



CONTRIBUTIONS

May 2012

Investment update (as at March 31, 2012)

The year began on a positive note, with further improvement in equity markets in the first quarter of 2012. Positive job statistics in the U.S. and settlement with Greek debt-holders helped to push global equity markets up. Canadian economic growth finished 2011 on a solid footing. However, the Bank of Canada (BoC) repeatedly warned Canadians about high levels of household debt. The market considered this an indirect signal of the Bank's intention to raise the overnight rate.

The more positive environment meant bond yields moved up from the record lows of 2011's second half; this resulted in modestly negative returns from fixed income investments during the quarter. The S&P/TSX Composite Index returned 4.4% during the quarter. Eight of the ten sectors had positive returns led by Health Care and Consumer Discretionary. Small cap stocks outperformed relative to large cap stocks for the second quarter in a row.

The S&P 500 Index returned 10.5 per cent in Canadian dollar terms. The strongest performers were Financial and Information Technology while Utilities and Telecommunications were the weakest. Growth stocks underperformed relative to value stocks.

The MSCI EAFE Index returned 8.8 per cent in Canadian dollar terms. Germany had the highest return while Spain's was the lowest. Greece's return was 11.4 per cent.

The Canadian bond market lost 0.2 per cent during the quarter. The BoC maintained its overnight rate at 1 per cent during the quarter

Top 10 balanced fund holdings

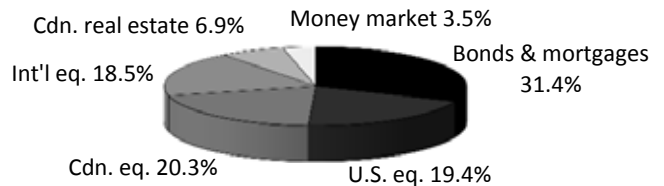
	Canadian Equities	% of Portfolio	U.S. Equities	% of Portfolio	Non-North American Equities	% of Portfolio
1	Toronto Dominion Bank	7.7	Pfizer	3.5	HSBC	2.7
2	Bank of Nova Scotia	5.6	Markel	3.1	Adidas	2.2
3	Canadian Natural Resources	4.8	Apple	3.0	Novartis Ag	2.1
4	Canadian National Railway	3.8	Wells Fargo	2.8	Toyota Motor	2.0
5	Saputo	3.7	Johnson & Johnson	2.7	Samsung Electr.	2.0
6	TransCanada	3.5	Intel	2.7	Canon	1.8
7	National Bank of Canada	3.2	3M	2.5	Cash	1.7
8	Royal Bank of Canada	3.0	Microsoft	2.5	Tesco	1.7
9	Finning International	2.7	Proctor & Gamble	2.5	BMW	1.7
10	Teck Resources	2.7	Merck	2.1	Prudential	1.4

while the U.S. Federal Reserve maintained its key interest rate at a target range of 0 to 0.25 per cent.

SPP's balanced fund returned 4.94 per cent after administration costs while the short-term fund return, after administration costs, was 0.067 per cent for the quarter.

The top ten holdings, portfolio composition and returns are summarized in the accompanying tables.

Balanced fund portfolio at March 31, 2012



SPP acknowledges the assistance of Greystone Managed Investments Inc., Leith Wheeler Investment Counsel Ltd. and Aon Hewitt Inc. in the preparation of this Quarterly Update.

SPP portfolio at March 31, 2012			
	Balanced fund return*	Benchmark	Short-term fund return*
Short term	0.3%	0.2%	0.3%
Bonds & mortgages	0.2%	-0.2%	n/a
Cdn. equities	5.9%	4.4%	n/a
U.S. equities	10.2%	10.5%	n/a
Non-North American equities	10.8%	8.8%	n/a
Cdn. Real estate	3.1%	2.0%	n/a

*Gross return before administration expenses