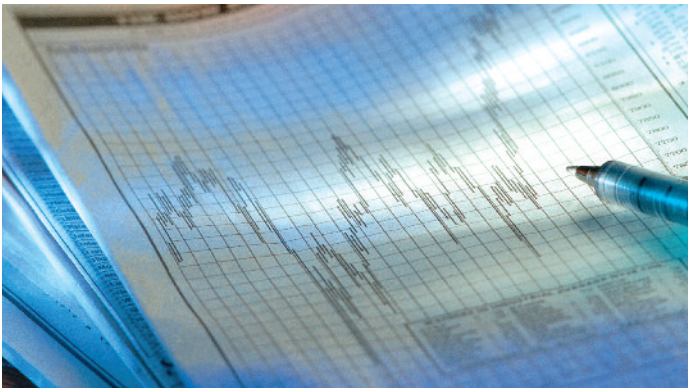


GoodQuarter

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Dear Valued Client,

Over the past 24 months, the world has witnessed some of history's most extreme equity market volatility. Wild swings can certainly test one's conviction in the capital markets. We hope, however, that our steady and unemotional investment approach, as well as our consistent message, has helped you better understand the unsteady economic environment you have just experienced, as well as helping you to avoid making poorly thought out investment decisions.

GFI Investment Counsel continues to invest in companies we believe in, regardless of where we are in the market cycle. It is worth noting that throughout the aforementioned turmoil, all of our core positions continued to pay a dividend. In many cases these dividends even increased, a very impressive feat given the recent market volatility.

Since the bottom of the market in March 2009, the stocks that have rebounded most are those that suffered the most during the market panic. Many of these companies traded far below their former highs on a fear of bankruptcy. But are the gains you are seeing as impressive as they seem? What today appears to be a gain of 100% may be a company that before the downturn was trading at \$1.

Increasing from \$0.20 to \$0.40 is great, but not when the company is still trading at 60% below its original price.

We will continue to invest your capital in situations that do not present a risk of bankruptcy. We treat your money as if it's our own, meaning we are not prepared to take any unnecessary risks. Over the summer, we added several bonds and preferred shares that met and continue to meet our investment criteria.

We will be reviewing your account - and all GFI accounts - over the coming months in search of opportunities to strategically sell securities and lock-in tax losses where appropriate. Please contact our office to discuss your personal tax situation or with any questions you may have.

Warm regards,

Daniel Goodman, CFA
President and Chief Executive Officer

The Jean Coutu Group Inc.

Portfolio holding that's just what the doctor ordered

GFI took a position in The Jean Coutu Group (PJC) Inc. in the second quarter of 2009. Jean Coutu is Quebec's leading pharmacy chain and has a total of 353 stores in Quebec, Ontario, and New Brunswick. Jean Coutu franchises stores to owner/operators and earns revenue through royalties, rent, and distribution.

GFI purchased Jean Coutu at what we believe is a fair price given the strength of the company. Jean Coutu pays a dividend and is growing its retailing business at a slow and steady pace. Given the demographic shift of the baby boomer generation, the company's pharmacy sales also continue to grow at an attractive rate.

Outside of the cash flow generated by its operations, Jean Coutu owns 161 properties including seven strip malls, five commercial buildings, nine parcels of land, and 140 buildings. These assets are quite valuable, and we believe that the company's share price does not reflect their underlying value.

In December 2007, Jean Coutu purchased a generic drug-maker that supplies drugs to the company's retail division and other independent pharmacies. The company's margins have expanded materially in response to the growing sales of this generic drug line to its franchisees.

Jean Coutu holds approximately one share of Rite Aid Corp., a U.S.-based pharmacy, for each share of Jean Coutu. Although Rite Aid is a turnaround in progress, we feel holding these shares at essentially no cost is an added bonus that may or may not reap financial benefits. We consider the Rite Aid share a free call option.

Although we do not invest based solely on macroeconomic trends, we are pleased when both our detailed company view and wider macro trends align. In the case of Jean Coutu, we believe we own a well-run company that operates in a high-growth sector.



Aecon Group Inc.

Building a better company

GFI recently purchased a convertible debenture of Aecon Group Inc. Aecon is one of Canada's largest construction and infrastructure development companies. Aecon and its subsidiaries provide services to private and public sector clients across Canada and, on a more select basis, around the world.

Aecon is a beneficiary of the fiscal stimulus being injected into North American economies, as its main divisions help design, build, and operate various infrastructure projects. The company is conservatively financed, holding debt primarily at the project level to limit the amount of debt on the company's balance sheet.

Similar to the concept of holding quality companies' common stock and collecting dividends, Aecon's convertible debenture pays us 7% annually and lets us participate in the event of a material increase in the company's share price. While no one knows exactly where the company's price will be in five years, we do know that in a worst case scenario (outside of bankruptcy), we will receive a 7% return. In today's climate, we are happy to ensure a modest return of 7%, with the potential for a higher return as a result of an appreciation in the company's stock price.

We will continue to look for securities that we understand, issued by companies we can comfortably evaluate.



GFI Investment Counsel and GoodFunds

GFI Investment Counsel (“GFI”) is a discretionary money manager that provides tailored investment portfolios based on each client’s unique risk level.

GFI is a bottom-up, long-term investment firm that invests primarily in North American public markets. GFI will, however, invest outside North America when quality opportunities arise. GFI meets with the management teams of prospective investments whenever possible, and places a high degree of importance on the quality and experience of these management teams when making investment decisions.

In January 2008, GFI launched Good Opportunities Fund (the “Fund”), an alternative investment fund that is the first of the “GoodFunds” series of investment products. The Fund will invest in opportunities that exhibit a high likelihood of outperforming the broader equity markets based on GFI’s proprietary research, while maintaining a focus on profitable, growing companies that adhere to GFI’s strict value discipline.

For more information about GFI Investment Counsel, the Good Opportunities Fund, or GoodFunds, please call **416.488.8825** or email info@gfic.com.