	\$ 14.210
Income and gain on investment operations					
Net investment income (loss)	0.309	0.290	0.216	0.286	0.339
Realized and unrealized net gain (loss) on investments	1.777	(0.653)	(0.526)	2.352	0.414
Total	2.086	(0.363)	(0.310)	2.638	0.753
Distributions to investors					
Net investment income	0.237	0.241	0.234	0.301	0.330
Net gain on sale of investments	—	0.537	—	0.235	—
Total	0.237	0.778	0.234	0.536	0.330
Net Asset Value, End of Year	\$ 16.899	\$ 15.050	\$ 16.191	\$ 16.735	\$ 14.633
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$454,264	\$410,385	\$429,817	\$432,662	\$445,504
Average net assets (in thousands)	\$425,551	\$435,805	\$440,723	\$410,118	\$460,468
Management expense ratio (Note 4)	2.14%	2.14%	2.16%	2.05%	2.05%
Management expense ratio before waived fees	2.29%	2.20%	n.a.	n.a.	n.a.
Portfolio turnover rate	32.47%	37.94%	38.34%	79.56%	60.28%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	13.96%	–2.54%	2.30%	21.98%	5.78%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

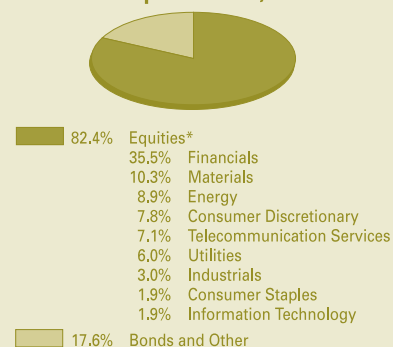
Objective

The objective of the Desjardins Dividend Fund is to provide higher-than-average dividend income and long-term capital appreciation.

Portfolio Composition

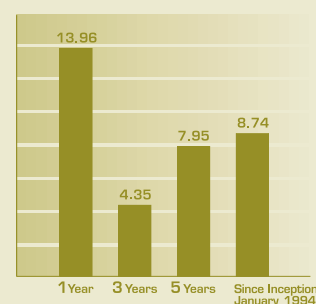
The assets of this Fund are mainly invested in common and preferred stocks offering high dividend returns. Money market securities and bonds may also be held for liquidity purposes.

Asset Mix
as at September 30, 2003

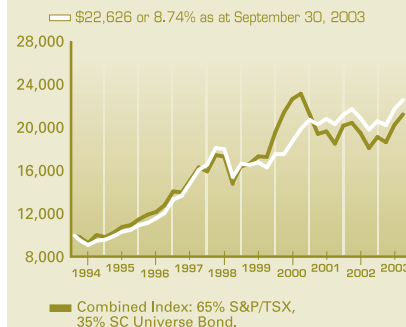


Average Maturity: 8.5 years
Duration: 5.3 years
*Canadian Preferred Shares represent 18.1% of net assets.

Compound Annual Return (in %)
as at September 30, 2003
A-Class



Growth of \$10,000 Invested Since Inception, Including Distributions Reinvested
A-Class



CANADIAN EQUITY FUNDS

Desjardins Dividend Fund

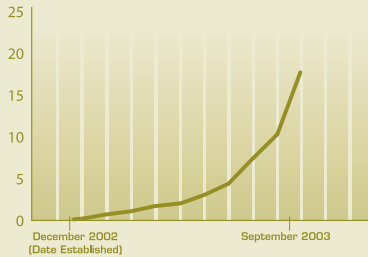
Return as at September 30, 2003

T-Class

Due to the recent introduction of this class of units, which has been available for less than 12 months, the annual rate of return cannot be posted.

Growth of Net Assets (in millions of dollars)

T-Class



Statement of Financial Highlights (continued)

	2003*	2002*	2001**	2000***	1999***
Data per Unit – T-Class ****					
Net Asset Value, Beginning of Year	\$ 10.000	n.a.	n.a.	n.a.	n.a.
Income and gain on investment operations					
Net investment income (loss)	0.158	n.a.	n.a.	n.a.	n.a.
Realized and unrealized net gain (loss) on investments	0.855	n.a.	n.a.	n.a.	n.a.
Total	1.013	n.a.	n.a.	n.a.	n.a.
Distributions to investors					
Net investment income	0.105	n.a.	n.a.	n.a.	n.a.
Return of capital	0.480	n.a.	n.a.	n.a.	n.a.
Total	0.585	n.a.	n.a.	n.a.	n.a.
Net Asset Value, End of Year	\$ 10.428	n.a.	n.a.	n.a.	n.a.
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$ 17,094	n.a.	n.a.	n.a.	n.a.
Average net assets (in thousands)	\$ 5,793	n.a.	n.a.	n.a.	n.a.
Management expense ratio (Note 4)	2.14%	n.a.	n.a.	n.a.	n.a.
Management expense ratio before waived fees	2.29%	n.a.	n.a.	n.a.	n.a.
Portfolio turnover rate	32.47%	n.a.	n.a.	n.a.	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

**** Beginning of operations in December 2002.

Desjardins Dividend Fund

Investment Portfolio as at September 30, 2003

	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Equities (82.4%)							
Preferred Shares (18.1%)				Utilities (2.4%)			
Materials (1.6%)				ATCO, Series 3, 5.750%	42,000	\$ 1,134,000	\$ 1,167,600
Falconbridge, Series 2	72,700	\$ 1,741,613	\$ 1,817,500	Canadian Utilities, Series X	65,000	1,625,000	1,710,800
IPSCO, Series 1, 5.500%	107,800	2,677,516	2,678,830	Fortis, Series C, 5.450%	45,000	1,185,750	1,199,250
Noranda, Series G, 6.100%	115,000	2,721,686	2,863,500	Nova Scotia Power Series C	70,000	1,739,907	1,900,500
		7,140,815	7,359,830	Series D, 5.900%	74,500	1,918,715	2,038,320
Industrials (1.1%)				TransCanada PipeLines, Series Y	64,200	3,158,997	3,222,198
Bombardier						10,762,369	11,238,668
Series 3, 5.476%	221,400	5,460,816	4,850,874	Total Preferred Shares		83,863,294	85,524,463
Series 4, 6.250%	18,600	465,000	440,076				
		5,925,816	5,290,950	Common Shares (64.3%)			
Consumer Discretionary (1.2%)				Energy (8.9%)			
Quebecor World				AltaGas Services	242,400	2,187,408	3,056,664
Series 3, floating rate	147,200	3,635,627	3,634,368	CHC Helicopter Corporation, Class A	110,000	2,824,567	2,934,800
Series 4, 6.750%	63,000	1,575,000	1,694,700	EnCana Corporation	131,400	6,330,612	6,425,460
		5,210,627	5,329,068	Ensign Resource Service Group	115,000	1,830,408	2,283,900
Consumer Staples (0.3%)				Husky Energy	157,200	2,388,416	3,222,600
George Weston, Series II, 5.150%	62,800	1,570,000	1,711,300	Imperial Oil	61,300	1,797,248	3,114,040
Financials (9.0%)				KeySpan Facilities Income Fund	229,000	2,308,040	2,539,610
Bank of Nova Scotia				Nexen	34,000	1,375,300	1,249,500
Series 12, 5.250%	38,900	951,229	1,010,622	Petro-Canada	178,000	7,974,741	9,343,220
Big 8 Split, 4.500%	45,000	1,150,785	1,152,000	Shell Canada	94,000	3,703,541	5,011,140
Brascan Corporation				Suncor Energy	110,000	2,889,520	2,742,300
Series 2, floating rate	89,000	1,652,179	1,946,430			35,609,801	41,923,234
Series 11, 5.500%	111,500	2,787,500	2,871,125	Materials (8.7%)			
Brascan Financial Corporation				Abitibi-Consolidated	303,000	4,843,506	2,872,440
Class I, Series A, floating rate	27,600	633,703	598,368	Alcan	207,800	9,880,777	10,888,720
Canadian Imperial Bank of Commerce				Barrick Gold Corporation	144,000	4,257,290	3,661,920
Series 23, 5.300%	35,000	955,000	963,550	CCL Industries, Class B	120,600	2,343,622	2,327,580
Series 24, 6.000%	63,800	1,595,000	1,706,012	Dofasco	131,600	3,606,789	3,836,140
CanCap Preferred Corporation				Domtar	91,700	1,433,015	1,395,674
5.400%	152,000	3,930,882	4,073,600	Falconbridge	153,800	2,806,406	3,455,886
Coastal Income Corp., Series A, 5.800%	30,000	759,000	772,500	IAMGold Corporation	187,000	1,457,685	1,561,450
Co-operators General Insurance Company				Nexfor	315,800	2,736,191	3,047,470
Class E, Series A	181,000	4,433,699	4,316,850	SFK Pulp Fund	563,400	5,647,498	4,833,972
Diversified Canadian Financial Corp.				TimberWest Forest Corp.	280,900	3,633,195	3,258,440
7.000%	134,000	3,537,601	3,575,120			42,645,974	41,139,692
EPCOR Preferred Equity, Series 1, 5.500%	55,000	1,424,500	1,421,750	Industrials (1.9%)			
Great-West Lifeco				Bombardier, Class B	203,000	659,750	1,151,010
Series A, 7.500%	61,000	1,530,057	1,729,350	Canadian National Railway Company	35,500	2,767,543	2,477,190
Series D, 4.700%	26,800	636,777	704,840	Canadian Pacific Railway	94,700	3,258,427	3,029,453
Series E, 4.800%	45,000	1,154,250	1,188,000	Toromont Industries	71,000	1,645,411	1,995,100
Investors Group, Series A, 5.750%	48,500	1,314,550	1,351,210			8,331,131	8,652,753
Manulife Financial Corporation				Consumer Discretionary (6.6%)			
Class A, Series 1	42,000	1,050,000	1,042,860	Intrawest Corporation	138,800	3,262,278	2,620,544
Power Financial Corporation				Magna International, Class A	64,100	3,503,966	6,249,750
Series C, 5.200%	45,000	1,100,251	1,219,500	Quebecor World	54,000	2,030,804	1,369,980
Series I, 6.000%	31,400	785,000	836,810	Reitmans (Canada), Class A	231,000	4,977,047	4,620,000
Premium Income Corporation				Rogers Communications, Class B	146,900	2,979,892	3,040,830
Series A, 5.570%	200,100	3,116,058	3,137,568	Thomson Corporation	130,000	7,175,015	5,318,300
Royal Bank of Canada				Torstar Corporation, Class B	175,100	4,202,507	4,554,351
Series N, 4.700%	6,000	157,091	158,160	Yellow Pages Income Fund	300,000	3,107,464	3,429,000
The Maritime Life Assurance Company						31,238,973	31,202,755
Series 3, 6.100%	59,700	1,545,591	1,608,318	Consumer Staples (1.6%)			
Toronto-Dominion Bank				Molson, Class A	165,500	5,843,675	5,511,150
Series J, 5.100%	93,000	2,314,373	2,511,930	Rothmans	71,200	1,989,469	1,797,800
Series M, 4.700%	103,000	2,575,000	2,744,950			7,833,144	7,308,950
		41,090,076	42,641,423				
Information Technology (0.3%)							
Nortel Networks Corporation							
Class A, Series 7	75,200	1,824,585	1,334,800				
Telecommunication Services (2.2%)							
BCE							
Series P, 6.400%	90,800	2,300,920	2,329,020				
Series R, 6.174%	50,000	1,332,500	1,325,000				
Series S, 5.280%	33,100	822,407	839,085				
Series Z, 5.319%	86,800	2,133,950	2,282,840				
Series AC, 5.540%	45,000	1,190,250	1,188,900				
Bell Canada, Series B, 5.250%	102,100	2,558,979	2,653,579				
		10,339,006	10,618,424				

Desjardins Dividend Fund

Investment Portfolio as at September 30, 2003

Common Shares (continued)	Number of Shares	Average Cost	Market Value		Par Value	Average Cost	Market Value
Financials (26.5%)				Corporations (10.0%)			
AGF Management, Class B	91,500	\$ 1,545,512	\$ 1,477,725	407 International			
Bank of Montreal	238,300	8,793,250	11,126,227	6.470%, 2029-07-27	\$ 300,000	\$ 330,504	\$ 320,003
Bank of Nova Scotia	345,900	12,728,444	21,826,290	AltaLink			
Brascan Corporation, Class A	125,000	2,934,194	4,267,500	4.450%, 2008-06-05	465,000	464,874	472,971
Brookfield Properties Corporation	71,800	2,070,550	2,275,342	Bank of Montreal			
Canadian Imperial Bank of Commerce	204,000	9,408,662	11,283,240	5.450%, 2004-09-15	410,000	398,766	420,628
C.I. Fund Management	174,000	1,950,806	2,423,820	Bank of Nova Scotia			
Industrial Alliance Insurance and Financial Services	101,000	3,524,550	3,687,510	5.190%, 2007-02-19	550,000	556,340	577,917
Investors Group	124,000	3,119,095	3,494,320	8.300%, 2013-09-27	150,000	177,315	186,896
Manulife Financial Corporation	112,800	4,296,980	4,402,584	8.900%, 2025-06-20	300,000	376,500	406,529
National Bank of Canada	112,000	3,014,741	4,080,160	Bell Canada			
Northbridge Financial Corporation	188,000	2,825,807	3,713,000	10.350%, 2009-12-15	220,000	279,882	288,361
Power Financial Corporation	131,500	4,524,218	5,799,150	11.450%, 2010-04-15	275,000	366,850	377,479
Royal Bank of Canada	369,300	14,708,028	21,954,885	10.000%, 2014-06-15	100,000	128,220	137,448
Sun Life Financial Services of Canada	203,800	5,876,443	5,961,150	6.550%, 2029-05-01	500,000	476,000	511,429
Toronto-Dominion Bank	446,800	15,058,432	17,085,632	Canada Trustco Mortgage			
		96,379,712	124,858,535	5.500%, 2004-02-23	1,000,000	1,026,860	1,010,464
Information Technology (1.6%)				Canadian Credit Card Trust			
Cinram International	229,800	2,239,054	5,733,510	4.806%, 2008-01-24	2,000,000	2,031,650	2,069,492
Gennum Corporation	132,100	1,668,480	1,738,436	Canadian Imperial Bank of Commerce			
		3,907,534	7,471,946	7.000%, 2011-10-23	1,000,000	1,090,290	1,096,798
Telecommunication Services (4.9%)				Canadian Revolving Auto			
BCE	526,000	17,934,901	15,332,900	Floorplan Trust			
Bell Nordiq Income Fund	289,000	2,954,170	3,774,340	5.188%, 2006-12-15	1,250,000	1,277,250	1,308,429
TELUS Corporation	165,600	3,243,498	3,820,392	Canadian Utilities			
		24,132,569	22,927,632	8.730%, 2004-06-01	400,000	431,760	415,781
Utilities (3.6%)				8.430%, 2005-06-01	115,000	126,302	125,033
Enbridge	109,500	3,650,176	5,272,425	6.970%, 2008-06-02	100,000	100,006	111,665
Fortis	46,200	2,034,775	2,564,100	11.400%, 2010-08-15	300,000	408,630	415,493
Terasen	55,300	1,719,208	2,405,550	9.400%, 2023-05-01	275,000	394,565	380,588
TransCanada Corporation	277,000	4,880,129	6,944,390	Centra Gas Ontario			
		12,284,288	17,186,465	7.800%, 2006-12-01	400,000	443,600	445,100
Total Common Shares		262,363,126	302,671,962	CHIP Four Term Trust			
Total Equities		346,226,420	388,196,425	6.710%, 2005-11-15	1,000,000	1,072,780	1,069,618
Bonds (11.5%)	Par Value			Citigroup Finance Canada			
Government of Canada (0.8%)				4.300%, 2005-01-11	375,000	376,027	381,622
stripped, 2003-12-01	\$ 150,000	148,934	149,367	4.780%, 2005-06-20	300,000	305,100	308,928
7.500%, 2003-12-01	450,000	474,501	453,491	5.030%, 2007-09-17	550,000	549,786	573,933
stripped, 2006-12-01	600,000	527,586	538,562	Clarica Life Insurance Company			
5.750%, 2029-06-01	2,575,000	2,648,477	2,800,313	6.650%, 2015-10-12	800,000	858,480	890,105
		3,799,498	3,941,733	Coca-Cola Enterprises (Canada) Bottling			
Provincial Governments and Crown Corporations (0.7%)				Finance Company			
Hydro One				5.650%, 2004-03-17	800,000	822,960	810,701
6.400%, 2011-12-01	600,000	635,524	660,127	5.850%, 2009-03-17	400,000	404,600	425,794
6.930%, 2032-06-01	400,000	428,428	454,176	Consumers Gas			
Hydro-Québec				6.050%, 2023-07-05	260,000	246,975	252,104
8.500%, 2005-08-15	625,000	686,188	687,790	DaimlerChrysler Canada Finance			
New Brunswick Highway Corporation				6.600%, 2004-06-21	300,000	309,030	307,099
6.470%, 2027-11-30	230,000	230,000	255,753	Enbridge			
Nova Scotia Power				5.700%, 2005-03-17	600,000	612,015	620,865
8.850%, 2025-05-19	360,000	423,668	442,080	6.800%, 2010-03-10	200,000	199,786	219,615
Province of British Columbia				Gaz Métropolitain			
5.700%, 2029-06-18	205,000	195,947	210,013	10.750%, 2006-12-15	645,000	784,506	780,487
Province of Ontario				GE Capital Canada Funding Company			
6.250%, 2005-03-08	250,000	271,250	261,947	5.300%, 2007-07-24	740,000	763,657	778,053
Province of Québec				6.250%, 2012-07-24	1,000,000	1,074,500	1,092,029
7.750%, 2006-03-30	155,000	171,406	171,739	George Weston			
9.375%, 2023-01-16	60,000	82,821	87,712	5.900%, 2009-02-05	785,000	817,221	843,641
		3,125,232	3,231,337	Gloucester Credit Card Trust			
				6.578%, 2005-07-15	1,200,000	1,280,400	1,273,467
				GMAC Commercial Mortgage			
				Securities of Canada			
				5.450%, 2005-03-21	235,000	233,007	238,644
				Golden Credit Card Trust			
				5.700%, 2006-08-15	1,000,000	1,052,100	1,060,769
				Greater Toronto Airports Authority			
				6.250%, 2012-01-30	410,000	416,916	431,827
				7.050%, 2030-06-12	200,000	204,900	209,455
				6.980%, 2032-10-05	600,000	605,488	622,903
				Great-West Lifeco			
				6.750%, 2015-08-10	850,000	914,158	953,400
				Hollis Receivables Term Trust			
				6.775%, 2005-02-21	765,000	815,796	804,601

Desjardins Dividend Fund

Investment Portfolio as at September 30, 2003

Bonds (continued)	Par Value	Average Cost	Market Value		Principal Balance Outstanding	Amortized Cost	Market Value
Investors Group 6.750%, 2011-05-09	\$ 800,000	\$ 846,704	\$ 879,080	Leasing Securities (0.6%)			
John Hancock Canadian Corporation 6.496%, 2011-11-30	700,000	713,978	763,553	Broadcast Center Trust 7.530%, 2027-05-01	\$ 74,686	\$ 83,471	\$ 90,497
Loblaws Companies 6.000%, 2008-06-02	500,000	517,550	540,409	Glacier Credit Card Trust 6.260%, 2004-08-05	1,500,000	1,564,815	1,542,939
Manufacturers Life Insurance Company 6.240%, 2016-02-16	900,000	931,040	980,783	Milit-Air 5.750%, 2019-06-30	1,120,977	1,160,574	1,186,342
Molson 6.000%, 2008-06-02	275,000	278,381	294,406			<u>2,808,860</u>	<u>2,819,778</u>
National Bank of Canada 6.900%, 2010-06-07	650,000	688,040	690,339	Mortgage-Backed Securities (0.1%)			
NAV CANADA 7.400%, 2027-06-01	700,000	804,279	824,864	Toronto-Dominion Bank NHA 5.375%, 2028-07-01	527,972	504,024	525,201
NOVA Gas Transmission 8.500%, 2006-03-15	400,000	447,400	445,518				
Ontrea 5.700%, 2011-10-31	800,000	835,200	854,399			Average Cost	
PanCanadian Petroleum 8.400%, 2004-12-15	150,000	172,844	159,540	Total Investments (94.6%)		<u>\$402,587,348</u>	<u>445,819,935</u>
8.750%, 2005-11-09	215,000	240,530	238,277	Money Market Securities (5.5%)			<u>25,796,800</u>
7.500%, 2006-08-25	400,000	434,960	441,578	Net Other Assets (– 0.1%)			<u>(259,050)</u>
5.800%, 2008-06-02	190,000	191,520	202,350	Net Assets (100%)			<u>\$471,357,685</u>
Power Financial Corporation 6.900%, 2033-03-11	585,000	609,141	638,336				
Provigo 6.350%, 2004-12-01	555,000	579,233	576,918				
RBC Capital Trust 7.183%, 2011-06-30	600,000	646,350	679,010				
Royal Bank of Canada 5.100%, initial rate (until 2004) 2009-06-11	400,000	408,800	406,529				
SCORE Trust 5.035%, 2006-11-15	1,500,000	1,520,700	1,562,845				
Serco DES 5.268%, 2013-08-27	200,000	200,000	200,000				
Suncor Energy 6.800%, 2007-03-05	610,000	629,626	666,644				
Télébec 8.350%, 2005-06-30	75,000	86,186	81,153				
Thomson Corporation 7.950%, 2005-11-15	150,000	164,280	164,396				
6.500%, 2007-07-09	400,000	422,320	437,149				
Toronto-Dominion Bank 5.200%, 2012-09-04	450,000	453,173	472,728				
9.150%, 2025-05-26	250,000	322,593	345,034				
Toyota Credit Canada 6.750%, 2004-11-09	1,100,000	1,157,091	1,146,295				
TransAlta Corporation 6.600%, 2009-10-13	490,000	492,424	507,065				
TransCanada PipeLines 8.290%, 2026-02-05	180,000	219,075	217,282				
6.280%, 2028-05-26	580,000	521,525	563,425				
8.230%, 2031-01-16	420,000	480,519	506,808				
Trans Québec & Maritimes Pipeline 7.053%, 2010-09-22	125,000	131,813	137,653				
Trillium Credit Card Trust 5.350%, 2004-02-23	1,623,000	1,663,575	1,640,427				
Wells Fargo Financial Canada Corporation 5.100%, 2006-10-26	500,000	513,754	522,321				
6.050%, 2012-08-27	575,000	604,072	621,296				
Westcoast Energy 5.750%, 2003-12-01	100,000	100,606	100,375				
9.900%, 2020-01-10	100,000	128,330	136,563				
7.300%, 2026-12-18	240,000	241,680	260,727				
6.750%, 2027-12-15	300,000	286,350	307,703				
		<u>46,123,314</u>	<u>47,105,461</u>				
Total Bonds		<u>53,048,044</u>	<u>54,278,531</u>				

Objective

The objective of the Desjardins Canadian Equity Value Fund is to provide a reasonable income and long-term capital appreciation.

Portfolio Composition

The portfolio of this Fund consists primarily of common shares issued by Canadian corporations.

**Asset Mix
as at September 30, 2003**

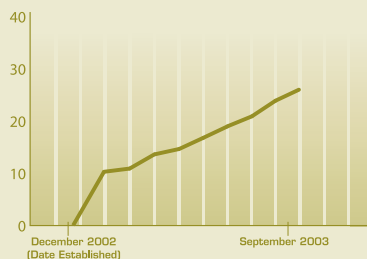


33.9%	Financials
14.6%	Industrials
13.9%	Energy
13.2%	Materials
7.0%	Consumer Discretionary
6.8%	Telecommunication Services
2.9%	Information Technology
2.4%	Consumer Staples
2.4%	Health Care
2.9%	Cash and Cash Equivalents

Return as at September 30, 2003

Due to the recent introduction of this Fund, whose units have been available for less than 12 months, the annual rate of return cannot be posted.

**Growth of Net Assets
(in millions of dollars)**



CANADIAN EQUITY FUNDS

Desjardins Canadian Equity Value Fund

Overview

The improvement in the global economic outlook, starting in spring 2003, hotwired the Canadian stock market. Using their value management style, portfolio managers had picked cyclical, including technology stocks, at low prices during the previous market downswing. These securities continue to make gains for the Fund. Portfolio managers also enhanced portfolio diversification by expanding the number of holdings.

Top 10 Holdings

	%
1. Bank of Nova Scotia	8.4
2. Royal Bank of Canada	8.1
3. Bank of Montreal	6.0
4. BCE	5.4
5. Petro-Canada	5.4
6. EnCana Corporation	4.4
7. Masonite International Corporation	3.6
8. Great-West Lifeco	3.5
9. Methanex Corporation	3.4
10. Magna International, Class A	3.3
Total	51.5

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class****					
Net Asset Value, Beginning of Year	\$ 10.000	n.a.	n.a.	n.a.	n.a.
Income and gain on investment operations					
Net investment income (loss)	(0.028)	n.a.	n.a.	n.a.	n.a.
Realized and unrealized net gain (loss) on investments	1.061	n.a.	n.a.	n.a.	n.a.
Total	1.033	n.a.	n.a.	n.a.	n.a.
Net Asset Value, End of Year	\$ 11.033	n.a.	n.a.	n.a.	n.a.

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$ 27,013	n.a.	n.a.	n.a.	n.a.
Average net assets (in thousands)	\$ 18,107	n.a.	n.a.	n.a.	n.a.
Management expense ratio (Note 4)	2.60%	n.a.	n.a.	n.a.	n.a.
Management expense ratio before waived fees	2.69%	n.a.	n.a.	n.a.	n.a.
Portfolio turnover rate	21.55%	n.a.	n.a.	n.a.	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

**** Beginning of operations in December 2002.

Desjardins Canadian Equity Value Fund

Investment Portfolio as at September 30, 2003

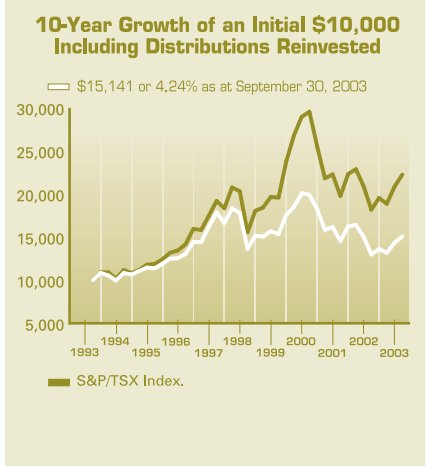
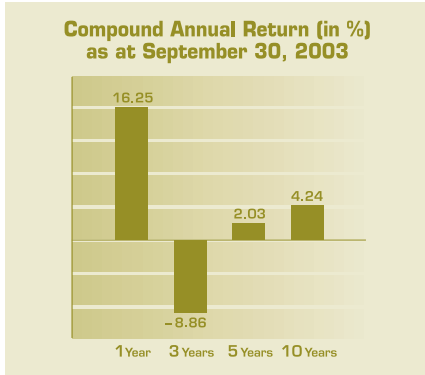
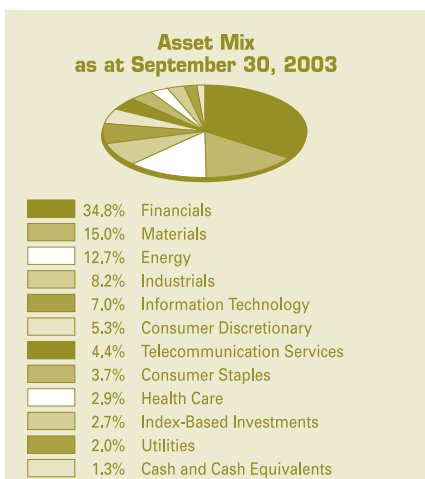
Equities (97.1%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Energy (13.9%)				Consumer Staples (2.4%)			
EnCana Corporation	24,100	\$ 1,174,371	\$ 1,178,490	Metro, Class A	24,600	\$ 451,110	\$ 464,940
Husky Energy	29,200	485,789	598,600	Sobeys	5,500	210,556	175,780
Petro-Canada	27,800	1,408,958	1,459,222			661,666	640,720
Talisman Energy	8,200	483,274	525,620	Health Care (2.4%)			
		3,552,392	3,761,932	Biovail Corporation	13,000	697,501	653,250
Materials (13.2%)				Financials (33.9%)			
Abitibi-Consolidated	28,300	279,625	268,284	Bank of Montreal	34,900	1,445,928	1,629,480
Alcan	14,400	681,016	754,560	Bank of Nova Scotia	36,000	1,961,393	2,271,600
Canfor Corporation	9,800	83,293	92,610	Great-West Lifeco	23,100	904,374	934,395
Dofasco	16,300	448,660	475,145	Manulife Financial Corporation	11,300	395,072	441,039
Glamis Gold	21,800	386,902	389,784	MI Developments, Class A	2,600	71,500	80,600
Inco	7,400	228,515	277,352	National Bank of Canada	18,300	615,170	666,669
IPSCO	15,500	243,575	253,270	Royal Bank of Canada	36,600	2,108,463	2,175,870
Methanex Corporation	71,900	983,576	905,940	Sun Life Financial Services of Canada	15,600	427,892	456,300
Tembec, Class A	19,500	195,975	158,925	Toronto-Dominion Bank	13,200	469,689	504,768
		3,531,137	3,575,870			8,399,481	9,160,721
Industrials (14.6%)				Information Technology (2.9%)			
Canadian National Railway Company	7,300	479,031	509,394	Nortel Networks Corporation	138,400	496,936	768,120
Canadian Pacific Railway	12,500	390,268	399,875	Telecommunication Services (6.8%)			
CP Ships	28,900	692,044	823,650	BCE	50,500	1,461,829	1,472,075
Masonite International Corporation	30,300	794,288	966,267	TELUS Corporation	15,300	405,748	352,971
Royal Group Technologies	42,600	452,818	515,460			1,867,577	1,825,046
Transcontinental, Class A	36,600	672,641	735,660				
		3,481,090	3,950,306	Total Investments		\$ 24,261,906	26,235,505
Consumer Discretionary (7.0%)				Money Market Securities (3.4%)			923,949
Alliance Atlantis Communications, Class B	21,800	335,736	464,340	Net Other Assets (– 0.5%)			(146,350)
Hudson's Bay Company	28,500	245,585	269,325	Net Assets (100%)			\$ 27,013,104
Linamar Corporation	23,900	230,190	268,875				
Magna International, Class A	9,200	762,615	897,000				
		1,574,126	1,899,540				

Objective

The objective of the Desjardins Equity Fund is to provide long-term capital appreciation.

Portfolio Composition

The portfolio of the Desjardins Equity Fund consists primarily of common shares issued by Canadian corporations.



CANADIAN EQUITY FUNDS Desjardins Equity Fund

Overview

The economic environment during the course of the year easily buoyed Canadian equities. The considerable increase in natural resource prices, including oil, initially boosted stock market gains. The Canadian economy subsequently benefited from the global stock market rebound, attributable, in particular, to higher corporate earnings and growing consumer confidence. The portfolio managers gradually adjusted the portfolio to capitalize on this recovery.

Top 10 Holdings

	%
1. Royal Bank of Canada	5.7
2. Bank of Nova Scotia	4.6
3. Toronto-Dominion Bank	4.6
4. Alcan	4.0
5. Canadian Imperial Bank of Commerce	3.6
6. EnCana Corporation	3.6
7. Sun Life Financial Services of Canada	3.4
8. Petro-Canada	3.4
9. Nortel Networks Corporation	3.2
10. BCE	3.2
Total	39.3

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 21.360	\$ 23.956	\$ 29.995	\$ 31.816	\$ 27.468
Income and gain on investment operations					
Net investment income (loss)	(0.007)	(0.082)	(0.077)	(0.203)	(0.182)
Realized and unrealized net gain (loss) on investments	3.477	(2.514)	(5.962)	1.372	4.530
Total	3.470	(2.596)	(6.039)	1.169	4.348
Distributions to investors					
Net gain on sale of investments	—	—	—	2.990	—
Net Asset Value, End of Year	\$ 24.830	\$ 21.360	\$ 23.956	\$ 29.995	\$ 31.816

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$127,911	\$114,631	\$131,862	\$169,476	\$166,563
Average net assets (in thousands)	\$120,982	\$139,246	\$153,303	\$175,302	\$162,714
Management expense ratio (Note 4)	2.17%	2.17%	2.17%	2.09%	2.05%
Management expense ratio before waived fees	2.30%	2.21%	n.a.	n.a.	n.a.
Portfolio turnover rate	41.64%	35.68%	12.99%	102.86%	62.54%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	16.25%	-10.84%	-26.97%	29.99%	12.38%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Equity Fund

Investment Portfolio as at September 30, 2003

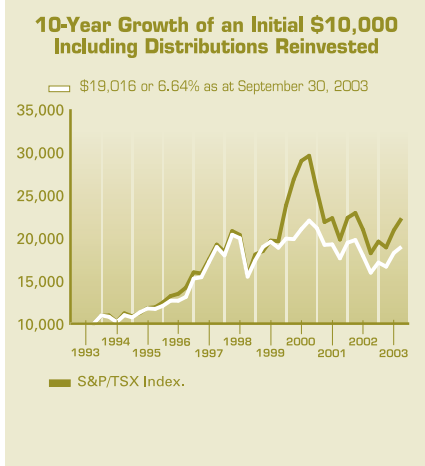
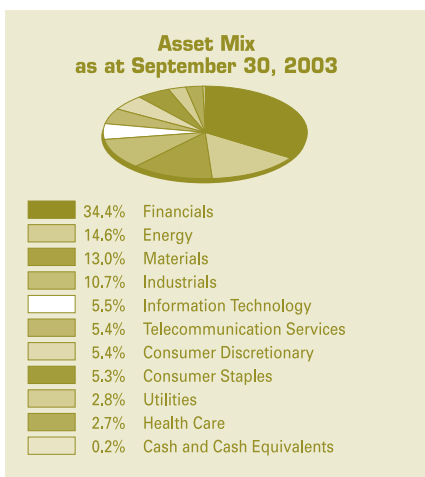
Equities (98.7%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Energy (12.7%)				Financials (34.8%)			
EnCana Corporation	93,085	\$ 3,642,580	\$ 4,551,857	AGF Management, Class B	66,000	\$ 1,364,347	\$ 1,065,900
Nexen	20,700	789,991	760,725	Bank of Montreal	74,200	2,280,375	3,464,398
Penn West Petroleum	10,300	403,434	471,122	Bank of Nova Scotia	93,900	3,291,471	5,925,090
Petro-Canada	82,800	2,736,389	4,346,172	Brascan Corporation, Class A	36,900	816,929	1,259,766
Precision Drilling Corporation	22,600	1,274,302	1,153,504	Canadian Imperial Bank of Commerce	83,700	3,865,786	4,629,447
Shell Canada	25,700	1,183,326	1,370,067	C.I. Fund Management	136,300	1,601,957	1,898,659
Suncor Energy	54,000	777,136	1,346,220	Industrial Alliance Insurance and Financial Services	32,500	1,143,275	1,186,575
Talisman Energy	34,100	1,777,591	2,185,810	Manulife Financial Corporation	98,000	2,745,561	3,824,940
		<u>12,584,749</u>	<u>16,185,477</u>	National Bank of Canada	37,000	1,212,036	1,347,910
Materials (15.0%)				Power Financial Corporation	52,100	1,715,864	2,297,610
Abitibi-Consolidated	43,334	648,950	410,806	Royal Bank of Canada	122,814	3,825,892	7,301,292
Agrium	24,300	410,995	417,231	Sun Life Financial Services of Canada	150,843	3,399,110	4,412,158
Alcan	96,900	4,581,444	5,077,560	Toronto-Dominion Bank	152,800	<u>5,051,280</u>	<u>5,843,072</u>
Barrick Gold Corporation	125,100	3,551,039	3,181,293			<u>32,313,883</u>	<u>44,456,817</u>
Domtar	132,200	1,928,668	2,012,084	Information Technology (7.0%)			
Falconbridge	31,600	674,243	710,052	Cinram International	30,000	695,636	748,500
Glamis Gold	53,900	847,221	963,732	Cognos	38,000	1,290,410	1,598,660
Inco	70,500	1,992,244	2,642,340	Nortel Networks Corporation	748,574	9,086,972	4,154,586
Placer Dome	30,200	509,939	560,512	Open Text Corporation	29,400	1,016,007	1,355,024
SFK Pulp Fund	114,600	1,185,942	983,268	Zarlink Semiconductor	199,700	1,169,130	1,052,419
Tembec, Class A	30,100	427,962	245,315			<u>13,258,155</u>	<u>8,909,189</u>
TimberWest Forest Corp.	168,900	2,142,071	1,959,240	Telecommunication Services (4.4%)			
		<u>18,900,718</u>	<u>19,163,433</u>	BCE	139,800	2,996,775	4,075,170
Industrials (8.2%)				Stratos Global Corporation	13,400	168,036	169,242
Bombardier, Class B	117,400	573,963	665,658	TELUS Corporation	63,600	1,367,709	1,467,252
Canadian National Railway Company	36,500	1,498,832	2,546,970			<u>4,532,520</u>	<u>5,711,664</u>
Canadian Pacific Railway	35,400	1,196,444	1,132,446	Utilities (2.0%)			
Finning International	81,300	2,037,313	2,593,470	Enbridge	36,400	1,431,621	1,752,658
Masonite International Corporation	18,200	521,375	580,398	Terasen	18,800	680,030	817,800
Moore Wallace	96,800	1,529,497	1,839,200			<u>2,111,651</u>	<u>2,570,458</u>
WestAim Corporation	345,100	1,106,821	1,156,085	Index-Based Investments (2.7%)			
		<u>8,464,245</u>	<u>10,514,227</u>	iUnits S&P/TSX 60 Index Fund	82,200	3,014,726	3,421,986
Consumer Discretionary (5.3%)				Total Investments		<u>\$109,482,520</u>	<u>126,234,327</u>
CanWest Global Communications Corp.	112,200	1,051,461	1,251,030	Money Market Securities (0.9%)			<u>1,192,312</u>
Forzani Group	87,800	1,720,950	1,518,940	Net Other Assets (0.4%)			<u>484,807</u>
Magna International, Class A	18,000	1,172,496	1,755,000	Net Assets (100%)			<u>\$127,911,446</u>
Quebecor World	4,100	144,703	104,017				
Rogers Communications, Class B	76,400	1,309,262	1,581,480				
Torstar Corporation, Class B	24,300	589,165	632,043				
		<u>5,988,037</u>	<u>6,842,510</u>				
Consumer Staples (3.7%)							
George Weston	29,500	3,220,676	2,979,500				
Jean Coutu Group (PJC), Class A	29,200	370,520	478,880				
Loblaw Companies	20,700	920,960	1,247,175				
		<u>4,512,156</u>	<u>4,705,555</u>				
Health Care (2.9%)							
Angiotech Pharmaceuticals	15,000	725,425	882,450				
Axcan Pharma	51,200	827,000	935,936				
Biovail Corporation	38,500	2,249,255	1,934,625				
		<u>3,801,680</u>	<u>3,753,011</u>				

Objective

The objective of the Desjardins Environment Fund is to provide long-term capital appreciation.

Portfolio Composition

The assets of this Fund are mainly invested in shares of Canadian corporations that take a responsible approach towards the environment.



CANADIAN EQUITY FUNDS Desjardins Environment Fund

Overview

The securities chosen by the portfolio managers among qualifying companies outdistanced the overall market, thus showing that returns and environmental protection can go hand in hand. More cyclical stocks were gradually added to the portfolio during the year in order to take advantage of the recovery.

Top 10 Holdings

	%
1. Royal Bank of Canada	6.7
2. Alcan	5.9
3. Bank of Nova Scotia	5.8
4. Petro-Canada	5.8
5. Toronto-Dominion Bank	5.0
6. Canadian Imperial Bank of Commerce	4.3
7. Sun Life Financial Services of Canada	3.9
8. Manulife Financial Corporation	3.7
9. Suncor Energy	3.7
10. Bank of Montreal	3.6
Total	48.4

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 13.948	\$ 16.067	\$ 19.297	\$ 18.653	\$ 16.276
Income and gain on investment operations					
Net investment income (loss)	(0.072)	(0.098)	(0.070)	(0.118)	(0.137)
Realized and unrealized net gain (loss) on investments	2.724	(1.302)	(3.160)	1.275	2.514
Total	2.652	(1.400)	(3.230)	1.157	2.377
Distributions to investors					
Net gain on sale of investments	—	0.719	—	0.513	—
Net Asset Value, End of Year	\$ 16.600	\$ 13.948	\$ 16.067	\$ 19.297	\$ 18.653
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$ 90,336	\$ 82,928	\$100,185	\$127,428	\$134,636
Average net assets (in thousands)	\$ 87,134	\$100,420	\$115,595	\$133,445	\$133,089
Management expense ratio (Note 4)	2.39%	2.39%	2.39%	2.30%	2.27%
Management expense ratio before waived fees	2.52%	2.43%	n.a.	n.a.	n.a.
Portfolio turnover rate	49.86%	37.74%	39.50%	81.45%	57.16%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	19.01%	-9.52%	-20.04%	16.84%	22.04%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Environment Fund

Investment Portfolio as at September 30, 2003

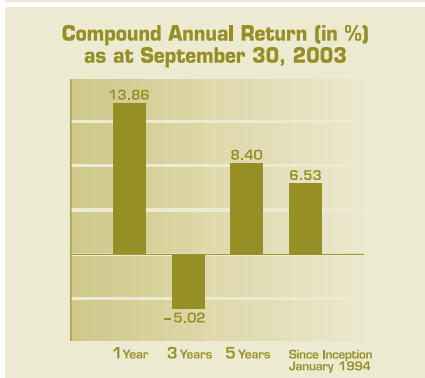
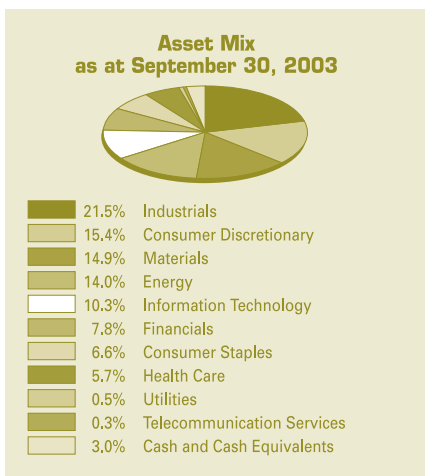
Equities (99.8%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Energy (14.6%)				Financials (34.4%)			
Canadian Natural Resources	34,900	\$ 1,492,498	\$ 1,940,091	Bank of Montreal	69,000	\$ 2,145,444	\$ 3,221,610
Ensign Resource Service Group	56,000	867,388	1,112,160	Bank of Nova Scotia	83,500	2,634,797	5,268,850
Petro-Canada	99,000	3,033,176	5,196,510	Canadian Imperial Bank of Commerce	70,200	3,371,876	3,882,762
Shell Canada	30,400	1,312,714	1,620,624	Industrial Alliance Insurance and Financial Services	33,500	1,177,639	1,223,085
Suncor Energy	133,600	2,360,314	3,330,648	Manulife Financial Corporation	86,700	3,646,367	3,383,901
		<u>9,066,090</u>	<u>13,200,033</u>	Royal Bank of Canada	102,500	4,066,052	6,093,625
Materials (13.0%)				Sun Life Financial Services of Canada	120,000	3,247,653	3,510,000
Alcan	102,500	4,741,148	5,371,000	Toronto-Dominion Bank	117,000	3,626,932	4,474,080
Falconbridge	86,700	1,555,562	1,948,149			<u>23,916,760</u>	<u>31,057,913</u>
Kinross Gold Corporation	51,000	430,014	520,710	Information Technology (5.5%)			
Nexfor	102,400	795,032	988,160	ATI Technologies	31,000	433,640	624,340
Placer Dome	51,900	866,182	963,264	Cognos	22,700	774,972	954,989
Potash Corporation of Saskatchewan	10,500	771,290	1,004,535	Nortel Networks Corporation	386,000	3,521,098	2,142,300
Tembec, Class A	115,500	1,297,698	941,325	Zarlink Semiconductor	230,800	1,167,051	1,216,316
		<u>10,456,926</u>	<u>11,737,143</u>			<u>5,896,761</u>	<u>4,937,945</u>
Industrials (10.7%)				Telecommunication Services (5.4%)			
Canadian National Railway Company	37,200	2,294,574	2,595,816	BCE	107,000	3,075,227	3,119,050
Finning International	69,900	1,630,562	2,229,810	TELUS Corporation	78,000	1,211,097	1,799,460
MAAX	76,700	1,284,486	1,752,595			<u>4,286,324</u>	<u>4,918,510</u>
Moore Wallace	75,500	1,152,200	1,434,500	Utilities (2.8%)			
Transcontinental, Class A	60,800	466,593	1,222,080	Terasen	25,000	795,952	1,087,500
WestAim Corporation	124,900	1,160,733	418,415	TransCanada Corporation	56,500	1,167,033	1,416,455
		<u>7,989,148</u>	<u>9,653,216</u>			<u>1,962,985</u>	<u>2,503,955</u>
Consumer Discretionary (5.4%)				Total Investments		\$ 73,420,414	90,156,665
Magna International, Class A	16,600	1,148,125	1,618,500	Money Market Securities (0.1%)			<u>84,516</u>
Reitmans (Canada), Class A	46,000	870,228	920,000	Net Other Assets (0.1%)			<u>94,517</u>
Rogers Communications, Class B	102,500	1,589,651	2,121,750	Net Assets (100%)			\$ 90,335,698
Westport Innovations	132,000	831,357	231,000				
		<u>4,439,361</u>	<u>4,891,250</u>				
Consumer Staples (5.3%)							
George Weston	14,100	390,061	1,424,100				
Jean Coutu Group (PJC), Class A	45,000	586,333	738,000				
Loblaw Companies	14,500	821,146	873,625				
Molson, Class A	52,000	876,852	1,731,600				
		<u>2,674,392</u>	<u>4,767,325</u>				
Health Care (2.7%)							
Biovail Corporation	32,500	1,885,202	1,633,125				
Patheon	62,500	846,465	856,250				
		<u>2,731,667</u>	<u>2,489,375</u>				

Objective

The objective of the Desjardins Growth Fund is to provide long-term capital appreciation.

Portfolio Composition

The Fund's portfolio is mainly composed of shares of mid-cap Canadian corporations. The portfolio manager may make authorized derivatives transactions, mainly purchasing or selling stock index futures.



CANADIAN EQUITY FUNDS Desjardins Growth Fund

Overview

Small and medium-sized Canadian companies benefited from the stock market recovery that started in the spring of 2003. Since these companies generally have greater growth potential than mature companies, their prices climb faster at the beginning of a growth cycle, and this was the case the past summer. For this Fund, managers pick financially stable companies with strong growth potential and sound management.

Top 10 Holdings

	%
1. Winpak	3.7
2. Alimentation Couche-Tard, Class B	3.3
3. Dorel Industries, Class B	2.9
4. Cinram International	2.9
5. SNC-Lavalin Group	2.6
6. MAAX	2.4
7. Transcontinental, Class A	2.4
8. Richelieu Hardware	2.3
9. Reitmans (Canada), Class A	2.2
10. Home Capital Group, Class B	2.2
Total	26.9

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 15.272	\$ 14.045	\$ 17.107	\$ 16.816	\$ 14.607
Income and gain on investment operations					
Net investment income (loss)	(0.221)	(0.264)	(0.138)	(0.232)	(0.210)
Realized and unrealized net gain (loss) on investments	2.337	1.491	(2.924)	1.574	2.419
Total	2.116	1.227	(3.062)	1.342	2.209
Distributions to investors					
Net gain on sale of investments	—	—	—	1.051	—
Net Asset Value, End of Year	\$ 17.388	\$ 15.272	\$ 14.045	\$ 17.107	\$ 16.816
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$240,838	\$213,466	\$171,046	\$191,389	\$124,649
Average net assets (in thousands)	\$217,703	\$220,736	\$197,867	\$182,044	\$116,606
Management expense ratio (Note 4)	2.17%	2.17%	2.17%	2.10%	2.06%
Management expense ratio before waived fees	2.30%	2.19%	n.a.	n.a.	n.a.
Portfolio turnover rate	56.23%	46.89%	45.11%	71.01%	69.69%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	13.86%	8.74%	-30.79%	44.83%	20.61%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Growth Fund

Investment Portfolio as at September 30, 2003

Equities (97.0%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Energy (14.0%)				Consumer Staples (6.6%)			
AltaGas Services	282,000	\$ 2,672,383	\$ 3,556,020	Alimentation Couche-Tard, Class B	463,000	\$ 6,489,200	\$ 7,871,000
Bonavista Energy Trust	51,000	826,710	857,310	Jean Coutu Group (PJC), Class A	241,300	1,983,378	3,957,320
Cequel Energy	567,000	2,354,806	3,827,250	Metro, Class A	191,000	3,604,217	3,609,900
CHC Helicopter Corporation, Class A	133,000	4,015,436	3,548,440	Vincor International	21,700	529,536	579,390
Flint Energy Services	115,000	2,744,550	2,144,750			<u>12,606,331</u>	<u>16,017,610</u>
Great Northern Exploration	532,100	1,464,043	2,421,055	Health Care (5.7%)			
Great Northern Exploration Private Investment	520,300	1,912,680	2,367,365	Axcan Pharma	139,000	2,584,077	2,540,920
Hawker Resources	253,900	799,785	1,091,770	Inex Pharmaceuticals Corporation	326,600	1,815,266	2,041,250
Hydrogenics Corporation	27,000	262,155	179,820	Labopharm	335,300	1,511,683	2,152,626
Nuvista Energy	258,000	1,826,878	1,777,620	Neurochem	67,000	586,585	1,092,100
Nuvista Energy, Private Investment	78,900	579,915	543,621	Patheon	368,700	3,974,616	5,051,190
Progress Energy	258,700	2,121,127	2,548,195	Theratechnologies	163,600	1,828,550	914,524
Tesco Corporation	110,000	1,302,265	1,199,000			<u>12,300,777</u>	<u>13,792,610</u>
Trican Well Service	131,000	1,910,424	2,895,100	Financials (7.8%)			
Zargon Oil & Gas	383,900	2,768,120	4,664,385	Boardwalk Equities	335,000	4,932,954	5,145,600
		<u>27,561,277</u>	<u>33,621,701</u>	Home Capital Group, Class B	209,200	4,407,907	5,313,680
Materials (14.9%)				Kingsway Financial Services	304,100	4,962,637	3,862,070
Cambior	341,000	852,500	1,265,110	Northbridge Financial Corporation	225,000	3,531,392	4,443,750
Cambior, Warrants, 2008-08-12	170,500	—	271,095			<u>17,834,890</u>	<u>18,765,100</u>
Eldorado Gold Corporation	809,800	1,826,477	2,858,594	Information Technology (10.3%)			
FNX Mining Company	475,000	3,035,226	3,206,250	Aastra Technologies	243,500	3,124,796	3,847,300
Glamis Gold	272,000	1,983,319	4,863,360	Cinram International	276,000	2,666,176	6,886,200
IAMGold Corporation	366,000	2,858,016	3,056,100	DALSA Corporation	314,200	5,167,864	4,713,000
SFK Pulp Fund	277,000	2,845,740	2,376,660	Gennum Corporation	284,000	4,093,378	3,737,440
Tembec, Class A	412,000	3,291,220	3,357,800	Mediagrif Interactive Technologies	23,900	210,652	209,125
West Fraser Timber Co.	63,000	1,961,950	2,249,100	Metrophotonics	70,800	1,060,230	9,561
Wheaton River Minerals	1,247,000	1,621,100	3,354,430	Open Text Corporation	77,800	2,560,173	3,585,742
Winpak	73,300	5,653,091	9,015,900	Zarlink Semiconductor	356,900	1,992,180	1,880,863
		<u>25,928,639</u>	<u>35,874,399</u>			<u>20,875,449</u>	<u>24,869,231</u>
Industrials (21.5%)				Telecommunication Services (0.3%)			
BW Technologies	168,000	3,337,020	3,780,000	Stratos Global Corporation	50,500	633,270	637,815
Coretec	531,300	3,181,594	796,950	Utilities (0.5%)			
Enghouse Systems	121,000	1,981,773	1,808,950	Canadian Hydro Developers	547,500	1,134,659	1,095,000
Finning International	109,000	2,287,137	3,477,100				
FirstService Corporation	163,000	4,445,762	3,983,720	Total Investments		\$192,347,989	233,677,474
MAAX	255,000	4,027,774	5,826,750	Money Market Securities (3.6%)			8,660,263
Martinrea International	393,600	4,319,979	2,861,472	Net Other Assets (– 0.6%)			(1,499,716)
Martinrea International, Rights, 2005-12-31	14,100	—	11,985	Net Assets (100%)			<u>\$240,838,021</u>
Mullen Transportation	125,400	3,451,623	3,950,100				
Richelieu Hardware	329,000	2,144,250	5,494,300				
SNC-Lavalin Group	145,000	2,641,898	6,314,750				
Transcontinental, Class A	282,000	3,043,616	5,668,200				
Vitrin Corporation, Class A	367,700	3,348,907	5,199,278				
WestJet Airlines	110,000	1,245,846	2,673,000				
		<u>39,457,179</u>	<u>51,846,555</u>				
Consumer Discretionary (15.4%)							
Dorel Industries, Class B	180,800	4,942,234	7,054,816				
Forzani Group	273,000	2,548,809	4,722,900				
Mega Bloks	176,500	3,789,850	4,068,325				
Quebecor, Class B	153,000	2,190,758	3,367,530				
Reitmans (Canada), Class A	265,900	5,216,023	5,318,000				
RONA	206,500	3,471,861	4,336,500				
Shermag	75,000	1,133,904	1,158,750				
TVA Group, Class B	178,000	3,265,941	3,711,300				
Wescast Industries, Class A	63,600	2,620,835	2,519,832				
Westport Innovations	514,000	4,835,303	899,500				
		<u>34,015,518</u>	<u>37,157,453</u>				

Objective

The objective of the Desjardins High Potential Sectors Fund is to achieve long-term capital appreciation.

Portfolio Composition

This Fund's portfolio is mainly composed of shares of Canadian corporations operating in financially promising sectors.

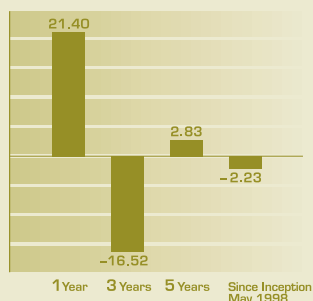
**Asset Mix
as at September 30, 2003***



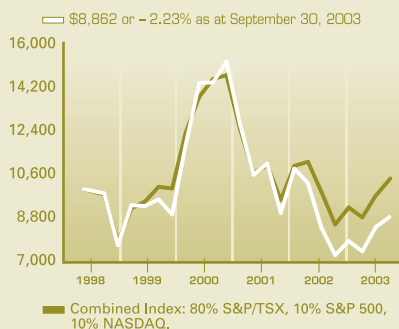
31.4%	Financials
18.2%	Information Technology
15.7%	Health Care
11.6%	Telecommunication Services
8.6%	Consumer Discretionary
8.0%	Energy
2.6%	Industrials
2.5%	Consumer Staples
1.4%	Cash and Cash Equivalents

*U.S. and Foreign Equities represent 15.5% of net assets.

**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



CANADIAN EQUITY FUNDS

Desjardins High Potential Sectors Fund

Overview

New economy sectors, which pulled back significantly during the past two years, benefited much from the spring stock market rally. Increasingly profitable manufacturing companies are starting to invest again in production assets, especially in technological equipment. Investors who have been shunning this sector are now being lured back by the improving outlook.

Top 10 Holdings

	%
1. BCE	8.0
2. Nortel Networks Corporation	7.0
3. EnCana Corporation	6.1
4. Royal Bank of Canada	5.3
5. Bank of Nova Scotia	5.2
6. Biovail Corporation	3.6
7. Toronto-Dominion Bank	3.5
8. Bank of Montreal	3.2
9. Jean Coutu Group (PJC), Class A	2.2
10. Canadian Imperial Bank of Commerce	2.2
Total	46.3

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 7.218	\$ 8.931	\$ 12.525	\$ 11.817	\$ 9.339
Income and gain on investment operations					
Net investment income (loss)	(0.065)	(0.111)	(0.084)	(0.146)	(0.103)
Realized and unrealized net gain (loss) on investments	1.610	(1.602)	(3.510)	0.980	2.581
Total	1.545	(1.713)	(3.594)	0.834	2.478
Distributions to investors					
Net gain on sale of investments	—	—	—	0.126	—
Net Asset Value, End of Year	\$ 8.763	\$ 7.218	\$ 8.931	\$ 12.525	\$ 11.817
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$149,348	\$127,530	\$154,849	\$198,845	\$ 59,191
Average net assets (in thousands)	\$138,827	\$165,475	\$188,180	\$169,399	\$ 44,694
Management expense ratio (Note 4)	2.39%	2.39%	2.39%	2.34%	2.30%
Management expense ratio before waived fees	2.51%	2.43%	n.a.	n.a.	n.a.
Portfolio turnover rate	41.65%	58.61%	48.81%	65.51%	88.22%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	21.40%	-19.18%	-40.70%	69.82%	16.38%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins High Potential Sectors Fund

Investment Portfolio as at September 30, 2003

	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Equities (98.6%)				U.S. Equities (15.3%)			
Canadian Equities (83.1%)				Consumer Discretionary (1.0%)			
Energy (8.0%)				eBay	14,000	\$ 701,785	\$ 1,007,670
Bonavista Energy Trust	60,000	\$ 972,600	\$ 1,008,600	Tribune Company	9,000	672,285	557,851
EnCana Corporation	185,000	8,015,924	9,046,500			1,374,070	1,565,521
Nuvista Energy	30,000	207,000	206,700	Health Care (3.9%)			
Penn West Petroleum	25,000	1,002,327	1,143,500	Amgen	10,000	915,296	871,955
Precision Drilling Corporation	10,000	580,256	510,400	Cardinal Health	14,000	1,429,781	1,103,900
		10,778,107	11,915,700	Pfizer	30,000	1,474,863	1,230,757
Industrials (2.6%)				WellPoint Health Networks	12,000	1,395,297	1,249,068
BW Technologies	57,000	1,081,018	1,282,500	Wyeth	22,000	1,299,043	1,369,578
Transcontinental, Class A	126,000	1,057,528	2,532,600			6,514,280	5,825,258
		2,138,546	3,815,100	Financials (1.6%)			
Consumer Discretionary (7.6%)				Bank of America Corporation	11,000	958,826	1,159,239
Astral Media, Class A	54,000	1,182,060	1,350,540	Freddie Mac	7,000	687,092	494,855
Forzani Group	60,000	1,102,626	1,038,000	Golden West Financial Corporation	6,000	637,660	725,247
Magna International, Class A	27,000	2,155,209	2,632,500			2,283,578	2,379,341
Quebecor World	40,000	1,504,380	1,014,800	Information Technology (7.2%)			
Rogers Communications, Class B	80,000	1,204,000	1,656,000	Cisco Systems	50,000	1,165,875	1,319,343
RONA	80,000	1,366,266	1,680,000	EMC Corporation	50,000	586,450	852,779
Thomson Corporation	32,000	1,345,600	1,309,120	Hewlett-Packard Company	30,000	742,655	784,314
Westport Innovations	350,000	4,738,724	612,500	Intel Corporation	35,000	1,160,355	1,300,235
		14,598,865	11,293,460	Lexmark International	15,000	1,175,613	1,276,333
Consumer Staples (2.5%)				Lucent Technologies	400,000	816,602	1,166,748
Cott Corporation	14,000	311,500	441,280	Micron Technology	39,000	754,100	706,774
Jean Coutu Group (PJC), Class A	199,000	1,870,527	3,263,600	Microsoft Corporation	54,000	2,024,376	2,026,494
		2,182,027	3,704,880	QUALCOMM	6,000	378,851	337,385
Health Care (11.8%)				Yahoo!	20,000	500,743	955,545
Angiotech Pharmaceuticals	24,700	1,070,830	1,453,101			9,305,620	10,725,950
AnorMED	165,600	2,093,194	695,520	Telecommunication Services (1.6%)			
Axcan Pharma	20,000	346,776	365,600	AT&T Wireless Services	43,000	1,222,323	474,991
Biovail Corporation	108,200	5,568,604	5,437,050	Nextel Communications, Class A	15,000	337,884	398,841
Cardiome Pharma Corp.	200,000	747,115	940,000	SBC Communications	16,000	658,263	480,743
ID Biomedical Corporation	68,000	703,977	1,586,440	Verizon Communications	22,000	1,378,502	963,755
Inex Pharmaceuticals Corporation	377,500	2,107,218	2,359,375			3,596,972	2,318,330
Labopharm	367,200	1,423,837	2,357,424	Total U.S. Equities		23,074,520	22,814,400
Patheon	104,000	1,115,759	1,424,800	Foreign Equities (0.2%)			
ProMetic Life Sciences	186,000	502,200	355,260	Singapore			
Theratechnologies	122,400	1,395,093	684,216	Flextronics International	20,000	593,118	382,974
		17,074,603	17,658,786	Total Investments		\$137,667,906	147,254,208
Financials (29.8%)				Money Market Securities (1.9%)			2,831,727
AGF Management, Class B	60,600	1,138,117	978,690	Net Other Assets (- 0.5%)			(738,162)
Bank of Montreal	103,000	3,167,594	4,809,070	Net Assets (100%)			\$149,347,773
Bank of Nova Scotia	124,000	5,758,224	7,824,400				
Canadian Imperial Bank of Commerce	58,100	3,163,550	3,213,511				
C.I. Fund Management	208,500	1,668,355	2,904,405				
Great-West Lifeco	55,900	1,221,753	2,261,155				
Industrial Alliance Insurance and Financial Services	61,000	1,669,552	2,227,110				
Manulife Financial Corporation	30,000	728,373	1,170,900				
Northbridge Financial Corporation	80,000	1,208,813	1,580,000				
Power Financial Corporation	48,000	1,610,309	2,116,800				
Royal Bank of Canada	133,000	6,294,644	7,906,850				
Sun Life Financial Services of Canada	82,000	2,590,118	2,398,500				
Toronto-Dominion Bank	134,800	4,778,215	5,154,752				
		34,997,617	44,546,143				
Information Technology (10.8%)							
Celestica	30,000	1,143,056	639,000				
Cognos	62,000	1,864,846	2,608,340				
Metropointics	72,000	1,078,200	9,723				
Nortel Networks Corporation	1,875,700	11,832,491	10,410,135				
Open Text Corporation	20,000	618,622	921,785				
Zarlink Semiconductor	280,000	1,403,268	1,475,600				
		17,940,483	16,064,583				
Telecommunication Services (10.0%)							
BCE	408,000	11,775,203	11,893,200				
Stratos Global Corporation	31,400	393,756	396,582				
TELUS Corporation	120,000	2,121,061	2,768,400				
		14,290,020	15,058,182				
Total Canadian Equities		114,000,268	124,056,834				

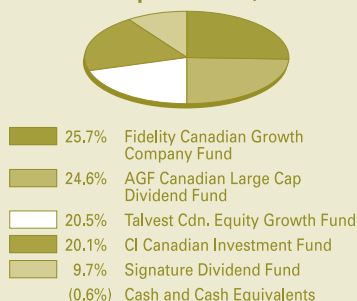
Objective

The objective of the Desjardins Select Canadian Fund is to provide both a reasonable income and long-term capital appreciation.

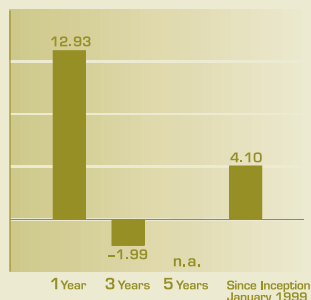
Portfolio Composition

The assets of this Fund are invested in mutual funds, called underlying funds, whose portfolios are primarily composed of equity securities of Canadian corporations.

**Asset Mix
as at September 30, 2003**



**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



CANADIAN EQUITY FUNDS Desjardins Select Canadian Fund

Overview

The Canadian economy was unable to maintain the strong showing displayed in the first part of the year and lost some steam in the spring of 2003. Signs of a global economic recovery then cheered investors. The year ended with all Canadian stock market sectors posting gains, technology being the leader with returns of 128%.

Investment Portfolio as at September 30, 2003

	Number of Units	Average Cost	Market Value
Underlying Funds (100.6%)			
AGF Canadian Large Cap Dividend Fund	3,084,056	\$ 78,807,413	\$ 79,877,050
Signature Dividend Fund	3,161,454	31,595,731	31,519,701
Fidelity Canadian Growth Company Fund	3,509,766	85,715,891	83,216,544
CI Canadian Investment Fund	3,909,281	56,124,120	65,167,716
Talvest Cdn. Equity Growth Fund	10,553,025	75,198,465	66,484,060
Total Investments		\$ 327,441,620	326,265,071
Net Other Assets (– 0.6%)			(1,890,727)
Net Assets (100%)			\$ 324,374,344

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 9.828	\$ 10.271	\$ 11.635	\$ 11.017	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	(0.176)	(0.048)	(0.015)	(0.041)	0.047
Realized and unrealized net gain (loss) on investments	1.446	(0.395)	(1.349)	1.578	1.058
Total	1.270	(0.443)	(1.364)	1.537	1.105
Distributions to investors					
Net investment income	—	—	—	—	0.031
Net gain on sale of investments	—	—	—	0.919	0.057
Total	—	—	—	0.919	0.088
Net Asset Value, End of Year	\$ 11.098	\$ 9.828	\$ 10.271	\$ 11.635	\$ 11.017

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$324,374	\$283,864	\$247,230	\$212,781	\$ 55,123
Average net assets (in thousands)	\$298,905	\$295,841	\$251,968	\$139,795	\$ 29,801
Management expense ratio (Note 4)	3.11%	3.11%	3.11%	3.09%	2.96%
Management expense ratio before waived fees	3.19%	3.13%	3.16%	n.a.	n.a.
Portfolio turnover rate	4.00%	15.42%	15.19%	28.50%	5.62%

Years Ended September 30

Annual return	12.93%	–4.31%	–12.86%	26.07%	n.a.
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* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

AGF Canadian Large Cap Dividend Fund**Objective**

To obtain superior returns with reasonable risk through a combination of dividends from Canadian corporations, capital growth and interest income.

Portfolio Composition

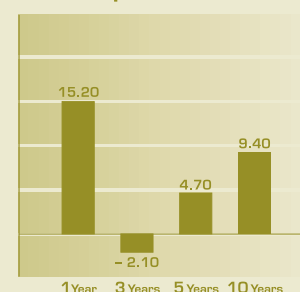
Common and convertible preferred shares of Canadian corporations.

Top 10 Holdings	%
1. Bank of Nova Scotia	6.8
2. Canadian Imperial Bank of Commerce	6.7
3. Alcan	6.4
4. Barrick Gold Corporation	5.6
5. Petro-Canada	5.5
6. EnCana Corporation	4.9
7. Toronto-Dominion Bank	4.9
8. Magna International, Class A	4.6
9. Manulife Financial Corporation	4.2
10. Power Corporation of Canada	4.0
Total	53.6

**Asset Mix
as at September 30, 2003**

	%
Equities*	
Financials	35.7
Energy	14.2
Materials	13.9
Industrials	12.3
Consumer Discretionary	7.1
Telecommunication Services	6.7
Health Care	3.0
Consumer Staples	2.3
Information Technology	0.5
Bonds	0.6
Cash and Cash Equivalents	3.7
Total	100.0

*Canadian and Foreign Equities represent 80.8% and 14.9% of net assets, respectively.

**Compound Annual Return (in %)
as at September 30, 2003****Signature Dividend Fund****Objective**

To obtain a high level of dividend income and preserve capital.

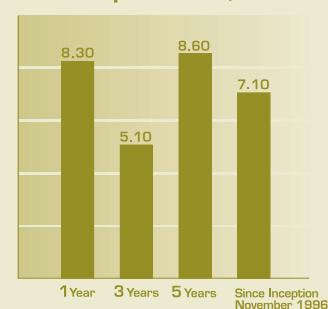
Portfolio Composition

Primarily preferred shares of Canadian companies. The manager may also invest in common shares and fixed income securities.

Top 10 Holdings	%
1. Bank of Montreal, Series 3, 5.550%	2.7
2. Canadian Imperial Bank of Commerce Series 23, 5.300%	2.7
3. Toronto-Dominion Bank, Series M, 4.700%	2.5
4. Royal Bank of Canada	2.4
5. BCE, Series AA, 5.450%	2.2
6. BCE	2.1
7. Quebecor World, Series 3, floating rate	2.0
8. Toronto-Dominion Bank	2.0
9. Bank of Montreal	1.9
10. Bank of Nova Scotia	1.8
Total	22.3

**Asset Mix
as at September 30, 2003**

	%
Preferred Shares	48.6
Common Shares	33.2
Income Trusts	2.9
Real Estate Investment Trusts	1.1
Royalty Trusts	0.5
Cash and Cash Equivalents	13.7
Total	100.0

**Compound Annual Return (in %)
as at September 30, 2003**

Desjardins Select Canadian Fund

Underlying Funds

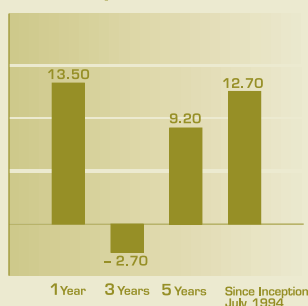
Asset Mix as at September 30, 2003

	%
Equities*	
Industrials	15.0
Consumer Discretionary	14.2
Information Technology	13.8
Financials	11.3
Energy	10.7
Consumer Staples	10.5
Materials	7.9
Health Care	4.8
Other	1.1
Cash and Cash Equivalents	10.7

Total **100.0**

*Canadian and Foreign Equities represent 79.8% and 8.6% of net assets, respectively.

Compound Annual Return (in %) as at September 30, 2003



Fidelity Canadian Growth Company Fund

Objective

To achieve long-term capital growth.

Portfolio Composition

Primarily equity securities of Canadian corporations deemed to have above-average growth potential.

Top 10 Holdings

	%
1. Alimentation Couche-Tard, Class B	n.a.
2. Power Corporation of Canada	n.a.
3. Fairfax Financial Holdings	n.a.
4. CGI Group, Class A	n.a.
5. Penn West Petroleum	n.a.
6. Metro, Class A	n.a.
7. ATI Technologies	n.a.
8. Orbital Sciences Corporation	n.a.
9. WestJet Airlines	n.a.
10. ATS Automation Tooling Systems	n.a.

Total **26.5**

Asset Mix as at September 30, 2003 *

	%
Equities	
Financials	35.1
Energy	15.4
Materials	13.7
Industrials	10.8
Utilities	5.5
Consumer Discretionary	5.2
Consumer Staples	3.3
Health Care	1.0
Information Technology	0.5
Telecommunication Services	0.4
Cash and Cash Equivalents	9.1

Total **100.0**

*Foreign and U.S. Securities represent 7.0% and 3.0% of net assets, respectively.

Compound Annual Return (in %) as at September 30, 2003



CI Canadian Investment Fund

Objective

To achieve long-term capital growth.

Portfolio Composition

Primarily a broad selection of common shares of leading Canadian firms listed among the 150 largest corporations (by capitalization) on the Toronto Stock Exchange. Foreign content consists mainly of stocks listed on the Standard & Poor's 500 Index and securities of large-cap corporations outside the U.S.

Top 10 Holdings

	%
1. Royal Bank of Canada	7.1
2. Bank of Nova Scotia	5.7
3. Bank of Montreal	4.3
4. Alcan	3.7
5. EnCana Corporation	3.1
6. Barrick Gold Corporation	2.9
7. Imperial Oil	2.7
8. Canadian National Railway Company	2.6
9. Petro-Canada	2.5
10. Magna International, Class A	2.5

Total **37.1**

Talvest Cdn. Equity Growth Fund**Objective**

To maximize long-term capital appreciation, without compromising capital preservation.

Portfolio Composition

Primarily a diversified portfolio of common shares of Canadian corporations that present higher-than-average long-term growth potential.

Top 10 Holdings

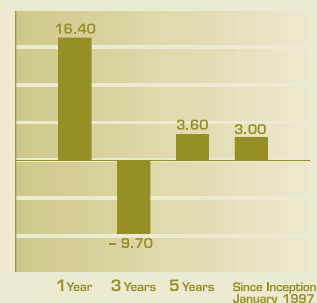
	%
1. Bank of Nova Scotia	4.3
2. Royal Bank of Canada	3.9
3. Toronto-Dominion Bank	3.7
4. Cinram International	3.2
5. Alliance Atlantis Communications, Class B	3.0
6. Biovail Corporation	2.7
7. Bank of Montreal	2.5
8. National Bank of Canada	2.5
9. EnCana Corporation	2.5
10. Nortel Networks Corporation	2.4

Total **30.7**

**Asset Mix
as at September 30, 2003**

	%
Canadian Equities	
Financials	23.7
Information Technology	13.1
Consumer Discretionary	10.7
Health Care	8.3
Energy	8.0
Materials	5.6
Industrials	4.8
Telecommunication Services	3.5
Consumer Staples	2.6
Foreign Equities	16.0
Canadian Bonds	2.0
Cash and Cash Equivalents	1.7

Total **100.0**

**Compound Annual Return (in %)
as at September 30, 2003**

Objective

The objective of the Desjardins American Market Fund is to obtain long-term capital growth.

Portfolio Composition

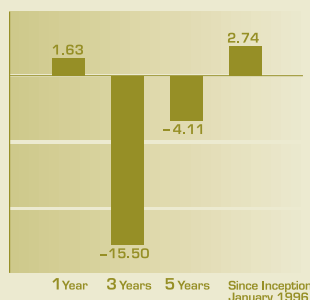
The Fund's portfolio is mainly composed of Canadian money market instruments. Its management makes use of futures contracts on the Standard & Poor's 500 Index, and foreign currency futures contracts. To a lesser extent, the portfolio manager may invest in bonds as well as common and preferred shares of Canadian or American corporations.

**Portfolio Exposure
as at September 30, 2003**

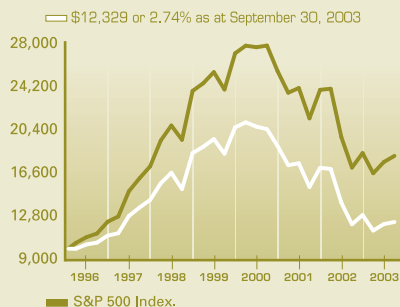


76.2%	U.S. Stock Market
23.5%	U.S. and Foreign Equities
3.0%	Canadian Bonds
(2.7%)	Cash and Cash Equivalents

**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



INTERNATIONAL EQUITY FUNDS

Desjardins American Market Fund

Overview

Once again, the U.S. market fluctuated widely. Dragged further down by the political and economic uncertainties related to the Iraq conflict at the start of the year, the S&P 500 Index put in a spectacular performance as of mid-March. Better fundamentals gave a solid basis to this trend, but the climbing loonie reduced market returns in Canadian dollars.

Top 10 Holdings

	%
1. S&P 500, 2003-12	76.2
2. Swift Trust, floating rate, 2003-11-21	3.0
3. Exxon Mobil Corporation	0.8
4. General Electric Company	0.8
5. Microsoft Corporation	0.8
6. Citigroup	0.8
7. Wal-Mart Stores	0.7
8. Pfizer	0.7
9. Intel Corporation	0.5
10. Bank of America Corporation	0.5
Total	84.8

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 7.856	\$ 9.964	\$ 12.278	\$ 13.331	\$ 13.405
Income and gain on investment operations					
Net investment income (loss)	0.049	(1.855)	(1.939)	(0.115)	1.874
Realized and unrealized net gain (loss) on investments	0.078	(0.253)	(0.375)	(0.938)	(0.256)
Total	0.127	(2.108)	(2.314)	(1.053)	1.618
Distributions to investors					
Net investment income	—	—	—	—	1.691
Net gain on sale of investments	—	—	—	—	0.001
Total	—	—	—	—	1.692
Net Asset Value, End of Year	\$ 7.983	\$ 7.856	\$ 9.964	\$ 12.278	\$ 13.331

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$201,821	\$190,079	\$206,771	\$242,588	\$255,264
Average net assets (in thousands)	\$197,749	\$227,269	\$232,707	\$259,142	\$215,989
Management expense ratio (Note 4)	2.17%	2.17%	2.17%	2.10%	2.08%
Management expense ratio before waived fees	2.32%	2.22%	n.a.	n.a.	n.a.
Portfolio turnover rate	576.07%	546.18%	426.05%	444.35%	524.10%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	1.63%	-21.16%	-24.69%	11.71%	20.29%

*Twelve-month period ended September 30.

**Nine-month period ended September 30.

***Twelve-month period ended December 31.

Desjardins American Market Fund

Investment Portfolio as at September 30, 2003

	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Money Market Securities (73.6%)*			Equities (23.5%)			
Business Development Bank of Canada, notes			U.S. Equities (23.1%)			
2003-10-31	\$ 1,472,080	\$ 1,414,775	Energy (2.2%)			
2003-11-13	2,493,573	2,426,203	Amerada Hess Corporation	2,500	\$ 158,816	\$ 169,138
2003-12-10	3,682,439	3,637,640	Ashland	3,200	138,831	141,954
Caisse centrale Desjardins, notes			ChevronTexaco Corporation	8,700	968,010	839,430
2003-10-01	18,125,052	18,122,400	ConocoPhillips	9,000	693,395	665,411
Canadian National Railway Company, notes			Exxon Mobil Corporation	33,700	2,035,014	1,665,613
2003-10-20	5,815,008	5,662,389	Kerr-McGee Corporation	2,700	166,360	162,761
Canadian Wheat Board, notes			Marathon Oil Corporation	8,100	270,223	311,740
2003-11-03	1,265,520	1,212,287	Occidental Petroleum Corporation	8,300	362,980	394,870
2003-12-11	4,691,691	4,647,987			<u>4,793,629</u>	<u>4,350,917</u>
2003-12-17	2,721,816	2,694,485	Materials (0.4%)			
Enbridge, notes			Dow Chemical Company	7,800	386,092	342,748
2003-12-01	8,582,362	8,488,686	E.I. du Pont de Nemours and Company	4,100	278,230	221,521
EnCana Corporation, notes			Temple-Inland	3,000	190,310	196,686
2003-10-02	812,786	810,088	Worthington Industries	7,300	141,520	123,816
2003-10-03	1,882,669	1,890,091			<u>996,152</u>	<u>884,771</u>
Export Development Corporation, notes			Industrials (1.1%)			
2003-10-27	1,579,391	1,585,263	Danaher Corporation	2,100	216,557	209,456
2003-12-12	4,775,036	4,715,680	First Data Corporation	2,900	159,647	156,490
Hydro-Québec, notes			General Electric Company	40,200	2,294,493	1,618,271
2003-11-18	1,584,783	1,515,648	Textron	5,000	236,936	266,367
Macro Trust, notes					<u>2,907,633</u>	<u>2,250,584</u>
2003-10-06	3,291,341	3,238,114	Consumer Discretionary (3.2%)			
2003-10-14	3,677,094	3,642,842	AOL Time Warner	23,700	539,472	483,589
Placer Dome, notes			AutoNation	13,300	260,243	315,025
2003-10-27	5,668,869	5,665,402	Bed Bath & Beyond	5,200	290,219	268,103
Plaza Trust, notes			Comcast Corporation, Class A	14,300	591,709	596,316
2003-10-15	4,783,017	4,722,378	eBay	6,000	320,507	431,859
Potash Corporation of Saskatchewan, notes			Fortune Brands	4,500	327,653	344,859
2003-12-29	4,061,180	4,039,054	Liz Claiborne	7,000	315,527	321,868
Province of Ontario, notes			Lowe's Companies	6,000	389,123	420,515
2003-10-06	3,658,623	3,504,726	Office Depot	19,300	396,012	366,182
Province of Québec, notes			Sears, Roebuck & Co.	6,400	267,193	377,940
2003-10-06	6,189,720	5,934,644	Sherwin-Williams Company	6,600	268,748	262,121
2003-11-17	25,666,317	25,828,942	Starbucks Corporation	4,300	148,187	167,234
2004-01-27	4,172,104	4,032,653	Viacom, Class B	10,300	713,693	532,720
Suncor Energy, notes			Wal-Mart Stores	19,600	1,625,548	1,478,232
2003-10-08	5,349,652	5,261,988			<u>6,453,834</u>	<u>6,366,563</u>
Thomson Corporation, notes			Consumer Staples (1.0%)			
2003-10-10	6,463,095	6,477,978	Altria Group	8,000	456,005	473,181
Treasury Bills – Canada [†]			Avon Products	4,700	391,442	409,755
2003-12-02	10,060,496	9,874,777	Colgate-Palmolive Company	2,100	187,218	158,495
Volvo Group, notes			ConAgra Foods	8,000	242,864	229,460
2003-12-08	4,088,755	4,039,702	Procter & Gamble Company	5,200	603,341	651,791
2003-12-10	3,405,947	3,366,317			<u>1,880,870</u>	<u>1,922,682</u>
	<u>150,020,416</u>	<u>148,453,139</u>	Health Care (3.5%)			
			Abbott Laboratories	5,200	352,497	298,790
			Aetna	5,300	389,934	436,800
			Allergan	2,700	276,453	287,968
			Amgen	6,700	501,056	584,210
			Bristol-Myers Squibb Company	7,500	436,487	259,885
			Genzyme Corporation	2,300	143,381	143,649
			Humana	10,100	191,274	246,185
			Johnson & Johnson	11,500	992,180	769,027
			Medco Health Solutions	1,037	37,272	36,312
			Medtronic	8,500	574,407	538,567
			Merck & Co.	8,600	843,591	587,873
			Pfizer	35,600	1,989,297	1,460,498
			Stryker Corporation	4,400	458,199	447,475
			UnitedHealth Group	5,000	334,317	339,761
			WellPoint Health Networks	2,200	253,103	228,996
			Wyeth	7,100	597,539	442,000
					<u>8,370,987</u>	<u>7,107,996</u>

*Securities held in U.S. dollars.

[†] Securities held as collateral for stock index futures contracts.

Desjardins American Market Fund

Investment Portfolio as at September 30, 2003

U.S. Equities (continued)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Financials (4.9%)				Telecommunication Services (1.0%)			
American International Group	11,900	\$ 1,345,350	\$ 927,227	AT&T Wireless Services	44,800	\$ 464,414	\$ 494,874
AmSouth Bancorporation	6,400	195,788	183,395	BellSouth Corporation	5,700	288,094	182,272
Bank of America Corporation	9,800	949,379	1,032,777	Nextel Communications, Class A	7,900	166,888	210,056
Citigroup	26,300	1,557,585	1,616,314	Qwest Communications International	51,000	296,328	234,160
Countrywide Credit Industries	3,700	316,564	391,125	SBC Communications	11,300	579,658	339,525
Fannie Mae	4,600	558,765	436,072	Sprint Corporation	10,800	222,892	220,224
FleetBoston Financial Corporation	14,400	584,340	586,291	Verizon Communications	9,600	644,669	420,548
Golden West Financial Corporation	2,500	282,710	302,186			<u>2,662,943</u>	<u>2,101,659</u>
Huntington Bancshares	5,800	169,458	155,002	Utilities (0.9%)			
Jefferson-Pilot Corporation	2,900	163,532	173,799	Ameren Corporation	2,900	167,827	168,043
J.P. Morgan Chase & Co.	11,500	539,364	533,132	Constellation Energy Group	9,500	407,824	459,015
KeyCorp	5,700	209,790	196,820	Entergy Corporation	6,300	431,071	460,683
Merrill Lynch & Co.	3,600	269,935	260,233	Exelon Corporation	3,200	241,965	274,402
MetLife	10,800	519,841	409,091	Sempra Energy	9,700	361,962	384,584
Morgan Stanley	4,400	324,474	299,822			<u>1,610,649</u>	<u>1,746,727</u>
National City Corporation	9,200	391,776	366,002	Total U.S. Equities		<u>50,128,376</u>	<u>46,580,566</u>
SouthTrust Corporation	4,800	183,101	190,504	Foreign Equities (0.4%)			
Torchmark Corporation	4,900	291,816	268,914	Bermuda (0.3%)			
U.S. Bancorp	7,500	246,208	242,971	Tyco International	17,400	402,821	480,044
Wachovia Corporation	11,700	634,469	650,790	XL Capital	1,700	203,035	177,778
Washington Mutual	4,600	248,267	244,561			<u>605,856</u>	<u>657,822</u>
Wells Fargo Company	6,400	474,289	445,093	Cayman Islands (0.1%)			
		<u>10,456,801</u>	<u>9,912,121</u>	ACE	5,000	229,420	223,354
Information Technology (4.9%)				Total Foreign Equities		<u>835,276</u>	<u>881,176</u>
Adobe Systems	3,600	171,369	190,860	Total Equities		<u>50,963,652</u>	<u>47,461,742</u>
Altera Corporation	7,000	144,437	178,658				
Apple Computer	4,900	131,625	136,508	Bonds (3.0%)		Par Value	
Applied Materials	10,500	234,836	257,211	Corporations			
Cisco Systems	37,700	977,382	994,785	Swift Trust			
Corning	31,000	270,223	394,345	floating rate, 2003-11-21	US\$4,500,000	7,147,350	6,076,811
Dell	12,500	528,836	563,624	Derivative Financial Instruments (Table) (- 2.3%)			<u>(4,697,485)</u>
Electronic Arts	2,000	208,937	249,095	Total Investments (97.8%)		<u>\$208,131,418</u>	<u>197,294,207</u>
Hewlett-Packard Company	27,200	831,035	711,111	Net Other Assets (2.2%)			<u>4,527,100</u>
Intel Corporation	28,200	1,026,381	1,047,618	Net Assets (100%)			<u>\$201,821,307</u>
International Business Machines Corporation (IBM)	6,600	942,425	787,255				
KLA-Tencor Corporation	2,100	136,149	145,762				
Linear Technology Corporation	3,900	198,535	188,596				
Maxim Integrated Products	3,100	153,871	165,357				
Mercury Interactive Corporation	2,100	117,119	128,776				
Microsoft Corporation	43,100	1,971,246	1,617,443				
Network Appliance	5,400	123,637	149,708				
Novellus Systems	2,600	130,085	118,498				
NVIDIA Corporation	3,700	112,289	79,499				
Oracle Corporation	30,900	517,015	468,182				
QUALCOMM	4,500	221,371	253,038				
Siebel Systems	9,500	127,741	124,696				
Symantec Corporation	2,800	172,626	238,287				
VERITAS Software Corporation	6,000	194,771	254,416				
Xilinx	4,000	146,456	154,000				
Yahoo!	7,100	204,481	339,218				
		<u>9,994,878</u>	<u>9,936,546</u>				

Table

Stock Index Futures Contracts	Number	Purchase Value	Market Value	Unrealized Appreciation (Depreciation)
Index Purchased				
S&P 500, 2003-12	458	\$158,390,560	\$153,693,075	\$(4,697,485)

INTERNATIONAL EQUITY FUNDS

Desjardins International Fund

Overview

International stock markets vaulted starting in spring. Markets with strong technology sectors and those heavily dependent on exports to the U.S. racked up spirited gains. Mergers and acquisitions took off once again, adding value to stocks picked by the portfolio managers. However, the stronger Canadian dollar tempered returns on international investments.

Top 10 Holdings

	%
1. Bank of America Corporation	2.2
2. General Electric Company	2.2
3. Bank of Nova Scotia	2.1
4. Pfizer	2.0
5. Nissan Motor Co.	1.8
6. Vodafone Group	1.8
7. Washington Mutual	1.6
8. Hewlett-Packard Company	1.6
9. Treasury Bills – Canada, 2003-12-18	1.5
10. Altria Group	1.5
Total	18.3

Statement of Financial Highlights

Data per Unit – A-Class

	2003*	2002*	2001**	2000***	1999***
Net Asset Value, Beginning of Year	\$ 25.523	\$ 30.664	\$ 34.364	\$ 37.871	\$ 35.728
Income and gain on investment operations					
Net investment income (loss)	(0.011)	0.061	(0.063)	(0.020)	(0.009)
Realized and unrealized net gain (loss) on investments	2.271	(5.202)	(3.637)	(2.810)	4.160
Total	2.260	(5.141)	(3.700)	(2.830)	4.151
Distributions to investors					
Net investment income	—	—	—	0.028	—
Net gain on sale of investments	—	—	—	0.649	2.008
Total	—	—	—	0.677	2.008
Net Asset Value, End of Year	\$ 27.783	\$ 25.523	\$ 30.664	\$ 34.364	\$ 37.871

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$148,223	\$ 95,094	\$ 70,237	\$ 55,691	\$ 68,798
Average net assets (in thousands)	\$119,731	\$ 95,808	\$ 67,700	\$ 62,680	\$ 65,248
Management expense ratio (Note 4)	2.46%	2.46%	2.49%	2.44%	2.35%
Management expense ratio before waived fees	2.56%	2.48%	2.55%	n.a.	n.a.
Portfolio turnover rate	22.04%	27.56%	40.77%	78.88%	56.10%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	8.85%	-16.77%	-13.86%	4.93%	15.57%

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

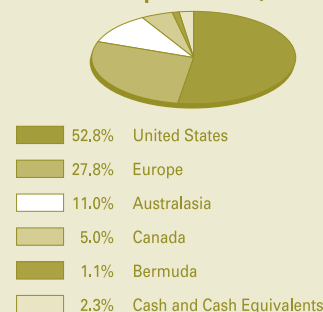
Objective

The objective of the Desjardins International Fund is to obtain capital appreciation within a reasonable time frame.

Portfolio Composition

The assets of the Desjardins International Fund are principally invested in corporate shares traded on stock markets in the U.S., Europe, Asia and elsewhere.

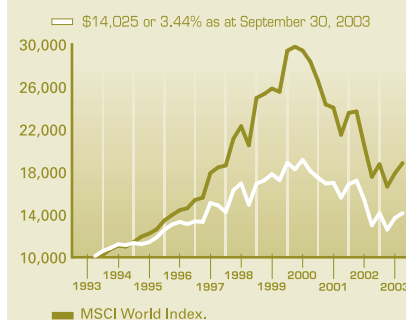
**Asset Mix
as at September 30, 2003**



**Compound Annual Return (in %)
as at September 30, 2003**



**10-Year Growth of an Initial \$10,000
Including Distributions Reinvested**



Desjardins International Fund

Investment Portfolio as at September 30, 2003

Equities (97.7%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Canadian Equities (5.0%)							
Energy (0.6%)							
Petro-Canada	7,200	\$ 298,923	\$ 377,928				
Talisman Energy	7,200	418,859	461,520				
		717,782	839,448				
Consumer Discretionary (1.0%)							
Magna International, Class A	14,400	1,196,543	1,404,000				
Financials (3.3%)							
Bank of Nova Scotia	48,300	2,339,263	3,047,730				
MI Developments, Class A	5,559	152,873	172,329				
Royal Bank of Canada	25,300	1,425,835	1,504,085				
Sun Life Financial Services of Canada	6,500	226,924	190,125				
		4,144,895	4,914,269				
Telecommunication Services (0.1%)							
BCE	4,500	125,143	131,175				
Total Canadian Equities							
		6,184,363	7,288,892				
U.S. Equities (52.8%)							
Energy (4.1%)							
Amerada Hess Corporation	1,300	117,971	87,952				
Ashland	2,500	131,501	110,902				
ChevronTexaco Corporation	7,900	888,962	762,241				
ConocoPhillips	29,267	2,293,171	2,163,842				
Exxon Mobil Corporation	39,048	2,182,599	1,929,937				
Valero Energy Corporation	21,300	1,227,354	1,100,782				
		6,841,558	6,155,656				
Materials (2.1%)							
Cabot Corporation	3,000	115,045	115,500				
Dow Chemical Company	16,105	763,587	707,687				
Eastman Chemical Company	5,000	379,799	226,192				
E.I. du Pont de Nemours and Company	9,238	678,764	499,125				
FMC Corporation	1,900	192,888	64,657				
Georgia-Pacific Group	7,200	333,155	235,683				
International Paper Company	4,900	295,711	258,194				
Lubrizol Corporation	2,500	100,456	109,551				
MeadWestvaco Corporation	14,174	677,689	488,085				
Millennium Chemicals	2,900	78,657	37,399				
PPG Industries	2,150	153,996	151,614				
Smurfit-Stone Container Corporation	7,400	170,383	149,695				
		3,940,130	3,043,382				
Industrials (4.6%)							
Allied Waste Industries	31,900	505,432	465,241				
Burlington Northern Santa Fe Corporation	5,700	256,179	222,221				
Eaton Corporation	2,200	247,971	263,280				
General Electric Company	80,400	4,010,280	3,236,542				
Goodrich Corporation	5,100	241,449	166,942				
Hubbell	2,900	129,168	142,901				
Norfolk Southern Corporation	49,500	1,316,592	1,236,631				
Parker-Hannifin Corporation	5,600	340,644	338,033				
R.R. Donnelley & Sons Company	20,000	745,871	671,690				
Thomas & Betts Corporation	2,800	81,921	59,931				
		7,875,507	6,803,412				
Consumer Discretionary (5.4%)							
AOL Time Warner	7,550	570,065	154,054				
Autoliv, SDR	11,600	383,582	470,087				
Comcast Corporation, Class A	1,165	95,542	48,581				
Comcast Corporation, Class A special	40,600	1,707,873	1,619,570				
Home Depot	2,800	157,811	120,429				
Jones Apparel Group	4,500	223,504	181,879				
Lear Corporation	3,100	194,445	220,364				
Leggett & Platt	4,600	144,256	134,362				
May Department Stores Company	12,800	391,916	425,733				
McGraw-Hill Companies	4,200	364,999	352,382				
Office Depot	38,000	804,418	720,980				
Pulte Homes	7,500	637,294	688,807				
Sears, Roebuck & Co.	14,400	724,275	850,365				
Sherwin-Williams Company	4,600	181,116	182,691				
VF Corporation	4,000	183,641	210,177				
Wal-Mart Stores	8,300	604,211	625,986				
Whirlpool Corporation	11,000	1,084,704	1,006,684				
		8,453,652	8,013,131				
Consumer Staples (4.3%)							
Altria Group	37,800	\$ 2,511,439	\$ 2,235,780				
Archer-Daniels-Midland Company	11,655	251,179	206,337				
Coca-Cola Company	10,700	732,060	620,742				
PepsiCo	11,200	689,408	693,156				
Procter & Gamble Company	7,000	931,480	877,410				
Safeway	31,500	1,004,667	975,814				
Sara Lee Corporation	16,400	503,217	406,612				
Supervalu	6,000	120,071	193,324				
Tyson Foods, Class A	12,300	202,994	234,699				
		6,946,515	6,443,874				
Health Care (6.7%)							
Abbott Laboratories	8,750	546,875	502,771				
Aetna	10,300	657,066	848,875				
Bristol-Myers Squibb Company	14,750	924,481	511,107				
Eli Lilly and Company	5,700	672,516	457,219				
Health Net	13,300	481,223	568,804				
Johnson & Johnson	22,100	2,055,949	1,477,870				
Medco Health Solutions	1,990	71,525	69,682				
Merck & Co.	22,200	2,048,382	1,517,533				
Oxford Health Plans	5,000	285,407	278,926				
Pfizer	72,127	3,661,747	2,959,027				
Wyeth	11,800	1,181,146	734,592				
		12,586,317	9,926,406				
Financials (12.5%)							
American International Group	5,000	430,594	389,591				
Aon Corporation	4,000	202,101	112,624				
Bank of America Corporation	31,500	3,151,830	3,319,640				
Chubb Corporation	17,100	1,650,936	1,498,201				
Citigroup	32,800	1,982,001	2,015,783				
Comerica	2,500	201,852	157,322				
Deluxe Corporation	11,000	693,102	596,257				
Fannie Mae	16,050	1,687,564	1,521,512				
FleetBoston Financial Corporation	14,548	687,196	592,316				
Freddie Mac	14,800	1,167,347	1,046,265				
Goldman Sachs Group	2,700	272,641	305,907				
Lehman Brothers Holdings	6,280	605,211	585,835				
MetLife	36,300	1,439,434	1,375,000				
MGIC Investment Corporation	3,400	318,654	239,073				
National City Corporation	6,300	221,401	250,632				
Torchmark Corporation	2,500	129,580	137,201				
Travelers Property Casualty Corp.							
Class A	58,537	1,346,035	1,255,290				
Class B	2,335	74,520	50,073				
Wachovia Corporation	13,400	704,391	745,349				
Washington Mutual	44,600	2,363,403	2,371,174				
		19,329,793	18,565,045				
Information Technology (7.8%)							
ADC Telecommunications	132,056	394,498	415,506				
Arrow Electronics	4,500	194,211	111,753				
Avnet	9,000	366,782	200,778				
Cisco Systems	70,600	1,985,783	1,862,913				
Corning	7,500	156,418	95,406				
Dell	8,300	370,341	374,246				
Hewlett-Packard Company	90,427	2,732,340	2,364,105				
Ingram Micro	5,800	120,623	102,212				
Intel Corporation	31,700	1,279,767	1,177,641				
International Business Machines Corporation (IBM)	6,100	876,228	727,614				
Lucent Technologies	140,000	446,555	408,362				
Microsoft Corporation	56,800	2,267,006	2,131,572				
Oracle Corporation	14,900	423,968	225,758				
Sollectron Corporation	114,200	854,812	902,163				
Tech Data Corporation	3,000	216,137	124,980				
Tellabs	33,900	524,989	310,837				
		13,210,458	11,535,846				

Desjardins International Fund

Investment Portfolio as at September 30, 2003

U.S. Equities (continued)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Telecommunication Services (2.8%)				Italy (2.0%)			
AT&T Corp.	31,820	\$ 849,783	\$ 925,999	ENI	70,671	\$ 1,541,766	\$ 1,456,630
BellSouth Corporation	8,000	341,022	255,820	Parmalat Finanziaria	337,500	1,509,213	1,425,787
Cox Communications	11,700	505,334	499,587	Telecom Italia	41,633	171,774	138,543
Qwest Communications International	144,000	1,448,668	661,157			<u>3,222,753</u>	<u>3,020,960</u>
SBC Communications	23,400	1,394,168	703,087	Japan (9.7%)			
Sprint Corp. (PCS Group)	53,000	328,911	410,104	Canon	24,000	1,337,379	1,588,205
Sprint Corporation	3,500	111,172	71,369	Hitachi	67,000	738,443	503,465
Verizon Communications	14,600	<u>1,107,376</u>	<u>639,583</u>	Honda Motor Co.	27,700	1,604,787	1,500,686
		<u>6,086,434</u>	<u>4,166,706</u>	Mitsui O.S.K. Lines	123,000	362,238	562,017
Utilities (2.5%)				Nichirei Corporation	47,000	279,218	219,881
American Electric Power Company	16,700	812,053	676,552	Nippon Meat Packers	57,000	786,655	858,023
Edison International	17,300	352,797	446,213	Nippon Telegraph and Telephone Corporation	50	426,108	306,636
Entergy Corporation	18,800	1,198,148	1,374,737	Nissan Motor Co.	186,000	2,099,546	2,716,456
Sempra Energy	30,000	<u>926,731</u>	<u>1,189,434</u>	Oji Paper Co.	35,000	295,082	264,277
		<u>3,289,729</u>	<u>3,686,936</u>	Promise Co.	20,100	1,054,319	1,193,699
Total U.S. Equities		<u>88,560,093</u>	<u>78,340,394</u>	Sony Corporation	2,700	265,616	127,624
Foreign Equities (39.9%)				Sumitomo Mitsui Financial Group	245	1,104,753	1,336,230
Australia (0.8%)				Takeda Chemical Industries	5,000	427,130	246,642
Australia & New Zealand Banking Group	43,332	486,533	714,497	Takefuji Corporation	3,120	333,185	270,373
BHP Billiton	38,500	359,372	373,467	Tanabe Seiyaku Co.	18,000	235,915	204,416
Qantas Airways	43,600	<u>120,284</u>	<u>131,368</u>	Tohoku Electric Power Company	11,600	258,425	246,598
		<u>966,189</u>	<u>1,219,332</u>	Tokyo Electric Power Company	9,800	340,992	283,875
Austria (0.1%)				Toyota Motor Corporation	6,700	374,245	266,349
OMV	1,300	<u>151,895</u>	<u>210,268</u>	UFJ Holdings	280	1,024,137	1,489,790
Belgium (0.6%)				Uny Co.	10,000	<u>153,372</u>	<u>146,167</u>
Agfa Gevaert	25,700	<u>728,023</u>	<u>837,028</u>			<u>13,501,545</u>	<u>14,331,409</u>
Bermuda (1.1%)				Luxembourg (0.9%)			
Cooper Industries, Class A	6,800	419,488	441,047	Arcelor	81,400	<u>1,307,478</u>	<u>1,337,093</u>
PartnerRe	14,000	1,026,487	957,948	Netherlands (2.0%)			
XL Capital	1,600	<u>171,017</u>	<u>167,320</u>	ABN AMRO Holding	13,288	381,220	331,379
		<u>1,616,992</u>	<u>1,566,315</u>	DSM	21,900	1,421,315	1,404,478
Finland (0.5%)				Hagemeyer	12,272	425,725	75,690
Fortum	28,000	243,594	330,412	Koninklijke (Royal) Philips Electronics	8,800	485,770	269,440
Nokia	21,150	<u>719,363</u>	<u>443,918</u>	Royal Dutch Petroleum Company	8,494	685,288	503,971
		<u>962,957</u>	<u>774,330</u>	Wolters Kluwer	21,852	<u>492,560</u>	<u>423,583</u>
France (4.1%)						<u>3,891,878</u>	<u>3,008,541</u>
Assurances Générales de France	20,000	1,288,254	1,266,580	Singapore (0.5%)			
Aventis	22,500	1,784,040	1,577,127	Flextronics International	21,200	403,554	405,953
BNP Paribas	8,100	558,007	536,542	Singapore Airlines	38,000	<u>289,910</u>	<u>314,589</u>
Orange	41,000	463,296	564,454			<u>693,464</u>	<u>720,542</u>
PSA Peugeot Citroën	17,800	1,220,242	1,021,952	Spain (1.5%)			
Société Générale	5,900	543,292	530,988	Banco Santander Central Hispano	48,834	683,507	559,359
Total	3,182	<u>513,396</u>	<u>648,846</u>	Grupo Dragados	46,696	1,156,529	1,291,621
		<u>6,370,527</u>	<u>6,146,489</u>	Telefonica	23,217	<u>423,734</u>	<u>370,408</u>
Germany (3.5%)						<u>2,263,770</u>	<u>2,221,388</u>
Celanese	4,600	121,293	203,015	Sweden (0.9%)			
Continental	8,000	301,501	314,552	Svenska Cellulosa	28,000	<u>1,417,792</u>	<u>1,366,513</u>
Hannover Rueckversicherungs	16,100	618,626	579,587	Switzerland (1.2%)			
HeidelbergCement	29,825	1,490,052	1,481,466	Givaudan	950	458,072	543,368
Siemens	10,851	1,061,929	870,716	Nestlé	470	149,430	146,435
Volkswagen	28,000	<u>1,662,465</u>	<u>1,689,507</u>	Novartis	15,930	937,719	832,905
		<u>5,255,866</u>	<u>5,138,843</u>	Schweizerische Rueckversicherung	2,460	<u>356,742</u>	<u>211,181</u>
						<u>1,901,963</u>	<u>1,733,889</u>

Desjardins International Fund

Investment Portfolio as at September 30, 2003

Foreign Equities (continued)	Number of Shares	Average Cost	Market Value
United Kingdom (10.5%)			
AstraZeneca	5,500	\$ 406,619	\$ 313,848
Aviva	132,600	1,606,588	1,390,087
BHP Billiton	13,090	99,913	117,392
BP	51,700	672,943	479,316
British American Tobacco	38,700	530,156	561,644
BT Group	62,500	599,562	252,542
Enterprise Inns	38,400	742,390	803,825
George Wimpey	27,000	161,094	221,227
GlaxoSmithKline	77,245	2,409,171	2,165,780
HSBC Holdings	8,100	181,502	144,282
InterContinental Hotels Group	43,644	415,299	470,270
Lloyds TSB Group	33,300	488,394	309,289
Mersey Docks & Harbour Company	14,000	162,302	188,408
Royal & Sun Alliance Insurance Group	297,300	1,535,424	538,913
Royal & Sun Alliance Insurance Group Rights	297,300	—	81,755
Royal Bank of Scotland Group	14,500	506,174	498,013
Safeway	145,978	971,116	909,352
Shell Transport & Trading Company	45,800	532,556	381,949
Signet Group	179,300	403,705	424,634
Tesco	51,000	247,848	275,911
Trinity Mirror	34,000	358,165	427,414
Unilever	48,200	537,485	556,150
Vodafone Group	974,800	2,799,074	2,625,901
Whitbread	87,000	1,315,867	1,360,260
		<u>17,683,347</u>	<u>15,498,162</u>
Total Foreign Equities		<u>61,936,439</u>	<u>59,131,102</u>
Total Equities		<u>156,680,895</u>	<u>144,760,388</u>
Derivative Financial Instruments (Table) (0.1%)			<u>119,064</u>
Total Investments (97.8%)		<u>\$156,680,895</u>	<u>144,879,452</u>
Money Market Securities (2.5%)			<u>3,820,710</u>
Net Other Assets (–0.3%)			<u>(477,232)</u>
Net Assets (100%)			<u>\$148,222,930</u>

Table

Foreign Currency Forward Contracts	Currency Amount	Purchase Value	Market Value	Unrealized Appreciation (Depreciation)
Currency Purchased				
Canadian Dollar, 2003-12	11,228,670	\$ 11,228,670	\$ 11,228,670	\$ —
Currency Sold				
American Dollar, 2003-12	8,200,000	\$ 11,228,670	\$ 11,109,606	119,064
Total Derivative Financial Instruments				<u>\$ 119,064</u>

INTERNATIONAL EQUITY FUNDS

Desjardins International RSP Fund

Overview

International stock markets vaulted starting in spring. Markets with strong technology sectors and those heavily dependent on exports to the U.S. racked up spirited gains. Mergers and acquisitions took off once again, adding value to stocks picked by the portfolio managers. However, the stronger Canadian dollar tempered returns on international investments.

Top 10 Holdings

	%
1. Bank of America Corporation	2.2
2. General Electric Company	2.2
3. Bank of Nova Scotia	2.1
4. Pfizer	2.0
5. Nissan Motor Co.	1.8
6. Vodafone Group	1.8
7. Washington Mutual	1.6
8. Hewlett-Packard Company	1.6
9. Treasury Bills – Canada, 2003-12-18	1.5
10. Altria Group	1.5
Total	18.3

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 7.212	\$ 8.781	\$ 10.000	n.a.	n.a.
Income and gain on investment operations					
Net investment income (loss)	(0.510)	(0.772)	(0.140)	n.a.	n.a.
Realized and unrealized net gain (loss) on investments	1.098	(0.797)	(1.079)	n.a.	n.a.
Total	0.588	(1.569)	(1.219)	n.a.	n.a.
Net Asset Value, End of Year	\$ 7.800	\$ 7.212	\$ 8.781	n.a.	n.a.
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$ 89,771	\$ 50,775	\$ 21,443	n.a.	n.a.
Average net assets (in thousands)	\$ 69,180	\$ 42,857	\$ 15,130	n.a.	n.a.
Management expense ratio (Note 4)	3.03%	3.03%	3.18%	n.a.	n.a.
Management expense ratio before waived fees	3.12%	3.05%	3.34%	n.a.	n.a.
Portfolio turnover rate	39.91%	14.40%	0.00%	n.a.	n.a.

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	8.15%	-17.87%	n.a.	n.a.	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

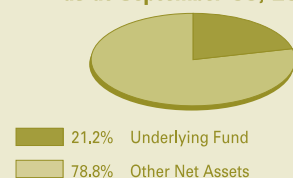
Objective

The objective of the Desjardins International RSP Fund is to generate returns tied to those of the Desjardins International Fund.

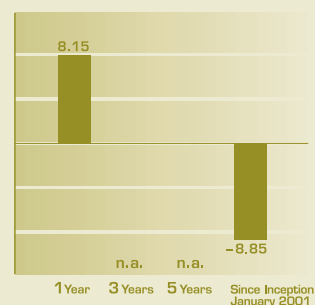
Portfolio Composition

This Fund's portfolio consists primarily of money market securities and units of the underlying fund, which is Desjardins International Fund.

**Asset Mix
as at September 30, 2003**



**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



Desjardins International RSP Fund

Investment Portfolio as at September 30, 2003

	Number of Units	Average Cost	Market Value
Underlying Fund (21.2%)			
Desjardins International Fund	685,876	\$ 20,367,082	\$ 19,055,694
Derivative Financial Instruments (Table) (1.6%)			1,390,927
Total Investments (22.8%)		<u>\$ 20,367,082</u>	<u>20,446,621</u>
Net Other Assets* (77.2%)			69,324,158
Net Assets (100%)			<u>\$ 89,770,779</u>

*A deposit of \$67,995,208 which corresponds to the par value of forward contracts is held at Caisse centrale Desjardins.

Table

Forward Contracts	Counterpart	Notional Number of Units	Average Cost	Market Value	Unrealized Appreciation (Depreciation)
Units of Desjardins International Fund, 2003-10	Caisse centrale Desjardins	2,519,096	\$ 67,995,208	\$ 69,386,135	\$1,390,927

INTERNATIONAL EQUITY FUNDS

Desjardins Europe Fund

Overview

Energy price hikes, the reluctance of monetary authorities to cut rates rapidly and the appreciation of the euro slowed down European economies during the year. However, stock markets anticipated improved outlooks and powered forward starting in the spring. Nonetheless, the Canadian dollar's strength tempered returns on international investments.

Top 10 Holdings

	%
1. GlaxoSmithKline	3.7
2. Vodafone Group	3.5
3. HSBC Holdings	3.1
4. Novartis	2.9
5. ENI	2.8
6. Total	2.6
7. BP	2.6
8. Nestlé	1.9
9. Nokia	1.8
10. Volkswagen	1.6
Total	26.5

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 7.265	\$ 8.552	\$ 10.252	\$ 10.037	\$ 10.127
Income and gain on investment operations					
Net investment income (loss)	0.008	0.030	(0.006)	0.001	(0.012)
Realized and unrealized net gain (loss) on investments	0.564	(1.307)	(1.694)	0.219	0.155
Total	0.572	(1.277)	(1.700)	0.220	0.143
Distributions to investors					
Net investment income	—	0.010	—	0.005	—
Net gain on sale of investments	—	—	—	—	0.233
Total	—	0.010	—	0.005	0.233
Net Asset Value, End of Year	\$ 7.837	\$ 7.265	\$ 8.552	\$ 10.252	\$ 10.037
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$ 42,715	\$ 39,405	\$ 43,892	\$ 44,403	\$ 40,264
Average net assets (in thousands)	\$ 41,170	\$ 47,220	\$ 46,825	\$ 42,411	\$ 32,875
Management expense ratio (Note 4)	2.80%	2.80%	2.81%	2.73%	2.70%
Management expense ratio before waived fees	2.93%	n.a.	n.a.	n.a.	n.a.
Portfolio turnover rate	38.94%	32.39%	33.75%	82.47%	29.53%
Years Ended September 30	2003	2002	2001	2000	1999
Annual return	7.87%	-14.96%	-11.49%	3.55%	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

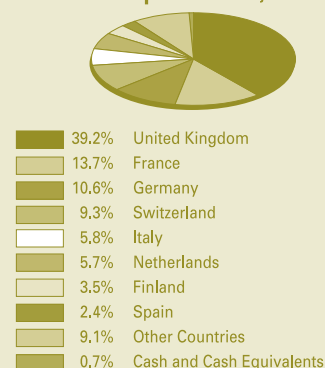
Objective

The objective of the Desjardins Europe Fund is to obtain long-term capital appreciation.

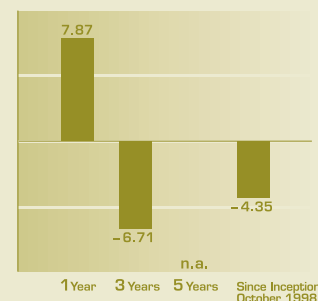
Portfolio Composition

The portfolio of this Fund is composed primarily of selected corporate shares traded on European stock markets.

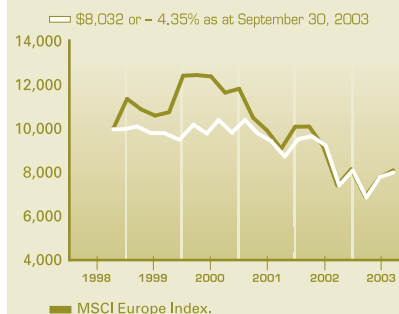
Asset Mix
as at September 30, 2003



Compound Annual Return (in %)
as at September 30, 2003



Growth of \$10,000 Invested Since Inception, Including Distributions Reinvested



Desjardins Europe Fund

Investment Portfolio as at September 30, 2003

Equities (99.3%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Austria (1.8%)				Ireland (1.3%)			
Bank Austria Creditanstalt	4,700	\$ 206,137	\$ 228,651	Allied Irish Banks	17,000	\$ 320,662	\$ 337,020
OMV	3,300	430,073	533,757	Bank of Ireland	12,600	180,827	203,402
		<u>636,210</u>	<u>762,408</u>	Bank of Ireland London Registered Shares	1,100	<u>15,786</u>	<u>17,827</u>
Belgium (2.7%)						<u>517,275</u>	<u>558,249</u>
Agfa Gevaert	9,500	284,876	309,407	Italy (5.8%)			
Almanij	5,200	269,083	285,375	ENI	57,425	1,152,172	1,183,611
Delhaize Le Lion	3,800	271,761	209,261	Parmalat Finanziaria	129,200	568,098	545,812
Dexia	18,400	<u>324,800</u>	<u>362,459</u>	Telecom Italia	49,843	222,003	165,864
		<u>1,150,520</u>	<u>1,166,502</u>	Telecom Italia S.p.A.	102,000	239,216	234,309
Denmark (1.1%)				UniCredito Italiano	57,100	<u>370,417</u>	<u>365,651</u>
Danske Bank	18,700	<u>487,474</u>	<u>481,464</u>			<u>2,551,906</u>	<u>2,495,247</u>
Finland (3.5%)				Luxembourg (1.3%)			
Fortum	38,500	318,685	454,317	Arcelor	34,000	<u>557,459</u>	<u>558,491</u>
Huhtamaki	19,700	275,467	278,962	Netherlands (5.7%)			
Nokia	36,200	<u>1,187,756</u>	<u>759,803</u>	ABN AMRO Holding	20,200	439,064	503,753
		<u>1,781,908</u>	<u>1,493,082</u>	DSM	3,600	180,344	230,873
France (13.7%)				Elsevier	6,840	144,068	104,391
Alcatel	16,100	177,467	257,622	ING Groep	7,700	215,879	190,571
Assurances Générales de France	8,900	574,625	563,628	Koninklijke (Royal) Philips Electronics	4,400	218,437	134,720
Aventis	8,900	853,755	623,842	Koninklijke Vendex	20,700	322,489	309,407
BNP Paribas	9,100	617,544	602,782	Koninklijke Vopak	11,756	273,780	214,193
Carrefour	4,200	278,684	285,476	Royal Dutch Petroleum Company	11,250	769,258	667,491
Compagnie Générale des Établissements Michelin	5,300	278,099	266,263	Wolters Kluwer	4,800	<u>172,353</u>	<u>93,044</u>
Crédit Agricole	11,300	305,417	297,448			<u>2,735,672</u>	<u>2,448,443</u>
France Télécom	13,800	452,760	428,828	Norway (0.5%)			
Lagardère	5,100	400,590	312,145	DnB Holding	30,000	<u>245,751</u>	<u>193,963</u>
Orange	14,700	176,963	202,377	Spain (2.4%)			
PSA Peugeot Citroën	4,800	241,869	275,583	Altadis	7,000	241,436	232,941
Société Générale	4,600	421,271	413,991	Banco Santander Central Hispano	21,948	291,146	251,399
Thomson Multimedia	8,900	192,805	209,488	Grupo Dragados	7,547	144,188	208,752
Total	5,459	<u>862,377</u>	<u>1,113,153</u>	Iberdrola	4,640	95,883	105,493
		<u>5,834,226</u>	<u>5,852,626</u>	Telefonica	13,139	<u>236,526</u>	<u>209,622</u>
Germany (10.6%)						<u>1,009,179</u>	<u>1,008,207</u>
AMB Aachener & Muenchener Beteiligungs	3,500	581,081	276,830	Sweden (0.4%)			
Bayerische Motoren Werke (BMW)	3,400	181,768	173,592	Svenska Cellulosa	3,420	<u>108,873</u>	<u>166,910</u>
Celanese	6,600	161,398	291,282	Switzerland (9.3%)			
Continental	5,600	143,758	220,187	Givaudan	490	255,303	280,263
Deutsche Telekom	10,300	184,273	200,953	Nestlé	2,600	860,827	810,064
E.On	6,800	565,892	448,291	Novartis	23,300	1,433,648	1,218,248
Fraport	7,200	198,630	260,554	Roche Holding	4,800	555,448	537,792
Hannover Rueckversicherungs	11,100	417,644	399,591	Schweizerische Rueckversicherung	3,100	441,373	266,123
HeidelbergCement	9,425	532,193	468,158	UBS	7,450	508,722	564,850
Merck KGaA	7,500	386,363	324,512	Unaxis Holding	1,900	<u>188,052</u>	<u>304,247</u>
RWE	2,040	136,040	73,182			<u>4,243,373</u>	<u>3,981,587</u>
RWE, Preferred	1,400	58,783	44,011				
Siemens	6,270	447,506	503,123				
Volkswagen	11,600	781,069	699,939				
Volkswagen, Preferred	3,500	<u>157,874</u>	<u>143,784</u>				
		<u>4,934,272</u>	<u>4,527,989</u>				

Desjardins Europe Fund

Investment Portfolio as at September 30, 2003

Equities (continued)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
United Kingdom (39.2%)							
Abbey National	32,500	\$ 255,873	\$ 360,406	Safeway	88,297	\$ 679,857	\$ 550,035
AstraZeneca	4,700	348,258	268,198	Scottish and Southern Energy	7,700	108,874	105,094
Aviva	51,200	918,312	536,745	Scottish Power	11,800	99,778	93,042
AWG	3,064	42,124	33,187	Shell Transport & Trading Company	41,700	491,031	347,757
Barclays	58,900	591,098	610,525	Shire Pharmaceuticals Group	28,900	262,548	282,856
BHP Billiton	18,200	134,664	163,218	Signet Group	113,300	217,042	268,327
BP	119,800	1,550,416	1,110,679	Taylor Woodrow	67,800	285,673	352,340
British American Tobacco	43,800	485,158	635,659	Tesco	27,000	119,048	146,070
British Sky Broadcasting Group	6,800	104,411	93,802	Trinity Mirror	15,900	149,128	199,879
BT Group	55,000	850,890	222,237	Unilever	23,600	247,785	272,306
Corus Group	73,000	114,351	33,184	Vodafone Group	560,500	1,942,281	1,509,866
Diageo	16,100	244,407	234,740	Whitbread	26,200	394,499	409,642
George Wimpey	50,700	356,143	415,415	Xstrata	30,500	289,950	318,029
GlaxoSmithKline	56,949	2,052,181	1,596,725			<u>20,083,259</u>	<u>16,724,567</u>
HBOS	16,500	260,159	254,832	Total Equities		<u>46,877,357</u>	<u>42,419,735</u>
HSBC Holdings	74,500	1,319,034	1,327,042	Derivative Financial Instruments (Table) (- 0.0%)			<u>(10,883)</u>
InterContinental Hotels Group	47,796	472,120	515,008	Total Investments (99.3%)		<u>\$ 46,877,357</u>	<u>42,408,852</u>
Kelda Group	12,300	118,300	116,865	Money Market Securities (0.8%)			<u>332,662</u>
Lloyds TSB Group	66,200	1,006,573	614,862	Net Other Assets (- 0.1%)			<u>(26,063)</u>
Mersey Docks & Harbour Company	10,000	123,961	134,577	Net Assets (100%)			<u>\$ 42,715,451</u>
National Grid Group	11,400	104,362	98,653				
Northern Foods	77,500	278,765	248,782				
Old Mutual	113,000	233,965	235,274				
Pearson	14,700	193,372	188,176				
Persimmon	25,000	108,772	301,928				
Prudential	20,100	168,251	185,334				
Rexam	26,000	274,724	231,710				
Rio Tinto	9,000	259,267	259,208				
Royal & Sun Alliance Insurance Group	127,100	1,227,813	230,393				
Royal & Sun Alliance Insurance Group Rights	127,100	—	34,951				
Royal Bank of Scotland Group	16,800	598,041	577,009				

Table

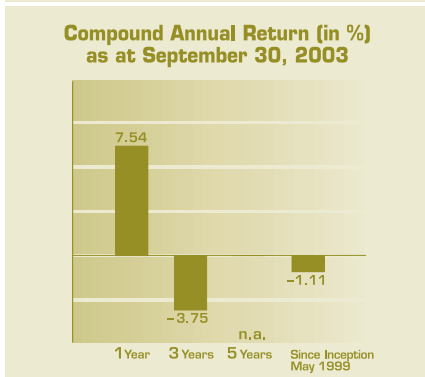
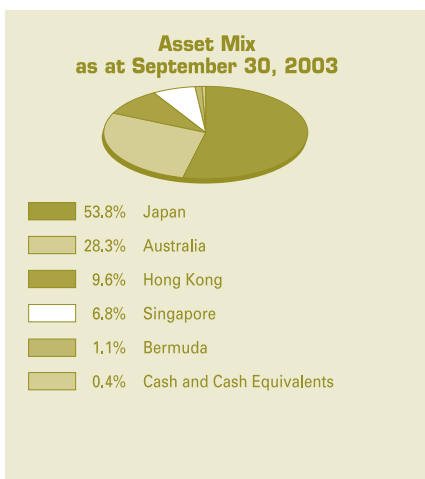
Foreign Currency Forward Contracts	Currency Amount	Purchase Value	Market Value	Unrealized Appreciation (Depreciation)
Currency Purchased				
Norwegian Crown, 2003-12	900,000	\$ 169,052	\$ 172,114	\$ (3,062)
Pound Sterling, 2003-12	330,000	731,313	739,134	(7,821)
		<u>900,365</u>	<u>911,248</u>	<u>(10,883)</u>
Currency Sold				
Canadian Dollar, 2003-12	900,365	\$ 900,365	\$ 900,365	—
Total Derivative Financial Instruments				<u>\$ (10,883)</u>

Objective

The objective of the Desjardins Asia/Pacific Fund is to obtain long-term capital appreciation.

Portfolio Composition

The portfolio of this Fund is composed primarily of corporate shares traded on stock markets in the Asia/Pacific region.



INTERNATIONAL EQUITY FUNDS Desjardins Asia/Pacific Fund

Overview

Signs of recovery in the U.S. at the start of 2003 improved the outlook for exporters in Asian economies that are closely tied to North America through strong trade links. Regional stock markets therefore soared. In this context, the structural problems of Japan's economy and financial system were set aside.

Top 10 Holdings

	%
1. Nissan Motor Co.	4.4
2. Canon	4.4
3. Australia & New Zealand Banking Group	4.0
4. National Australia Bank	3.9
5. Westpac Banking Corp.	3.9
6. BHP Billiton	3.8
7. Honda Motor Co.	3.0
8. CLP Holdings	2.8
9. Toyota Motor Corporation	2.8
10. United Overseas Bank	2.8
Total	35.8

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 8.637	\$ 8.367	\$ 9.837	\$ 11.079	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	(0.025)	(0.040)	(0.025)	(0.025)	(0.040)
Realized and unrealized net gain (loss) on investments	0.676	0.310	(1.445)	(1.217)	1.402
Total	0.651	0.270	(1.470)	(1.242)	1.362
Distributions to investors					
Net gain on sale of investments	—	—	—	—	0.283
Net Asset Value, End of Year	\$ 9.288	\$ 8.637	\$ 8.367	\$ 9.837	\$ 11.079

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$ 10,594	\$ 10,313	\$ 10,948	\$ 14,557	\$ 13,634
Average net assets (in thousands)	\$ 9,744	\$ 11,321	\$ 13,402	\$ 16,557	\$ 8,544
Management expense ratio (Note 4)	2.98%	2.98%	2.92%	2.95%	3.00%
Management expense ratio before waived fees	3.13%	n.a.	n.a.	n.a.	n.a.
Portfolio turnover rate	9.98%	48.82%	45.85%	100.17%	31.72%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	7.54%	3.23%	-19.67%	-2.53%	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Desjardins Asia/Pacific Fund

Investment Portfolio as at September 30, 2003

Equities (99.6%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Australia (28.3%)							
Alumina	9,900	\$ 62,882	\$ 46,380	Mitsubishi Estate Company	5,000	\$ 81,935	\$ 63,933
Amcor	3,000	23,080	23,976	Mitsubishi Heavy Industries	17,000	94,574	66,757
AMP	10,432	150,402	63,822	Mitsubishi Tokyo Financial Group	4	74,239	34,178
Australia & New Zealand Banking Group	25,411	277,211	419,000	Mitsui & Co.	10,000	112,232	91,748
Australian Gas Light Company	7,227	64,184	70,503	Mitsui Chemicals	9,000	63,445	70,357
BHP Billiton	41,100	337,132	398,688	Mitsui Fudosan Co.	6,000	97,366	71,993
Coles Myer	15,440	88,621	107,793	Mitsui O.S.K. Lines	64,000	197,463	292,431
Commonwealth Bank of Australia	9,390	252,266	238,931	NEC Corporation	1,000	29,959	10,181
Foster's Group	6,014	23,943	24,694	Nichicon Corporation	4,000	147,251	72,187
Lend Lease Corporation	12,300	113,356	116,378	Nichirei Corporation	29,000	167,736	135,671
National Australia Bank	14,737	388,188	416,953	Nippon Meat Packers	16,000	224,172	240,849
News Corporation	11,200	114,740	123,666	Nippon Telegraph and Telephone Corporation	11	218,385	67,460
News Corporation, Preferred	13,400	92,472	123,339	Nissan Motor Co.	32,000	361,045	467,348
Qantas Airways	18,100	50,377	54,536	NTT DoCoMo	30	88,694	99,263
Rio Tinto	2,800	74,135	84,545	Oji Paper Co.	14,000	117,492	105,711
Telstra Corporation	31,300	156,318	136,286	Promise Co.	4,600	310,220	273,185
Wesfarmers	1,027	24,698	25,585	Shin-Etsu Chemical Co.	1,000	67,347	50,904
Westpac Banking Corp.	27,693	356,299	412,110	Sony Corporation	1,000	118,327	47,268
WMC Resources	9,900	28,032	40,196	Sumitomo Corporation	13,000	141,123	104,935
Woolworths	6,600	68,127	71,056	Sumitomo Mitsui Financial Group	5	26,912	27,270
		<u>2,746,463</u>	<u>2,998,437</u>	Takeda Chemical Industries	1,000	93,878	49,328
Bermuda (1.1%)				Takefuji Corporation	2,270	288,891	196,714
Yue Yuen Industrial (Holdings)	27,500	39,556	110,770	Tanabe Seiyaku Co.	2,000	28,302	22,713
				Tohoku Electric Power Company	7,500	158,710	159,439
Hong Kong (9.6%)				Tokyo Electric Power Company	3,000	107,158	86,900
Cheung Kong (Holdings)	9,000	116,743	96,122	Toppa Printing Co.	6,000	86,538	66,975
CLP Holdings	50,300	284,418	298,211	Toshiba Corporation	8,000	102,495	45,571
Hang Lung Properties	65,000	99,802	111,075	Toyota Motor Corporation	7,500	413,575	298,152
Hutchison Whampoa	7,500	142,123	73,890	UFJ Holdings	15	85,996	79,810
i-CABLE Communications	6,300	—	1,988	Uny Co.	7,000	112,136	102,317
Shangri-La Asia	46,000	66,506	54,142	Yamaha Corporation	3,000	38,738	76,901
Sun Hung Kai Properties	7,000	78,976	76,593	Yamanouchi Pharmaceutical Co.	1,000	42,984	37,330
VTech Holdings	50,000	112,623	84,570			<u>6,873,331</u>	<u>5,703,030</u>
Wharf Holdings	63,000	230,417	221,906				
		<u>1,131,608</u>	<u>1,018,497</u>	Singapore (6.8%)			
Japan (53.8%)				DBS Group Holdings	9,000	93,126	90,675
Acom Co.	600	66,218	36,433	Flextronics International	1,300	24,350	24,893
Asahi Glass Company	8,000	104,534	74,562	Oversea-Chinese Banking Corporation	5,000	48,131	43,736
Bridgestone Corporation	2,000	45,748	36,239	Singapore Airlines	17,000	206,303	140,737
Canon	7,000	373,182	463,226	Singapore Press Holdings	3,000	52,703	42,877
Canon Sales Co.	6,000	145,433	67,702	Singapore Telecommunications	63,000	79,128	81,678
Chiba Bank	15,000	89,254	79,083	United Overseas Bank	27,992	247,868	292,950
Daiichi Pharmaceutical	2,000	60,729	43,874			<u>751,609</u>	<u>717,546</u>
Dai Nippon Printing Co.	5,000	114,245	92,839	Total Equities		<u>11,542,567</u>	<u>10,548,280</u>
Daito Trust Construction Co.	2,300	60,879	82,931				
Daiwa House Industry Co.	15,000	153,625	185,254	Derivative Financial Instruments (Table) (- 0.3%)			<u>(27,678)</u>
Futaba Corporation	3,000	187,130	106,717				
Hitachi	22,000	299,769	165,317	Total Investments (99.3%)		<u>\$ 11,542,567</u>	<u>10,520,602</u>
Hitachi Maxell	3,000	104,985	65,157				
Honda Motor Co.	5,800	364,925	314,223	Money Market Securities (1.3%)			<u>139,122</u>
Kubota Corporation	9,000	45,804	41,996				
Kyocera Corporation	300	58,690	23,998	Net Other Assets (- 0.6%)			<u>(65,906)</u>
Matsushita Electric Industrial Co.	5,000	147,194	81,507				
Mitsubishi Corporation	6,000	76,781	69,593	Net Assets (100%)			<u>\$ 10,593,818</u>
Mitsubishi Electric Corporation	10,000	74,888	56,600				

Table

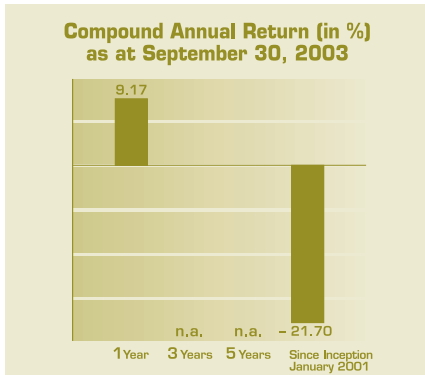
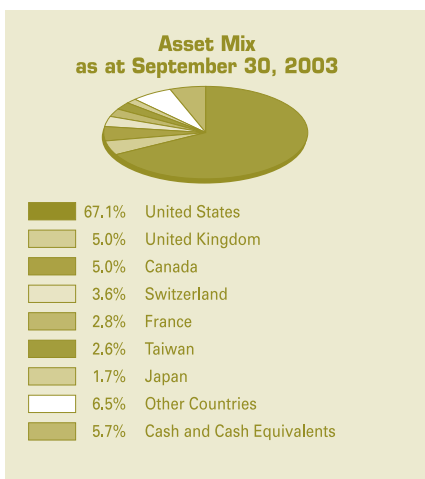
Foreign Currency Forward Contracts	Currency Amount	Purchase Value	Market Value	Unrealized Appreciation (Depreciation)
Currency Purchased				
Canadian Dollar, 2003-12	1,047,173	\$ 1,047,173	\$ 1,047,173	\$ —
Currency Sold				
Hong Kong Dollar, 2003-12	2,450,000	429,169	428,887	282
Yen, 2003-12	53,000,000	618,004	645,964	(27,960)
		<u>\$ 1,047,173</u>	<u>\$ 1,074,851</u>	<u>(27,678)</u>
Total Derivative Financial Instruments				<u>\$ (27,678)</u>

Objective

The objective of the Desjardins Global Science and Technology Fund is to generate long-term capital growth.

Portfolio Composition

The assets of this Fund are invested primarily in shares of companies operating in the technology, health and biotechnology sectors around the world.



INTERNATIONAL EQUITY FUNDS

Desjardins Global Science and Technology Fund

Overview

High-tech sectors experienced sharp fluctuations, during fall and winter. The uncertainties surrounding the economic repercussions of the Iraq war undermined investor confidence. Mid-March was a turning point since increasingly profitable manufacturing companies started to invest again in production assets, especially technological equipment. Improving sales and profitability outlooks are thus luring investors back to the high-tech sector.

Top 10 Holdings

	%
1. Pfizer	5.1
2. Nasdaq-100 Index Tracking Stock	3.6
3. Microsoft Corporation	3.1
4. Intel Corporation	2.9
5. Dell	2.9
6. Johnson & Johnson	2.7
7. Treasury Bills – Canada, 2003-11-20	2.2
8. Treasury Bills – Canada, 2003-12-18	2.1
9. Cisco Systems	2.1
10. GlaxoSmithKline	2.0
Total	28.7

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 4.754	\$ 6.543	\$ 10.000	n.a.	n.a.
Income and gain on investment operations					
Net investment income (loss)	(0.074)	(0.135)	(0.126)	n.a.	n.a.
Realized and unrealized net gain (loss) on investments	0.510	(1.654)	(3.331)	n.a.	n.a.
Total	0.436	(1.789)	(3.457)	n.a.	n.a.
Net Asset Value, End of Year	\$ 5.190	\$ 4.754	\$ 6.543	n.a.	n.a.
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$ 30,481	\$ 25,848	\$ 22,069	n.a.	n.a.
Average net assets (in thousands)	\$ 28,437	\$ 30,188	\$ 19,945	n.a.	n.a.
Management expense ratio (Note 4)	3.14%	3.14%	3.19%	n.a.	n.a.
Management expense ratio before waived fees	3.29%	n.a.	n.a.	n.a.	n.a.
Portfolio turnover rate	51.45%	51.55%	149.43%	n.a.	n.a.

Years Ended September 30	2003	2002	2001	2000	1999
Annual return	9.17%	-27.34%	n.a.	n.a.	n.a.

* Twelve-month period ended September 30.
 ** Nine-month period ended September 30.
 *** Twelve-month period ended December 31.

Desjardins Global Science and Technology Fund

Investment Portfolio as at September 30, 2003

Equities (94.3%)	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Canadian Equities (5.0%)				Information Technology (33.6%)			
Health Care (4.1%)				Affiliated Computer Services	2,750	\$ 204,821	\$ 180,816
Angiotech Pharmaceuticals	6,000	\$ 248,197	\$ 352,980	Agere Systems, Class A	51,800	191,747	214,749
Biovail Corporation	4,500	239,884	226,125	Altera Corporation	11,600	287,796	296,062
Cardiome Pharma Corp.	14,000	52,301	65,800	Applied Materials	12,490	301,285	305,959
CryoCath Technologies	5,400	38,928	26,028	Avocent Corporation	7,700	271,135	314,958
ID Biomedical Corporation	5,000	48,356	116,650	BEA Systems	2,450	40,991	39,867
Inex Pharmaceuticals Corporation	32,000	198,309	200,000	Cisco Systems	23,700	618,880	625,369
Labopharm	25,000	147,180	160,500	Computer Sciences Corporation	5,850	335,991	296,798
MDS	3,500	71,854	64,015	Dell	19,350	776,913	872,490
ProMetic Life Sciences	14,000	37,800	26,740	Documentum	3,680	85,917	105,900
Theratechnologies	4,500	46,125	25,155	Electronic Arts	4,150	373,185	516,873
		<u>1,128,934</u>	<u>1,263,993</u>	Exult	8,550	129,882	92,829
Information Technology (0.9%)				Intel Corporation	23,700	793,110	880,445
Celestica	5,100	111,698	108,630	InterActiveCorp	4,600	222,596	205,302
Cognos	3,800	149,428	159,866	Intersil Corporation, Class A	4,700	130,072	151,056
		<u>261,126</u>	<u>268,496</u>	Intuit	4,100	241,136	267,088
Total Canadian Equities		<u>1,390,060</u>	<u>1,532,489</u>	Juniper Networks	21,900	402,677	441,241
U.S. Equities (67.1%)				KEMET Corporation	1,000	17,444	17,204
Industrials (2.9%)				KLA-Tencor Corporation	3,350	208,095	232,526
DST Systems	2,350	156,380	119,322	Lexmark International	1,300	129,917	110,616
First Data Corporation	10,000	513,227	539,621	Linear Technology Corporation	3,000	141,199	145,074
Fiserv	3,550	199,272	173,684	Maxim Integrated Products	3,400	203,126	181,359
Hewitt Associates, Class A	1,350	54,479	44,391	Mercury Interactive Corporation	3,950	195,835	242,221
		<u>923,358</u>	<u>877,018</u>	Microsoft Corporation	25,300	1,070,710	949,450
Consumer Discretionary (3.9%)				Network Appliance	4,700	115,659	130,302
Comcast Corporation, Class A	4,358	164,130	181,730	Oracle Corporation	16,300	286,289	246,970
eBay	6,700	288,342	482,242	QUALCOMM	3,200	157,398	179,938
Macrovision Corporation	6,650	304,336	165,864	SanDisk Corporation	2,100	185,387	180,757
Viacom, Class B	7,150	485,623	369,801	Sanmina Corporation	36,200	754,778	474,180
		<u>1,242,431</u>	<u>1,199,637</u>	Symantec Corporation	3,050	188,406	259,562
Health Care (22.2%)				Synopsys	2,600	117,106	108,035
Abbott Laboratories	8,000	611,290	459,677	Texas Instruments	8,100	233,017	249,392
AmerisourceBergen Corporation	500	55,432	36,495	VERITAS Software Corporation	9,280	385,455	393,496
Amgen	5,500	521,524	479,575	Vishay Intertechnology	1,900	45,301	44,952
Baxter International	3,500	228,548	137,349	Yahoo!	6,300	286,055	300,997
Bristol-Myers Squibb Company	12,500	631,938	433,142			<u>10,129,311</u>	<u>10,254,833</u>
Cardinal Health	4,500	460,116	354,825	Telecommunication Services (0.9%)			
Eli Lilly and Company	3,500	404,755	280,749	EchoStar Communications Corporation	3,400	145,483	175,712
HCA	4,500	293,513	223,991	Class A	10,700	88,297	82,795
Health Management Associates, Class A	3,000	88,362	88,357	Sprint Corp. (PCS Group)		<u>233,780</u>	<u>258,507</u>
Johnson & Johnson	12,500	1,014,299	835,899	Index-Based Investments (3.6%)			
Medtronic	5,500	401,357	348,485	Nasdaq-100 Index Tracking Stock	25,000	1,044,917	1,095,176
Merck & Co.	7,000	825,451	478,502	Total U.S. Equities		<u>22,592,736</u>	<u>20,452,465</u>
Pfizer	38,000	2,309,419	1,558,957				
St. Jude Medical	1,000	52,468	72,611				
UnitedHealth Group	3,400	145,616	231,038				
WellPoint Health Networks	1,800	181,914	187,360				
Wyeth	9,000	792,937	560,282				
		<u>9,018,939</u>	<u>6,767,294</u>				

Desjardins Global Science and Technology Fund

Investment Portfolio as at September 30, 2003

	Number of Shares	Average Cost	Market Value		Number of Shares	Average Cost	Market Value
Foreign Equities (22.2%)							
Bermuda (1.2%)				South Korea (1.3%)			
Accenture, Class A	4,000	\$ 113,358	\$ 120,672	Samsung Electronics, GDR	1,672	\$ 357,433	\$ 381,581
Marvell Technology Group	4,900	151,158	249,791				
		264,516	370,463	Switzerland (3.6%)			
Cayman Islands (1.4%)				Novartis	8,000	503,807	418,282
Seagate Technology	11,500	269,452	422,406	Novartis, ADR	4,500	286,583	236,023
				Roche Holding, ADR	4,000	461,407	447,793
France (2.8%)					1,251,797	1,102,098	
Alcatel	21,000	259,125	336,029	Taiwan (2.6%)			
Aventis	2,300	273,296	161,217	ASUSTek Computer, Warrants, 2005-04-18	42,000	146,669	157,406
Aventis, ADR	1,700	169,484	120,064	Hon Hai Precision Industry Co., GDR	20,400	236,559	235,262
Sanofi-Synthelabo	2,000	198,667	164,262	Taiwan Semiconductor Manufacturing Company, ADR	27,201	553,245	397,811
Sanofi-Synthelabo, ADR	2,000	94,003	81,618			936,473	790,479
		994,575	863,190	United Kingdom (5.0%)			
Germany (1.0%)				Amdocs	2,400	78,868	60,930
SAP, ADR	5,900	198,732	242,288	AstraZeneca	5,000	378,298	285,317
Schering, ADR	1,000	86,747	58,675	AstraZeneca, ADR	2,000	144,995	117,215
		285,479	300,963	GlaxoSmithKline	21,300	905,751	597,205
Italy (0.2%)				GlaxoSmithKline, ADR	2,600	199,467	148,868
Luxottica Group, ADR	3,000	87,064	57,892	Vodafone Group, ADR	11,500	344,547	314,475
						2,051,926	1,524,010
Japan (1.7%)				Total Foreign Equities		7,658,868	6,769,685
Fujisawa Pharmaceutical Company	5,000	175,340	153,924				
Shionogi & Co.	5,000	128,804	117,564	Total Investments		\$ 31,641,664	28,754,639
Takeda Chemical Industries	5,000	369,891	246,642				
		674,035	518,130	Money Market Securities (6.2%)			1,882,284
Netherlands (0.4%)				Net Other Assets (– 0.5%)			(155,511)
ASML Holdings, ADR	6,100	127,727	108,158				
				Net Assets (100%)			\$ 30,481,412
Singapore (1.0%)							
Flextronics International	17,250	358,391	330,315				

INTERNATIONAL EQUITY FUNDS

Desjardins Select American Fund

Overview

The combined efforts of the Bush administration and the Federal Reserve to stimulate the economy appear to have paid off. Growth forecasts are being upgraded and deflation fears are subsiding. The rise in the S&P 500, mainly on the back of the technology sector, was however moderated by the high-flying loonie.

Investment Portfolio as at September 30, 2003

	Number of Units	Average Cost	Market Value
Underlying Funds (99.4%)			
AGF American Growth Class	755,113	\$ 23,788,719	\$ 14,966,339
CI American Value Sector Fund	1,106,742	14,677,223	15,627,190
Fidelity Growth America Fund	1,059,554	32,043,733	22,875,771
Landmark American Fund	724,595	10,377,309	7,753,171
CI American Growth Fund	1,182,635	26,221,668	15,220,516
Total Investments		\$ 107,108,652	76,442,987
Net Other Assets (0.6%)			495,455
Net Assets (100%)			\$ 76,938,442

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 5.636	\$ 7.047	\$ 9.918	\$ 12.035	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	(0.126)	(0.038)	(0.031)	(0.058)	(0.055)
Realized and unrealized net gain (loss) on investments	0.423	(1.373)	(2.840)	(1.468)	2.591
Total	0.297	(1.411)	(2.871)	(1.526)	2.536
Distributions to investors					
Net gain on sale of investments	—	—	—	0.591	0.501
Net Asset Value, End of Year	\$ 5.933	\$ 5.636	\$ 7.047	\$ 9.918	\$ 12.035
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$ 76,938	\$ 71,393	\$ 68,578	\$ 71,533	\$ 28,319
Average net assets (in thousands)	\$ 73,758	\$ 83,190	\$ 75,241	\$ 54,157	\$ 17,335
Management expense ratio (Note 4)	3.19%	3.19%	3.19%	3.19%	3.05%
Management expense ratio before waived fees	3.30%	3.21%	3.26%	3.20%	n.a.
Portfolio turnover rate	43.51%	20.03%	28.67%	32.36%	29.63%

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	5.28%	-20.03%	-38.38%	25.06%	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

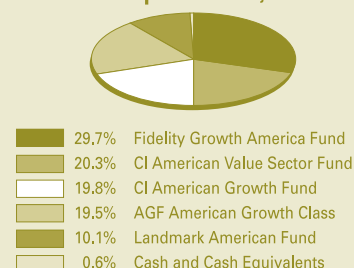
Objective

The objective of the Desjardins Select American Fund is to provide long-term capital appreciation.

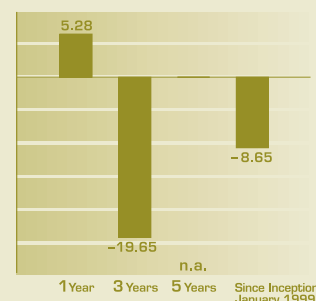
Portfolio Composition

The assets of this Fund are invested in mutual funds, called underlying funds, whose portfolios are primarily composed of equity securities of U.S. corporations.

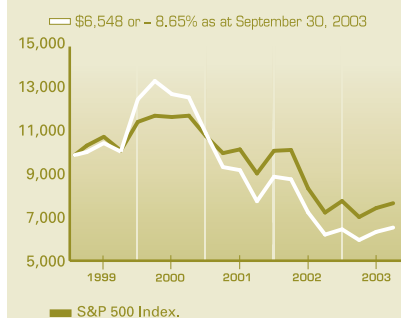
**Asset Mix
as at September 30, 2003**



**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



Desjardins Select American Fund

Underlying Funds

AGF American Growth Class

Asset Mix as at September 30, 2003

	%
Equities	
Information Technology	29.4
Health Care	19.1
Industrials	16.4
Financials	16.1
Consumer Discretionary	15.2
Consumer Staples	2.6
Cash and Cash Equivalents	1.2

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Objective

To achieve long-term capital growth.

Portfolio Composition

Primarily shares of large-sized U.S. corporations.

Top 10 Holdings

	%
1. Microsoft Corporation	6.4
2. Cisco Systems	5.1
3. Intel Corporation	5.1
4. United Technologies Corporation	4.9
5. Morgan Stanley	4.8
6. Goldman Sachs Group	4.7
7. Pfizer	4.5
8. Medtronic	4.4
9. Wyeth	4.3
10. Applied Materials	3.8

Total 48.0

Asset Mix as at September 30, 2003

	%
Equities	
Consumer Discretionary	14.9
Health Care	14.6
Information Technology	10.3
Financials	9.9
Energy	8.8
Consumer Staples	8.3
Utilities	7.4
Industrials	7.1
Materials	4.0
Telecommunication Services	0.4
Cash and Cash Equivalents	14.3

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



CI American Value Sector Fund

Objective

To provide superior returns with a limited level of risk by investing in a diversified portfolio of high quality undervalued companies.

Portfolio Composition

Primarily equity and equity-related securities of companies in the United States.

Top 10 Holdings

	%
1. Aetna	2.5
2. Harrah's Entertainment	2.3
3. Alliant Techsystems	2.2
4. Iron Mountain	2.2
5. Boeing Company	2.2
6. ConAgra Foods	2.1
7. Lockheed Martin Corporation	2.1
8. Microsoft Corporation	2.1
9. Bristol-Myers Squibb Company	2.1
10. Tom Brown	2.1

Total 21.9

Fidelity Growth America Fund**Objective**

To achieve long-term capital growth.

Portfolio Composition

Primarily equity securities of large and medium-sized U.S. corporations.

Top 10 Holdings

	%
1. Microsoft Corporation	n.a.
2. Motorola	n.a.
3. Johnson & Johnson	n.a.
4. AOL Time Warner	n.a.
5. Viacom, Class B	n.a.
6. Lennar Corporation, Class A	n.a.
7. Liberty Media Corporation, Class A	n.a.
8. Seagate Technology	n.a.
9. D.R. Horton	n.a.
10. Allstate Corporation	n.a.
Total	25.8

**Asset Mix
as at September 30, 2003**

	%
Equities*	
Information Technology	24.3
Consumer Discretionary	21.0
Health Care	16.2
Financials	14.3
Consumer Staples	10.3
Energy	4.6
Industrials	3.4
Other	4.2
Cash and Cash Equivalents	1.7

Total **100.0**

*U.S. and Foreign Equities represent 98.3% of net assets.

**Compound Annual Return (in %)
as at September 30, 2003****Landmark American Fund****Objective**

To maximize long-term capital growth.

Portfolio Composition

Equity and equity-related securities of corporations with good prospects for future growth, located in the U.S., Canada and Mexico, or in any other countries that become signatories to the North American Free Trade Agreement.

Top 10 Holdings

	%
1. AT&T Wireless Services	3.1
2. McDonald's Corporation	2.7
3. Beckman Coulter	2.6
4. Merrill Lynch & Co.	2.5
5. E*TRADE GROUP	2.5
6. Barrick Gold Corporation	2.3
7. The Rouse Company	2.1
8. Sprint Corp. (PCS Group)	2.1
9. Polycom	2.1
10. Toronto-Dominion Bank	2.1
Total	24.1

**Asset Mix
as at September 30, 2003**

	%
Equities	
Information Technology	24.1
Financials	22.1
Materials	11.0
Consumer Discretionary	10.8
Health Care	9.0
Telecommunication Services	6.8
Industrials	5.0
Consumer Staples	2.1
Utilities	1.6
Energy	1.4
Warrants	0.9
Cash and Cash Equivalents	5.2

Total **100.0**

**Compound Annual Return (in %)
as at September 30, 2003**

Desjardins Select American Fund

Underlying Funds

Asset Mix as at September 30, 2003*

	%
Equities	
Consumer Discretionary	25.9
Financials	23.3
Health Care	14.2
Industrials	12.4
Telecommunication Services	9.7
Consumer Staples	5.4
Information Technology	4.0
Utilities	3.2
Cash and Cash Equivalents	1.9

Total 100.0

*U.S. and Foreign Securities represent 86.1% and 12.0% of net assets, respectively.

Compound Annual Return (in %) as at September 30, 2003



CI American Growth Fund

Objective

To achieve superior long-term capital appreciation.

Portfolio Composition

Primarily equity securities of U.S. companies of all market capitalization expected to experience superior earnings growth over time and possibly up to a proportion of 25% of its net assets in growth companies located outside the U.S.

Top 10 Holdings

	%
1. Amazon.com	9.5
2. Nextel Communications	7.5
3. Tyco International	5.9
4. UnitedHealth Group	5.5
5. InterActiveCorp	4.2
6. Washington Mutual	3.8
7. Waste Management	3.6
8. MGIC Investment Corporation	3.5
9. J.P. Morgan Chase & Co.	3.3
10. AES Corporation	3.2

Total 50.0

INTERNATIONAL EQUITY FUNDS

Desjardins Select Global Fund

Overview

When the U.S. economy is faring better, the outlooks for other markets that are dependent on it also become rosy. Export levels vary according to exchange rate fluctuations and the depreciation in the U.S. dollar. Most stock markets notched gains, but the climate in Europe and Japan is still glum. The Fund outperformed its benchmark index, thanks to earlier changes to the portfolio structure.

Investment Portfolio as at September 30, 2003

	Number of Units	Average Cost	Market Value
Underlying Funds (99.7%)			
Brandes Global Equity Fund	4,408,906	\$ 43,861,559	\$ 45,220,822
BPI Global Equity Fund	4,928,884	69,930,514	44,704,978
CI Global Fund	3,451,100	48,876,495	36,167,528
Fidelity International Portfolio Fund	2,013,702	69,510,264	52,678,446
Total Investments		\$ 232,178,832	178,771,774
Net Other Assets (0.3%)			545,563
Net Assets (100%)			\$ 179,317,337

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 7.557	\$ 9.450	\$ 12.227	\$ 12.876	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	(0.201)	(0.050)	(0.051)	(0.081)	(0.058)
Realized and unrealized net gain (loss) on investments	0.856	(1.732)	(2.726)	(0.115)	2.934
Total	0.655	(1.782)	(2.777)	(0.196)	2.876
Distributions to investors					
Net gain on sale of investments	—	0.111	—	0.453	—
Net Asset Value, End of Year	\$ 8.212	\$ 7.557	\$ 9.450	\$ 12.227	\$ 12.876
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	\$179,317	\$162,494	\$174,009	\$184,856	\$ 50,220
Average net assets (in thousands)	\$168,260	\$194,397	\$191,849	\$130,694	\$ 25,565
Management expense ratio (Note 4)	3.25%	3.25%	3.25%	3.25%	3.12%
Management expense ratio before waived fees	3.27%	3.34%	3.35%	3.26%	n.a.
Portfolio turnover rate	31.29%	14.38%	15.00%	22.29%	7.86%
Years Ended September 30	2003	2002	2001	2000	1999
Annual return	8.66%	-19.17%	-25.65%	25.12%	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

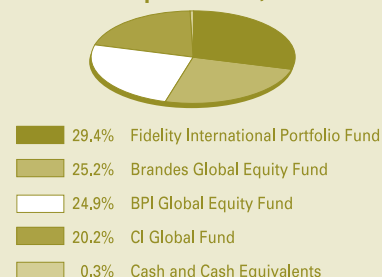
Objective

The objective of the Desjardins Select Global Fund is to obtain long-term capital appreciation.

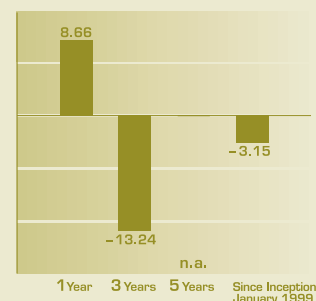
Portfolio Composition

The assets of this Fund are invested in mutual funds, called underlying funds, whose portfolios are primarily composed of equity securities of foreign corporations.

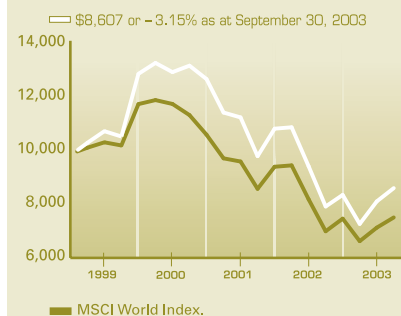
Asset Mix
as at September 30, 2003



Compound Annual Return (in %)
as at September 30, 2003



Growth of \$10,000 Invested Since Inception, Including Distributions Reinvested



Desjardins Select Global Fund

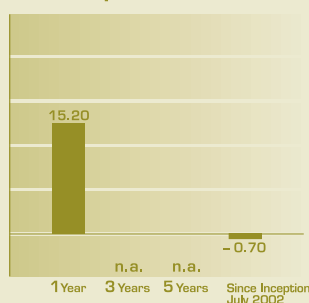
Underlying Funds

Brandes Global Equity Fund

Asset Mix as at September 30, 2003 %

Equities	
North America	38.6
Europe	37.2
Australasia	13.2
Latin America	4.8
Africa	0.9
Cash and Cash Equivalents	5.3
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



Objective

To achieve long-term capital appreciation.

Portfolio Composition

Primarily equity securities of both Canadian and non-Canadian issuers whose equity market capitalizations exceed \$1 billion at the time of purchase. Countries in which the Fund may invest include, but are not limited to, Canada, the United States and the nations of Western Europe, North and South America, Australia and Asia.

Top 10 Holdings

	%
1. Schering-Plough Corporation	2.5
2. Nestlé	2.4
3. Hitachi	2.2
4. Motorola	2.2
5. Kroger Co.	2.1
6. Volkswagen	2.0
7. Telefonica	2.0
8. Marks & Spencer Group	2.0
9. GlaxoSmithKline	2.0
10. Unilever	2.0

Total **21.4**

BPI Global Equity Fund

Asset Mix as at September 30, 2003 %

Equities	
U.S.	63.5
Australasia	23.4
Europe	11.1
Latin America	0.6
Bermuda	0.5
Cash and Cash Equivalents	0.9
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



Objective

To achieve long-term capital appreciation.

Portfolio Composition

A diversified portfolio of international equity securities.

Top 10 Holdings

	%
1. Nextel Communications	3.4
2. InterActiveCorp	2.7
3. Yahoo!	2.7
4. eBay	2.7
5. Citigroup	2.3
6. Kohl's Corporation	2.2
7. Canon	2.2
8. Goldman Sachs Group	2.2
9. Nomura Holdings	2.2
10. Symantec Corporation	2.2

Total **24.8**

CI Global Fund

Objective

To maximize long-term capital appreciation.

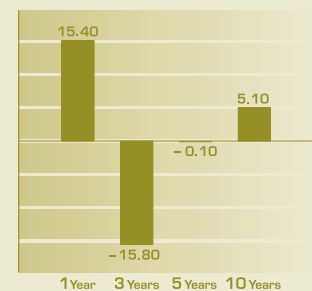
Portfolio Composition

Primarily equity and equity-related securities of established corporations worldwide with solid prospects for growth.

Top 10 Holdings	%
1. Microsoft Corporation	2.8
2. General Electric Company	2.1
3. Citigroup	1.9
4. Wyeth	1.4
5. Pfizer	1.3
6. UFJ Holdings	1.1
7. International Rectifier Corporation	1.1
8. American International Group	1.0
9. ChevronTexaco Corporation	1.0
10. Nomura Holdings	0.9
Total	14.6

Asset Mix as at September 30, 2003	%
Equities	
U.S.	50.2
Europe	27.0
Australasia	19.1
Latin America	1.4
Bermuda	1.2
Barbados	0.3
Cash and Cash Equivalents	0.8
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



Fidelity International Portfolio Fund

Objective

To achieve long-term capital growth.

Portfolio Composition

Primarily equity securities of corporations throughout the world.

Top 10 Holdings	%
1. Johnson & Johnson	n.a.
2. Microsoft Corporation	n.a.
3. Lennar Corporation, Class A	n.a.
4. Motorola	n.a.
5. Univision Communications, Class A	n.a.
6. AOL Time Warner	n.a.
7. Liberty Media Corporation, Class A	n.a.
8. Viacom, Class B	n.a.
9. Intel Corporation	n.a.
10. Dell	n.a.
Total	17.0

Asset Mix as at September 30, 2003	%
Equities	
U.S.	55.6
Japan	10.6
United Kingdom	8.5
France	3.8
Canada	3.3
Spain	2.8
Australia	2.2
Switzerland	2.1
Italy	1.6
Other Countries	8.5
Cash and Cash Equivalents	1.0
Total	100.0

Compound Annual Return (in %) as at September 30, 2003



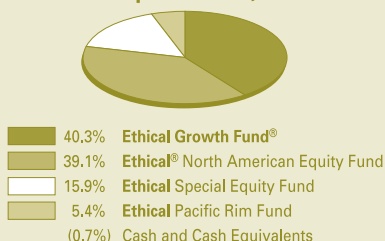
Objective

The objective of the Desjardins Ethical North American Fund is to provide long-term capital appreciation.

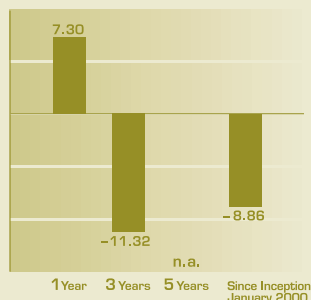
Portfolio Composition

The assets of this Fund are primarily invested in Ethical mutual funds, whose portfolios comprise shares of companies situated in Canada or the United States, or which carry out most of their operations in North America; a small portion of its assets is invested in a mutual fund whose portfolio primarily includes shares of companies of the Pacific Rim Region and Asia.

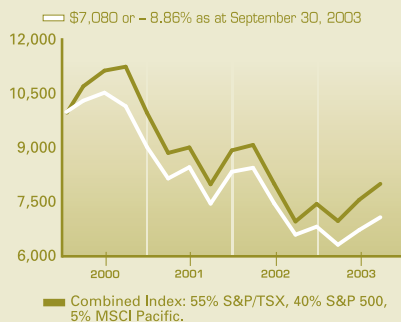
**Asset Mix
as at September 30, 2003**



**Compound Annual Return (in %)
as at September 30, 2003**



**Growth of \$10,000 Invested
Since Inception, Including
Distributions Reinvested**



INTERNATIONAL EQUITY FUNDS

Desjardins Ethical North American Fund

Overview

The underlying North American equity fund increased its weighting in the surging technology sector, but several other U.S. sectors pulled back. The underlying Pacific Rim fund was penalized by its underweighting in the Japanese market, while Canadian equities staged a solid performance.

Investment Portfolio as at September 30, 2003

	Number of Shares	Average Cost	Market Value
Underlying Funds (100.7%)			
Ethical Growth Fund®	133,647	\$ 1,361,395	\$ 1,276,326
Ethical® Special Equity Fund	25,246	286,763	503,852
Ethical North American Equity Fund	267,474	2,209,190	1,237,738
Ethical Pacific Rim Fund	36,465	257,726	171,479
Total Investments		\$ 4,115,074	3,189,395
Net Other Assets (- 0.7%)			(22,020)
Net Assets (100%)			\$ 3,167,375

Statement of Financial Highlights

	2003*	2002*	2001**	2000***	1999***
Data per Unit – A-Class					
Net Asset Value, Beginning of Year	\$ 6.599	\$ 7.458	\$ 9.027	\$ 10.000	\$ 10.000
Income and gain on investment operations					
Net investment income (loss)	(0.192)	(0.244)	(0.178)	(0.249)	—
Realized and unrealized net gain (loss) on investments	0.673	(0.615)	(1.391)	(0.724)	—
Total	0.481	(0.859)	(1.569)	(0.973)	—
Net Asset Value, End of Year	\$ 7.080	\$ 6.599	\$ 7.458	\$ 9.027	\$ 10.000

Ratios and Supplemental Data

Net assets, end of year (in thousands)	\$ 3,167	\$ 3,132	\$ 3,447	\$ 3,910	\$ 150
Average net assets (in thousands)	\$ 3,101	\$ 3,701	\$ 3,891	\$ 3,212	\$ 150
Management expense ratio (Note 4)	3.25%	3.25%	3.25%	3.25%	n.a.
Management expense ratio before waived fees	4.24%	3.96%	4.04%	3.99%	n.a.
Portfolio turnover rate	6.83%	14.19%	8.23%	41.88%	n.a.

Years Ended September 30

	2003	2002	2001	2000	1999
Annual return	7.30%	-11.53%	-26.54%	n.a.	n.a.

* Twelve-month period ended September 30.

** Nine-month period ended September 30.

*** Twelve-month period ended December 31.

Ethical Growth Fund®**Objective**

To maximize long-term capital return.

Portfolio Composition

Primarily shares of Canadian corporations and, at the Manager's discretion, investments in other classes of assets such as short-term investments, bonds and debentures.

Top 10 Holdings

	%
1. Bank of Nova Scotia	7.0
2. Alcan	6.6
3. Canadian Imperial Bank of Commerce	6.5
4. Barrick Gold Corporation	5.2
5. Petro-Canada	4.5
6. Manulife Financial Corporation	4.4
7. EnCana Corporation	4.3
8. Toronto-Dominion Bank	3.8
9. Investors Group	3.6
10. Canadian National Railway Company	2.8
Total	48.7

**Asset Mix
as at September 30, 2003**

	%
North American Equities	
Financials	27.2
Materials	15.1
Industrials	13.8
Energy	13.7
Consumer Discretionary	7.7
Information Technology	6.7
Telecommunication Services	5.0
Health Care	0.9
Consumer Staples	0.4
Foreign Equities	6.2
Trust Units	0.5
Cash and Cash Equivalents	2.8

Total **100.0**

**Compound Annual Return (in %)
as at September 30, 2003****Ethical® Special Equity Fund****Objective**

To provide long-term growth of capital.

Portfolio Composition

Primarily common shares of Canadian companies listed on a stock exchange and having a market capitalization of less than \$500 million (small-cap), and small-cap foreign companies listed on an international stock exchange within the foreign content limits permitted by Canadian tax law.

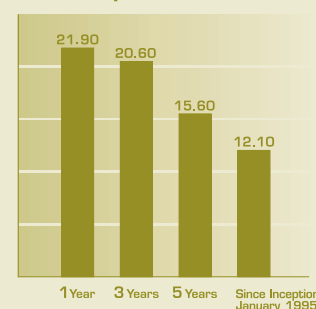
Top 10 Holdings

	%
1. IAMGold Corporation	6.4
2. E-L Financial Corporation	5.3
3. Crescent Point Energy Trust – Units	4.2
4. Major Drilling Group International	4.0
5. Cascades	4.0
6. Vermilion Energy Trust – Units	4.0
7. TSX Group	4.0
8. Hip Interactive	3.9
9. AltaGas Services	3.6
10. Uni-Select	3.4
Total	42.8

**Asset Mix
as at September 30, 2003**

	%
Canadian Equities	
Energy	15.7
Financials	14.5
Materials	13.7
Consumer Discretionary	11.3
Industrials	9.6
Information Technology	3.1
Telecommunication Services	2.7
Trust Units	17.3
Cash and Cash Equivalents	12.1

Total **100.0**

**Compound Annual Return (in %)
as at September 30, 2003**

Desjardins Ethical North American Fund

Underlying Funds

Asset Mix as at September 30, 2003

	%
U.S. Equities	
Information Technology	26.8
Consumer Discretionary	24.3
Financials	24.0
Health Care	16.4
Industrials	2.4
Telecommunication Services	0.9
Foreign Equities	4.4
Cash and Cash Equivalents	0.8

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical® North American Equity Fund

Objective

To maximize long-term capital return.

Portfolio Composition

Primarily shares of North American companies and, at the Manager's discretion, investments in other classes of assets such as bonds, money market securities and debentures.

Top 10 Holdings

	%
1. Microsoft Corporation	6.3
2. Intel Corporation	4.6
3. Wal-Mart Stores	4.6
4. MBNA Corporation	4.2
5. Citigroup	4.1
6. Lowe's Companies	4.0
7. American International Group	3.9
8. Pfizer	3.9
9. Dell	3.8
10. Amgen	3.6

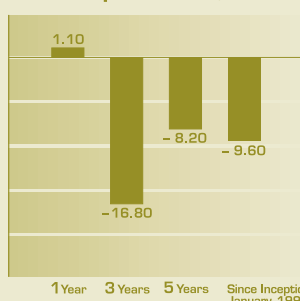
Total 43.0

Asset Mix as at September 30, 2003

	%
Equities	
Japan	54.8
Australia	15.5
South Korea	7.6
Hong Kong	6.8
Taiwan	6.0
India	5.3
Singapore	2.5
Malaysia	1.2
Thailand	0.5
Cash and Cash Equivalents	(0.2)

Total 100.0

Compound Annual Return (in %) as at September 30, 2003



Ethical® Pacific Rim Fund

Objective

To achieve long-term growth of capital.

Portfolio Composition

Primarily equity securities traded on the stock markets of one or several of the countries in the Pacific Rim Region and Asia.

Top 10 Holdings

	%
1. Canon	4.5
2. Bharti Tele-Ventures	3.2
3. Ricoh Company	2.8
4. Mitsubishi Corporation	2.6
5. Toyota Motor Corporation	2.6
6. Hoya Corporation	2.5
7. Suzuki Motor Corporation	2.5
8. BHP Billiton	2.4
9. East Japan Railway Company	2.3
10. KDDI Corporation	2.2

Total 27.6

FINANCIAL STATEMENTS

Auditors' Report

To the Unitholders of

Desjardins Money Market Fund
Desjardins Mortgage Fund
Desjardins Bond Fund
Desjardins Balanced Fund
Desjardins Québec Fund
Desjardins Worldwide Balanced Fund
Desjardins Diversified Secure Fund
Desjardins Diversified Moderate Fund
Desjardins Diversified Audacious Fund
Desjardins Diversified Ambitious Fund
Desjardins Select Balanced Fund
Desjardins Select Cartier Fund
Desjardins Ethical Income Fund
Desjardins Ethical Balanced Fund
Desjardins Dividend Fund
Desjardins Canadian Equity Value Fund

Desjardins Equity Fund
Desjardins Environment Fund
Desjardins Growth Fund
Desjardins High Potential Sectors Fund
Desjardins Select Canadian Fund
Desjardins American Market Fund
Desjardins International Fund
Desjardins International RSP Fund
Desjardins Europe Fund
Desjardins Asia/Pacific Fund
Desjardins Global Science and Technology Fund
Desjardins Select American Fund
Desjardins Select Global Fund
Desjardins Ethical North American Fund

collectively referred to as the "Desjardins Funds"

We have audited the statements of net assets of the Desjardins Funds as at September 30, 2003 and 2002, the investment portfolios as at September 30, 2003 and the statements of operations, the changes in investments and the changes in net assets of the aforementioned Funds for the years then ended, as well as the statements of financial highlights for the years ended September 30, 2003 to 2001 and December 31, 2000 and 1999. These financial statements are the responsibility of the Desjardins Funds' Manager. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Manager, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Desjardins Funds as at September 30, 2003 and 2002, their investment portfolio as at September 30, 2003, the results of their operations, the changes in their investments and the changes in their net assets for the years then ended, as well as the financial highlights for the years ended September 30, 2003 to 2001 and December 31, 2000 and 1999 in accordance with Canadian generally accepted accounting principles.

Raymond Chabot Grant Thornton
General Partnership
Chartered Accountants
Montréal, November 12, 2003

Statements of Net Assets

As at September 30

Assets

	2003	2002	2003	2002	2003	2002	2003	2002
Investments at market value	\$ 602,239,603	\$ 602,802,242	\$ 273,751,263	\$ 211,756,975	\$ 234,454,146	\$ 187,639,643	\$ 365,772,758	\$ 379,430,103
Money market securities	—	—	92,836,859	35,950,958	23,376,172	11,133,583	13,738,960	15,984,567
Cash (bank overdraft)	206,763	1,327,653	797,036	(2,487,580)	(817,774)	(209,687)	310,987	261,819
Receivable for investment sales	199,276	—	—	—	—	—	1,192,404	731,432
Interest, dividends and other receivables	2,943,091	2,772,098	3,038,226	2,061,293	4,435,919	3,568,951	2,787,690	3,190,849
Subscriptions receivable	202,680	204,636	21,000	32,411	8,173	53,266	1,500	—
	<u>605,791,413</u>	<u>607,106,629</u>	<u>370,444,384</u>	<u>247,314,057</u>	<u>261,456,636</u>	<u>202,185,756</u>	<u>383,804,299</u>	<u>399,598,770</u>

Liabilities

Payable for investment purchases	6,009,783	—	2,036,669	—	—	—	1,297,698	598,395
Accrued expenses	774,710	487,030	864,432	680,428	356,441	159,622	628,883	326,671
Redeemed units payable	517,665	107,274	5,993	—	32,387	63,128	20,582	29,111
Income for distribution to unitholders	944,406	969,082	—	—	—	—	—	—
	<u>8,246,564</u>	<u>1,563,386</u>	<u>2,907,094</u>	<u>680,428</u>	<u>388,828</u>	<u>222,750</u>	<u>1,947,163</u>	<u>954,177</u>

Net Assets and Unitholders' Equity

	<u>\$ 597,544,849</u>	<u>\$ 605,543,243</u>	<u>\$ 367,537,290</u>	<u>\$ 246,633,629</u>	<u>\$ 261,067,808</u>	<u>\$ 201,963,006</u>	<u>\$ 381,857,136</u>	<u>\$ 398,644,593</u>
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Units Outstanding

A-Class	<u>59,724,977</u>	<u>60,524,218</u>	<u>80,046,889</u>	<u>53,803,088</u>	<u>48,021,435</u>	<u>37,781,157</u>	<u>26,996,297</u>	<u>30,234,786</u>
T-Class	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Net Asset Value per Unit

A-Class	<u>\$ 10.005</u>	<u>\$ 10.005</u>	<u>\$ 4.592</u>	<u>\$ 4.584</u>	<u>\$ 5.436</u>	<u>\$ 5.346</u>	<u>\$ 14.145</u>	<u>\$ 13.185</u>
T-Class	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Signed on behalf of the Board of Directors of
Desjardins Investment Management Inc.,
Fund Manager:
Jean Landry and François Gagnon, Directors

Statements of Changes in Net Assets

Years Ended September 30

Net Assets, Beginning of Year

	<u>\$ 605,543,243</u>	<u>\$ 253,367,556</u>	<u>\$ 246,633,629</u>	<u>\$ 136,033,365</u>	<u>\$ 201,963,006</u>	<u>\$ 183,648,216</u>	<u>\$ 398,644,593</u>	<u>\$ 491,576,208</u>
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Unit Transactions

Units sold	447,846,090	883,194,166	171,469,054	164,571,606	84,479,291	64,033,528	17,490,320	38,563,559
Units issued on reinvestment of distributions	11,378,633	8,155,396	9,513,078	7,190,074	8,948,108	8,390,126	5,665,874	16,307,069
Units redeemed	467,223,117	539,173,875	60,842,263	60,600,702	38,493,401	55,675,785	67,065,233	106,368,479
	<u>(7,998,394)</u>	<u>352,175,687</u>	<u>120,139,869</u>	<u>111,160,978</u>	<u>54,933,998</u>	<u>16,747,869</u>	<u>(43,909,039)</u>	<u>(51,497,851)</u>

Increase (Decrease) in Net Assets from Operations

	<u>11,470,717</u>	<u>8,629,877</u>	<u>10,456,252</u>	<u>6,791,411</u>	<u>13,273,530</u>	<u>10,173,279</u>	<u>32,825,003</u>	<u>(25,078,065)</u>
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Distributions to Investors

Net investment income	11,470,717	8,629,877	9,692,460	7,352,125	9,102,726	8,606,358	5,703,421	6,302,089
Net gain on sale of investments	—	—	—	—	—	—	—	10,053,610
Return of capital	—	—	—	—	—	—	—	—
	<u>11,470,717</u>	<u>8,629,877</u>	<u>9,692,460</u>	<u>7,352,125</u>	<u>9,102,726</u>	<u>8,606,358</u>	<u>5,703,421</u>	<u>16,355,699</u>

Net Assets, End of Year

	<u>\$ 597,544,849</u>	<u>\$ 605,543,243</u>	<u>\$ 367,537,290</u>	<u>\$ 246,633,629</u>	<u>\$ 261,067,808</u>	<u>\$ 201,963,006</u>	<u>\$ 381,857,136</u>	<u>\$ 398,644,593</u>
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The accompanying Notes are an integral part
of these financial statements.

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Statements of Net Assets

As at September 30

Assets

	Diversified Ambitious		Select Balanced		Select Cartier		Ethical Income	
	2003	2002	2003	2002	2003	2002	2003	2002
Investments at market value	\$ 39,637,603	\$ 40,981,664	\$ 183,860,995	\$ 179,874,102	\$ 106,877,113	\$ 97,672,296	\$ 3,131,845	\$ 2,982,996
Money market securities	3,313,051	1,688,920	—	—	—	—	—	—
Cash (bank overdraft)	46,567	228,770	(1,336,398)	641,630	(651,169)	(363,115)	(179)	(1,759)
Receivable for investment sales	74,664	—	—	—	—	—	—	—
Interest, dividends and other receivables	203,919	217,852	417,088	494,955	324,108	269,410	8,612	3,212
Subscriptions receivable	—	—	—	—	—	—	—	—
	<u>43,275,804</u>	<u>43,117,206</u>	<u>182,941,685</u>	<u>181,010,687</u>	<u>106,550,052</u>	<u>97,578,591</u>	<u>3,140,278</u>	<u>2,984,449</u>

Liabilities

Payable for investment purchases	108,608	4,954	—	—	—	—	—	—
Accrued expenses	96,395	51,102	291,679	190,909	194,764	110,004	21,859	14,355
Redeemed units payable	—	—	—	—	10,898	1,738	—	—
Income for distribution to unitholders	—	—	—	—	—	—	—	—
	<u>205,003</u>	<u>56,056</u>	<u>291,679</u>	<u>190,909</u>	<u>205,662</u>	<u>111,742</u>	<u>21,859</u>	<u>14,355</u>

Net Assets and Unitholders' Equity

	<u>\$ 43,070,801</u>	<u>\$ 43,061,150</u>	<u>\$ 182,650,006</u>	<u>\$ 180,819,778</u>	<u>\$ 106,344,390</u>	<u>\$ 97,466,849</u>	<u>\$ 3,118,419</u>	<u>\$ 2,970,094</u>
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Units Outstanding

A-Class	<u>4,417,950</u>	<u>4,851,695</u>	<u>18,717,242</u>	<u>20,161,712</u>	<u>9,789,387</u>	<u>9,600,910</u>	<u>338,146</u>	<u>335,601</u>
T-Class	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Net Asset Value per Unit

A-Class	<u>\$ 9.749</u>	<u>\$ 8.875</u>	<u>\$ 9.758</u>	<u>\$ 8.968</u>	<u>\$ 10.863</u>	<u>\$ 10.152</u>	<u>\$ 9.222</u>	<u>\$ 8.850</u>
T-Class	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Signed on behalf of the Board of Directors of
Desjardins Investment Management Inc.,
Fund Manager:
Jean Landry and François Gagnon, Directors

Statements of Changes in Net Assets

Years Ended September 30

Net Assets, Beginning of Year

	<u>\$ 43,061,150</u>	<u>\$ 54,619,614</u>	<u>\$ 180,819,778</u>	<u>\$ 197,339,003</u>	<u>\$ 97,466,849</u>	<u>\$ 78,295,338</u>	<u>\$ 2,970,094</u>	<u>\$ 2,867,734</u>
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Unit Transactions

Units sold	2,863,668	5,770,814	13,835,718	35,509,540	14,969,028	42,228,730	468,826	707,870
Units issued on reinvestment of distributions	167,108	942,390	—	—	365,536	515,415	16,786	20,144
Units redeemed	<u>7,046,428</u>	<u>11,440,707</u>	<u>27,075,800</u>	<u>37,459,329</u>	<u>13,397,149</u>	<u>16,010,082</u>	<u>464,596</u>	<u>533,632</u>
	<u>(4,015,652)</u>	<u>(4,727,503)</u>	<u>(13,240,082)</u>	<u>(1,949,789)</u>	<u>1,937,415</u>	<u>26,734,063</u>	<u>21,016</u>	<u>194,382</u>

Increase (Decrease) in Net Assets from Operations

	<u>4,192,876</u>	<u>(5,888,057)</u>	<u>15,070,310</u>	<u>(14,569,436)</u>	<u>7,305,732</u>	<u>(7,047,105)</u>	<u>144,095</u>	<u>(71,878)</u>
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Distributions to Investors

Net investment income	167,573	240,143	—	—	186,993	257,073	12,314	3,631
Net gain on sale of investments	—	702,761	—	—	178,613	258,374	4,472	16,513
Return of capital	—	—	—	—	—	—	—	—
	<u>167,573</u>	<u>942,904</u>	<u>—</u>	<u>—</u>	<u>365,606</u>	<u>515,447</u>	<u>16,786</u>	<u>20,144</u>

Net Assets, End of Year

	<u>\$ 43,070,801</u>	<u>\$ 43,061,150</u>	<u>\$ 182,650,006</u>	<u>\$ 180,819,778</u>	<u>\$ 106,344,390</u>	<u>\$ 97,466,849</u>	<u>\$ 3,118,419</u>	<u>\$ 2,970,094</u>
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The accompanying Notes are an integral part of these financial statements.

Ethical Balanced		Dividend		Canadian Equity Value *		Equity		Environment	
2003	2002	2003	2002	2003		2003	2002	2003	2002
\$ 5,022,825	\$ 4,632,490	\$ 445,819,935	\$ 410,145,029	\$ 26,235,505		\$ 126,234,327	\$ 104,995,833	\$ 90,156,665	\$ 82,524,431
—	—	25,796,800	—	923,949		1,192,312	8,410,874	84,516	248,121
24,148	(1,136)	819,107	(1,561,014)	171,718		292,647	806,466	(935)	10,526
—	—	—	—	15,460		1,089,584	91,398	759,901	—
9,208	3,085	2,517,953	2,172,348	74,313		305,310	356,076	202,262	226,664
—	—	55,843	12,513	—		—	76,626	—	—
5,056,181	4,634,439	475,009,638	410,768,876	27,420,945		129,114,180	114,737,273	91,202,409	83,009,742
—	—	2,937,649	—	356,071		1,005,844	—	721,630	—
27,916	17,344	682,561	331,744	51,770		193,761	99,865	143,094	75,744
—	—	31,743	52,517	—		3,129	6,771	1,987	5,794
—	—	—	—	—		—	—	—	—
27,916	17,344	3,651,953	384,261	407,841		1,202,734	106,636	866,711	81,538
\$ 5,028,265	\$ 4,617,095	\$ 471,357,685	\$ 410,384,615	\$ 27,013,104		\$ 127,911,446	\$ 114,630,637	\$ 90,335,698	\$ 82,928,204
544,752	535,265	26,881,149	27,267,944	2,448,314		5,151,516	5,366,654	5,441,960	5,945,333
—	—	1,639,178	—	—		—	—	—	—
\$ 9.230	\$ 8.626	\$ 16.899	\$ 15.050	\$ 11.033		\$ 24.830	\$ 21.360	\$ 16.600	\$ 13.948
\$ —	\$ —	\$ 10.428	\$ —	\$ —		\$ —	\$ —	\$ —	\$ —
2003	2002	2003	2002	2003		2003	2002	2003	2002
\$ 4,617,095	\$ 4,453,575	\$ 410,384,615	\$ 429,817,180	\$ —		\$ 114,630,637	\$ 131,861,868	\$ 82,928,204	\$ 100,184,574
766,180	1,217,528	62,830,582	68,720,296	25,464,333		11,250,690	26,508,314	3,827,757	8,755,796
—	—	6,152,900	20,563,026	—		—	—	—	4,428,625
681,571	880,311	57,363,497	77,374,511	431,245		16,190,025	29,865,142	11,492,954	17,827,067
84,609	337,217	11,619,985	11,908,811	25,033,088		(4,939,335)	(3,356,828)	(7,665,197)	(4,642,646)
326,561	(173,697)	56,007,510	(10,599,948)	1,980,016		18,220,144	(13,874,403)	15,072,691	(8,184,758)
—	—	6,356,184	6,584,205	—		—	—	—	—
—	—	—	14,157,223	—		—	—	—	4,428,966
—	—	298,241	—	—		—	—	—	—
—	—	6,654,425	20,741,428	—		—	—	—	4,428,966
\$ 5,028,265	\$ 4,617,095	\$ 471,357,685	\$ 410,384,615	\$ 27,013,104		\$ 127,911,446	\$ 114,630,637	\$ 90,335,698	\$ 82,928,204
*Beginning of operations in December 2002.									

Statements of Net Assets

As at September 30

Assets

	Growth		High Potential Sectors		Select Canadian		American Market	
	2003	2002	2003	2002	2003	2002	2003	2002
Investments at market value	\$ 233,677,474	\$ 195,386,323	\$ 147,254,208	\$ 114,014,503	\$ 326,265,071	\$ 283,568,421	\$ 197,294,207	\$ 181,255,382
Money market securities	8,660,263	16,775,093	2,831,727	13,307,202	—	—	—	—
Cash (bank overdraft)	624,966	238,488	(1,899)	47,871	(2,005,230)	(71,488)	4,502,326	5,329,190
Receivable for investment sales	59,858	1,253,601	149,457	—	—	—	—	13,012,777
Interest, dividends and other receivables	181,281	188,428	312,166	325,253	663,247	669,450	342,024	352,759
Subscriptions receivable	3,056	13,798	1,056	26,299	18,576	430	23,555	3,213
	<u>243,206,898</u>	<u>213,855,731</u>	<u>150,546,715</u>	<u>127,721,128</u>	<u>324,941,664</u>	<u>284,166,813</u>	<u>202,162,112</u>	<u>199,953,321</u>

Liabilities

Payable for investment purchases	2,004,172	187,585	963,189	61,921	—	—	—	9,704,915
Accrued expenses	327,457	171,110	216,245	113,220	486,138	292,982	311,256	167,499
Redeemed units payable	37,248	30,602	19,508	15,732	81,182	9,657	29,549	1,959
Income for distribution to unitholders	—	—	—	—	—	—	—	—
	<u>2,368,877</u>	<u>389,297</u>	<u>1,198,942</u>	<u>190,873</u>	<u>567,320</u>	<u>302,639</u>	<u>340,805</u>	<u>9,874,373</u>

Net Assets and Unitholders' Equity

	<u>\$ 240,838,021</u>	<u>\$ 213,466,434</u>	<u>\$ 149,347,773</u>	<u>\$ 127,530,255</u>	<u>\$ 324,374,344</u>	<u>\$ 283,864,174</u>	<u>\$ 201,821,307</u>	<u>\$ 190,078,948</u>
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Units Outstanding

A-Class	<u>13,850,588</u>	<u>13,977,384</u>	<u>17,043,283</u>	<u>17,667,595</u>	<u>29,227,285</u>	<u>28,884,047</u>	<u>25,279,925</u>	<u>24,196,101</u>
T-Class	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Net Asset Value per Unit

A-Class	<u>\$ 17.388</u>	<u>\$ 15.272</u>	<u>\$ 8.763</u>	<u>\$ 7.218</u>	<u>\$ 11.098</u>	<u>\$ 9.828</u>	<u>\$ 7.983</u>	<u>\$ 7.856</u>
T-Class	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Signed on behalf of the Board of Directors of
Desjardins Investment Management Inc.,
Fund Manager:
Jean Landry and François Gagnon, Directors

Statements of Changes in Net Assets

Years Ended September 30

Net Assets, Beginning of Year

	<u>\$ 213,466,434</u>	<u>\$ 171,045,935</u>	<u>\$ 127,530,255</u>	<u>\$ 154,849,283</u>	<u>\$ 283,864,174</u>	<u>\$ 247,229,752</u>	<u>\$ 190,078,948</u>	<u>\$ 206,770,754</u>
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Unit Transactions

Units sold	23,613,377	65,581,879	11,005,205	29,508,564	33,345,346	94,672,861	28,399,885	69,310,402
Units issued on reinvestment of distributions	—	—	—	—	—	—	—	—
Units redeemed	<u>25,476,632</u>	<u>34,641,195</u>	<u>15,865,859</u>	<u>25,522,430</u>	<u>29,799,113</u>	<u>40,260,712</u>	<u>19,526,042</u>	<u>32,570,103</u>
	<u>(1,863,255)</u>	<u>30,940,684</u>	<u>(4,860,654)</u>	<u>3,986,134</u>	<u>3,546,233</u>	<u>54,412,149</u>	<u>8,873,843</u>	<u>36,740,299</u>

Increase (Decrease) in Net Assets from Operations

	<u>29,234,842</u>	<u>11,479,815</u>	<u>26,678,172</u>	<u>(31,305,162)</u>	<u>36,963,937</u>	<u>(17,777,727)</u>	<u>2,868,516</u>	<u>(53,432,105)</u>
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Distributions to Investors

Net investment income	—	—	—	—	—	—	—	—
Net gain on sale of investments	—	—	—	—	—	—	—	—
Return of capital	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Net Assets, End of Year

	<u>\$ 240,838,021</u>	<u>\$ 213,466,434</u>	<u>\$ 149,347,773</u>	<u>\$ 127,530,255</u>	<u>\$ 324,374,344</u>	<u>\$ 283,864,174</u>	<u>\$ 201,821,307</u>	<u>\$ 190,078,948</u>
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The accompanying Notes are an integral part of these financial statements.

International		International RSP		Europe		Asia/Pacific		Global Science and Technology	
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
\$ 144,879,452	\$ 92,068,148	\$ 20,446,621	\$ 6,042,971	\$ 42,408,852	\$ 37,923,916	\$ 10,520,602	\$ 10,063,844	\$ 28,754,639	\$ 23,412,877
3,820,710	3,578,713	—	—	332,662	2,677,734	139,122	198,628	1,882,284	2,538,437
146,419	19,375	68,911,053	44,462,774	36,039	(527,390)	3,147	45,506	(187,450)	45,742
93,437	—	—	—	13,638	910,467	13,798	24,822	314,342	17,612
209,974	176,009	541,953	326,891	21,313	15,044	4,846	1,627	32,915	23,941
7,837	100,338	1,000	—	4,370	2,570	2,236	—	—	—
149,157,829	95,942,583	89,900,627	50,832,636	42,816,874	41,002,341	10,683,751	10,334,427	30,796,730	26,038,609
682,570	732,637	—	—	—	1,536,414	51,261	—	249,057	154,050
243,605	115,721	127,164	58,076	95,891	60,841	37,145	21,066	66,261	36,645
8,724	—	2,684	—	5,532	—	1,527	—	—	—
—	—	—	—	—	—	—	—	—	—
934,899	848,358	129,848	58,076	101,423	1,597,255	89,933	21,066	315,318	190,695
\$ 148,222,930	\$ 95,094,225	\$ 89,770,779	\$ 50,774,560	\$ 42,715,451	\$ 39,405,086	\$ 10,593,818	\$ 10,313,361	\$ 30,481,412	\$ 25,847,914
5,335,098	3,725,799	11,509,550	7,040,226	5,450,438	5,423,862	1,140,560	1,194,082	5,872,648	5,436,694
—	—	—	—	—	—	—	—	—	—
\$ 27.783	\$ 25.523	\$ 7.800	\$ 7.212	\$ 7.837	\$ 7.265	\$ 9.288	\$ 8.637	\$ 5.190	\$ 4.754
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
\$ 95,094,225	\$ 70,236,658	\$ 50,774,560	\$ 21,442,674	\$ 39,405,086	\$ 43,891,753	\$ 10,313,361	\$ 10,948,104	\$ 25,847,914	\$ 22,068,576
74,916,093	68,454,988	37,801,487	45,416,405	5,343,126	11,662,111	1,072,214	1,657,070	5,209,638	18,753,670
—	—	—	—	—	52,522	—	—	—	—
31,902,166	21,558,476	4,103,754	3,354,318	5,104,846	9,090,286	1,509,418	2,698,218	2,979,630	4,009,691
43,013,927	46,896,512	33,697,733	42,062,087	238,280	2,624,347	(437,204)	(1,041,148)	2,230,008	14,743,979
10,114,778	(22,038,945)	5,298,486	(12,730,201)	3,072,085	(7,058,481)	717,661	406,405	2,403,490	(10,964,641)
—	—	—	—	—	52,533	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	52,533	—	—	—	—
\$ 148,222,930	\$ 95,094,225	\$ 89,770,779	\$ 50,774,560	\$ 42,715,451	\$ 39,405,086	\$ 10,593,818	\$ 10,313,361	\$ 30,481,412	\$ 25,847,914

Statements of Net Assets

As at September 30

Assets

	Select American		Select Global		Ethical North American	
	2003	2002	2003	2002	2003	2002
Investments at market value	\$ 76,442,987	\$ 71,374,786	\$ 178,771,774	\$ 162,310,570	\$ 3,189,395	\$ 3,153,104
Money market securities	—	—	—	—	—	—
Cash (bank overdraft)	442,359	(86,037)	531,164	(115,898)	(5,979)	(8,425)
Receivable for investment sales	—	—	—	—	—	—
Interest, dividends and other receivables	187,634	198,013	314,411	490,174	9,414	4,443
Subscriptions receivable	—	—	3,575	500	—	—
	<u>77,072,980</u>	<u>71,486,762</u>	<u>179,620,924</u>	<u>162,685,346</u>	<u>3,192,830</u>	<u>3,149,122</u>

Liabilities

Payable for investment purchases	—	—	—	—	—	—
Accrued expenses	128,792	90,227	279,116	186,666	25,455	17,587
Redeemed units payable	5,746	3,376	24,471	4,511	—	—
Income for distribution to unitholders	—	—	—	—	—	—
	<u>134,538</u>	<u>93,603</u>	<u>303,587</u>	<u>191,177</u>	<u>25,455</u>	<u>17,587</u>

Net Assets and Unitholders' Equity

	<u>\$ 76,938,442</u>	<u>\$ 71,393,159</u>	<u>\$ 179,317,337</u>	<u>\$ 162,494,169</u>	<u>\$ 3,167,375</u>	<u>\$ 3,131,535</u>
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Units Outstanding

A-Class	<u>12,967,615</u>	<u>12,668,087</u>	<u>21,837,066</u>	<u>21,502,549</u>	<u>447,349</u>	<u>474,578</u>
T-Class	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Net Asset Value per Unit

A-Class	<u>\$ 5.933</u>	<u>\$ 5.636</u>	<u>\$ 8.212</u>	<u>\$ 7.557</u>	<u>\$ 7.080</u>	<u>\$ 6.599</u>
T-Class	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Signed on behalf of the Board of Directors of
Desjardins Investment Management Inc.,
Fund Manager:
Jean Landry and François Gagnon, Directors

Statements of Changes in Net Assets

Years Ended September 30

Net Assets, Beginning of Year

	<u>\$ 71,393,159</u>	<u>\$ 68,577,514</u>	<u>\$ 162,494,169</u>	<u>\$ 174,008,880</u>	<u>\$ 3,131,535</u>	<u>\$ 3,446,689</u>
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Unit Transactions

Units sold	11,444,436	36,650,780	20,363,389	56,681,691	277,662	744,487
Units issued on reinvestment of distributions	—	—	—	2,111,989	—	—
Units redeemed	9,556,693	13,856,738	17,469,252	27,699,585	456,446	633,082
	<u>1,887,743</u>	<u>22,794,042</u>	<u>2,894,137</u>	<u>31,094,095</u>	<u>(178,784)</u>	<u>111,405</u>

Increase (Decrease) in Net Assets from Operations

	<u>3,657,540</u>	<u>(19,978,397)</u>	<u>13,929,031</u>	<u>(40,496,685)</u>	<u>214,624</u>	<u>(426,559)</u>
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Distributions to Investors

Net investment income	—	—	—	—	—	—
Net gain on sale of investments	—	—	—	2,112,121	—	—
Return of capital	—	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,112,121</u>	<u>—</u>	<u>—</u>

Net Assets, End of Year

	<u>\$ 76,938,442</u>	<u>\$ 71,393,159</u>	<u>\$ 179,317,337</u>	<u>\$ 162,494,169</u>	<u>\$ 3,167,375</u>	<u>\$ 3,131,535</u>
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The accompanying Notes are an integral part
of these financial statements.

Statements of Operations

Years Ended September 30

Investment Income

	2003	2002	2003	2002	2003	2002	2003	2002
Interest	\$ 18,296,144	\$ 15,049,108	\$ 15,316,844	\$ 11,142,937	\$ 13,268,349	\$ 12,241,699	\$ 8,601,782	\$ 10,710,758
Dividends	—	—	—	—	—	—	5,350,578	6,414,927
Distributions received from underlying funds	—	—	—	—	—	—	—	—
Income (loss) from derivative financial instruments	—	—	—	—	—	—	—	—
	<u>18,296,144</u>	<u>15,049,108</u>	<u>15,316,844</u>	<u>11,142,937</u>	<u>13,268,349</u>	<u>12,241,699</u>	<u>13,952,360</u>	<u>17,125,685</u>

Expenses

Management fees, net amount (Note 4)	6,350,614	5,972,675	4,864,752	3,257,190	3,601,960	3,116,665	7,422,620	9,162,595
Fees on foreign investments	—	—	—	—	—	—	54,061	51,727
Reports to unitholders	1,444,987	760,045	678,571	300,011	515,719	330,333	952,151	877,181
Filing fees	21,627	161,334	77,445	85,139	44,807	43,039	19,246	37,270
Administrative	719,762	396,255	343,940	151,608	259,262	156,918	517,051	451,149
Audit fees	11,417	13,091	6,034	3,998	4,271	3,750	6,788	7,685
	<u>8,548,407</u>	<u>7,303,400</u>	<u>5,970,742</u>	<u>3,797,946</u>	<u>4,426,019</u>	<u>3,650,705</u>	<u>8,971,917</u>	<u>10,587,607</u>
Expenses paid by the Manager	(1,722,980)	(884,169)	(393,706)	(63,847)	(296,670)	(77,708)	(625,817)	(264,228)
	<u>6,825,427</u>	<u>6,419,231</u>	<u>5,577,036</u>	<u>3,734,099</u>	<u>4,129,349</u>	<u>3,572,997</u>	<u>8,346,100</u>	<u>10,323,379</u>
	<u>11,470,717</u>	<u>8,629,877</u>	<u>9,739,808</u>	<u>7,408,838</u>	<u>9,139,000</u>	<u>8,668,702</u>	<u>5,606,260</u>	<u>6,802,306</u>

Net Investment Income (Loss)

Realized and Unrealized Gains (Losses) on Investments

Net gain (loss) on sale of investments	—	—	(1,279,596)	(441,179)	(55,911)	(595,002)	(7,767,620)	(21,127,896)
Change in unrealized appreciation (depreciation) of investments and net other assets	—	—	1,996,040	(176,248)	4,190,441	2,099,579	34,986,363	(10,752,475)
	<u>—</u>	<u>—</u>	<u>716,444</u>	<u>(617,427)</u>	<u>4,134,530</u>	<u>1,504,577</u>	<u>27,218,743</u>	<u>(31,880,371)</u>
Net Gain (Loss) on Investments								
Increase (Decrease) in Net Assets from Operations	<u>\$ 11,470,717</u>	<u>\$ 8,629,877</u>	<u>\$ 10,456,252</u>	<u>\$ 6,791,411</u>	<u>\$ 13,273,530</u>	<u>\$ 10,173,279</u>	<u>\$ 32,825,003</u>	<u>\$ (25,078,065)</u>

Statements of Changes in Investments

Years Ended September 30

Average or Amortized Cost of Investments, Beginning of Year

Acquisition of investments	2,911,847,074	3,427,808,894	152,711,993	144,311,896	133,387,501	65,472,542	191,368,054	242,395,084
	<u>3,514,649,316</u>	<u>3,678,887,213</u>	<u>363,445,670</u>	<u>262,730,217</u>	<u>318,955,875</u>	<u>245,613,963</u>	<u>599,921,871</u>	<u>723,466,476</u>
Proceeds on sale of investments	2,912,409,713	3,076,084,971	91,434,149	51,555,361	90,707,528	59,450,587	232,244,142	293,784,763
Net gain (loss) on sale of investments	—	—	(1,279,596)	(441,179)	(55,911)	(595,002)	(7,767,620)	(21,127,896)
	<u>2,912,409,713</u>	<u>3,076,084,971</u>	<u>92,713,745</u>	<u>51,996,540</u>	<u>90,763,439</u>	<u>60,045,589</u>	<u>240,011,762</u>	<u>314,912,659</u>

Average or Amortized Cost of Investments, End of Year

	<u>\$ 602,239,603</u>	<u>\$ 602,802,242</u>	<u>\$270,731,925</u>	<u>\$210,733,677</u>	<u>\$228,192,436</u>	<u>\$185,568,374</u>	<u>\$359,910,109</u>	<u>\$408,553,817</u>
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The accompanying Notes are an integral part of these financial statements.

Statements of Operations

Years Ended September 30

Investment Income

	Québec		Worldwide Balanced		Diversified Secure		Diversified Moderate	
	2003	2002	2003	2002	2003	2002	2003	2002
Interest	\$ 5,160,812	\$ 5,023,784	\$ 1,411,135	\$ 2,031,456	\$ 4,138,485	\$ 4,805,531	\$ 11,332,853	\$ 13,868,517
Dividends	2,565,872	2,129,539	274,282	42,234	384,019	457,392	1,889,782	2,343,406
Distributions received from underlying funds	—	—	—	—	—	—	—	—
Income (loss) from derivative financial instruments	—	—	1,014,851	(7,923,739)	—	—	—	—
	<u>7,726,684</u>	<u>7,153,323</u>	<u>2,700,268</u>	<u>(5,850,049)</u>	<u>4,522,504</u>	<u>5,262,923</u>	<u>13,222,635</u>	<u>16,211,923</u>
Expenses								
Management fees, net amount (Note 4)	4,379,335	4,088,137	1,137,863	1,438,390	1,824,995	2,182,846	4,835,425	5,828,530
Fees on foreign investments	—	—	2,700	1,458	22,610	21,458	37,806	35,385
Reports to unitholders	534,826	343,543	132,218	127,942	275,173	237,835	678,860	604,519
Filing fees	29,162	45,160	13,591	15,502	15,381	23,146	18,714	30,499
Administrative	267,790	166,573	78,640	78,025	148,078	121,578	344,045	291,970
Audit fees	4,288	3,907	926	1,061	1,984	2,271	4,877	5,550
	<u>5,215,401</u>	<u>4,647,320</u>	<u>1,365,938</u>	<u>1,662,378</u>	<u>2,288,221</u>	<u>2,589,134</u>	<u>5,919,727</u>	<u>6,796,453</u>
Expenses paid by the Manager	(303,998)	(62,494)	(89,829)	(49,230)	(164,471)	(48,951)	(414,648)	(160,745)
	<u>4,911,403</u>	<u>4,584,826</u>	<u>1,276,109</u>	<u>1,613,148</u>	<u>2,123,750</u>	<u>2,540,183</u>	<u>5,505,079</u>	<u>6,635,708</u>
Net Investment Income (Loss)	<u>2,815,281</u>	<u>2,568,497</u>	<u>1,424,159</u>	<u>(7,463,197)</u>	<u>2,398,754</u>	<u>2,722,740</u>	<u>7,717,556</u>	<u>9,576,215</u>
Realized and Unrealized Gains (Losses) on Investments								
Net gain (loss) on sale of investments	(1,904,533)	(11,835,474)	(1,368,756)	729,472	(2,343,577)	(1,131,824)	(11,179,373)	(7,105,467)
Change in unrealized appreciation (depreciation) of investments and net other assets	22,809,858	(5,401,815)	1,862,352	(1,697,365)	4,104,383	(3,023,783)	19,608,319	(13,541,750)
Net Gain (Loss) on Investments	<u>20,905,325</u>	<u>(17,237,289)</u>	<u>493,596</u>	<u>(967,893)</u>	<u>1,760,806</u>	<u>(4,155,607)</u>	<u>8,428,946</u>	<u>(20,647,217)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 23,720,606</u>	<u>\$ (14,668,792)</u>	<u>\$ 1,917,755</u>	<u>\$ (8,431,090)</u>	<u>\$ 4,159,560</u>	<u>\$ (1,432,867)</u>	<u>\$ 16,146,502</u>	<u>\$ (11,071,002)</u>

Statements of Changes in Investments

Years Ended September 30

Average or Amortized Cost of Investments, Beginning of Year

	2003	2002	2003	2002	2003	2002	2003	2002
Average or Amortized Cost of Investments, Beginning of Year	\$ 202,828,256	\$ 163,439,284	\$ 53,339,114	\$ 63,396,608	\$ 68,524,308	\$ 72,959,960	\$ 294,953,744	\$ 332,472,678
Acquisition of investments	<u>30,969,416</u>	<u>76,937,096</u>	<u>194,990,712</u>	<u>304,255,044</u>	<u>53,814,082</u>	<u>47,622,132</u>	<u>227,152,466</u>	<u>216,794,661</u>
	<u>233,797,672</u>	<u>240,376,380</u>	<u>248,329,826</u>	<u>367,651,652</u>	<u>122,338,390</u>	<u>120,582,092</u>	<u>522,106,210</u>	<u>549,267,339</u>
Proceeds on sale of investments	21,929,119	25,712,650	196,367,231	315,042,010	67,077,046	50,925,960	250,567,822	247,208,128
Net gain (loss) on sale of investments	(1,904,533)	(11,835,474)	(1,368,756)	729,472	(2,343,577)	(1,131,824)	(11,179,373)	(7,105,467)
	<u>23,833,652</u>	<u>37,548,124</u>	<u>197,735,987</u>	<u>314,312,538</u>	<u>69,420,623</u>	<u>52,057,784</u>	<u>261,747,195</u>	<u>254,313,595</u>
Average or Amortized Cost of Investments, End of Year	<u>\$ 209,964,020</u>	<u>\$ 202,828,256</u>	<u>\$ 50,593,839</u>	<u>\$ 53,339,114</u>	<u>\$ 52,917,767</u>	<u>\$ 68,524,308</u>	<u>\$ 260,359,015</u>	<u>\$ 294,953,744</u>

The accompanying Notes are an integral part of these financial statements.

Diversified Audacious		Diversified Ambitious		Select Balanced		Select Cartier		Ethical Income																					
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002																				
\$ 3,377,071 1,820,631 — — 5,197,702	\$ 4,185,864 2,332,458 — — 6,518,322	\$ 490,575 727,334 — — 1,217,909	\$ 584,403 886,652 — — 1,471,055	\$ 4,762 — 1,304,734 — 1,309,496	\$ 1,423 — 888,139 — 889,562	\$ 4,434 — 762,091 — 744,007	\$ 8,078 — 735,929 — 744,007	\$ 138 — 103,997 — 104,135	\$ 85 — 89,208 — 89,293																				
										2,620,481	3,342,217	800,067	995,154	3,392,394	833,711	270,135	315,387	58,102	58,346										
										38,466	37,974	28,259	28,626	—	—	—	—	—	—										
										348,417	331,854	105,095	98,272	437,435	361,047	242,976	150,989	7,235	5,258										
										14,529	20,403	12,686	15,492	16,357	26,300	4,421	20,133	14,405	14,464										
										183,833	173,778	63,680	66,563	228,634	189,684	134,068	102,319	39,320	39,362										
										2,442	2,935	746	851	3,226	3,656	1,945	1,864	56	54										
										3,208,168	3,909,161	1,010,533	1,204,958	4,078,046	1,414,398	653,545	590,692	119,118	117,484										
										(222,271)	(89,485)	(72,917)	(35,753)	(159,866)	(120,581)	(123,350)	(96,195)	(26,187)	(22,865)										
										2,985,897	3,819,676	937,616	1,169,205	3,918,180	1,293,817	530,195	494,497	92,931	94,619										
										2,211,805	2,698,646	280,293	301,850	(2,608,684)	(404,255)	236,330	249,510	11,204	(5,326)										
(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253																				
										17,297,838	(12,313,979)	7,132,527	(4,269,658)	26,531,864	(10,369,302)	7,122,115	(6,993,714)	151,517	(69,805)										
										7,748,218	(17,675,342)	3,912,583	(6,189,907)	17,678,994	(14,165,181)	7,069,402	(7,296,615)	132,891	(66,552)										
										\$ 9,960,023	\$ (14,976,696)	\$ 4,192,876	\$ (5,888,057)	\$ 15,070,310	\$ (14,569,436)	\$ 7,305,732	\$ (7,047,105)	\$ 144,095	\$ (71,878)										
										2003	2002	2003	2002	2003	2002	2003	2002	2003	2002										
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,428,674	22,593,168	21,455,175	50,820,144	6,450,215	55,876,183	306,258	653,142
																				231,811,805	281,547,910	64,701,328	76,362,796	238,685,075	274,963,146	116,742,445	139,720,531	3,636,267	3,792,056
																				92,821,711	118,722,558	20,685,318	25,169,893	35,147,276	53,937,367	4,314,800	29,125,400	290,300	465,300
																				(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253
																				102,371,331	124,083,921	23,905,262	27,090,142	44,000,146	57,733,246	4,367,513	29,428,301	308,926	462,047
\$ 129,440,474	\$ 157,463,989	\$ 40,796,066	\$ 49,272,654	\$ 194,684,929	\$ 217,229,900	\$ 112,374,932	\$ 110,292,230	\$ 3,327,341	\$ 3,330,009																				
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002																				
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,428,674	22,593,168	21,455,175	50,820,144	6,450,215	55,876,183	306,258	653,142
										231,811,805	281,547,910	64,701,328	76,362,796	238,685,075	274,963,146	116,742,445	139,720,531	3,636,267	3,792,056										
										92,821,711	118,722,558	20,685,318	25,169,893	35,147,276	53,937,367	4,314,800	29,125,400	290,300	465,300										
										(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253										
										102,371,331	124,083,921	23,905,262	27,090,142	44,000,146	57,733,246	4,367,513	29,428,301	308,926	462,047										
										\$ 129,440,474	\$ 157,463,989	\$ 40,796,066	\$ 49,272,654	\$ 194,684,929	\$ 217,229,900	\$ 112,374,932	\$ 110,292,230	\$ 3,327,341	\$ 3,330,009										
										2003	2002	2003	2002	2003	2002	2003	2002	2003	2002										
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,428,674	22,593,168	21,455,175	50,820,144	6,450,215	55,876,183	306,258	653,142
231,811,805	281,547,910	64,701,328	76,362,796	238,685,075	274,963,146	116,742,445	139,720,531	3,636,267	3,792,056																				
92,821,711	118,722,558	20,685,318	25,169,893	35,147,276	53,937,367	4,314,800	29,125,400	290,300	465,300																				
(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253																				
102,371,331	124,083,921	23,905,262	27,090,142	44,000,146	57,733,246	4,367,513	29,428,301	308,926	462,047																				
\$ 129,440,474	\$ 157,463,989	\$ 40,796,066	\$ 49,272,654	\$ 194,684,929	\$ 217,229,900	\$ 112,374,932	\$ 110,292,230	\$ 3,327,341	\$ 3,330,009																				
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002																				
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,428,674	22,593,168	21,455,175	50,820,144	6,450,215	55,876,183	306,258	653,142
										231,811,805	281,547,910	64,701,328	76,362,796	238,685,075	274,963,146	116,742,445	139,720,531	3,636,267	3,792,056										
										92,821,711	118,722,558	20,685,318	25,169,893	35,147,276	53,937,367	4,314,800	29,125,400	290,300	465,300										
										(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253										
										102,371,331	124,083,921	23,905,262	27,090,142	44,000,146	57,733,246	4,367,513	29,428,301	308,926	462,047										
										\$ 129,440,474	\$ 157,463,989	\$ 40,796,066	\$ 49,272,654	\$ 194,684,929	\$ 217,229,900	\$ 112,374,932	\$ 110,292,230	\$ 3,327,341	\$ 3,330,009										
										2003	2002	2003	2002	2003	2002	2003	2002	2003	2002										
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,428,674	22,593,168	21,455,175	50,820,144	6,450,215	55,876,183	306,258	653,142
231,811,805	281,547,910	64,701,328	76,362,796	238,685,075	274,963,146	116,742,445	139,720,531	3,636,267	3,792,056																				
92,821,711	118,722,558	20,685,318	25,169,893	35,147,276	53,937,367	4,314,800	29,125,400	290,300	465,300																				
(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253																				
102,371,331	124,083,921	23,905,262	27,090,142	44,000,146	57,733,246	4,367,513	29,428,301	308,926	462,047																				
\$ 129,440,474	\$ 157,463,989	\$ 40,796,066	\$ 49,272,654	\$ 194,684,929	\$ 217,229,900	\$ 112,374,932	\$ 110,292,230	\$ 3,327,341	\$ 3,330,009																				
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002																				
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,428,674	22,593,168	21,455,175	50,820,144	6,450,215	55,876,183	306,258	653,142
										231,811,805	281,547,910	64,701,328	76,362,796	238,685,075	274,963,146	116,742,445	139,720,531	3,636,267	3,792,056										
										92,821,711	118,722,558	20,685,318	25,169,893	35,147,276	53,937,367	4,314,800	29,125,400	290,300	465,300										
										(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253										
										102,371,331	124,083,921	23,905,262	27,090,142	44,000,146	57,733,246	4,367,513	29,428,301	308,926	462,047										
										\$ 129,440,474	\$ 157,463,989	\$ 40,796,066	\$ 49,272,654	\$ 194,684,929	\$ 217,229,900	\$ 112,374,932	\$ 110,292,230	\$ 3,327,341	\$ 3,330,009										
										2003	2002	2003	2002	2003	2002	2003	2002	2003	2002										
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,428,674	22,593,168	21,455,175	50,820,144	6,450,215	55,876,183	306,258	653,142
231,811,805	281,547,910	64,701,328	76,362,796	238,685,075	274,963,146	116,742,445	139,720,531	3,636,267	3,792,056																				
92,821,711	118,722,558	20,685,318	25,169,893	35,147,276	53,937,367	4,314,800	29,125,400	290,300	465,300																				
(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253																				
102,371,331	124,083,921	23,905,262	27,090,142	44,000,146	57,733,246	4,367,513	29,428,301	308,926	462,047																				
\$ 129,440,474	\$ 157,463,989	\$ 40,796,066	\$ 49,272,654	\$ 194,684,929	\$ 217,229,900	\$ 112,374,932	\$ 110,292,230	\$ 3,327,341	\$ 3,330,009																				
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002																				
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,428,674	22,593,168	21,455,175	50,820,144	6,450,215	55,876,183	306,258	653,142
										231,811,805	281,547,910	64,701,328	76,362,796	238,685,075	274,963,146	116,742,445	139,720,531	3,636,267	3,792,056										
										92,821,711	118,722,558	20,685,318	25,169,893	35,147,276	53,937,367	4,314,800	29,125,400	290,300	465,300										
										(9,549,620)	(5,361,363)	(3,219,944)	(1,920,249)	(8,852,870)	(3,795,879)	(52,713)	(302,901)	(18,626)	3,253										
										102,371,331	124,083,921	23,905,262	27,090,142	44,000,146	57,733,246	4,367,513	29,428,301	308,926	462,047										
										\$ 129,440,474	\$ 157,463,989	\$ 40,796,066	\$ 49,272,654	\$ 194,684,929	\$ 217,229,900	\$ 112,374,932	\$ 110,292,230	\$ 3,327,341	\$ 3,330,009										
										2003	2002	2003	2002	2003	2002	2003	2002	2003	2002										
																				\$ 157,463,989	\$ 178,439,657	\$ 49,272,654	\$ 53,769,628	\$ 217,229,900	\$ 224,143,002	\$ 110,292,230	\$ 83,844,348	\$ 3,330,009	\$ 3,138,914
																				74,347,816	103,108,253	15,							

Statements of Operations

Years Ended September 30

Investment Income

	Ethical Balanced		Dividend		Canadian Equity Value *	Equity	
	2003	2002	2003	2002	2003	2003	2002
Interest	\$ 351	\$ 278	\$ 3,445,615	\$ 1,846,824	\$ 15,848	\$ 123,043	\$ 100,459
Dividends	—	—	14,096,784	15,345,673	297,747	2,463,862	2,467,065
Distributions received from underlying funds	107,947	88,153	—	—	—	—	—
Income (loss) from derivative financial instruments	—	—	—	—	—	—	—
	<u>108,298</u>	<u>88,431</u>	<u>17,542,399</u>	<u>17,192,497</u>	<u>313,595</u>	<u>2,586,905</u>	<u>2,567,524</u>
Expenses							
Management fees, net amount (Note 4)	91,665	94,698	8,282,240	8,393,596	297,600	2,330,121	2,681,884
Fees on foreign investments	—	—	—	—	—	—	—
Reports to unitholders	11,386	8,359	1,017,381	763,090	31,721	287,793	249,043
Filing fees	14,214	14,403	35,741	50,638	20,943	15,463	23,561
Administrative	54,149	55,476	507,383	349,826	23,300	148,956	118,601
Audit fees	87	90	7,973	7,750	346	2,119	2,230
	<u>171,501</u>	<u>173,026</u>	<u>9,850,718</u>	<u>9,564,900</u>	<u>373,910</u>	<u>2,784,452</u>	<u>3,075,319</u>
Expenses paid by the Manager	(24,599)	(20,179)	(648,230)	(250,385)	(12,340)	(159,133)	(53,673)
	<u>146,902</u>	<u>152,847</u>	<u>9,202,488</u>	<u>9,314,515</u>	<u>361,570</u>	<u>2,625,319</u>	<u>3,021,646</u>
Net Investment Income (Loss)	<u>(38,604)</u>	<u>(64,416)</u>	<u>8,339,911</u>	<u>7,877,982</u>	<u>(47,975)</u>	<u>(38,414)</u>	<u>(454,122)</u>
Realized and Unrealized Gains (Losses) on Investments							
Net gain (loss) on sale of investments	(16,317)	44,868	2,474,597	(5,951,600)	54,392	869,831	(19,039,217)
Change in unrealized appreciation (depreciation) of investments and net other assets	381,482	(154,149)	45,193,002	(12,526,330)	1,973,599	17,388,727	5,618,936
Net Gain (Loss) on Investments	<u>365,165</u>	<u>(109,281)</u>	<u>47,667,599</u>	<u>(18,477,930)</u>	<u>2,027,991</u>	<u>18,258,558</u>	<u>(13,420,281)</u>
Increase (Decrease) in Net Assets from Operations	<u>\$ 326,561</u>	<u>\$ (173,697)</u>	<u>\$ 56,007,510</u>	<u>\$ (10,599,948)</u>	<u>\$ 1,980,016</u>	<u>\$ 18,220,144</u>	<u>\$ (13,874,403)</u>

Statements of Changes in Investments

Years Ended September 30

Average or Amortized Cost of Investments, Beginning of Year

	2003	2002	2003	2002	2003	2003	2002
Acquisition of investments	\$ 5,273,177	\$ 4,944,161	\$ 412,105,444	\$ 416,370,640	\$ —	\$ 105,632,753	\$ 131,487,207
	<u>489,470</u>	<u>1,063,348</u>	<u>135,613,610</u>	<u>165,183,104</u>	<u>27,991,641</u>	<u>51,451,402</u>	<u>47,873,544</u>
	<u>5,762,647</u>	<u>6,007,509</u>	<u>547,719,054</u>	<u>581,553,744</u>	<u>27,991,641</u>	<u>157,084,155</u>	<u>179,360,751</u>
Proceeds on sale of investments	464,300	779,200	147,606,303	163,496,700	3,784,127	48,471,466	54,688,781
Net gain (loss) on sale of investments	(16,317)	44,868	2,474,597	(5,951,600)	54,392	869,831	(19,039,217)
	<u>480,617</u>	<u>734,332</u>	<u>145,131,706</u>	<u>169,448,300</u>	<u>3,729,735</u>	<u>47,601,635</u>	<u>73,727,998</u>
Average or Amortized Cost of Investments, End of Year	<u>\$ 5,282,030</u>	<u>\$ 5,273,177</u>	<u>\$ 402,587,348</u>	<u>\$ 412,105,444</u>	<u>\$ 24,261,906</u>	<u>\$ 109,482,520</u>	<u>\$ 105,632,753</u>

The accompanying Notes are an integral part of these financial statements.

*Beginning of operations in December 2002.

Environment		Growth		High Potential Sectors		Select Canadian		American Market	
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
\$ 43,965	\$ 33,650	\$ 295,437	\$ 496,887	\$ 182,463	\$ 301,164	\$ 15,063	\$ 16,836	\$ 2,076,883	\$ 4,535,939
1,634,770	1,760,360	1,358,136	789,637	1,998,551	1,681,884	—	—	1,140,075	1,128,226
—	—	—	—	—	—	1,606,052	1,079,094	—	—
—	—	—	—	—	—	—	—	2,274,361	(43,063,746)
1,678,735	1,794,010	1,653,573	1,286,524	2,181,014	1,983,048	1,621,115	1,095,930	5,491,319	(37,399,581)
1,864,663	2,148,988	4,192,951	4,251,375	2,970,902	3,541,155	5,873,694	1,630,207	3,808,651	4,377,205
—	—	—	—	—	—	—	—	—	—
208,586	183,058	517,932	359,015	328,187	302,825	706,316	482,587	480,959	398,349
12,860	19,834	19,323	39,679	14,745	22,341	23,291	49,658	20,986	36,657
107,917	88,095	265,740	177,931	168,919	144,498	360,966	249,306	277,050	229,847
1,530	1,579	4,026	3,679	2,377	2,600	5,553	5,423	3,550	3,850
2,195,556	2,441,554	4,999,972	4,831,679	3,485,130	4,013,419	6,969,820	2,417,181	4,591,196	5,045,908
(110,057)	(41,514)	(275,827)	(41,708)	(167,159)	(58,578)	(226,512)	(50,451)	(300,037)	(114,168)
2,085,499	2,400,040	4,724,145	4,789,971	3,317,971	3,954,841	6,743,308	2,366,730	4,291,159	4,931,740
(406,764)	(606,030)	(3,070,572)	(3,503,447)	(1,136,957)	(1,971,793)	(5,122,193)	(1,270,800)	1,200,160	(42,331,321)
(3,069,244)	(17,364,948)	6,264,060	(14,342,503)	(16,164,720)	(34,656,061)	(1,047,683)	220,134	(7,173,225)	(7,104,255)
18,548,699	9,786,220	26,041,354	29,325,765	43,979,849	5,322,692	43,133,813	(16,727,061)	8,841,581	(3,996,529)
15,479,455	(7,578,728)	32,305,414	14,983,262	27,815,129	(29,333,369)	42,086,130	(16,506,927)	1,668,356	(11,100,784)
\$ 15,072,691	\$ (8,184,758)	\$ 29,234,842	\$ 11,479,815	\$ 26,678,172	\$ (31,305,162)	\$ 36,963,937	\$ (17,777,727)	\$ 2,868,516	\$ (53,432,105)
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
\$ 84,336,879	\$ 110,026,118	\$ 180,098,192	\$ 166,144,877	\$ 148,408,050	\$ 176,691,658	\$ 327,878,783	\$ 274,831,380	\$ 200,934,174	\$ 194,141,581
42,603,270	37,187,395	123,522,213	122,494,148	60,675,265	95,980,447	12,557,262	98,085,271	1,148,748,799	1,183,729,188
126,940,149	147,213,513	303,620,405	288,639,025	209,083,315	272,672,105	340,436,045	372,916,651	1,349,682,973	1,377,870,769
50,450,491	45,511,686	117,536,476	94,198,330	55,250,689	89,607,994	11,946,742	45,258,002	1,134,378,330	1,169,832,340
(3,069,244)	(17,364,948)	6,264,060	(14,342,503)	(16,164,720)	(34,656,061)	(1,047,683)	220,134	(7,173,225)	(7,104,255)
53,519,735	62,876,634	111,272,416	108,540,833	71,415,409	124,264,055	12,994,425	45,037,868	1,141,551,555	1,176,936,595
\$ 73,420,414	\$ 84,336,879	\$ 192,347,989	\$ 180,098,192	\$ 137,667,906	\$ 148,408,050	\$ 327,441,620	\$ 327,878,783	\$ 208,131,418	\$ 200,934,174

Statements of Operations

Years Ended September 30

Investment Income

	International		International RSP		Europe		Asia / Pacific	
	2003	2002	2003	2002	2003	2002	2003	2002
Interest	\$ 189,989	\$ 107,630	\$ 1,628,283	\$ 828,841	\$ 27,698	\$ 45,560	\$ 3,694	\$ 7,385
Dividends	2,705,802	2,437,544	—	—	1,170,287	1,432,084	257,398	279,906
Distributions received from underlying funds	—	—	—	—	—	—	—	—
Income (loss) from derivative financial instruments	—	—	(5,848,659)	(4,326,770)	—	—	—	—
	<u>2,895,791</u>	<u>2,545,174</u>	<u>(4,220,376)</u>	<u>(3,497,929)</u>	<u>1,197,985</u>	<u>1,477,644</u>	<u>261,092</u>	<u>287,291</u>

Expenses

Management fees, net amount (Note 4)	2,562,253	2,050,296	185,058	114,642	991,178	1,136,828	234,581	272,566
Fees on foreign investments	51,143	45,909	—	—	46,993	41,077	17,894	17,175
Reports to unitholders	265,650	145,967	147,514	48,668	99,265	79,628	23,697	20,395
Filing fees	39,272	42,335	25,487	31,893	12,765	17,480	14,052	11,955
Administrative	144,443	89,203	96,285	48,299	53,315	44,979	14,236	12,790
Audit fees	2,286	1,840	1,357	917	735	837	175	2,555
	<u>3,065,047</u>	<u>2,375,550</u>	<u>455,701</u>	<u>244,419</u>	<u>1,204,251</u>	<u>1,320,829</u>	<u>304,635</u>	<u>337,436</u>
Expenses paid by the Manager	(119,653)	(17,772)	(61,374)	(8,883)	(51,479)	—	(14,272)	—
	<u>2,945,394</u>	<u>2,357,778</u>	<u>394,327</u>	<u>235,536</u>	<u>1,152,772</u>	<u>1,320,829</u>	<u>290,363</u>	<u>337,436</u>
	<u>(49,603)</u>	<u>187,396</u>	<u>(4,614,703)</u>	<u>(3,733,465)</u>	<u>45,213</u>	<u>156,815</u>	<u>(29,271)</u>	<u>(50,145)</u>

Net Investment Income (Loss)

Realized and Unrealized Gains (Losses) on Investments

Net gain (loss) on sale of investments	(2,530,935)	(3,837,843)	(1,177,482)	(176,152)	(2,093,914)	(2,300,824)	35,039	(597,274)
Change in unrealized appreciation (depreciation) of investments and net other assets	12,695,316	(18,388,498)	11,090,671	(8,820,584)	5,120,786	(4,914,472)	711,893	1,053,824
	<u>10,164,381</u>	<u>(22,226,341)</u>	<u>9,913,189</u>	<u>(8,996,736)</u>	<u>3,026,872</u>	<u>(7,215,296)</u>	<u>746,932</u>	<u>456,550</u>
Net Gain (Loss) on Investments								
Increase (Decrease) in Net Assets from Operations	<u>\$ 10,114,778</u>	<u>\$ (22,038,945)</u>	<u>\$ 5,298,486</u>	<u>\$ (12,730,201)</u>	<u>\$ 3,072,085</u>	<u>\$ (7,058,481)</u>	<u>\$ 717,661</u>	<u>\$ 406,405</u>

Statements of Changes in Investments

Years Ended September 30

Average or Amortized Cost of Investments, Beginning of Year

	2003	2002	2003	2002	2003	2002	2003	2002
Acquisition of investments	\$ 116,564,907	\$ 74,671,155	\$ 17,054,103	\$ 6,532,098	\$ 47,513,207	\$ 47,760,582	\$ 11,797,702	\$ 13,326,526
	<u>67,975,783</u>	<u>70,600,624</u>	<u>10,397,911</u>	<u>12,106,189</u>	<u>17,051,936</u>	<u>16,706,620</u>	<u>964,489</u>	<u>5,348,920</u>
	<u>184,540,690</u>	<u>145,271,779</u>	<u>27,452,014</u>	<u>18,638,287</u>	<u>64,565,143</u>	<u>64,467,202</u>	<u>12,762,191</u>	<u>18,675,446</u>

Proceeds on sale of investments	25,328,860	24,869,029	5,907,450	1,408,032	15,593,872	14,653,171	1,254,663	6,280,470
Net gain (loss) on sale of investments	(2,530,935)	(3,837,843)	(1,177,482)	(176,152)	(2,093,914)	(2,300,824)	35,039	(597,274)
	<u>27,859,795</u>	<u>28,706,872</u>	<u>7,084,932</u>	<u>1,584,184</u>	<u>17,687,786</u>	<u>16,953,995</u>	<u>1,219,624</u>	<u>6,877,744</u>

Average or Amortized Cost of Investments, End of Year

	<u>\$ 156,680,895</u>	<u>\$ 116,564,907</u>	<u>\$ 20,367,082</u>	<u>\$ 17,054,103</u>	<u>\$ 46,877,357</u>	<u>\$ 47,513,207</u>	<u>\$ 11,542,567</u>	<u>\$ 11,797,702</u>
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The accompanying Notes are an integral part of these financial statements.

Global Science and Technology		Select American		Select Global		Ethical North American	
2003	2002	2003	2002	2003	2002	2003	2002
\$ 40,593 432,825 — — — 473,418	\$ 79,474 245,565 — — — 325,039	\$ 1,897 — — — — 1,897	\$ 9,540 — — — — 9,540	\$ 1,064 — — — — 1,064	\$ 11,563 — 229,054 — — 240,617	\$ 161 — 8,315 — — 8,476	\$ 105 — — — — 105
760,688 5,275 67,955 13,391 88,716 557 936,582 (43,663) 892,919 (419,501)	807,537 2,574 48,460 20,849 69,405 595 949,420 — 949,420 (624,381)	1,388,821 — 178,226 15,532 102,956 1,332 1,686,867 (82,253) 1,604,614 (1,602,717)	206,926 — 140,057 27,732 90,251 1,486 466,452 (17,226) 449,226 (439,686)	3,738,754 — 405,963 18,609 214,801 2,999 4,381,126 (30,794) 4,350,332 (4,349,268)	886,512 — 336,049 36,805 176,780 3,369 1,439,515 (175,932) 1,263,583 (1,022,966)	59,723 — 7,549 14,395 45,057 53 126,777 (30,601) 96,176 (87,700)	71,275 — 6,565 14,373 50,198 64 142,475 (26,393) 116,082 (115,977)
(3,877,237) 6,700,228 2,822,991	(5,390,346) (4,949,914) (10,340,260)	(9,309,806) 14,570,063 5,260,257	(5,122,170) (14,416,541) (19,538,711)	(13,989,416) 32,267,715 18,278,299	(2,261,594) (37,212,125) (39,473,719)	(123,255) 425,579 302,324	21,534 (332,116) (310,582)
\$ 2,403,490	\$ (10,964,641)	\$ 3,657,540	\$ (19,978,397)	\$ 13,929,031	\$ (40,496,685)	\$ 214,624	\$ (426,559)
2003	2002	2003	2002	2003	2002	2003	2002
\$ 33,000,130 16,326,574 49,326,704 13,807,803 (3,877,237) 17,685,040	\$ 25,119,145 26,965,986 52,085,131 13,694,655 (5,390,346) 19,085,001	\$ 116,610,514 31,936,198 148,546,712 32,128,254 (9,309,806) 41,438,060	\$ 99,374,477 38,738,907 138,113,384 16,380,700 (5,122,170) 21,502,870	\$ 247,985,343 52,467,700 300,453,043 54,284,795 (13,989,416) 68,274,211	\$ 222,355,581 55,490,024 277,845,605 27,598,668 (2,261,594) 29,860,262	\$ 4,504,362 212,867 4,717,229 478,900 (123,255) 602,155	\$ 4,483,229 521,799 5,005,028 522,200 21,534 500,666
\$ 31,641,664	\$ 33,000,130	\$ 107,108,652	\$ 116,610,514	\$ 232,178,832	\$ 247,985,343	\$ 4,115,074	\$ 4,504,362

Notes to the Financial Statements

Years Ended September 30, 2003 and 2002

1. Establishment of the Funds

The Desjardins Funds are unincorporated mutual fund trusts, established on the following dates:

Desjardins Fund	
Money Market	December 15, 1988
Mortgage	June 15, 1965
Bond	November 12, 1959
Balanced	August 20, 1986
Québec	June 1, 1997
Worldwide Balanced	January 1, 1996
Diversified Secure	November 4, 1994
Diversified Moderate	November 4, 1994
Diversified Audacious	November 4, 1994
Diversified Ambitious	November 1, 1996
Select Balanced	January 1, 1999
Select Cartier	January 1, 1999
Ethical Income	December 10, 1999
Ethical Balanced	December 10, 1999
Dividend	October 15, 1993
Canadian Equity Value	December 5, 2002
Equity	October 30, 1956
Environment	September 10, 1990
Growth	October 15, 1993
High Potential Sectors	April 1, 1998
Select Canadian	January 1, 1999
American Market	January 1, 1996
International	November 12, 1959
International RSP	January 4, 2001
Europe	September 1, 1998
Asia/Pacific	September 1, 1998
Global Science and Technology	January 4, 2001
Select American	January 1, 1999
Select Global	January 1, 1999
Ethical North American	December 10, 1999

The thirty mutual fund trusts are collectively referred to as the "Funds."

The Canadian Equity Value Fund was established on December 5, 2002, at which point the initial net asset value of A-Class units stood at \$10.00 per unit.

Since December 20, 2002, a new class of units of Desjardins Québec and Dividend Funds, T-Class units, has been offered to the public.

A-Class units are intended for all investors. T-Class units, designed for investors seeking additional income on a fixed and monthly basis, are not meant to be held as part of tax deferral plans and require an initial subscription of \$10,000.

2. Significant Accounting Policies

These financial statements, prepared in accordance with Canadian generally accepted accounting principles, require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses for the year. Actual results could differ from these estimates. The significant accounting policies followed by the Funds are summarized below.

Valuation of Investments

Investments are recorded at market value, which is determined as follows:

- Money market securities are recorded at cost, which, together with the accrued interest, approximates market value.
- Equity securities are recorded at the closing sale price of the accredited stock exchange on which the corresponding security is principally traded.
- Bonds are valued based on prices obtained from recognized securities dealers; for the Desjardins Money Market Fund, bonds are presented at amortized cost, which corresponds approximately to the market value.
- Mortgages are valued according to the present value of cash flows at interest rates for mortgages that are similar in nature and duration.
- Buildings acquired by mortgage foreclosure are valued according to the estimated realizable value, measured by the present value of future expected cash flows at the effective interest rates inherent in the loans.

Cost is determined on an average cost basis. The difference between the market value and the acquisition cost of investments is shown as unrealized appreciation (depreciation) of investments and net other assets.

Other Assets and Liabilities

Other assets and liabilities recorded at cost are current assets and liabilities. As a result, their carrying amount approximates their fair market value.

Foreign Currency Forward Contracts and Stock Index Futures Contracts

Certain Funds use foreign currency forward contracts and stock index futures contracts either to hedge exchange risk relating to assets and liabilities on the statements of net assets or to invest in international markets. The market value of these contracts corresponds to the gains or losses that would result from the contract close-out on the valuation date. This value is included in the unrealized appreciation (depreciation) of investments and net other assets.

Gains and losses realized when foreign currency forward contracts are closed out are included in the net gain (loss) on sale of investments.

In the Desjardins Worldwide Balanced and American Market Funds, the net gain (loss) on foreign currency forward contracts and stock index futures contracts is shown as income (loss) from derivative financial instruments.

Forward Contracts

The Desjardins International RSP Fund may enter into forward contracts with Caisse centrale Desjardins. The value of these contracts is based on the changes in the daily net asset value per unit of the Desjardins International Fund. The Desjardins International RSP Fund receives or pays an amount based on the increase or decrease in the net asset value per unit of the underlying fund when the forward contract matures. This amount is received or paid through Caisse centrale Desjardins. The amount received or paid upon maturity of the contract is recorded in income (loss) from derivative financial instruments. The difference between the nominal value and daily market value of the contract is included in the unrealized appreciation (depreciation) of investments and net other assets. The term deposit held by the Fund with Caisse centrale Desjardins is recorded in cash (bank overdraft) on the statements of net assets.

As at September 30, 2003, Standard & Poor's rating for Caisse centrale Desjardins short-term deposits stood at "A-1+."

Investment Transactions and Income

Investment transactions are accounted for on the trade date. Income is accounted for on an accrual basis. Interest income is recorded as it is earned and dividend income is recorded on the ex-dividend date. Realized gains and losses on these investment transactions are calculated on an average cost basis.

Foreign Currency Translation

The market value of investments as well as assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the noon rate of exchange on each valuation date. The purchase and sale of securities as well as income and expenses denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the respective transaction dates. Unrealized exchange gains and losses are included in the changes in unrealized appreciation (depreciation) of investments and net other assets. Realized exchange gains and losses are included in the net gain (loss) on sale of investments; however, in the case of the Desjardins Worldwide Balanced and American Market Funds, realized foreign exchange gains and losses are included in income (loss) from derivative financial instruments.

Statements of Changes in Investments

With the exception of the Desjardins Money Market, Worldwide Balanced and American Market Funds, the statements of changes in investments do not include money market securities, as these are considered temporary investments.

3. Units and Distributions

Valuation of Units

On each business day and for each unit class in each Fund, the Manager calculates the net asset value per unit by dividing the net assets at market value by the number of units outstanding.

Net assets of each class of units in a fund correspond to the proportion of the assets of the fund attributable to this class, net of the proportion of the fund's total liabilities attributable to this class and the specific liabilities of the class. Expenses directly related to a class are applied against this class. Other income and expenses are applied against each class in proportion to their respective net asset values.

Summary of Unit Transactions

Changes in the number of units outstanding are as follows:

Notes to the Financial Statements

Years Ended September 30, 2003 and 2002

Desjardins Fund		Number of Units, Beginning of Year	Units Issued	Reinvested Units	Redeemed Units	Number of Units, End of Year
A-Class						
Money Market	2003	60,524,218	44,762,337	1,137,388	46,698,966	59,724,977
	2002	25,324,124	88,275,339	815,200	53,890,445	60,524,218
Mortgage	2003	53,803,088	37,454,420	2,089,237	13,299,856	80,046,889
	2002	29,647,950	35,805,421	1,573,826	13,224,109	53,803,088
Bond	2003	37,781,157	15,765,867	1,672,687	7,198,276	48,021,435
	2002	34,660,013	12,064,380	1,587,269	10,530,505	37,781,157
Balanced	2003	30,234,786	1,288,261	417,054	4,943,804	26,996,297
	2002	33,713,266	2,594,501	1,100,834	7,173,815	30,234,786
Québec	2003	18,277,728	3,038,247	221,488	2,279,592	19,257,871
	2002	14,504,734	5,856,739	187,031	2,270,776	18,277,728
Worldwide Balanced	2003	7,134,261	332,679	—	1,109,598	6,357,342
	2002	8,166,645	681,248	—	1,713,632	7,134,261
Diversified Secure	2003	11,549,475	827,358	226,654	2,811,076	9,792,411
	2002	12,735,512	2,031,650	247,708	3,465,395	11,549,475
Diversified Moderate	2003	27,727,329	1,376,278	723,341	5,306,280	24,520,668
	2002	31,120,691	2,983,464	834,446	7,211,272	27,727,329
Diversified Audacious	2003	14,120,697	671,808	209,151	2,392,117	12,609,539
	2002	16,137,838	1,391,101	327,571	3,735,813	14,120,697
Diversified Ambitious	2003	4,851,695	308,814	18,286	760,845	4,417,950
	2002	5,305,430	546,764	89,173	1,089,672	4,851,695
Select Balanced	2003	20,161,712	1,494,542	—	2,939,012	18,717,242
	2002	20,381,160	3,523,073	—	3,742,521	20,161,712
Select Cartier	2003	9,600,910	1,444,813	35,011	1,291,347	9,789,387
	2002	7,257,813	3,717,845	45,341	1,420,089	9,600,910
Ethical Income	2003	335,601	52,698	1,861	52,014	338,146
	2002	314,644	75,764	2,117	56,924	335,601
Ethical Balanced	2003	535,265	86,182	—	76,695	544,752
	2002	500,201	129,655	—	94,591	535,265
Dividend	2003	27,267,944	2,817,555	385,450	3,589,800	26,881,149
	2002	26,545,876	4,216,069	1,275,395	4,769,396	27,267,944
Canadian Equity Value	2003	—	2,489,487	—	41,173	2,448,314
	2002	—	—	—	—	—
Equity	2003	5,366,654	492,252	—	707,390	5,151,516
	2002	5,504,391	1,032,191	—	1,169,928	5,366,654
Environment	2003	5,945,333	249,317	—	752,690	5,441,960
	2002	6,235,596	533,591	266,047	1,089,901	5,945,333
Growth	2003	13,977,384	1,505,272	—	1,632,068	13,850,588
	2002	12,178,337	3,852,426	—	2,053,379	13,977,384
High Potential Sectors	2003	17,667,595	1,384,527	—	2,008,839	17,043,283
	2002	17,339,086	3,047,041	—	2,718,532	17,667,595
Select Canadian	2003	28,884,047	3,270,003	—	2,926,765	29,227,285
	2002	24,071,036	8,433,904	—	3,620,893	28,884,047
American Market	2003	24,196,101	3,528,222	—	2,444,398	25,279,925
	2002	20,751,598	6,705,757	—	3,261,254	24,196,101
International	2003	3,725,799	2,811,830	—	1,202,531	5,335,098
	2002	2,290,506	2,143,343	—	708,050	3,725,799
International RSP	2003	7,040,226	5,014,151	—	544,827	11,509,550
	2002	2,442,025	4,976,193	—	377,992	7,040,226
Europe	2003	5,423,862	706,662	—	680,086	5,450,438
	2002	5,132,144	1,296,754	5,798	1,010,834	5,423,862
Asia/Pacific	2003	1,194,082	126,001	—	179,523	1,140,560
	2002	1,308,443	181,102	—	295,463	1,194,082
Global Science and Technology	2003	5,436,694	1,035,798	—	599,844	5,872,648
	2002	3,373,041	2,674,714	—	611,061	5,436,694
Select American	2003	12,668,087	2,125,308	—	1,825,780	12,967,615
	2002	9,732,018	4,843,874	—	1,907,805	12,668,087
Select Global	2003	21,502,549	2,616,104	—	2,281,587	21,837,066
	2002	18,414,184	5,770,297	204,472	2,886,404	21,502,549
Ethical North American	2003	474,578	41,109	—	68,338	447,349
	2002	462,129	93,467	—	81,018	474,578
T-Class						
Québec	2003	—	823,654	—	46,392	777,262
Dividend	2003	—	1,713,259	—	74,081	1,639,178

Notes to the Financial Statements

Years Ended September 30, 2003 and 2002

Distributions

Net investment income of the Funds is distributed in cash or reinvested in additional units, as follows:

Income Distribution	Desjardins Fund
Monthly	Money Market
	Mortgage
	Bond
	Québec – T-Class Units
	Diversified Secure
	Diversified Moderate
Quarterly	Dividend – T-Class Units
	Balanced
	Québec – A-Class Units
	Diversified Audacious
	Diversified Ambitious
	Select Balanced
	Select Cartier
	Ethical Income
	Ethical Balanced
	Dividend – A-Class Units
Annual	Worldwide Balanced
	Canadian Equity Value
	Equity
	Environment
	Growth
	High Potential Sectors
	Select Canadian
	American Market
	International
	International RSP
	Europe
	Asia/Pacific
	Global Science and Technology
	Select American
	Select Global
	Ethical North American

For the Desjardins Money Market Fund, net investment income is allocated to unitholders on a daily basis.

Any net capital gains realized are distributed annually in December by each of the Funds involved.

Return of capital, if any, is made in monthly cash distributions by each of the Funds involved.

4. Management Fees and Other Expenses

For each Fund, Desjardins Trust, as Trustee, receives weekly management fees calculated on the net asset value of each unit class on each valuation date, as follows:

Desjardins Fund – A-Class Units	Annual Rate
Money Market	1.00%
Mortgage	1.50
Bond	1.50
Balanced	1.80
Québec*	1.80
Worldwide Balanced	2.00
Diversified Secure	1.55
Diversified Moderate	1.65
Diversified Audacious	1.75
Diversified Ambitious	1.75
Select Balanced	2.61
Select Cartier	1.80
Ethical Income	1.80
Ethical Balanced	1.80
Dividend*	1.80
Canadian Equity Value	2.00
Equity	1.80
Environment	2.00
Growth	1.80
High Potential Sectors	2.00
Select Canadian	2.56
American Market	1.80
International	2.00
International RSP	2.25
Europe	2.25
Asia/Pacific	2.25
Global Science and Technology	2.50
Select American	2.61
Select Global	2.67
Ethical North American	1.80

*T-Class units of this Fund are also offered. The management fees applicable to these units are the same as those payable for A-Class units.

The GST applicable to management fees is not included in the above rates. To avoid duplication of fees, the Desjardins Balanced, Diversified Audacious and Diversified Ambitious Funds do not pay fees for their investments in the Desjardins International RSP Fund, and the management fees payable by the Desjardins International RSP Fund amount to 0.25%. In addition, the Desjardins International RSP Fund must pay the interest charges, under the terms of the forward contracts, included in the exchange of payments made in accordance with the provisions of such contracts.

The managers of the underlying funds of the Desjardins Select Funds are required to reimburse the management fees and operating expenses attributable to investments made by the Desjardins Select Funds. Management fees shown in the statements of operations for the Desjardins Select Funds include the reductions granted by the managers of the underlying funds.

The Desjardins Ethical Funds invest in D-Class units of investment funds of the Ethical® Funds family, which are not subject to management fees. The Desjardins Ethical Funds must pay the manager of the underlying funds only the expenses directly attributable to investments made in these units. Consequently, there is no duplication of management fees and expenses as a result of an investment being made in the Desjardins Select and Desjardins Ethical Funds rather than directly in an underlying fund.

Each Fund assumes its own operating charges, which include, among other things, brokerage, custody, filing and administration costs, as well as legal and audit fees.

Notes to the Financial Statements

Years Ended September 30, 2003 and 2002

The Manager is authorized to charge operating expenses to the Funds, subject, however, to a management expense ratio cap. For each Fund, the management expense ratio cap (MER cap) for each unit class is as follows:

Desjardins Fund – A-Class Units	MER Cap
Money Market	1.15%
Mortgage	1.87
Bond	1.88
Balanced	2.19
Québec*	2.20
Worldwide Balanced	2.42
Diversified Secure	1.95
Diversified Moderate	2.04
Diversified Audacious	2.16
Diversified Ambitious	2.22
Select Balanced	3.14
Select Cartier	3.25
Ethical Income	3.25
Ethical Balanced	3.25
Dividend*	2.19
Canadian Equity Value	2.60
Equity	2.19
Environment	2.40
Growth	2.19
High Potential Sectors	2.42
Select Canadian	3.11
American Market	2.21
International	2.49
International RSP	3.18
Europe	2.84
Asia/Pacific	3.13
Global Science and Technology	3.29
Select American	3.19
Select Global	3.25
Ethical North American	3.25

*T-Class units of this Fund are also offered. The management expense ratio cap (MER cap) applicable to these units is the same as that for A-Class units.

5. Commissions to Brokers

Total brokerage commissions paid during the years on Desjardins Funds portfolio transactions and amounts paid to Desjardins Securities Inc. (DSI), an affiliated company, are as follows:

Desjardins Fund	Total Brokerage Commissions		Amounts Paid to DSI	
	2003	2002	2003	2002
Balanced	\$ 489,853	\$ 569,735	\$ 4,865	\$ 8,623
Québec	45,300	140,786	4,954	5,772
Worldwide Balanced	49,860	40,509	—	—
Diversified Secure	35,417	44,371	214	72
Diversified Moderate	152,818	226,619	698	338
Diversified Audacious	118,947	211,221	991	368
Diversified Ambitious	45,360	68,215	547	189
Dividend	400,884	402,848	24,425	8,302
Canadian Equity Value	39,335	—	—	—
Equity	179,088	172,307	2,982	2,255
Environment	205,758	175,866	2,538	2,240
Growth	641,059	500,425	19,818	5,718
High Potential Sectors	265,830	324,160	10,889	6,802
American Market	166,890	232,747	—	—
International	176,687	193,725	—	—
Europe	47,460	47,030	—	—
Asia/Pacific	2,397	15,535	—	—
Global Science and Technology	70,198	73,877	235	—

No other form of compensation was paid to brokers.

6. Income Tax and Capital Gains Tax

Under the *Income Tax Act* (Canada) and the *Taxation Act* (Québec), each Fund is defined as a mutual fund trust and is taxed on income and net capital gains not distributed to unitholders. The Funds distribute all investment income to unitholders. With regard to T-Class units, the Desjardins Québec and Dividend Funds make monthly distributions that are considered to be a return of capital or net investment income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward seven years and used to reduce future investment income and capital gains. For each Fund concerned, the seven-year anniversary falls in the years indicated below.

Capital and non-capital losses determined for tax purposes as at December 15, 2002 are as follows:

Desjardins Fund	Capital Losses	Non-Capital Losses	
	Amount	Amount	Anniversary
Mortgage	\$ 4,052,069	\$ —	—
Bond	5,753,764	—	—
Balanced	22,669,989	—	—
Québec	15,935,257	—	—
Worldwide Balanced	4,428,362	9,144,393	2009
		10,883,465	2008
Diversified Secure	1,353,583	—	—
Diversified Moderate	7,852,542	—	—
Diversified Audacious	6,176,922	—	—
Diversified Ambitious	2,039,055	—	—
Select Balanced	8,882,862	538,686	2009
Ethical Balanced	—	17,593	2009
		33,290	2008
Dividend	7,566,162	—	—
Equity	29,470,218	365,473	2008
Environment	6,608,799	86,465	2009
Growth	32,515,015	3,481,997	2009
		2,098,759	2008
High Potential Sectors	61,225,846	1,440,400	2009
		1,896,520	2008
Select Canadian	—	1,061,164	2009
American Market	12,507,632	42,303,298	2009
		31,575,525	2008
		3,386,671	2007
International	6,730,085	14,981	2009
		64,248	2008
International RSP	—	9,299,239	2009
		1,685,922	2008
Europe	4,792,054	77,810	2009
Asia/Pacific	1,162,367	8,686	2009
		63,113	2008
Global Science and Technology	8,203,547	511,713	2009
		436,266	2008
Select American	9,541,677	427,826	2009
		373,587	2008
Select Global	1,115,509	1,226,588	2009
Ethical North American	—	97,661	2009
		103,543	2008
		56,722	2007

7. Mortgages

Mortgages purchased and sold by the Desjardins Mortgage Fund are negotiated with Desjardins Trust, the Funds' Trustee, for a principal amount that produces a yield equal to the interest rate at which Desjardins Trust makes comparable mortgage commitments at the time of the transaction. No additional fees are charged for these transactions.

Notes to the Financial Statements

Years Ended September 30, 2003 and 2002

8. Statements of Financial Highlights

The statements of financial highlights appearing on the introductory page of each Fund in the Annual Report are an integral part of these financial statements.

For each unit class in each Fund:

- Net asset value is calculated based on the number of units outstanding at the end of the year.
- Net investment income (loss) is calculated based on the average number of units outstanding during the year. The amount of the distributions paid to unitholders on investment income, capital gains and return of capital is based on the number of units outstanding on the closing date related to each distribution.
- Average net assets represent the average of the net asset value determined on each valuation day during the year.
- Management expense ratio represents the total fees, expressed as a percentage of the average net asset value. On February 1, 2000, the securities regulatory bodies modified the method of calculating the management expense ratios. For the purposes of the calculation, the GST is included as expenses. Management expense ratios for comparable prior years have been restated accordingly.
- Management expense ratio before waived fees represents what the ratio would have been if the Fund Manager had not absorbed a portion of the expenses.
- Portfolio turnover rate is the lower of the cost of the securities purchased or sales proceeds divided by the average market value of portfolio securities for the year, excluding short-term securities.
- Rate of return represents the total rate of return of an investment for the year, assuming distributions are reinvested. Pursuant to policies issued by Canadian Securities Administrators, rates of return are not posted for Funds or unit classes in existence for less than one year.

9. Comparative Data

Certain prior-year comparative data have been reclassified to conform with the current year's presentation.

10. Subsequent Events

Special unitholder meetings will be held on November 19, 2003 to consider and approve the following mergers:

- Desjardins Worldwide Balanced Fund with Desjardins International RSP Fund;
- Desjardins High Potential Sectors Fund with Desjardins Equity Fund;
- Desjardins Asia/Pacific Fund with Desjardins Europe Fund;
- Desjardins Select Cartier Fund with Desjardins Select Balanced Fund;
- Desjardins Ethical Income Fund and Desjardins Ethical North American Fund with Desjardins Ethical Balanced Fund.

Details of the proposed mergers, which are expected to take effect on or around January 9, 2004, will be disclosed in the Management Information Circular dated October 20, 2003.

11. Additional Information

A copy of the Statement of Portfolio Transactions for the Desjardins Funds for the year ended September 30, 2003 may be obtained without charge by writing to:

Desjardins Trust
1 Complexe Desjardins
P.O. Box 34
Desjardins Station
Montréal, Québec
H5B 1E4

Also, unitholders of the Desjardins Select and Desjardins Ethical Funds can obtain, without charge, the Annual Information Form, Simplified Prospectus as well as the annual, and, if applicable, the interim financial statements for each of the underlying funds by writing to Desjardins Trust at the above address.

These documents may also be consulted at the following Internet addresses: www.sedar.com and www.desjardins.com.

Management's Responsibility for Financial Reporting

The accompanying financial statements of Desjardins Funds have been prepared by Desjardins Investment Management Inc. (the "Manager"), as Manager of the Funds, and have been approved by the Board of Directors. The Manager is responsible for the information and representations contained in these financial statements and other sections in the Annual Report.

The Manager has taken the necessary measures to ensure that relevant and reliable financial information is reported. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and necessarily include certain amounts that are based on estimates and judgments. The significant accounting policies which the Manager believes are appropriate are described in Note 2 to the financial statements. Financial information used elsewhere in the Annual Report is consistent with that in the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements as well as overseeing the Manager's performance of its financial reporting responsibilities. The Audit Committee of the Trust (the "Trust"), Trustee of the Funds, consists mainly of directors of Desjardins Trust who are not officers of Desjardins Trust or the Manager. It meets with the Manager and external auditors of Desjardins Funds to review the financial statements, the adequacy of internal controls, the audit process and financial reporting. It reports its findings to the Board of Directors prior to the Board's approval of these financial statements for publication.

Raymond Chabot Grant Thornton, General Partnership, are the external auditors of the Desjardins Funds. They have audited the financial statements in accordance with Canadian generally accepted auditing standards for the purpose of expressing to the unitholders their opinion on these financial statements. Their Report is found on page 111.

Signed on behalf of the Board of Directors
Desjardins Investment Management Inc.,
Manager of the Funds

Jean Landry, CA
Chairman of the Board

François Gagnon
President

Trustee, Manager and Portfolio Managers

The Desjardins Funds are mutual funds created by way of a declaration of trust, the units of which are offered on a continuous basis to the general public.

Like all mutual funds, each Desjardins Fund pools the savings of a large number of people and invests them in various securities.

Desjardins Trust Inc., a Desjardins Group company, is the Trustee of the Desjardins Funds. It entrusted the role of Manager of the Desjardins Funds to Desjardins Investment Management Inc., its wholly-owned subsidiary.

Fund portfolios are managed by unrestricted practice investment advisors. The securities advisor of Desjardins Funds is Desjardins Investment Management Inc., which has entered into a securities subadvisory agreement with Fiera Capital Management Inc., Sanford C. Bernstein & Co., LLC and Alliance Capital Management L.P.

Redemption of Desjardins Fund Units

Unitholders can request redemption of their units at any time:

- by calling the Financial Call Centre of Desjardins Trust at (514) 286-3225, from Montréal; or, from outside Montréal, at 1 800 361-2680;
- by calling 1 800 CAISSES;
- by calling or visiting their Desjardins caisse, a securities broker or a mutual fund dealer.

Any request for redemption received in due form by the Manager before noon on a valuation date will be processed at the net asset value per unit determined on that date. Any request for redemption received after noon will be processed at the net asset value per unit determined on the subsequent valuation date.

Within three business days following the date on which the redemption price was determined, provided that the Manager received all of the necessary documents at the same time as the redemption order, the Manager will pay the redemption price of the units to the unitholder or deposit such amount into the unitholder's RRSP, RRIF or, as the case may be, any other plan concerned.

The Manager can suspend the redemption of units of a mutual fund or postpone payment of the redemption price under any of the following circumstances:

- a) At any time where the redemption of an underlying mutual fund securities is suspended;
- b) When normal trading is suspended on a stock, options or futures exchange in or outside Canada on which securities or derivative financial instruments that make up more than 50% of the fund's total asset value, excluding liabilities, are listed and no other organized market provides a reasonably practical alternative;
- c) With the approval of the securities authority or any other regulatory body that has jurisdiction.

Glossary

ADR

Acronym for *American Depositary Receipt*. Receipt issued by a U.S. bank attesting to the acquisition of shares of a foreign corporation. An ADR enables a North American investor to acquire shares in a foreign corporation without having to trade them on a foreign market.

Amortized cost

Cost of a security acquired at a premium or a discount, increased or reduced by the fraction of the premium or discount charged to income.

Average cost

Cost of securities acquired over time at variable prices.

Average maturity and duration

Elements used to evaluate how much fixed-income fund unit prices will fluctuate with interest rate changes. The longer the average maturity or duration, the more the price will vary. Average maturity is an indicator only of the average maturity of securities held in the portfolio.

Bond

Debt security issued by a government, municipality, educational institution or corporation, by virtue of which the issuer must pay principal with interest to the bearer at maturity. Bonds may be sold by one person to another. They should not be confused with Canada or Québec Savings Bonds, which generally may only be held and cashed by the initial purchaser.

Capital appreciation

Increase in the value of a security over the purchase price. It remains unrealized as long as the holder retains the security; it is realized at the time of sale.

Capital depreciation

Decrease in the value of a security over the purchase price. It remains unrealized as long as the holder retains the security; it is realized at the time of sale.

Capital gain or loss

The difference between a security's sale price and initial purchase price. A fund manager realizes a capital gain when securities in the portfolio are sold for a profit. Such capital gains may then be distributed to unitholders. Likewise, when an investor sells units for a profit, the investor realizes a capital gain.

Cash and cash equivalents

Total monies immediately available and short-term securities readily convertible to cash.

Commercial paper

Short-term (a few days to one year) instrument of indebtedness.

Common share

A share generally conferring the right to vote on major decisions affecting the operations of the issuing corporation. A class A share is often like a preferred share: it ranks above a class B share with respect to distribution of dividends or with respect to distribution of assets in the event of liquidation, but it does not necessarily confer voting rights. A class B share usually carries the right to vote.

Coupon

Detachable part of a bond which, when detached, entitles the bearer to receive the specified interest as of the maturity date.

Debenture

A debt security issued by a government, municipality or company and backed only by the creditworthiness of the issuer and not by a mortgage or lien on any specific asset of the issuer.

Debt security

Security issued by a government or corporation in order to borrow. The issuer must reimburse the initial principal at a predetermined date, with or without interest. Treasury bills, notes and bonds are examples of debt securities.

Derivative financial instrument

Financial instrument whose value is based on an asset, index or other underlying investment. Futures contracts and forward contracts are examples of derivative financial instruments.

Equity interest

Security representing a fraction of ownership in a company. A share is an equity interest.

Exchangeable

Said of a security that can be exchanged for other securities of the issuer's portfolio.

Fixed income security

Investment that generates a predetermined income, generally as interest. Money market securities, bonds and mortgages are examples of fixed income securities.

Floating rate

Interest rate that fluctuates as a function of a benchmark rate (for example, the discount rate of a central bank or the prime rate of a financial institution).

Foreign currency forward contract

Forward contract involving the purchase or sale of a currency.

Forward contract

A contract that is similar to a futures contract (see **Futures contract**) but is traded over the counter. The seller agrees to deliver a commodity, security or other financial instrument under conditions and at a date set in advance.

Futures contract

A contract to purchase or sell a currency or investment at a predetermined date and price. The purpose of this type of contract is to eliminate the risk of a downward variation in price or to participate in international markets. Futures contracts are traded on an exchange.

GDR

Acronym for *Global Depositary Receipt*. Receipt issued by a bank in a given country attesting to the purchase of shares of a company in another country. A GDR enables an investor to purchase the shares of a foreign company without having to trade in a foreign market.

iShares

Units of a foreign equity investment fund offered by Funds Distributors (Boston) and designed to mirror the returns of the Morgan Stanley Capital International (MSCI) Index for a given country.

Leasing security

Investment that generates a predetermined income and whose yield is based on the value of underlying leasing contracts, pooled into batches by an institution for the purpose of securitization. (See **Securitization**.)

Liquidity

An investment's capacity to be converted to cash quickly and at a reasonable price.

Market value

Fair market price that the manager would obtain if a security were sold on the date of this report. The accounting policies (see Note 2 in "Notes to the Financial Statements") describe the method used to determine that value.

Money market

Financial market where short-term obligations are traded (Treasury bills and other debt securities with maturities under one year).

Mortgage-backed security

Investment that generates a predetermined income and whose yield is based on the value of underlying residential mortgage loans, insured under the *National Housing Act* (NHA) and pooled into batches by an institution for the purpose of securitization. (See **Securitization**.)

Multimanagement

A management approach specific to mutual funds whose assets are allocated among numerous managers that use complementary styles.

Note

Debt security consisting of a promise by the issuer to pay the bearer a sum of money, with or without interest, on demand or at a specified date.

Number of notional units

Number of units in an underlying fund that is part of a forward contract.

Package

Security composed of a number of stripped coupons from a single bond issuer, but which have varying rates and maturities. The return on such a security is the average expected yield. (See **Coupon**.)

Preferred share

A share with no right to vote, but with a predetermined dividend rate. When profits of the issuing corporation are distributed, preferred shareholders have precedence over common shareholders. They also have priority when the issuing corporation liquidates its assets.

Principal balance

Balance of principal remaining on a mortgage loan.

Private investment

Securities available only in large quantities and offered to a limited number of investors, generally institutions.

Redemption of units

Process by which unitholders sell their units, which are then redeemed by the issuing fund.

Right

A privilege granted by a company to its shareholders to purchase additional shares at a stipulated price within a specified time limit. Such a right is normally valid for only a short period.

RNC

Acronym for *Risparmio Non Convertibile*. RNC securities cannot be converted into common shares. They do not carry any voting rights, but holders generally receive high dividends.

SDR

Acronym for *Swedish Depositary Receipt*. Receipt issued by a Swedish bank attesting to the purchase of shares of a foreign company. A SDR enables an investor to purchase the shares of a foreign company without having to trade in the market of this company home country.

Securitization

Process by which an institution groups various types of loans and converts them into marketable securities.

Share

Negotiable security representing a fraction of ownership in a corporation, giving shareholders certain rights, including the right to receive a portion of after-tax income from the issuing corporation in the form of dividends.

Stock index futures contract

Futures contract involving the purchase or sale of an investment whose value fluctuates depending on a stock index's performance.

Stripped bond

A bond whose detachable coupons have been removed. (See **Coupon**.)

Treasury bill

Short-term debt security issued or guaranteed by a government (federal, provincial or other). These securities are offered mainly to institutional investors, and issued at a value that is lower than their par value. The difference represents the interest.

Underlying fund

Said of a mutual fund whose units make up part of the portfolio of another mutual fund. The assets of each of the Desjardins Select and Desjardins Ethical Funds are invested in units of underlying funds.

Unit

Unit of investment in a mutual fund.

Warrant

A certificate giving the holder the right to purchase shares of a company at a stipulated price within a specified time limit. A warrant usually accompanies a new issue of securities to make it more attractive.

Notes

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Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Desjardins Funds units are offered by Desjardins Trust Investment Services Inc., a Desjardins Group company. Please read the simplified prospectus carefully before investing. Aside from the Desjardins Money Market Fund, the indicated rates of return are the historical annual compounded total returns as of September 30, 2003 including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Desjardins Funds and Desjardins Money Market Fund units are not covered by the Régie d'assurance-dépôts du Québec, the Canada Deposit Insurance Corporation or by any other government deposit insurer and they are not guaranteed by Desjardins Trust, the Desjardins caisses or any other Desjardins Group institution. Their value fluctuates frequently and past performance is not necessarily indicative of future returns. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Note that, as far as the Desjardins Money Market Fund is concerned, the past performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. There can be no assurances that the Desjardins Money Market Fund will be able to maintain its net asset value per security or that the full amount of your investment will be returned to you. Past performance is not necessarily indicative of future returns.

DESJARDINS TRUST

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