



CONNOR, CLARK & LUNN

CAPITAL MARKETS

2

1

0

2

Focused Global Trends Fund

Semi-Annual Report

September 30, 2011

Focused Global Trends Fund Message to Unitholders

November 28, 2011

Dear Investor,

As noted in my June 2011 letter to unitholders, as the Fund has become smaller due to redemptions, its management expense ratio increases and trading liquidity diminishes. As a result, Connor Clark & Lunn Capital Markets proposed a merger of the Fund with the Connor Clark & Lunn Global Financials Fund. After the delivery of a management information circular, a vote of the unitholders of each of the funds was held and the merger was approved. The merger became effective on October 3rd.

The objectives of the merger were to: (i) lower the administrative costs and increase trading liquidity by establishing a larger fund; and (ii) benefit from gaining access to the expertise of Mr. Guy de Blonay (“Mr. de Blonay”) at his new employer, Jupiter Asset Management Limited (“Jupiter”), and to thereby provide greater potential for capital appreciation and utilization of accumulated tax losses. As a result of the merger, the Fund has a new investment objective, which is to achieve long-term capital growth principally through investment in equities of financial sector companies on an international basis. Mr de Blonay was the portfolio manager for the CC&L Global Financials Fund I and II before resigning from the Portfolio Sub-Advisor, Henderson Group PLC. He joined Jupiter Asset Management in January 2010 and became co-manager of the Jupiter Financial Opportunities Fund and manager of an offshore long/short hedge fund in June 2010. Mr. de Blonay became the lead manager of the Jupiter Financial Opportunities Fund on January 1, 2011. Jupiter’s financial team manages more than £1.3 billion across four financials portfolios. Prior to joining Jupiter, as noted above, Mr. De Blonay was the portfolio manager for the New Star Global Financials Fund. The Jupiter Financial Opportunities Fund currently has an S&P Fund Rating of AAA and Mr. de Blonay was named an FE Alpha Manager for 2011.

Mr de Blonay has a strong track record of investing in the global financial services sector and we look forward to the Fund benefitting from his expertise as he searches out opportunities in the rapidly changing financial markets.

Yours truly,



W. Neil Murdoch
Chief Executive Officer
Focused Global Trends Fund

Management Report of Fund Performance

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual financial statements of the Fund. **The semi-annual financial statements and accompanying notes are attached to the semi-annual report.**

You can obtain a copy of the annual financial statements at no cost by writing to Connor, Clark & Lunn Capital Markets Inc. (the “Manager”) to the following address: Connor, Clark & Lunn Capital Markets Inc., Suite 300, 181 University Avenue, Toronto, Ontario M5H 3M7, or calling (416) 862-2020 or visiting the Manager’s website at www.cclcapitalmarkets.com. You can also obtain the annual financial statements by visiting www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Note that any reference to “Net Assets” or “Net Assets per Unit” or “GAAP Net Assets” means that the value was determined in accordance with the Canadian Generally Accepted Accounting Principles “GAAP” for financial statements purposes. Also any reference to “Net Asset Value” or “Net Asset Value per Unit” or “Transactional NAV” means that the value was determined for valuation and transactional purposes in accordance with the Canadian Securities Administrators. An explanation of the difference between both values can be found in note 3 to the financial statements.

Investment Objectives and Strategy

The Focused Global Trends Fund (the “Fund”) is a closed-end investment fund that is listed on the Toronto Stock Exchange under the symbol FTF.UN. It was established under the laws of the Province of Ontario pursuant to a trust agreement dated June 28, 2007.

The Fund’s investment objectives are to:

- (i) provide holders of the Class A and Class F Units (“Unitholders”) with a stable stream of monthly cash distributions initially targeted to be \$0.04167 per Unit (representing a yield of approximately 5.0% per annum on the issue price of \$10.00 per Unit); and
- (ii) preserve and enhance the Net Asset Value per Unit of the Fund.

In order to achieve the Fund’s investment objectives, Carnegie Asset Management (the “Investment Manager” or “Carnegie”), the Fund’s investment manager, invests the net proceeds of the Offering, in a portfolio (the “Portfolio”) consisting of equity securities of global companies.

On March 17, 2009, the Fund announced a change to the monthly distribution rate as a result of ongoing difficult market conditions. The monthly distribution level was changed from \$0.04167 to \$0.02778 per Class A and Class F Unit (or from \$0.50 to \$0.333 per annum).

Risk

The risk profile of the Fund has not changed from prior year. For full disclosure of risks associated with an investment in the Fund’s units, please refer to the Prospectus dated June 28, 2007.

Recent Developments

Merger

On October 4, 2011, the Manager announced the successful completion, effective October 3, 2011, of the previously announced merger of the Fund and Connor, Clark & Lunn Global Financials Fund II (“GFT”). The objectives of the merger were to: (i) lower the administrative costs and increase trading liquidity by establishing a larger fund; and (ii) benefit from gaining access to the expertise of Mr. Guy de Blonay (“Mr. de Blonay”) at his new employer, Jupiter Asset Management Limited (“Jupiter”), and to thereby provide greater potential for capital appreciation and utilization of accumulated tax losses. Pursuant to the merger, each holder of Common Units of GFT automatically received 0.872876 Class A Units of the Fund for each GFT Common Unit held, and each holder of Class F Units of GFT automatically received 0.871693 Class F Units of the Fund for each GFT Class F Unit held. The Fund has been renamed Connor, Clark & Lunn Financial Opportunities Fund and the investment objectives and investment strategy of the Fund have been amended in order to provide investors with an opportunity for capital appreciation by investing in an international portfolio of financial services companies actively managed by Guy de Blonay of Jupiter Asset Management Limited (“Jupiter”) in its capacity as sub-advisor to the Fund.

The new investment objectives and strategy of the Fund are:

- **Investment objectives** – to achieve long term capital growth principally through investment in equities of financial sector companies on an international basis and to provide holders of units with cash distributions initially targeted to be \$0.33 per unit of the merged fund (representing a yield of approximately 7.6% per annum).
- **Investment strategy** – to invest in a concentrated, international portfolio principally comprised of financial services companies and to a lesser extent property related companies considered to be undervalued and which exhibit favourable growth prospects arising from characteristics such as proved management or strong products or services.

Future accounting changes

The Canadian Accounting Standards Board (“AcSB”) previously confirmed that effective January 1, 2011, International Financial Reporting Standards (“IFRS”) will replace Canadian GAAP for publicly accountable enterprises, which includes investment funds. In June 2010, the AcSB issued an exposure draft “Adoption of IFRSs by Investment Companies”, proposing that investment companies currently applying Accounting Guideline 18 (“AcG 18”) “Investment Companies” issued by the Canadian Institute of Chartered Accountants (“CICA”), defer the adoption of IFRS by one year to fiscal years beginning on or after January 1, 2012. In September 2010, the AcSB approved the optional one year deferral from IFRS adoption for investment companies applying AcG 18.

At its January 12, 2011 meeting, the AcSB decided to extend the deferral of mandatory adoption of IFRS for Investment Companies and Segregated Accounts of Life Insurance Enterprises for one additional year to 2013. The decision is in response to the International Accounting Standards Board's announcement in late 2010 that its Investment Company project is delayed and will not likely be issued before January 1, 2012, which is the current date of mandatory adoption of IFRS for these entities. As a result, the Fund will delay implementation of IFRS until January 1, 2013.

The Fund's Manager has commenced activities to identify key issues and the likely impacts resulting from the adoption of IFRS and is in the process of developing a changeover plan, which will include identifying differences between the Fund's current accounting policies and those it expects to apply under IFRS, as well as any accounting policy and implementation decisions and their resulting impact, if any, on the net assets of the Fund. Management has presently determined that there will be no significant impact to net assets per Unit as a result of the changeover to IFRS but will continue to assess based on any changes to existing IFRS.

Results of Operations

Market Commentary

Carnegie Asset Management was the portfolio manager for the Fund during the reporting period, but as detailed elsewhere in this report, they were replaced by Jupiter Asset Management on October 3rd 2011.

During the period Carnegie continued to be cautious about the markets and the macro-economic situation. They believed that global stock prices will continue to trend higher with corporate earnings until there are clearer signs of a peak in the current profits cycle. The probability of a global profits recession starting soon is still relatively low, but it is rising. The risk of a corporate earnings decline is more acute in Europe, which continues to be the big wildcard. Although European policymaking remains dysfunctional, in the end they believe that politicians will do enough to prevent a full scale banking and sovereign debt crisis. During the course of the fiscal year they made a number of transactions in the portfolio. Many of them were related to a strategy of moving from companies that are primarily exposed to the developed world economies to those with higher exposure to the developing country markets. Transactions that are representative of this concept include the following: Holcim is the best cement company in the world but they fear that not even Holcim will cover its cost of capital over the cycle. The industry is being pressured (short to mid-term) by rising input costs and continued weak construction markets in Europe and the US. Schneider is an efficient and well-run supplier of electrical products focusing on low and mid-voltage, industrial automation and energy efficiency. The company has increased its emerging market exposure to around one-third of sales, and 20% of sales are related to energy efficiency, which we think is likely to experience above-average growth.

Carnegie also sold the remaining stake in Allianz and increased exposure to existing positions, namely Sinopec and ICBC. They see better opportunities for earnings and dividend growth from these two large Chinese companies versus Allianz. Both companies are exposed to stronger underlying domestic growth with good possibilities to also profit from a stronger currency. A peak in inflation concerns will support share price returns in these two stock-picks.

Carnegie's base case scenario is that the Euro will survive with Germany as its anchor. The political process aimed at a more united Europe will take longer than the market anticipates. Europe will, with Germany at the helm, prioritize a tight fiscal policy which increases the odds of a longer period of low economic growth. The insurance industry needs higher rates than currently and Allianz, in spite of strong reserves, will not do well in a low-growth scenario.

Valuations of both ICBC and Sinopec are more or less at the same low levels as Allianz's even though they have better growth potential. Overall Carnegie therefore sees a better risk/reward profile over the coming 3-5 years for the Chinese positions versus Allianz.

In terms of the Fund moving forward, Guy de Blonay at Jupiter Asset Management has been repositioning the Fund to reflect its new mandate. Jupiter's current view on the market is that while they expect further market volatility in the near term, we believe the financial sector offers some excellent long term potential for patient investors. Overall, the portfolio holds a combination of high yield businesses, growth companies and special or distressed situations. Some of these are to be found in regions with sound government finances (e.g. Switzerland, Scandinavia and Emerging Markets) and reasonable recovery prospects (e.g. the US). In addition, recent US economic data has stabilized, fuelling hopes that a recession will be avoided. Inflation pressures are easing in emerging markets providing space for more accommodative liquidity policies. Most importantly, they expect to see further liquidity support from central banks in the US and Europe. The ECB remains the only institution which can alleviate current pressures in the Eurozone and the change of leadership makes aggressive action more likely in our view.

Jupiter continues to monitor events closely and believe they are invested appropriately for the current balance of risks. They are avoiding businesses with direct exposure to the Eurozone debt crisis or at risk from ratings downgrades, preferring to hold more stable businesses such as cash generative US credit card companies and insurance providers.

Leverage

The Fund's loan facility is for working capital purposes. Borrowings by the Fund shall not exceed 5% of the Net Asset Value of the Fund at the time of borrowing. The Fund has not drawn on the loan facility to date.

Capital transactions

On July 19, 2007, the Fund completed an initial public offering pursuant to the prospectus dated June 28, 2007. \$48,057,000 was raised through the issue of 4,805,700 Class A Combined Units at \$10.00 per Unit, and \$1,943,000 was raised through the issue of 194,300 Class F Combined Units at a price of \$10.00 per Combined Unit for aggregate gross proceeds of \$50 million. On August 20, 2007, Class A Combined Units and Class F Combined Units were separated, where each Class A Combined Unit commenced trading separately on the Toronto Stock Exchange as one Class A Unit and one-half of a transferable Warrant for one Class A Unit, and each Class F Combined Unit separated into transferable Class F Unit and one-half of a transferable Warrant for one Class F Unit.

Each whole Warrant for one Class A Unit entitles the holder to purchase one Class A Unit at a subscription price of \$10.25 on January 30, 2009 or July 30, 2010. Each whole Warrant for one Class F Unit entitles the holder to purchase one Class F Unit at a subscription price of \$10.25 on January 30, 2009 or July 30, 2010. On January 30, 2009 none of the Class A or Class F transferable warrants had been exercised. No Warrants for Class A Units and Class F Units were exercised during the exercise period which ran from August 20, 2007 to July 30, 2010.

During six month period ended September 30, 2011, 22,100 of Class F Units were converted to 23,165 of Class A Units for a total value of \$121,850 (2,500 of Class F Units were converted to 2,617 of Class A Units for a total value of \$14,107 during the six month period ended September 30, 2010).

Market repurchases

As set out in the Prospectus, the Fund is obligated, under certain conditions, to purchase Class A Units in the market for cancellation. If, on any day, the Class A Units weighted average trading price is less than 95% of the net asset value per Class A Unit determined on the most recent valuation date, the Fund must purchase any Class A Units offered in the market the following day at 95% of net asset value per unit or less.

During the six month period ended September 30, 2011, the Fund purchased 1,009 of Class A Units for a total cost of \$4,645 (no units were purchased during the six month period ended September 30, 2010).

Distributions

The Fund has made all its scheduled distributions during the six month period ended September 30, 2011, paying \$0.17 per Class A Unit and Class F Unit respectively (\$0.17 per Class A Unit and Class F Unit during the six month period ended September 30, 2010).

Related Party Transactions

Management Fees

Pursuant to a trust agreement (“the Trust Agreement”) the Fund retained Connor, Clark & Lunn Capital Markets Inc. (“the Manager”) to act as manager. As compensation for coordinating the organization of and managing the ongoing business and administrative affairs of the Fund, the Manager is entitled to an annual management fee in an amount equal to 1.10% per annum of the net asset value of the Fund to be calculated and payable monthly in arrears, plus applicable taxes.

The total management fees charged to the Fund (including taxes) during the six month period ended September 30, 2011 were \$47,125 (\$76,506 during the six month period ended September 30, 2010). The Manager pays the Investment Manager out of the above management fees.

Service Fee

The Fund pays to the Manager a service fee which is payable to dealers whose clients hold Class A Units in the Fund. The service fee is calculated daily and payable at the end of each calendar quarter in arrears and is equal to 0.40% annually of the net asset value of the Class A Units held by clients of the dealers.

The service fee charged to the Fund during the six month period ended September 30, 2011 was \$17,042 (\$22,186 during the six month period ended September 30, 2010).

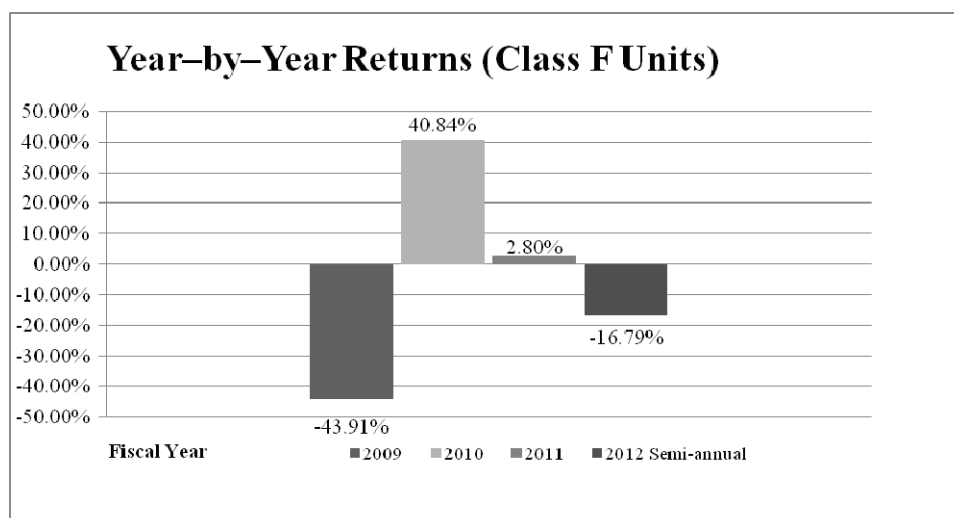
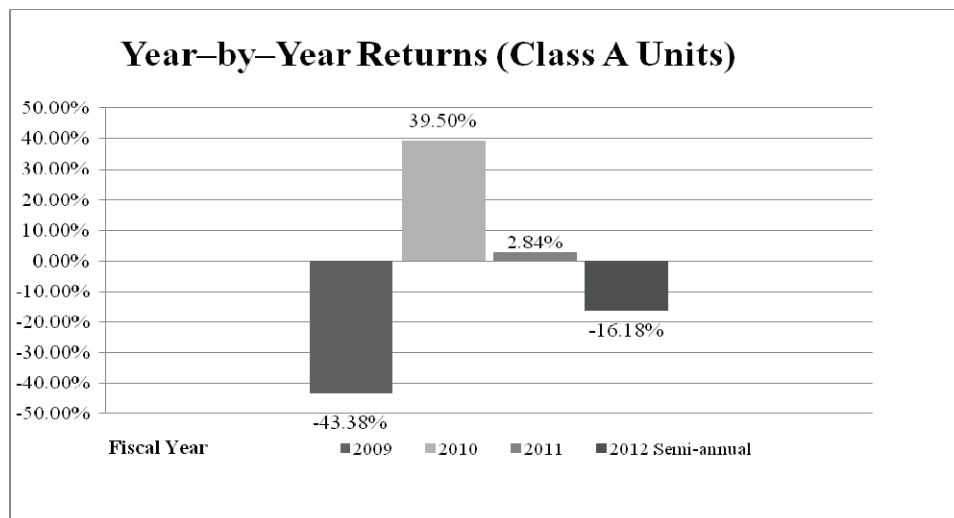
Recommendations or Reports by the Independent Review Committee

The Independent Review Committee of the Board of Advisors tabled no special reports and made no extraordinary material recommendations to management of the Fund during the six month period ended September 30, 2011.

Prior to the merger of the Fund and GFT, the Manager presented the terms of the proposed merger to the Independent Review Committee for a recommendation as required by NI 81-107. The Independent Review Committee reviewed the merger proposal and recommended that the merger proposal be put to unitholders of the Funds for their consideration on the basis that the merger proposal achieves a fair and reasonable result for each of the Funds.

Past Performance

The following bar charts show the Fund's annual performance of the Class A Units and the Class F Units for the years ended March 31, 2011, 2010 and 2009. They also show the semi-annual performance for the six month period ended September 30, 2011 assuming all the distributions made by the Fund during the period shown were reinvested. These bar charts show, in percentage terms, how much an investment made on the first day of the period would have grown or decreased by the last day of the period. Past performance is not necessarily indicative of future performance.



Financial Highlights

The following tables show selected key financial information about the Fund and are intended to aid in understanding the Fund's financial performance since inception. This information is derived from the Fund's audited annual financial statements:

Class A Units:

The Fund's Net Assets per unit:

	Sep 30, 2011 ⁽²⁾	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008 ⁽¹⁾
Net Assets, beginning of period	5.41	5.60	4.28	8.20	10.00
Increase (decrease) from operations:					
Total revenues	0.09	0.10	0.12	0.18	0.11
Total expenses	(0.11)	(0.17)	(0.14)	(0.15)	(0.13)
Share issue expense ⁽³⁾	–	–	–	–	(0.66)
Realized gains (losses) for the period	(0.24)	0.13	(0.95)	(2.38)	(0.23)
Unrealized gains (losses) for the period	(0.60)	0.01	2.56	(1.12)	(0.55)
Total increase (decrease) from operations⁽⁴⁾	(0.86)	0.07	1.59	(3.47)	(1.46)
Distributions:					
From income (excluding dividends)	–	–	–	–	–
From dividends	–	–	–	–	–
From capital gains	–	–	–	–	–
Return of capital	(0.17)	(0.33)	(0.33)	(0.49)	(0.35)
Total Distributions⁽⁵⁾	(0.17)	(0.33)	(0.33)	(0.49)	(0.35)
Net Assets, end of period⁽⁶⁾	4.38	5.41	5.60	4.28	8.20

(1) Results for the period from July 19, 2007 (commencement of operations) to March 31, 2008.

(2) Results for the six month period ended September 30, 2011.

(3) Issue expense of \$3,168,722 incurred in connection with the units issuance. The full amount of issue expenses was treated as a reduction of Unit Capital for accounting purposes and is amortized over a period of five years for tax purposes.

(4) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase / decrease from operations is based on the weighted average number of units of 1,483,490 outstanding over the financial period (March 31, 2011 – 2,244,107).

(5) Distributions are paid in cash. The percentages used to allocate distributions among income, dividends, capital gain and return on capital are based on estimates.

(6) This is not reconciliation between the opening and the closing net assets per unit.

Ratios and Supplemental Data:

	Sep 30, 2011 ⁽²⁾	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008 ⁽¹⁾
Net asset value (000's)	6,534	7,941	13,348	14,547	38,910
Number of units outstanding	1,488,484	1,466,328	2,382,603	3,392,809	4,747,532
Base Management expense ratio ⁽³⁾⁽⁴⁾	4.23%	3.01%	2.51%	2.20%	2.12%
Issue expenses ratio ⁽³⁾⁽⁴⁾	–	–	–	–	7.34%
Management expense ratio (annualized) ⁽⁴⁾	4.23%	3.01%	2.51%	2.20%	9.46%
Management expense ratio before waivers or absorptions (annualized) ⁽⁴⁾	4.23%	3.01%	2.51%	2.20%	9.46%
Portfolio turnover rate ⁽⁵⁾	7.77%	26.24%	36.44%	24.11%	28.85%
Trading expense ratio ⁽⁶⁾	0.02%	0.13%	0.18%	0.05%	0.25%
Net asset value per unit	4.39	5.42	5.61	4.29	8.21
Closing market price (TSX) – units	4.04	4.81	4.91	3.99	7.45
Closing market price (TSX) – warrants ⁽⁷⁾	n/a	n/a	0.005	0.005	0.20

(1) Results for the period from July 19, 2007 (commencement of operations) to March 31, 2008.

(2) Results for the six month period ended September 30, 2011.

(3) A separate base management expense ratio has been presented to include the normal operating expenses and exclude the Issue expense ratio, representing all agents' fees and unit issue expenses.

(4) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period. Unit issue expenses, representing all Agents' fees and other offering expenses, which are one-time expenses, are not annualized.

(5) The Fund's turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund's buying and selling all of the securities in its portfolio once in the course of the year. There is not necessarily a relationship between turnover rate and the performance of the Fund.

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

(7) No Warrants for Class A Units and Class F Units were exercised during the exercise period which ran from August 20, 2007 to July 30, 2010.

Class F Units:

The Fund's Net Assets per unit:

	Sep 30, 2011 ⁽²⁾	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008 ⁽¹⁾
Net Assets, beginning of period	5.68	5.86	4.43	8.52	10.00
Increase (decrease) from operations:					
Total revenues	0.09	0.10	0.12	0.19	0.11
Total expenses	(0.11)	(0.16)	(0.12)	(0.13)	(0.11)
Share issue expense ⁽³⁾	—	—	—	—	(0.35)
Realized gains (losses) for the period	(0.25)	0.13	(0.97)	(2.51)	(0.24)
Unrealized gains (losses) for the period	(0.62)	0.03	2.63	(1.16)	(0.53)
Total increase (decrease) from operations⁽⁴⁾	(0.89)	0.10	1.66	(3.61)	(1.12)
Distributions:					
From income (excluding dividends)	—	—	—	—	—
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	(0.17)	(0.33)	(0.33)	(0.49)	(0.35)
Total Distributions⁽⁵⁾	(0.17)	(0.33)	(0.33)	(0.49)	(0.35)
Net Assets, end of period⁽⁶⁾	4.57	5.68	5.86	4.43	8.52

⁽¹⁾ Results for the period from July 19, 2007 (commencement of operations) to March 31, 2008.

⁽²⁾ Results for the six month period ended September 30, 2011.

⁽³⁾ Issue expense of \$66,086 incurred in connection with the units issuance. The full amount of issue expenses was treated as a reduction of Unit Capital for accounting purposes and is amortized over a period of five years for tax purposes.

⁽⁴⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase / decrease from operations is based on the weighted average number of units of 35,533 outstanding over the financial period (March 31, 2011 – 68,503).

⁽⁵⁾ The percentages used to allocate distributions among income, dividends, capital gain and return on capital are based on estimates.

⁽⁶⁾ This is not reconciliation between the opening and the closing net assets per unit.

Ratios and Supplemental Data:

	Sep 30, 2011 ⁽²⁾	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008 ⁽¹⁾
Net asset value (\$000's)	140	300	432	833	1,606
Number of units outstanding	30,700	52,800	73,700	188,200	188,200
Base Management expense ratio ⁽³⁾⁽⁴⁾	3.97%	2.74%	2.08%	1.80%	1.68%
Issue expenses ratio ⁽³⁾⁽⁴⁾	—	—	—	—	3.69%
Management expense ratio (annualized) ⁽⁴⁾	3.97%	2.74%	2.08%	1.80%	5.37%
Management expense ratio before waivers or absorptions (annualized) ⁽⁴⁾	3.97%	2.74%	2.08%	1.80%	5.37%
Portfolio turnover rate ⁽⁵⁾	7.77%	26.24%	36.44%	24.11%	28.85%
Trading expense ratio ⁽⁶⁾	0.02%	0.13%	0.17%	0.05%	0.25%
Net asset value per unit	4.58	5.68	5.87	4.43	8.54

⁽¹⁾ Results for the period from July 19, 2007 (commencement of operations) to March 31, 2008.

⁽²⁾ Results for the six month period ended September 30, 2011.

⁽³⁾ A separate base management expense ratio has been presented to include the normal operating expenses and exclude the Issue expense ratio, representing all agents' fees and unit issue expenses.

⁽⁴⁾ Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period. Unit issue expenses, representing all Agents' fees and other offering expenses, which are one-time expenses, are not annualized.

⁽⁵⁾ The Fund's turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund's buying and selling all of the securities in its portfolio once in the course of the year. There is not necessarily a relationship between turnover rate and the performance of the Fund.

⁽⁶⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset values during the period.

Summary of Investment Portfolio as of September 30, 2011

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund.

A quarterly update is available at www.cclcapitalmarkets.com and at www.sedar.com.

	Fair Value \$	% of NAV
Portfolio by Category		
USA	1,795,767	26.9%
United Kingdom	1,739,068	26.1%
Switzerland	650,666	9.7%
China	556,129	8.3%
India	486,011	7.3%
South Korea	314,349	4.7%
Spain	247,452	3.7%
Japan	244,762	3.7%
Germany	216,285	3.2%
France	164,492	2.5%
Canada	143,152	2.1%
Norway	134,949	2.0%
Cash		
Top 25 Holdings		
British American Tobacco Plc	628,942	9.4%
HDFC Bank Ltd. ADR	486,011	7.3%
Vodafone Group Plc	372,425	5.6%
China Petroleum & Chemical Corp, Class H	353,640	5.3%
Samsung Electronics ADR	314,349	4.7%
Standard Chartered Plc (Hong Kong)	294,057	4.4%
Google Inc.	273,364	4.1%
Philip Morris International Inc.	273,012	4.1%
Apple Inc.	254,213	3.8%
Roche Holding Ltd.	253,141	3.8%
Inditex SA	247,452	3.7%
Canon Inc.	244,762	3.7%
Praxair Inc.	233,785	3.5%
Newmont Mining Corp.	229,407	3.4%
Diageo Plc	225,989	3.4%
Nestle SA	218,413	3.3%
BG Group Plc	217,655	3.3%
Daimler AG	216,285	3.2%
Union Pacific Corp.	212,760	3.2%
Industrial and Commercial Bank of China, Class H	202,489	3.0%
ABB Ltd.	179,112	2.7%
Peabody Energy Corp.	176,523	2.6%
Schneider Electric SA	164,492	2.5%
Suncor Energy Inc.	143,152	2.1%
Hewlett-Packard Co.	142,703	2.1%
Net asset value (NAV)	\$ 6,674,245	

Focused Global Trends Fund

Financial Statements (Unaudited)
September 30, 2011

Notice to Reader:

These interim financial statements and related notes for the six-month period ended September 30, 2011 have been prepared by Management of Connor, Clark & Lunn Capital Markets Inc. The auditors of the Fund have not audited or reviewed these interim financial statements.

Focused Global Trends Fund

Statements of Net Assets (Unaudited)

As at September 30, 2011 and March 31, 2011

	2011	2011
	\$	\$
Assets		
Cash	-	28,977
Investments at fair value (cost - \$6,726,047; March 31, 2011 - \$7,405,295)	6,684,189	8,104,393
Unrealized gain on foreign forward currency contracts	-	186,225
Dividends receivable	24,627	39,689
Receivable from investment sales	351,681	-
	<u>7,060,497</u>	<u>8,359,284</u>
Liabilities		
Cash overdraft	292,954	-
Distributions payable	42,203	42,201
Accounts payable and accrued liabilities	53,754	72,148
Management fees payable (note 8)	6,233	7,409
	<u>395,144</u>	<u>121,758</u>
Net Assets and Unitholders' Equity	<u>6,665,353</u>	<u>8,237,526</u>
Unitholders' Equity		
Unit capital (note 5)	11,002,483	11,248,266
Contributed surplus	11,759,256	11,771,305
Deficit	<u>(16,096,386)</u>	<u>(14,782,045)</u>
Total Unitholders' Equity	<u>6,665,353</u>	<u>8,237,526</u>
Class Net Assets		
Class A	6,525,065	7,937,842
Class F	140,288	299,684
Units Outstanding		
Class A	1,488,484	1,466,328
Class F	30,700	52,800
Net assets per unit		
Class A	4.38	5.41
Class F	4.57	5.68

Approved by the Manager



Director



Director

Focused Global Trends Fund

Statements of Operations (Unaudited)

For the six month period ended September 30, 2011 and 2010

	2011	2010
	\$	\$
Income		
Dividends	149,179	179,584
Interest	21	-
Withholding taxes	(15,833)	(25,273)
	<u>133,367</u>	<u>154,311</u>
Expenses		
Management fees (note 8)	47,125	76,506
Custodial and other unitholders' fees	22,943	23,914
Service fees (note 9)	17,042	22,186
Audit fees	13,320	12,565
Transfer agent fees	10,430	14,886
Board of Advisors fees	11,494	10,537
Administration fees	8,810	9,866
Filing fees	7,052	5,468
Printing and mailing fees	5,765	2,951
Listing fees	5,051	4,773
Legal fees	3,520	46
Other	2,815	6,147
Broker commission charges	704	4,125
IRC fees	-	1,772
Interest expense	-	12
	<u>156,071</u>	<u>195,754</u>
Net investment income (loss)	<u>(22,704)</u>	<u>(41,443)</u>
Net realized gain (loss) on investments		
Net realized gain (loss) on investments	(13,730)	(616,002)
Net realized gain (loss) on foreign exchange forward contracts	(352,800)	-
Net realized gain (loss) on foreign exchange	2,044	253
	<u>(364,486)</u>	<u>(615,749)</u>
Net unrealized gain (loss) on investments		
Unrealized gain (loss) on investments	(740,956)	591,185
Unrealized gain (loss) on foreign exchange forward contracts	(186,225)	(419,707)
Unrealized gain (loss) on foreign exchange	30	2,614
	<u>(927,151)</u>	<u>174,092</u>
Net gain (loss) on investments	<u>(1,291,637)</u>	<u>(441,657)</u>
Increase (decrease) in net assets from operations	<u>(1,314,341)</u>	<u>(483,100)</u>
Increase (decrease) in net assets from operations per Class:		
Class A	(1,282,559)	(467,768)
Class F	(31,782)	(15,332)
	<u>(1,314,341)</u>	<u>(483,100)</u>
Increase (decrease) in net assets from operations per unit		
Class A	(0.86)	(0.20)
Class F	(0.89)	(0.21)
Distributions paid per Class A unit *	0.17	0.17
Distributions paid per Class F unit *	0.17	0.17

* (based on weighted average number of units outstanding during the period)
(See accompanying notes to financial statements)

Focused Global Trends Fund

Statements of Changes in Net Assets, Deficit and Contributed Surplus (Unaudited)

For the six month period ended September 30, 2011 and 2010

	Class A		Class F		Total	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
Increase (decrease) in net assets from operations	<u>(1,282,559)</u>	<u>(467,768)</u>	<u>(31,782)</u>	<u>(15,332)</u>	<u>(1,314,341)</u>	<u>(483,100)</u>
Distributions to unitholders from:						
Return of capital	<u>(247,423)</u>	<u>(397,423)</u>	<u>(5,764)</u>	<u>(12,007)</u>	<u>(253,187)</u>	<u>(409,430)</u>
Unitholders' transactions:						
Class F units converted to Class A	121,850	14,107	(121,850)	(14,107)	-	-
Market repurchases (note 4)	<u>(4,645)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,645)</u>	<u>-</u>
	<u>117,205</u>	<u>14,107</u>	<u>(121,850)</u>	<u>(14,107)</u>	<u>(4,645)</u>	<u>-</u>
Change in net assets during the period	<u>(1,412,777)</u>	<u>(851,084)</u>	<u>(159,396)</u>	<u>(41,446)</u>	<u>(1,572,173)</u>	<u>(892,530)</u>
Net assets - Beginning of period	<u>7,937,842</u>	<u>13,347,594</u>	<u>299,684</u>	<u>431,834</u>	<u>8,237,526</u>	<u>13,779,428</u>
Net assets - End of period	<u>6,525,065</u>	<u>12,496,510</u>	<u>140,288</u>	<u>390,388</u>	<u>6,665,353</u>	<u>12,886,898</u>
Deficit, beginning of period	<u>(14,227,034)</u>	<u>(14,389,213)</u>	<u>(555,011)</u>	<u>(561,724)</u>	<u>(14,782,045)</u>	<u>(14,950,937)</u>
Increase (decrease) in net assets from operations	<u>(1,282,559)</u>	<u>(467,768)</u>	<u>(31,782)</u>	<u>(15,332)</u>	<u>(1,314,341)</u>	<u>(483,100)</u>
Deficit, end of period	<u>(15,509,593)</u>	<u>(14,856,981)</u>	<u>(586,793)</u>	<u>(577,056)</u>	<u>(16,096,386)</u>	<u>(15,434,037)</u>
Contributed surplus, beginning of period	11,406,251	9,012,712	365,054	317,627	11,771,305	9,330,339
Cost of units redeemed/repurchased at less than par value (note 5)	<u>(12,049)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,049)</u>	<u>-</u>
Contributed surplus, end of period	<u>11,394,202</u>	<u>9,012,712</u>	<u>365,054</u>	<u>317,627</u>	<u>11,759,256</u>	<u>9,330,339</u>

Focused Global Trends Fund

Statements of Cash Flow (Unaudited)

For the six month period ended September 30, 2011 and 2010

	2011	2010
	\$	\$
Operating Activities		
Increase (decrease) in net assets from operations	(1,314,341)	(483,100)
Items not affecting cash:		
Net realized (gain) loss on investments	13,730	616,002
Unrealized (gain) loss on investments	740,956	(591,185)
Unrealized (gain) loss on foreign exchange forward contracts	186,225	419,707
Changes in non-cash working capital		
(Increase) decrease in dividends receivable	15,062	84,769
(Increase) decrease in prepaid expenses	-	-
Increase (decrease) in accounts payable and accrued liabilities	(18,394)	(20,935)
Increase (decrease) in management fees payable	(1,176)	(388)
Cost of investments purchased	(600,631)	(913,622)
Proceeds from investments sold	914,468	1,407,137
Net cash flow provided by (used in) operating activities	<u>(64,101)</u>	<u>518,385</u>
Financing Activities		
Distributions to unitholders	(253,185)	(409,427)
Payments on redemption/cancellation of units	(4,645)	-
Net cash flow provided by (used in) financing activities	<u>(257,830)</u>	<u>(409,427)</u>
Net increase (decrease) in cash	(321,931)	108,958
Cash (overdraft) - beginning of period	28,977	99,274
Cash (overdraft)- end of period	<u>(292,954)</u>	<u>208,232</u>

Focused Global Trends Fund

Statement of Investment Portfolio (Unaudited)

As at September 30, 2011

	Par Value / Quantity	Average Cost \$	Fair Value \$	% of net assets
Investments				
Canada				
Suncor Energy Inc.	5,400	250,992	143,265	2.1%
Germany				
Daimler AG	4,600	218,298	213,809	3.2%
China				
China Petroleum & Chemical Corp, Class H	344,000	323,355	353,180	5.3%
Industrial and Commercial Bank of China, Class H	396,000	289,078	202,489	3.0%
		612,433	555,669	8.3%
France				
Schneider Electric SA	2,900	186,009	164,249	2.5%
Japan				
Canon Inc.	5,100	315,765	244,417	3.7%
India				
HDFC Bank Ltd. ADR	16,000	375,990	485,844	7.3%
Norway				
DnB NOR ASA	12,800	166,846	134,722	2.0%
South Korea				
Samsung Electronics ADR	850	311,160	310,452	4.7%
Spain				
Inditex SA	2,750	235,921	247,183	3.7%
Switzerland				
ABB Ltd.	9,900	253,417	179,112	2.7%
Nestle SA	3,800	157,623	218,413	3.3%
Roche Holding Ltd.	1,500	286,201	252,969	3.8%
		697,241	650,494	9.8%
United Kingdom				
British American Tobacco Plc	14,200	497,063	628,942	9.4%
Diageo Plc	11,300	249,790	225,897	3.4%
BG Group Plc	10,800	248,412	217,567	3.3%
Standard Chartered Plc (Hong Kong)	13,825	267,439	293,872	4.4%
Vodafone Group Plc	138,000	356,904	372,313	5.6%
		1,619,608	1,738,591	26.1%

(See accompanying notes to financial statements)

Focused Global Trends Fund

Statement of Investment Portfolio (Unaudited)... Continued

As at September 30, 2011

	Par Value / Quantity	Average Cost \$	Fair Value \$	% of net assets
USA				
Apple Inc.	640	128,302	254,233	3.8%
Philip Morris International Inc.	4,200	242,230	272,837	4.1%
Google Inc.	510	205,974	273,364	4.1%
Hewlett-Packard Co.	6,100	251,012	142,703	2.1%
Newmont Mining Corp.	3,500	219,084	229,516	3.4%
Peabody Energy Corp.	5,000	262,125	176,366	2.6%
Praxair Inc.	2,400	195,028	233,585	3.5%
Union Pacific Corp.	2,500	236,680	212,890	3.2%
		<u>1,740,435</u>	<u>1,795,494</u>	<u>26.8%</u>
Total equities		<u>6,730,698</u>	<u>6,684,189</u>	<u>100.2%</u>
Transaction costs - Section 3855 adjustment (note 3)		<u>(4,651)</u>	<u>-</u>	<u>0.0%</u>
Total investments		<u>6,726,047</u>	<u>6,684,189</u>	<u>100.2%</u>
Other liabilities less other assets			<u>(18,836)</u>	<u>-0.2%</u>
Net assets			<u>6,665,353</u>	<u>100.0%</u>

Focused Global Trends Fund

Notes to Financial Statements (Unaudited)

September 30, 2011

1 Formation of Fund

Focused Global Trends Fund (the “Fund”) is an investment trust established under the laws of the Province of Ontario pursuant to a trust agreement dated as of June 28, 2007 (the “Trust Agreement”) between Connor, Clark & Lunn Capital Markets Inc. (the “Manager”) in its capacity as manager and RBC Dexia Investor Services Trust (the “Trustee”) as trustee. The Manager was incorporated under the Business Corporations Act (Ontario) on January 15, 2001 and is wholly owned by CC&L Capital Markets Partnership.

2 Investment objectives

The Fund’s investment objectives as set out in the Prospectus dated June 28, 2007 are to (i) provide holders of the Units (“Unitholders”) with a stable stream of monthly cash distributions initially targeted to be \$0.04167 per Unit (representing a yield of approximately 5.0% per annum on the issue price of \$10.00 per Unit); (ii) preserve and enhance the net asset value per Unit of the Fund.

In order to achieve the Fund’s investment objectives, Pier 21 Asset Management Inc. (the “Investment Manager”) invested the net proceeds of the offering in a portfolio (the “Portfolio”) consisting of equity securities of global companies. The Investment Manager has retained Carnegie Asset management Fondsmæglersekskab A/S of Copenhagen, Denmark to provide investment advisory and portfolio management services to the Fund.

On March 17, 2009, the Fund announced a change to the monthly distribution rate as a result of ongoing difficult market conditions. The monthly distribution level was changed from \$0.04167 to \$0.02778 per Class A and Class F Unit (or from \$0.50 to \$0.333 per annum).

3 Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”), which require the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could differ from these estimates. The following is a summary of significant accounting policies of the Fund.

Valuation of investments

Investments are deemed to be categorized as “held for trading” in accordance with CICA 3855, Financial Instruments – Recognition and Measurement (“Section 3855”) and therefore are recorded at fair value, established by the closing bid price for a security on the recognized exchange on which it is principally traded (“GAAP Net Assets”). Should the quoted value for a security, in the opinion of the Manager, be inaccurate, unreliable or not readily available, the fair value of the security is estimated based on valuation techniques. Fair value is determined by the Manager on the basis of the most recently reported information for the security, similar securities and the markets in which the security is active. Investment purchase and sale transactions are recorded as of the trade date and realized and unrealized gains and losses on investments are determined using average cost. Brokers’ commissions and other transaction charges are immediately charged to net income in the period incurred. The Canadian Securities Administrators allow investment funds to calculate the daily net asset value for the purpose of processing unitholder transactions using the last traded price for the day as fair value of financial instruments traded in an active market, which is referred to as a “Transactional NAV”. The fund processes unitholder transactions using Transactional NAV.

The following schedule shows the reconciliation between the Transactional NAV and the GAAP Net Assets, on a per unit basis, as of September 30, 2011 and March 31, 2011:

	Transactional NAV	Section 3855 Adjustment	GAAP Net Assets
Per Class A Unit			
Opening Value – March 31, 2011	5.42	(0.01)	5.41
Closing Value – September 30, 2011	4.39	(0.01)	4.38
Per Class F Unit			
Opening Value – March 31, 2011	5.68	–	5.68
Closing Value – September 30, 2011	4.58	(0.01)	4.57

Income recognition

Income from investments is recognized on an accrual basis. Dividend income is recognized at the time a security trades on an ex-dividend basis. Interest income is based on amortized cost using the effective interest rate method. All income, realized and unrealized net gains (losses) and transaction costs (apart from an insignificant amount of income arising from cash and cash equivalents) are attributable to investments and derivatives which are deemed held for trading.

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the end of the period. Purchases and sales of investments and income and expenses are translated into Canadian dollars at the exchange rate prevailing on the transaction dates.

Foreign currency forward contracts

The Fund may enter into foreign currency forward contracts to hedge against exposure to foreign currency fluctuations. The carrying value of these contracts is the gain or loss that would be realized if the position were closed out on the valuation date, and is recorded as an unrealized gain or loss. Upon closing of a contract, the gain or loss is recorded as a net realized gain or loss on foreign currency forward contracts.

Focused Global Trends Fund

Notes to Financial Statements (Unaudited)

September 30, 2011

Unit valuation

Units of the Fund are valued at the net assets per unit of the Fund. The Transactional NAV per unit is determined by dividing the aggregate fair value of net assets of the Fund by the total number of units of the Fund outstanding before giving effect to redemptions or subscriptions for units on that day.

Allocation of expenses

The Class A Units are charged with the full amount of the Service fees (see note 6) and the TSX listing fees. All other expenses are allocated on a prorated basis between the two classes of units.

Expense recognition

Expenses that are directly attributable to the Fund are recorded on an accrual basis as incurred.

Designation of financial assets and liabilities

For the purpose of measuring and recognizing assets and liabilities, the following designations have been made: All investments, including derivatives, if any, are initially recognized at fair value and are designated as held for trading. Accrued interest and dividends receivable, amounts receivable for capital shares sold and securities sold, and other assets are designated as loans and receivables and reported at cost or amortized cost. Amounts payable for securities purchased and capital shares redeemed, other liabilities and accrued expenses, are designated as other financial liabilities and reported at amortized cost.

Related party transactions

All related party transactions occur in the normal course of operations and are recorded at an amount of consideration agreed to by the parties.

Increase (decrease) in net assets from operation per unit

This calculation is based on the increase (decrease) in net assets from operations attributable to each class divided by the weighted average number of units of that class outstanding during the period.

Valuation of series

A separate net assets per unit is calculated for each class. The net assets of a class are computed by calculating the class' proportionate share of the assets and liabilities to all classes, less the liabilities attributable only to that class. Expenses directly attributable to a class are charged to that class. Other expenses, income, realized and unrealized gains and losses are allocated proportionately to each class based upon the relative net assets of each class.

Allocation of expenses

The Class A units are charged with the full amount of the Service fees (see note 9) and the TSX listing fees. All the other expenses are allocated on a prorated basis between the Class A and the Class F units based on their respective average net asset values for the years ended March 31, 2011 and 2010.

Future accounting changes

The Canadian Accounting Standards Board ("AcSB") previously confirmed that effective January 1, 2011, International Financial Reporting Standards ("IFRS") will replace Canadian GAAP for publicly accountable enterprises, which includes investment funds. In June 2010, the AcSB issued an exposure draft "Adoption of IFRSs by Investment Companies", proposing that investment companies currently applying Accounting Guideline 18 ("AcG 18") "Investment Companies" issued by the Canadian Institute of Chartered Accountants ("CICA"), defer the adoption of IFRS by one year to fiscal years beginning on or after January 1, 2012. In September 2010, the AcSB approved the optional one year deferral from IFRS adoption for investment companies applying AcG 18.

At its January 12, 2011 meeting, the AcSB decided to extend the deferral of mandatory adoption of IFRS for Investment Companies and Segregated Accounts of Life Insurance Enterprises for one additional year to 2013. The decision is in response to the International Accounting Standards Board's announcement in late 2010 that its Investment Company project is delayed and will not likely be issued before January 1, 2012, which is the current date of mandatory adoption of IFRS for these entities. As a result, the Fund will delay implementation of IFRS until January 1, 2013.

The Fund's Manager has commenced activities to identify key issues and the likely impacts resulting from the adoption of IFRS and is in the process of developing a changeover plan, which will include identifying differences between the Fund's current accounting policies and those it expects to apply under IFRS, as well as any accounting policy and implementation decisions and their resulting impact, if any, on the net assets of the Fund. Management has presently determined that there will be no significant impact to net assets per Unit as a result of the changeover to IFRS but will continue to assess based on any changes to existing IFRS.

4 Market Purchase Program

To enhance liquidity and to provide market support for the Class A Units, the Fund has a mandatory market purchase program under which the Fund, subject to certain exceptions contained in the Trust Agreement and in compliance with any applicable regulatory requirements, is obligated to purchase Class A Units for cancellation on and subject to the terms below. If, on the business day following any Valuation Date, the weighted average price of the Class A Units is less than 95% of NAV per Unit determined as at the most recently published Valuation Date, the Fund offers to purchase for cancellation any Class A Units offered in the market at or below 95% of the NAV per Unit on the following business day. The maximum number of Class A Units purchased in any three-month period will be 1.25% of the number of Class A Units outstanding at the beginning of the period (commencing with the three-month period that begins on the first day of the month following the closing date of the Offerings). The Fund is not obligated to make such purchases if (i) the Fund lacks the cash, debt capacity or other resources to make such purchases, or (ii) in the opinion of the Manager, such market purchases would adversely affect the ongoing activities of the Fund of the remaining Unitholders of that class.

During the six month period ended September 30, 2011, the Fund purchased 1,009 of Class A Units for a total cost of \$4,645 (no units were purchased during the six month period ended September 30, 2010).

Focused Global Trends Fund

Notes to Financial Statements (Unaudited)

September 30, 2011

5 Units of the Fund

Units of the Fund were offered to the public by way of prospectus. The Fund is authorized to issue an unlimited number of transferable, redeemable units of Class A Units and Class F Units (subject to restrictions set forth in the Prospectus).

Each Class A Combined Unit consists of one Class A Unit and one-half of a transferable warrant for one Class A Unit. Each whole Warrant for one Class A Unit entitles the holder to purchase one Class A Unit at a subscription price of \$10.25 on January 30, 2009 or July 30, 2010. Each whole Warrant for one Class F Unit entitles the holder to purchase one Class F Unit at a subscription price of \$10.25 on January 30, 2009 or July 30, 2010. No Warrants for Class A Units and Class F Units were exercised during the exercise period which ran from August 20, 2007 to July 30, 2010.

The only differences between Class A Units and Class F Units are the Agent's fees payable on the issuance of Units of each class and that the Service Fee component of the management fees is only payable in respect of Class A Units. Class F Units are not listed on a stock exchange but are convertible into Class A Units. All units have equal rights and privileges.

Units of each Class may be surrendered for redemption in any month. Units properly surrendered for redemption by a Unitholder by 5:00 p.m. (Toronto time) on the 10th business day before the last business day of a month will be redeemed on the last day of that month ("Monthly Redemption Date") and the Unitholder will receive payment on or before the 15th business day following such Monthly Redemption Date, subject to the Fund's right to suspend redemptions in certain circumstances.

A Unitholder who properly surrenders Class A Units for redemption will receive the amount, if any, equal to the lesser of (A) 96% of the weighted average trading price of the Class A Units on the TSX during the 15 trading days preceding the applicable Monthly Redemption Date, and (B) the "closing market price" of the Class A Units on the principal market on which the Class A Units are quoted for trading in the applicable Monthly Redemption Date. The "closing market price" shall be an amount equal to (i) the closing price of the Class A Units if there was a trade on the applicable Monthly Redemption Date and the market provides a closing price; (ii) the average of the highest and lowest prices of the Class A Units if there was trading on the applicable Monthly Redemption Date and the market provides only the highest and lowest prices of the Class A Units traded on a particular day; or (iii) the average of the last bid and last asking prices of the Class A Units if there was no trading on the applicable Monthly Redemption Date.

Commencing in 2009, Units may be redeemed on the last business day of January in each year (the "Redemption Date"), subject to the Fund's right to suspend redemptions, for a redemption price per Unit (the "Annual Redemption Amount") based on the Transactional NAV per Unit less any costs of funding the redemption and the Unitholder will receive payment on or before the 15th day following the Redemption Date. Notice of Redemption must be provided between 45 days and the 20th business day before the Redemption Date (the "Notice Period").

Redeeming Unitholders will be entitled to receive a redemption price per Unit based on the Transactional NAV per Unit determined as of the Redemption Date. Any unpaid distribution payable on or before the Redemption Date in respect of Units tendered for redemption on such Redemption Date will also be paid on the same day as the redemption proceeds are paid. The Transactional NAV per Unit will vary depending on a number of market factors, including interest rates and volatility in the equity markets. If the Fund is extended beyond the Termination Date, Unitholders may redeem their Units on July 31, 2017 (the "Termination Date") for the Transactional NAV as of that date.

If the redemption price is lower than the par value, the difference is included in Contributed Surplus on the Statements of Net Assets. If the price is greater than the par value, the difference is first charged to Contributed Surplus until the balance in Contributed Surplus is eliminated, and the remaining amount is charged to deficit.

During six month period ended September 30, 2011, 22,100 of Class F Units were converted to 23,165 of Class A Units for a total value of \$121,850 (2,500 of Class F Units were converted to 2,617 of Class A Units for a total value of \$14,107 during the six month period ended September 30, 2010).

Changes in outstanding units are summarized as follows:

	Class A Units		Class F Units	
	Period ended September 30, 2011	Period ended September 30, 2010	Period ended September 30, 2011	Period ended September 30, 2010
Balance – beginning of period	1,466,328	2,382,603	52,800	73,700
Units converted	23,165	2,617	(22,100)	(2,500)
Units redeemed	–	–	–	–
Units redeemed under the Market Purchase Program (note 4)	(1,009)	–	–	–
Balance – end of period	1,488,484	2,385,220	30,700	71,200

The Fund considers capital to include all units issued and outstanding. The Fund manages its capital in accordance with the objectives outlined in Note (2).

6 Fund administration

Pursuant to a Trust Agreement, the Fund has retained RBC Dexia Investor Services Trust to act as custodian (the "Custodian") of the assets of the Fund. The Custodian carries out certain aspects of the day-to-day administration of the Fund, including calculating Transactional NAV, net income and net realized capital gains of the Fund and maintaining the books and records of the Fund.

7 Distributions

The Fund has made all its scheduled distributions during the six month period ended September 30, 2011, paying \$0.17 per Class A Unit and Class F Unit respectively (\$0.17 per Class A Unit and Class F Unit during the six month period ended September 30, 2010).

Focused Global Trends Fund

Notes to Financial Statements (Unaudited)

September 30, 2011

8 Management fees

Pursuant to a management agreement (“the Management Agreement”) the Fund has retained Connor, Clark & Lunn Capital Markets Inc. to act as manager. As compensation for management services rendered to the Fund, the Manager receives an annual management fee in an amount equal to 1.1% of the net asset value of the Fund, calculated and paid monthly in arrears, plus applicable taxes. The Manager pays the Investment Manager out of the above management fees.

The total management fees charged to the Fund (including taxes) during the six month period ended September 30, 2011 were \$47,125 (\$76,506 during the six month period ended September 30, 2010).

9 Service fee

The Fund pays to the Manager a service fee which is payable to dealers whose clients hold Class A Units in the Fund. The service fee is calculated daily and payable at the end of each calendar quarter in arrears and is equal to 0.40% annually of the net asset value of the Class A Units held by clients of the dealers.

The service fee charged to the Fund during the six month period ended September 30, 2011 was \$17,042 (\$22,186 during the six month period ended September 30, 2010).

10 Income taxes

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its investment income, including net realized capital gains, for any calendar year in which its net investment income or sufficient net realized capital gains are not paid or payable to its unitholders as at the end of the calendar year. It is the intention of the Manager that all annual net investment income and sufficient net taxable capital gains will be distributed to unitholders on a calendar year basis such that Canadian income taxes payable by the Fund under present legislation will be minimized. As a result thereof, and of the deduction of expenses in computing its taxable income, no provisions for income taxes are made in the financial statements.

As at December 31, 2010, the Fund had net capital losses of \$16,490,134, which may be carried forward indefinitely to reduce future realized capital gains, and non-capital losses of \$2,317,687, which expire within the next twenty years as shown in the following table.

<u>Year of the realized non-capital tax loss</u>	<u>Amount of tax loss</u>	<u>Expiry date</u>
2007	305,253	2027
2008	663,929	2028
2009	567,700	2029
2010	780,805	2030
Total	\$2,317,687	

11 Broker commission charges and soft dollar services

There were \$704 broker commission paid during the six month period ended September 30, 2011 (\$4,125 during the six month period ended September 30, 2010) in connection with portfolio transactions. No contractual arrangements for soft dollar services exist in the broker commission charges.

12 Financial instruments

	September, 2011	March 31, 2011
<u>Assets</u>	\$	\$
Cash	-	28,977
Held for trading	6,684,189	8,290,618
Loans and receivables	376,308	39,689
Total assets	7,060,497	8,359,284
<u>Liabilities</u>		
Cash overdraft	292,954	-
Held for trading	-	-
Financial liabilities at amortized cost	102,190	121,758
Total liabilities	395,144	121,758

For the purposes of categorization in accordance with Section 3862, dividends receivable are deemed to be loans and receivables and recorded at cost or amortized cost. Similarly, distributions payable, accounts payable, accrued liabilities and management fees payable are deemed to be financial liabilities and reported at amortized cost.

Focused Global Trends Fund

Notes to Financial Statements (Unaudited)

September 30, 2011

The following table illustrates the classification of the fund's financial instruments held for trading within the fair value hierarchy as at September 30, 2011 and March 31, 2011:

Assets at fair value as at September 30, 2011	Level 1	Level 2	Level 3	Total
Equities	6,684,189	-	-	6,684,189
Total	6,684,189	-	-	6,684,189

Assets at fair value as at March 31, 2011	Level 1	Level 2	Level 3	Total
Equities	8,104,393	-	-	8,104,393
Foreign currency forward contracts	-	186,225	-	186,225
Total	8,104,393	186,225	-	8,290,618

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of level 1. In such cases, instruments are reclassified into level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

Equities: The Fund's long equity positions are classified as Level 1 as all these securities are actively traded and a reliable quote is observable.

Foreign currency forward contracts: Foreign currency forward contracts for which inputs, including interest rates, forward market rates and credit spreads are observable and reliable, or for which unobservable inputs are determined not to be significant to fair value, are classified as Level 2.

There were no transfers among the three levels during the year ended September 30, 2011 and March 31, 2011.

13 Financial instrument risk

The Fund's activities expose it to a variety of financial risks. The Investment Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing professional, experienced portfolio advisors, by daily monitoring of the Fund's positions and market events, by diversifying the investment portfolio within the constraints of the investment objective, and periodically through the use of derivatives to hedge certain risk exposures.

Interest rate risk

Interest rate risk is the risk that the fair value of the Fund's interest-bearing investments will fluctuate due to changes in prevailing interest rates. The Fund's exposure to interest rate risk is concentrated in its investment in debt securities (typically short-term investments) and interest rate derivative instruments (if any). Other assets and liabilities are short-term in nature and non-interest bearing. As at September 30, 2011 and March 31, 2011, interest rate risk was negligible as the Fund had no exposure to interest-bearing investments.

Currency risk

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's functional currency. The Fund is exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates. The Statement of Investment Portfolio identifies all securities denominated in foreign currencies.

The tables below summarize the Fund's exposure to foreign currencies as at September 30, 2011 and March 31, 2011. Amounts shown are based on the carrying values of monetary and non-monetary assets as well as the underlying principal amounts of foreign currency derivatives such as forward contracts. Other financial assets such as dividends and interest receivable, and receivable from investment sales and liabilities such as accounts payable and accrued liabilities and management fees payable denominated in foreign currencies do not expose the Fund to significant currency risk. The table below summarizes the Fund's exposure to foreign currencies and the approximate impact on net assets had the Canadian Dollar ("CAD") weakened by 5% in relation to these currencies. If the Canadian dollar were to strengthen relative to these currencies, the opposite would occur. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

As at September 30, 2011:

	Monetary instruments \$	Non-monetary instruments \$	Foreign Currency Contracts \$	Total \$	% of Net Assets %	Sensitivity (based on devaluation of CAD) \$
European Union Euro	20,179	625,241	-	645,420	9.7%	32,000
Hong Kong Dollar	5,483	849,541	-	855,024	12.8%	43,000
Japanese Yen	-	244,417	-	244,417	3.7%	12,000
Norwegian Krone	28	134,722	-	134,750	2.0%	7,000
Swiss Franc	-	650,494	-	650,494	9.8%	33,000
British Pound	11,533	1,444,719	-	1,456,252	21.8%	73,000
United States Dollar	2,865	2,591,790	-	2,594,655	38.9%	130,000
Total	40,088	6,540,924	-	6,581,012	98.7%	330,000

Focused Global Trends Fund

Notes to Financial Statements (Unaudited)

September 30, 2011

As at March 31, 2011:

	Monetary instrument \$	Non-monetary instruments \$	Foreign Currency Contracts \$	Total \$	% of Net Assets %	Sensitivity (based on devaluation of CAD) \$
European Union Euro	199	577,385	(490,438)	87,146	1.1%	4,000
Hong Kong Dollar	444	845,555	(756,685)	89,314	1.1%	4,000
Japanese Yen	5,741	237,273	-	243,014	3.0%	12,000
Norwegian Krone	458	190,986	-	191,444	2.3%	10,000
Swiss Franc	7,025	1,267,248	(2,738,675)	(1,464,402)	-17.8%	(73,000)
British Pound	646	1,547,745	(1,346,159)	202,232	2.5%	10,000
United States Dollar	6,383	3,202,610	(3,021,154)	187,839	2.3%	9,000
Total	20,896	7,868,802	(8,353,112)	(463,414)	-5.5%	(24,000)

Other market risk

Other market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk resulting from financial instruments is equivalent to their fair value. The Fund's equity instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments.

If equity prices had increased or decreased by 10% on September 30, 2011, all other variables held constant, the net assets of the Fund would have increased or decreased, respectively, by approximately \$668,000 (March 31, 2011 - \$810,000). In practise, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund is exposed to the risk that a security issuer will be unable to pay amounts when due. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. The carrying amount of debt investments and unrealized gain on derivative instruments outstanding with counterparties represents the maximum exposure to credit risk. As at September 30, 2011, the Fund's net assets were not exposed to credit risk (\$186,225 or 2.3% of the Fund's net assets as at March 31, 2011 were exposed to credit risk), arising almost entirely from the unrealized gain on foreign currency forward contracts.

Liquidity risk

The Fund is exposed to daily cash redemptions due to its market purchase program which are limited to certain conditions (see note 4). The Fund is also exposed to unlimited annual anniversary redemptions on January 31 of every year (see note 5) and normal monthly redemptions. Therefore, the Fund invests the majority of its assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund retains sufficient cash and short term investments to maintain liquidity. All liabilities are due within three months.

Concentration risk

The investments of the Fund are concentrated in some geographic areas such as Switzerland, the United Kingdom and the United States of America, and will be especially affected by factors particular to these countries. Factors influencing valuation include changes in government policy, fluctuations in the capital markets and conditions of the overall economy. Changes that specifically affect those countries may cause the Net Assets of the Fund to be more volatile than the value of a more broadly diversified portfolio.

The Statement of Investment Portfolio summarizes the Fund's exposure to the concentration risk.

14 Subsequent event

On October 4, 2011, the Manager announced the successful completion, effective October 3, 2011, of the previously announced merger of the Fund and Connor, Clark & Lunn Global Financials Fund II ("GFT"). The objectives of the merger were to: (i) lower the administrative costs and increase trading liquidity by establishing a larger fund; and (ii) benefit from gaining access to the expertise of Mr. Guy de Blonay ("Mr. de Blonay") at his new employer, Jupiter Asset Management Limited ("Jupiter"), and to thereby provide greater potential for capital appreciation and utilization of accumulated tax losses. Pursuant to the merger, each holder of Common Units of GFT automatically received 0.872876 Class A Units of the Fund for each GFT Common Unit held, and each holder of Class F Units of GFT automatically received 0.871693 Class F Units of the Fund for each GFT Class F Unit held. The Fund has been renamed Connor, Clark & Lunn Financial Opportunities Fund and the investment objectives and investment strategy of the Fund have been amended in order to provide investors with an opportunity for capital appreciation by investing in an international portfolio of financial services companies actively managed by Guy de Blonay of Jupiter Asset Management Limited ("Jupiter") in its capacity as sub-advisor to the Fund.