



**Caisse
de dépôt
et placement
du Québec**

The Caisse de dépôt et placement du Québec takes on a new image.

The logo reflects the Institution's dynamism and conveys its objectives of change and expansion into the international arena, while underscoring the values that have marked its growth over the past 35 years: daring, innovation and partnership.

Its symbolism builds on the Caisse's acronym enclosed in a globe intersected through its axis, with interlocking curves, suggesting the strength, balance and diversity of the Caisse's worldwide activities.

1999 OPERATIONS REPORT

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MESSAGE FROM THE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

The total assets managed by the teams at the Caisse de dépôt et placement du Québec exceeded \$105 billion at the end of 1999.

Having reached that mark after barely 35 years of existence, we look ahead with enthusiasm and the hope that we can successfully meet the challenges we have set ourselves: to remain a world-class fund manager and to continue achieving strong, accelerated growth of assets under management in the years to come.

Our decision to strive for growth is inevitable. By developing greater critical mass, the Caisse can enhance its ability to be a player on world markets and can continue to attract the most talented managers in its main fields of endeavour so as to generate superior returns consistently at a competitive cost.

Outstanding returns without sacrificing stability

The Caisse's teams of managers generated an overall return of 16.5% in 1999.

Once again, this performance places the Caisse among the top fund managers in Québec and Canada. But the calibre of fund managers is rising, as the industry attempts to continue achieving optimal results. To produce high returns from time to time is not enough. The real challenge is to sustain the pace, year in year out, and to outperform over long periods. Preservation of capital and long-term growth are thus the goals of our teams.

The institution's average annual return was 14.7% from 1995 to 1999, during which period the annual rate of inflation averaged 1.7%. Total income from investment activities reached a record \$11.3 billion in 1999, and total cumulative income for the latest five-year period is \$40.5 billion. All depositors have seen their holdings increase substantially as a result.

A broader range of services

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Over the years, the Caisse has constantly enhanced its institutional fund management expertise and its reputation so that it can now offer its services to a new clientele on the local and international scenes.

In the years to come, the Caisse's clientele will increase considerably, especially foreign clients, since we have determined that the international arena offers excellent potential for the institution itself as well as for its partners in Québec's investment industry.

The Caisse will also continue to diversify in terms of products, styles, teams and geographical range, while maintaining a tradition of bold yet cautious management, combined with its recognized expertise. In this way, it will always be able to achieve its objective of an optimum return for depositors and clients.

During the year, the Caisse pursued the strategic orientation introduced in 1998 – as a result of an amendment to its incorporating act passed in late 1997 – of increasing the proportion of equities in its portfolio. In two years, this re-allocation has increased equities from 44.8% to 54.7%. The equities portfolio alone generated some \$820 million of additional income in 1999.

Specialized teams for outstanding performance

But it was first and foremost the performance of all the investment teams that generated outstanding results for the Caisse and its depositors and clients in 1999. The teams actually outperformed – sometimes by considerable margins – the benchmark indices against which each specialized portfolio is measured.

In the past five years, we have also emphasized private investments in companies and real estate holdings. Our teams have developed a range of products to meet the varied needs of businesses. The emphasis on these two sectors, particularly during the last recession, has proved very astute and has generated excellent results.

The average internal rate of return earned by the private-investment subsidiaries on their portfolio of Canadian equities in their first five-year cycle ended during the year was 27.3%. In 1999, the internal rate of return was 27.4%, and the debt portfolio returned an exceptional 6.34%, outperforming its benchmark index by 748 basis points. Private investments now represent 12% of depositors' assets. Few institutional fund managers in North America are as involved in this type of investment.

As for the specialized real estate portfolio, which is both a dynamic and a stabilizing component of the overall portfolio, its assets rose to more than \$13.6 billion and represented 13.6% of depositors' assets as at December 31, 1999. The institution owns the largest real estate portfolio in Canada and is also a major property investor in the international arena. Again, the strategy adopted for real estate is to diversify by region, product and team.

Private investments in companies, including real estate, contribute significantly to performance and asset growth. We will therefore continue to increase the volume of this type of investment, wherever opportunities arise in North America and elsewhere.

In this respect, the Caisse stands apart from the other main North American portfolio managers. The expertise and methods developed by its private-investment teams are now recognized not only in Québec but also in the rest of Canada and in other countries.

Partnership and proximity

Conquering new markets is a major challenge, and the needs of businesses are real. In many instances, we are prepared to accept the risk because we are in a position to assess it accurately and to reduce it.

The Caisse and its subsidiaries are already active on world markets through their network of contacts, partners and offices in Europe, Asia and Latin America, and of course in each region of Québec, where they have established a network of offices and representatives.

1999 4

Maintaining such a presence is essential if we are to identify and rapidly act on business opportunities. But above all, it brings us closer to our clients and enables us to better understand and meet their needs. Our proximity and partnership approach is a rule of conduct, even an institutional value.

The Caisse invests with credible local partners. This is a philosophy that we have developed successfully in Québec and are applying everywhere.

Today the fund management industry is rapidly becoming ever more global and complex. Preserving the funds entrusted to our institution and generating a healthy return on them depend increasingly on a wider range of competencies and the utmost dedication on the part of our investment teams and administrative and technical personnel.

The Caisse's sustained performance in recent years is the best evidence of the effectiveness and motivation of its personnel and their ability to work as a team. That is why, in concluding my message, I would like to emphasize the work accomplished by the members of the Boards of Directors of the Caisse and of our subsidiaries as well as by all personnel. I can offer no better proof than our outstanding returns.

The Caisse's sustained performance in recent years is the best evidence of the effectiveness and motivation of its personnel and their ability to work as a team. That is why, in concluding my message, I would like to emphasize the work accomplished by all members of the Boards of Directors of the Caisse and of our subsidiaries. I would also like to offer special thanks to Gérald Larose, who was a member of the Board for more than four years. I am pleased to welcome two new members, Nicole Trudeau, a member and Vice-Chairman of the Commission municipale du Québec, and Marc Laviolette, President of the Confederation of National Trade Unions.

Finally, on behalf of the Board, I would like to thank our teams for their hard work and congratulate them on their excellent results.



JEAN-CLAUDE SCRAIRE

LA CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

A world leader in fund management

With total assets of more than \$105 billion under management at the end of 1999, the Caisse de dépôt et placement du Québec is the leading fund manager in Canada and among the largest portfolio managers in the Americas.

HIGHLIGHTS <i>in millions of dollars</i>		
	1999	1998
Depositors' assets	100,263	83,327
Property under management	3,923	2,088
Property administered	1,342	1,014
TOTAL ASSETS UNDER MANAGEMENT	105,528	86,429
	1999	1998
Net depositors' assets	81,066	68,568
Property under management	11,272	6,366
Net deposits (withdrawals)		
by depositors	1,226	(1,409)
Increase in net assets	12,498	4,957
TOTAL RETURN	16.5%	10.2%

The Caisse manages the largest portfolio of Québec and Canadian stocks, and is the principal holder of Québec government bonds. The Caisse also has the largest real estate portfolio in Canada, whose diversified holdings in the commercial, residential and office sectors are actively managed primarily by companies in the Real Estate Group. Furthermore, the Caisse is Canada's leading investor in the areas of private investment and venture capital. Its network of investment subsidiaries offers a very broad range of financial products to Québec, Canadian and foreign businesses. In addition, its Accès Capital network, comprising 12 business offices covering the whole of Québec and, since 1999, the Maritimes, is the local gateway to the services offered by the Caisse and its subsidiaries.

Ever watchful for the safety of the capital it manages, the Caisse seeks an optimal return on investment while contributing to the vitality of the economy. The Caisse exercises its role as investor for the benefit of its many depositors, comprising Québec public pension and insurance plans, in addition to clients from the public and private sectors as well as mutual funds seeking to take advantage of the services and portfolio management expertise of its various teams.

To exercise its role effectively in an industry characterized by intensified globalization, the Caisse has to be present in the world's major financial centres and in every industry sector that presents attractive investment opportunities. In short, it has to meet the requirements for both geographical and sectorial diversification.

Consequently, the Caisse is active on five continents, managing its North American activities from its principal place of business in Montreal. It is present in Europe, with offices and representation in Paris, Brussels, Milan and Warsaw; in Asia, in Hong Kong and Bangkok; and in Latin America, in Mexico City and Buenos Aires.

As the largest Canadian investor in foreign markets, the Caisse has become a major financial partner in some 40 investment funds worldwide. These financial partnerships give the several thousand businesses in which the Caisse has an interest access to networks that greatly facilitate their international expansion.

HIGHLIGHTS

Of year 1999

Strong growth of assets under management
Total assets under management rose from \$86 billion in 1998 to more than \$105 billion this year.

Teams surpass themselves
Outstanding performance

The Caisse's investment teams exceeded the benchmark indices in each of the specialized portfolios making up its overall portfolio. Moreover, the managers of the specialized Canadian and U.S. equity portfolios, with returns of 32.7% and 20.5% respectively, were among the few managers to outperform their respective indices.

For the fifth straight year, the overall return was above 10%, far outstripping the benchmark indices by specialized portfolio in 1999.

The managers of the specialized foreign and emerging market stock portfolios achieved an outstanding return of more than 43%.

New clients

In line with its strategic orientation to extend its fund management to new clienteles, the Caisse took on new management mandates. In January, it announced a partnership with Mouvement Desjardins to offer a new range of mutual funds, the Cartier Funds. Since then, the Caisse has managed a portion of those funds, notably the Desjardins Select Cartier Fund, distributed through the Mouvement Desjardins network. In addition, since February, the Caisse has included the Public Curator among its clients.

Recognition from Canada's major corporations

In December 1999, the British firm Tempest Consultants conducted a survey of major Canadian corporations whose combined stock market capitalization represents 77% of the TSE 300. In quality of work and relations with fund managers, the executives polled ranked the Caisse second among all managers, surpassed only by one U.S. firm. In addition, of the country's 20 best individual portfolio managers, the survey identified five as belonging to the Caisse de dépôt et placement du Québec.

Acquisition of additional shares of Cambridge Shopping Centres

On March 1, Ivanhoe acquired 25 million additional common shares of Cambridge Shopping Centres in a takeover bid. This \$334-million investment brings its interest in the company to 71%.

Highway 407: a first in Canada

Capital d'Amérique increased its interest in SNC-Lavalin and took part, through a \$300-million financing, in the acquisition of Highway 407 in Ontario by an international consortium formed by the SNC-Lavalin Group and the Spanish companies Grupo Ferrovial and Cintra. This is the first time a highway has been privatized in Canada, and it is one of the largest projects of its kind in the world.

Launch of Montréal's International District

The Caisse and its partners, the governments of Québec and Canada, the City of Montréal and the Association des riverains du quartier international de Montréal, launched Montréal's International District on December 6. After promoting this urban development project for more than two years, the Caisse is obviously quite proud of having succeeded in bringing together the conditions and, above all, the players required to make it a reality. The International District represents an investment of more than \$60 million and will be a strategic growth centre for Montréal. Ultimately, the project will involve real estate investments of more than \$1 billion.

Creation of the Québec World Portfolio

To meet the needs of its depositors and clients, the Caisse created the Québec World Portfolio, managed jointly by the teams responsible for interest rates, currencies and international equities. The portfolio consists mainly of Québec government bonds and products linked to international equity indices. It is designed for depositors who have a long-term investment horizon and want to benefit from the advantageous yields offered by Québec securities while obtaining the performance of a diversified portfolio of international equities.

Profitable new weighting

The portion of portfolio which return is based on stock market performance rose from 47.7% in 1998 to 54.7% this year. This new weighting yielded some \$800 million in additional income.

Strategic alliance in the telecom sector

Along with the U.S. firms Microsoft and Qualcomm, Capital Communications acquired an interest in Korea Telecom Freetel, the second-largest wireless telephone company in Korea. The purpose of this investment is to give the Caisse a stake in the development of wireless Internet services. Capital Communications contributed \$300 million toward the \$900-million acquisition.

Alimentation Couche-Tard

Capital d'Amérique invested \$110 million in Alimentation Couche-Tard for the acquisition of Silcorp, which operates a chain of convenience stores, primarily in Western Canada. With this acquisition, Alimentation Couche-Tard became the leader in its sector in Canada.

Support for Axcan Pharma

Sofinov and Capital d'Amérique invested \$160 million in Axcan Pharma, of Mont-Saint-Hilaire, for the acquisition of the U.S. firm Scandipharm. Axcan Pharma thus became the first Québec pharmaceutical company with its own sales team in the United States.

Air Canada – Canadian Airlines

Air Canada and the Caisse de dépôt et placement du Québec concluded an agreement for the issuance of a \$150-million convertible debenture.

First public issuance of CMBS on the Canadian market

In May, Caisse real estate subsidiary CDPQ Mortgage floated a first public issue of commercial mortgage-backed securities (CMBS) on the Canadian market, with a value of \$254 million.

Export Gala awards

The Caisse was the recipient of two awards at the third Export Gala. It was awarded the Export Prize of Excellence in the Construction Category, which recognizes its achievements in financing construction projects outside Québec. The Caisse received this honour as a result of the partnerships it has developed as well as the many types of support it offers.

The institution also received the 1999 Export Grand Prize for Financial Institution of the Year for its daring, innovative operations in the international arena.

Business network expansion

The Accès Capital business network opened three new offices: in the Outaouais and Laval-Laurentides-Lanaudière in Québec, as well as in Moncton, New Brunswick, to cover the Maritimes.

ECONOMIC CONTEXT

Of year 1999

Early in 1999, the devaluation of the Brazilian real prompted central bankers in the major industrialized countries to continue the monetary easing initiated in the second half of 1998 in order to sustain growth, since inflation was not a real threat. Although the outlook was rather pessimistic at the beginning of the year, the situation quickly improved. In the summer, the Federal Reserve Board and the other major central banks reversed their monetary policies, since Brazil was recovering quickly from its devaluation, the crisis had not had the ripple effect that had been feared, and Asia, apart from Japan, was back on the road to growth.

Asia

At the beginning of the year, investors were concerned that the Asian crisis would have a persistent adverse impact on the global economy. The situation rapidly sorted itself out, however. The expansionist monetary policies of the industrialized nations and devaluations by several countries in the region gave the world economy a boost. Still, it took a long time for this unexpected recovery to take hold in Japan; after seeing its GDP shrink by a dramatic 2.5% in 1998, the country posted only weak growth in 1999.

United States

The U.S. economy continued to grow in 1999 at the rate of previous years, with GDP expanding by about 4%. Unemployment fell to 4.1% at year-end, the lowest rate in 30 years, sparking concerns about a resurgence of inflation and the resulting monetary tightening. Inflation was contained, however, at 2.7%, and the Federal Reserve Board raised interest rates by only 0.75% in 1999.

The catalyst for these surprising results was the substantial productivity gains made by U.S. businesses. New technologies have increased production without any appreciable increase in labour costs or in the prices of goods and services, since unit labour costs have remained well under control despite rising wages.

Canada

Canada also recorded strong growth, with GDP rising 4.2%, while inflation clocked in at 2.6%. The natural resources sector improved substantially along with the upturn in Asia. Moreover, the growth of the U.S. economy created very favourable conditions for Canadian exports, whose main destination is the United States. Finally, domestic demand grew at a rate of 3.9%.

Québec's economy benefited greatly from North American and world trends. Its GDP growth rose from 2.6% in 1998 to more than 3.5% in 1999, and inflation remained tame.

Europe

After faltering early in 1999, the countries in the euro zone enjoyed a sustained upturn in demand and exports in the second half of the year, as a result of the Asian recovery, monetary easing by Europe's Central Bank and the depreciation of the euro, especially against the U.S. dollar. In the United Kingdom, where a recession was feared, the Bank of England maintained a policy of pronounced monetary easing during the first half of the year, cutting interest rates from a peak of 7.5% in the summer of 1998 to 5% during the same period of 1999. The trend was reversed, however, the following autumn.

Interest rates

Throughout 1999, investors were concerned that central banks would raise interest rates sharply to counter the inflationary pressures that typically occur late in the economic cycle. Despite small rate increases, however, monetary policies remained generally accommodating, amid few signs of inflation.

Commodities

Early in 1999, the Asian recovery began to reverse the downward trend of recent years in most commodity pricing and demand. This upturn continued during the year, improving the outlook for many exporters. At year-end, the strength of the recovery in Europe gave new vigour to the upturn.

The price of gold fell, however, as a number of central banks elected to sell a large portion of their reserves, thereby jeopardizing the profitability of gold producers. But in the summer the banks announced a moratorium on sales, and the price of gold recovered considerably.

In the energy sector, the members of OPEC agreed early in the year to reduce their production by 7% to maintain the price of oil. As a result, in December the price per barrel had shot up 131% in the preceding 12 months. Tighter supply, combined with stronger demand due to worldwide growth, caused energy prices to surge and boosted consumer price indices around the world during the second half of the year.

Global economy

Globalization intensified in 1999. From the political and institutional standpoints, this trend was seen in the advent of the euro and Europe's creation of an integrated economic zone with GDP of US\$7 trillion, the largest market after the United States.

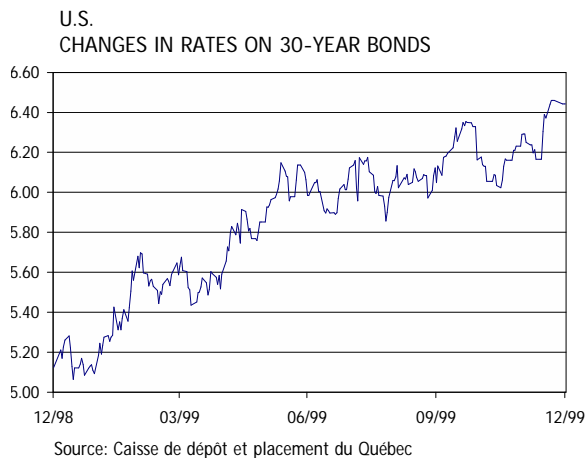
The strong trend to corporate restructuring intensified: mergers, acquisitions and strategic alliances reached unprecedented levels, involving assets valued at tens of billions of dollars. The mergers of Alcan Aluminium with Pechiney and Alusuisse Lonza Group, and of MacMillan Bloedel with Weyerhaeuser, are just two examples. These international deals, which affect most industrial sectors, are designed to achieve production and marketing synergies.

Bond market

Main industrialized countries

The yields on 10-year bonds issued by the industrialized countries rose greatly in 1999, except in Japan.

In North America, the yield spreads between Canadian and U.S. 10-year bonds narrowed, then reversed direction, going from 17 basis points at the beginning of the year to -10 at the end. The Bank of Canada lowered its short-term rates, independent of the interest rate trend in the United States. Canadian securities thus offered higher yields than their U.S. counterparts throughout the year, a situation rarely seen.



The yield on 30-year U.S. bonds ranged from 5.06% to 6.40%, rising from 5.16% at the beginning of the year to 6.35% at the end of December. In Canada, the 30-year yield rose from 5.23% to 6.23% during the same period. The Canada-U.S. spreads narrowed, then turned negative, reaching -12 basis points at year-end.

In Europe, where the convergence of economic indicators continued with the formation of the euro zone, the yield spreads between 10-year bonds issued by the United Kingdom and Germany narrowed, falling from about 60 basis points at the beginning of the year to 15 points in December. With Greece scheduled to join the euro zone in 2001, the 10-year spreads between that country and Germany also fell, from about 250 points to 130 points at the end of the year.

Emerging markets

Bonds issued by emerging markets generally offered attractive returns. The yield spreads between their issues and U.S. bonds narrowed by more than 400 basis points, although there was a certain amount of fluctuation owing to the economic and financial situation in Latin America, the Fed's monetary tightening and Y2K concerns.

The Russian market offered the best returns, expressed in Canadian dollars. Firming commodity prices, the worldwide recovery and IMF assistance restored investor confidence in that market, which had been hit hard by the devaluation of the rouble in 1998.

Corporate bonds

In Canada, publicly traded corporate bonds offered higher yields than government debt. As the federal government scaled back its bond issues, corporate bonds took their place. Investors looking for high yields were prepared to accept greater risk.

In Europe, the introduction of the euro and deregulation gave rise to many mergers and acquisitions, increasing the issues of private debt.

Money market

In setting interest rate policy in 1999, the Bank of Canada did not always take its cue from the U.S. Federal Reserve Board. Canadian rates remained slightly higher until the fourth quarter, when the rates on U.S. three-month treasury bills exceeded the rates on their Canadian counterparts.

Internationally, three-month interest rates diverged significantly: the rates on treasury bills rose 86 basis points in the United States, 27 points in Canada, 20 points in Euroland, seven points in Japan and 15 points in the United Kingdom.

Foreign exchange market

On the foreign exchange market, the dominant event was without a doubt the introduction of the euro, the common currency adopted in January by the 11 member countries of the European Monetary Union. The euro proved surprisingly weak, however, posting the worst results of the main currencies. At year-end, it had lost 13.7% of its value against the U.S. dollar. Its weakness was positive for exports, though, thus contributing to the upturn in Europe.

In the United States, the U.S. dollar was expected to undergo a significant correction owing to the enormous current account deficit. Still, the currency remained very strong, despite a slight correction during the year. The weighted price of the U.S. dollar fell only 2.2% in 1999.

The Canadian dollar responded favourably to rising commodity prices. Canada's economy also performed well, and the current account recorded a surplus for the first time in three years. Still, on a weighted commercial basis, the Canadian dollar fell 0.64%.

As for the yen, it was surprisingly strong in 1999. Despite repeated intervention by the Bank of Japan to contain its rise, it appreciated 16.9% on a weighted commercial basis and threatened the country's fragile economic recovery. Investors returning to the Japanese market in anticipation of a strong upturn fuelled its rise.

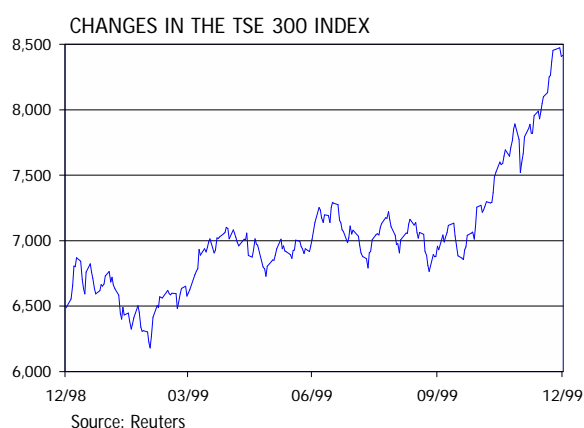
Stock markets

During the year, world stock markets were powered by the exceptional returns on telecommunications and Internet-services stocks, whose dazzling performance is due to a major technology revolution combined with investor exuberance.

Canada - After a difficult year in 1998, when the TSE 300 fell 1.6%, the Canadian stock market reversed that trend early in 1999 and returned 31.7% on the year.

This positive performance is due to the following two factors:

- Much higher commodity prices, combined with mergers and acquisitions in the forestry, mining, and metals-processing sectors. These operations, designed to reduce production costs and strengthen marketing efforts, pushed share prices up.
- The remarkable upsurge of telecom and Internet-services companies. BCE and its subsidiary Nortel dominated the Canadian stock market, skyrocketing 127% and 281%. Together they represented almost one-quarter of the TSE 300's stock market capitalization on December 31, 1999.



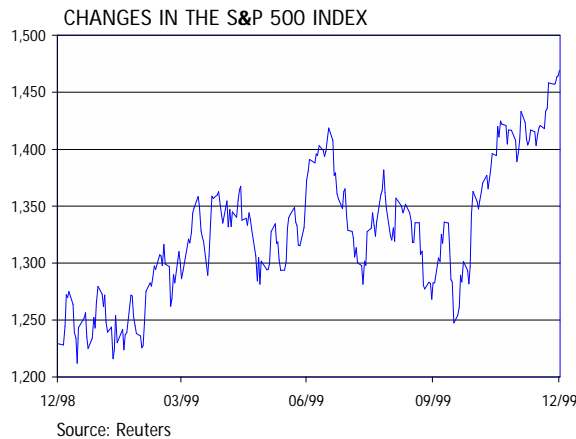
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In addition, monetary tightening had a negative impact on interest-rate-sensitive stocks, such as banks, real estate and pipelines.

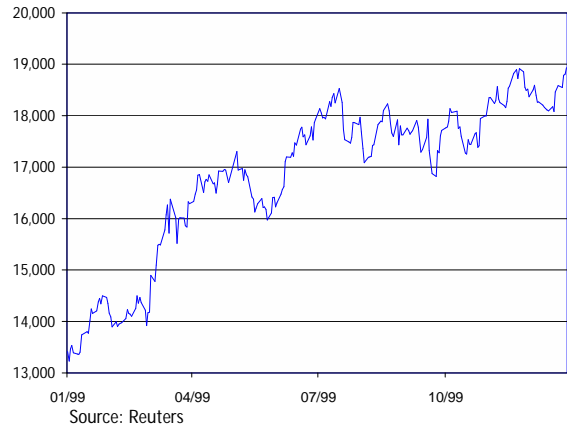
TSE 300 - SECTORIAL RETURNS			
	1999	1995-1999 (5 years)	1990-1999 (10 years)
Metals and minerals	48.40	3.28	5.51
Gold and silver	(16.99)	(12.03)	(3.00)
Oil and gas	27.26	8.23	4.04
Paper and forest products	49.52	4.76	5.27
Consumer products	28.74	20.91	13.48
Industrial products	103.75	30.07	19.43
Real estate and construction	(14.98)	0.34	(17.06)
Transportation and environmental services	(12.51)	2.87	(5.41)
Pipelines	(30.00)	7.41	7.15
Utilities	72.23	34.64	20.44
Communications	7.84	16.40	9.25
Distribution and services	(8.82)	8.97	3.06
Financial services	(9.80)	22.18	14.06
Conglomerates	7.95	14.84	7.11
Total return	31.71	16.98	10.55

United States - The S&P 500 advanced steadily in the first half of 1999, but fears of monetary tightening in the summer slowed its rise somewhat.

In the second half, the markets experienced a slight correction. Still, investors were undaunted in the face of monetary tightening, since they had no fear of a recession. The S&P 500 closed the year up 20.2%.



CHANGES IN THE NIKKEI 225 INDEX



South America - The economies of South America remained fragile in 1999. Brazil struggled at the beginning of the year, and Argentina faced an economic crisis. Still, it quickly became clear that the Brazilian crisis would not have a pronounced impact on the world economy. The markets therefore had an up year, sustained by an economy that, against all expectations, managed to avoid recession.

Real estate market

Generally speaking, the real estate markets in Canada, the United States and Western Europe continued to firm in 1999. Rents rose steadily, and supply and demand remained in balance on almost all markets, with the exception of the retail market, where demand for quality premises was very strong in Canada and the United States. Interest rates rose, albeit without affecting the real estate sector. The real estate market therefore improved in 1999. In addition, a number of large holders of real estate sold their portfolios, creating an unprecedented glut on the market, which benefited investors such as the Caisse, without however creating any imbalance.

It was another story for real estate investment trusts (REITs) and companies traded publicly on the Canadian and U.S. stock markets. Despite the buoyant stock markets, REITs experienced difficulties in 1999. The real estate market was vigorous, but REITs for the most part traded at levels below the net value of their underlying assets. Apart from the fact that these securities are generally sensitive to interest-rate increases, which had a certain impact in 1999, this situation is attributable to the tremendous popularity of technology sector issues.

As for the new economies, the Polish market continued to offer favourable risk-return scenarios. A number of other markets are also looking promising, notably Italy, Southeast Asia and Central Europe.

Mortgage market

Mortgage rates increased in 1999. The rate for three-year commercial mortgages rose from 6.7% at the beginning of the year to 7.9% on December 31. This increase occurred mainly because mortgage lenders trimmed their debt issuance, notably owing to the ongoing trend to demutualization of insurance companies.

Finally, securitization continued to gain a foothold in the real estate sector. In May 1999, CDPQ Mortgage, a Caisse subsidiary, floated Canada's first public issue of commercial mortgage-backed securities (CMBS), with a value of \$254 million.

CMBS include senior and subordinated debt. These negotiable instruments are very popular in the United States with a growing number of investors seeking a diversified, balanced portfolio.

FINANCIAL REVIEW AND RETURNS*in millions of dollars*

	1999	1998	1997	1996	1995
NET ASSETS					
Investments at cost					
Bonds	32,145	29,330	28,653	23,653	22,661
Shares and convertible securities	31,308	27,304	22,653	19,742	16,127
Mortgages	1,890	1,706	1,444	1,487	1,642
Real estate holdings	12,099	7,402	4,874	4,375	3,424
Short-term investments	5,081	4,649	1,578	2,075	3,067
Securities acquired under reverse repurchase agreements	1,441	2,583	1,673	1,324	62
Total investments	83,964	72,974	60,875	52,656	46,983
Other assets and liabilities	(15,463)	(12,434)	(5,508)	(2,905)	(657)
Total net assets at cost	68,501	60,540	55,367	49,751	46,326
Excess fair value over cost of investments	12,565	8,028	8,244	7,463	4,859
Total net depositors' assets at fair value	81,066	68,568	63,611	57,214	51,185
DEPOSITORS' HOLDINGS					
Government and Public Employees Retirement Plan (unionized level)	29,719	25,555	22,781	19,828	16,690
Régie des rentes du Québec	17,479	15,831	15,838	15,660	15,361
Commission de la santé et de la sécurité du travail	8,535	7,644	6,883	5,705	4,962
Commission de la construction du Québec	7,727	6,637	6,128	5,568	4,943
Société de l'assurance automobile du Québec	7,365	6,436	6,027	5,543	4,974
Fonds d'amortissement des régimes de retraite gouvernementaux	4,595	1,359	1,232	1,088	939
Government and Public Employees Retirement Plan (non-unionized level)	4,474	4,057	3,722	3,309	2,812
Other depositors	1,172	1,049	1,000	513	504
Total depositors' holdings	81,066	68,568	63,611	57,214	51,185
NET DEPOSITORS' INCOME					
Net income from investments	3,027	2,902	2,757	2,819	2,867
Accumulated gains and losses on the sale of investments	3,711	3,694	3,726	2,213	1,212
Accumulated net income	6,738	6,596	6,483	5,032	4,079
Accumulated unrealized increase (decrease) in value	4,534	(230)	778	2,604	3,863
Total net depositors' income	11,272	6,366	7,261	7,636	7,942
Net deposits (withdrawals)	1,226	(1,409)	(864)	(1,607)	(1,617)
	1999		1995-1999 (5 years)		1990-1999 (10 years)
TOTAL RETURN	16.5%		14.7%		11.0%
<i>Total return is calculated using the time-weighted method.</i>					
Depositors' assets	100,263	83,327	70,524	61,333	52,699
Property under management	3,923	2,088	-	-	-
Property administered	1,342	1,014	-	-	-
TOTAL ASSETS UNDER MANAGEMENT	105,528	86,429	70,524	61,333	52,699

Figures prior to 1998 have not been restated to conform with the presentation of 1999.

FINANCIAL ACTIVITIES

Asset allocation and returns

Overall portfolio

The Caisse was one of the leading fund managers in Québec and Canada in 1999. It delivered an overall return of 16.5% for the year, a result that is both remarkable and far higher than the recognized benchmark indices for all the specialized portfolios.

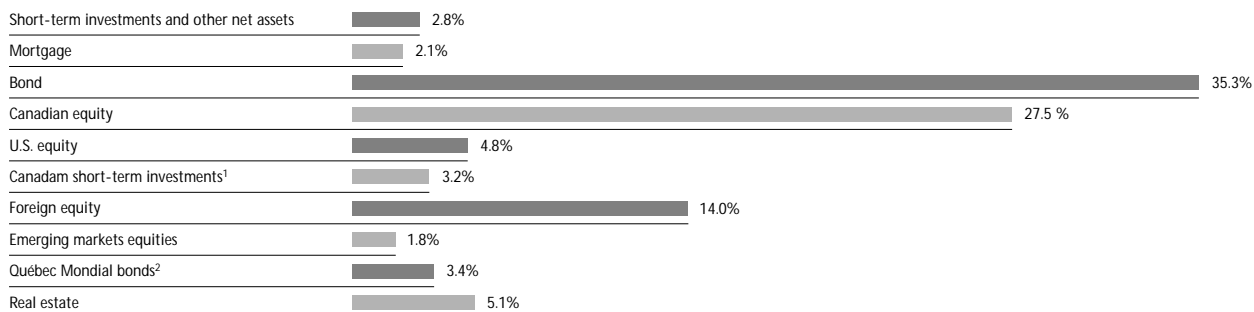
These results created \$1.6 billion of added value on a market where it was difficult to outperform the indices. If Canada's 1999 inflation rate of 2.6% is subtracted, the Caisse's real return was 13.9%, a substantial yield for its depositors. These results represent income of \$11.3 billion, to which are added net deposits of \$1.2 billion by depositors. Consequently, net assets increased from \$68.6 billion as at December 31, 1998, to \$81.1 billion one year later, up 18.2%.

In sum, for the fifth year in a row, the overall return was more than 10% and significantly exceeded the benchmark indices for all specialized portfolios. Over the medium and long terms, the average overall return is also very high, at 14.7% over five years and 11.0% over 10 years. This performance confirms that the Caisse has become over the years one of the best portfolio managers in Canada, and that it now ranks squarely in the first quartile of fund managers.

BREAKDOWN BY SPECIALIZED PORTFOLIO

as at December 31, 1999

fair value



¹ Created December 1, 1999

² Created July 1, 1999

Specialized short-term securities portfolio

The value of the short-term securities portfolio reached a new peak in 1999. This substantial increase is due mainly to the creation of a portfolio that invests in U.S. and other foreign equities, consisting of index-linked derivatives and Canadian money market securities. In addition, active management of short-term securities contributed to the portfolio's high return.

For several years, the Caisse has been very active on the Canadian and U.S. repo markets. Its operations on those markets are designed to take advantage of specific situations and to enhance the returns on its bonds.

Active management of short-term securities has paid off handsomely over the past five years. Last year's 5.1% return was no exception, exceeding the benchmark index by 44 basis points.

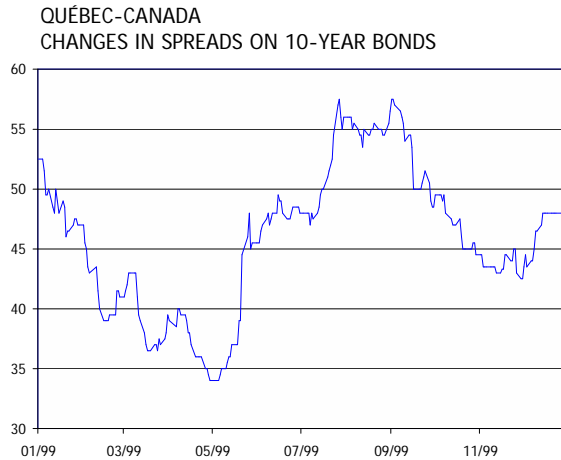
Specialized bond portfolio

The bond market performed dismally in 1999 in the wake of monetary tightening by central bankers in the G10 countries. As a result, most of the bonds issued by those countries generated negative returns.

The North American bond indices ended the year in negative territory. For example, Canada's SCM Universe Index was down 1.14% on the year.

Québec bonds generated better returns than Canadian bonds. Moody's upgraded Québec bonds, so the yield spreads between 10-year Québec and Canadian bonds narrowed by about 10 basis points to 48 basis points.

This narrowing was beneficial for the Caisse, which holds a large amount of Québec issues. Moreover, the bond portfolio earned the higher returns offered by 10-year Canadian bonds compared with their U.S. counterparts.



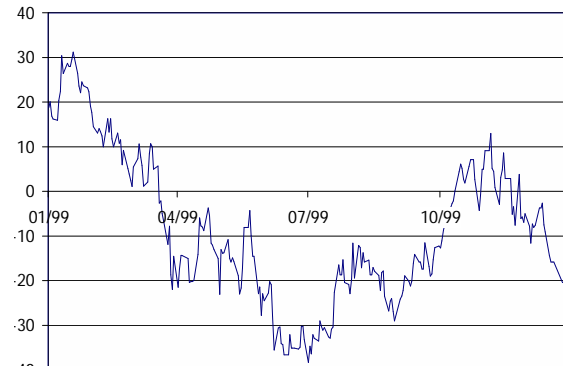
Source: Caisse de dépôt et placement du Québec

Given the behaviour of the bond markets during the year, the Caisse remained faithful to its strategy of boldness tempered by caution, opting for a rather neutral position in terms of maturities, but being more daring in terms of yield spreads. The proportion of its portfolio made up of corporate and provincial bonds rose, and this had a favourable impact on returns. The effectiveness of active management, combined with a favourable spread between Québec and Canadian bonds, generated a return of -0.1% , a result that exceeded the SCM Universe benchmark index by 100 basis points.

To diversify its geographical markets and products, the Caisse approved the creation during the year of a portfolio of foreign corporate bonds whose management will be integrated into the specialized bond portfolio. These securities are used in addition to other yield-spread products, such as Québec bonds, North American corporate bonds, high-yield bonds and mortgage-related securities.

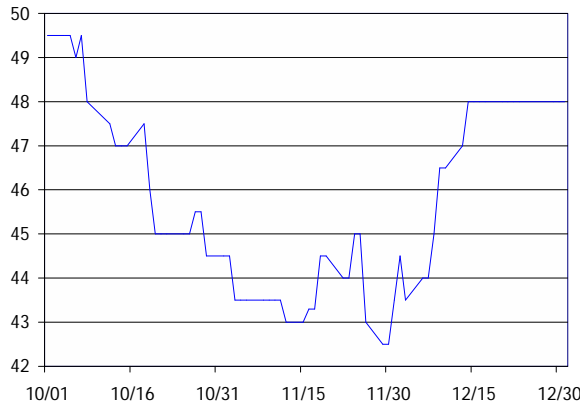
The bond portfolio managers also put in place an innovative financial structure to integrate the mortgage portfolio's interest-rate risk management with bond portfolio management. This structure integrates mortgage-rate risk with overall bond management and makes it possible to evaluate mortgage management against an index of three-month banker's acceptances.

CANADA - U.S.
CHANGES IN SPREADS ON 10-YEAR BONDS



Source: Caisse de dépôt et placement du Québec

QUÉBEC - CANADA
CHANGES IN SPREADS ON 10-YEAR BONDS
4TH QUARTER 1999



Source: Caisse de dépôt et placement du Québec

Specialized Canadian and Québec equity portfolio

Rising commodity prices and a flurry of acquisitions, mergers and strategic alliances between large forestry, mining and metals-processing companies generally drove the securities in this sector up substantially. The Caisse therefore emphasized cyclical Canadian securities, primarily in the natural resources sector.

Canadian companies in the new telecommunications technology and Internet sector, such as BCE and Celestica, recorded outstanding growth in 1999 from all standpoints. The Caisse took full advantage of the surge in value of securities in this sector.

Still, interest-rate-sensitive sectors, especially pipelines and financial institutions, tumbled in 1999. After the federal government refused to allow Canadian banks to merge, investor enthusiasm for them cooled sharply, and their share prices stagnated. In the circumstances, the Caisse decided to reduce its weighting in sectors strongly affected by interest rates.

Various strategies adopted during the year were especially profitable, placing the Caisse among the leading managers of diversified Canadian equity portfolios. The return on the Canadian and Québec equity portfolio was outstanding in every respect, outstripping the TSE 300 by 97 basis points and ringing up at 32.7%.

Specialized U.S. equity portfolio

The Caisse continued to overweight technology issues in its U.S. equity portfolio during the year, a strategy that generated excellent results. The portfolio returned 20.5%, outperforming the S&P 500 for the first time in three years. In fact, few managers worldwide achieved such a performance in 1999.

Specialized foreign and emerging market equity portfolio

During the year, the Caisse made sectorial rotations of Japanese securities, overweighted stocks traded on the Hong Kong stock exchange and overweighted European growth issues. This proved to be a winning strategy: the portfolio substantially outperformed the MSCI-EAFE + EMF index, returning an outstanding 43.1%.

Specialized mortgage and real estate portfolios

In real estate, the diversification and financing strategies adopted in recent years yielded results. The Caisse's specialized real estate portfolio returned 14.6%, surpassing the AON index by 670 basis points. The specialized mortgage portfolio generated a 0.7% return, outperforming its new benchmark index by 186 basis points.

Tactical investments

During the year, the Caisse re-structured its tactical operations. Four tactical funds created in partnership with global management advisors at Northern Trust – three managed externally, and the Varan Tactical Fund, managed internally – were restructured to diversify management styles and take advantage of opportunities on the international scene.

These four tactical funds are now available to investors, and two of them ranked first and third respectively in terms of returns by hedge funds worldwide. Overall profit from tactical operations topped \$15 million.

Active asset allocation

During the year the Caisse continued its strategy of increasing the weighting of equities in its overall portfolio at the expense of bonds, particularly by taking advantage of the spreads between the returns on the two asset categories. This strategy is based on positive economic and financial forecasts. The strong economic growth predicted for 2000, combined with relatively low inflation rates and sustained growth of corporate profits, strongly favoured stocks over bonds.

SPECIALIZED PORTFOLIOS RETURNS

in percentage

	1999	1995-1999 (5 years)	1990-1999 (10 years)
Short-term investments	5.1	5.5	6.9
Mortgage	0.7	7.8	9.1
Bond	(0.1)	10.6	10.4
Canadian equity	32.7	19.7	11.9
U.S. equity ¹	20.5	26.8	-
Foreign equity and emerging markets equities ²	43.1	16.8	10.7
Québec International bonds ³	11.1	-	-
Real estate	14.6	11.6	2.3
Total return⁴	16.5	14.7	11.0

¹ Includes the Canadam specialized short-term securities portfolio created December 1, 1999.

² Data prior to April 1994 includes U.S. shares.

³ Return for the second half of 1999. This portfolio was created on July 1, 1999, and its return is linked to the international stock markets.

⁴ The total return includes results of asset allocation transactions, tactical and strategic investments, which are largely made using derivatives

The best returns were had on emerging markets early in 1999 and then in Canada and Europe in the latter portion of the year. Generally speaking, the weighting of these bonds was increased, with positive effects on the portfolio's overall return. The Canadian market had an excellent year, as commodity prices recovered around the world and shares of Nortel and its main shareholder, BCE, rose spectacularly.

In this context, the proportion of portfolios which return is based on stock market performance increased from 47.7% as at December 31, 1998, to 54.7% a year later. Meanwhile, the weighting of bonds fell from 40.8% to 35.3%. The Caisse used this strategy throughout the year, taking advantage of stock market corrections and employing derivatives. Since the return on Canadian and foreign equities significantly outperformed bonds, this decision added \$820 million of value to the overall portfolio.

This change in the makeup of the Caisse's portfolio is the result of two complementary thrusts. The Caisse conducted a review of investment policies in 1999, in co-operation with its depositors. The new strategic orientations that came out of this exercise generated \$535 million of added value. The positions of the internal investment committees and the work of the specialized asset allocation and active management teams generated another \$285 million of added value.

A new management mode to seize opportunities
The Action Opportunité fund, created in 1999, seeks to make optimal use of the synergy of managers' skills and know-how in all sectors of the Caisse and its subsidiaries with a view to seizing exceptional investment opportunities.

A new addition to the Caisse's range of products, this fund makes investments that cannot be handled by one subsidiary alone, or which go beyond the mandate of the Core Portfolio Group with respect to certain factors such as size, liquidity or risk involved.

The Action Opportunité fund targets world-class companies, or those presenting a strong return potential. Despite its establishment late in the year, the fund has already completed several investments in the resource sector.

CAISSE RETURNS 1966-1999

	Global Return ¹	Consumer price index ¹	Real return
1999	16.5	2.6	13.9
1998	10.2	1.0	9.2
1997	13.0	0.7	12.3
1996	15.6	2.0	13.6
1995	18.2	1.7	16.5
1994	(2.1)	0.2	(2.3)
1993	19.7	1.7	18.0
1992	4.5	2.1	2.4
1991	17.2	3.8	13.4
1990	0.5	5.0	(4.5)
1989	16.9	5.2	11.7
1988	10.5	4.0	6.5
1987	4.7	4.1	0.6
1986	13.5	4.2	9.3
1985	24.0	4.4	19.6
1984	10.1	3.8	6.3
1983	17.0	4.5	12.5
1982	32.8	9.2	23.6
1981	(1.9)	12.2	(14.1)
1980	9.9	11.2	(1.3)
1979	7.2	9.7	(2.5)
1978	9.9	8.4	1.5
1977	10.9	9.4	1.5
1976	18.3	5.9	12.4
1975	12.5	9.5	3.0
1974	(5.6)	12.3	(17.9)
1973	3.4	9.4	(6.0)
1972	10.8	4.9	5.9
1971	14.1	5.2	8.9
1970	12.8	1.3	11.5
1969	(4.4)	4.8	(9.2)
1968	4.4	3.9	0.5
1967	(1.2)	4.1	(5.3)
1966	6.4	3.5	2.9

¹ Return is calculated using the time-weighted method - in percentage.

FINANCIAL INDICES*in percentage*

	1999	1995-1999 (5 years)	1990-1999 (10 years)
SHORT-TERM INVESTMENTS			
SMC - Canadian Treasury bills (91 days)	4.66	4.99	6.59
BONDS			
SCM - Universe	(1.14)	9.90	10.09
SCM - Medium-Term	(1.84)	10.04	10.21
Salomon Brothers Canada	(1.46)	9.69	9.73
CANADIAN EQUITIES			
TSE 60 ⁴	31.88	17.45	9.62
TSE 200	24.33	14.27	9.45
TSE 300	31.71	16.98	10.55
MSCI - Canada ¹	45.88	21.32	12.35
LBG Québec small caps	29.35	23.88	-
U.S. EQUITIES			
S & P 500 ¹			
Hedged ²	20.19	27.34	18.88
Unhedged	14.37	29.40	20.89
MSCI - US ^{1,3}	22.38	29.75	19.01
NYSE ^{1,3,4}	9.15	20.98	12.80
Wilshire 5000 ^{1,3,4}	22.05	24.92	14.98
OTHER FOREIGN EQUITIES			
MSCI - EAFE + EMF ⁵	37.58	15.42	9.31
MSCI - EAFE			
Hedged ²	35.15	16.71	9.33
Unhedged	19.73	13.57	9.46
Financial Times World, excluding U.S. ^{1,3}	37.16	15.51	6.62
CAC 40 - France ^{1,3,4}	51.12	25.93	11.53
DAX - Germany ^{1,3,4}	39.10	26.99	14.54
FT-SE 100 - United Kingdom ^{1,3,4}	17.81	17.72	11.08
NIKKEI 225 - Japan ^{1,3,4}	36.79	(0.81)	(6.95)
REAL ESTATE SECTOR			
Mortgages			
SCM - Universe ⁶	(1.14)	9.90	10.09
Real estate investments			
AON ⁷	7.86	9.51	2.03

¹ Without withholding taxes for foreigners not benefiting from any double taxation treaty.² Hedged against foreign currency risk.³ Local currencies.⁴ Price index.⁵ Data prior to January 1991 does not include hedging against foreign exchange risk. The MSCI-World index is used for periods prior to April 1994, and the MSCI-EAFE is used for the period from April 1994 to December 1995.⁶ Index used since January 1999 to evaluate the specialized mortgage portfolio.⁷ Prior to 1998, the reference index was the MLH+A and prior to 1993, the reference was the Frank Russell Canada.

PRIVATE INVESTMENTS GROUP

The Caisse's Private Investments Group offers a wide range of financing vehicles and various types of support to small, mid-sized and large businesses in all sectors of activity.

PRIVATE INVESTMENTS GROUP PORTFOLIO

as at December 31, 1999
in millions of dollars

Subsidiaries	Number	Fair value
		\$
Capital CDPQ and Réseau Accès Capital	120	86.8
Capital Communications	78	3,666.4
Capital d'Amérique	241	5,793.3
Capital International	48	906.0
Services financiers CDPQ	36	488.2
Sofinov, Société financière d'innovation	134	1,060.3
Consolidated total¹	636	12,001.0

¹ Certain investments are managed jointly by more than one subsidiary.

1999 20

As at December 31, 1999, the fair value of the consolidated portfolio held by the private investment subsidiaries was \$12 billion, up 74% from \$6.9 billion a year earlier. The portfolio has returned an average of 40% annually since 1995. The portion of the Caisse's total assets devoted to private investments stood at 12% this year, versus 8.3% in 1998. Few institutional fund managers in North America have such a presence in this type of investment.

The Caisse is actively involved with Québec SMEs. Of the total of 636 investments, 388 are in Québec companies.

For 70% of those companies, the amount invested was less than \$5 million, evidence of the importance of SMEs in investment strategies in Québec.

The value of the Canadian equities in the private investments portfolio is \$8.1 billion, or 36% of the total value of the specialized Canadian equities portfolio.

The internal rate of return earned by the private-investment subsidiaries on their portfolio of Canadian equities during this first five-year cycle ending this year was 27.3%. For 1999, the internal rate of return was 27.4%, and the debt portfolio returned an outstanding 6.34%, outperforming the SCM Universe Index by 748 basis points.

As at December 31, 1999, foreign securities accounted for 33% of the value of the overall portfolio held by the Caisse's private-investment subsidiaries.

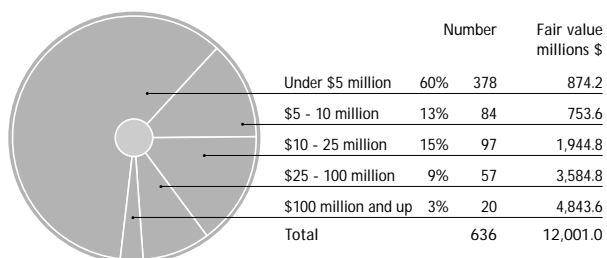
The teams of the Private Investments Group authorized 312 investments for a total value of \$6.9 billion in various economic sectors.

Capital CDPQ and the Accès Capital network Capital CDPQ and the Accès Capital network invest in SMEs in various sectors of activity, with loans and equity investments ranging from \$50,000 to \$2 million. As at December 31, 1999, their portfolio was invested in 120 companies and represented a total value of \$86.8 million.

The Accès Capital network and its 12 business offices now cover all of Québec, with the opening of the Laval-Laurentides-Lanaudière and Outaouais offices in 1999, as well as the Maritime Provinces, with the opening of an office in Moncton.

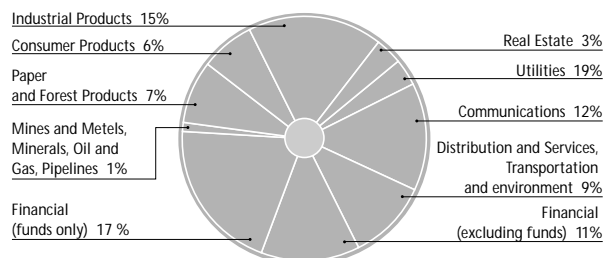
BREAKDOWN OF THE PRIVATE INVESTMENTS GROUP

as at December 31, 1999



SECTORIAL BREAKDOWN

as at December 31, 1999



Each office was given startup capital of \$10 million and acts as a gateway to the services and products provided by the Caisse and its subsidiaries.

In 1999, Capital CDPQ continued to examine the particular issue of the transfer of ownership of family firms. It developed a strategy to support such businesses in order to facilitate succession, or management buyouts. This new vehicle will be implemented in 2000.

A new company, Montréal Mode, comprising two units, Montréal Mode International and Montréal Mode Investissements, was set up in June to support the growth of Québec's fashion industry. Montréal Mode International has a mandate to put in place an infrastructure to support production and marketing of local products in the garment and design industry, while Montréal Mode Investissements invests venture capital in companies in this promising sector.

Capital CDPQ and the Accès Capital network were very active in supporting early-stage companies in all regions of Québec. Twenty of them received financing in 1999 in the form of loans provided under the program to support sponsored businesses, for a total of \$2.8 million. Some examples include:

- \$100,000 to Synercard Corporation, of Hull. This startup develops and markets software used to produce identification cards and for other applications, such as the transmission of fingerprints between police forces.
- \$250,000 to Visuel Corporation Canada, of Montreal, which rents out advertising space in office building elevators.
- \$250,000 to Servi Technologies, of Québec City, which has developed an innovative computer system to enhance interaction with consumers in the food services field.

Furthermore, a total of \$36 million were invested in 79 Québec SMEs during the year. Here are some of the main investments made:

- \$200,000 to Unigraph International, of Delson in the Montérégie, a manufacturer of ecological chemicals for commercial printing. The purpose of this investment was to enable the company to penetrate the U.S. market.
- \$400,000 to Heuristic Management Systems, of Pointe-Claire, which specializes in consultation and integration of computerized project management systems.

- \$750,000 to ComLink Group, a Laval company that creates and markets digital wireless telecommunication networks for carrying mixed signals (voice, data and video). The company plans to expand into Asia and South America.
- \$2 million to Équipement Lacroix, of Deauville, in the Eastern Townships, a distributor of heavy construction equipment.

Sponsoring Centres

Centre d'assistance au développement d'entreprises technologiques de la Gaspésie

Centre de développement d'entreprises technologiques

Centre de haute technologie Jonquière (CHTJ)

Centre d'entrepreneurship technologique de l'École de technologie supérieure (CENTECH)

Centre d'entreprises et d'innovation de Montréal (CEIM)

Centre d'entreprises technologiques montréalaise (CETM)

Centre québécois d'innovation en biotechnologie (COIB)

Centre régional de développement d'entreprises de Québec (CREDEQ)

Centre régional d'entrepreneurship (CRE)

Enviro-Accès

Inno-Centre Québec inc.

Société de développement économique de Drummondville

Capital d'Amérique

Capital d'Amérique invests in mid-sized and large businesses with strong potential for superior returns and growth. It offers a wide range of financing products, with emphasis on equity investments and loans. As at December 31, 1999, the fair value of its overall portfolio totalled \$5.8 billion, in 241 companies. The internal rate of return of the equity portfolio stands at 15.7%, while the debt financing return is 6.7%; for an overall internal return of 11.9% for 1999.

The Company manages a portfolio of Québec small-cap securities whose fair value reached \$434 million in 1999, versus \$227 million in 1998. With a three-year return of 27.7%, it outperformed the Lévesque, Beaubien, Geoffrion subindex by 334 basis points.

Capital d'Amérique has such a large and diversified portfolio that it has expanded into the international arena. Although Québec and Canada are still its preferred markets, the Company now also invests elsewhere: as at December 31, 1999, Capital d'Amérique held \$1.1 billion of assets abroad.

One of the highlights of 1999 was a \$300-million investment to acquire Highway 407 in Ontario as part of an international consortium including SNC-Lavalin Group and the Spanish companies Grupo Ferrovial and Cintra. The acquisition was made through a closed bidding process. Substantial additional investments will be required to extend the highway and develop its infrastructure. The members of the consortium have already committed \$1.6 billion in the form of equity and subordinated debentures. This is the first major highway privatization in Canada, and one of the largest projects of its kind in the world.

Investments made by Capital d'Amérique in 1999 include:

- \$8 million in Motovan, of Boucherville, a leading Canadian distributor of parts and accessories for snowmobiles, jet skis and all-terrain vehicles.
- An \$11-million co-investment with U.S. fund North Castle in NCP-EAS, a firm that develops and markets sports nutrition products.
- \$20 million in Gildan Activewear, a manufacturer and marketer of a wide range of premium-quality activewear.
- \$110 million in Alimentation Couche-Tard for the acquisition of Silcorp, which operates a chain of convenience stores, primarily in Western Canada. With this acquisition, Alimentation Couche-Tard became the leader in its sector in Canada.
- \$112 million in C-MAC, a Sherbrooke semiconductor company.
- \$150 million in Industrial Alliance, a life insurance company.

Capital Communications

Capital Communications specializes in financing for companies in the telecommunications, media and cultural industry sectors. Its strategy is to invest in rapidly growing companies, not only in Québec and elsewhere in Canada but also internationally. As at December 31, 1999, its portfolio stood at \$3.7 billion, up 116% from 1998, invested in 78 firms. Its internal rate of return was 58.5%.

Capital Communications invests in sectors that are changing extremely rapidly. With telecommunications and media players experiencing an unprecedented boom, the share prices of the sector's publicly traded companies have soared. Over the short term, equipment suppliers and telecommunications services companies will have their sights set on two objectives: user mobility and local loops.

In this context, Capital Communications has no choice but to define its strategies from a global perspective. It has decided to partner with solid companies that have the expertise and resources to offer a suitable range of technologies, services and content. At the same time, Capital Communications relies on its own expertise as well as that of its partners to add value to its more traditional private investments.

In 1999, Capital Communications also stepped up its efforts to support Québec companies, especially in the cultural field. It has set the objective of becoming a major player in this sector, through the calibre of its operations and the nature of its investments.

One of the highlights of 1999 for Capital Communications was a \$300-million investment in Korea Telecom Freetel, the second-largest wireless telephone company in Korea. The purpose of the investment, made jointly with Microsoft and Qualcomm, is to participate in the development of wireless Internet services.

The Company also sold its investments in NetStar and American Cellular, booking profits of \$68 million and \$121 million, respectively, and annual returns of 31% and 107%.

Investments made by Capital Communications in 1999 include:

- \$1 million in Groupe Cinémaginaire, a Québec feature film producer.

- \$2 million in Public Technologies Multimedia, which designs and markets personalization software (virtual models) for the sale of apparel on the Internet.
- \$4 million in Tube Image, a Québec producer of 3D animated films and special effects for movies and television. This investment will enable the company to expand internationally with an animated 3D feature film and two television series.
- \$4.25 million in Productions Pascal Blais, a Montréal company that produces commercials. This investment enabled the company to set up an IMAX animated film division. In 1997, the company had developed a world first – a fully robotized IMAX animation bench.
- \$40 million in Cable Satisfaction International for its expansion into Portugal.
- \$87 million in Quebecor, for the acquisition of Sun Media, a Canadian newspaper chain.
- \$112 million in specialized U.S. funds, to cover the Internet sector adequately, including VantagePoint in California and StarVest, which covers the Eastern United States.
- \$145 million in TIW-Asia, which specializes in the wireless sector in Asia.

Sofinov, Société financière d'innovation

Sofinov provides venture capital to innovative technology companies that have strong growth potential and have already demonstrated their capabilities. Its portfolio consists of investments in companies of all sizes in the life sciences and biotechnology, and information and industrial technologies sectors. As at December 31, 1999, the Company's portfolio comprised 134 investments with a fair value of \$1.1 billion. It achieved an internal rate of return of 26.5%.

In 1999, Sofinov continued to assist partner companies in the post-startup and development stages. It took part in the growth of companies that have successfully begun operations and are building a market presence, as well as in financing operations, such as initial public offerings, mergers and acquisitions.

In this respect, Sofinov supported Axcan Pharma of Mont-Saint-Hilaire in its successful bid for the U.S. firm Scandipharm. Axcan Pharma develops and markets pharmaceutical products, primarily in the field of gastroenterology. The products marketed by Scandipharm are used mainly to treat

gastrointestinal disorders in cystic-fibrosis, cancer and AIDS patients. In addition to investing \$160 million jointly with Capital d'Amérique in Axcan Pharma, Sofinov assisted it with all stages of the acquisition, which will enhance the company's ability to market its products throughout North America.

Biotechnology and life sciences

The portfolio in this sector consists of 62 investments with a fair value of \$565.5 million. In 1999, 17 new investments were authorized, including:

- \$1 million in Nexia Biotechnologies, a Sainte-Anne-de-Bellevue company that uses genetic-engineering techniques to produce therapeutic proteins.
- \$4.5 million in Therion Biologics Corporation, which develops and produces therapeutic vaccines for cancer treatment.
- \$29.2 million in ProQuest Investments, L.P., a U.S. fund specializing in cancer treatment.

Information technology

This portfolio has a fair value of \$387.3 million and holds 48 investments. In 1999, 30 new investments were authorized, including:

- \$800,000 in Pyderion Contact Technologies, of Saint-Laurent, which designs and markets call centre software.
- \$7.4 million in TouchTunes Music Corporation, of Nuns' Island, which creates and operates networks, known as jukeboxes, for distribution and downloading of music.
- \$76 million in Silver Lake Partners, the first U.S. acquisition fund specializing in the information technology field.

Industrial technologies

This portfolio consists of 24 investments with a fair value of \$107.4 million. The 11 investments authorized in 1999 include:

- \$4.5 million in AIMCO World Enterprises, a developer and manufacturer of polymers and heat-sensitive inks.
- \$5.9 million in Arc Second, a producer of apparatus for measuring and recording 3D positioning data.

During the year, Sofinov authorized investments in seven venture capital funds. In this way, it is continuing to penetrate the U.S. market and to develop networks from which the businesses in its portfolio can benefit.

T²C²/Bio and T²C²/Info

These societies are two Sofinov satellite limited partnerships whose mission is to provide the capital required for startups based on technologies developed by universities and public or private research centres. Investments by the two partnerships totalled \$13.1 million in 1999.

T²C²/Info invested \$4.6 million in support and startup assistance for information technology companies. Its portfolio comprises securities of 10 companies, of which four received a second round of financing in 1999 from institutional and private financial partners. For example, Cescom concluded an agreement with the multinational Ericsson to implement a worldwide communications network on the Internet, and Alcitech partnered with Nichimen, a Japanese firm, to market imaging and printing software for Arabic, Farsi and Urdu.

Since its inception in 1997, T²C²/Info has invested \$7 million in startup and early-stage companies, for a fair value of \$9.5 million as at December 31, 1999.

T²C²/Bio has invested \$8.5 million in support and startup assistance for health-science companies. Its portfolio holds the securities of 20 companies, of which four received a second round of financing from other partners in 1999. Two of these companies, SignalGene and Procyon Biopharma, are publicly traded.

Since its operations began in 1997, T²C²/Bio has invested a total of \$11.1 million in startup and early-stage companies, for a fair value of \$15.3 million as at December 31, 1999.

Services financiers CDPQ

Services financiers CDPQ acts as a partner to financial services companies, fund managers, mutual fund dealers and fund sales networks, such as independent brokers. In addition to offering financing adapted to their needs, the Company also awards management mandates.

Its mission is to obtain a high return on the assets under management and to increase the volume of funds managed in Québec. It fulfils this mission through agreements designed to consolidate Québec's financial sector and attract new financial companies. Services financiers CDPQ acts on three

levels: fund promotion, management and distribution.

As at December 31, 1999, the Company's portfolio consisted of 36 investments with a fair value of \$488 million. Investments of \$294 million were made in 25 companies, and mandates totalling close to \$194 million were awarded to fund management specialists. The portfolio has returned more than 200% since 1998, and its internal rate of return stands at 15.7%.

The highlights of the year include the launch of Cartier Mutual Funds and the acquisition of more than 51% of the shares of BRM, a publicly traded company that distributes financial products through a network of some 4,000 representatives and manages \$16 billion.

Services financiers CDPQ was also involved in the creation of Capital Teraxis, a mutual fund manager, as well as acquisitions in the mutual fund sector, particularly Tandem Financial Services, Planification Plus, Plani-Gestion Quatre-Saisons and Valorem Investment Funds.

Services financiers CDPQ also brought about the merger of two Québec mutual fund companies, Évolution FM (the Azura and Altum funds) and Avix Mutual Funds, and was involved financially in the transaction. The new company is now the second-largest of its kind in Québec.

Other investments authorized by Services financiers CDPQ include:

- \$150,000 in San-Roche Financial, a distributor of mutual funds to Canada's Chinese community.
- \$50 million in Nova Bancorp Group, an integrated financial services company whose activities include management and sale of mutual funds and specialized investment products, investment management and institutional financing services. This investment will enable the company to expand its operations in the Atlantic Provinces and Québec, where it has set up its head office.

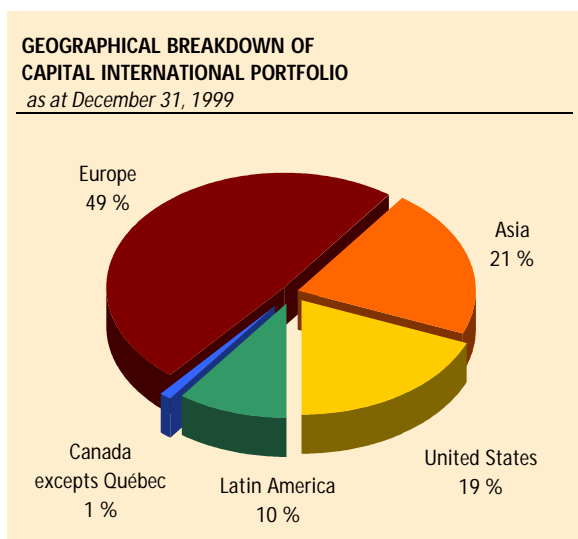
In this way, Services financiers CDPQ seeks to create conditions that will promote the emergence of a genuine mutual fund industry in Québec. The Company also has the ambitious objective of helping boost the proportion of mutual funds held by Québécois and managed in Québec from 10% to about 50% in the years to come. This objective could lead to management of a total of \$75 billion in Québec by 2008.

Capital International

Capital International's mission is to contribute to the development of the Caisse's international network and to diversify the portfolio further through investments in merchant banks and investment funds, as well as through a program of joint investments in the international arena.

The Company's strategy is essentially to partner with the best private-investment managers on the main foreign markets. To this end, it seeks managers with solid expertise who can open doors to business opportunities.

The portfolio held by Capital International CDPQ consists of holdings in investment funds, as well as direct joint investments in European, Asian, Latin American and U.S. companies.



The portfolio returned 59% since 1998, with a value of \$906 million as at December 31, 1999, while the number of investments increased from 32 to 48 over the same period. The internal rate of return stood at 4.4%.

Investments made by Capital International in 1999 include:

- \$14.6 million in Devoto Hermanos, a supermarket chain in Uruguay.
- \$25.5-million in Nieto & Senetiner, a wine producer and distributor in Mendoza, Argentina.
- \$38 million in Emerging Europe Capital Investors, a fund dedicated to Central Europe.

Capital International has considerably stepped up its activities in recent years, and now spearheads the international operations of the Caisse and its subsidiaries. The Company also plays a leading role in creating the Caisse's network of offices abroad.

Finally, Capital International has various programs to support Québec entrepreneurs in their efforts to expand internationally.

Accès Capital International

Accès Capital International has \$25 million of startup capital and a mandate to finance Québec's small and mid-sized businesses that want to establish international operations. It invests with businesses in such expansion projects as the acquisition of a foreign company, the formation of a joint venture with a local partner or the creation of a subsidiary.

Groupe Expordev

Groupe Expordev's prestigious shareholders include Telesystem, Bombardier, Bronterra International Corporation (Claridge), SNC-Lavalin International and the Export Development Corporation (EDC). Its mission is to market value-added products on promising markets through strategic partnerships and foreign networks.

In 1999, the Company acquired Sovebec, a Québec City-area company that markets lumber and wood products. Through Sovebec, which already has an extensive network of business contacts and a large clientele, Groupe Expordev intends to help Québec manufacturers of construction materials gain access to international markets.

Infradev

In 1999, Infradev contributed to the development costs for a project to design, supply and place in service a port navigation system in Vietnam. As a result of the contribution, the partners in the project, DGB Telecom and SNC-Lavalin, signed a \$12-million contract. The work began in July, with long-term financing provided by the Export Development Corporation. Infradev also acted as adviser to a client interested in a large-scale hydroelectric project in Turkey. A major Turkish conglomerate has obtained a lease for the project.

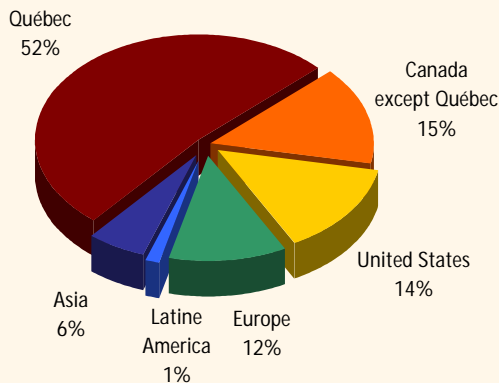
Cadim-FSTQ New Markets Fund

The Cadim-FSTQ New Markets Fund was formed jointly by Capital International CDPQ, the Caisse real estate subsidiary Cadim and the Fonds de solidarité des travailleurs du Québec with \$50 million of startup capital. The Fund, managed by Cadim, made its first investments in 1999:

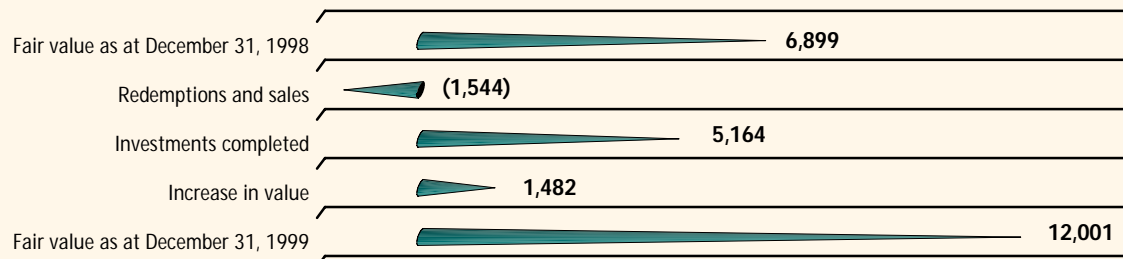
- a 300-unit condominium complex in suburban Warsaw, Poland, in partnership with the Québec companies LSR Construction and J.O. Lévesque, and managers Carole Handfield and Chris Lewandowski;
- an agreement with Indra International, a Québec company, to finance the construction of 28 row houses in Piaseczno, Poland;
- \$275,000 in Construct Québec International, for a project to export construction materials to Russia and neighbouring countries.

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GEOGRAPHICAL BREAKDOWN OF THE PRIVATE INVESTMENTS GROUP PORTFOLIO
as at December 31, 1999



CHANGES IN THE PRIVATE INVESTMENTS GROUP PORTFOLIO
in millions of dollars



REAL ESTATE GROUP

The Real Estate Group manages the specialized real estate and mortgage portfolios. A team of specialists develops strategies, monitors returns and oversees the activities of subsidiaries and companies responsible for operational management.

The Real Estate Group also continued its strategy of optimizing returns by taking advantage of the differing business and real estate cycles, by selecting investments on the basis of products and sectorial and geographical markets, and by maximizing

REAL ESTATE GROUP PORTFOLIO

as at December 31, 1999

fair value - in millions of dollars

Subsidiaries	Depositors' assets	Assets under management and assets administered	Total assets under management	Percentage
Cadim	1,640	98	1,738	8.5
Ivanhoé	6,849	1,196	8,045	39.3
SITQ IMMOBILIER	5,146	3,629	8,775	42.9
Hypothèques CDPQ	1,914	-	1,914	9.3
Total	15,549	4,923	20,472	100.0

¹ Includes the specialized mortgage and real estate portfolios.

During the year, the Group performed operations valued at \$2.1 billion, through acquisitions, new investments, development projects or sale of assets. The combined assets of the specialized real estate and mortgage portfolios stand at \$15.5 billion, or 15.5% of depositors' assets. By way of comparison, the figures for 1998 were \$10.7 billion and 12.8%.

arbitrage opportunities between holding properties directly and owning real estate securities. Moreover, the year saw many construction, reconstruction, renovation and leasehold-improvement projects that added value to the Group's assets.

The specialized real estate portfolio returned 14.6%, far outstripping the AON index, which posted a 7.9% return this year. Assets rose to \$13.6 billion, up 51.1% from 1998. Related bank and mortgage loans, third-party minority interests and other assets and liabilities totalled \$9.5 billion, versus \$5.5 billion in 1998. The portfolio also generated \$505 million of investment income, compared with \$291 million in 1998.

Finally, the specialized mortgage portfolio returned 0.7% and outperformed its benchmark index by 184 points. The portfolio's assets totalled \$1.9 billion as at December 31, 1999, or 1.9% of depositors' assets, versus \$1.7 billion in 1998.

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GEOGRAPHICAL BREAKDOWN IN THE SPECIALIZED REAL ESTATE PORTFOLIO

as at December 31

	1999		1998	
	Number of properties	Fair value	Number of properties	Fair value
Canada	264	57.7	229	42.5
United States, Mexico	76	26.5	58	33.3
Europe, Asia	57	15.8	34	24.2
TOTAL	397	100.0	321	100.0

ASSET ALLOCATION OF THE SPECIALIZED REAL ESTATE PORTFOLIO

as at December 31

fair value - in millions of dollars

	1999		1998	
	\$	%	\$	%
Real estate holdings	11,878.9	87.1	7,298.7	81.1
Shares and convertible securities	876.8	6.4	954.4	10.6
Mortgages	309.7	2.3	270.1	3.0
Short-term securities and other	570.3	4.2	475.6	5.3
Total	13,635.7	100.0	8,998.8	100.0

Ivanhoe

Ivanhoe manages, develops and invests in shopping centres in urban areas, and owns its properties outright or in partnership with other investors.

In 1999, the Company's acquisitions totalled \$296.6 million, development projects and capital expenditures, \$40.2 million, and investments in publicly traded companies and funds, \$354.2 million. Dispositions amounted to \$62.1 million, for a total from operations of \$753.1 million.

The highlight of the year in terms of investments in publicly traded companies was without doubt the acquisition of 25 million common shares of Cambridge Shopping Centres. This investment, totalling more than \$334 million, increased Ivanhoe's interest in Cambridge to 71.4%. Cambridge holds a portfolio of quality real estate from coast to coast, but primarily outside Québec. It has been one of Canada's main owners, managers and developers of superior retail properties for almost 40 years. Its assets consist of regional, super-regional and community shopping centres, as well as a few office buildings and self-storage facilities.

Ivanhoe also made a second investment in the publicly traded Spanish company Filo, bringing its interest to 18%. It also undertook to invest US\$30 million in the US\$120-million Central European Retail Property Fund. The investment was made in partnership with Bouygues, Jones Lang LaSalle Corporate Finance and Lehman Brothers.

Ivanhoe also acquired the Eaton's building in downtown Montréal for \$34 million. It intends to prepare an innovative redevelopment plan to attract leading retailers to this building containing 93,000 square metres. The building's ninth floor features a magnificent Art Deco restaurant that is part of Montréal's architectural heritage. The Company also acquired Place Montréal Trust from one of its sister companies.

In partnership with real estate company SYM, Ivanhoe acquired a 95% interest in a portfolio of four community shopping centres in Québec. It also increased its ownership of Centre Les Rivières, in Trois-Rivières, Québec, to 42.5%.

In the United States, the Company acquired an interest, for \$117.1 million, in Oak View Mall in Omaha, Nebraska, and Eastridge Mall in San Jose, California, in partnership with General Growth Properties.

REAL ESTATE SECTOR BREAKDOWN

as at December 31, 1999

fair value - in millions of dollars

Subsidiaries	Commercial buildings	Office	Industrial	Residential and hotels	Land	Total
Cadim	24.7	106.9	2.9	797.2	82.1	1,013.8
Ivanhoé	5,963.3	246.1	24.9	-	209.6	6,443.9
SITQ IMMOBILIER	394.2	3,531.9	157.4	-	347.7	4,421.2
Total	6,372.2	3,884.9	185.2	797.2	639.4	11,878.9

fair value - in percentage

1999	53.6	32.7	1.6	6.7	5.4	100.0
1998	34.7	50.1	3.2	7.8	4.2	100.0

In property development, Ivanhoe focused on two major projects. The first, on which it is acting as developer, involves construction of an entertainment complex at a cost of more than \$200 million in Laval, Québec. The second, to be carried out as part of a new partnership with Taubman Centers, calls for construction of a high-end shopping centre in Tampa, Florida, a \$395-million project.

SITQ IMMOBILIER

SITQ IMMOBILIER specializes in real estate management, development and investment, focusing on office buildings, business parks and regional shopping centres. The Company owns its properties outright or in partnership with other investors.

SITQ IMMOBILIER conducted operations worth more than \$0.5 billion in 1999. Its acquisitions totalled \$271.5 million, development projects and capital expenditures, \$128 million, investments in publicly traded companies and funds, \$98.8 million, and dispositions, \$129.9 million.

SITQ IMMOBILIER purchased its partner's interest in Carrefour Jeannois in Roberval, Québec, and did likewise with Parc Saint-Laurent in Montréal and Place du Havre, a shopping centre in Chandler, Québec. The Company also acquired a 43,400-square-metre real property complex in North York, Ontario, for \$102.7 million.

SITQ IMMOBILIER was also very active in the United States. In partnership with Canderel, a Québec company, it acquired an interest in a portfolio of 11 office buildings in Dallas, Texas. With the same partner, it purchased three office buildings in Louisiana from Bank One. The Company also invested in two funds, Blackstone Real Estate Partners III and Carlyle Realty Partners, for \$96.2 million and \$105 million, respectively.

In England, the Company partnered with major English institutions to acquire a 112,000-square-metre parcel of land in the Chiswick district of west-central London, where a business park will be built over 10 years, a \$300-million project.

As to capital expenditures, SITQ IMMOBILIER continued with the enlargement of Castle Quay Shopping Centre in England, a \$225-million project to be completed in 2000 that will add 23,400 square metres, for a final total of 35,100 square metres. In France, it began constructing an industrial building on the Ardouin des Docks de Saint-Ouen site in suburban Paris.

Construction of the Cité du Multimédia in Montréal continued, and Phase I of the project is now in operation. This office complex in the heart of Faubourg des Récollets, in Old Montréal, covers 139,000 square metres and is valued at \$200 million. It houses information technology and multimedia companies. In Saint-Laurent, SITQ IMMOBILIER completed construction of Complexe Spheretech, which is now open. Finally, the Company announced a \$15-million investment in Cité Santé Québec, a health-care complex in Québec City.

In dispositions, the Company sold part of its 48-building industrial portfolio for \$81.6 million, as well as the Rotunda and Morrocroft office buildings in Charlotte, North Carolina, for \$40 million.

Finally, SITQ IMMOBILIER officially opened the SITQ Europe offices in Brussels, Belgium, in 1999.

Cadim

Cadim manages a portfolio consisting mainly of residential buildings and non-conventional real estate investments, held in partnership with other investors, such as opportunity products, shares of real estate companies, funds and investments in new markets.

During the year, the Company made acquisitions totalling \$650 million, including \$328 million in residential buildings, \$188 million in investment funds and financings, and \$63 million in securities of publicly traded companies. It also effected capital expenditures of \$14 million and dispositions of \$171.6 million.

The following are some highlights of the Company's many activities in 1999:

- Acquisition, through Foncière de la Cité, of the Arcade portfolio comprising 25 residential and commercial buildings in Paris. This \$109-million investment was made in partnership with Immobilière Batibail.
- Acquisition of three residential complexes in the United States for a total of 1,116 units, in Manassas, Virginia, Woodridge, Illinois, and San Diego, California. These investments were made in partnership with Boston Financial.
- Acquisition of a 1,447-unit residential complex in Newport Beach, California, in partnership with Essex Property Trust and Boston Financial.
- Acquisition of a 194-unit residential complex (Carrefour Dorval) in Dorval, Québec.

- Acquisition of Manoir Archer, a 119-unit senior citizens' residence in Sainte-Foy, Québec, in partnership with Thibault, Messier, Savard et Associés.
- Acquisition, through Hearthstone Communities, of an interest in a project to build condominiums for senior citizens in Burlington, Ontario, in partnership with Intracorp Developments Ltd.
- Acquisition of three shopping centres (one in Québec and two in Ontario) in partnership with Caber Capital and Cargill Financial Services Corporation. These represent new investments in opportunity products.
- Investment of \$178 million in several funds: Lone Star Opportunity Fund II, Prudential Asian Property Partners, Lazard & Frères, Cherokee Investment Partners, Schroder Asian Property and the Pioneer Polish Real Estate Fund.
- Disposition of various assets, including emphyteutic leases (Centre Longueuil, Immeubles Yale in Côte-Saint-Luc and CDHM in Sainte-Foy), the Rio Algom Mines building in Pointe-Claire, one parcel of land on Nuns' Island in Verdun and a portfolio of Japanese loans.
- Sale of a portfolio of hotels in France.

Moreover, in 1999 Cadim added a new financing vehicle to its range of products and services – the mezzanine loan. A cross between a conventional loan and a direct investment, the mezzanine loan offers a high loan-to-value ratio and potentially higher returns than a conventional loan.

CDPQ Mortgage

CDPQ Mortgage specializes in investments in the form of loans, mortgage-backed securities and financial instruments derived from them.

The Company had a record year in 1999. Its approved investments totalled \$646.8 million, of which more than \$280.4 million was allocated for new loans in Québec and more than \$366.4 million for loans outside Québec. It also provided mortgage financing in differing amounts to a wide range of partners for various types of property. Here are a few examples:

- three loans totalling \$86 million for office buildings in the Toronto area;
- \$60.3 million for a set of 48 industrial buildings in the Montréal area;
- \$48.1 million for office and retail buildings in Halifax;

- \$30 million for an office building in Vancouver;
- \$19 million for an office building in Ottawa;
- \$18.5 million for 10 industrial buildings in the Montréal area;
- \$17.5 million for an industrial building in Dorval;
- \$15.8 million for 10 retail buildings in the Québec City area.

Finally, CDPQ Mortgage made a breakthrough on May 26, 1999, when it floated Canada's first public issue of commercial mortgage-backed securities (CMBS), with a value of \$254.1 million. These senior and subordinate bonds are secured by 99 commercial mortgages, themselves secured by 114 buildings (office, retail, industrial and residential buildings as well as hotels). The bonds were sold to investors in 12 tranches, each one carrying its own level of risk and maturity date.

Owing to the high quality of the Caisse's securitized portfolio and its experience with mortgage loans, Canadian Bond Rating Service and Moody's gave the securities a very low subordination rating of only 15%, so that the AAA tranche represented 85% of the issue. The CMBS sold very quickly, with certain tranches oversubscribed by a factor of 3.9.

Cadev

When Cadev was created in 1994, its mission was to manage and develop more than 5 million square metres of land owned by the companies in the Real Estate Group. It has fulfilled that mission admirably, since only a few land remained undeveloped at the end of 1999. Accordingly, the subsidiary was wound up at year-end. Most of its employees continue to work, however, on the Montréal International District development project or for another Caisse real estate subsidiary that manages the remaining land.

RISK MANAGEMENT

Accounting practices

The special attention that the Caisse has for many years devoted to risk assessment and management has earned it an enviable reputation. The Caisse is now regarded as an industry leader in the field.

The Caisse measures risk using the value at risk (VaR) method, which is based on a statistical evaluation of the volatility of individual market positions and their correlation. In this way, the team of specialists responsible for this task, who are independent from the teams of portfolio managers, can regularly monitor the risks presented by individual portfolios. They can then assess the risk of the Caisse's overall portfolio and determine the asset allocation that will achieve an optimal risk-return balance.

The Caisse also uses risk-evaluation methods associated with cash securities and derivatives. To that end, it takes into account absolute risk related to market fluctuations, and relative risk related to benchmark indices.

During the year, the Caisse refined its methods and put in place a new calculation platform that enables it to calculate daily risk for its portfolios and management methods.

It also extended its activities in 1999 to evaluation and management of operational risk. A team of professionals has a mandate to identify, on an ongoing basis, operations involving risk, to develop indicators and to propose and implement methods and systems so as to limit the operational risks that an institution such as the Caisse must deal with.

Accounting practices

In its operations and management methods, the Caisse meets the requirements of its incorporating act and investment-sector practices.

This means primarily that its financial statements are drawn up according to generally accepted accounting principles and are audited by the Auditor General of Québec.

The calculation of returns meets the requirements of the Association for Investment Management and Research (AIMR). An audit performed by AON Consulting certifies that the presentation of results and the calculation of returns comply with the Association's standards.

THE CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC,
ONE OF THE FEW INSTITUTIONS TO OBTAIN EXTERNAL CERTIFICATION
OF COMPLIANCE WITH AIMR STANDARDS

The Association for Investment Management and Research (AIMR) is an international organization dedicated to the continued professional development of financial sector specialists. The AIMR devotes special attention to the training of financial analysts through its program leading to the chartered financial analyst (C.F.A.) designation, as well as ongoing training of these analysts. The AIMR places special emphasis on professional ethics. It has issued a very strict code of ethics that all its members are obliged to abide by. In light of the importance of performance results, for the industry and the general public, the AIMR has also produced the AIMR-PPS Handbook, a guide that deals exclusively with standards that the industry as a whole is strongly encouraged to adopt in reporting its performance.

THE AIMR-PPS STANDARDS HAVE TWO MAIN OBJECTIVES:

- to achieve greater uniformity and comparability of performance presentation;
- to promote full disclosure and fair representation of performance results.

These objectives are intended to allow potential clients to choose their portfolio managers in an enlightened manner. Since the returns obtained by managers play a major role in such selection, it was important for the AIMR-PPS to give this matter its full attention.

The AIMR is well aware that the AIMR-PPS standards have to be updated regularly to keep pace with the rapid changes in the financial industry. That is why it insists on professional governance and full disclosure of relevant information with respect to returns.

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HERE ARE SOME OF THE STANDARDS ESTABLISHED BY THE AIMR-PPS:

1. Total return must be presented, including realized and unrealized gains, plus income.
2. Returns must be calculated according to the time-weighted method.
3. The return on any portfolio must include the return on cash and cash equivalents.
4. Returns must be presented for a minimum of 10 years.
5. The return must be presented for each year.
6. The market value of a portfolio must include accrued interest on bonds.
7. All portfolios under discretionary management must be included in the performance of a composite portfolio.
8. To determine composite-portfolio performance, each portfolio must be weighted according to its market value at the beginning of the period.
9. The return must be calculated after deduction of commissions associated with operations.
10. Real estate must be appraised by an independent firm at least once every three years.

STRATEGIC ALLIANCES

For a promising future

The Caisse's activity breaks down into two main facets:

- Asset management for some 20 depositors, pursuant to specific legislation; and
- Management and administration of assets on clients' behalf.

Total assets under management of \$105.5 billion include depositors' assets and assets administered and under management on clients' behalf.

The financial situation and operating results stemming from deposits made by depositors are presented in the cumulative financial statements and represent depositors' assets. The latter share net assets and net investment income.

Assets under management includes assets managed by Caisse subsidiaries on behalf of clients. Management services, more comprehensive than mere administrative services, include selection of investments and provision of advice.

Administered assets represents assets with respect to which Caisse subsidiaries provide administrative services on behalf of client-owners. These administrative services include administration of real estate properties and management of securitized loans. Caisse subsidiaries charge administration fees for these services. Assets under management and administered assets are not included in the statement of cumulative net assets.

In 1998, CDPQ Conseil was set up to evaluate and implement new business opportunities. This team's role is to support the Caisse and its partners in the establishment, administration and management of retirement plans as well as of insurance, investment and savings reserves on behalf of foreign companies.

Also in 1998, CDPQ Conseil signed a first agreement with the Caisse de Dépôt et de Gestion du Maroc. Several teams are involved in this project to transfer technology and know-how to the Moroccan institution. Further steps were taken in 1999 to explore new opportunities in other countries, notably in Central Europe and Asia.

In 1999, the Caisse managed funds for the following clients:

Public Curator - In 1999 the Caisse was awarded the management of the Public Curator's overall group funds.

Caisse des dépôts et consignations de France - The special relationship we have had with the Caisse des dépôts et consignations de France since 1989 led to the creation of two new portfolios. The Caisse des dépôts et consignations manages a \$27-million investment portfolio in French SMEs on our behalf, while we manage on their behalf an investment portfolio in Québec and Canadian enterprises valued at the same amount. This agreement allows the two institutions to benefit mutually from each other's expertise and knowledge and allows their partners to expand their presence on international markets.

The following are some of the funds managed by the Caisse's teams on behalf of partners:

Cartier Mutual Fund - At the beginning of the year the Caisse entered into an agreement with Mouvement Desjardins under which it will manage a portion of the Cartier Funds, six of which comprise the Desjardins Select Cartier Fund, an exclusive no-load product offered by Mouvement Desjardins and distributed through the Caisse Desjardins network and Desjardins Trust offices. The Caisse is thereby putting its management expertise and knowledge of domestic and international financial markets at the service of mutual fund investors.

Varan Fund - Created under the aegis of an external management partnership with Northern Trust global advisors and combined with other funds managed in Europe, Asia and South America, the Varan Tactical Fund, which is managed by a team of Caisse specialists, spreads risk prudently over four continents. In terms of performance, two of these funds ranked respectively first and third among all similar hedge funds worldwide.

Asia Equity Infrastructure Fund - The Asia Equity Infrastructure Fund was created in September 1998 together with Australia's largest insurance company, AMP Life, and the Asian Development Bank.

Since that time several other partners have contributed to this Fund, including Nippon Life of Japan, the GIMV venture capital fund of Belgium, Perez Companc of Argentina, AXA of France and the Fonds de solidarité des travailleurs du Québec.

With an initial capitalization of US\$355 million, the Asia Equity Infrastructure Fund (AEIF) invests exclusively in infrastructure projects and targets four sectors: telecommunications, transportation, energy and environment.

Two Caisse teams in Hong Kong and Bangkok manage this Fund in association with experts at the Asian firm, Delta Associates.

In December, a first agreement on a \$70-million investment project was reached between AEIF and Capital International on the one hand and CEMEX Asia Holdings, with a view to consolidating that company's cement production activities in Asia.

The Caisse offers services and products for the management of new public and private funds, focussing on its size, the calibre and multiple expertise of its teams, and those of its partner-companies, to obtain and manage contracts. Over the years our expertise in the area of institutional fund management has grown, and our reputation has been established in such a way that we have expanded the number of our clients on both the local and the international scenes.

To constantly improve quality, the Caisse team responsible for managing depositors' accounts meets with the depositors on a regular basis to review investment policies and ensure the Caisse can obtain the best possible returns for them while respecting their risk tolerance and taking their individual financial situations into account.

Two new individual funds were set up in 1999: the Fonds d'assurance-prêts agricoles et forestiers du Québec and the Fonds de la Régie de l'assurance-dépôts du Québec.

The Caisse also began re-engineering its administrative processes during the year to accelerate and improve the production of financial information – i.e., analysis of results and detailed allocation of returns, especially the information provided to depositors, which is among the most detailed on the market. The Caisse's objective is to go beyond industry standards in this regard.

During the year, the Caisse also continued its program of stock market and portfolio management seminars for depositors.

Pension plans

The Government and Public Employees Retirement Plan - RREGOP is the largest depositor and includes the contributions made by management personnel as well as unionized permanent and casual employees of the public and parapublic sectors. This plan is administered by the Commission administrative des régimes de retraite et d'assurances - CARRA.

The Fonds du Régime de rentes du Québec - RRQ, the second-largest depositor, provides income security for Québécois, particularly through benefits paid to pensioners. This fund is administered by the Régie des rentes du Québec.

The Commission de la construction du Québec - CCQ oversees the application of collective agreements and laws and regulations governing worker placement, hiring and mobility, as well as the administration of supplemental benefits plan accounts for the construction industry.

The Fonds d'amortissement des régimes de retraite gouvernementaux - FARRG was established to provide the Québec government with the sums necessary to pay its employer contributions to various pension plans.

The Pension Plan for Elected Municipal Officers is offered to elected municipal council members, and is administered by the Commission administrative des régimes de retraite et d'assurances.

The Régime complémentaire de rentes des techniciens ambulanciers œuvrant au Québec - RRTAQ.

Nine other pension plans, called individual plans and administered by the Commission administrative des régimes de retraite et d'assurances - CARRA, cover certain contributors working for municipalities, Crown corporations, hospitals and the federal government.

Insurance plans

The Commission de la santé et de la sécurité du travail - CSST primarily compensates workers who are victims of industrial accidents and facilitates their rehabilitation.

The Société de l'assurance automobile du Québec - SAAQ has a mission to reduce the risks inherent to road use by controlling access to the highway system and road transportation, promoting safety and compensating victims of traffic accidents.

The Régime de rentes de survivants pays a monthly pension to the spouse and children of any person eligible under the plan. The plan covers management personnel in the public and parapublic sectors.

The Régie de l'assurance-dépôts du Québec governs the solicitation and receiving of deposits from the public, guarantees the deposit of payments and manages the deposit-insurance fund.

The Régie des assurances agricoles du Québec contributes to the financial stability of agricultural enterprises by compensating them for significant losses of income.

The Fonds d'assurance-prêts agricoles et forestiers - FAPAF guarantees lenders repayment of losses resulting from loans provided under laws administered by the Société de financement agricole.

The Fonds d'assurance-garantie is administered by the Régie des marchés agricoles et alimentaires du Québec, and oversees, coordinates and improves the marketing of agricultural products. It also acts as an administrative tribunal to ensure effective marketing of Québec's agricultural, forest and food products.

The Fédération des producteurs de bovins du Québec is an agricultural association that oversees the study of problems associated with cattle production and marketing.

Other depositors

The Office de la protection du consommateur - OPC manages the Fonds des cautionnements des agents de voyage and the fund of Protégez-Vous magazine, which publishes the Office's test results.

The Centre de recherche industrielle du Québec - CRIQ acts as a partner in the commercial, industrial and public sectors to stimulate Québec's economic development.

The Société des alcools du Québec - SAQ is in charge of sales of alcoholic beverages in Québec.

The Commission des valeurs mobilières du Québec - CVMQ oversees the securities market.

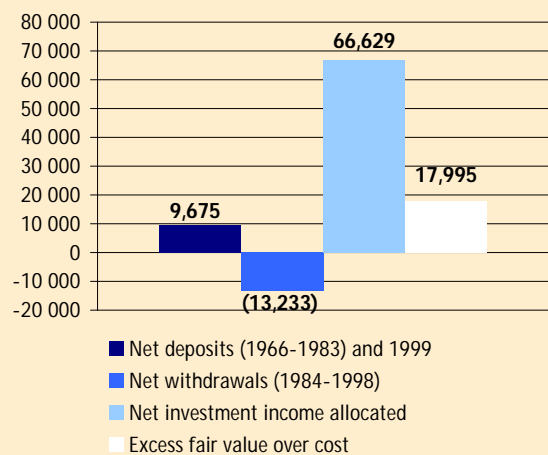
CHANGES IN DEPOSITORS' HOLDINGS *in millions of dollars*

	Net income allocated	Deposits less withdrawals	Unrealized increase in value	Increase in depositors' holdings
1999	5,255	1,226	6,017	12,498
1998	4,744	(1,409)	1,622	4,957
1997	3,743	(864)	3,518	6,397
1996	5,682	(1,607)	1,954	6,029
1995	4,066	(1,617)	3,876	6,325

In 1999, the Caisse's depositors altogether made net deposits of a mere \$1.2 million or so, whereas their net assets grew by \$12.5 billion overall. That growth is attributable to this year's overall 16.5% return, which yielded \$11.3 billion in investment income. This income is some \$1.6 billion higher than would have been the case if the Caisse's various teams had only matched-and not sought to outperform-the benchmark indices of the different asset categories making up the total portfolio.

Investment income from the past five years totals \$40.5 billion, shown as assets on the depositors' balance sheets. During the same period, their net withdrawals exceeded their deposits by \$4.3 billion. Fortunately this steady trend, where withdrawals had outstripped deposits since 1984, was reversed in 1999, and should continue in a positive direction in the years to come.

VALUE ADDED TO DEPOSITORS' HOLDINGS SINCE 1966 *in millions of dollars*



Depositors made net withdrawals exceeding their net deposits but their net holdings totalled \$81,066 billion as at December 31, 1999.

DEPOSITORS

as at December 31, 1999

fair value - in millions of dollars

	Abbreviation	First deposit	Number of contributors ¹	Depositors' holdings			
				1999		1998	
				\$	%	\$	%
PUBLIC PENSION PLANS							
Régie des rentes du Québec	RRQ						
Fonds du Régime de rentes du Québec		1966	3,682,292	17,479	21.6	15,831	23.1
Commission de la construction du Québec	CCQ						
Supplemental Pension Plan for Employees of the Québec Construction Industry		1970	90,510	7,727	9.6	6,637	9.7
Commission administrative des régimes de retraite et d'assurances	CARRA						
Government and Public Employees Retirement Plan (unionized level)	RREGOP	1973	400,000	29,719	36.7	25,555	37.3
Government and Public Employees Retirement Plan (non-unionized level)	RREGOP	1973	20,000	4,474	5.5	4,057	5.9
Retirement Plan for Mayors and Councillors of Municipalities ²		1975	-	-	-	-	-
Individual Plans		1977	325	190	0.2	169	0.3
Pension Plan for Elected Municipal Officers		1989	2,100	195	0.2	169	0.2
Régime complémentaire de rentes des techniciens ambulanciers œuvrant au Québec	RRTAQ	1990	3,231	108	0.1	90	0.1
Fonds d'amortissement des régimes de retraite gouvernementaux	FARRG	1994	1	4,595	5.7	1,359	2.0
INSURANCE PLANS							
Régie des marchés agricoles et alimentaires du Québec	RMAAQ						
Fonds d'assurance-garantie		1967	66	4	-	4	-
Régie des assurances agricoles du Québec		1968	19,815	13	-	51	0.1
Régie de l'assurance-dépôts du Québec		1969	1,200	181	0.2	166	0.2
Commission de la santé et de la sécurité du travail	CSST	1973	182,400	8,535	10.5	7,644	11.1
Société de l'assurance automobile du Québec	SAAQ	1978	4,514,048	7,365	9.1	6,436	9.4
Fonds d'assurance-prêts agricoles et forestiers du Québec	FAPAF	1978	1	71	0.1	59	0.1
La Fédération des producteurs de bovins du Québec		1989	24,250	3	-	2	-
Régime de rentes de survivants		1997	1	364	0.5	321	0.5
OTHER DEPOSITORS							
Office de la protection du consommateur	OPC	1992	1,120	9	-	8	-
Centre de recherche industrielle du Québec³	CRIQ	1994	-	-	-	-	-
Société des alcools du Québec³	SAQ	1994	-	26	-	-	-
Commission des valeurs mobilières du Québec³	CVMQ	1998	-	8	-	10	-
TOTAL				81,066	100	68,568	100

¹ Estimate.² In 1992, the net assets of this plan's fund were merged with that of the Pension Plan for Elected Municipal Officers.³ These depositors solely use the Caisse's cash management services.

Planning

The Caisse's planning activities in 1999 focussed on the Institution's objective of being one of the best fund managers in the Americas.

The Caisse's different administrative units were therefore called upon to specify their action priorities for 1999 and 2000. It is the Caisse's goal to follow and surpass industry best practice, on an ongoing basis and in each of its sectors of activity.

This objective compels the Caisse to detail its strategies for dealing with the rapid globalization of the fund management industry on the one hand, and the levelling-out of net deposits from its current depositors on the other hand.

In this perspective, the Caisse is actively working to improve on an ongoing basis the products and services it provides for its depositors and clients and to develop the potential of new products and clientele.

As for Y2K preparedness, work continued throughout the year to identify critical applications, test them and review all the Caisse's systems. The tests were completed successfully in the fall, on schedule. The Caisse then developed contingency plans to cope with any unforeseen glitches, and a command centre was set up to co-ordinate Y2K preparatory work and activities. The transition took place smoothly. All the Caisse's systems made the date changeover without any problems, and operations continued normally in all areas.

At the same time, the Caisse continued its efforts to upgrade all its information systems. Following implementation of the new investment administration system in December 1998, the computerized accounting system was updated, and a system was created to store historical market data.

The Caisse also selected a new derivatives management and administration system, covering all activities from execution of transactions to their settlement. Not only will this system speed operations, but it will also improve efficiency and reduce the risk of errors. This environment, which will be completed in 2000, is designed to keep pace with rapid changes in investment operations involving various derivatives.

Lotus Notes groupware was installed during the year on the Caisse's internal network. This tool provides an integrated platform that ensures efficient records management and greatly facilitates dissemination and sharing of information throughout the institution.

Finally, the Caisse put in place a new backup site to increase the reliability and security of all computer operations.

Information systems

The Caisse has made many technological changes in recent years to adapt its information systems to increasingly sophisticated fund-management needs. Far from slowing, the rate of change should continue or even accelerate, to enable the institution to meet the ever-increasing demands of its depositors and clients and also to permit growth and diversification of its operations.

In this context, the Caisse adopted a master plan in 1999 to upgrade its information systems. The plan involves re-examining the overall information system architecture and making the necessary changes in a rigorous and orderly fashion.

The past year saw a number of important events. The euro was introduced as scheduled, on January 1, 1999. The Caisse's information systems had already had to be adapted so that investment operations involving the new currency could be processed.

Administrative and accounting services

The introduction of new information systems and the increasing needs of portfolio managers led to a major reorganization of administrative activities in 1999. This reorganization provides effective support for new investment activities and management performed for new clients and depositors. In addition, the administrative support operations of the Caisse and its private-investment subsidiaries were combined into a single team under the direction of the Vice-President, Finance, Control and Administration of information systems.

In addition to this reorganization, the Caisse re-evaluated its processes to improve and accelerate the production of financial information for its own needs as well as for depositors and clients. The recommendations arising from this study will be implemented gradually over the next year.

The year also saw tremendous growth in the volume of derivatives operations. About 56,000 such operations were performed during the year, an increase of some 50% from the previous year. Moreover, operations involving loans of securities totalled \$12.6 million, up 9.4% over 1998.

Finally, administrative and accounting services were involved in the creation of the new specialized portfolios and funds set up in 1999: the Québec World bond portfolio, and the Canadam short-term securities portfolio.

Human resources

The Caisse has 264 full-time employees, 136 of them women and 128 men, whose occupations require a high level of expertise in all sectors. These figures do not include employees of the private investment and real estate subsidiaries. The staff of the Caisse includes:

- 157 university graduates, of whom four hold a doctorate and 61 a Master's degree.
- 43 employees who hold the Chartered Financial Analyst (CFA) designation and 50 others who are studying to obtain it. The Caisse has the highest concentration of CFAs in Canada.
- 40 employees with an accounting designation (CA, CGA and CMA). The number of professionals in this area has risen sharply in recent years in response to increasingly sophisticated financial-management needs.

Moreover, 134 full-time employees work in subsidiaries of the Private Investments Group.

In view of the expertise its teams must possess, the Caisse pays special attention to professional development.

During the year, 102 people were enrolled in customized training programs, while 58 employees took courses to improve their English and Spanish communication skills. The Caisse also reviewed its new-employee orientation program, which covers its organizational structure, code of ethics and internal policies.

The Caisse also offers internships to new university graduates in areas related to its operations, such as finance, economics and applied mathematics. The internships are designed to round out their fund-management and investment training, and to help meet succession needs. In 1999, 30 graduates took part in the program. Sixteen obtained temporary employment or completed an internship that is a mandatory component of their course of studies.

Finally, along with Montréal brokerage firms, the Caisse is involved in a program to prepare a new generation of specialists. In 1999, 32 people took part in the program, which has created internships for 191 people to date.

The efforts made by the Caisse in training, professional development and succession meet the specialization needs created by the increasing complexity of the financial markets on which the institution invests. Traditional requirements are becoming more diversified. For example, private investments call for an increasingly broad range of skills involving business development, customer service or industrial sectors, in addition to finance competencies. In the context of global financial markets, the Caisse must ensure that it has expertise adapted to this reality.

Institutional affairs

Application of the Caisse's Code of Ethics and Professional Conduct is a priority. The institution ensures that the staff is familiar with the Code and that its subsidiaries devote the necessary attention to it. Once a year, the staff are required to sign a statement of disclosure concerning their personal investments.

Moreover, a manual of policies and directives was posted on the Intranet site during the year so that all employees can keep up with the most recent developments.

The Caisse also applies its policy and directives on contracts, which state the principles and rules governing the acquisition or leasing of goods and services that require a contract. This policy calls for the award of contracts by tender and also specifies limits and exceptions.

Management of the work environment

The Caisse devoted considerable effort to managing its work environment, primarily because of the sustained growth of staff levels. A preliminary plan to consolidate all business activities under the same roof in three different centres, namely Montréal, Québec City and Paris, is being developed.

To prepare for the Y2K date changeover, special attention was paid to building access, security, and telephone and telecom systems.

Finally, in accordance with the Tobacco Act (1998, c. 33), the Caisse ensures the application of its policies on air quality and the use of tobacco in the workplace, in effect since 1995.

Public affairs

In line with its tradition of disseminating information, the Caisse produced various specialized publications, such as the ImmoCaisse and Accès Capital bulletins. The twice-yearly *Cycles et tendances* was overhauled and is now published in magazine format. These publications are naturally available on the Web site.

The content of the site was considerably enriched in 1999. Additions include the Act respecting the Caisse; the list of Québec mutual funds and segregated funds; the policy on service to partner companies and clients; the policy on private investments; the policy on corporate governance; insider press releases; a section on the Y2K date changeover; and an economic and financial column updated every month.

The number of visitors to the institution's Web site continued to shoot up, rising from 5,600 at the end of December 1998 to 10,700 at the end of 1999, an increase of 91%.

In media relations, the number of press releases was up once again, and the interviews granted rose twofold. A number of major developments received considerable media coverage.

To increase its presence in the regions, the Caisse opened three new offices that are part of the Accès Capital

network, in Laval-Laurentides-Lanaudière, the Outaouais and the Maritimes. In addition, a program of regional tours by Caisse managers began during the year with a visit to the Gaspé, and will continue in 2000. A series of columns was also prepared and published in 12 regional weekly newspapers under the byline of the Director of the Accès Capital network of offices.

Considerable effort was also devoted to internal communications. The new *Navigateur Caisse Intranet* portal was developed in co-operation with information services. The portal provides access to various tools, such as the press review, the manual of policies and directives, the databases and various institutional applications

The Caisse renewed its commitment to students studying finance, notably through involvement in the sixth edition of the *Journée Relève financière*, which attracted record numbers in 1999. In addition, McGill University and Concordia University took part in the event for the first time. The institution also supported 12th *Jeux du Commerce*, the *Journées de l'optimisation* with the Université de Montréal, and stock market simulations organized by Université Laval and the Université du Québec à Trois-Rivières.

The Caisse also promoted itself by taking part in various events held throughout the world, notably in Davos, the Near East, the Middle East and California. To judge by the increasing number of foreign delegations that want to visit the Caisse, it is clear that the Caisse's profile is rising throughout the world. In 1999, more than 20 delegations, notably from Spain, France, Korea, Hungary and Sweden, came to Montréal to meet the managers and executives of the Caisse.

The number of forums and events in which Caisse representatives constantly rose in 1999. Speakers were invited to share their vision of business and financial issues with such organizations as the *Cercle de finance et placement de Québec*, the *Cercle de la finance internationale de Montréal*, the *Québec-Japan Business Forum*, *CGA-Canada*, the *Club des actuaires de Québec* and the *OECD's Advisory Group on Privatization*.

The Caisse also took part in a number of events held by the *Fondation de l'entrepreneurship*, and its Chairman and Chief Executive Officer became the President of the organization. A Caisse team is co-operating closely on preparations for *Mentorat 2000*, an event that will be held to mark the foundation's 20th anniversary.

As usual, the Caisse took part in the Québec City and Montréal Savings and Investments Marketplaces and, through its Accès Capital network, in the *Salon Objectif Entrepreneurship* held at the *Palais des Congrès de Montréal* convention centre.

Board of Directors

The Board of Directors consists of the Chief Executive Officer of the Caisse, who is the Chairman, depositors' representatives, namely as at December 31, 1999, the President and General Manager of Régie des rentes du Québec, the Chairman of the Commission administrative des régimes de retraite et d'assurances, the Chairman and Chief Executive Officer of the Société de l'assurance automobile du Québec, as well as members of the business community and the co-operative sector and labour union leaders.

The Board's role is to ensure that the Caisse is managed in accordance with the provisions of its incorporating act and by-laws. It also sees that the institution takes the measures required to achieve the objectives stated in its mission: to achieve an optimal financial return, to contribute to economic growth and to preserve the capital under management.

The Board reviews and approves the main policies and strategic orientations, such as the investment program for the year. It also conducts an annual review of the sectors of activity and receives reports from various committees and ad-hoc working groups when it must consider specific matters.

It is also informed of any operation, decision, investment or other matter that requires special attention because of its intrinsic importance or its impact on the portfolio or on the asset allocation or for any other reason.

The Board of Directors delegates the review of specific matters to committees made up of Board members. It also delegates to the boards of directors of its subsidiaries certain powers regarding decisions to make private investments within the different sectors of activity for which the subsidiaries were created, in line with their missions.

The Board of Directors met 14 times in 1999. It worked actively on implementation of measures to give effect to the strategic orientations and priorities for the next few years and reviewed different sectors of activity as well as the business plans of the Private Investments Group and the Real Estate Group. It also devoted special attention to matters involving Air Canada and the restructuring of the Canadian stock exchanges.

Audit Committee

The Audit Committee examines the annual and quarterly financial statements and recommends their approval to the Board of Directors. It also evaluates the mandate and the nature of the audit work performed and monitors the effectiveness of the internal-control systems and mechanisms. In 1999, it devoted special attention to control mechanisms for derivatives trading and Y2K preparedness.

Resources Committee

The Resources Committee receives proposals, submits its opinions and makes recommendations to the Board to Directors regarding human, financial and computer resources. More specifically, it studies the remuneration policy and the operating and capital budgets.

Real Estate Portfolio Management Committee

The Real Estate Portfolio Management Committee (the Real Estate Group Board of Directors) studies the annual strategic plan, receives management reports and approves or recommends certain investment proposals to the Caisse's Board of Directors.

Ethics, Professional Conduct and Corporate Governance Committee

The Ethics, Professional Conduct and Corporate Governance Committee studies reports on the application of the Code of Ethics and Professional Conduct and on the exercise of the Caisse's voting rights. It provides opinions on any matter covered by the Code or pertaining to its application, as required. It also ensures that the Corporate Governance Policy is updated.

Investment Committees

Apart from the Committees of the Board, the Caisse has seven investment committees, which were restructured in 1999. The main mandate of the Investment Steering Committee is to review general investment policy as well as specific policies arising therefrom, including sectorial policies, monitoring of depositors' investment policies, and general risk management as well as performance analysis. It also provides opinions and makes recommendations as required, as well as overseeing the activities of the team responsible for management of depositors' accounts. As for the Equity Management, Interest Rate Management and Currency Management Committees, they propose sector-based investment policies, approve management methods and oversee the investment activities of their sectors. The Asset Allocation Active Management Committee provides tactical and strategic management of fund allocation and investment positions among the major asset categories. The Real Estate Group Committee and the Private Investments Group Committee have a mandate to propose sector-based investment policies, ensure client satisfaction and quality of service, determine strategic orientations suited to Québec's economy and ensure a flow of information among all the Caisse's organizational entities.

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Measuring, evaluating and reporting

The operations of the Caisse are in conformity with the requirements of the Act respecting the Caisse and industry practices. Financial statements are prepared in accordance with generally accepted accounting principles, and the calculation of returns meets the requirements of the AIMR (Association for Investment Management and Research).

The Auditor General of Québec audits the financial statements and ensures that the institution's activities are in compliance with the Act. The AON Consulting Group has certified that the presentation of results and calculation of returns meet the high standards established by the AIMR.

The market value given for investments are those quoted on the major stock markets, for securities in the core portfolios. For private investments the values are assessed annually either by outside corporations or through a process of detailed analysis independent of management.

Through its active presence on the Internet, the Caisse provides nearly instant access to information that is both relevant and of public interest.

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REPORT OF MANAGEMENT

The financial statements of the Caisse de dépôt et placement du Québec were prepared by management, which is responsible for their preparation and presentation, including estimates and material judgements. This responsibility includes selecting the appropriate accounting policies in accordance with generally accepted accounting principles in Canada. Management is also responsible for the information and declarations disclosed in other sections of the Operations report, and ensures that the financial information presented elsewhere in this annual report is consistent with that shown in the financial statements.

Management maintains systems of internal accounting controls which are designed to provide reasonable assurance that assets are safeguarded and that transactions are recorded in an appropriate and timely manner, that they are duly authorized and allow for the preparation of reliable financial statements. The internal audit team reviews the internal controls on a regular basis to ensure they are adequate and applied consistently by the Caisse.

The Caisse is aware of its responsibility to manage its operations in accordance with the rules and regulations that govern the institution.

The Board of Directors supervises the manner in which management assumes its responsibility regarding financial information, and it has approved the financial statements. The Board of Directors is assisted by the Audit Committee, of which only one member is also an officer of the Caisse. The Audit Committee meets with management and the auditor, examines the financial statements and recommends their approval by the Board of Directors.

The financial statements of the Caisse are audited by the Auditor General of Québec, who conducted his audit in accordance with generally accepted auditing standards. The auditor's report covers the nature and scope of the audit and expresses the auditor's opinion on the financial statements. The Auditor General has unrestricted access to the Audit Committee to discuss any matter relating to his audit.

Jean-Claude Scraire
Chairman of the Board and Chief Executive Officer

Bertrand Lauzon
Vice-President, Finance, Control and Administration of information systems

Montréal, March 3, 2000

AUDITOR'S REPORT

To the National Assembly

I have audited the combined statement of net assets of the Funds of the Caisse de dépôt et placement du Québec as at December 31, 1999, the combined statement of income, and the combined statement of changes in net assets for the year then ended. These financial statements are the responsibility of the Caisse's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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 management, as well as evaluating the overall financial statement presentation.

In my opinion, these combined financial statements present fairly, in all material respects, the financial position of these Funds as at December 31, 1999 and the results of their operations and the changes in their net assets for the year then ended in accordance with generally accepted accounting principles. As required by the *Auditor General Act* (R.S.Q., chapter V-5.01), I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Guy Breton, FCA
Auditor General of Québec
Québec City, March 3, 2000

FINANCIAL STATEMENTS

**COMBINED STATEMENT OF NET ASSETS
AS AT DECEMBER 31, 1999**

	1999	1998
	(in millions of dollars)	
ASSETS		
Investments at fair value <i>(Note 3)</i>		
Bonds	33,531	31,797
Shares and convertible securities	44,715	33,854
Mortgages	1,875	1,760
Real estate holdings	11,921	7,350
Short-term investments	5,118	4,677
Securities acquired under reverse repurchase agreements	1,417	2,583
	98,577	82,021
Investment income, accrued and receivable	821	633
Transactions being settled	421	190
Other assets	444	483
	100,263	83,327
LIABILITIES		
Deposits on loans of securities <i>(Note 3)</i>	4,539	6,357
Loans and notes payable <i>(Note 3)</i>	1,029	233
Transactions being settled	462	475
Commitments related to short selling of securities <i>(Note 3)</i>	4,865	2,575
Mortgage loans payable <i>(Note 3)</i>	5,030	2,990
Derivative financial instruments <i>(Note 3)</i>	1,569	1,148
Other liabilities	512	384
Non-controlling interests <i>(Note 3)</i>	1,191	597
	19,197	14,759
DEPOSITORS' HOLDINGS <i>(Note 4)</i>	81,066	68,568
DERIVATIVE FINANCIAL INSTRUMENTS <i>(Note 6)</i>		
BREAKDOWN OF COMBINED NET ASSETS <i>(complementary statistics)</i>		

On behalf of the Board of Directors,
Jean-Claude Scraire
Jean-Claude Bachand

**COMBINED STATEMENT OF INCOME FOR
THE YEAR ENDED DECEMBER 31, 1999**

	1999	1998
	(in millions of dollars)	
INCOME		
Investment income		
Bonds	1,817	1,895
Shares and convertible securities	562	590
Mortgages	127	135
Real estate holdings	479	240
Short-term investments	205	131
	3,190	2,991
Commitment an investment application analysis fees - Private investments group	24	13
Other income	26	12
	3,240	3,003
Less:		
Investment management expenses <i>(Note 5)</i>		
Core portfolios and institutional services	42	34
Private Investments group	22	16
Real Estate group	20	17
External - management and safekeeping of securities	11	10
	95	77
	3,145	2,939
EXPENDITURES		
Administrative expenses <i>(Note 5)</i>		
Core portfolios and institutional services	16	12
Private Investments group	2	2
Real Estate group	20	8
	38	22
INCOME BEFORE THE FOLLOWING ITEM	3,107	2,917
Less:		
Non-controlling interests	80	15
NET INVESTMENT INCOME	3,027	2,902

**COMBINED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 1999**

	1999	1998
	(in millions of dollars)	
INVESTMENT OPERATIONS		
Net investment income	3,027	2,902
Gains (losses) on sale of investments		
Bonds	(64)	705
Shares and convertible securities	3,970	2,971
Mortgages	13	-
Real estate holdings	(16)	34
Short-term investments	(197)	(12)
	3,706	3,698
Less:		
Non-controlling interests	(5)	4
	3,711	3,694
Unrealized increase (decrease) in value		
Investments		
Bonds	(1,081)	118
Shares and convertible securities	6,858	(316)
Mortgages	(69)	1
Real estate holdings	(130)	525
Short-term investments	9	(12)
Securities acquired under reverse repurchase agreements	(24)	4
	5,563	320
Less:		
Loans and notes payable	(3)	(1)
Deposits on loans of securities	(29)	-
Commitments related to short selling of securities	487	(63)
Mortgage loans payable	(66)	(4)
Derivative financial instruments	686	425
Non-controlling interests	(46)	193
	1,029	550
	4,534	(230)
Total investment operations	11,272	6,366
Excess depositors' deposits over withdrawals	1,226	(1,409)
INCREASE IN COMBINED NET ASSETS	12,498	4,957
COMBINED NET ASSETS, BEGINNING OF YEAR	68,568	63,611
COMBINED NET ASSETS, END OF YEAR	81,066	68,568

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999**

1 CONSTITUTION AND OPERATIONS

The Caisse de dépôt et placement du Québec is a legal person within the meaning of the Civil Code, created by a special act (R.S.Q., chapter C-2). It receives funds, the deposit of which is provided for under a particular act.

GENERAL FUND

The General Fund is comprised of diversified investments and is a pooled fund for demand, term and participation deposits. The General Fund's net equity and net income as at December 31 were shared among participation deposit holders as follows:

	1999		1998	
	Number of units	%	Number of units	%
Régie des rentes du Québec				
Fonds du Régime de rentes du Québec	17,117,680	97.9	16,521,214	97.8
Régime de rentes de survivants*	348,266	2.0	330,211	2.0
Régie des assurances agricoles du Québec	10,578	0.1	10,578	0.1
Fonds d'assurance-prêts agricoles et forestiers	-	-	16,743	0.1
Office de la protection du consommateur				
Fonds des cautionnements des agents de voyages				
Cautionnements collectifs				
Détaillants	4,093	-	3,878	-
Grossistes	570	-	1,144	-
Cautionnements individuels	943	-	107	-
Magazine Protégez-Vous	2,100	-	2,100	-
Régie des marchés agricoles et alimentaires du Québec				
Fonds d'assurance-garantie	4,082	-	3,739	-
Fédération des producteurs de bovins du Québec	2,007	-	2,007	-
	17,490,319	100.0	16,891,721	100.0

* For the administration of survivor benefits for the management personnel of the government and public sector, under the responsibility of the secretariat of the Conseil du Trésor.

INDIVIDUAL FUNDS

The Individual Funds are comprised of diversified investments and each have only one depositor who exclusively makes participation deposits therein. The various Individual Funds are:

Fund 301

For the Government and Public Employees Retirement Plan - contributions from unionized level employees and transfer from supplemental pension plans - administered by the Commission administrative des régimes de retraite et d'assurances.

Fund 302

For the Government and Public Employees Retirement Plan - contributions from non-unionized level employees - administered by the Commission administrative des régimes de retraite et d'assurances.

Fund 303

For the Individual Plans administered by the Commission administrative des régimes de retraite et d'assurances.

Fund 305

For the Pension Plan for Elected Municipal Officers and the Retirement Plan for Mayors and Councillors of Municipalities, administered by the Commission administrative des régimes de retraite et d'assurances.

Fund 306

For the Régime complémentaire de rentes des techniciens ambulanciers œuvrant au Québec.

Fund 307

For the Société de l'assurance automobile du Québec.

Fund 308

For the Fonds d'amortissement des régimes de retraite gouvernementaux administered by the ministère des Finances du Québec.

Fund 311

For the Supplemental Pension Plan for Employees of the Québec Construction Industry - general account - administered by the Commission de la construction du Québec.

Fund 312

For the Supplemental Pension Plan for Employees of the Québec Construction Industry - retirees account - administered by the Commission de la construction du Québec.

Fund 313

For the Supplemental Pension Plan for Employees of the Québec Construction Industry - supplementary account - administered by the Commission de la construction du Québec.

Fonds 314

For the Régie de l'assurance-dépôts du Québec.

Fonds 315

For the Fonds d'assurance-prêts agricoles et forestiers administered by the Société de financement agricole du Québec.

Fund 330

For the Commission de la santé et de la sécurité du travail.

SPECIALIZED PORTFOLIOS

The specialized portfolios are pooled funds for participation deposits of the various Funds. As at December 31, 1999, the ten following specialized portfolios were in operation: the bond portfolio, the Québec Mondial bond portfolio (created July 1, 1999), the Canadian equities portfolio, the U.S. equities portfolio, the emerging market equities portfolio, the foreign equities portfolio, the mortgage portfolio, the real estate investments portfolio, the short-term investments portfolio and the Canadam short-term investments portfolio (created December 1, 1999).

2 ACCOUNTING POLICIES

The combined financial statements of the Caisse have been prepared by management in accordance with generally accepted accounting principles. These statements include amounts based on best judgement and estimates.

a) COMBINED FINANCIAL STATEMENTS

The combined financial statements comprise the accounts of the Caisse's subsidiaries, those of the General Fund and the Individual Funds, as well as those of the specialized portfolios. The accounts of each of these Funds and of each of these portfolios are reflected in separate financial statements audited by the Auditor General of Québec.

b) INVESTMENTS AND JOINT OPERATIONS

Investments and joint operations are recorded as at the commitment date, except transactions involving mortgages and real estate holdings, which are recorded as at the date of agreement.

Investments and related assets and liabilities are accounted for at fair value, which is the estimated exchange value which would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act, established at year-end. Such values are determined using valuation methods used in capital markets, such as the annualization of future cash flows at the current interest rate and the closing prices of the major stock exchanges as well as those provided by recognized brokerage firms. In addition, valuations are made by independent valuers while others are made in-house based on commonly used valuation methods.

Transactions by way of commitments related to short selling of securities result in the acquisition of securities under reverse repurchase agreements or in transactions on loans on securities.

The Caisse subsidiaries provide administrative and management services related to property on behalf of clients. These are not recorded in the Caisse's combined statement of net assets. The Caisse subsidiaries are paid administrative and management fees for such portfolio management and administrative services, which include the management of real estate properties and securitized loans.

c) **INCOME**

Income from derivative financial instruments is included in the income from the underlying investments.

Income on bonds and short-term investments includes income derived from securities acquired under reverse repurchase agreements reduced by interest expenses on deposits on loans of securities.

Dividend income is recognized on the ex-dividend date. Income from loans of shares and convertible securities is presented under Investment income – shares and convertible securities.

Income from real estate holdings is reduced by interest on loans and notes payable as well as on mortgage loans payable.

d) **GAINS AND LOSSES ON SALE OF INVESTMENTS**

The gains and losses on the sale of investments are calculated using the unamortized cost in the case of bonds, mortgages and short-term investments, and the cost in the case of shares and convertible securities and of real estate holdings. The unamortized cost represents the acquisition cost restated to take into account the amortization of the premium and the discount that allows the investment to maintain a constant real return until maturity.

Gains and losses derived from derivative financial instruments are combined with gains and losses from underlying investments.

e) **FOREIGN CURRENCY TRANSLATION**

The fair value of investments and any other assets and liabilities denominated in foreign currencies is translated into Canadian dollars at the rate of exchange prevailing at year-end.

The cost of investments in shares and that of real estate holdings from integrated foreign operations and the unamortized cost of investments in bonds, mortgages and short-term investments are translated at the rate prevailing on the acquisition date. The cost of investments from self-sustaining foreign operations is translated at the rate prevailing at year-end

Income is translated at the rate of exchange prevailing on the transaction date, except income from the specialized real estate investments portfolio, which is translated at the average rate for the year. Gains and losses from derivative financial foreign exchange risk hedging instruments related to investments denominated in foreign currencies are deferred and accounted for in gains and losses on the sale of investments, upon realization of the hedged investments

f) **FIXED ASSETS**

Costs related to the acquisition of telephone, computer and office automation equipment are capitalized and amortized over the useful life of each asset. Set-up costs for the premises and other leasehold improvement costs are amortized over the term of the lease. These fixed assets are presented under the item Other assets.

g) **INVESTMENT MANAGEMENT EXPENSES AND ADMINISTRATIVE EXPENSES**

Investment management expenses cover all expenses related directly to investment operations, including expenses paid to external financial institutions. These expenses are presented under a specific item, and are deducted from investment income. General administrative expenses are presented under the item Administrative expenses.

3 INVESTMENTS AND LIABILITIES

Investments and liabilities whose cost differs from fair value are as follows:

	1999 (in millions of dollars)			Cost
	Fair value			
	Canadian	Foreign	Total	
ASSETS				
Investments				
Bonds	28,690	3,662	32,352	32,133
Shares and convertible securities	22,780	21,447	44,227	31,248
Mortgages	1,685	190	1,875	1,890
Real estate holdings	7,376	4,490	11,866	12,091
Short-term investments	4,605	429	5,034	5,080
Securities acquired under reverse repurchase agreements	116	1,293	1,409	1,441
	65,252	31,511	96,763	83,883
Derivative financial instruments	1,139	675	1,814	81
	66,391	32,186	98,577	83,964
LIABILITIES				
Deposits on loans of securities	2,682	1,857	4,539	4,568
Loans and notes payable	997	32	1,029	1,032
Commitments related to short selling of securities	3,741	1,124	4,865	4,346
Mortgage loans payable	2,433	2,597	5,030	5,074
Derivative financial instruments	1,114	455	1,569	81
Non-controlling interests	1,138	53	1,191	1,074

	1998 (in millions of dollars)			Cost
	Fair value			
	Canadian	Foreign	Total	
ASSETS				
Investments				
Bonds	25,922	5,719	31,641	29,329
Shares and convertible securities	18,265	15,463	33,728	27,302
Mortgages	1,564	194	1,758	1,707
Real estate holdings	3,120	4,218	7,338	7,396
Short-term investments	3,830	708	4,538	4,559
Securities acquired under reverse repurchase agreements	725	1,858	2,583	2,583
	53,426	28,160	81,586	72,876
Derivative financial instruments	146	289	435	98
	53,572	28,449	82,021	72,974
LIABILITIES				
Deposits on loans of securities	1,180	5,177	6,357	6,357
Loans and notes payable	201	32	233	233
Commitments related to short selling of securities	765	1,810	2,575	2,543
Mortgage loans payable	415	2,575	2,990	2,968
Derivative financial instruments	426	722	1,148	346
Non-controlling interests	563	34	597	434

The foreign exchange position for investments in foreign securities, other than those in emerging market securities or those hedged by a corresponding financial liability, is hedged by derivative financial instruments as shown in note 6.

The cost of investments was increased by the amount of the losses carried over to derivative financial foreign exchange risk hedging instruments which totalled \$211 million as at December 31, 1999 (\$1,112 million in 1998).

The fair value of bonds and shares and convertible securities includes certain investments in private companies, in the amount of \$1,855 million and \$4,984 million respectively as at December 31, 1999 (\$1,059 million and \$2,416 million in 1998), for which market prices are not available. The fair value of these securities is established based on commonly used valuation methods.

4 DEPOSITORS' HOLDINGS

Demand and term deposits bear interest and constitute the Caisse's indebtedness toward the depositors.

Participation deposits are expressed in units and each unit gives its holder a proportionate share in the net equity and net income of a particular Fund. At the end of each fiscal period of a Fund, which is one month for the General Fund and three months for the Individual Funds, the net investment income and gains and losses on the sale of investments are distributed to participation deposit holders. At the beginning of the following period, the amounts distributed are paid out to (recovered from) the depositors' demand deposit accounts.

	1999	1998
	(in millions of dollars)	
Indebtedness toward depositors		
Demand deposits	45	72
Advances to depositors	(477)	(432)
Term deposits	100	189
Interest on demand and term deposits	4	3
Net income to be paid out to participation deposit holders	1,195	1,042
	867	874
Participation deposit holders' holdings		
Participation deposits		
Balance, beginning of year	55,716	52,798
Units issued	5,955	3,326
Units cancelled	(444)	(886)
Units to be issued	976	478
Balance, end of year	62,203	55,716
Amount not allocated with respect to real estate holdings*	89	92
Unrealized increase (decrease) in value allocated following interfund transactions	(32)	(13)
Amount not allocated following gains and losses on the sale of investments in the specialized portfolios**	5,374	3,871
Unrealized increase (decrease) in value of investments and other related assets and liabilities	12,565	8,028
	80,199	67,694
DEPOSITORS' HOLDINGS	81,066	68,568

* Represents the restated amount of accumulated amortization of real estate properties resulting from the recording of investments at fair value. This amount will be allocated upon the sale of the properties.

** Represents the gains and losses on the sale of investments in the specialized portfolios which are not distributed at year-end. This amount will be allocated upon the sale of participation units in portfolios.

5 INVESTMENT MANAGEMENT EXPENSES AND ADMINISTRATIVE EXPENSES

a) Investment management expenses detail as follows:

	1999 (in millions of dollars)			Total
	Core portfolios and institutional services	Private Investments group	Real Estate group	
Salaries and employee benefits	23	12	10	45
Professional fees	9	5	5	19
Premises and material	1	1	1	3
Depreciation of fixed assets	5	1	1	7
External - management and safekeeping of securities	11	-	-	11
Other	4	3	3	10
	53	22	20	95

	1998 (in millions of dollars)			Total
	Core portfolios and institutional services	Private Investments group	Real Estate group	
Salaries and employee benefits	18	9	8	35
Professional fees	6	3	5	14
Premises and material	4	2	1	7
Depreciation of fixed assets	1	1	1	3
External - management and safekeeping of securities	10	-	-	10
Other	5	1	2	8
	44	16	17	77

b) Administrative expenses detail as follows:

	1999 (in millions of dollars)			Total
	Core portfolios and institutional services	Private Investments group	Real Estate group	
Salaries and employee benefits	7	1	10	18
Professional fees	4	1	2	7
Premises and material	1	-	3	4
Depreciation of fixed assets	2	-	1	3
Other	2	-	4	6
	16	2	20	38

	1998 (in millions of dollars)			Total
	Core portfolios and institutional services	Private Investments group	Real Estate group	
Salaries and employee benefits	6	1	4	11
Professional fees	2	1	1	4
Premises and material	2	-	1	3
Depreciation of fixed assets	1	-	1	2
Other	1	-	1	2
	12	2	8	22

c) Management expenses are attributable to investment categories as follows:

	1999	1998
	(en millions de dollars)	
Bonds	18	15
Shares and convertible securities	53	42
Mortgages	4	3
Real estate holdings	18	16
Short-term investments	2	1
	95	77

6 DERIVATIVE FINANCIAL INSTRUMENTS

Pursuant to its investment operations management, the Caisse conducts transactions involving various derivative financial instruments either to hedge against the risks associated with fluctuations in exchange rates or to manage risks associated with interest rate and market fluctuations. As at December 31, these instruments, the favourable fair value of which is grouped with that of the underlying investments while the unfavourable fair value is recorded in liabilities, including amounts payable on these instruments, under the item Derivative financial instruments, were as follows:

	1999		1998	
	(in millions of dollars)			
	Fair value	Notional amount	Fair value	Notional amount
Over-the-counter products				
Foreign exchange risk hedging*				
Forward exchange contracts				
Purchases	(15)	1,201	(9)	1,329
Sales	426	22,342	(144)	17,535
Foreign currency swaps				
Sales	(92)	804	(176)	760
Foreign currency options				
Purchases	2	58	-	12
Sales	-	58	-	-
Interest rate and market risk management				
Forward exchange contracts				
Purchases	(147)	11,153	(2)	701
Sales	68	4,771	(13)	605
Equity index forwards				
Purchases	1,062	1,343	100	1,343
Sales	(1,059)	1,343	(100)	1,343
Forward rate agreements				
Purchases	-	-	-	664
Sales	-	-	-	664
Forward currency volatility agreements				
Purchases	-	-	15	238
Interest rate swaps	5	8,672	(66)	2,903
Options on interest rate swaps				
Purchases	1	268	-	33
Sales	(1)	111	-	73
Options on interest rates				
Purchases	2	563	(4)	620
Sales	(2)	347	(5)	768
Options on equity indices				
Purchases	47	1,221	-	50
Sales	(32)	705	-	-

(continued)	1998		1997	
	Fair value	Notional amount	Fair value	Notional amount
	(in millions of dollars)			
Foreign currency options				
Purchases	6	22	110	2,435
Sales	(7)	94	(119)	2,491
Equity options				
Sales	-	3	(261)	270
Bond options				
Purchases	4	100	-	50
Sales	(4)	122	-	857
Organized market products				
Interest rate and market risk management				
Bond futures				
Purchases	-	2,610	-	5,909
Sales	-	2,450	-	5,364
Equity index futures				
Purchases	-	7,361	-	5,339
Sales	-	2,740	-	2,793
Interest rate futures				
Purchases	-	1,055	-	1,824
Sales	-	804	-	1,151
Foreign currency futures				
Purchases	-	119	-	15
Sales	-	69	-	39
Options on commodity futures				
Purchases	-	-	-	4
Options on bond futures				
Purchases	10	3,681	4	260
Sales	(2)	577	(16)	2,276
Options on equity index futures				
Purchases	1	45	-	-
Sales	-	31	-	-
Options on interest rate futures				
Purchases	1	1,005	-	376
Sales	-	1,598	-	1,522
Options on foreign currency futures				
Purchases	-	19	1	678
Sales	-	23	(2)	366
Equity options				
Sales	-	-	-	11

* Where hedging transactions imply simultaneous use of the US currency and other foreign currencies, the notional amount recorded herein represents the final value expressed in Canadian dollars.

Foreign exchange risks associated with investments denominated in foreign currency and other related assets and liabilities are hedged using derivative financial instruments. In the case of bonds, mortgages, real estate investments and short-term investments, these derivative financial instruments are representative of the value of the investments and the currency in which they are expressed. In the case of foreign equities, the portfolio weighting by country is comparable to the major international indices, and the value of derivative financial instruments is representative of the relative weight of the countries whose securities make up such indices. These instruments are negotiated with banks. Terms generally range from one to three months in the case of forward exchange contracts and options, and from one to two years in the case of foreign currency swaps. Upon maturity, new derivative financial instruments are negotiated to maintain an effective long-term hedge against the exchange risk associated with foreign investments.

Moreover, futures and options traded on stock exchanges, forward exchange contracts, equity index forwards, forward rate agreements and forward currency volatility agreements, interest rate swaps and options negotiated with banks and brokerage firms, are used to manage the interest rate and market risks of the total investment portfolio in addition to generating income from negotiation activities.

These transactions are negotiated with financial institutions whose credit rating is established by a recognized credit rating agency and operational limits are duly approved by an internal credit committee, which supports compensation agreements in order to limit credit risk.

COMPLEMENTARY STATISTICS - BREAKDOWN OF COMBINED NET ASSETS

as at December 31, 1998 (in millions of dollars)

1999

Fair value %	Breakdown of portfolios	Notional amount - Maturities			Notional amount ¹	Effective interest rate	Fair value	Cost ²
		Under 2 years	2 to 5 years	Over 5 years				
ASSETS								
Bonds								
Domestic securities								
Government issued								
12.00	Gouvernement du Québec	1,103.2	2,511.8	7,749.8	11,364.8	7.1	12,032.8	11,948.1
7.37	Gouvernement of Canada	2,090.7	1,478.8	3,578.9	7,148.4	5.5	7,386.0	7,551.4
0.49	Governments of other provinces	-	62.0	407.1	469.1	5.9	492.7	537.9
19.86		3,193.9	4,052.6	11,735.8	18,982.3	6.5	19,911.5	20,037.4
Guaranteed by a government or by a grant								
4.48	Hydro-Québec	515.7	227.3	3,603.1	4,346.1	8.0	4,489.3	4,131.4
0.07	Hospitals	19.5	6.4	33.2	59.1	9.4	68.3	62.1
0.64	Municipalities and public bodies	117.3	137.0	317.6	571.9	8.3	645.1	596.0
0.05	Water treatment	1.6	17.9	23.0	42.5	8.5	48.0	42.7
0.03	Transportation	19.3	5.0	5.4	29.7	9.0	30.5	30.0
0.09	Affiliated universities	19.8	13.4	42.7	75.9	7.4	87.1	84.6
0.39	School boards	107.9	18.0	201.9	327.8	9.9	387.1	346.1
0.02	Social service centres	13.2	1.3	7.2	21.7	10.3	24.0	22.1
0.06	Colleges	26.0	9.6	16.6	52.2	8.1	58.0	55.8
0.78	Other Government corporation	375.9	121.1	204.8	701.8	9.1	782.7	745.3
6.61		1,216.2	557.0	4,455.5	6,228.7	8.3	6,620.1	6,116.1
2.05	Corporate	245.3	846.0	1,081.7	2,173.0	9.0	2,057.2	2,146.0
28.52								
Commercial								
0.10	Conventional mortgages	-	-	110.7	110.7	7.1	101.0	110.7
28.62		4,655.4	5,455.6	17,383.7	27,494.7	7.1	28,689.8	28,410.2
1.09	Derivative financial instruments	766.8	1,493.5	723.6	2,983.9		1,089.2	0.4
29.71							29,779.0	28,410.6
Foreign securities								
Government issued								
0.28	Gouvernement du Québec	-	11.7	232.5	244.2	3.6	279.3	183.3
1.26	U.S. Government	404.9	9.7	1,060.8	1,475.4	6.0	1,259.5	1,304.2
0.47	Other foreign governments	-	307.7	173.0	480.7	5.9	474.3	513.7
2.01		404.9	329.1	1,466.3	2,200.3	5.7	2,013.1	2,001.2
Government-guaranteed								
0.01	Other foreign governments	-	7.3	-	7.3	5.3	7.5	7.9
0.28	Hydro-Québec	-	-	255.4	255.4	6.8	280.3	267.0
0.03	Government corporation	14.2	14.2	-	28.4	6.8	30.5	20.9
0.32		14.2	21.5	255.4	291.1	6.7	318.3	295.8
1.33	Corporate	58.1	361.0	1,029.3	1,448.4	7.4	1,330.6	1,426.3
3.66		477.2	711.6	2,751.0	3,939.8	6.4	3,662.0	3,723.3
0.09	Derivative financial instruments	8,952.1	537.6	519.1	10,008.8		89.7	11.3
3.75							3,751.7	3,734.6
33.46							33,530.7	32,145.2
Shares and convertible securities								
Domestic securities								
TSE primary index								
0.89	Metals and minerals						897.1	773.1
0.82	Gold and precious metals						825.6	1,077.5
1.30	Oil and gas						1,304.5	1,258.4
1.04	Paper and forest products						1,044.4	692.6
1.16	Consumer products						1,161.8	922.6
5.31	Industrial products						5,326.6	2,719.0
0.29	Real estate						294.5	282.3
0.68	Transportation and environmental services						679.0	743.2
0.17	Pipelines						174.5	242.7
4.24	Utilities						4,247.3	1,539.9
1.80	Communications						1,802.4	1,074.6
0.98	Distribution and services						980.4	834.5
3.33	Financial services						3,341.5	2,468.0
0.40	Conglomerates						400.5	295.3
0.30	Index participation units - TSE 35						300.0	201.5
22.71							22,780.1	15,125.2
0.05	Derivative financial instruments	615.4	-	-	615.4		48.8	-
22.76							22,828.9	15,125.2
Foreign securities								
Internal management								
MSCI-EAFE+EMF Primary index								
4.64	Europe						4,656.6	3,571.2
1.43	Pacific						1,438.5	1,188.3
0.31	Emerging markets						314.7	330.9
S&P 500 Primary index								
0.69	Consumption						694.7	561.7
0.56	Health care						559.3	366.0
0.25	Energy						248.8	240.2
0.37	Basic industries						373.3	358.2
1.67	Capital equipment						1,671.3	799.4
0.29	Buildings						287.4	317.3
1.57	Finances						1,569.5	1,321.7
0.02	Transportation						21.6	23.6
1.23	Publics services						1,237.8	882.2
0.02	Other						22.9	68.5
TSE 35 Primary index								
-	Or et minéraux précieux						1.0	0.9
0.02	Industrial products						25.0	25.3
0.01	Financial services						12.6	18.7

Breakdown of portfolios	Fair value	Cost ²
ASSETS		
Bonds		
Domestic securities		
Government issued		
Gouvernement du Québec	11,352.4	10,375.6
Government of Canada	4,453.9	4,418.4
Governments of other provinces	565.3	532.8
	16,371.6	15,326.8
Guaranteed by a government or by a grant		
Hydro-Québec	4,732.0	3,946.7
Hospitals	354.9	317.0
Municipalities and public bodies	882.7	765.2
Water treatment	-	-
Transportation	-	-
Affiliated universities	97.8	88.8
School boards	526.8	447.6
Social service centres	19.5	16.4
Colleges	82.3	76.1
Other Government corporation	840.8	750.3
	7,536.8	6,408.1
Corporate	2,013.9	2,014.2
Commercial		
Conventional mortgages	-	-
	25,922.3	23,749.1
Derivative financial instruments	145.5	-
	26,067.8	23,749.1
Foreign securities		
Government issued		
Gouvernement du Québec	-	-
U.S. Government	3,947.7	3,948.9
Other foreign governments	942.2	921.9
	4,889.9	4,870.8
Government-guaranteed		
Other foreign governments	-	-
Hydro-Québec	-	-
Government corporation	-	-
	-	-
Corporate	828.9	709.1
	5,718.8	5,579.9
Derivative financial instruments	10.8	0.8
	5,729.6	5,580.7
	31,797.4	29,329.8
Shares and convertible securities		
Domestic securities		
TSE primary index		
Metals and minerals	539.9	673.3
Gold and precious metals	750.7	909.3
Oil and gas	1,024.2	1,261.6
Paper and forest products	730.7	773.9
Consumer products	1,245.6	867.4
Industrial products	2,951.1	2,220.1
Real estate	830.7	892.3
Transportation and environmental services	456.5	479.3
Pipelines	418.2	387.3
Utilities	2,287.3	1,307.5
Communications	1,597.2	641.2
Distribution and services	1,006.7	844.8
Financial services	3,858.3	2,435.5
Conglomerates	350.5	238.4
Index participation units - TSE 35	217.3	202.7
	18,264.9	14,134.6
Derivative financial instruments	0.7	-
	18,265.6	14,134.6
Foreign securities		
Internal management		
MSCI-EAFE+EMF Primary index		
Europe	3,664.4	2,844.4
Pacific	741.1	1,111.6
Emerging markets	111.2	78.7
S&P 500 Primary index		
Consumption	677.7	494.1
Health care	701.0	408.9
Energy	215.8	224.2
Basic industries	83.2	83.4
Capital equipment	1,013.0	560.2
Buildings	125.2	123.1
Finances	1,184.7	975.1
Transportation	37.7	38.4
Public services	199.2	169.8
Other	81.7	69.9
TSE 35 Primary index		
Or et minéraux précieux	-	-
Industrial products	-	-
Financial services	-	-

COMPLEMENTARY STATISTICS - BREAKDOWN OF COMBINED NET ASSETS (continued)

as at December 31, 1998 (in millions of dollars)

1999

Fair value %	Breakdown of portfolios	Notional amount - Maturities			Notional amount ¹	Effective interest rate	Fair value	Cost ²
		Under 2 years	2 to 5 years	Over 5 years				
ASSETS								
(continued)								
External management								
MSCI-EAFE+EMF primary index								
0.08	Amérique					77.2	35.0	
3.23	Europe					3,243.0	2,311.2	
2.38	Pacific					2,385.3	1,554.8	
1.44	Emerging markets					1,447.8	1,160.2	
0.38	Other					376.3	320.3	
S&P 500 primary index								
0.15	Consommation					155.3	150.6	
0.06	Health care					60.3	54.1	
0.05	Energy					47.7	45.7	
0.06	Basic industries					57.3	53.2	
0.25	Capital equipment					249.3	170.0	
0.01	Buildings					8.4	9.6	
0.12	Finances					124.4	107.2	
0.01	Transportations					10.3	12.7	
0.06	Public utilities					63.2	60.3	
0.01	Other					5.9	3.9	
21.37						21,446.7	16,122.9	
0.44	Derivative financial instruments	34,952.2	-	-	34,952.2	439.3	59.5	
21.81						21,886.0	16,182.4	
44.57						44,714.9	31,307.6	
Mortgages								
Domestic securities								
Residential								
0.04	Insured	35.6	2.1	1.1	38.8	6.9	38.8	
0.10	Conventional	22.6	49.8	25.6	98.0	8.9	99.5	
0.14		58.2	51.9	26.7	136.8	7.8	138.3	
0.36	Industrial	95.3	157.9	106.9	360.1	7.8	356.1	
1.19	Commercial and office buildings	389.5	603.8	228.2	1,221.5	7.2	1,190.8	
1.69		543.0	813.6	361.8	1,718.4	7.4	1,685.2	
Foreign securities								
0.08	Residential	70.2	10.4	0.3	80.9	11.5	81.2	
0.11	Commercial and office buildings	1.6	1.5	98.1	101.2	12.0	108.5	
0.19		71.8	11.9	98.4	182.1	11.8	189.7	
-	Derivative financial instruments	17.5	-	-	17.5		0.4	
0.19							190.1	
1.88							1,875.3	
Real estate holdings								
7.36	Canada					7,376.1	7,886.7	
-	Derivative financial instruments	108.8	36.3	-	145.1	1.4	0.8	
7.36						7,377.5	7,887.5	
4.48	Abroad					4,489.4	4,204.3	
0.05	Derivative financial instruments	1,979.1	521.3	8.9	2,509.3	53.8	7.8	
4.53						4,543.2	4,212.1	
11.89						11,920.7	12,099.6	
91.80	Total long-term investments					92,041.6	77,442.5	
Short-term investments								
4.59	Domestic securities	4,579.7	65.9	-	4,645.6	5.2	4,604.9	
-	Derivative financial instruments	179.8	-	-	179.8		-	
4.59						4,604.9	4,603.6	
0.43	Foreign securities	373.9	0.4	21.5	395.8	6.6	428.9	
0.08	Derivative financial instruments	7,040.7	-	-	7,040.7		83.8	
0.51						512.7	477.3	
5.10						5,117.6	5,080.9	
Securities acquired under reverse repurchase agreements								
0.12	Domestic securities	116.9	-	-	116.9	4.8	116.7	
1.29	Foreign securities	1,362.7	-	-	1,362.7	5.0	1,292.8	
0.01	Derivative financial instruments	514.9	-	-	514.9		7.8	
1.30						1,300.6	1,324.3	
1.42						1,417.3	1,441.0	
6.52	Total short-term investments					6,534.9	6,521.9	
98.32	Total investments					98,576.5	83,964.4	
0.82	Investment income, accrued and receivable	820.9	-	-	820.9		820.9	
0.42	Transactions being settled	421.2	-	-	421.2		421.2	
0.44	Other assets					444.4	444.4	
100.00	TOTAL ASSETS					100,263.0	85,650.9	
LIABILITIES								
23.65	Deposits on loans of securities	4,596.3	-	-	4,596.3	7.3	4,539.3	
5.36	Loans and notes payable	606.6	394.8	40.8	1,042.2	5.8	1,028.2	
2.41	Transactions being settled	461.8	-	-	461.8		461.8	
11.39	Commitments related to short selling of bonds	191.0	369.1	1,704.4	2,264.5	6.1	2,186.5	
13.95	Commitments related to short selling of equities	-	-	-	-		2,678.3	
26.20	Mortgages loans	840.1	1,789.8	2,444.3	5,074.2	7.6	5,029.8	
8.17	Derivative financial instruments	24,951.5	4,520.5	2,443.6	31,915.6		1,569.3	
2.67	Other liabilities						512.4	
6.20	Non-controlling interests						1,191.1	
100.00	TOTAL LIABILITIES					19,196.7	17,149.3	
	COMBINED NET ASSETS					81,066.3	68,501.6	

¹ The notional amount represents the exchange value used for the evaluation of future cash flows in the case of investments and certain assets and liabilities with a determined maturity date; in the case of derivative financial instruments, the notional amount represents the value of the notional principal, to which a rate or a price is applied to determine the exchange of future cash flows.

² Certain investment categories are reported at unamortized cost.

Breakdown of portfolios	Fair value	Cost ²
ASSETS		
(continued)		
Gestion externe		
Indice primaire MSCI-EAFE+EMF		
Amérique	67.7	36.0
Europe	3,368.1	2,609.5
Pacifique	1,609.9	1,778.9
Marchés émergents	1,049.0	1,173.5
Other	-	-
Indice primaire S&P 500		
Consommation	125.9	101.7
Soins de la santé	54.7	38.6
Energy	33.6	29.7
Industries de base	42.3	23.9
Biens d'équipement	105.1	86.7
Bâtiments	6.8	5.8
Finances	100.1	58.8
Transportations	9.5	9.3
Services publics	48.5	28.4
Other	6.4	5.0
	15,463.5	13,167.6
Derivative financial instruments	125.4	1.5
	15,588.9	13,169.1
	33,854.5	27,303.7
Mortgages		
Domestic securities		
Residential		
Insured	54.1	49.1
Conventional	117.7	112.3
	171.8	161.4
Industrial	1,154.3	1,146.0
Commercial and office buildings	237.8	231.2
	1,563.9	1,538.6
Foreign securities		
Residential	104.7	92.2
Commercial and office buildings	89.8	75.8
	194.5	168.0
Derivative financial instruments	1.6	-
	196.1	168.0
	1,760.0	1,706.6
Real estate holdings		
Canada	3,120.3	3,510.1
Derivative financial instruments	-	-
	3,120.3	3,510.1
Abroad	4,218.1	3,886.4
Derivative financial instruments	12.0	5.8
	4,230.1	3,892.2
	7,350.4	7,402.3
Total long-term investments	74,762.3	65,742.4
Short-term investments		
Domestic securities	3,830.0	3,828.8
Derivative financial instruments	0.2	1.3
	3,830.2	3,830.1
Foreign securities	707.6	730.4
Derivative financial instruments	138.7	88.2
	846.3	818.6
	4,676.5	4,648.7
Securities acquired under reverse repurchase agreements		
Domestic securities	724.8	724.8
Foreign securities	1,857.8	1,857.8
Derivative financial instruments	-	-
	1,857.8	1,857.8
	2,582.6	2,582.6
Total short-term investments	7,259.1	7,231.3
Total investments	82,021.4	72,973.7
Investment income, accrued and receivable	633.0	633.0
Transactions being settled	189.7	189.7
Other assets	483.4	483.4
TOTAL ASSETS	83,327.5	74,279.8
LIABILITIES		
Deposits on loans of securities	6,356.9	6,356.9
Loans and notes payable	233.0	233.0
Transactions being settled	475.2	475.2
Commitments related to short selling of bonds	1,981.4	1,968.0
Commitments related to short selling of equities	593.4	574.8
Mortgages loans	2,990.2	2,968.3
Derivative financial instruments	1,147.5	346.0
Other liabilities	384.1	384.1
Non-controlling interests	597.5	434.5
TOTAL LIABILITIES	14,759.2	13,740.8
COMBINED NET ASSETS	68,568.3	60,539.0

SUPPLEMENTARY INFORMATION
SUMMARY FINANCIAL STATEMENTS FOR THE FUNDS

(in millions of dollars)

GENERAL FUND												
			301		302		303		305		306	
NET ASSETS AS AT DECEMBER 31, 1999	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
ASSETS												
Investments at fair value												
Bonds	8,045.6	6,342.4	12,120.9	10,964.3	1,905.4	1,699.8	59.2	54.8	73.6	65.6	54.3	49.4
Shares and convertible securities	7,914.4	8,270.6	14,061.0	11,816.0	2,052.9	1,915.0	80.4	70.1	98.9	82.8	44.8	34.4
Mortgages	361.9	326.5	587.4	500.7	92.2	79.4	27.4	22.9	5.6	3.3	-	-
Real estate investments	906.3	1,040.0	1,497.8	1,228.9	228.7	199.0	11.4	10.1	9.8	8.2	4.5	1.5
Short-term investments	945.9	1,015.8	1,263.1	691.7	171.0	106.7	10.0	8.6	6.3	6.0	3.6	3.7
Deposits on loans of securities	-	-	65.7	246.0	5.4	35.3	0.2	1.5	0.7	1.7	0.2	0.9
Securities acquired under reverse repurchase agreerr	216.0	-	-	-	-	-	-	-	-	-	-	-
	18,390.1	16,995.3	29,595.9	25,447.6	4,455.6	4,035.2	188.6	168.0	194.9	167.6	107.4	89.9
Other assets	4,328.6	2,798.6	112.5	106.3	17.2	16.8	0.7	0.8	0.7	0.7	0.5	0.4
	22,718.7	19,793.9	29,708.4	25,553.9	4,472.8	4,052.0	189.3	168.8	195.6	168.3	107.9	90.3
LIABILITIES												
Demand and term deposits	3,538.3	3,291.7	-	-	-	-	-	-	-	-	-	-
Deposits on loans of securities	576.2	-	-	-	-	-	-	-	-	-	-	-
Notes payable	1.6	4.5	-	-	-	-	-	-	-	-	-	-
Commitments related to short selling	10.3	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	0.1	0.4	-	-	-	-	-	-	-	-	-	-
Other liabilities	617.2	219.5	427.7	432.1	91.1	77.3	2.9	2.7	3.1	3.1	1.4	1.4
	4,743.7	3,516.1	427.7	432.1	91.1	77.3	2.9	2.7	3.1	3.1	1.4	1.4
PARTICIPATION DEPOSIT												
HOLDERS' NET HOLDINGS	17,975.0	16,277.8	29,280.7	25,121.8	4,381.7	3,974.7	186.4	166.1	192.5	165.2	106.5	88.9
STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 1999												
INCOME												
Investment income												
Bonds	436.8	478.7	758.6	722.0	117.7	113.9	3.7	3.7	4.6	4.4	3.3	3.2
Shares and convertible securities	135.8	145.3	191.6	202.5	30.0	33.2	1.1	1.2	1.3	1.4	0.6	0.5
Mortgage loans	16.1	14.8	25.5	21.4	4.0	3.5	1.1	1.6	0.2	0.2	-	-
Real estate investments	80.5	64.8	122.9	80.6	19.3	13.0	1.0	0.7	0.8	0.5	0.3	0.1
Short-term securities	(39.2)	37.7	34.1	13.3	5.1	2.2	0.4	0.2	0.2	0.1	0.2	0.1
Demand deposits (Advances from) in the General Fur	-	-	2.3	2.6	0.3	0.2	-	0.1	-	0.1	-	-
	630.0	741.3	1,135.0	1,042.4	176.4	166.0	7.3	7.5	7.1	6.7	4.4	3.9
Other income	0.3	0.1	-	-	-	-	-	-	-	-	-	-
Total income	630.3	741.4	1,135.0	1,042.4	176.4	166.0	7.3	7.5	7.1	6.7	4.4	3.9
Investment management expenses	1.5	0.2	-	0.1	-	-	-	-	-	-	-	-
	628.8	741.2	1,135.0	1,042.3	176.4	166.0	7.3	7.5	7.1	6.7	4.4	3.9
EXPENDITURES												
Administrative expenses	0.5	0.1	-	-	-	-	-	-	-	-	-	-
Interest on demand and term deposits	(64.4)	24.8	-	-	-	-	-	-	-	-	-	-
NET INVESTMENT INCOME	692.7	716.3	1,135.0	1,042.3	176.4	166.0	7.3	7.5	7.1	6.7	4.4	3.9
CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 1999												
INVESTMENT OPERATIONS												
Net investment income	692.7	716.3	1,135.0	1,042.3	176.4	166.0	7.3	7.5	7.1	6.7	4.4	3.9
Gains (losses) on sale of investments	809.9	599.6	558.3	534.6	145.6	101.1	4.2	3.2	4.1	3.8	1.1	1.5
Unrealized increase (decrease) in value of investments and other assets and liabilities	1,113.1	253.3	2,279.8	727.6	289.6	104.3	11.9	4.1	16.4	4.5	6.8	2.1
Total investment operations	2,615.7	1,569.2	3,973.1	2,304.5	611.6	371.4	23.4	14.8	27.6	15.0	12.3	7.5
Participation deposits	584.1	(293.2)	1,879.1	1,869.9	117.4	211.7	8.4	7.5	10.9	9.5	10.8	11.3
Transfer of a depositor's net assets	(1,502.6)	(1,315.8)	(1,693.3)	(1,576.9)	(322.0)	(267.0)	(11.5)	(10.7)	(11.2)	(10.5)	(5.5)	(5.3)
INCREASE IN NET ASSETS	1,697.2	(39.8)	4,158.9	2,597.5	407.0	316.1	20.3	11.6	27.3	14.0	17.6	13.5
NET ASSETS, BEGINNING OF YEAR	16,277.8	16,317.6	25,121.8	22,524.3	3,974.7	3,658.6	166.1	154.5	165.2	151.2	88.9	75.4
NET ASSETS, END OF YEAR	17,975.0	16,277.8	29,280.7	25,121.8	4,381.7	3,974.7	186.4	166.1	192.5	165.2	106.5	88.9
INVESTMENTS AND CERTAIN LIABILITIES AT COST AS AT DECEMBER 31, 1999												
ASSETS												
Investments												
Bonds	7,613.8	5,601.8	11,694.3	9,797.5	1,824.3	1,506.2	57.2	48.9	70.6	57.9	52.8	44.2
Shares and convertible securities	4,327.3	5,933.3	7,831.3	8,397.0	1,109.5	1,346.1	47.6	53.2	55.7	60.1	28.2	27.9
Mortgages	375.4	326.9	607.6	499.5	95.3	79.2	28.1	22.7	5.8	3.3	-	-
Real estate investments	962.6	1,158.7	1,509.4	1,301.2	232.4	212.4	10.9	10.0	10.0	8.8	4.3	1.5
Short-term securities	833.9	1,022.3	1,092.6	691.2	149.7	106.6	9.5	8.6	5.8	6.0	3.4	3.7
Demand deposits in the General Fund	-	-	65.7	246.0	5.4	35.3	0.2	1.5	0.7	1.7	0.2	0.9
Securities acquired under reverse repurchase agreerr	216.2	-	-	-	-	-	-	-	-	-	-	-
	14,329.2	14,043.0	22,800.9	20,932.4	3,416.6	3,285.8	153.5	144.9	148.6	137.8	88.9	78.2
LIABILITIES												
Term deposits	100.8	188.5	-	-	-	-	-	-	-	-	-	-
Deposits on loans of securities	576.2	-	-	-	-	-	-	-	-	-	-	-
Notes payable	1.6	4.5	-	-	-	-	-	-	-	-	-	-
Commitments related to short selling	10.2	-	-	-	-	-	-	-	-	-	-	-

INDIVIDUAL FUNDS															
307		308		311		312		313		314 (created 99-11-01)		315 (created 99-10-01)		330	
1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
2,150.0	2,590.5	1,908.7	597.7	1,052.5	835.2	930.7	902.4	336.3	301.0	82.2	-	28.3	-	2,678.5	3,573.8
4,141.6	3,073.1	2,170.4	572.9	1,709.4	1,792.0	1,511.6	1,307.4	546.3	408.6	-	-	17.2	-	4,617.7	3,388.9
146.3	127.0	132.0	26.7	100.3	192.8	88.7	163.3	32.1	125.5	-	-	0.6	-	92.6	77.4
432.3	391.1	186.8	80.4	206.3	133.0	181.2	47.7	65.0	35.1	-	-	3.6	-	431.9	288.5
460.7	243.6	124.3	61.4	423.1	121.0	373.6	138.6	134.5	44.5	-	-	23.5	-	759.3	318.9
52.3	69.4	54.7	13.4	3.2	-	-	59.6	5.2	4.6	-	-	-	-	27.5	110.7
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7,383.2	6,494.7	4,576.9	1,352.5	3,494.8	3,074.0	3,085.8	2,619.0	1,119.4	919.3	82.2	-	73.2	-	8,607.5	7,758.2
25.0	27.6	17.5	6.0	12.6	11.6	11.2	9.8	4.0	3.9	0.5	-	0.4	-	29.2	32.0
7,408.2	6,522.3	4,594.4	1,358.5	3,507.4	3,085.6	3,097.0	2,628.8	1,123.4	923.2	82.7	-	73.6	-	8,636.7	7,790.2
-	-	-	-	-	0.9	0.4	-	-	-	-	-	1.8	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
72.5	122.1	41.2	26.4	109.1	76.0	95.4	41.2	29.6	16.3	0.9	-	0.8	-	95.4	129.7
72.5	122.1	41.2	26.4	109.1	76.9	95.8	41.2	29.6	16.3	0.9	-	2.6	-	95.4	129.7
7,335.7	6,400.2	4,553.2	1,332.1	3,398.3	3,008.7	3,001.2	2,587.6	1,093.8	906.9	81.8	-	71.0	-	8,541.3	7,660.5
158.7	181.5	78.6	39.8	65.0	50.7	58.5	61.4	20.4	21.7	0.9	-	0.5	-	215.0	242.9
57.4	53.4	18.5	10.0	30.7	29.9	26.4	19.3	9.3	5.3	-	-	-	-	65.0	59.3
6.4	5.8	2.8	1.2	4.4	28.6	3.8	22.1	2.2	14.0	-	-	-	-	4.2	2.0
36.5	24.1	11.5	5.3	16.1	8.6	13.0	3.1	5.0	2.3	-	-	0.1	-	32.7	19.2
11.8	5.1	3.5	1.1	6.1	3.7	5.9	3.1	1.9	1.0	-	-	0.2	-	15.0	-
(0.5)	2.7	0.5	0.2	-	3.7	0.5	1.8	0.1	0.9	-	-	-	-	(0.2)	7.6
270.3	272.6	115.4	57.6	122.3	125.2	108.1	110.8	38.9	45.2	0.9	-	0.8	-	331.7	331.0
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
270.3	272.6	115.4	57.6	122.3	125.2	108.1	110.8	38.9	45.2	0.9	-	0.8	-	331.7	331.0
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
270.3	272.6	115.4	57.6	122.3	125.2	108.1	110.8	38.9	45.2	0.9	-	0.8	-	331.7	331.0
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
270.3	272.6	115.4	57.6	122.3	125.2	108.1	110.8	38.9	45.2	0.9	-	0.8	-	331.7	331.0
270.3	272.6	115.4	57.6	122.3	125.2	108.1	110.8	38.9	45.2	0.9	-	0.8	-	331.7	331.0
119.6	150.7	47.7	31.0	198.1	165.0	112.8	66.6	29.4	20.6	-	-	-	-	200.7	162.2
721.6	176.3	317.2	37.8	233.1	10.2	262.1	71.1	102.9	20.8	(0.7)	-	2.3	-	665.1	207.4
1,111.5	599.6	480.3	126.4	553.5	300.4	483.0	248.5	171.2	86.6	0.2	-	3.1	-	1,197.5	700.6
213.9	259.3	2,903.8	76.1	156.5	(33.8)	151.4	292.8	84.0	89.4	82.5	-	68.6	-	215.7	416.9
(389.9)	(423.3)	(163.0)	(88.6)	(320.4)	(290.2)	(220.8)	(177.4)	(68.3)	(65.8)	(0.9)	-	(0.7)	-	(532.4)	(493.2)
935.5	435.6	3,221.1	113.9	389.6	(23.6)	413.6	363.9	186.9	110.2	81.8	-	71.0	-	880.8	624.3
6,400.2	5,964.6	1,332.1	1,218.2	3,008.7	3,032.3	2,587.6	2,223.7	906.9	796.7	-	-	-	-	7,660.5	7,036.2
7,335.7	6,400.2	4,553.2	1,332.1	3,398.3	3,008.7	3,001.2	2,587.6	1,093.8	906.9	81.8	-	71.0	-	8,541.3	7,660.5
2,054.0	2,289.9	1,953.7	543.9	1,028.1	742.9	903.9	808.8	325.8	268.7	82.9	-	29.0	-	2,586.3	3,188.5
2,395.9	2,162.8	1,624.1	428.6	977.5	1,292.1	934.8	1,000.7	367.3	336.1	-	-	14.4	-	2,905.9	2,512.5
151.8	127.1	134.1	26.4	103.2	193.1	91.0	162.9	32.8	124.9	-	-	0.6	-	95.9	77.5
448.1	425.9	174.4	74.2	210.2	145.9	173.4	47.4	64.1	36.8	-	-	3.5	-	446.9	318.8
383.0	243.2	114.0	61.3	360.1	120.6	319.3	138.3	117.5	44.4	-	-	23.4	-	648.2	318.5
52.3	69.4	54.7	13.4	3.2	-	-	59.6	5.2	4.6	-	-	-	-	27.5	110.7
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5,485.1	5,318.3	4,055.0	1,147.8	2,682.3	2,494.6	2,422.4	2,217.7	912.7	815.5	82.9	-	70.9	-	6,710.7	6,526.5
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SUPPLEMENTARY INFORMATION - SUMMARY FINANCIAL STATEMENTS FOR THE SPECIALIZED PORTFOLIOS (in millions of dollars)

	BONDS		QUEBEC INTERNATIONAL BONDS (created 99-07-01)		CANADIAN EQUITIES		U.S. EQUITIES	
CONSOLIDATED NET ASSETS AS AT DECEMBER 31, 1991	1999	1998	1999	1998	1999	1998	1999	1998
ASSETS								
Investments at fair value								
Bonds	31,239.7	31,752.3	1,905.5	-	283.9	17.8	-	-
Shares and convertible securities	-	-	157.1	-	25,758.8	18,674.1	4,007.5	3,390.7
Mortgages	-	-	-	-	-	-	-	-
Mortgage bonds	-	-	-	-	-	-	-	-
Real estate holdings	-	-	-	-	-	-	-	-
Short-term investments	1,055.7	40.8	495.3	-	215.4	-	-	2,838.4
Demand deposits in the General Fund	2,767.6	974.9	200.5	-	-	-	83.5	977.8
Securities acquired under reverse repurchase agreements	1,412.3	2,527.0	-	-	-	-	-	32.8
	36,475.3	35,295.0	2,758.4	-	26,258.1	18,691.9	4,091.0	7,239.7
Other assets	614.5	519.0	36.5	-	106.4	84.2	9.4	9.8
	37,089.8	35,814.0	2,794.9	-	26,364.5	18,776.1	4,100.4	7,249.5
LIABILITIES								
Advances from the General Fund	-	-	-	-	1,589.7	726.7	-	-
Deposits on loans of securities	4,690.5	5,347.6	-	-	-	-	-	1,009.2
Commitments related to short selling of securities	2,176.3	1,925.7	-	-	2,378.1	593.4	173.7	32.8
Bank loans and notes payable	-	-	-	-	-	-	-	-
Mortgage loans payable	-	-	-	-	-	-	-	-
Commercial mortgage-backed securities	-	-	-	-	-	-	-	-
Derivative financial instruments	1,310.7	389.9	-	-	12.9	20.8	31.1	9.6
Other liabilities	268.8	173.9	12.3	-	97.1	59.7	3.2	270.4
Non-controlling interests	-	-	-	-	-	-	-	-
	8,446.3	7,837.1	12.3	-	4,077.8	1,400.6	208.0	1,322.0
NET HOLDINGS OF FUNDS	28,643.5	27,976.9	2,782.6	-	22,286.7	17,375.5	3,892.4	5,927.5
CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 1999								
INCOME								
Investment income								
Bonds	1,825.1	1,891.4	29.5	-	5.8	0.8	-	-
Shares and convertible securities	-	-	0.1	-	270.1	275.9	35.8	32.7
Mortgage loans	-	-	-	-	-	-	-	-
Real estate	-	-	-	-	-	-	-	-
Short-term securities	63.7	1.2	6.0	-	0.4	0.1	133.2	74.4
Demand deposits (advances from) in the General Fund	1.7	39.4	1.4	-	(61.3)	(16.8)	7.7	(2.7)
	1,890.5	1,932.0	37.0	-	215.0	260.0	176.7	104.4
Other income	19.0	10.5	-	-	14.7	2.9	-	0.1
Total income	1,909.5	1,942.5	37.0	-	229.7	262.9	176.7	104.5
Investment management expenses	18.5	14.8	0.4	-	32.9	24.9	4.7	3.7
	1,891.0	1,927.7	36.6	-	196.8	238.0	172.0	100.8
EXPENDITURES								
Administrative expenses	7.0	6.5	0.1	-	5.5	4.1	1.6	1.2
INCOME BEFORE THE FOLLOWING ITEM	1,884.0	1,921.2	36.5	-	191.3	233.9	170.4	99.6
Non-controlling interests	-	-	-	-	-	-	-	-
NET INVESTMENT INCOME	1,884.0	1,921.2	36.5	-	191.3	233.9	170.4	99.6
CHANGES IN CONSOLIDATED NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 1999								
INVESTMENT OPERATIONS								
Net investment income	1,884.0	1,921.2	36.5	-	191.3	233.9	170.4	99.6
Gains (losses) on sale of investments	(73.6)	694.2	270.0	-	1,846.5	1,949.5	614.0	439.2
Unrealized increase (decrease) in value of investments and liabilities	(1,874.1)	(52.4)	(26.6)	-	3,513.3	(771.6)	237.6	455.7
Total investment operations	(63.7)	2,563.0	279.9	-	5,551.1	1,411.8	1,022.0	994.5
Participation units	2,614.3	(2,334.0)	2,539.2	-	(448.6)	(400.0)	(457.4)	1,984.0
Transfer from funds and portfolio	-	-	-	-	-	-	(2,429.3)	-
Net income allocated to participation unit holders	(1,884.0)	(1,921.2)	(36.5)	-	(191.3)	(233.9)	(170.4)	(99.6)
INCREASE (DECREASE) IN CONSOLIDATED NET ASSETS	666.6	(1,692.2)	2,782.6	-	4,911.2	777.9	(2,035.1)	2,878.9
CONSOLIDATED NET ASSETS, BEGINNING OF YEAR	27,976.9	29,669.1	-	-	17,375.5	16,597.6	5,927.5	3,048.6
CONSOLIDATED NET ASSETS, END OF YEAR	28,643.5	27,976.9	2,782.6	-	22,286.7	17,375.5	3,892.4	5,927.5
INVESTMENTS AND CERTAIN LIABILITIES AT COST AS AT DECEMBER 31, 1999								
ASSETS								
Investments								
Bonds	29,788.3	29,281.0	1,940.5	-	293.5	16.6	-	-
Shares and convertible securities	-	-	148.7	-	17,492.4	14,445.1	2,680.8	2,333.9
Mortgages	-	-	-	-	-	-	-	-
Mortgage bonds	-	-	-	-	-	-	-	-
Real estate holdings	-	-	-	-	-	-	-	-
Short-term investments	1,066.2	40.7	495.3	-	215.4	-	-	2,837.8
Demand deposits in the General Fund	2,767.6	974.9	200.5	-	-	-	83.5	977.8
Securities acquired under reverse repurchase agreements	1,443.8	2,527.0	-	-	-	-	-	32.8
	35,065.9	32,823.6	2,785.0	-	18,001.3	14,461.7	2,764.3	6,182.3
LIABILITIES								
Deposits on loans of securities	4,729.2	5,347.6	-	-	-	-	-	1,009.2
Commitments related to short selling of securities	2,238.1	1,914.3	-	-	1,852.0	572.8	164.3	32.8
Loans and notes payable	-	-	-	-	-	-	-	-
Mortgage loans payable	-	-	-	-	-	-	-	-
Commercial mortgage-backed securities	-	-	-	-	-	-	-	-
Derivative financial instruments	27.2	30.6	-	-	3.6	19.3	-	0.8
Non-controlling interests	-	-	-	-	-	-	-	-
SHARE OF FUNDS (in percentage)								
General Fund	21.5	22.7	68.2	-	20.3	23.8	21.6	25.8
Individual Fund 301	39.8	39.1	25.8	-	39.6	39.2	29.3	30.5
Individual Fund 302	6.0	6.1	6.0	-	6.0	6.5	3.7	4.8
Individual Fund 303	0.2	0.2	-	-	0.2	0.2	0.1	0.2
Individual Fund 305	0.3	0.2	-	-	0.3	0.3	0.1	0.2
Individual Fund 306	0.2	0.2	-	-	0.1	0.1	0.1	0.1
Individual Fund 307	7.5	9.3	-	-	9.1	9.2	15.8	8.8
Individual Fund 308	6.7	2.1	-	-	6.2	2.3	3.0	1.4
Individual Fund 311	3.7	3.0	-	-	4.3	5.3	1.0	7.0
Individual Fund 312	3.2	3.2	-	-	3.8	3.2	0.8	6.1
Individual Fund 313	1.2	1.1	-	-	1.4	1.1	0.3	1.9
Individual Fund 314	0.3	-	-	-	-	-	-	-
Individual Fund 315	0.1	-	-	-	-	-	0.1	-
Individual Fund 330	9.3	12.8	-	-	8.7	8.8	24.1	13.2
	100.0	100.0	100.0	-	100.0	100.0	100.0	100.0

EMERGING MARKET EQUITIES		FOREIGN EQUITIES		MORTGAGES		REAL ESTATE		SHORT-TERM INVESTMENTS		CANADAM SHORT-TERM INVESTMENTS (created le 99-01-12)	
1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
-	-	0.6	31.7	-	-	0.1	0.1	-	-	-	-
1,437.5	887.2	12,526.6	9,947.3	-	-	876.8	954.4	-	-	-	-
-	-	-	-	1,687.6	1,577.4	309.7	270.1	-	-	-	-
-	-	-	-	101.0	-	-	-	-	-	-	-
-	-	-	-	59.4	51.7	11,878.9	7,298.7	-	-	-	-
-	-	91.7	373.2	-	-	53.1	33.1	4,890.6	1,930.8	2,429.3	-
-	-	-	-	42.6	20.8	-	-	83.7	511.2	-	-
-	-	-	-	-	-	-	-	-	22.8	517.4	-
1,437.5	887.2	12,618.9	10,352.2	1,890.6	1,649.9	13,118.6	8,556.4	4,974.3	2,464.8	2,946.7	-
4.4	1.9	28.0	163.1	23.4	15.7	517.1	442.4	13.2	3.4	8.8	-
1,441.9	889.1	12,646.9	10,515.3	1,914.0	1,665.6	13,635.7	8,998.8	4,987.5	2,468.2	2,955.5	-
2.1	18.3	924.0	1,311.3	-	-	485.6	167.7	-	-	388.2	-
-	-	-	-	-	-	-	-	1.2	-	-	-
-	-	126.6	-	-	-	-	-	-	22.9	-	-
-	-	-	-	-	-	2,084.4	1,249.0	2,924.6	50.0	-	-
-	-	-	-	-	-	5,151.8	3,077.7	-	-	-	-
-	-	-	-	219.6	-	-	-	-	-	-	-
0.6	0.7	204.3	598.7	8.1	-	32.6	131.6	0.1	0.5	-	-
4.2	10.6	39.5	35.7	19.4	20.2	487.2	311.7	20.3	182.3	10.9	-
-	-	-	-	-	-	1,228.5	597.5	-	-	-	-
6.9	29.6	1,294.4	1,945.7	247.1	20.2	9,470.1	5,535.2	2,946.2	255.7	399.1	-
1,435.0	859.5	11,352.5	8,569.6	1,666.9	1,645.4	4,165.6	3,463.6	2,041.3	2,212.5	2,556.4	-
-	-	2.5	0.5	-	-	-	-	-	-	-	-
16.9	22.6	231.7	183.4	-	-	9.5	12.8	-	-	-	-
-	-	-	-	74.2	118.5	17.9	23.7	-	-	-	-
-	-	-	-	-	-	403.2	202.2	-	-	-	-
-	-	11.0	4.6	-	-	19.6	10.7	94.7	42.3	11.0	-
(0.3)	(3.4)	(36.8)	(26.3)	(0.1)	(0.6)	(6.4)	0.7	12.2	(3.1)	(1.8)	-
16.6	19.2	208.4	162.2	74.1	117.9	443.8	250.1	106.9	39.2	9.2	-
-	-	0.3	-	1.0	1.0	15.2	10.5	-	-	-	-
16.6	19.2	208.7	162.2	75.1	118.9	459.0	260.6	106.9	39.2	9.2	-
3.8	3.8	13.2	10.2	4.1	3.3	19.1	15.6	0.9	0.1	0.1	-
12.8	15.4	195.5	152.0	71.0	115.6	439.9	245.0	106.0	39.1	9.1	-
0.1	0.1	2.3	1.5	0.4	0.5	20.0	8.2	0.4	0.1	-	-
12.7	15.3	193.2	150.5	70.6	115.1	419.9	236.8	105.6	39.0	9.1	-
-	-	-	-	-	-	80.2	14.6	-	-	-	-
12.7	15.3	193.2	150.5	70.6	115.1	339.7	222.2	105.6	39.0	9.1	-
12.7	15.3	193.2	150.5	70.6	115.1	339.7	222.2	105.6	39.0	9.1	-
(68.3)	(135.7)	1,024.9	610.1	(5.8)	-	16.7	26.5	(8.8)	2.5	128.8	-
572.3	(131.5)	1,992.5	315.2	(56.4)	(13.1)	148.8	41.8	0.9	0.8	(1.7)	-
516.7	(251.9)	3,210.6	1,075.8	8.4	102.0	505.2	290.5	97.7	42.3	136.2	-
71.5	94.0	(234.5)	(185.0)	83.7	120.0	536.5	169.0	(163.3)	1,096.2	-	-
-	-	-	38.3	-	-	-	-	-	1,113.0	2,429.3	-
(12.7)	(15.3)	(193.2)	(150.5)	(70.6)	(115.1)	(339.7)	(222.2)	(105.6)	(39.0)	(9.1)	-
575.5	(173.2)	2,782.9	778.6	21.5	106.9	702.0	237.3	(171.2)	2,212.5	2,556.4	-
859.5	1,032.7	8,569.6	7,791.0	1,645.4	1,538.5	3,463.6	3,226.3	2,212.5	-	-	-
1,435.0	859.5	11,352.5	8,569.6	1,666.9	1,645.4	4,165.6	3,463.6	2,041.3	2,212.5	2,556.4	-
-	-	1.5	32.1	-	-	0.1	0.1	-	-	-	-
1,144.6	1,166.5	9,060.0	8,356.2	-	-	883.2	1,023.3	-	-	-	-
-	-	-	-	1,697.1	1,533.4	311.2	249.7	-	-	-	-
-	-	-	-	110.7	-	-	-	-	-	-	-
-	-	-	-	79.4	75.7	11,992.0	7,298.3	-	-	-	-
-	-	45.6	338.1	-	-	53.1	34.2	4,889.3	1,930.4	2,429.3	-
-	-	-	-	42.6	20.8	-	-	83.7	511.2	-	-
-	-	-	-	-	-	-	-	-	22.8	519.1	-
1,144.6	1,166.5	9,107.1	8,726.4	1,929.8	1,629.9	13,239.6	8,605.6	4,973.0	2,464.4	2,948.4	-
-	-	-	-	-	-	-	-	1.2	-	-	-
-	-	81.6	-	-	-	-	-	-	22.9	-	-
-	-	-	-	-	-	2,083.4	1,249.0	2,924.6	50.0	-	-
-	-	-	-	-	-	5,192.4	3,044.9	-	-	-	-
-	-	-	-	222.5	-	-	-	-	-	-	-
-	-	49.0	291.9	8.1	-	6.8	2.8	0.1	0.6	-	-
-	-	-	-	-	-	1,113.4	434.6	-	-	-	-
20.3	27.2	19.9	27.8	21.7	19.9	21.7	30.0	22.5	21.1	15.1	-
32.8	35.1	32.0	33.7	35.2	30.4	36.0	35.5	37.0	31.2	19.9	-
4.7	5.6	4.5	5.4	5.5	4.8	5.5	5.8	5.4	4.8	2.4	-
0.2	0.2	0.2	0.2	1.7	1.4	0.3	0.3	0.4	0.4	0.1	-
0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.3	0.1	-
0.1	0.1	0.1	0.1	-	-	0.1	0.1	0.1	0.2	-	-
11.3	10.0	11.7	10.1	8.8	7.7	10.4	11.3	7.8	11.0	11.8	-
5.4	-	5.3	1.0	7.9	1.6	4.5	2.3	3.8	2.8	1.8	-
5.3	4.8	5.6	4.8	6.0	11.7	4.9	3.8	3.4	5.5	13.8	-
4.7	4.0	4.9	4.0	5.3	9.9	4.3	1.4	3.0	6.3	12.2	-
1.7	1.3	1.8	1.2	1.9	7.7	1.6	1.0	1.1	2.0	4.4	-
-	-	-	-	-	-	-	-	-	-	-	-
0.1	-	0.1	-	0.1	-	0.1	-	1.1	-	0.1	-
13.2	11.5	13.7	11.5	5.6	4.7	10.4	8.3	14.2	14.4	18.3	-
100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	-

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1

CHANGES IN DEPOSITORS' HOLDING IN 1999
as at December 31
(fair value - in millions of dollars)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Commission administrative des régimes de retraite et d'assurances										
Government and Public Employees										
Retirement Plan (unionized level)										
Net income allocated ¹	1,694	1,577	1,233	1,863	1,181	874	1,059	784	785	576
Deposits (withdrawals)	190	469	343	444	481	479	634	417	381	389
Unrealized +/- in value	2,280	727	1,378	831	1,322	(1,171)	1,103	(412)	567	(699)
Holdings' end of year	29,719	25,555	22,782	19,828	16,690	13,706	13,524	10,728	9,939	8,206
Excess over cost	6,795	4,515	3,788	2,410	1,579	257	1,428	325	737	170
Government and Public Employees										
Retirement Plan (non-unionized level)										
Net income allocated ¹	322	268	205	315	199	150	181	153	160	122
Deposits (withdrawals)	(195)	(37)	(14)	42	53	(4)	(154)	60	80	36
Unrealized +/- in value	290	104	222	140	220	(199)	199	(81)	121	(136)
Holdings' end of year	4,474	4,057	3,722	3,309	2,812	2,340	2,393	2,167	2,035	1,674
Excess over cost	1,039	749	645	423	283	63	262	63	144	23
Individual plans										
Net income allocated ¹	12	11	8	13	9	7	6	3	3	3
Deposits (withdrawals)	(3)	(2)	(2)	(1)	(3)	5	53	(1)	(1)	(1)
Unrealized +/- in value	12	4	7	5	9	(7)	5	-	1	(1)
Holdings' end of year	190	169	156	143	126	111	106	42	40	37
Excess over cost	35	23	19	12	7	(2)	5	-	1	-
Pension Plan of Elected Municipal Officers										
Net income allocated ¹	12	10	9	13	8	5	7	6	5	4
Deposits (withdrawals)	(1)	-	-	1	1	2	3	5	10	22
Unrealized +/- in value	16	5	8	6	9	(6)	8	(3)	3	(2)
Holdings' end of year	195	168	153	136	116	98	97	79	71	53
Excess over cost	46	30	25	17	11	2	8	-	3	-
TOTAL										
Net income allocated ¹	2,040	1,866	1,455	2,204	1,397	1,036	1,253	946	953	705
Deposits (withdrawals)	(9)	430	327	486	532	482	536	481	470	446
Unrealized +/- in value	2,598	840	1,615	982	1,560	(1,383)	1,315	(496)	692	(838)
Holdings' end of year	34,578	29,949	26,813	23,416	19,744	16,255	16,120	13,016	12,085	9,970
Excess over cost	7,915	5,318	4,477	2,862	1,880	320	1,703	388	885	193
Régie des rentes du Québec										
Fonds du Régime de rentes du Québec										
Net income allocated ¹	1,479	1,294	1,096	1,710	1,392	1,021	1,522	1,262	1,521	1,157
Deposits (withdrawals)	(924)	(1,548)	(1,680)	(1,775)	(1,606)	(1,565)	(1,561)	(1,352)	(1,240)	(820)
Unrealized +/- in value	1,093	247	761	364	1,167	(1,448)	1,240	(597)	956	(1,098)
Holdings' end of year	17,479	15,831	15,838	15,661	15,362	14,409	16,401	15,200	15,887	14,650
Excess over cost	4,024	2,931	2,684	1,923	1,559	392	1,840	600	1,197	241

Commission de la santé et de la sécurité du travail										
Net income allocated ¹	523	489	364	527	401	278	351	332	395	275
Deposits (withdrawals)	(297)	65	413	5	(16)	-	(213)	(314)	(262)	(19)
Unrealized +/- in value	665	207	401	212	357	(374)	342	(169)	259	(233)
Holdings' end of year	8,535	7,644	6,883	5,705	4,961	4,219	4,315	3,835	3,986	3,594
Excess over cost	1,897	1,232	1,025	624	412	55	429	87	256	(3)
Commission de la construction du Québec										
Régime supplémentaire de rentes pour les employés de l'industrie de la construction du Québec										
Net income allocated ¹	609	533	382	556	356	289	322	281	276	234
Deposits (withdrawals)	(117)	(127)	(133)	(145)	(45)	(65)	(44)	41	76	153
Unrealized +/- in value	599	102	311	214	368	(320)	329	(134)	205	(195)
Holdings' end of year	7,727	6,636	6,128	5,568	4,943	4,264	4,360	3,753	3,565	3,008
Excess over cost	1,683	1,084	982	671	457	89	409	80	214	9
Société de l'assurance automobile du Québec										
Net income allocated ¹	391	426	356	571	439	360	528	438	514	389
Deposits (withdrawals)	(185)	(193)	(211)	(132)	(501)	(866)	(578)	(296)	(329)	(275)
Unrealized +/- in value	721	176	341	130	344	(512)	433	(208)	322	(364)
Holdings' end of year	7,365	6,438	6,029	5,543	4,974	4,692	5,710	5,327	5,393	4,886
Excess over cost	1,898	1,177	1,001	660	530	186	698	265	473	151
Fonds d'amortissement des régimes de retraite gouvernementaux										
Net income allocated ¹	163	89	66	98	64	(13)	-	-	-	-
Deposits (withdrawals)	2,756	-	-	-	-	850	-	-	-	-
Unrealized +/- in value	317	38	78	51	72	(34)	-	-	-	-
Holdings' end of year	4,595	1,359	1,232	1,088	939	803	-	-	-	-
Excess over cost	522	205	167	89	38	(34)	-	-	-	-
Régime de rentes de survivants										
Net income allocated ¹	30	24	11	-	-	-	-	-	-	-
Deposits (withdrawals)	(9)	(5)	278	-	-	-	-	-	-	-
Unrealized +/- in value	22	6	7	-	-	-	-	-	-	-
Holdings' end of year	364	321	296	-	-	-	-	-	-	-
Excess over cost	35	13	7	-	-	-	-	-	-	-
Régie de l'assurance-dépôts du Québec										
Net income allocated ¹	6	9	4	7	11	7	7	7	7	7
Deposits (withdrawals)	13	14	16	(56)	7	(2)	18	19	19	24
Unrealized +/- in value	(4)	2	1	(2)	2	1	-	-	-	-
Holdings' end of year	181	166	141	120	171	151	145	120	94	68
Excess over cost	(1)	3	1	-	3	1	-	-	-	-

1 **CHANGES IN DEPOSITORS' HOLDING IN 1999 (continued)**
as at December 31
(fair value-in millions of dollars)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Régime complémentaire de rentes des techniciens ambulanciers oeuvrant au Québec										
Net income allocated ¹	5	5	4	5	3	2	2	2	1	-
Deposits (withdrawals)	6	7	6	6	6	5	6	7	6	6
Unrealized +/- in value	6	3	3	4	4	(4)	2	-	-	-
Holdings' end of year	108	91	76	63	48	35	32	22	13	6
Excess over cost	18	12	9	6	2	(2)	2	-	-	-
Fonds d'assurance-prêts agricoles et forestiers du Québec										
Net income allocated ¹	6	3	2	2	2	1	2	2	3	3
Deposits (withdrawals)	8	8	7	4	7	(3)	(3)	3	(6)	5
Unrealized +/- in value	(1)	1	-	1	1	(1)	-	-	1	(1)
Holdings' end of year	71	58	46	37	30	20	23	24	19	21
Excess over cost	2	3	2	2	1	-	1	1	1	-
Régie des assurances agricoles du Québec										
Net income allocated ¹	1	5	2	-	-	-	-	-	3	5
Deposits (withdrawals)	(40)	(69)	113	-	-	-	-	(8)	(43)	43
Unrealized +/- in value	1	-	-	-	-	-	-	-	-	-
Holdings' end of year	13	51	115	-	-	-	-	-	8	48
Excess over cost	1	-	-	-	-	-	-	-	-	-
Commission des valeurs mobilières du Québec²										
Net income allocated ¹	-	-	-	-	-	-	-	-	-	-
Deposits (withdrawals)	(2)	10	-	-	-	-	-	-	-	-
Unrealized +/- in value	-	-	-	-	-	-	-	-	-	-
Holdings' end of year	8	10	-	-	-	-	-	-	-	-
Excess over cost	-	-	-	-	-	-	-	-	-	-
Office de la protection du consommateur										
Fonds des cautionnements collectifs des agents de voyages										
Net income allocated ¹	1	-	1	1	1	1	-	-	-	-
Deposits (withdrawals)	-	(1)	-	(1)	-	(2)	(1)	7	-	-
Unrealized +/- in value	-	-	-	-	-	-	-	-	-	-
Holdings' end of year	7	6	7	6	6	5	6	7	-	-
Excess over cost	1	1	1	1	1	-	-	-	-	-
Magazine Protégez-Vous										
Net income allocated ¹	-	-	-	-	-	-	-	-	-	-
Deposits (withdrawals)	-	-	-	-	-	2	-	-	-	-
Unrealized +/- in value	-	-	-	-	-	-	-	-	-	-
Holdings' end of year	2	2	2	2	2	2	-	-	-	-
Excess over cost	-	-	-	-	-	-	-	-	-	-

Régie des marchés agricoles et alimentaires du Québec										
Fonds d'assurance-garantie										
Net income allocated ¹	-	1	-	-	1	1	1	-	1	-
Deposits (withdrawals)	-	-	-	-	(1)	(1)	(1)	-	-	-
Unrealized +/- in value	-	-	-	-	-	(1)	1	-	-	-
Holdings' end of year	4	4	3	3	3	3	4	3	3	2
Excess over cost	-	-	-	-	-	-	1	-	-	-
La Fédération des producteurs de bovins du Québec										
Net income allocated ¹	1	-	-	-	-	-	-	-	-	-
Deposits (withdrawals)	-	-	-	-	-	-	1	-	1	-
Unrealized +/- in value	-	-	-	-	-	-	-	-	-	-
Holdings' end of year	3	2	2	2	2	2	2	1	1	-
Excess over cost	-	-	-	-	-	-	-	-	-	-
Centre de recherche industrielle du Québec²										
Net income allocated ¹	-	-	-	-	-	-	-	-	-	-
Deposits (withdrawals)	-	-	-	-	-	-	-	-	-	-
Unrealized +/- in value	-	-	-	-	-	-	-	-	-	-
Holdings' end of year	-	-	-	-	-	-	-	-	-	-
Excess over cost	-	-	-	-	-	-	-	-	-	-
Société des alcools du Québec²										
Net income allocated ¹	-	-	-	-	-	-	-	-	-	-
Deposits (withdrawals)	26	-	-	-	-	-	-	-	-	-
Unrealized +/- in value	-	-	-	-	-	-	-	-	-	-
Holdings' end of year	26	-	-	-	-	-	-	-	-	-
Excess over cost	-	-	-	-	-	-	-	-	-	-
Depositors' overall view										
Net income allocated ¹	5,255	4,744	3,743	5,681	4,067	2,983	3,988	3,270	3,674	2,775
Deposits (withdrawals)	1,226	(1,409)	(864)	(1,608)	(1,617)	(1,165)	(1,840)	(1,412)	(1,308)	(437)
Unrealized +/- in value	6,017	1,622	3,518	1,956	3,875	(4,076)	3,662	(1,604)	2,435	(2,729)
Holdings' end of year	81,066	68,568	63,611	57,214	51,185	44,860	47,118	41,308	41,054	36,253
Excess over cost	17,995	11,978	10,356	6,838	4,883	1,007	5,083	1,421	3,026	591

¹ As of January 1, 1997, gains and losses on the sale of investments in the specialized portfolios are reinvested.

² These depositors only benefit from the Caisse's cash management services.

2 BREAKDOWN OF DEPOSITORS' HOLDINGS
as at December 31
(fair value - in percentage)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Commission administrative des régimes de retraite et d'assurances (CARRA - RREGOP ¹)	36.7	37.3	35.8	34.6	32.6	30.6	28.7	26.0	24.2	22.7
Régie des rentes du Québec Fonds du Régime de rentes du Québec (RRQ)	21.6	23.1	24.9	27.4	30.0	32.1	34.8	36.8	38.7	40.4
Commission de la santé et de la sécurité du travail (CSST)	10.5	11.1	10.8	10.0	9.7	9.4	9.2	9.3	9.7	9.9
Commission de la construction du Québec (CCQ)	9.6	9.7	9.6	9.7	9.7	9.5	9.3	9.1	8.7	8.3
Société de l'assurance automobile du Québec (SAAQ)	9.1	9.4	9.5	9.7	9.7	10.5	12.1	12.9	13.1	13.5
Fonds d'amortissement des régimes de retraite gouvernementaux (FARRG)	5.7	2.0	1.9	1.9	1.8	1.8	-	-	-	-
Commission administrative des régimes de retraite et d'assurances (CARRA - RREGOP ²)	5.5	5.9	5.9	5.8	5.5	5.2	5.1	5.2	5.0	4.6
Other depositors	1.3	1.5	1.6	0.9	1.0	0.9	0.8	0.7	0.6	0.6
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

¹ Unionized level.

² Non-unionized level.

3 FUNDS' NET ASSETS
as at December 31
(in millions of dollars)

	Cost	Fair value									
	1999	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
General Fund	13,913.8	17,975.0	16,277.8	16,317.6	21,253.0	20,391.4	19,493.6	21,945.0	20,263.8	20,957.8	19,379.1
Individual Funds											
301	22,485.8	29,280.7	25,121.8	22,524.3	19,264.3	16,356.7	13,464.8	13,169.7	10,557.4	9,691.6	8,049.4
302	3,342.7	4,381.7	3,974.7	3,658.6	3,204.0	2,751.5	2,295.4	2,305.5	2,126.4	1,979.2	1,634.2
303	151.3	186.4	166.1	154.5	138.6	124.0	109.5	103.8	41.2	39.9	35.6
304	-	-	-	-	-	-	-	-	-	14.2	23.6
305	146.2	192.5	165.2	151.2	131.9	113.8	96.1	93.7	77.4	55.5	27.5
306	88.0	106.5	88.9	75.4	60.7	46.9	-	-	-	-	-
307	5,437.6	7,335.7	6,400.2	5,964.6	-	-	-	-	-	-	-
308	4,031.2	4,553.2	1,332.1	1,218.2	1,056.1	920.8	794.1	-	-	-	-
311	2,585.8	3,398.3	3,008.7	3,032.3	2,810.5	2,586.4	2,351.6	2,468.6	2,247.7	2,255.5	2,063.5
312	2,337.7	3,001.2	2,587.6	2,223.7	1,903.6	1,675.3	1,397.1	1,350.9	1,090.8	949.2	679.0
313	887.1	1,093.8	906.9	796.7	686.3	594.0	445.4	425.0	345.2	286.9	204.5
314	82.5	81.8	-	-	-	-	-	-	-	-	-
315	68.6	71.0	-	-	-	-	-	-	-	-	-
330	6,644.5	8,541.3	7,660.5	7,036.2	5,535.7	4,808.0	4,151.8	4,198.1	3,761.1	3,888.7	3,487.5
	48,289.0	62,224.1	51,412.7	46,835.7	34,791.7	29,977.4	25,105.8	24,115.3	20,247.2	19,160.7	16,204.8
	62,202.8	80,199.1	67,690.5	63,153.3	56,044.7	50,368.8	44,599.4	46,060.3	40,511.0	40,118.5	35,583.9

4 ANNUAL INTEREST OR INCOME PAID OUT ON AVERAGE DEPOSITS
(rate in percentage)

CATEGORIES OF DEPOSITS	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Demand deposits ¹	4.48	5.15	3.20	4.74	7.23	2.64	4.85	6.72	9.08	13.04
Term deposits ¹	5.57	5.35	3.73	5.24	6.96	6.07	5.02	6.00	9.03	13.03
Participation deposits ²	8.73	8.38	6.88	11.85	8.99	6.83	9.92	7.55	10.00	8.01

¹ The General Fund receives demand and term deposits from depositors and pays out interest on these deposits. The rate indicated is the average rate paid out during the year.

² Income earned on the investments of the Caisse's General Fund and Individual Funds is paid out or allocated to participation deposit holders. The rate indicated is the average annual rate. The rate represents only the income accounted for during the year on depositors' investments. It does not account for the change in the fair value of investments. For purposes of this calculation, participation deposits are computed at cost. The rate is different from the time-weighted rate of return which includes both income and changes in the fair value of investments.

5 SUMMARY OF INVESTMENTS
as at December 31
(in percentage)

	Cost		Fair value								
	1999	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Bonds	38.3	34.0	38.8	44.6	42.8	47.6	48.3	48.3	48.7	48.4	48.3
Mortgages	2.2	1.9	2.1	2.2	2.6	3.3	4.1	4.2	5.0	5.2	5.5
Short-term investments	6.1	5.2	5.7	2.3	3.5	6.0	4.0	6.0	4.9	4.5	5.0
Reverse repurchase agreements	1.7	1.4	3.1	2.3	2.0	-	-	-	-	-	-
Fixed-income securities	48.3	42.5	49.7	51.4	50.9	56.9	56.4	58.5	58.6	58.1	58.8
Canadian shares	18.0	23.2	22.3	25.1	25.7	27.4	29.6	28.1	27.5	28.3	27.6
Foreign shares	19.3	22.2	19.0	17.3	17.4	12.1	10.4	10.1	10.2	9.3	8.6
Real estate holdings	14.4	12.1	9.0	6.2	6.0	3.6	3.6	3.3	3.7	4.3	5.0
Variable-income securities	51.7	57.5	50.3	48.6	49.1	43.1	43.6	41.5	41.4	41.9	41.2
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Figures prior to 1997 have not been restated to conform with the presentation of 1998.

BREAKDOWN OF INVESTMENTS
as at December 31
(in millions of dollars)

INVESTMENTS	Cost	%	Fair value									
	1999		1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Bonds												
Domestic securities												
Gouvernement du Québec	11,948.5	14.2	13,122.0	11,497.9	10,835.3	10,649.2	9,735.3	9,830.3	10,158.6	8,173.2	8,771.1	8,773.8
Government of Canada	7,551.4	9.0	7,386.0	4,453.9	9,497.9	6,684.8	5,778.9	2,900.2	1,988.4	2,304.3	1,125.7	713.8
Other governments	537.9	0.6	492.7	565.3	652.9	14.7	7.2	176.8	44.2	18.1	65.9	14.8
Guaranteed by Gouvernement du Québec	4,131.4	4.9	4,489.3	4,732.0	5,305.5	5,436.3	6,110.9	5,717.0	6,762.5	5,190.2	4,588.2	3,454.7
Guaranteed by other governments	745.3	0.9	782.7	840.8	364.0	110.0	104.8	133.4	177.9	175.5	228.3	154.7
Guaranteed by grants	297.3	0.4	315.9	554.5	1,009.2	1,017.5	1,107.0	1,086.9	1,217.5	1,076.2	1,264.5	1,266.6
Municipalities and school boards	942.1	1.1	1,032.2	1,409.5	1,013.2	1,004.1	1,090.1	1,124.8	1,230.7	1,051.8	1,174.8	1,121.7
Corporate and Mortgage bonds	2,256.7	2.7	2,158.2	2,013.9	1,243.9	301.4	246.7	138.9	121.7	146.9	169.8	150.6
	28,410.6	33.8	29,779.0	26,067.8	29,921.9	25,218.0	24,180.9	21,108.3	21,701.5	18,136.2	17,388.3	15,650.7
Foreign securities												
U.S. Government	1,315.5	1.6	1,349.2	3,958.5	715.1	495.8	0.2	390.6	775.7	580.8	813.4	777.0
Government of France	-	-	-	-	-	-	-	-	10.1	508.6	669.9	497.2
Government of Germany	-	-	-	-	-	-	-	-	3.6	528.9	423.4	374.8
Government of the United Kingdom	-	-	-	-	-	-	-	-	-	69.3	326.2	93.3
Other	2,419.1	2.9	2,402.5	1,771.1	364.5	122.4	84.0	-	14.8	72.5	48.7	-
	3,734.6	4.5	3,751.7	5,729.6	1,079.6	618.2	84.2	390.6	804.2	1,760.1	2,281.6	1,742.3
	32,145.2	38.5	33,530.7	31,797.4	31,001.5	25,836.2	24,265.1	21,498.9	22,505.7	19,896.3	19,669.9	17,393.0
Shares and convertible securities												
Domestic securities												
Metals and minerals	773.1	0.9	897.1	539.9	745.1	1,118.3	1,143.9	1,071.1	966.5	773.8	722.3	563.0
Gold and silver	1,077.5	1.3	825.6	750.7	721.0	1,295.4	1,122.3	1,025.0	882.0	590.2	590.4	693.8
Oil and gas	1,258.4	1.5	1,304.5	1,024.2	1,692.5	1,773.5	1,482.3	1,312.9	1,272.1	898.5	792.0	845.8
Paper and forest products	692.6	0.8	1,044.4	730.7	966.2	1,026.5	958.6	888.8	752.4	426.8	322.2	325.6
Consumer products	922.6	1.1	1,161.8	1,245.6	1,086.1	1,029.4	942.8	837.5	988.8	1,141.6	1,030.4	822.3
Industrial products	2,719.0	3.2	5,326.6	2,951.1	2,524.2	2,135.9	1,905.1	1,861.7	1,522.0	1,340.4	1,210.5	901.6
Real estate and construction	282.3	0.3	294.5	830.7	1,041.8	450.3	319.6	339.8	295.7	91.5	151.3	63.5
Transportation and environmental services	743.2	0.9	679.0	456.5	665.1	414.0	323.1	332.1	272.1	294.9	268.6	351.3
Pipelines	242.7	0.3	174.5	418.2	259.1	138.8	180.0	135.9	176.2	213.5	255.8	207.7
Utilities	1,539.9	1.8	4,247.3	2,287.3	1,808.3	1,674.1	1,312.6	1,258.1	1,197.5	1,134.1	1,224.0	1,153.8
Communications	1,074.6	1.3	1,802.4	1,597.2	1,381.4	1,090.5	986.1	945.0	1,139.4	1,089.8	963.7	811.6
Distribution and services	834.5	1.0	980.4	1,006.7	877.6	686.0	842.7	705.5	798.0	581.7	826.0	760.3
Financial services	2,468.0	3.0	3,390.3	3,859.0	3,154.4	2,379.3	1,969.4	1,905.8	2,191.3	2,056.6	2,439.7	1,925.0
Conglomerates	295.3	0.4	400.5	350.5	338.1	361.2	502.1	540.7	661.8	605.5	645.4	556.4
Index participation units - TSE 35	201.5	0.2	300.0	217.3	215.5	-	-	-	-	28.7	28.8	8.9
	15,125.2	18.0	22,828.9	18,265.6	17,476.4	15,573.2	13,990.6	13,159.9	13,115.8	11,267.6	11,471.1	9,990.6

Foreign securities												
External funds	6,108.4	7.3	8,751.0	6,753.0	5,930.4	4,357.4	2,913.1	2,415.3	1,769.5	1,852.7	2,184.4	2,179.2
Internal funds	10,074.0	12.0	13,135.0	8,835.9	6,113.4	6,141.9	3,271.2	2,223.9	2,896.2	2,343.7	1,573.1	953.2
	16,182.4	19.3	21,886.0	15,588.9	12,043.8	10,499.3	6,184.3	4,639.2	4,665.7	4,196.4	3,757.5	3,132.4
	31,307.6	37.3	44,714.9	33,854.5	29,520.2	26,072.5	20,174.9	17,799.1	17,781.5	15,464.0	15,228.6	13,123.0
Mortgages												
Canada	1,707.9	2.0	1,685.2	1,563.9	1,398.0	1,445.7	1,659.8	1,842.0	1,957.9	2,047.4	2,104.9	1,984.0
United States	182.2	0.2	190.1	196.1	98.8	121.6	28.5	-	-	-	-	-
	1,890.1	2.2	1,875.3	1,760.0	1,496.8	1,567.3	1,688.3	1,842.0	1,957.9	2,047.4	2,104.9	1,984.0
Real estate holdings												
Canada	7,887.5	9.4	7,377.5	3,120.3	2,413.3	2,679.8	1,634.2	1,527.4	1,517.2	1,519.0	1,744.0	1,788.0
Abroad	4,212.1	5.0	4,543.2	4,230.1	1,868.2	930.5	210.6	74.0	-	-	-	-
	12,099.6	14.4	11,920.7	7,350.4	4,281.5	3,610.3	1,844.8	1,601.4	1,517.2	1,519.0	1,744.0	1,788.0
Total long-term investments	77,442.5	92.2	92,041.6	74,762.3	66,300.0	57,086.3	47,973.1	42,741.4	43,762.3	38,926.7	38,747.4	34,288.0
Short-term investments												
Domestic securities	4,603.6	5.5	4,604.9	3,830.2	1,084.3	1,599.3	2,954.7	1,471.1	2,692.6	1,763.5	1,733.5	1,404.1
Foreign securities	477.3	0.6	512.7	846.3	533.4	494.2	114.1	323.9	101.6	224.9	70.0	416.0
	5,080.9	6.1	5,117.6	4,676.5	1,617.7	2,093.5	3,068.8	1,795.0	2,794.2	1,988.4	1,803.5	1,820.1
Securities acquired under reverse repurchase agreements												
Domestic securities	116.7	0.1	116.7	724.8	1,025.7	770.7	-	-	-	-	-	-
Foreign securities	1,324.3	1.6	1,300.6	1,857.8	642.9	481.7	-	-	-	-	-	-
	1,441.0	1.7	1,417.3	2,582.6	1,668.6	1,252.4	-	-	-	-	-	-
Total short-term investments	6,521.9	7.8	6,534.9	7,259.1	3,286.3	3,345.9	3,068.8	1,795.0	2,794.2	1,988.4	1,803.5	1,820.1
Total	83,964.4	100.0	98,576.5	82,021.4	69,586.3	60,432.2	51,041.9	44,536.4	46,556.5	40,915.1	40,550.9	36,108.1
Breakdown of long-term investments												
Public sector	28,462.2	32.6	30,041.9	28,954.6	29,632.1	25,412.4	24,018.4	21,360.0	22,384.0	19,749.4	19,500.1	17,242.4
Private sector	48,980.3	67.4	61,999.7	45,807.7	36,667.9	31,673.9	23,954.7	21,381.4	21,378.3	19,177.3	19,247.3	17,045.6
Total	77,442.5	100.0	92,041.6	74,762.3	66,300.0	57,086.3	47,973.1	42,741.4	43,762.3	38,926.7	38,747.4	34,288.0

Figures prior to 1998 have not been restated to conform with the presentation of 1999.

7 SUMMARY OF FOREIGN INVESTMENTS
as at December 31
(in millions of dollars)

	Fair value									
	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Bonds and securities acquired under reverse repurchase agreements	5,052	7,587	1,723	1,100	84	391	804	1,760	2,282	1,742
Shares and convertible securities	21,886	15,589	12,044	10,499	6,184	4,639	4,666	4,196	3,757	3,132
Mortgages	190	196	99	122	29	-	-	-	-	-
Real estate holdings	4,543	4,230	1,868	930	211	74	-	-	-	-
Short-term investments	513	846	534	494	114	324	102	225	70	416
Foreign investments	32,184	28,448	16,268	13,145	6,622	5,428	5,572	6,181	6,109	5,290

Figures prior to 1997 have not been restated to conform with the presentation of 1998.

**CDPQ MORTGAGE
MORTGAGES OF \$5 MILLION AND OVER**

Balance: A = \$5 to \$10 million B = \$10 million and over

BORROWERS	Address	Location	Balance
Aintabi, Elliott and La Société Immobilière en Propriété Marine Ltée	1023 to 1045, rue Ste-Catherine Ouest	Montréal	B
Aménagement Lyndale Ltée	1125, rue Moody	Terrebonne	B
Aménagement Lyndale Ltée	30 to 70, rue Dufferin	Salaberry-de-Valleyfield	B
Aménagement Westcliff Ltée	20, rue Évangéline	Granby	B
Appartements Le Neuville inc., Les	111 and 121, rue de la Barre	Longueuil	B
Bentall Properties Ltd.	1508, Broadway St. West	Vancouver	B
Centre commercial Cavendish Cie Ltée	5800, boulevard Cavendish	Côte-Saint-Luc	B
Centre commercial Place du Royaume (Chicoutimi) Inc.	1401, boulevard Talbot	Chicoutimi	B
Centre Commercial Plaza Roland-Therrien (1969) inc.	1999 to 2125, boul. Roland-Thérrien	Longueuil	A
Centres Commerciaux Régionaux du Québec Itée.	320, boulevard Saint-Joseph	Hull	B
Chiefton Investments Ltd. & Investors Group Trust Co. Ltd	6715 and 6725 Airport Rd	Mississauga	B
Compagnie WHWW Hotels (Sherbrooke)	450, rue Sherbrooke Ouest	Montréal	B
Complexe Pointe-Claire Inc.	6301, route Transcanadienne	Pointe-Claire	B
Construction Olymbec inc. et al.	8505, chemin Devonshire	Mont-Royal	A
Construction Olymbec inc. et al.	6355, rue Sherbrooke Est	Montréal	B
Construction Sarino inc.	10200, rue Renaude-Lapointe	Anjou	A
Devcorp Inc.	200, chemin Sainte-Foy	Québec City	B
Édifice d' Youville inc.	800, place d' Youville	Québec City	B
Édifice Sandvar Itée	502 to 510, Ste-Catherine E.	Montréal	A
Fiduciaires du Fonds de placement immobilier Cominar, Les	3175, chemin des Quatre-Bourgeois	Sainte-Foy	A
Fiduciaires du Fonds de placement immobilier Cominar, Les	2600, boulevard Laurier	Sainte-Foy	B
Fortress Realty Holdings Inc.	1383 Hillside Drive	Kamloops	B
Galeries Montmagny (1988) Inc., Les	101, boulevard Taché Ouest	Montmagny	A
Germain Pelletier Ltée	92, 2e Rue Ouest	Rimouski	A
Germain Pelletier Ltée	750, avenue du Phare O.	Matane	A
Gestion DWS-Hines Itée et al.	1801, avenue McGill College	Montréal	B
Gestion Place du Royaume Inc. et al.	1401, boulevard Talbot	Chicoutimi	B
Henry Birks et fils inc.	620 to 630, rue Ste-Catherine Ouest	Montréal	A
Immeubles La Hada Ltée et al., Les	4751, boulevard Les Grandes-Prairies	Saint-Léonard	A
Immeubles Plaza Z Corp. Inc. et al., Les	300, rue Barkoff	Cap-de-la-Madeleine	A
Investissements Metco Ltée	202, rue Berlioz	Verdun	B
Investissements Roywest Itée, Les	14 and 16, rue Prince-Arthur	Montréal	A
Ivanhoé III inc.	2151, boulevard Lapinière	Brossard	B
J.K. Investments inc.	1130, rue Sherbrooke Ouest	Montréal	B
Landing Holdings Limited	361 Water Street	Vancouver	B
Les fiduciaires du Fonds de placement immobilier Cominar	325, rue Marais	Vanier	B
Les investissements Olymbec Itée	6364 to 6434, Transcanadienne	Saint-Laurent	A
Maron Land Development Inc.	698 and 700 Lawrence Avenue	North York	B
Minto Developments Inc.	1050 Baxter Road	Ottawa	A
O & Y Properties Inc.	320 Queen Street and 112 Kent Street	Ottawa	B
Place Alexis Nihon inc.	1500, rue Atwater	Westmount	B
Place Dupuis Commercial Trust a/s Trust Général du Canada	855, rue Ste-Catherine Est	Montréal	B
Place Dupuis Commercial Trust a/s Trust Général du Canada	1415, rue St-Hubert	Montréal	A
Projets d'Urbanisation 2000 Inc.	2100, boulevard de Maisonneuve	Montréal	A

Promo Hotels Canada inc.	1321, rue Sherbrooke Ouest	Montréal	B
Rossland Real Estate Limited	1448 Lawrence Ave. East	Toronto	A
SITQ bureaux inc.	801, chemin Saint-Louis	Québec City	A
SITQ bureaux inc. and Relium Inc. et al.	880 and 930, chemin Sainte-Foy	Québec City	A
Société de Gestion Accurso Ltée et al.	1535 to 1565, boulevard Le Corbusier	Laval	A
Société en commandite Kau & Associés	8505, boul. Taschereau	Brossard	A
Société en commandite, Centre Laval	1500 to 1660, boulevard Le Corbusier	Laval	B
Société en commandite, Les Terrasses Langelier et al.	6335 to 6455, rue Jean-Talon Est	Montréal	B
Société en commandite, Les Appartements d'Assigny	110, rue de la Barre	Longueuil	A
Société immobilière Dundee Québec inc.	470 to 472, rue Deslaurier	Saint-Laurent	B
Société immobilière Dundee Québec inc.	295 to 371, rue Deslaurier	Saint-Laurent	B
Société immobilière Dundee Québec inc.	9045, ch. Côte-de-Liesse	Dorval	A
Société immobilière Dundee Québec inc.	9551 to 9579, ch. Côte-de-Liesse	Dorval	A
Société immobilière Dundee Québec inc.	300, av. Labrosse	Pointe-Claire	A
Société immobilière Dundee Québec inc.	2115 to 2147, rue de la Province	Longueuil	A
Société Immobilière TrizecHahn Itée.	500, boulevard René-Lévesque Ouest	Montréal	B
Southwest Properties Limited	1595 and 1597 Bedford Highway	Halifax	B
Tawa Properties Inc.	3017 66th Street N.W.	Edmonton	A
The Erin Mills Development Corp. and Cadillac Fairview Corp.	5100 Erin Mills Parkway and 2670 Erin Centre Boulevard	Mississauga	B
Tonko Development Corporation	315-319 Banff Avenue	Banff	B
1862 Holdings Ltd. and Bentall Corporation	1130 Pender Street West	Vancouver	B
2423-5632 Québec inc.	200, rue Belvédère Nord	Sherbrooke	A
1255037 Ontario inc.	333, chemin du Tremblay	Boucherville	A
1255037 Ontario inc.	4370 to 4400, ch. Bois-Franc	Saint-Laurent	A
1280642 Ontario Limited et al.	8875 and 8925 Torbram Rd.	Brampton	B
152523 Canada inc.	3103, boul. Royal	Shawinigan	B
157173 Canada inc. et als.	1324, boulevard Talbot	Chicoutimi	A
157173 Canada inc. et als.	419, boulevard Jessop	Rimouski	B
159469 Canada Inc. and Les Immeubles 5500 Royalmount Inc.	5500, avenue Royalmount	Mont-Royal	A

SUMMARY OF BOND PORTFOLIO
as at December 31, 1999
(in millions of dollars)

Securities	Fair value		Average nominal rate ¹	Average naturity ¹ (years)	Modified duration ² (volatility)
	\$	%			
Domestic					
Government issued					
Gouvernement du Québec	12,032.8	37.20	7.84	10.24	6.06
Government of Canada	7,386.0	22.83	7.08	7.74	5.07
Other governments	492.7	1.52	7.28	22.32	10.17
Government guaranteed					
Gouvernement du Québec	5,131.5	15.86	7.45	11.86	6.93
Government of Canada	115.6	0.36	9.83	8.63	5.70
Other governments	24.9	0.08	8.90	22.63	10.55
Guaranteed by grants, municipalities and school boards	1,348.1	4.17	9.94	5.85	4.19
Corporations and mortgage bonds ³	2,158.2	6.67	6.38	6.68	4.34
Foreign					
Government issued					
Gouvernement du Québec	279.3	0.86	3.63	13.76	10.84
U.S. Government	1,259.5	3.89	4.74	13.11	7.88
Other Foreign Governments	474.3	1.47	5.87	7.54	5.01
Government guaranteed					
Gouvernement du Québec	310.8	0.96	7.03	18.00	8.37
Other Foreign Governments	7.5	0.02	6.26	4.51	3.77
Corporate	1,330.6	4.11	5.73	10.21	5.90
	32,351.8	100.00	7.26	9.89	5.96

¹ Weighted as per nominal value.

² Weighted as per fair value.

³ Including bonds managed by the Private Investments Group.

**INVESTMENTS IN CANADIAN CORPORATE SHARES AND BONDS
BY SECTOR OF ACTIVITY
as at December 31, 1999
(fair value - in millions of dollars)**

	Shares and convertible securities	Bonds	Total	%
Metals and minerals	897.1	13.3	910.4	3.7
Gold and silver	825.6	0.4	826.0	3.3
Oil and gas	1,304.5	61.3	1,365.8	5.5
Paper and forest products	1,044.4	90.0	1,134.4	4.6
Consumer products	1,161.8	99.5	1,261.3	5.1
Industrial products	5,326.6	128.1	5,454.7	21.9
Real estate and construction	294.5	307.4	601.9	2.4
Transportation and environmental services	679.0	49.8	728.8	2.9
Pipelines	180.0	63.9	243.9	1.0
Utilities	4,247.3	104.9	4,352.2	17.5
Communications	1,802.4	294.8	2,097.2	8.4
Distribution and services	980.4	150.2	1,130.6	4.5
Financial services	3,341.5	693.6	4,035.1	16.2
Conglomerates	400.5	-	400.5	1.6
Index participation units - TSE 35	343.3	-	343.3	1.4
	22,828.9	2,057.2	24,886.1	100.0

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INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES
as at December 31, 1999
(fair value - in millions of dollars)

Some investments are managed and/or held by one of the following subsidiaries:

A Capital d'Amérique CDPQ	E Capital CDPQ	I Cadim
B Sofinov, Société financière d'innovation	F Accès Capital	K SITQ IMMOBILIER
C Capital Communications CDPQ	G Services financiers CDPQ	K Refers to the Caisse where the subsidiary manages and/or holds only part of the investment.
D Capital International CDPQ	H Ivanhoe	

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
A.G. Edwards, Inc.			7,150	0.3				0.3
A.R.C. Resins International Corporation		A	94,400	-				-
ABB Ltd			216,558	38.2				38.2
ABL Canada Inc.		A	240,436	0.1	0.2			0.3
ABN AMRO Holding NV			177,826	6.4				6.4
ABSA Group Limited			288,983	1.9				1.9
ACS, Actividades de Construccion y servicios, S.A.			212,172	7.3				7.3
ADC Telecommunications, Inc.			31,600	3.3				3.3
ADF Group Inc.			332,700	2.9				2.9
ADS inc. ¹	warrants	A	7,000	-			-	-
	class A	A	2,401,263	5.2			5.2	5.2
AFLAC Incorporated			49,000	3.4				3.4
AGF Management Limited	class B		310,000	7.2				7.2
AGRA Industries Limited			1,201,250	15.0				15.0
AK Steel Holding Corporation			200,000	5.5				5.5
AMP Limited			214,800	3.4				3.4
AMR Corporation			29,800	2.9				2.9
ARA S.A. de C.V., Consorcio			661,600	1.6				1.6
ASM Lithography Holding			156,800	25.2				25.2
AT Plastics, Inc. ²			979,900	3.4				3.4
AT&T Canada Inc.	class B		73,800	4.3				4.3
AT&T Corp.- Liberty Media Group	class A		17,500	1.4				1.4
ATI Technologies Inc.			3,055,021	58.4				58.4
ATS Automation Tooling Systems Inc.			702,400	17.0				17.0
Abbey National Plc			660,800	15.3				15.3
Abbott Laboratories			39,300	2.1				2.1
Aber Resources Ltd			1,403,637	12.6				12.6
Abitibi-Consolidated Inc.		A, K	5,794,743	97.9				97.9
Acanthus Real Estate Corporation	shares	I	500,000	3.4				3.4
Accor			510,605	35.6				35.6
Ace Limited			30,200	0.7				0.7
Acer Incorporation			139,190	3.0				3.0

Acom Co., Ltd			35,800	5.1				5.1
Adaptec, Inc.			35,600	2.6				2.6
Adecco SA			12,576	14.1				14.1
Administradora de Fondos de Pensiones Provida			25,000	0.8				0.8
Advance Agro Public Company Limited			58,900	-				-
Advanced Info Service Public Co., Ltd			102,500	2.5				2.5
Advanced Semiconductor Engineering Inc.			73,613	2.1				2.1
Advantest Corp.			108,800	41.7				41.7
Aegon Insurance			457,944	63.9				63.9
Aerospatiale Matra			109,152	3.5				3.5
Aetna Life and Casualty Company			19,100	1.5				1.5
Agnico-Eagle Mines Limited			652,000	6.9				6.9
Agrium Inc.			259,880	2.9				2.9
Aiful Corporation			14,100	2.5				2.5
Air Canada ¹		A, K	392,693	4.3	150.0	4.8	159.1	
	class A		8,015,256	81.0			81.0	240.1
Air Liquide (L')			20,003	4.8				4.8
Air Products and Chemicals, Inc.			17,300	0.8				0.8
Airnet Communications Corporation		C	2,141,648	33.9				33.9
Airtours Plc			596,173	5.3				5.3
Ajinomoto Company Inc.			438,000	6.6				6.6
Aksa Akrilik Kimya Sanayii A.S.			24,423,500	1.7				1.7
Aksigorta A.S.			3,796,000	0.3				0.3
Akzo Nobel NV			320,947	23.3				23.3
Alarko Holding A.S.			21,500,000	1.8				1.8
Alberta Energy Company Ltd			2,379,105	107.1				107.1
Alcan Aluminium Limited			4,335,891	257.6				257.6
Alcatel			153,491	50.9				50.9
Alcatel Teletas Telekomunikasyon Endustri ve Ticaret A.S.			3,923,000	1.3				1.3
Alcoa Inc.			129,100	15.6				15.6
Alfa, S.A. de C.V.	class A		327,600	2.2				2.2
Aliant Inc.			300,900	7.5				7.5
Alimentation Couche-Tard Inc.	class B	A	744,200	15.4				15.4
Allegheny Energy, Inc.			37,900	1.5				1.5
Allegheny Technologies Inc.			150,000	4.9				4.9
Allgreen Properties			171,883	0.2				0.2
Alliance Atlantis Communications Inc.	class B		226,700	2.7				2.7
Alliance Capital Management L.P.			77,600	3.4				3.4
Alliance Inc., Produits forestiers ^c		A, K	2,405,705	41.0				41.0
Alliance Pipeline LP						10.4		10.4
Allianz Holding			81,115	39.4				39.4
Allied Domecq Plc			1,032,841	7.4				7.4
Allied Irish Banks Plc			887,449	14.6				14.6

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Allied Zurich Plc			1,012,797	17.3				17.3
Allstate Corp.			57,500	2.0				2.0
Almacenes Exito S.A.			39,550	0.1				0.1
Alpha Credit Bank S.A.			3,030	0.3				0.3
Alpha Systems Inc.			1,000	0.3				0.3
Alstom			237,634	11.4				11.4
AltaGas Services Inc.			100,000	0.6				0.6
Altera Corporation			17,300	1.2				1.2
Alusuisse-Lonza Group AG			178,050	189.5				189.5
Amazon.com, Inc.			2,600	0.3				0.3
Amcor Limited			566,900	3.8				3.8
Ameren Corporation			40,100	1.9				1.9
America Online, Inc.			75,400	8.3				8.3
American Electric Power Company, Inc.			29,700	1.4				1.4
American Express Company			165,100	39.8				39.8
American General Corporation			33,898	3.7				3.7
American Home Products Corporation			350,190	19.9				19.9
American International Group, Inc.			795,094	124.8				124.8
American Telephone and Telegraph Co.			999,500	73.7				73.7
American Tower Corporation			70,400	3.1				3.1
Amethyste Arbitrage Fund		units	495,209	5.4				5.4
Amgen Inc.			9,900	0.9				0.9
Analog Devices, Inc.			21,100	2.8				2.8
Anderson Exploration Ltd			4,827,975	83.3				83.3
Andrew Corporation			64,100	1.8				1.8
Angang New Steel Co Ltd			4,300,000	0.5				0.5
Anglo American Platinum Corporation Limited			145,147	6.4				6.4
Anglo American Plc			53,100	5.0				5.0
Anglogold Limited			45,100	3.4				3.4
Anglovaal Mining Limited			53,000	0.7				0.7
Antofagasta Holdings plc			60,000	0.6				0.6
Aokam Perdana Bhd			1,767	-				-
Apasco S.A. de C.V.			100,000	0.9				0.9
Apex Silver Mines Limited			300,000	5.2			5.2	
		warrants	150,000	-			-	5.2
Apple Computer, Inc.			23,700	3.5				3.5
Arabian International Construction			69,097	0.4				0.4

Aracruz Celulose S.A.			23,000	0.9		0.9
Arcelik A.S.			4,303,040	0.4		0.4
Archer Daniels Midland Company			114,867	2.0		2.0
Architel Systems Corporation			184,750	3.6		3.6
Arctic Group Inc., The			200,000	0.5	0.5	
	warrants		200,000	-	-	0.5
Argentaria, Caja Postal y Banco Hipotecario de España, S.A.			163,437	5.5		5.5
Arjo Wiggins Appleton			406,439	2.1		2.1
Armstrong World Industries, Inc.			14,100	0.7		0.7
Arnoldo Mondadori Editore SpA			113,595	5.1		5.1
Arrow Electronics, Inc.			54,200	2.0		2.0
Asahi Bank, Ltd, The			1,009,000	9.0		9.0
Asahi Breweries, Ltd			283,000	4.5		4.5
Asahi Chemical Industry Co., Ltd			1,670,000	12.4		12.4
Asahi Glass Company, Limited			518,000	5.8		5.8
Asbestos Limitée, Société			259,065	2.1		2.1
Ashanti Goldfields Company Ltd			35,000	0.1		0.1
Ashland Inc.			79,700	3.8		3.8
Asia Cement Corporation			18,300	0.3		0.3
Asia Pulp & Paper Company Ltd			500,000	5.7		5.7
Asia Satellite Telecommunications Holdings Ltd			800,000	3.7		3.7
Assante Corporation			470,000	3.9		3.9
Assicurazioni Generali			1,053,106	50.5		50.5
AssiDoman AB			86,309	2.0		2.0
Associated Capital Corp. Canada					43.3	43.3
Associates First Capital Corporation	class A		518,202	20.6		20.6
Astra Compania Argentina de Petroleo S.A.			21,800	0.1		0.1
Astral Communications Inc.	class A	A, K	887,200	24.0	24.0	
	class B	A	1,200	-	-	24.0
AstraZeneca Group Plc			1,032,369	62.3		62.3
Asustek Computer Inc.			58,062	1.2		1.2
Atlantic Richfield Company (ARCO)			30,200	3.8		3.8
Atos SA			17,010	4.1		4.1
Au Printemps S.A.			17,183	6.5		6.5
Aur Resources Inc.			550,000	1.5		1.5
Aurizon Itée, Mines ¹	warrants	A	488,144	-	4.9	4.9
Australia & New Zealand Banking Group			447,862	4.7		4.7
Autoliv, Inc.			172,979	7.3		7.3
Automatic Data Processing, Inc.			358,400	28.0		28.0
Avalonbay Communities, Inc.		I	156,000	7.8		7.8
Avcorp Inc., Les Industries		A	346,539	0.6		0.6
Avenor inc.		A			6.0	6.0
Aventis SA			710,426	59.4		59.4

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Avnet, Inc.			17,200	1.5				1.5
Avon Products Inc.			299,400	14.3				14.3
Axa			266,926	53.7				53.7
Axcan Pharma Inc. ¹		B	5,998,487	39.6		35.0		74.6
Ayala Land, Inc.	class B		1,893,908	0.7				0.7
B.F. Goodrich Company, The			39,000	1.6				1.6
BAA Plc			1,654,800	16.8				16.8
BC Gas Inc.			250,900	6.4				6.4
BCE Emergis inc.		C, K	829,333	64.3				64.3
BCE Inc.			15,782,693	2,069.9				2,069.9
BCT.TELUS Communications Inc.			2,081,703	72.9				72.9
BG Group Plc			1,443,534	13.5				13.5
BG Transco Holdings plc					1.3			1.3
BMC Software			354,800	41.2				41.2
BOC Group			500,200	15.6				15.6
BP Amoco Plc			8,872,167	130.2				130.2
Ballard Power Systems Inc.			1,090,739	44.4				44.4
Banca Intesa SPA			778,708	4.6				4.6
Banco BHIF			15,000	0.3				0.3
Banco Bilbao Vizcaya S.A.			52,600	1.1				1.1
Banco Bradesco S.A.	rights preferred		11,216,004	-			-	-
			172,729,057	2.0			2.0	2.0
Banco Comercial Portugues, SA (BCP)			216,214	1.7				1.7
Banco de A. Edwards			46,267	1.1				1.1
Banco de Galicia y Buenos Aires S.A. de C.V.			114,326	0.8				0.8
Banco de Santander Chile			48,290	1.1				1.1
Banco Frances del Rio de la Plata S.A.			43,100	0.8				0.8
Banco Ganadero S.A.	preferred		21,100	0.2				0.2
Banco Itau S.A.	preferred		40,646,200	5.1				5.1
Banco Latinoamericano Exportaciones, S.A.			20,000	0.7				0.7
Banco Provincial, S.A.			174,300	0.2				0.2
Banco Santander Central Hispano, SA			1,243,151	20.3				20.3
Bangkok Bank			447,400	1.6				1.6
Bank of America Corporation			117,605	8.6				8.6
Bank of Ayudhya Public Company Limited			1,709,500	1.1				1.1
Bank of East Asia Ltd			366,456	1.5				1.5
Bank of Ireland			391,815	4.5				4.5

Bank of Montreal		3,794,715	187.1		187.1
Bank of New York		646,700	37.5		37.5
Bank of Scotland		626,643	10.5		10.5
Bank of Tokyo-Mitsubishi, Ltd, The		1,453,950	29.4		29.4
Bank of Yokohama, Ltd, The		215,000	1.4		1.4
Bank One Corporation		278,100	12.9		12.9
Banpu Public Company Limited	warrants	3,645	-		-
Banque Nationale de Paris		312,454	41.6		41.6
Banta Corporation		300,000	9.8		9.8
Barclays Bank Plc		1,073,031	44.7		44.7
Barito Pacific Timber		1,331,000	0.2		0.2
Barlow Limited		140,000	1.5		1.5
Barrick Gold Corporation		8,406,917	216.5		216.5
Bass		334,152	6.0		6.0
Battle Mountain Canada Ltd		300,000	0.9		0.9
Bavaria S.A.		102,037	0.6		0.6
Baxter International Inc.		351,200	32.0		32.0
Bayer AG		118,572	8.1		8.1
Bayerische Motoren Werke (BMW) AG		215,800	9.7		9.7
Bayerische Vereinsbank AG		183,285	18.1		18.1
Beau Canada Exploration Ltd		150,000	0.3		0.3
Beijing Yanhua Petrochemical Company		3,500,000	0.6		0.6
Beko Elektronik A.S.		19,424,000	0.7		0.7
Bell Atlantic Corporation		305,500	27.3		27.3
Bell Canada International Inc.		2,544,688	83.7	2.4	86.1
Bell Mobilité Cellulaire				9.6	9.6
Belle Corporation		2,756,600	0.2		0.2
BellSouth Corporation		600,400	40.8		40.8
Bellsystem 24, Inc.		5,000	7.9		7.9
Benesse Corporation		10,800	3.8		3.8
Bergen Brunswig Corporation		83,300	1.0		1.0
Berkley Petroleum Corp.		559,000	7.1		7.1
Bestfoods		263,500	20.1		20.1
Bezea Israel Telecom		497,151	3.6		3.6
Bid.Com International Inc.		408,500	2.5		2.5
Big Bear Exploration Ltd		135,000	-		-
Billiton Plc		134,800	1.1		1.1
BioChem Pharma Inc. ⁴	B, K	5,948,716	185.6		185.6
Biogen Inc.		5,900	0.7		0.7
Biomira Inc.		265,000	1.5		1.5
Biovail Corporation International		662,164	89.4		89.4
Black & Decker Corporation, The		15,900	1.2		1.2
Black Hawk Mining Inc.		652,900	-		-

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Black Range Minerals NL			1,662,300	0.6				0.6
Blue Circle Industries Plc			353,140	3.0				3.0
Boardwalk Equities, Inc.		I, K	277,000	3.4				3.4
Boliden Limited			1,230,000	8.2				8.2
Bombardier Inc.	class A		6,847,700	209.2		18.8	228.0	
	class B		7,319,912	217.0			217.0	445.0
Bonavista Petroleum Ltd			175,000	2.9				2.9
Booker Plc			906,105	2.5				2.5
Boots Company, Plc			196,168	2.8				2.8
Boralex inc.	class A	A	700,000	2.5				2.5
Boston Scientific Corporation			20,700	0.7				0.7
Bouygues S.A.			12,800	11.7				11.7
Bowater Inc.			168,200	13.3				13.3
Brambles Industries Limited			404,518	16.2				16.2
Brazil Fast Food Corporation			42,500	0.1				0.1
Bresea Resources Ltd			1,983,500	-				-
Bridgestone Corp.			311,000	9.9				9.9
Briggs & Stratton Corporation			21,600	1.7				1.7
Bristol-Myers Squibb Company			597,600	55.7				55.7
British Aerospace Plc			1,917,029	18.4				18.4
British Airways Plc			332,500	3.1				3.1
British American Tobacco Plc			711,064	5.9				5.9
British Energy Plc			1,200,000	10.0				10.0
British Telecom			3,337,841	118.1				118.1
Broadcom Corporation	class A		2,200	0.9				0.9
Broken Hill Proprietary Company Limited, The			1,418,848	27.0				27.0
Brookfield Properties Corporation		I, K	1,475,100	22.3				22.3
Bro-X Minerals Ltd			7,920	-				-
Burlington Northern Santa Fe Inc.			120,800	4.3				4.3
Burlington Resources Inc.			475,650	22.8			22.8	
	exchangeable		15,000	0.7			0.7	23.5
C.I. Fund Management Inc.		G, K	902,907	27.5				27.5
CAE Inc.			937,000	9.3				9.3
CBO Fifth Ave Ltd						0.4		0.4
CBS Corporation			15,100	1.4				1.4

CCL Industries Inc.	class A		40,000	0.6		0.6	
	class B		630,680	8.8		8.8	9.4
CFM Majestic Inc.			203,600	1.7			1.7
CGI Inc., Le Groupe	class A	A, B, K	4,256,756	262.9			262.9
CGU Plc			1,045,216	24.4			24.4
CHUM Limited	class B		81,900	2.9			2.9
CIGNA Corporation			26,700	3.1			3.1
CIT Group, Inc., The	class A		202,365	6.2			6.2
CLP Holdings Ltd			33,636	0.2			0.2
COLT Telcom Group Plc			150,000	11.1			11.1
COM DEV International Ltd			864,800	4.1			4.1
COMPAQ Computer Corporation			257,650	10.1			10.1
CRH Plc			176,989	5.5			5.5
CSR Limited			206,200	0.7			0.7
CSX Corporation			34,300	1.6			1.6
CTV Inc.			1,632,000	36.9			36.9
CVS Corporation			65,000	3.8			3.8
Cable & Wireless Communications Plc			496,837	10.3			10.3
Cable & Wireless HKT Limited			4,064,432	17.0			17.0
Cable & Wireless Optus Limited			971,019	4.7			4.7
Cable & Wireless Plc			2,085,296	51.2			51.2
Câble Satisfaction International Inc. ¹		C, K	16,079,487	94.0			94.0
Cabot Corporation			37,200	1.1			1.1
Cadbury Schweppes Plc			2,542,340	22.2			22.2
Cadillac Fairview Corporation			1,135,900	37.8			37.8
Caemi Mineracao e Metalurgia S.A.	preferred		13,089,960	1.4			1.4
Call-Net Enterprises Inc.	class B	A, K	2,050,025	9.9	19.1		29.0
Calvalley Inc., Les Pétroles	class A		600,000	0.3			0.3
Cambiex Inc., Exploration		A	3,744,000	1.2			1.2
Cambior Inc. ^{1,2}		A, K	8,609,278	15.7			15.7
Cameco Corporation			774,100	17.0			17.0
Canada Life Assurance Company, The					13.8		13.8
Canada Life Financial Corporation			934,800	20.9			20.9
Canadian Credit Card					10.0		10.0
Canadian Hunter Exploration Ltd			476,882	11.3			11.3
Canadian Imperial Bank of Commerce			6,681,230	230.5			230.5
Canadian Marconi Company			29,100	0.5			0.5
Canadian Medical Laboratories Limited			3,000	0.1			0.1
Canadian National Railway Company			3,624,800	138.5			138.5
Canadian Natural Resources Limited			1,357,878	47.9	1.9		49.8
Canadian Occidental Petroleum Ltd			3,525,144	100.5	13.0		113.5
Canadian Tire Corporation Limited	class A		1,394,402	48.0	14.7		62.7
Canadian Utilities Limited	class A		161,982	6.3			6.3

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Canadien Pacifique Limitée			4,867,127	151.1				151.1
Canal Plus			93,016	19.6				19.6
Canam Manac Inc., Le Groupe	warrants	A	12,500	-			-	-
	class A	A	1,158,639	8.9			8.9	8.9
Canfor Corporation			1,364,900	23.1				23.1
Cangene Corporation			60,000	0.3				0.3
Canon Inc.			746,000	42.9				42.9
CanWest Global Communications Corp.		A, K	1,211,643	19.7			19.7	19.7
	class A	A	10,900	0.2			0.2	19.9
Cap Gemini SA			58,140	21.3				21.3
Cara Operations Ltd	class A		580,182	2.3		3.7		6.0
Caradon Plc			770,000	2.8				2.8
Cardinal Health, Inc.			5,000	0.3				0.3
Caribbean Utilities Company, Ltd	class A		260,800	3.4				3.4
Carlton Communications Plc			868,850	12.3				12.3
Carrefour SA			154,068	41.0				41.0
Carso Global Telecom	class A		100,000	1.4				1.4
Cartier Investments Fund Ltd	units		1,634,612	427.9				427.9
Cascades Inc.			420,000	3.7				3.7
Case Credit Limited						5.7		5.7
Casella Waste Systems Inc		A	11,048	0.3				0.3
Caterpillar Inc.			54,200	3.7				3.7
Cathay Pacific Airways			1,962,456	5.1				5.1
Celanese AG			28,659	0.8				0.8
Celestica International Holdings Inc.		A, K	4,592,400	371.1				371.1
Celltech Plc			599,700	7.5				7.5
Cemex S.A. de C.V.			727,000	5.9			5.9	5.9
	warrants		13,000	-			-	5.9
Center Trust, Inc.		I	186,000	2.6				2.6
Centex Corporation			19,600	0.7				0.7
Centrais Electricas Brasileiras S.A.			118,685,580	3.8			3.8	3.8
	preferred		88,300,000	3.1			3.1	6.9
Central & South West Corporation			55,100	1.6				1.6
Central Japan Railway Company			251	2.3				2.3
Centrefund Realty Corporation		I	100,000	1.2	2.1			3.3
Ceridian Corporation			111,900	3.5				3.5
Certicom Corporation			79,400	6.8				6.8

Cerveceria Backus & Johnston S.A.			525,507	0.3		0.3
Champion International			32,800	2.9		2.9
Chapters Inc.			131,500	2.8		2.8
Chartered Semiconductor Manufacturing Limited			11,300	1.2		1.2
Chase Manhattan Corporation, The			176,156	19.9		19.9
Chauvco Resources International Ltd			1,000,000	-		-
Cheung Kong			1,170,772	21.6		21.6
Chevron Corporation			205,400	25.8		25.8
Chieftain International, Inc.			19,557	0.5		0.5
Chilectra S.A.			24,600	0.7		0.7
Chilgener			45,300	1.0		1.0
China Everbright Limited			2,720,000	3.2		3.2
China International Marine Containers Ltd			252,340	0.2		0.2
China Merchants Holdings International Company Limited			636,000	0.8		0.8
China Pharmaceutical Enterprise and Investment Corporation Limited			4,952,000	0.9	0.9	
	warrants		495,200	-	-	0.9
China Shipping Development Co. Ltd			9,740,000	2.8		2.8
China Steel Corporation			863,630	2.2		2.2
China Telecom (Hong Kong) Ltd			588,000	5.3		5.3
China Tire Holdings Limited			28,600	0.4		0.4
China Travel International Investment Hong Kong Limited			5,000,000	1.0		1.0
Christian Dior SA			11,500	4.1		4.1
Chrysler Credit Canada Limited					24.9	24.9
Chubb Corporation, The			185,700	15.2		15.2
Chugai Pharmaceutical Co., Ltd			33,000	0.5		0.5
Ciena Corporation			105,030	8.8		8.8
Cifra S.A. de C.V.	class C		378,000	1.0	1.0	
	class V		648,342	1.9	1.9	2.9
CINAR Corporation	class B	A, K	569,300	20.1		20.1
Cincinnati Bell Inc.			31,400	1.7		1.7
Cinergy Corp.			48,100	1.7		1.7
Cinram International Inc.			357,800	4.2		4.2
Circle K Japan Company Limited			80,000	4.8		4.8
Cisco Systems, Inc.			1,149,880	178.8		178.8
Citigroup Inc.			1,587,226	128.3		128.3
Citizen Watch Co., Ltd			630,000	5.8		5.8
City Developments			128,912	1.1		1.1
City Telecom (HK) Limited			42,970	1.3		1.3
Clal Insurance Enterprise Holdings Ltd			40,306	0.9		0.9
Clarica Life Insurance Companyvie			1,354,400	35.2		35.2
Clarify, Inc.			542,700	99.2		99.2
Clearnet Communications Inc.	class A	A, K	559,589	27.8	62.0	89.8

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
CliniChem Development Inc. ²	class A	B, K	115,485	1.5				1.5
Cobepa S.A.		D	846,925	75.8			75.8	
	class VVPR	D	31,825	2.8			2.8	78.6
Coca-Cola Amatil Ltd			1,529,406	6.0				6.0
Coca-Cola Beverages Plc			500,199	1.4				1.4
Coca-Cola Company, The			241,800	20.4				20.4
Coca-Cola Femsa S.A.			20,000	0.5				0.5
Coflexip S.A.			163,795	9.0				9.0
Cogeco Câble, inc.			304,000	8.2		7.6		15.8
Cogeco Inc.		A	152,500	4.3				4.3
Cogeneration Public Company Limited			424,000	0.3				0.3
Cognicase Inc.		B, K	507,000	10.5				10.5
Cognos Incorporated			1,407,138	92.9				92.9
Coles Myer Limited			1,421,149	10.6				10.6
Colgate-Palmolive Company			544,200	51.3				51.3
Collateralized B.Co. Séries A Class A-2						20.9		20.9
Colonial Limited			282,503	1.8				1.8
Columbia/HCA Healthcare Corporation			6,100	0.3				0.3
Comcast Corporation	class A special		12,200	0.9				0.9
Cominar Real Estate Investment Trust	units	I	500,000	4.6				4.6
Cominco Ltée			2,150,786	65.3				65.3
Commercial International Bank			70,000	1.5				1.5
Commonwealth Bank of Australia			197,000	4.9				4.9
Compagnie Financiere Richemont AG	units		2,700	9.3				9.3
Compagnie Générale des Établissements Michelin			154,527	8.7				8.7
Companhia Brasileira de Distribuicao Grupo Pao de Acucar			22,500	1.1				1.1
Companhia Cervejaria Brahma			200,000	4.1			4.1	
	preferred		3,572,000	3.8			3.8	7.9
Companhia de Saneamento Brasico do Estado de Sao Paulo - SABESP			6,066,210	1.0				1.0
Companhia de Tecidos Norte de Minas	preferred		1,000,000	0.1				0.1
Companhia Energetica de Minas Gerais (CEMIG)	preferred		43,375,212	1.4				1.4
Companhia Paranaense de Energia (COPEL)			35,000	0.5				0.5
Companhia Siderurgica Nacional S.A.			5,000,000	0.3				0.3
Companhia Vale do Rio Doce (CVRD)			321,770	7.6			7.6	
	preferred		103,100	4.2			4.2	11.8
Compañía Anónima Nacional Telefonos de Venezuela (CANTV)			99,560	3.6				3.6
Compañía Cervecerias Unidas S.A.			45,520	2.1				2.1

Compañía de Minas Buenaventura S.A.		56,537	0.7		0.7
Compania Energetica de Minas Gerais- CEMIG		20,000	0.7		0.7
Compass Group		1,170,200	23.3		23.3
Computer Associates International, Inc.		50,000	5.1		5.1
Conagra, Inc.		67,100	2.2		2.2
Concert Industries Ltd ¹	A	406,666	2.0	22.8	24.8
Concord Communications, Inc.		40,000	2.6		2.6
Conoco Inc.	class B	67,600	2.4		2.4
Conseco, Inc.		22,400	0.6		0.6
Consolidated Edison, Inc.		42,100	2.1		2.1
Consolidated Papers Inc.		14,870	0.7		0.7
Continental Airlines, Inc.	class B	7,900	0.5		0.5
Controladora Comercial Mexicana	class C	990,200	1.9		1.9
Cookson Group Plc		1,372,983	8.0		8.0
Cooper Industries, Inc.		29,100	1.7		1.7
Cooper Tire & Rubber Company		64,200	1.5		1.5
Coreco Inc.	A	531,890	2.7		2.7
Corel Corporation		255,200	5.6		5.6
Corning Incorporated		7,050	1.3		1.3
Corporación Geo S.A. de C.V.		125,000	0.7		0.7
Corporación Interamericana de Entretenimiento S.A.	class B	140,712	0.8		0.8
Corporación Venezolana de Cementos S.A. C.A.		827,026	0.4		0.4
Cortefiel S.A.		299,522	11.3		11.3
Corus Entertainment Inc.	class B	68,567	2.0		2.0
Corus Group Plc		1,925,521	7.3		7.3
Corvas International Inc.	B	1,400,000	9.0		9.0
Cosco Pacific Limited		1,002,000	1.2		1.2
Costco Wholesale Corporation		185,000	24.5		24.5
Co-Steel Inc.		256,174	4.4	9.3	13.7
Cott Corporation		200,000	1.5		1.5
Counsel Corporation ⁶		599,999	1.8	6.9	8.7
Countrywide Credit Industries, Inc.		19,200	0.7		0.7
Covance Inc.		100,000	1.6		1.6
Creative Technology Limited		15,469	0.4		0.4
Credit Saison Co., Ltd		70,600	1.8		1.8
Credit Suisse Group		133,506	38.3		38.3
Creo Products Inc.		47,900	2.7		2.7
Crestar Energy Inc.		4,290,566	85.2	7.7	92.9
CrossKeys Systems Corporation ⁶		1,393,400	18.6		18.6
Crown Cork & Seal Company, Inc.		42,000	1.4		1.4
Cubist Pharmaceuticals, Inc. ⁶	B	1,886,223	52.7		52.7
	warrants				
	B	1,111,112	27.4		27.4
Cummins Engine Co., Inc.		14,600	1.0		1.0

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
DBS Group Holdings Limited			1,116,198	26.5				26.5
DBS Land Limited			257,824	0.7				0.7
DDI Corporation			481	9.5				9.5
DQE, Inc.			9,000	0.5				0.5
DSM NV			100,461	5.8				5.8
DVI Business Credit Receivables Corp.						14.5		14.5
Dai Nippon Printing Co., Ltd			262,000	6.1				6.1
Daifuku Co., Ltd			246,000	2.1				2.1
Daikin Industries, Ltd			10,000	0.2				0.2
DaimlerChrysler AG			296,769	33.4				33.4
Daito Trust Construction Co., Ltd			700	-				-
Daiwa Bank, Ltd, The			172,000	0.7				0.7
Daiwa House Industry Co., Ltd			129,000	1.4				1.4
Daiwa Securities Group Inc.			316,000	7.2				7.2
Dakota Mining Corporation					-			-
Dana Corporation			33,400	1.5				1.5
Danone, Le Groupe			34,339	11.7				11.7
Datamark Inc.		A	490,600	1.2				1.2
Dayton Mining Corporation			456,900	0.1				0.1
De Beers Centenary AG	units		258,860	10.9				10.9
Deere & Company			22,500	1.4				1.4
Dell Computer Corporation			451,000	33.4				33.4
Delphi Automotive Systems Corporation			315,900	7.2				7.2
Delta Air Lines, Inc.			25,000	1.8				1.8
Delta Electronics Inc.			19,200	0.3				0.3
Denso Corporation			218,000	7.5				7.5
Depfa Pfandbriefbank						35.7		35.7
Desc S.A. de C.V.			40,100	1.0			1.0	
	class B		273,500	0.3			0.3	1.3
Descartes Systems Group Inc., The			431,000	13.7				13.7
Destination Resorts Inc.		I	731,700	0.6	0.4			1.0
Deutsche Telephone						20.8		20.8
Deutsche Bank AG			721,821	87.9				87.9
Deutsche Lufthansa AG			108,605	3.7				3.7
Deutsche Telekom AG			1,230,740	127.1				127.1
Dia Met Minerals Ltd	class A		3,900	0.1				0.1
Diageo Plc			1,612,466	20.0				20.0

DiagnoCure Inc. ¹		B	3,000,000	1.9		1.9
Dillard's Inc.	class A		52,100	1.5		1.5
Disney (Walt) Co.			92,700	3.9		3.9
Dixons Group Plc			155,586	5.4		5.4
Dofasco Inc.			567,100	16.2		16.2
Dogan Sirketler Grubu Holding A.S.			95,803,000	4.1		4.1
Dollar General Corporation			134,750	4.4		4.4
Dolphin Telecom Plc	class A	A	108,185	130.6	40.3	170.9
Domco Tarkett Inc.		A, K	959,048	8.0		8.0
Domtar Inc. ^{1,4}		A, K	32,732,494	559.7		559.7
Donohue Inc.	class A	A, K	3,569,438	93.6	19.2	112.8
Dorel Industries Inc.	class B	A, K	772,200	20.0		20.0
Douglas Holding AG			279,698	17.0		17.0
Dow Chemical Company			18,900	3.7		3.7
Dresdner Bank AG			560,137	44.8		44.8
Du Pont (E.I.) De Nemours & Company			43,162	4.1		4.1
Duke Energy Corporation			240,000	17.5		17.5
Duke-Weeks Realty Corporation		I	215,000	6.1		6.1
Dundee Bancorp Inc.	class A		170,500	2.5	13.2	15.7
Dupont Canada Inc.	class A		135,214	8.0		8.0
Dylex Limited			1,943,700	4.1		4.1
Dynatec Corporation			1,780,800	0.6		0.6
E.W. Scripps Company, The	class A		13,500	0.9		0.9
ECI Telecom Limited			15,717	0.7		0.7
EMC Corporation			66,250	10.5		10.5
EZZ Steel			87,805	0.4		0.4
E.spire Communications Inc.		A	28,541	0.2		0.2
East Japan Railway Company			2,365	18.5		18.5
Eastman Chemical Co.			19,200	1.3		1.3
Eastman Kodak Company			3,300	0.3		0.3
Eaton Centre Mtl (Cadillac Fairview)					9.5	9.5
Eaton Corporation			6,900	0.7		0.7
EchoStar Communications Corporation			28,100	4.0		4.0
EcomPark Inc.		E	965,560	1.2		1.2
Edper Group Ltd					0.6	0.6
EdperBrascan Corporation	class A		1,952,658	37.3		37.3
Egyptian Starcj & Glucose			25	-		-
Eicon Technology Corporation		A	500,000	2.9		2.9
Eircom Plc			78,100	0.5		0.5
El Paso Energy Corporation			8,600	0.5		0.5
El Sitio, Inc.			20,000	1.1		1.1
Electrabel S.A.	class T		12,586	6.0		6.0
Eléctricas Brasileiras (Electrobrás), Centrais			90,000	1.5		1.5

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Electricidad de Caracas, C.A., La			2,606,871	1.8				1.8
Electricity Generating Authority of Thailand			14,500	-				-
Electrocomponents Plc			290,000	4.6				4.6
Electrohome Broadcasting Inc.¹			679,000	10.0				10.0
Electrolux	class B		237,750	8.6				8.6
Electronics for Imaging, Inc.			700	0.1				0.1
Eletropaulo Metropolitana	preferred		25,000,200	2.4				2.4
Elf Aquitaine SA			1	-		13.1		13.1
Elsevier-NDU NV	certificat		275,775	4.8				4.8
Embratel Participacoes S.A.	preferred		90,165,300	8.5			8.5	
			160,500,000	6.0			6.0	14.5
Emi Group, Plc			392,336	5.6				5.6
Empire Company Ltd	class A		222,400	6.4				6.4
Empresa Nacional de Electricidad, S.A. (Endesa)			84,360	1.7				1.7
Ena clo I trust						17.4		17.4
Enbridge Inc.			2,021,132	57.9				57.9
Encal Energy Ltd			107,300	0.7				0.7
Endesa S.A.			192,240	5.5				5.5
Enerflex Systems Ltd		A, K	621,100	23.3				23.3
Energis Plc			15,800	1.1				1.1
EnerMark Income Fund		A	5,274,874	18.9				18.9
Enerplus Resources Corporation¹	trust units, Serie G	A	5,181,250	14.1				14.1
Enersis			32,576	1.1				1.1
Engelhard Corporation			16,500	0.5				0.5
Enron Corp.			305,500	19.7				19.7
Ensign Resource Service Group Inc.			63,500	2.1				2.1
Ente Nazionale Idrocarburi			3,028,778	24.0				24.0
Epcos AG			31,500	3.4				3.4
Eregli Demir Ve Celik Fabrikalari T.A.S.			26,531,000	1.6				1.6
Ericsson (LM) Telephone Company	class B		1,440,844	133.9				133.9
Essex Property Trust Company		I	150,000	7.4				7.4
Evergreen Marine Corporation			83,160	1.0				1.0
Extendicare Inc.	class A		867,259	3.8				3.8

Externs Funds					
Emerging markets	units		25,515,165	807.7	807.7
Europe	units		4,055,646	884.9	884.9
Japan	units		2,355,463	752.6	752.6
Other Asian countries and Oceania	units		418,726	176.8	176.8
United Kingdom	units		1,490,429	50.0	50.0
United States	units		178,026	80.9	80.9
Exxon Mobil Corporation			1,199,193	140.2	140.2
FKI Plc			641,675	3.6	3.6
FMC Corporation			12,100	1.0	1.0
Fairfax Financial Holdings Limited			170,839	41.9	41.9
Fairview Mall					13.4
Falconbridge Limited			5,777,676	149.1	149.1
Fannie Mae			874,800	79.3	79.3
Fanuc Ltd			56,500	10.4	10.4
Faro Technologies Inc.		E	118,069	0.5	0.5
Fauji Fertilizer Company Ltd			110,100	0.2	0.2
Federal-Mogul Corporation			2,000	0.1	0.1
Federated Department Stores			35,600	2.6	2.6
Ferreyros S.A.			88,240	0.1	0.1
Fiat SPA			394,996	16.3	16.3
Filinvest Land Inc.			1,943,000	0.3	0.3
Filo, S.A.	class A	H	8,903,966	14.0	14.0
	class B	H	6,803,743	11.9	11.9
Finning Ltd			884,600	11.9	11.9
First Data Corporation			86,600	6.2	6.2
First Union Corp.			36,800	1.8	1.8
FirstEnergy Corp.			53,500	1.8	1.8
FirstRand Limited			1,887,294	3.9	3.9
FleetBoston Financial Corporation			97,900	4.9	4.9
Fleetwood Enterprises, Inc.			37,700	1.1	1.1
Fletcher Challenge Canada Limited	class A		2,159,562	36.2	36.2
Fluor Corporation			47,800	3.2	3.2
Fomento Economico Mexicano, S.A. de C.V.			44,379	2.9	2.9
Fonds Multi-Stratégie	units		50,000,000	80.2	80.2
Fonds Opportuniste	units		50,000,000	107.7	107.7
Fonds Stratégie HR	units		20,000,000	24.9	24.9
Ford Credit Canada					49.3
Ford Motor Company			60,800	4.7	4.7
Ford Otomotiv Sanayi A.S.			26,000,000	1.7	1.7
ForeningsSparbanken AB (Swedbank)			150,000	3.2	3.2

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Fort Chicago Energy Partners L.P.	units		3,262,500	3.3			3.3	
	warrants		206,250	0.1			0.1	3.4
Fort James Corporation			126,050	5.0				5.0
Fortis Inc.			220,626	-			-	
	certificat		24,514	0.1			0.1	
	class T		207,026	10.8			10.8	10.9
Foster's Brewing Group Ltd.			1,062,700	4.4				4.4
Foundation Health Corporation			81,149	1.2				1.2
France Telecom S.A.			335,078	64.0				64.0
Francisco Gold Corp.			160,300	0.9				0.9
Franco-Nevada Mining Corporation Limited			2,212,749	49.0			49.0	
	warrants		67,916	1.2			1.2	50.2
Franklin Resources, Inc.			29,300	1.4				1.4
Fraser & Neave Limited			17,984	0.1				0.1
Freddie Mac			393,700	26.9		141.9		168.8
Freenet.de AG			10,000	1.6				1.6
Freeport-McMoran Copper & Gold Inc.	class A		14,300	0.4			0.4	
	class B		20,300	0.6			0.6	1.0
Fresenius Medical Care AG			135,867	10.9				10.9
Fuji Machine Mfg. Co., Ltd			130,000	15.2				15.2
Fuji Photo Film Company, Ltd			137,000	7.2				7.2
Fujikura Ltd			215,000	1.2				1.2
Fujitsu Ltd			1,414,000	93.4				93.4
Fujitsu Support and Service Inc.			13,000	9.2				9.2
G.T.C. Ltée, Groupe Transcontinental	class A	A	391,000	7.4		24.7	32.1	
	class B	A	208,667	4.2			4.2	36.3
GEA AG	preferred		127,137	5.4				5.4
GKN Plc			377,000	8.6				8.6
GPU, Inc.			34,900	1.5				1.5
GST Telecommunications Inc.			333,600	4.7				4.7
GTE Corp.			7,300	0.7				0.7
Galerie d'Anjou						18.9		18.9
Galimberti Compañía			18,120	0.5				0.5
Gallaher Group Plc			485,600	3.0				3.0
Gap, Inc., The			11,600	0.8				0.8
Gaz Metro Inc.						8.1		8.1

Gazprom			81,900	1.0			1.0
Geac Computer Corporation Limited			1,357,880	38.0			38.0
Génécan, Corporation Financière		A	2,912,342	-			-
General Electric Co.			1,099,200	246.9			246.9
General Instrument Corporation			427,600	52.7			52.7
General Motor Acceptance Cda Ltd						44.4	44.4
Genesis Exploration Ltd			320,000	3.0			3.0
Gennum Corporation			91,800	1.8			1.8
Genting International Plc			500	-			-
Gentra Inc.		I	340,000	4.6			4.6
Genuine Parts Company			52,400	1.9			1.9
Genzyme Corporation			27,700	1.8			1.8
Gerdau S.A.			10,000,000	0.4			0.4
Gilat Satellite Networks Ltd			4,500	0.8			0.8
Gillette Company, The			531,200	31.8			31.8
Giordano International Limited			1,950,562	2.9			2.9
Glamis Gold Limited			390,000	1.0			1.0
Glaxo Wellcome Plc			2,327,829	95.3			95.3
Global Crossing Ltd			18,450	1.3			1.3
Goldcorp Inc.		warrants	200,000	0.6		0.6	
		class A	2,646,800	22.4		22.4	23.0
Golden Credit Card Trust						20.5	20.5
Golden West Financial Corp.			33,000	1.6			1.6
Goodman Fielder Limited			257,800	0.3			0.3
Goodyear Tire & Rubber Company			26,300	1.1			1.1
Grammy Entertainment Public Company Limited			74,700	0.4			0.4
Granada Group Plc			1,778,543	26.1			26.1
Grasim Industries Ltd			56,415	0.9			0.9
Great Lakes Chemical Corporation			22,600	1.3			1.3
Great Universal Stores, Plc			200,108	1.7			1.7
Great Wall Technology Co.			914,000	1.3			1.3
Great-West Lifeco Inc.			6,519,804	152.2			152.2
Greenstone Resources Ltd		warrants	2,171,700	0.2		0.2	
			70,000	-		-	0.2
Groupe Cossette Communication Inc.		A, K	400,000	5.2			5.2
Groupe Covitec inc.'		A, C, E	6,684,941	4.3	0.7		5.0
Groupe Jean Coutu (PJC) Inc., Le		class A	198,700	6.6			6.6
Groupe Vidéotron ltée, Le'		C, K	2,031,558	49.8		9.1	58.9
		class A	9,451,576	231.5		231.5	290.4
Grupo Carso S.A. de C.V.		class A	383,500	2.8			2.8
Grupo Continental, S.A.			300,000	0.6			0.6
Grupo Elektra, S.A. de C.V.			1,057,000	1.9			1.9

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Grupo financiero Banamex-Accival	class B		873,100	5.1				5.1
Grupo Financiero Bancomer, S.A. de C.V.			2,936,000	2.9				2.9
Grupo Financiero Banorte S.A. de C.V.			285,000	0.6				0.6
Grupo Mexico S.A. de C.V.	class B		351,000	2.5				2.5
Grupo Modelo S.A. de C.V.	class C		553,200	2.2				2.2
Grupo Sanborns S.A.	serie B1		232,000	0.7				0.7
Grupo Televisa S.A.			88,600	5.0				5.0
Guangdong Electric Power Development			1,096,491	0.7				0.7
Gudang Garam			695,500	2.7				2.7
Guidant Corporation			10,400	0.7				0.7
Gulf Canada Resources Limited			2,432,441	11.6				11.6
Gulf Indonesia Resources Ltd			30,000	0.4				0.4
Gulfstream Resources Canada Limited			164,411	0.4				0.4
HSBC Holdings Plc			3,533,768	71.4				71.4
Haci Omer Sabanci Holding AS			30,000,000	2.5				2.5
Hagemeyer N.V.			29,575	1.0				1.0
Halifax Group Plc			161,250	2.6				2.6
Halma Plc			4,627,132	12.8				12.8
Hang Lung Development Company Limited			386,000	0.6				0.6
Hang Seng Bank Limited			261,420	4.3				4.3
Hanjin Heavy Industries			92,100	0.7				0.7
Hanson Plc			906,600	11.0				11.0
Harbin Power Equipment Company Limited			1,608,000	0.1				0.1
Harrah's Entertainment, Inc.			11,900	0.5				0.5
Health Care Receivable Security Program						28.6		28.6
Heineken N.V.			235,535	15.7				15.7
Heinz Co., H. J.			253,500	14.6				14.6
Hélicoptères Canadiens Limitée, Les	class A		572,300	2.2				2.2
Hellenic Bottling Company SA			4,850	0.2				0.2
Hellenic Telecommunication Organization S.A.			13,486	0.5				0.5
Heller Financial, Inc.			27,700	0.8				0.8
Helmerich & Payne, Inc.			32,700	1.0				1.0
Hennes & Mauritz AB (H&M)	class B		200,000	9.7				9.7
Héroux Inc.¹		A	2,019,400	8.7				8.7
Hewlett-Packard Company			93,100	15.4				15.4
Highway 407						14.2		14.2
Hikari Tsushin Inc.			3,400	9.9				9.9
Hilton Group Plc			1,349,000	6.3				6.3

Hindalco Industries Ltd			32,450	1.1		1.1
Hirose Electric Co., Ltd			65,000	21.1		21.1
Hitachi Maxell Ltd			63,000	2.7		2.7
Hitachi, Ltd			1,770,000	41.2		41.2
Hoechst AG			399	-		-
Holderbank Financière Glarus AG	class B		5,400	10.7		10.7
Hollinger Canadian Publishing Holdings Inc.	special		365,000	4.6		4.6
Hollinger Inc.	preferred		808,300	7.6		7.6
Hollis Receivable Trust					24.5	24.5
Home Depot Inc., The			856,050	85.4		85.4
Homestake Mining Company			570,000	6.5		6.5
Honda Canada Finance Inc.					10.2	10.2
Honda Motor Co.			359,600	19.4		19.4
Honeywell International Inc.			58,100	4.9		4.9
Hong Kong and China Gas Company Ltd			4,354,672	8.7		8.7
Hong Kong Electric Holdings Ltd			33,712	0.2		0.2
Hongkong Land Holdings Limited			900,000	1.9		1.9
Hosiden Corporation			6,000	0.6		0.6
Hôtels Quatre Saisons Inc.			327,965	25.2		25.2
Household Financial Corp. Ltd					13.8	13.8
Huaneng Power International, Inc.			20,600	0.3		0.3
Hub Power Company Limited, The			2,781,500	1.7		1.7
Hudson's Bay Company			1,680,061	28.9	33.9	62.8
Hummingbird Communications Ltd			196,751	8.6		8.6
Hutchison Whampoa Limited			2,303,240	48.6		48.6
Hylsamex S.A.			153,000	0.7		0.7
Hyundai Electronics Industries Co.			31,373	1.0		1.0
Hyundai Motor Company Ltd			21,426	0.5		0.5
IBEX Technologies Inc.		B	1,109,096	0.4		0.4
IDB Holding Corp., Ltd			72,606	3.5		3.5
IHC Caland NV			89,805	4.7		4.7
IPL Inc.	class A	A	595,500	7.0		7.0
IPSCO Inc.			976,865	27.8		27.8
IRSA Inversiones y Representaciones S.A.			10,116	0.5	0.5	
	class B		88,950	0.4	0.4	0.9
ITEC - Mineral inc.	warrants		266,000	-		-
ITOCHU TECHNO-SCIENCE Corporation			1,800	1.6		1.6
i-CABLE Communications Limited			700,000	1.4		1.4
Ihlas Holding A.S.			8,000,000	0.9		0.9
Illinois Tool Works, Inc.			362,300	35.5		35.5
Imasco Limitée			8,217,706	328.3		328.3
Imax Corporation			94,000	3.7		3.7
Imperial Chemical Industries, Plc			137,279	2.1		2.1

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Imperial Holdings Limited			126,146	2.0				2.0
Imperial Oil Limited			2,385,337	73.9				73.9
Imperial Tobacco Group Plc			95,610	1.1				1.1
Inco Limited			5,727,412	193.3			193.3	
	class VBN		1,157,000	14.9			14.9	208.2
India Fund Inc., The			232,000	5.6				5.6
Indian Tobacco Company Limited (ITC)			28,400	0.8				0.8
Indofood Sukses Makmur			1,105,000	2.0				2.0
Industria Macchine Automatiche (IMA)			294,043	3.4				3.4
Industrial Bank of Japan, Limited, The			607,000	8.5				8.5
Industrielle-Alliance Life Insurance Company	preferred B	A	3,000,000	77.6	36.5	71.7		185.8
Industrielle-Vie, Cie d'assurance						11.7		11.7
Industriforvaltnings AB Kinnevik			21,356	1.0				1.0
Inflazyme Pharmaceuticals Ltd		B	2,461,700	3.1				3.1
Infonet Services Corporation	class B		115,000	4.4				4.4
Ingersoll-Rand Company			21,000	1.7				1.7
Ingram Micro Inc.	class A		7,700	0.1				0.1
Inmet Mining Corporation			300,000	0.8	0.3			1.1
Innova Technologies Corporation			286,700	0.3			0.3	
	warrants		125,000	0.1			0.1	0.4
Intel Corporation			1,117,600	133.5				133.5
International Business Machines Corp.			537,100	84.1				84.1
International Forest Products Limited	class A		1,560,177	6.2				6.2
International Hospitality Inc.			520,000	0.1	0.4		0.5	
	warrants		90,000	-			-	0.5
International Paper Company			41,943	3.4				3.4
Internationale Nederlanden Groep NV			722,608	63.0				63.0
Intertape Polymer Group Inc.		A, K	615,632	25.1				25.1
Intrawest Corporation ^c		A, K	3,041,592	76.0		47.8	123.8	
	preferred		1,310,327	2.2			2.2	126.0
Invensys Plc			3,026,585	23.9				23.9
Investec Group Limited			27,495	1.8				1.8
Investor AB	class B		370,298	7.5				7.5
Investors Emerging Markets Taiwan			32,497,205	55.3				55.3
Investors Group Inc.		G, K	1,215,118	25.0		14.7		39.7
Invik & Company AB			10,993	1.9				1.9

Iscor Limited		508,493	2.8		2.8
Isetan Company Ltd		259,000	2.8		2.8
Ispat International NV		89,278	2.1		2.1
Israel Chemicals Limited		647,087	1.0		1.0
Istituto Bancario San Paolo di Torino SPA		380,000	7.4		7.4
Itausa - Investimentos Itau S.A.	preferred	722,000	1.1		1.1
Ito-Yokado Co., Ltd		107,000	16.8		16.8
J Sainsbury Plc		262,200	2.1		2.1
JD Wetherspoon		55,555	0.6		0.6
JDS Uniphase Corporation		610,088	142.8	142.8	
	exchangeable	126,200	29.5	29.5	172.3
Jafco Co., Ltd		33,000	17.1		17.1
Jannock Limited		218,000	3.7		3.7
Japan Airline Company, Ltd		518,000	2.2		2.2
Japan Tobacco Inc.		287	3.2		3.2
Jardine Fleming India Fund		284,600	4.9		4.9
Jeronimo Martins SGPS, S.A.		16,428	0.6		0.6
Johnnies Industrial Corporation Limited		33,000	0.6		0.6
Johnson & Johnson		601,400	81.4		81.4
Johnson Electric Holdings Limited		1,044,230	9.7		9.7
Johnson Matthey Plc		612,500	9.9		9.9
Jusco Co., Ltd		262,000	6.6		6.6
KGHM Polska Miedz S.A.		34,000	0.7		0.7
Kaiser Aluminum Corporation		100,000	1.1		1.1
Kajima Corporation		302,000	1.3		1.3
Kansai Electric Power Company Incorporated, The		125,200	3.2		3.2
Kao Corp.		531,000	21.9		21.9
Kappa Energy Company Inc.		356,000	0.2		0.2
Kawasaki Steel Corp.		3,523,000	9.1		9.1
Kenya Commercial Bank Limited		139,094	0.1		0.1
Keppel Corporation Ltd		171,883	0.7		0.7
KeyCorp		24,400	0.8		0.8
Keyence Corporation		17,800	10.5		10.5
Kia Motors Corporation		53,529	0.5		0.5
Kimberly-Clark Corporation		410,300	39.0		39.0
Kimberly-Clark de Mexico, S.A. de C.V.	class A	366,000	2.1		2.1
Kingfisher		489,750	7.9		7.9
Kingsway Financial Services Inc.		320,000	2.5		2.5
Kinross Gold Corporation		8,228,970	22.1		22.1
Kirin Brewery Company, Limited		220,000	3.4		3.4
Kmart Corporation		250,000	3.7		3.7
Knight Ridder, Inc.		100,000	8.6		8.6
Koc Holding A.S.		6,400,000	1.7		1.7

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Komatsu Ltd			2,065,000	13.8				13.8
Konami Co., Ltd			56,000	14.5				14.5
Koninklijke (Royal) Philips Electronics N.V.			253,720	49.8				49.8
Koninklijke Ahold NV			103,261	4.4				4.4
Koninklijke KPN NV			535,730	75.5				75.5
Koninklijke Luchtvaart Maatschappij N.V. (KLM)			25,000	0.9				0.9
Kookmin Bank			51,131	1.2				1.2
Koor Industries Limited			7,050	1.0				1.0
Korea Electric Power Corporation			114,970	5.2				5.2
Korea Telecom Corporation			15,870	3.6				3.6
Koyo Seiko Co.			518,000	6.5				6.5
Kroger Co., The			354,000	9.7				9.7
Kyocera Corporation			99,700	37.5				37.5
L.G. Chemical Limited			68,379	3.1				3.1
LG Electronics Inc.			69,448	4.2				4.2
LGS Group, Inc.		A	550,000	6.4				6.4
LVMH (Louis Vuitton Moet Hennessy)			6,243	4.0				4.0
Labopharm Inc.		B	1,000,500	1.2				1.2
Laboratorio Chile S.A.			33,100	0.9				0.9
Lafarge Canada Inc.	preferred		89,096	3.7				3.7
Lafarge Coppee			248,808	41.8				41.8
Lagardere S.C.A.			304,094	23.9				23.9
Laidlaw Inc.		A, K	11,361,581	85.8		9.4		95.2
Land & House Public Company Limited			116,200	0.2				0.2
Land Securities			324,700	5.3				5.3
Laperrière & Verreault Inc., Groupe ¹	class A	A	589,900	2.5				2.5
Laporte Plc			237,900	3.0				3.0
Larsen & Toubro Ltd			67,900	3.3				3.3
Lasmo plc			250,000	0.7				0.7
Lassonde Industries inc. ¹	class A	A	307,800	4.4				4.4
Laurentian Bank of Canada			114,500	2.0		75.1		77.1
Leader Industries inc.		A	10,000	-				-
Leaf Master Trust						14.5		14.5
Legacy Hotels Real Estate Investment Trust						47.9		47.9
Legal & General Group Plc			4,290,400	16.9				16.9
Legend Holdings Limited			267,000	1.0				1.0
Lehman Brothers Holdings Inc.			18,400	2.3				2.3
Leitch Technology Corporation			2,114,468	37.6				37.6

Lend Lease Corporation Limited			433,400	8.8			8.8
Lever Brother Pakistan Ltd			3,000	0.1			0.1
Li & Fung Ltd			1,520,000	5.5			5.5
Liberty Life Association of Africa Limited			104,212	1.7			1.7
Ligand Pharmaceuticals Inc.	warrants	B	74,656	0.3		0.3	
	class B	B	36,997	0.7		0.7	1.0
Light - Servicos de Eletricidade S.A.			11,073,000	1.8			1.8
Lihir Gold Limited			360,000	0.4			0.4
Lilly (Eli) & Company			360,200	34.8			34.8
Limtech Lithium Metal Technologies Inc. ¹	warrants	B	3,500,000	1.1		1.1	
		B	7,000,000	6.8		6.8	7.9
Linamar Corporation			1,954,043	26.9			26.9
Lindsey Morden Group Inc.					4.4		4.4
Litton Industries Inc.			20,300	1.5			1.5
Lloyds TSB Group Plc			3,913,245	70.9			70.9
Loblaw Company Limited		A, K	9,470,663	333.8	16.4		350.2
Lockheed Martin Corp.			52,900	1.7			1.7
Loewen Group Inc., The			210,468	0.1	11.6		11.7
Loews Corporation			13,600	1.2			1.2
Logistec Corporation ¹	class A	A	516,375	6.7			6.7
L'Oréal SA			2,466	2.9			2.9
Lorus Therapeutics Inc. ^{1,4}		B	1,866,429	2.3		2.3	
	warrants	B	892,857	-		-	
	special warrants	B, K	2,409,100	2.9		2.9	5.2
Lowe's Companies, Inc.			195,000	16.9			16.9
Lucent Technologies Inc.			566,675	61.7			61.7
Lukoil Holding			60,700	4.4			4.4
Lumenon Innovative Lightwave Technology Inc.			110,500	4.1			4.1
Luxottica Group S.P.A.			82,871	2.1			2.1
Lyon Lake Mines Ltd ¹		A	3,499,697	0.7	1.4	0.4	2.5
Lyondell Petrochemical Company			41,800	0.8			0.8
M.I.M. Holdings Limited			6,000,000	8.9			8.9
MAAX Inc. ¹		A, K	2,528,964	31.6			31.6
MBIA Inc.			23,500	1.8			1.8
MBNA Canada Bank					14.9		14.9
MDS Inc.	class A		14,833	0.4		0.4	
	class B		525,966	15.5		15.5	15.9
MGIC Investment Corporation			37,600	3.3			3.3
Maanshan Iron and Steel Company			11,994,000	0.9			0.9
Mackenzie Financial Corporation		G, K	7,129,504	128.7			128.7
Mackenzie Income Trust					14.3		14.3
Macquarie Bank Limited			100,000	2.5			2.5

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Maderas y Sintéticos Sociedad Anonima Masisa			29,910	0.6				0.6
Magellan Aerospace Corporation			453,500	3.1				3.1
Magna International Inc.	class A		1,148,596	70.6				70.6
Magyar Olaj Es Gas			35,578	1.1				1.1
Magyar Tavkozlesi Rt.			132,180	1.3				1.3
Mahanagar Telephone Nigam Ltd			28,700	0.5				0.5
Mahindra & Mahindra Ltd			150,000	2.4				2.4
Makino Milling Machine Co., Ltd			40,000	0.4				0.4
Mallinckrodt Inc.			64,100	3.0				3.0
Manila Electric Company	class B		224,070	0.9				0.9
Manitoba Telecom Services Inc.			1,106,798	23.8				23.8
Mannesmann AG			618,400	217.7				217.7
Mannesmann Finance BV						12.8		12.8
Manor Care, Inc.			38,300	0.9				0.9
Manugistics Group Inc.		A	6,027	0.3				0.3
Manulife Financial Corporation			5,253,500	96.9				96.9
Maple Leaf Foods Inc.			231,400	3.2				3.2
Marconi Plc			745,852	19.1				19.1
Maritime & Ne Pipeline						8.6		8.6
Marks & Spencer			1,236,100	8.5				8.5
Marsh & McLennan Companies, Inc.			12,000	1.7				1.7
Marubeni Corporation			1,165,000	7.1				7.1
Marui Co., Ltd			17,000	0.4				0.4
Matsushita Communication Industrial Co., Ltd			2,000	0.8				0.8
Matsushita Electric Industrial Cie Ltd			746,000	29.9				29.9
Matsushita Electric Works Ltd			140,000	2.0				2.0
Mattel, Inc.			91,200	1.7				1.7
Maxim Integrated Products, Inc.			543,200	37.2				37.2
May Department Stores Company			41,100	1.9				1.9
Mazarin Mining Corporation Inc. ¹		A	4,067,000	1.3				1.3
Mazda Motor Corporation			801,000	5.2				5.2
McDonald's Corporation			60,000	3.5				3.5
McWatters inc., Les Mines ¹		A, K	8,336,198	3.0				3.0
Mead Corp.			36,100	2.3				2.3
MedImmune, Inc.		B	9,671	2.3				2.3
Mediolanum SPA			274,825	5.3				5.3
Medtronic, Inc.			1,165,600	61.6				61.6
Merck & Co., Inc.			533,400	52.0				52.0

Meridian Gold Inc.			2,021,673	19.8		19.8
MeriStar Hospitality Corporation		I, K	460,000	10.7		10.7
Merita Plc	class A		1,445,503	12.3		12.3
	exchangeable		596,415	5.1		5.1
Merrill Lynch Canada Finances					31.8	31.8
Merrill Lynch Mortgage Loans Inc.					12.1	12.1
Mesa Air Group, Inc.			50,000	0.3		0.3
Metallgesellschaft AG			257,783	7.5		7.5
Methanex Corporation			3,375,900	13.3		13.3
Metra Corporation	class B		120,000	3.2		3.2
Metro AG			289,971	22.5		22.5
Metro Cash & Carry Limited			500,000	0.8		0.8
Metro Pacific Corporation			4,803,000	0.2		0.2
Metropolitan Bank & Trust Company			80,824	0.8		0.8
Métro-Richelieu Inc.	class A		505,700	9.5		9.5
Metsa-Serla Oyj	class B		400,000	6.7		6.7
Microcell Télécommunications inc.	class B	A, K	21,900	1.0	56.0	57.0
Microchip Technology, Inc.			715,700	71.1		71.1
Microsoft Corporation			1,339,725	227.0		227.0
Microtec Inc., Les Entreprises ¹		C, K	744,000	1.5		1.5
Migros Turk T.A.S.			506,850	0.5		0.5
Millennium Chemicals Inc.			38,266	1.1		1.1
Mills Corporation		I	167,000	4.3		4.3
Milltronics Ltd			157,800	1.9		1.9
Minebea Co., Ltd			888,000	22.1		22.1
Minnesota Mining and Manufacturing Company			7,300	1.0		1.0
Mirror Group Plc			736,800	4.6		4.6
Misys Plc			578,400	13.1		13.1
Mitel Corporation			1,066,800	21.3		21.3
Mitsubishi Chemical Corporation			533,000	2.7		2.7
Mitsubishi Corporation			538,000	6.0		6.0
Mitsubishi Electric Corporation			441,000	4.1		4.1
Mitsubishi Estate Co., Ltd			689,000	9.7		9.7
Mitsubishi Heavy Industries, Ltd			600,000	2.9		2.9
Mitsubishi Materials Corporation			403,000	1.4		1.4
Mitsubishi Motors Corporation			1,075,000	5.3		5.3
Mitsubishi Trust & Banking Corporation, The			215,000	2.7		2.7
Mitsui & Co., Ltd			35,000	0.4		0.4
Mitsui Chemicals Inc.			436,000	5.1		5.1
Mitsui Fudosan Co.			524,000	5.1		5.1
Mitsui Marine and Fire Insurance Company Ltd			69,000	0.6		0.6
Mitsui Mining & Smelting			445,000	3.0		3.0
Mitsui Trust & Banking Co., Ltd, The			172,000	0.6		0.6

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Mitsukoshi, Ltd			90,000	0.5				0.5
Mo och Domsjoe AB (MoDo)	class B		550,000	28.7				28.7
MobilCom AG			48,399	6.0				6.0
Molson Companies limited, The	class A		4,584,900	122.6		24.4	147.0	
	class B		435,344	11.8			11.8	158.8
Monsanto Company			33,400	1.7				1.7
Montana Power Company, The			9,000	0.5				0.5
Monte dei Paschi di Siena SpA			1,790,246	10.1				10.1
Montrusco Bolton inc.		G, K	414,935	4.8				4.8
Moore Corporation Limited			1,613,825	13.9				13.9
Morgan & Company, Inc., J.P.			16,900	3.1				3.1
Morgan Stanley Dean Witter & Co.			131,000	27.1				27.1
Morguard Real Estate Investment Trust						11.9		11.9
Mosaic Group Inc.			322,300	3.6				3.6
Mosenergo			360,000	2.1				2.1
Motion International Inc. ¹	warrants	C	100,000	0.2			0.2	
	class A	C	3,493,364	14.5			14.5	14.7
Motorola, Inc.			139,780	29.9				29.9
Muenchener Rueckversicherungs-Gesellschaft AG			24,846	9.2				9.2
Murata Manufacturing Co., Ltd			307,000	104.5				104.5
Mutual Life Assurance Company of Canada, The						11.1		11.1
Mycal Corporation			400,000	2.5				2.5
NEC Corporation			1,449,000	52.6				52.6
NHC Communications Inc.		A	1,112,400	0.3				0.3
NOVA Chemicals Ltd			1,193,938	33.7				33.7
NPS Pharmaceuticals, Inc.			34,432	0.6				0.6
NS Power Holdings Incorporated			652,000	9.4				9.4
NSK Limited			1,380,000	13.7				13.7
NTT Mobile Communications Network, Inc.			1,241	69.2				69.2
Nabisco Group Holdings Corp.			23,600	0.4				0.4
Nabisco Holdings Corp.	class A		41,700	1.9				1.9
Nafta Gbely AS			5,550	0.1				0.1
Namco Ltd			290,000	27.2				27.2
Natexis Bank (Credit National)						13.8		13.8
National Australia Bank Limited			368,623	9.0				9.0
National Bank of Canada		A, K	15,900,078	294.1		33.9		328.0
National Bank of Greece S.A.			3,692	0.4				0.4

National Grid Group			915,449	10.1		10.1
National Petrochemical Public Company			58,483	0.1		0.1
National Power Plc			490,419	4.1		4.1
National Westminster Bank Plc			495,121	15.4		15.4
Natsteel Electronics Ltd			720,000	5.5		5.5
Nedcor Limited			67,538	2.2		2.2
Nestlé S.A.			17,286	45.7		45.7
NetCom AB	class B		47,689	4.8		4.8
Netia Holdings SA			24,000	0.6		0.6
Neurocrine Biosciences Inc.		B	180,814	6.5		6.5
New Century Energies, Inc.			40,700	1.8		1.8
New World China Land Ltd			4,200	-		-
New World Development Company Ltd			464,532	1.5		1.5
Newbridge Networks Corporation			4,230,720	137.7	137.7	
	warrants	C	60,000	-	-	137.7
Newcourt Credit Group Inc.					24.5	24.5
Newmont Mining Corporation			299,800	10.7		10.7
Newport Petroleum Corporation			853,700	2.8		2.8
News Corporation			1,046,366	14.7	14.7	
	preferred		402,898	5.0	5.0	19.7
Nexfor inc.			993,439	8.3		8.3
Next Plc			245,526	3.4		3.4
Niagara Mohawk Holdings Inc.			59,300	1.2		1.2
Nichiei Co., Ltd			15,600	0.5		0.5
Nidec Corporation			21,000	8.8		8.8
Nikko Securities Co., Ltd, The			840,000	15.4		15.4
Nikon Corporation			378,000	16.1		16.1
Nintendo Company Ltd			101,200	24.4		24.4
Nippon Express Co., Ltd			239,000	1.9		1.9
Nippon Mitsubishi Oil Corporation			1,217,000	7.8		7.8
Nippon Steel Corporation			4,548,000	15.4		15.4
Nippon Telegraph and Telephone Corporation			5,326	132.2		132.2
Nippon Television Network Corporation			4,500	7.7		7.7
Nissan Motor Co., Ltd			1,566,000	8.9		8.9
Noble Affiliates, Inc.			38,000	1.2		1.2
Noble China Inc.			892,800	2.1		2.1
Noble Drilling Corporation			59,400	2.8		2.8
Nokia Oyj			36,000	10.0	10.0	
	class A		898,937	235.4	235.4	245.4
Nomura Securities Co., Ltd, The			932,000	24.4		24.4
Norampac inc.		A			36.2	36.2
Noranda Inc.			3,423,411	66.4	0.9	67.3

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Nordbanken Holding AB			1,125,000	9.6				9.6
Norfolk Southern Corporation			265,700	7.9				7.9
Normandy Mining Limited			1,378,700	1.4				1.4
Norsk Hydro			88,800	5.4				5.4
Nortel Networks Corporation			15,168,526	2,212.3				2,212.3
North American Vaccine Inc.		B	700,000	4.6	8.8			13.4
North Limited			3,195,624	10.9				10.9
Northern Trust Corp.			592,000	45.5				45.5
Northrock Resources Ltd			720,137	6.9				6.9
Northrop Grumman			21,600	1.7				1.7
Northstar Energy Corporation	exchangeable		8,105	0.4				0.4
Nova Gas Transmission						5.8		5.8
Novartis SA			17,404	36.9				36.9
Novo Nordisk AS	class B		44,636	8.6				8.6
Nucor Corporation			31,900	2.5				2.5
Nycomed Amersham Plc			493,729	4.5				4.5
OSF inc.		A, K	829,600	5.6		16.5		22.1
OTP Bank Rt.			12,535	1.1				1.1
Obayashi Corporation			438,000	3.0				3.0
Occidental Petroleum Corporation			78,100	2.5				2.5
Ocean Energy Inc.			568,000	6.4				6.4
Oerlikon-Buehrle Holding AG			31,748	9.2				9.2
Office Depot, Inc.			276,100	4.4				4.4
Oji Paper Co., Ltd			804,000	7.0				7.0
Omron Corporation			78,000	2.6				2.6
Onex Corporation			1,034,410	54.0				54.0
Ono Finance Plc	warrants	A	22,997	-		16.2		16.2
Onward Kashiyama Co., Ltd			143,000	2.8				2.8
Open Text Corporation			295,300	7.7				7.7
OpTel Inc.	class B	A, C	429,521	-		17.8		17.8
Optical Coating Laboratory, Inc.			145,000	62.3				62.3
Optimum General Inc.	class A	A	300,000	0.9				0.9
Oracle Corporation			60,600	9.9				9.9
Orascom Construction Industry			12,059	0.4				0.4
Orix Corporation			17,600	5.7				5.7

Orléans Resources, Inc. ¹		A	50,895,628	4.6	0.6	2.9	8.1	
	warrants	A	207,500	-			-	8.1
Osaka Gas Co., Ltd			526,000	1.8				1.8
Outokumpu Oy	class A		181,400	3.7				3.7
Oversea-Chinese Banking Corporation Ltd			206,260	2.7				2.7
Owens-Corning Fiberglass			40,500	1.1				1.1
Owens-Illinois, Inc.			52,400	1.9				1.9
Oxford Properties Group Inc.		I, K	651,600	9.1		24.8		33.9
PACCAR Inc.			23,500	1.5				1.5
PDFB Investments Inc.					115.4			115.4
PT Astra Agro Lestari Tbk			1,683,000	0.7				0.7
PT Astra International			1,971,000	1.5				1.5
PT Bank International Indonesia			71,828,000	2.2				2.2
PT Bank Pan Indonesia Tbk			2,475,000	0.3				0.3
PT Gajah Tunggal Tbk			1,617,500	0.3				0.3
PT Indah Kiat Pulp & Paper Corp. Tbk			682,500	0.4				0.4
PT Matahari Putra Prima Tbk			2,350,000	0.6				0.6
PT Pabrik Kertas Tjiwi Kimia			2,301,000	1.1				1.1
PT Ramayana Lestari Sentosa			1,223,500	1.5				1.5
PT Telekomunikasi Indonesia			2,408,360	3.6				3.6
PTT Exploration and Production Public Company Limited			126,900	1.1				1.1
Pacific Century Financial Corporation			33,500	0.9				0.9
Pacific Gas & Electric Company			53,800	1.6				1.6
Pacifica Papers Inc. ¹			3,314,350	32.0				32.0
PacifiCare Health Systems, Inc.			18,000	1.4				1.4
Pactiv Corporation			50,000	0.8				0.8
Pakistan State Oil Co., Ltd			455,376	2.5				2.5
Pakistan Telecommunications Corporation			7,440	0.4				0.4
Panafon			45,000	0.9				0.9
Panamerican Beverages, Inc.	class A		20,000	0.6				0.6
PanCanadian Petroleum Limited			1,332,154	30.6				30.6
Paperboard Industries International Inc.		A, K	3,900,600	8.2		13.7		21.9
Parametric Technology Corporation			32,500	1.3				1.3
Paramount Bed Co., Ltd			3,100	0.5				0.5
Paramount Resources Ltd			262,800	4.5				4.5
Index participation units - TSE 35			202,711,210	301.1				301.1
Pasminco Limited			1,950,000	3.1				3.1
Patheon, Inc.			671,000	5.9				5.9
Péchiney S.A.	class A		1,276,700	71.1				71.1
Peninsular & Orié			902,810	21.8				21.8
Penn West Petroleum Ltd			332,800	9.4				9.4
Penney (J.C.) Company, Inc.			25,900	0.7				0.7
Pennzoil-Quaker State Company			80,200	1.2				1.2

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Pepsico, Inc.			506,600	25.9				25.9
Pepsi-Gemex S.A.			32,400	0.3				0.3
Perez Companc S.A.	class B		285,934	2.1				2.1
Perkins Ltée, Les Papiers		A	658,400	4.0				4.0
Petro-Canada			8,505,677	173.9				173.9
Petrol Ofisi A.S.			3,000,000	1.0				1.0
Petroleo Brasileiro S.A.	preferred		39,595,000	14.7				14.7
Petron Corp.	class A		2,957,436	0.3				0.3
Peugeot Citroën , PSA			45,329	14.9				14.9
Pfizer Inc.			1,521,800	71.6				71.6
Pharmacia & Upjohn, Inc.			335,402	21.9			21.9	
			157,933	10.4			10.4	32.3
Phelps Dodge Corporation			22,700	2.2				2.2
Philip Morris Companies Inc.			720,800	24.1				24.1
Philippine Long Distance Telephone Company			69,542	2.5		2.5		5.0
Philippine National Bank			219,460	0.8				0.8
Philippines Republic						7.2		7.2
Phillips Petroleum Company			32,000	2.2				2.2
Phoenix International Life Sciences Inc.		A, K	1,151,200	11.8				11.8
Pictet Country Fund - Indialval			111,000	20.8				20.8
Pillar Property Plc		J	4,573	-				-
Pinnacle West Capital Corporation			23,300	1.0				1.0
Pioneer International Limited			162,726	0.7				0.7
Placer Dome Inc.			5,019,963	77.3				77.3
Poco Petroleums Ltd						15.6		15.6
Pohang Iron & Steel Co.			25,651	4.1				4.1
Pohjola Group Insurance Corporation	class B		24,444	2.1				2.1
Portugal Telecom SA			1,020,000	16.2				16.2
Potash Corporation of Saskatchewan			995,980	68.7				68.7
Potlatch Corporation			21,700	1.4				1.4
Power Corporation of Canada			3,805,620	94.2				94.2
Power Financial Corporation		A, K	15,023,344	360.6	288.4			649.0
Praxair Inc.			38,400	2.8				2.8
Precision Drilling Corporation			461,054	17.1		23.0		40.1
Premdor Inc.			1,204,835	15.7				15.7
Premier Farnell Plc			580,900	6.3				6.3
Premier Tech Ltée	class A	A	1,100,001	2.5				2.5

Press Corporation Limited		11,000	0.1		0.1
Preussag AG		219,998	18.1		18.1
Pride Trust				14.7	14.7
Primetech Electronics Inc.	A	10,000	0.2		0.2
Procter & Gamble Company, The		549,000	87.3		87.3
Profile Technologies, Inc.		10,000	0.1		0.1
Promenades St-Bruno				40.1	40.1
Promet Berhad		127,000	-		-
Prometic Life Sciences, Inc.	A	500,000	0.2		0.2
Promise Co., Ltd		52,200	3.8		3.8
Provident Financial Plc		197,796	3.2		3.2
Providian Financial Corporation		219,000	28.9		28.9
Provigo Inc.				37.7	37.7
Prudential Plc		656,200	18.7		18.7
Puget Sound Power & Light Company		35,800	1.0		1.0
Pulte Corporation		57,400	1.9		1.9
QBE Insurance Group Limited		85,900	0.6		0.6
QLT Phototherapeutics Inc.		808,636	68.7		68.7
Qingling Motors Company Limited	class E	1,352,000	0.2		0.2
Qualcomm Incorporated		8,800	2.2		2.2
Quantum Corporation - DLT & Storage Systems		56,200	1.2		1.2
Quantum Corporation - Hard Disk Drive		28,100	0.3		0.3
Quebecor inc.	class A	949,840	36.3	36.3	
	class B	1,514,539	58.3	58.3	94.6
Quebecor Printing Inc. ^{1,2}	C, K	8,362,425	269.7		269.7
QuébecTel Group Inc., The	A, K	1,115,930	16.0		16.0
Queenstake Resources Ltd	warrants	75,004	-		-
Quintiles Transnational Corporation		28,000	0.8		0.8
Qwest Communications International Inc.		207,400	12.9		12.9
R.J. Reynolds Tobacco Holdings, Inc.		84,933	2.2		2.2
RAO Unified Energy Systems		312,700	6.4		6.4
RMC Group Plc		151,084	3.0		3.0
RPM, Inc.		50,000	0.7		0.7
Railtrack Group Plc		85,353	2.1		2.1
Ranbaxy Laboratories Limited		63,400	2.0		2.0
Rand A Technology Corporation		400,000	5.6		5.6
Ranger Oil Limited ⁴		8,109,585	36.5		36.5
Realfund Management				20.6	20.6
Reckson Associates Realty Corporation	I	147,000	4.4		4.4
Redback Networks Inc.		7,230	1.9		1.9
Reebok International Ltd		27,900	0.3		0.3
Reed International, Plc		1,761,742	20.4		20.4
Regent Pacific Group Ltd		3,000,000	0.9		0.9

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Reliance Industries Ltd			152,500	3.2				3.2
Rembrandt Group Limited			332,300	4.6				4.6
Renaissance Energy Ltd			7,165,459	103.9				103.9
Renata Resources Inc.			6,323,150	2.7				2.7
Renault			200,309	13.9				13.9
Renner Herrmann S.A.	preferred		350,000	0.2				0.2
Rentokil Initial Plc			1,537,700	8.1				8.1
Repsol-YPF, S.A.			242,967	8.1				8.1
Republic New York Corp.			30,100	3.1				3.1
Republic of Turkey						7.5		7.5
Research in Motion Ltd			626,900	41.8				41.8
Reserve Royalty Corporation			404,000	0.2				0.2
Reuters Group Plc			1,946,667	41.0				41.0
Revenue Properties Co. Ltd					9.3			9.3
Rexam Plc			291,472	1.7				1.7
Reynolds Metals Company			1,810,000	201.3				201.3
Rhodia SA			179,268	5.9				5.9
Richelieu Hardware Ltd		A	799,400	8.8				8.8
Richmont Mines Inc. ¹		A	1,790,834	3.6				3.6
Richter Gedeon VEG			4,882	0.5				0.5
Rinascente SPA, La			750,295	7.0				7.0
Rio Algom Limited			2,364,140	50.8	6.9			57.7
Rio Alto Exploration Ltd			965,775	19.7				19.7
Rio Tinto Limited			303,000	9.4				9.4
Rio Tinto Plc			420,387	14.7				14.7
RioCan Real Estate Investment Trust						16.0		16.0
Ritek Incorporation			55,850	0.9				0.9
Roche Holdings AG			2,163	38.1				38.1
Rogers Cantel Mobile Communications Inc.	class B		549,250	28.9				28.9
Rogers Communications Inc.	class A		596,800	22.0			22.0	
	class B		3,802,860	134.2			134.2	156.2
Rohm Co., Ltd			72,000	42.9				42.9
Rolls Royce Plc			5,270,400	26.4				26.4
Rossi Residencial S.A.			165,000	0.1				0.1
Royal & Sun Alliance Insurance Group Plc			1,884,368	20.8				20.8
Royal Bank of Canada			4,698,150	298.3				298.3
Royal Dutch Petroleum Company, The			1,550,699	136.9				136.9

Royal Group Technologies Limited			2,369,837	72.9		72.9
Russell Corp.			24,100	0.6		0.6
Ryder System, Inc.			12,200	0.4		0.4
Ryohin Keikaku Company Limited			900	0.3		0.3
SACO SmartVision Inc. ¹		A	2,569,500	17.3		17.3
SAP AG			41,000	3.1		3.1
	preferred		50,753	44.2		44.2
SBC Communications Inc.			469,442	33.2		33.2
SEMA Group Plc			160,000	4.2		4.2
SGS Société Générale de Surveillance Holding S.A.			6,242	6.1		6.1
SK Corporation			86,360	3.8		3.8
SK Telecom Co., Ltd			1,998	10.4		10.4
SL Green Realty Corp.		I	250,000	7.9		7.9
SM Prime Holdings Inc.			5,774,730	1.6		1.6
SMC Corporation			36,300	11.6		11.6
SNC-Lavalin Group Inc. ¹		A, K	6,297,594	68.9		68.9
SPT Telecom AS			101,300	2.4		2.4
SR Telecom inc.		A			12.1	12.1
STMicroelectronics			139,735	31.1		31.1
Saatchi & Saatchi Plc			151,597	1.3		1.3
Safeco Corporation			25,600	0.9		0.9
Safety-Kleen Corp.			108,000	1.8		1.8
Safeway Inc.			383,750	19.9		19.9
Safeway Plc			872,033	4.3		4.3
Sage Group Plc, The			948,680	16.8		16.8
Saint-Gobain			64,600	17.5		17.5
Saipem S.p.A.			824,501	4.3		4.3
Saks Incorporated			45,000	1.0		1.0
Sakura Bank			2,233,000	18.7		18.7
Salter Street Films Ltd		C	451,000	1.4		1.4
Sampo Insurance Company Ltd	class A		127,966	6.5		6.5
Samsung Corporation			75,490	1.6		1.6
Samsung Electro-Mechanics Company			37,963	3.7		3.7
Samsung Electronics Co., Ltd			54,578	18.6		18.6
Samsung Fire & Marine Insurance			8,420	0.4		0.4
	rights		1,722	-		-
Samsung Securities Company Ltd			41,778	1.8		1.8
San Miguel Corporation	class B		464,740	1.0		1.0
San Francisco Boutique, Inc.	class B	A	28,100	0.1		0.1
Sandvik AB	class A		175,700	8.0		8.0
Sanitec Oyj			11,166	0.2		0.2
Sankyo Company, Ltd			145,000	4.3		4.3

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Sanlam Limited			430,000	0.9				0.9
Sanofi-Synthelabo SA			459,334	27.6				27.6
Santos Limited			455,800	1.8				1.8
Sanwa Bank Ltd, The			329,000	5.8				5.8
Sao Carlos Empreendimentos	preferred		89,133,624	0.3				0.3
Sappi Limited			630,000	9.0				9.0
Saputo Group Inc.		A, K	537,500	18.5				18.5
Sara Lee Corporation			500,000	16.0				16.0
Saskatchewan Wheat Pool	class B		916,800	6.6				6.6
Sasol Limited			473,100	5.7				5.7
Schering-Plough Corporation			8,200	0.5				0.5
Schlumberger Limited			638,304	52.0				52.0
Schneider Corporation	class A		212,645	4.3				4.3
Schneider Electric SA			97,424	11.0				11.0
Schwab Corporation, The Charles			1,003,200	55.7				55.7
Scotiabank			9,081,200	282.0				282.0
Scottish & NewCastle Breweries Plc			434,568	4.4				4.4
Scottish Power Plc			141,220	1.5				1.5
Seagate Technology, Inc.			45,600	3.1				3.1
Seagram Company Ltd, The			6,569,466	425.0				425.0
Sears Canada Inc.			1,828,743	73.1				73.1
Sears Canada Receivable Trust						9.9		9.9
Sears, Roebuck and Co.			37,200	1.6				1.6
Secom Co., Ltd			97,000	15.5				15.5
Sekisui Chemical Co., Ltd			727,000	4.7				4.7
Sekisui House, Ltd			205,000	2.6				2.6
Sembcorp Industries Limited			859,415	1.7				1.7
Semen Gresik			273,500	0.6				0.6
Severn Trent			235,362	3.4				3.4
Severoceske Doly			5,111	0.1				0.1
Shanghai Dazhong Taxi Co.	class B		503,649	0.2				0.2
Shanghai Petrochemical Company Ltd			2,764,000	0.6				0.6
Shangri-La Asia Ltd			34,664	0.1				0.1
Sharp Corporation			397,000	14.7				14.7
Shaw Communications Inc.	class B	A, K	916,383	43.7		18.9		62.6
Shaw Industries Ltd	class A	A, K	1,770,800	23.2				23.2
Shell Canada Limitée	class A		402,000	11.8				11.8
Shell Transport & Trading Company Plc, The			675,000	8.1				8.1

Sherrit Power Corporation		270,000	0.8		0.8
Sherritt International Corporation ¹		2,251,800	7.0	36.0	43.0
Sherwin-Williams Company, The		130,000	4.0		4.0
Shimano Inc.		26,700	0.7		0.7
Shin Corporations Public Company Limited		285,000	3.9		3.9
Shin-Etsu Chemical Co., Ltd		273,350	17.1		17.1
Shinhan Bank		26,230	0.4		0.4
Shionogi & Co., Ltd		29,000	0.5		0.5
Shirmax Fashions Ltd	A	113,800	0.2		0.2
Shiseido Company		172,000	3.6		3.6
Shizuoka Bank, Ltd, The		9,000	0.1		0.1
Shohkoh Fund		12,890	7.4		7.4
Siam Cement Public Company Limited		74,550	3.6		3.6
Siam City Cement Public Company Limited		190,400	1.5		1.5
Siam Commercial Bank Public Company Ltd		2,632,500	4.7		4.7
Sicafi Cibix	J	731,500	44.7		44.7
Sico Inc.	A	217,548	4.2		4.2
Sidel, S.A.		106,667	15.9		15.9
Siderca S.A.I.C.		126,000	0.4		0.4
Siemens AG		570,539	105.4		105.4
Sigma-Aldrich Corporation		14,500	0.6		0.6
Signature 4 LTD				14.3	14.3
Silverstone		16,507	-		-
Simon Property Group, Inc.	I	260,000	8.7		8.7
Sinclair Broadcast Group, Inc.	class A	300,000	5.3		5.3
Singapore International Airlines		663,400	10.9		10.9
Singapore Press Holdings Ltd		607,994	19.1		19.1
Singapore Technologies Engineering Ltd		464,000	1.0		1.0
Singapore Telecommunications, Ltd		1,546,940	4.6		4.6
Sino Land Company Limited		56,492	-		-
Sino-Forest Corporation	class A	3,516,000	5.7		5.7
Siparex S.C.A.	D	83,649	3.7		3.7
Skandia Forsakrings AB		815,400	35.6		35.6
Skandinaviska Enskilda Banken (SEB)	class A	109,512	1.6		1.6
SmarTone Telecommunications Holdings Limited		470,000	3.3		3.3
Smith & Nephew Associates Plc		2,055,900	10.0		10.0
Smith (Howard) Limited		54,600	0.5		0.5
Smithkline Beecham		3,553,635	65.7		65.7
Smiths Industries Plc		549,116	11.9		11.9
Smurfit-Stone Container Corporation		66,100	2.4		2.4
Sobeys Canada Inc.		473,778	9.5		9.5
Sociedad Quimica y Minera de Chile S.A.		17,730	0.8		0.8

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Société Air France			42,996	1.2				1.2
Société financière Desjardins Laurentienne inc.	class A	A	438,956	6.1				6.1
Société Générale			101,752	34.2				34.2
Sodisco-Howden Inc., Groupe		A	22,332,867	3.5				3.5
Softbank Corp.			52,500	72.8				72.8
Sonae Investimentos-SGPS SA			2,330	0.2				0.2
Sonera Oyj			92,316	9.1				9.1
Sonoco Products Company			51,100	1.7				1.7
Sony Corporation			362,600	155.6				155.6
Sony Music Entertainment Inc.			26,000	7.5				7.5
South African Breweries Plc			352,244	5.2				5.2
South China Morning Post (Holdings) Limited			122,000	0.2				0.2
Southern Peru Limited			21,018	0.5				0.5
Southwest Airlines Company			200,000	4.7				4.7
Spectra Premium Industries Inc.¹		A	1,440,000	12.2				12.2
Spieker Properties, Inc.		I	72,000	3.8				3.8
Sprint Corporation			148,300	15.1				15.1
Standard Bank Investment			175,600	1.1				1.1
Standard Foods Taiwan Limited			169,000	1.0				1.0
Starwood Hotels & Resorts Worldwide Inc.		I	340,000	11.6				11.6
State Bank of India			76,600	1.4				1.4
Stelco Inc.	class A	A, K	1,662,830	18.0		31.8		49.8
Sterling Software, Inc.			13,500	0.6				0.6
Stillwater Mining Company			14,200	0.7				0.7
St-Joseph Printing Ltd		A				17.0		17.0
St-Laurent Paperboard Inc.		A, K	1,846,333	35.6				35.6
Stora Enso Oyj			1,509,165	37.7				37.7
Storebrand ASA			570,607	6.3				6.3
St-Paul Companies Inc., The			31,600	1.5				1.5
Strait Crossing Development Inc.						8.7		8.7
Sudamtex de Venezuela, C.A.	class B		5,859,585	-				-
Suez Lyonnaise des Eaux S.A.			54,309	12.6				12.6
Sumitomo Bank, Ltd., The			1,228,000	24.4				24.4
Sumitomo Chemical Co., Ltd			1,074,000	7.3				7.3
Sumitomo Corporation			820,000	11.5				11.5
Sumitomo Electric Industries, Ltd			385,000	6.4				6.4
Sumitomo Forestry Co., Ltd			289,000	3.2				3.2
Sumitomo Heavy Industries Ltd			1,961,000	7.8				7.8

Sumitomo Marine & Fire Insurance Co., Ltd			334,000	3.0		3.0
Sumitomo Metal Industries, Ltd			7,915,000	8.6		8.6
Summit Bancorp			100,000	4.4		4.4
Sun Hung Kai Properties Limited			580,732	8.8		8.8
Sun Life Canada		A			70.2	70.2
Sun Microsystems Inc.			44,200	5.0		5.0
Suncor Energy Inc.			1,143,040	69.0		69.0
Sunoco, Inc.			35,900	1.2		1.2
Superior Propane Income Fund			198,200	2.7		2.7
Supervalu Inc.			63,500	1.8		1.8
Suramericana de Seguros S.A.			49,820	0.1		0.1
Surgutneftegaz			223,100	5.7		5.7
Suzuki Motor			221,000	4.7		4.7
Svenska Cellulosa AB (SCA)			681,683	29.2		29.2
Svenska Handelsbanken AB		class A	296,000	5.4		5.4
Swire Pacific Limited		class A	674,404	5.8		5.8
Swiss Reinsurance Co.			1,700	5.0		5.0
Swisscom AG			22,182	13.0		13.0
Synnex Technology International Corporation			49,400	1.9		1.9
Synopsys Inc.			229,800	22.3		22.3
TAB Limited			735,000	1.9		1.9
TABCORP Holdings Limited			377,500	3.7		3.7
TCL International Holdings Limited			1,364,000	1.4		1.4
TCW GEM					9.7	9.7
TD Waterhouse Group, Inc.		G	204,500	4.9		4.9
TDK Corp.			52,000	10.4		10.4
THK Company Limited			48,200	2.8		2.8
TI Group Plc			400,000	4.4		4.4
TLC Laser Eye Centers inc.			588,383	11.1		11.1
TRW Inc.			25,600	1.9		1.9
TUT Systems Inc.		A	5,212	0.4		0.4
TV Azteca, S.A. de C.V.			66,100	0.9		0.9
TV Guide, Inc.			9,800	0.6		0.6
TVA Group Inc.		class B	886,366	18.6		18.6
TVX Gold Inc.		A, K	2,048,734	2.3		2.3
Tabacalera S.A.			331,765	6.9		6.9
Tabak A.S.			1,239	0.4		0.4
Taisho Pharmaceutical Co., Ltd			108,000	4.6		4.6
Taiwan Semiconductor Manufacturing Company Ltd			269,680	3.2		3.2
Taiyo Yuden Co., Ltd			71,000	6.1		6.1
Takashimaya Co., Ltd			23,000	0.2		0.2
Takeda Chemical Industries, Ltd			423,000	30.3		30.3
Talisman Energy Inc.			4,431,711	163.5		163.5

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Tan Chong International Ltd			1,752,000	0.6				0.6
Tandy Corporation			111,400	8.0				8.0
Target Corporation			360,000	38.4				38.4
Targeted Genetics Corporation ^c		B	2,666,667	15.2			15.2	
	warrants	B	1,333,333	3.7			3.7	18.9
Tata Engineering and Locomotive Company Limited			150,000	1.2				1.2
Tate & Lyle, Plc			987,321	9.2				9.2
Team Fleet Financing Corp, série 1998-2						14.3		14.3
Tech Data Corporation			56,600	2.2				2.2
Teck Corporation ⁱ	class A		741,200	10.4	10.2		20.6	
	class B		3,468,103	47.2			47.2	67.8
Tecnost SpA			355,859	1.9				1.9
Teco Electric & Machinery			7,544	0.1				0.1
Tecsys Inc. ⁱ		B	1,360,126	10.4			10.4	
	warrants	B	2,000	-			-	10.4
Tele Centro Sul Participacoes S.A.			100,027,000	5.1				5.1
Tele Danmark A/S			40,671	4.4				4.4
Tele Norte Leste Participacoes S.A.			90,015,000	2.9			2.9	
	preferred		163,700,000	6.4			6.4	9.3
Tele Sudeste Celular Participacoes S.A.			70,005,000	0.4				0.4
Télébec Ltée						11.5		11.5
Telecom Corporation of New Zealand Ltd			300,000	2.0				2.0
Telecom Italia Mobile SpA			2,130,738	34.3			34.3	
	preferred		825,397	5.7			5.7	40.0
Telecom Italia SpA			1,081,121	21.9			21.9	
	preferred		1,136,400	10.0			10.0	31.9
TelecomAsia Corporation Public Company Limited			1,491,000	2.8				2.8
Telecomunicacoes do Rio de Janeiro S.A.			10,000,000	0.3				0.3
Teledyne Technologies Incorporated			42,857	0.6				0.6
Telefonica de Argentina S.A.			510,405	3.5				3.5
Telefonica del Peru S.A.			20,000	0.4			0.4	
	class B		445,809	0.8			0.8	1.2
Telefonica S.A.			2,041,082	75.8				75.8
Telefonos de Chile			112,325	3.0				3.0

Telefonos de Mexico S.A.			12,500	2.0		2.0	
	class L		1,588,000	12.9		12.9	14.9
Téleglobe Inc.		C, K	11,116,298	365.7			365.7
Telekomunikacja Polska S.A.			107,480	1.0			1.0
Telerj Celular S.A.			10,000,000	0.2			0.2
Télesat Canada Inc.					7.7		7.7
Telescene Film Group Inc.	class B	A, K	200,000	1.4			1.4
Telesp Celular Participacoes S.A.	preferred		75,000,000	1.0		1.0	
			114,900,000	3.0		3.0	4.0
Telesp Participacoes S.A.	preferred		50,000,000	1.0		1.0	
			36,600,000	1.3		1.3	2.3
Telesysteme International Wireless Corp. ^{1,2}		A, C, K	8,563,397	454.7	25.1	62.7	542.5
Television Broadcasts Ltd			344,344	3.4			3.4
Télévision française (TF1)			127,867	96.7			96.7
Tellabs Inc.			10,150	0.9			0.9
Telstra Corporation Limited	receipts		1,534,000	12.1		12.1	
			610,000	3.1		3.1	15.2
Tembec inc.	class A	A, K	3,491,400	56.2		21.9	78.1
Temple Inland Inc.			30,300	2.9			2.9
Tenet Healthcare Corp.			10,000	0.3			0.3
Tenneco Automotive Inc.			10,000	0.1			0.1
Terra Networks, S.A.			130,800	10.3			10.3
Tesco Corporation			723,917	6.7			6.7
Tesco Plc			3,468,140	15.3			15.3
Teva Pharmaceutical Industries Ltd			34,885	3.5			3.5
Texaco Inc.			109,000	8.6			8.6
Texas Instruments Incorporated			13,500	1.9			1.9
Texas Utilities Company			30,200	1.6			1.6
Textron, Inc.			198,800	22.1			22.1
Thai Farmers Bank Public Company Limited	warrants		2,087,000	5.1		5.1	
			6,150	-		-	5.1
The Fuji Bank, Limited			1,301,000	18.3			18.3
The Pepsi Bottling Group, Inc.			29,100	0.7			0.7
Thomson Corporation, The			1,546,443	58.8			58.8
3Com Corporation			111,400	7.6			7.6
3i Group Plc			133,100	3.4			3.4
Thyssen Krupp AG			637,401	28.0			28.0
Ticker CAN, Issuer Banque Nationale						26.8	26.8
Tietoenator Oyj Abp			294,904	26.3			26.3
Tiger Oats Ltd			155,800	2.6			2.6
Time Warner Inc.			160,000	16.8			16.8
Titan Cement Company S.A.			2,800	0.2			0.2

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Tofas Turk Otomobil Fabrikasi A.S.			74,258,000	1.3				1.3
Tokai Bank Limited, The			885,000	8.1				8.1
Tokio Marine & Fire Insurance Co. Ltd, The			345,000	5.8				5.8
Tokyo Electric Power Co., Inc., The			762,700	29.6				29.6
Tokyo Electron Ltd			390,300	77.5				77.5
Tokyo Gas Co., Ltd			673,000	2.4				2.4
Tomkins Plc			650,000	3.0				3.0
Tommy Hilfiger Corporation			12,950	0.4				0.4
Toray Industries, Inc.			1,190,000	6.7				6.7
Torchmark Corporation			21,800	0.9				0.9
Toronto-Dominion Bank, The			10,700,130	414.6		24.8		439.4
Torstar Corporation	class B		1,093,836	17.2				17.2
Toshiba Group Companies, The			1,201,000	13.3				13.3
Tostem Corporation			101,000	2.6				2.6
Total Fina S.A.			27,759	2.8			2.8	
	class B		773,209	149.0			149.0	151.8
TouchTunes Music Corporation	class A	B	9,235,772	27.6		2.9		30.5
Toyo Information Systems Co., Ltd			2,000	0.2				0.2
Toyota Motor Corporation			1,478,000	103.7				103.7
Toys "R" Us			93,600	1.9				1.9
Trans Cosmos Inc.			6,100	3.8				3.8
TransAlta Corporation			111,600	1.6				1.6
Transat A.T. Inc.		A, K	3,254,875	23.1				23.1
TransCanada PipeLines Limited			7,868,074	98.4		26.1		124.5
Transforce Inc.		A	1,123,200	2.9				2.9
Transocean Sedco Forex Inc.			123,575	6.0				6.0
Trillium Credit Card Trust						14.5		14.5
Trilon Financial Corporation	class A		1,255,100	11.3				11.3
Trimac Corporation			350,000	2.7	20.5			23.2
Trimark Financial Corporation			589,852	10.0				10.0
Trizec Hahn Corporation		A, I, K	4,152,822	100.7	285.2	28.8		414.7
Tsingtao Brewery Co., Ltd			1,468,000	0.7				0.7
Tubos de Acero de Mexico S.A.			45,000	0.9				0.9
Turk Sise ve Cam Fabrikalari A.S.			34,316,000	1.3				1.3
Turkiye Garanti Bankasi A.S.			59,753,596	2.7				2.7
Tyco International Ltd			502,800	28.5				28.5
Tyson Foods, Inc.	class A		71,500	1.7				1.7

U.S. Bancorp			49,800	1.7		1.7
UAL Corporation			25,000	2.8		2.8
UPM - Kymmene Oyj			270,000	15.7		15.7
UTS Energy Corporation			1,250,000	0.5		0.5
Ulster Petroleum Ltd			167,900	2.2		2.2
Uniao de Bancos Brasileiros S.A. (Unibanco)			10,000	0.4		0.4
Unican Security Systems Ltd	class B	A, K	597,000	17.4		17.4
Unicom Corporation			59,500	2.9		2.9
UniCredito Italiano SPA			3,236,553	23.0		23.0
Unilever Plc			825,514	8.8	8.8	
	certificat		122,711	9.8	9.8	18.6
Union Carbide Corporation			28,900	2.8		2.8
Union Electrica Fenosa S.A.			708,629	17.9		17.9
Union Pacific Corp.			31,900	2.0		2.0
Union Pacific Resources Group Inc.			108,900	2.0		2.0
UnionBanCal Corporation			18,700	1.1		1.1
Uni-Sélect Inc.¹		A, K	1,931,100	27.0		27.0
Unisys Corporation			20,400	0.9		0.9
United Bank of Switzerland AG			90,575	35.3		35.3
United Broadcasting Corporation Public Company Limited			200,000	0.3		0.3
United Dominion Industries Limited			200,000	5.7		5.7
United HealthCare Corporation			1,900	0.1		0.1
United Overseas Bank Limited			363,520	4.7		4.7
United Pan-Europe Communications NV (UPC)			74,900	13.8		13.8
United Technologies Corporation			34,600	3.3		3.3
United Utilities			196,168	3.0		3.0
Usinas Siderurgicas de Minas Gerais S.A.			169,000	1.3		1.3
VA Technologie AG			19,664	1.9		1.9
VF Corporation			30,800	1.3		1.3
Valeo S.A.			67,861	7.6		7.6
Vallehermoso S.A.			327,531	3.3		3.3
Valores Bavaria S.A.			93,550	0.1		0.1
Van Houtte Ltée, A.L.		A, K	903,900	20.6		20.6
Vasogen Inc.			1,004,800	6.1		6.1
Veba AG			602,294	42.5		42.5
Velan Inc.¹		A	910,200	18.2		18.2
Vendex KBB N.V.			79,452	3.1		3.1
Venezolana de pulpa y papel CA			117,600	-		-
Venezuela					4.8	4.8
Vereniging Nederlandse Uitgevers Vb			159,000	12.1		12.1
Versus Technologies Inc.		G	1,139,999	11.4		11.4
Vêtements de Sport Gildan inc., Les	class A	A, K	484,444	12.8	15.0	27.8
Viacom Inc.	class B		10,650	0.9		0.9

11 INVESTMENTS IN SHARES AND BONDS OF PUBLICLY TRADED COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Subsidiaries	Shares		Convertible Securities	Bonds	Subtotal	Total
			Number	Amount				
Videsh Sanchar Nigam Ltd	class S		12,900	0.5				0.5
Vina Concha Y Toro			10,000	0.6				0.6
Virginia Gold Mines Inc.			582,200	0.5				0.5
Virtual Prototypes Inc.		B	337,236	1.7				1.7
Vitro SA			200,000	1.6				1.6
Vivendi			410,895	53.6				53.6
Vodafone AirTouch Plc			15,884,201	116.0				116.0
Vysis, Inc.			32,000	0.2				0.2
WMC Limited			635,490	5.1				5.1
WPP Group Plc			86,396	2.0				2.0
Wachovia Corporation			11,300	1.1				1.1
Wacoal Corp.			22,000	0.3				0.3
Walgreen Co.			35,500	1.5				1.5
Wal-Mart Stores, Inc.			1,267,700	127.2				127.2
Warner-Lambert Company			20,310	2.4				2.4
Washington Mutual Inc.			314,900	11.8				11.8
Waste Management, Inc.			13,100	0.3				0.3
Water Pik Technologies, Inc.			15,000	0.2				0.2
Waters Corporation			3,200	0.2				0.2
Webvan Group Inc.			3,200	0.1				0.1
Wellpoint Health Networks Inc.			2,300	0.2				0.2
Wells Fargo Company			382,800	22.5				22.5
Wescast Industries Inc.	class A		224,200	7.0				7.0
West Fraser Timber Co., Ltd			150,900	5.7		13.8		19.5
Westaim Corporation			1,250,701	8.8				8.8
Westburne, Inc. ¹		A, K	6,573,088	101.8				101.8
Westcoast Energy Inc.			645,442	14.9		23.4		38.3
Western Metals Limited			2,000,000	1.1				1.1
Western Star Trucks Holdings Ltd ^{1,4}			1,022,250	24.4				24.4
Westjet Airlines Ltd			433,500	8.1				8.1
Weston Limited, George ^{1,4}		A, K	1,358,700	75.1	133.6			208.7
Westpac Banking Corporation			1,125,659	11.2				11.2
Westport Innovations Inc.			2,641,145	13.9				13.9
Westvaco Corporation			47,600	2.3				2.3
Weyerhaeuser Company Limited			97,784	10.2				10.2
Wharf (Holdings) Limited, The			458,704	1.5				1.5
Whirlpool Corporation			24,900	2.4				2.4
Willamette Industries, Inc.			45,100	3.0				3.0

William Resources Inc.		8,953,876	0.3	0.3
	warrants	137,920	-	0.3
Williams Companies, Inc., The		750,000	33.3	33.3
Williams Holdings Plc		791,205	5.2	5.2
Wing Lung Bank		77,300	0.5	0.5
Winspear Resources Ltd	special warrants	1,000,000	2.5	2.5
Wisconsin Energy Corp.		43,500	1.2	1.2
Wm. Wrigley Jr. Company		24,000	2.9	2.9
Wolseley Plc		537,600	6.0	6.0
Wolters Kluwer NV	class C	121,229	5.9	5.9
Wolverhampton & Dudley Breweries Plc		866,178	10.9	10.9
Woodside Petroleum Limited		214,854	2.3	2.3
World Co. Ltd		56,000	10.1	10.1
WorldCom, Inc.		1,343,100	103.4	103.4
Wyndham International, Inc.	I	393,000	1.7	1.7
Xceed Inc.		175,000	10.5	10.5
Xerox Corporation		168,000	5.5	5.5
Xilinx, Inc.		17,600	1.2	1.2
YBM Magnex International, Inc.		437,500	-	-
Yahoo! Inc.		1,800	1.1	1.1
Yamanouchi Pharmaceutical Co., Ltd		79,000	4.0	4.0
Yamato Transport Co., Ltd		11,000	0.6	0.6
Yapi ve Kredi Bankasi A.S.		12,411,144	0.6	0.6
Yasuda Fire & Marine Insurance Co., Ltd		559,000	4.6	4.6
Yizheng Chemical Fibre Co., Ltd		8,042,000	3.3	3.3
Yogen Früz World-Wide Inc.		84,500	0.2	0.2
ZENON Environmental Inc.		539,700	6.5	6.5
Zi Corporation		577,900	17.5	17.5
Zurich Allied AG		10,751	8.9	8.9

¹ Company in which the Caisse is considered an insider within the meaning of applicable Canadian laws.

² Company in which the Caisse would be considered an insider only within the meaning of applicable American laws.

In this table are listed the major investments in shares and bonds of public corporations. This table does not account for the hedging of foreign exchange risks. This table is subject to the disclosure standards applicable to the annual list of such investments.

The annual list must not provide any information deemed to be detrimental to the operations of the Caisse, to its economic interests or competitiveness or which may reveal an intended transaction, a transaction or series of transactions in process or which may cause prejudice to a company. Consequently, there may occasionally exist differences between the investments in the annual list and those recorded in the books of the Caisse, at December 31. However, whenever possible and without transgressing the above standards, the annual list states the total amount of these differences.

INVESTMENTS IN SHARES AND BONDS OF PRIVATELY HELD COMPANIES

as at December 31, 1999

(fair value - in millions of dollars)

Investment amounts :

A = \$0 to \$5 million C = \$10 to \$30 million E = \$50 to \$75 million G = \$100 to \$150 million
 B = \$5 to \$10 million D = \$30 to \$50 million F = \$75 to \$100 million H = \$150 million and over

CORPORATIONS	Designation	Units	Shares	Convertible securities	Bonds	Investment amounts
REAL ESTATE GROUP						
Cadim inc.						
	Domaine d'Iberville (Est) Limitée		X			B
	Lazard & Frères L.P.	X				E
	Lone Star Opportunity Fund L.P.	X				C
	Lone Star Fund II (Bermuda) L.P.	X				G
	Patriot Property Group		X			A
	Schroder Asian Property Fund	X				C
	Skanska Cadim B.V.		X			A
	Asian Property Partners Ltd	X				D
	Cherokee Investment Partners II, L.P.	X				B
	Polish Real Estate Fund B.V.	X				A
	Société en commandite TMSA	X				A
SITQ inc.						
	Alizé, Gestion technique d'immeubles inc.		X			A
	Grupo Inmobiliario Caisse, S.A. de C.V.		X			A
	Immeubles Pen York Inc., Les		X			A
	PillarCaisse Management Limited		X			A
SITQ-BST REIT INC						
	Blackstone Real Estate Partners II	X				C
	Blackstone Real Estate Partners III	X				A
	Carlyle Realty Partners II, L.P.	X				E
SITQ E.U. INC						
	Blackstone Real Estate Partners III	X				C
	Blackstone Real Estate Partners II	X				C
	BRE/Satellite Co-Investor L.P.	X				E
	Carlyle Realty Partners II, L.P.	X				A
SITQ International inc.						
	Retail Park Unit Trust, The	X				H
	Chiswick Park Unit Trust	X				C
	SPV La Défense PLC	X				A
SITQ-MEXIQUE						
	Desarollo Madeira S.A. de C.V.			X		A
	Desarollo Cordillera S.A. de C.V.			X		A
SITQ Placements inc.						
	3256260 Canada inc. (Canco)		X			A
	Société en commandite Cité du Multimédia	X				A

Ivanhoé inc.				
Central European Retail Property Fund		X		A
La société immobilière Côte St-Michel Ltée			X	A
Donahue Schriber Realty Group, Inc.			X	D
PRIVATE INVESTMENTS GROUP				
Accès Capital²				
Accès Capital Québec, S.E.C.		X		B
Accès Capital Abitibi-Thémiscamingue²				
Amexfor inc.			X	A
Viandes Abitemis inc.	class B			A
	preferred E			A
Accès Capital Bas St-Laurent²				
Cuisines Gaspésiennes de Matane Itée ³	class A		X	A
Forambec Itée	class A		X	A
Sablynx inc.	class A		X	A
Accès Capital Centre-du-Québec²				
C.O.R.E. Compétence inc.	class C, D		X	A
Sérico inc.	class A			A
	preferred H			A
Veralex inc. ³	class A		X	A
9027-7054 Québec inc. (Groupe Rivalair)			X	A
9070-1434 Québec inc. (Groupe Télécon inc.)				A
			X	
Accès Capital Estrie²				
L. Tanguay (1986) inc.			X	A
Machinerie Optimum inc.			X	A
TEC Innovation inc.			X	A
Vêtements S&P inc.(9069-3086 Qc), Les	class A		X	A
Accès Capital Gaspésie²				
Cuisines Gaspésiennes de Matane Itée ³	class A		X	A
Gestion Groupe RT (1996) Itée	class A			A
Hôtel Baker Itée			X	A
Pêcheries Gaspésiennes inc., Les			X	A
Accès Capital Laval²				
Verre Select inc.	class A		X	A
Accès Capital Montérégie²				
Laboratoires Bio-Med inc., Les	class A			A
Unigraph International inc.	class A		X	A
Accès Capital Montréal²				
Gestion Morgan Schaffer inc. ³	class A		X	A
Systèmes de gestion Heuristic inc. ³	class A			A
Accès Capital Saguenay-Lac-St-Jean²				
Bois + value inc.			X	A
Doralco Itée	class A		X	A
Specialized Acces Systems Inc. (S.A.S.) ³	class A		X	A
Vinya Plastiques inc. ³	class A		X	A
162894 Canada inc. (ID Groupe)	class A		X	A

INVESTMENTS IN SHARES AND BONDS OF PRIVATELY HELD COMPANIES (continued)

as at December 31, 1999

(fair value - in millions of dollars)

CORPORATIONS	Designation	Units	Shares	Convertible securities	Bonds	Investment amounts
Capital CDPQ²						
ACME Multimédia inc.			X		X	A
	purchase options		X			A
Abipa Canada inc.	class A		X			A
Actu-Biotech inc.	purchase options		X		X	A
Aerobic Technologies Inc.	class B		X			A
Amexfor inc.	class A, D		X			A
Applied Accoustics Systems DVM Inc.					X	A
	purchase options		X			A
Audio Vérité inc. ³	class B		X		X	A
	purchase options		X			A
Audisoft Technologies inc.	purchase options		X		X	A
	class B, C		X		X	A
Automates Montclair inc.	class A		X	X		A
BIOMA Recherche inc.			X	X	X	A
	warrants		X			A
Biogénie S.R.D.C. inc.	class A		X			A
Bois Feuillus de la Lièvre inc., Les	warrants		X			A
	class A		X			A
C.A.M.S. Distribution inc.	class A		X		X	A
CADCOM-CADD Services inc.	purchase options		X		X	A
COESI Inc.	purchase options		X		X	A
Choisy inc., Le Groupe					X	A
Codagen Technologies Corp.					X	A
Coencorp Consultant Corporation	class G		X			A
Compagnie canadienne de vêtements d'enfants Itée	class A		X	X		A
Composites BHS inc.					X	A
Concept Fiatlux inc.	class A		X		X	A
Copieurs Rive-Sud inc.					X	A
Corporation Cortex Machina			X		X	A
Dénommé Vincent prêt-à-porter masculin inc.	purchase options		X			A
	preferred B		X			A
Design Fashion - Société inc.	classe A				X	A
Dion Machineries inc.	class A		X		X	A
	purchase options		X			A
Distech Énergie inc.	class A		X			A
Dream Mechanics Inc.	purchase options		X		X	A
Dubuc Mode de vie inc.	purchase options		X		X	A
Écolux inc.			X			A
Ecoval inc.			X			A
Entreposage Maska Itée	class A		X		X	A
Équipement Lacroix inc.	class A		X	X		A
Gecko Électronique inc.					X	A

Gemmar Systems International Inc.	class A				X				A
	preferred B				X				A
GéniMédic inc.	purchase options				X			X	A
Géo-3D inc.	class A				X				A
Gestion Capital 07 Enr.				X					A
Gestion Groupe RT (1996) Itée	class A				X				A
Gestion Morgan Schaffer inc. ³	class A				X			X	A
Groupe ComLink inc., Le	class A				X				A
Hemera Technologies inc.					X			X	A
	purchase options				X				A
Hôtel Baker Itée								X	A
IdexMed inc.	class A				X			X	A
Investissements 3L (Laval-Laurentides-Lanaudière) S.E.C.				X					A
Laminage Lamcom inc.								X	A
Logiciels Panteor inc.								X	A
Mechtronix Systems Inc.	class A				X			X	A
	purchase options				X				A
	warrants				X			X	A
Mégatrak Lab inc.	purchase options				X			X	A
Merz.com inc.	purchase options				X			X	A
Meunier inc., John					X				A
Montréal Mode inc.	class A				X				B
Pêcheries Marinard Itée, Les					X			X	A
Phenogene Thérapeutiques inc.	purchase options				X			X	A
Placage R.T. Plating Itée								X	A
Placetel inc.	class A				X				A
Planon Téléexpertise inc.	purchase options				X			X	A
Productions Pascal Blais					X				A
PuzzImage Inc.	purchase options				X			X	A
R.O. International inc.								X	A
Ragzoo inc.								X	A
Resort One Inc.					X				A
Servi Technologies Inc.	purchase options				X			X	A
Société d'investissements Capimont enr.				X					A
Société en commandite Capidem enr.				X					A
Société en commandite Capital de l'Estrie enr.				X					A
Société en commandite Capital Montérégie enr.				X					A
Société en commandite Investissements Mauricie-Bois-Francis-Drummond				X					A
Solvision inc.	purchase options				X			X	A
St-Jean Itée, Emballage					X				A
Sydsons inc., Groupe					X			X	A
Sylvie Beauchesne et Jean-Raymond Goyer Inc.								X	A
Synercard Corporation	purchase options				X			X	A
Systèmes de gestion Heuristic inc. ³	class A				X				A
Systèmes d'enseignes Electrobits inc.	class A				X			X	A
TGI Coffee Inc.	class A				X				A
Technique d'Usinage Sinlab inc.								X	A
Techno Diesel inc.								X	A
Technologies Thérapeutiques d'Avant-garde AT2 inc.	class A				X			X	A

INVESTMENTS IN SHARES AND BONDS OF PRIVATELY HELD COMPANIES (continued)

as at December 31, 1999

(fair value - in millions of dollars)

CORPORATIONS	Designation	Units	Shares	Convertible securities	Bonds	Investment amounts
Trans-Canada World Security Corporation			X	X		A
Visuel Corporation Canada inc.	purchase options		X		X	A
Volaille Giannone inc.	class A		X		X	A
	preferred F, I		X			A
WebPLAN inc.			X			A
3095-7757 Québec inc. (Multimax)	class B		X		X	A
320 2780 Canada Inc. (Markland)	class A		X			A
	preferred C		X			A
3458032 Canada inc. (Inox-Tech Canada inc.)	class A		X			A
9019-2907 Québec inc.			X			A
9027-7054 Québec inc. (Groupe Rivalair)			X		X	A
9039-2911 Québec inc.			X			A
9045-1287 Québec Inc. (Ike & Dean)	purchase options		X			A
					X	A
9046-1120 Québec inc. (Société de gestion Émard)					X	A
Capital Communications CDPQ²						
Accel IV L.P.		X				D
AdiCom Wireless, Inc.	preferred D		X			B
Aeris Communications Inc.	preferred D		X			C
BG Media Investors L.P.		X				D
BNP Europe Telecom & Media Fund II,L.P.		X				A
Bestar Radio Inc.	class A		X			A
Bestar Radio International Inc.	class A		X			A
Bragg Photonics (3420582 Canada Inc.)	class A			X		A
Brault & Bouthillier Itée					X	A
Broadview Capital Partners Q.P.Fund L.P		X				A
Callahan Associates International LLC					X	C
Centennial Fund IV, L.P.		X				A
CodeStream Technologies Corporation			X		X	A
	preferred C		X			A
Columbia Capital Equity Partners II LP		X				C
Com2i & Cie, SCA		X				A
Corporation Telexis			X			A
Dolphin Communications Fund, L.P.		X				A
Duff Ackerman & Goodrich CD Fund, L.P.		X				A
EBF Group, LLC		X				C
Elyps Communications Inc.	class A		X	X	X	A
Exante S.à.r.l. ³	class A		X		X	E
GSM Capital Limited Partnership		X				B
Geomat International Inc.	warrants		X	X	X	A
	class A		X			A
			X			D
GlobeNet Communications Group Limited	class B		X			A

Great Hill Equity Partners, L.P.		X				C
Groupe Cinémaginaire inc.			X			A
Groupe Hauts-Monts inc.	class AA, B		X			B
Groupe Image Buzz inc.	class A		X			A
	preferred E		X			A
Hybride Technologies Inc.	class A		X			A
I.C. Axon Inc.	class A		X		X	A
Innovacom3			X			A
IronBridge Networks	preferred C-1		X		X	B
Korea Telecom Freetel Co., Ltd			X			H
LMDS Holdings Limited	preferred A		X			C
LMDS Wireless Technologies Inc.	class A		X		X	A
Logiciels Dynagram inc.	class A		X		X	A
MaxLink Communications Inc.			X		X	A
Media Renaissance inc.	class A		X			A
MédiaTel Capital	class A		X			C
Mobilix Holding A/S			X			C
Multimedia Telephony Inc.					X	A
Netwell Inc.	preferred		X			A
Netwell International Inc.	class A		X		X	B
Newbury Ventures Associates, L.P.		X				B
Northam Inc.			X		X	A
Orange Hungaria 1800			X			A
Productions Pascal Blais inc.			X			A
Proxima Systems Ltd ³			X		X	A
	preferred C, D		X			B
	class A		X		X	B
Public Technologies Multimédia (PTM) inc. ³						B
Société en commandite d'affichage OMNI		X				B
Société en commandite Omni Science IV-V		X				A
Société Européenne d'Investissement CFI/CDPQ			X			A
		X				A
Spanish Telecommunications Limited		X			X	G
Spectrum Equity Investors III, L.P.		X				C
TIW-Asie		X				A
TVG Asian Communications Fund II		X				B
Tandem Journalism Investments		X				E
Tandem Wireless Investments L.P.		X				H
Téléystème Itée	class A, D		X			H
	preferred E		X			G
Téléystème, Corporation financière	class A		X			G
	preferred D		X			A
Toon Boom Technologies Inc.	class A		X		X	A
Tube Images inc.			X			A
	warrants		X			A
VS & A Communications Partners III L.P.		X				C
VS & A-HW Holdings, LLC		X				C
Vantagepoint Communications Partners LP		X				D
VantagePoint Venture Partners III, L.P.		X				C

INVESTMENTS IN SHARES AND BONDS OF PRIVATELY HELD COMPANIES (continued)

as at December 31, 1999

(fair value - in millions of dollars)

CORPORATIONS	Designation	Units	Shares	Convertible securities	Bonds	Investment amounts
Visionael Corporation	preferred C		X			B
3321118 Canada Inc.(CF Télévision inc.)			X			B
3535991 Canada Inc.(Quebecor-Sun Media)	class A		X			F
Capital d'Amérique CDPQ²						
Albums DF Ltd	class A		X		X	A
Altamira Investment Services Inc.	class B		X			A
	preferred X		X			A
Alter Moneta Corporation			X			A
Ares Leveraged Investment Fund II		X				C
Ares Leveraged Investment Fund, L.P.		X				D
Arkon Canada					X	A
Artel inc. ³	class A		X	X	X	C
BC European Capital VI		X				C
Bail Montmorency					X	A
Bail St-Jérôme					X	A
Beacon Group Energy Invest. Fund II		X				D
Benvest Capital Inc.	class A		X			A
Biothermica Énergie inc.	class B		X		X	A
Blackstone Offshore Capital Partners III L.P.		X				C
Blue Mountain Wallcoverings Inc.	class A		X	X		B
CACF Limited			X		X	F
	warrants		X			A
CAI Capital Partners & Co., L.P.		X				A
Camelot Technologies Ltd ²			X		X	A
Canadian Pension Equity & Company, L.P.		X				A
Caravelle Investment Fund, L.L.C.		X				E
Cavalier Textiles Group L.P.		X			X	B
Chapais Énergie, Société en commandite					X	C
Château des Laurets S.A.S.			X		X	B
	warrants		X			A
Chemins de fer du Québec inc., Société des			X			A
Cherokee Investment Partners II, L.P.		X				B
Cimbec inc.					X	B
Citicorp Mezzanine, L.P.		X				A
CiviGenics Inc.	preferred B		X			B
Cobra International Systèmes de Fixations Cie			X	X	X	A
Commercial Alcohols Inc.			X	X		A
	special		X			A
Compagnie d'assurances Gisco inc., La			X			A
Companhia de Participações Alpha	preferred		X			A
Corporation de Commercialisation des Centres d'appels du Québec			X			A
	preferred		X			A
Corporation de Sécurité Trans-Canada World				X		A

Corporation Flexia			X			X	A
Cramex, Société en commandite						X	A
Davidson inc., Les Industries	class A		X				C
Deshors International S.A. ³			X			X	B
Domaine Iberville						X	A
Drolet inc., Groupe			X			X	A
Duopac inc., Emballages			X			X	A
Énergie CDPQ (1996) inc.			X				A
Enerplus Pension Resource Corporation	class A		X				A
Environmental Private Equity Fund II, L.P.				X			B
Environmental Research and Development Capital, L.P.				X			A
Équipement Lacroix inc.						X	A
Équipements de Sécurité Arkon Inc., Les ³	class A		X				C
Fib-Pak inc., Les industries			X			X	A
Fiducie Alter Moneta				X			A
Fiducie AM				X			A
Fonds d'investissements Focus, S.E.C.				X			C
G.B.A Industrial Equipment Inc.			X				B
Gazmont, Société en commandite						X	B
Generac Portable Products Inc.			X				C
Générale de Services Santé N.A. inc. ³			X			X	A
Grands Moulins de Paris			X			X	B
Grohe Holgding GmbH			X			X	F
Hidroeléctrica Rio Lajas						X	B
Hydro Bromptonville S.A.						X	B
Hydromega inc., Développement						X	B
ICG Mezzanine Fund, L.P.				X			C
Infrastructure and Environmental Private Equity Fund III, L.P.				X			C
Innergex Hydro inc.						X	C
JM Asbestos inc.			X				A
	preferred		X				A
John Lewis Itée, Les industries			X			X	A
KW Gaspé et compagnie L.P.						X	C
L.I.I. Holdings Corp.	class A		X		X		B
LR JET Corporation						X	E
LaGran Textiles, Limited Partnership			X				A
LaGrand Canada inc.						X	A
Leica Microsystems International Holdings						X	G
MG Stratum Fund II, L.P.				X			A
Magnus Poirier Inc.						X	A
Manzoni International SA ³	class A		X			X	C
Meridian Automotive Systems Inc.	class A		X			X	D
Miralta Capital II Inc.	class A		X			X	A
Miralta Teramira Inc.	class A		X			X	A
Mobicom inc., Capital			X				A
	preferred A, B, C		X				E
Moore's Retail Group Inc.			X				C
Motovan Corporation	class A		X				A

INVESTMENTS IN SHARES AND BONDS OF PRIVATELY HELD COMPANIES (continued)

as at December 31, 1999

(fair value - in millions of dollars)

CORPORATIONS	Designation	Units	Shares	Convertible securities	Bonds	Investment amounts
Multiflor Inc. (9082-9292 Inc.)			X			A
NCP-EAS L.P.		X				C
North Castle Partners II, L.P.		X				C
Novacap inc., Investissements	class A		X			C
Noverco Inc.			X			A
Omega Lumber Ltd					X	A
Optimum inc., Groupe	class A, B		X			B
Orleans General Insurance Company ³	class A		X			A
Papeteries Lafayette Limitée			X			A
Partic CDPQ inc.			X		X	A
Pêcheries Marinard Itée, Les			X		X	A
Premier Caskets Corporation	class A		X			A
Prémoulé inc.			X	X		B
Previc Corporation, Les Cercueils	class A		X			A
RSP Hydro inc.					X	C
Ronor Innovations Inc.			X	X		A
SIPAR - Société d'investissements en participations inc.		X				C
SOQUIP inc., Exploration	preferred		X			A
Sabex inc.			X		X	B
	preferred A, G		X			A
Schroders II , Fonds d'acquisitions canadien		X				B
Aerospace Superior Consulting Services Inc. (ASCS)	class B		X	X	X	A
Société en commandite hydro-électrique Buckingham		X				B
Sodémex II, Société en commandite		X				B
Sodémex inc., Gestion	class A, B		X			A
Sodémex, Société en commandite		X				A
Station Mont-Tremblant, Société en commandite					X	E
Systèmes d'enseignes Electrobites inc.	class A		X		X	A
Téléystème Entreprises (T.E.L.) Ltée					X	E
Tour de Mons S.A.S., La			X		X	B
	purchase options		X			A
Trak inc.			X		X	A
Trident II, L.P.		X				C
Tru-Circle Corporation	warrants		X			A
	class A		X			C
	preferred A		X			C
	class A		X			A
Usines Huntingdon Canada Itée, Les					X	C
Vacances Air Transat A.T. inc.					X	A
Vêtements S&P inc.(9069-3086 Qc), Les	class A		X			A
Vic Royal inc., Les Cercueils	class A, B		X			A
Victoriaville Itée., Cercueils	class A		X			A
William Hill Holdings Limited	class A		X		X	C
	class B		X			A

Windward Capital Partners II, L.P. 2318-4518 Québec inc. (Réserves d'hydrocarbure)		X							C
								X	A
	preferred							X	A
3103-7534 Québec inc.								X	A
407 International Inc.	class A, B								H
9070-1434 Québec inc. (Groupe Télécon inc.)							X	X	A
Capital International CDPQ²									
AXA Asset Management Private Equity								X	A
AXA Private Equity Fund		X							C
AXA Secondary Fund L.P.		X							C
Advent Private Equity Fund II, L.P.		X							B
Asia Equity Infrastructure Fund, L.P.		X							A
Asia Equity Infrastructure Investment		X							A
Asia Pacific Growth Fund II, L.P.		X							D
Asia Pacific Growth Fund III, L.P.		X							C
BC European Capital V		X							D
BC European Capital VI		X							C
BVP Europe, L.P.		X							D
Baring Asia Private Equity Fund		X							C
Blackstone Offshore Capital Partners III.L.P.		X							E
Blackstone Offshore Capital Partners III.L.P.		X							C
Brazil Private Equity Fund L.P., The		X							B
Bruckmann, Rosser, Sherrill & Co. II, L.P.		X							A
CVC European Equity Partners II, L.P.		X							E
China Renaissance Industries, L.P.		X							C
Compass Capital Fund L.P.		X							A
Corporate Partners, L.P.		X							A
Cypress Merchant Banking Partners II, L.P.		X							B
Exxel Capital Partners 5.5, L.P.		X							B
Exxel Capital Partners V, L.P.		X							D
GS Special Opportunities (Asia) Offshore Fund, L.P.		X							E
Green Equity Investors III, L.P.		X							C
Groupe Expordev ³								X	A
Harbour Group Investments III, L.P.		X							C
Infradev International		X							A
Japan Venture Fund III		X							A
KKR 1996 Fund, L.P.		X							C
LGV 1999 Private Equity (UK), L.P.		X							B
Martin-Maurel, Compagnie financière								X	B
Mercosur Supermarkets, L.P.		X							C
Partic Intern. US Inc. (Harbour)		X							A
Partic intern. US Inc. (JW Childs)		X							B
Partim International I Inc. (Capimex,Société en commandite)		X							A
Polish Enterprise Fund L.P.		X							C
Renaissance Funds LDC, The		X							B
S.A. Nieto Carbo y A. Senetiner A.C.I.								X	C
Schroder UK Buy-Out Fund III, L.P.		X							D
Schroder Ventures Asia Pacific Fund III L.P.		X							B

INVESTMENTS IN SHARES AND BONDS OF PRIVATELY HELD COMPANIES (continued)

as at December 31, 1999

(fair value - in millions of dollars)

CORPORATIONS	Designation	Units	Shares	Convertible securities	Bonds	Investment amounts
Schroder Ventures European Fund L.P.		X				C
Seantram Technology Inc.			X			C
Silver Lake Partners, L.P.		X				A
Siparex S.C.A.			X			A
TA/Advent VIII, L.P.		X				C
3i Europartners III, L.P.		X				C
3i UK Investment Partners		X				C
3i UK Investment Partners II, L.P.		X				D
Services financiers CDPQ inc.²						
Addenda Capital inc.	class A, B, C		X			B
Addenda.math inc.			X		X	A
Alain, Guilmette and associates		X		X		C
Avix Mutual Funds Inc. ³		X			X	B
Bâtirente Obligations		X				A
Blanchard, Roy et Associés	class A		X	X		A
CTI Fonds Mutuels inc.		X	X		X	C
Capital Cartier, Société en commandite		X			X	H
Capital Z Financial Services Fund II, L.P.		X				A
Cartier Mutual Funds Limited Partnership			X			A
Corporation de gestion et de recherche@rgentum		X				A
Cote 100 inc.	warrants		X			A
		X				C
Courvie inc., Gestion	class A		X			A
Chrysaline Arbitrage Management				X	X	A
Evolution FM inc.			X			A
Fédération des Médecins Omnipraticiens du Québec		X				A
Fonds d'investissements Micro-Cap, S.E.C.		X				A
Fonds Quantitatif Indiciel Plus		X				A
Fonds SSQ Obligations		X				A
HR Strategies Inc.			X			A
Highcrest Special Opportunity Fund, L.P.		X				C
Holdun Investment Management Inc.	class A, B		X			A
Montrusco Croissance Québec inc.		X				A
Nova Bancorp Group (Canada) Ltd ³	class A, B		X		X	C
Optimum Placements		X				A
Orbit		X				A
SIPAR - Société d'investissements en participations inc.	class A, B		X			A
San-Roche Financial Inc.	class A		X		X	A
Standard Life		X				A
Talvest Small Cap Canadian Equity Fund		X				A
Talvest Canadian Equity Grow Fund		X				A
Teraxis Capital Inc. ³		X				B
Valorem Obligations canadiennes de valeur		X				A

Valorem Tendances démographiques		X				A
Sofinov, Société financière d'innovation²						
AIKS inc., Technologies Innovations			X	X		A
AXA Asset Management Private Equity			X			A
AXA Private Equity Fund		X				B
Aerospace Research Technologies Inc. (ART)	class B		X			C
Agrimage inc.	class A		X	X		A
Aimco World Enterprises Inc.			X		X	A
Air Data inc.			X	X	X	A
Anapharm inc. ³	warrants		X			A
	class A		X			B
Angiogène inc.			X			A
	warrants		X			A
Apoptogen inc.	preferred B		X			A
Arc Second Inc.	purchase options		X			A
	preferred D		X			B
Atlas Venture Fund III, L.P.		X				C
Atlas Venture Fund IV, L.P.		X				B
Atrion International inc. ¹	class C		X	X	X	C
Auriga Ventures		X				A
Bio-Recherches Itée, Laboratoires			X			A
Biovector Therapeutics SA	class D		X			A
BondFace Technologies inc.			X	X	X	A
CML Emergency Services Inc.			X		X	A
	preferred A		X			A
Camelot Technologies Ltd ³			X		X	A
Channelware Inc.	special warrants		X			B
Chromos Molecular Systems Inc.	warrants		X			A
	preferred D		X			A
Chronogen Inc.	class A		X			A
Compatigène Inc.	warrants		X			A
	preferred A		X			A
	class A		X			B
	class C		X			A
CryoCath Technologies Inc.						
Dentalmatic Technologies Inc.						
Domain Partners III, L.P.		X				B
Domain Partners IV, L.P.		X				A
Durect Corporation	preferred B		X			A
EOS Biotechnology Inc.	preferred D		X			A
Exogène Neurosciences inc.	warrants		X			A
	preferred A		X			A
GL & VH - Hydrogene Technologies Inc.	class A		X	X		A
	preferred B		X			A
Galéa Network Security ³			X	X		A
Galen Partners International II, L.P.		X				B
GeminX Biotechnologies inc.	warrants		X	X		A
	preferred		X			A
GeneChem Technologies Venture Fund L.P.		X				B

INVESTMENTS IN SHARES AND BONDS OF PRIVATELY HELD COMPANIES (continued)

as at December 31, 1999

(fair value - in millions of dollars)

CORPORATIONS	Designation	Units	Shares	Convertible securities	Bonds	Investment amounts
Grocery Gateway Inc.	warrants		X			A
	preferred A		X			A
Groupe Équiconcept inc.	class A		X			A
H. Power Enterprises of Canada Inc.			X			A
Hexavision Technologies Inc.			X	X		A
HPower Corp.			X			A
	preferred C		X			C
Hydrogen Burner Technology Inc.			X			A
Hydrogen Systems N.V.	class B		X			A
IRG Groupe de recherche infomédia inc.	class B		X		X	A
Interstar Technologies Inc.	preferred A		X			A
J.L. Albright Ventures Partners Inc.		X				D
LMSoft inc.			X			A
Labcal Technologies inc.	class A		X		X	A
Lexicon Genetics Inc.	preferred A		X			A
Life Imaging Systems Inc.	warrants		X			A
	preferred D, E		X			A
Locus Dialogue Inc.	class C		X			A
Logibro inc.	warrants		X	X		A
	class A		X			B
MDS Health Ventures (PC) Inc.			X			A
MDS Health Ventures Capital Corp.			X			A
MDS Health Ventures Inc.	preferred		X			A
MDS Life Sciences Technology Fund, L.P.		X				B
MXT Inc.	class A		X	X		A
MethylGene Inc.	class A		X			B
Micro-électronique Cératel inc.					X	A
Minacom International Inc.	class A		X	X		A
Morphometrix Technologies Inc.	warrants		X			A
	preferred A		X			A
Mosaic Venture Partners II, L.P.		X				A
Motus Technologies inc.	class A		X	X		A
NTB Neurotrophic Bioscience Inc.	preferred A		X			A
Nertec Design inc.			X			A
Neurochem Inc.	warrants		X			A
	preferred A		X			B
Neuroscience Partners, L.P.		X				C
Neuroscience Pharma (NPT) Inc.	warrants		X			A
New Enterprise Associates 9, L.P.		X				A
New Enterprise Associates VIII, L.P.		X				B
Nexia Biotechnologies inc.			X			A
	warrants		X			A
	preferred		X			B

Onset Enterprise Associates, III L.P.		X					B
Organogel Canada Itée	warrants		X				A
	class A		X				A
PROCRÉA Biosciences inc.			X				A
Pharma Laser Inc.	warrants		X				A
	class A		X				A
Phoenix Gas Systems LLC (PGS)		X					A
Phoenix Hydrogen Systems LLC (PHS)		X					A
PlannSoft Management Solution Inc.	class A		X	X	X		A
ProQuest Investments, L.P.		X					A
Pyderion Management Limited ³	class B		X				A
PyroGenesis inc.	class A		X				B
Qualiac-Inférence			X				A
Quantiscript Inc.			X				A
RTP Pharma Inc.			X				B
	warrants		X				A
Reflux Cell			X				A
SS8 Networks Inc.	preferred A		X				A
Sabex inc.			X		X		C
	preferred A, H		X				A
Sanderling Venture Partners IV, L.P.		X					B
Scriptgen Pharmaceuticals Inc.	warrants		X				A
	preferred E		X				B
Semantix Inc. ³	class A		X			X	A
ServicePlus Corporation ³	class A		X	X			B
Servicesoft Canada Inc.			X				A
	preferred D		X				A
Servicesoft Technologies Inc.	preferred I		X				B
Silonex Inc. ³	class A, B		X				A
Silver Lake Partners, L.P.		X					A
Société de Développement du Magnésium, S.E.C.		X					A
Softecmag Inc.	class A		X				A
SpaceVest II, L.P.		X					B
Spinex International Inc.	class A, B		X				A
	preferred C		X				A
Surface Modification Technologies Inc. ³			X				A
T ² C ² Bio, Limited Partnership		X					B
T ² C ² Info, Limited Partnership		X					B
TA Associates - Advent VII, L.P.		X					A
Technocap Inc., Fonds	preferred		X				C
Technologies M4 Inc.			X				A
Tetra Technologies inc. ³	class A		X				A
Theralipids Inc.	warrants		X	X	X		A
	preferred B		X				A
Therion Biologics Corporation	warrants		X				A
	preferred B		X				A

12 INVESTMENTS IN SHARES AND BONDS OF PRIVATELY HELD COMPANIES (continued)
as at December 31, 1999
(fair value - in millions of dollars)

CORPORATIONS	Designation	Units	Shares	Convertible securities	Bonds	Investment amounts
Triton Électronique International inc.,Groupe	class A		X			A
	preferred B, C, E		X			A
Valadeo Technologies Corp. ³			X	X		A
Ventures West B.C. Technology Investment Fund, The		X				A
Virocell Inc.	purchase options		X			A
	preferred B		X			A
X-Ceptor Therapeutics Inc.	preferred B		X			A
800.com Inc.	preferred C		X			B
9042-0175 Québec inc.					X	A

Difference between investments reflected in the annual list and those on record at the Caisse: 12 debentures convertible files privately held company shares.

¹ Insider

² Investment made or held by the Caisse or one of its subsidiaries pursuant to the first four paragraphs of subsection 37.1 of the *Act Respecting the Caisse*.

³ Investment made or held by the Caisse or one of its subsidiaries pursuant to the last paragraph of the *Act Respecting the Caisse*.

In this table are listed the major investments in shares and bonds of private corporations. This table does not account for the hedging of foreign exchange risks. This table is subject to the disclosure standards applicable to the annual list of such investments.

The annual list must not provide any information deemed to be detrimental to the operations of the Caisse, to its economic interests or competitiveness or which may reveal an intended transaction, a transaction or series of transactions in process or which may cause prejudice to a company. Consequently, there may occasionally exist differences between the investments in the annual list and those recorded in the books of the Caisse, at December 31. However, whenever possible and without transgressing the above standards, the annual list states the total amount of these differences.

The specific value of investments in any closed company (according to the definition of the Québec Securities Act) does not appear in this list unless the company has agreed to such disclosure.

**STATEMENT OF REAL ESTATE HOLDINGS
as at December 31, 1999**

Location	Land and buildings	Location	Land and buildings	Location	Land and buildings
CADIM		Greensboro (N.C., U.S.)	1921 New Garden Road	Paris (France)	93 and 195, rue du Faubourg St-Honoré
Anjou	Land, Résidentiel, Land, Parc d'affaires	Levallois (France)	68, Bis rue Marjolin	Paris (France)	28, rue du Dr Finlay
Baie-Comeau	115, boulevard Comeau	Lisle (Ill., U.S.)	1769 Robin Lane	Paris (France)	58, rue Michel-Ange
Blainville	Land, Résidentiel	Manassas (Virginia, U.S.)	10303 7 th Regiment Drive	Paris (France)	52, avenue Mozart
Charlesbourg	4155, 4e Avenue Ouest	Nantes (France)	49, Quai de Lourmel	Paris (France)	17, rue Galilée
Dorval	450 to 455, avenue Racine	Neuilly sur Seine (France)	12 avenue de Madrid	Paris (France)	7, rue Montenotte
Dorval	1325, boulevard Hymus	Newport Beach (Calif., U.S.)	880 Irvine	Paris (France)	12, rue Torricelli
Laval	Land, Sainte-Dorothée	Newport Beach (Calif., U.S.)	1700, 16 th Avenue	Paris (France)	10, Jean Gougeon
London	Land, Heartstone	New York (N.Y., U.S.)	6 West 107 th Street	Paris (France)	6, bis rue de Bachaumont
Longueuil	3460, chemin Chambly	New York (N.Y., U.S.)	108 West 15 th Street	Paris (France)	27, rue Ballu
Longueuil	325, rue Joliette	New York (N.Y., U.S.)	210 West 89 th Street	Paris (France)	6, bis rue de Chateaudun
Longueuil	695, boulevard Saint-Charles	New York (N.Y., U.S.)	230 East 44 th Street	Paris (France)	39 to 41 de la Glacière
Montréal	1170, rue Peel	New York (N.Y., U.S.)	231 to 237 Second Avenue	Paris (France)	14 to 16 rue Théophile Gauthier
Montréal	Land, 2020, rue University	New York (N.Y., U.S.)	235 and 237 West 48 th Street	Paris (France)	11, bis rue Ampère
Montréal	1500 and land of 1800, avenue McGill College	New York (N.Y., U.S.)	359 Second Avenue	Paris (France)	42, bis rue Cardinet
Montréal	360, rue Saint-Antoine Ouest	New York (N.Y., U.S.)	401 West 56 th Street	Paris (France)	120, rue de Reaumur
Montréal	800, place Victoria	New York (N.Y., U.S.)	2700 Broadway	Paris (France)	48, rue de l'Arbre sec
Québec City	500, avenue Grande Allée Est	Nice (France)	24, rue Saint-François de Paule	Paris (France)	63, boulevard de Rochechouart
Québec City	1 to 8, place Mérici	North Dallas (Tex., U.S.)	9030 - 9050 Markville Drive	Paris (France)	120, avenue du Gen. Leclerc
Québec City	Land Mérici	Paris (France)	8 to 10, rue Villedo	Paris (France)	14, avenue Carnot
Québec City	Land, 690 and 700, boulevard René-Lévesque Est	Paris (France)	64 to 66, rue des St-Pères	Paris (France)	60, avenue Paul Doumer
Rivière-du-Loup	Land, 385, rue Lafontaine	Paris (France)	47, rue de Berri	Paris (France)	8, rue Cambacérès
Saint-Laurent	2300, boulevard Alfred-Nobel				
Sainte-Catherine	3605, boulevard Marie-Victorin				
Sainte-Foy	2828, rue du Général				
Sherbrooke	3300, rue Des Chênes				
Sherbrooke	2775 and 2835, rue du Manoir				
Verdun	Land, portion of lot 4740 et al. (île des Sœurs)				
Foreign investments					
Billerica (Mass., U.S.)	158 and 160 Concord Road				
Boca Raton (Fla., U.S.)	8207 Severn Drive				
Charlotte (N.C., U.S.)	839 Scaleybark Road				
Columbia (Maryland., U.S.)	5458 Harpers Farm Road				
Fairfield (Calif., U.S.)	3001 North Texas Street				

Location	Land and buildings
CADIM (continued)	
Paris (France)	86 and 90, avenue de Villiers
Paris (France)	23, avenue Niel
Paris (France)	48, boulevard Malesherbes
Paris (France)	38 to 48, avenue de Wagram
Paris (France)	184, rue de Rivoli
Paris (France)	37, boul de Grenelle
Paris (France)	4, rue Galliéra
Paris (France)	51, boulevard de Strasbourg
Paris (France)	22 to 24, rue de Londres
Paris (France)	262 and 266, boulevard St-Germain
Paris (France)	73, rue d'Anjou
Paris (France)	1 to 7 Square du roule
Paris (France)	217 to 219, rue du Faubourg St-Honoré
Paris (France)	3, rue Hyppolite Lebas
Paris (France)	1 to 9, rue Théophile Gauthier
Piaseczno (Poland)	Wifjska
Reston (Virginia, U.S.)	11013 Beacontree Lake Drive
Vista (Calif., U.S.)	333-365 Emerald Drive North
San Diego (Calif., U.S.)	17115 West Bernado Drive
Woodridge (Ill., U.S.)	2472 Emerald Court
IVANHOE	
Beaconsfield	50, boulevard St-Charles and adjacent land
Belleville	390 North Front Street

Location	Land and buildings
Brantford	84 Lynden Road
Brantford	5 th Floor, 171 Colborne Street
Brossard	2150, boulevard Lapinière
Brossard	7200 to 7410 boul. Taschereau
Burlington	777 Guelph Line
Burlington	900 Maple Avenue
Burlington	901 Guelph Line
Burlington	3365 Fairview Street
Burnaby	4710 and 4720 Kingsway
Calgary	901 64 th Avenue NE
Calgary	5 th Floor, 171 Colborne Street
Calgary	100 Anderson Road SE
Calgary	2525 36 th Street NE
Cap-aux-Meules	Land, route 199
Charlesbourg	4296, 1 ^{ère} Avenue
Chatham	100 King Street West
Cobourg	1111 Elgin Street West
Côte-Saint-Luc	7155, chemin Côte-St-Luc
Dartmouth	21 Micmac Boulevard
Delson	1000, boulevard Georges-Gagné and adjacent land
Dollard-des-Ormeaux	3237, boulevard des Sources
Dorval	310, avenue Dorval and adjacent land
Dundas	2-101 and 119 Osler Drive
Edmonton	2323, 111 th Street
Edmonton	2331 66 th Street NW
Edmonton	111 th Street and 51st Avenue
Etobicoke	500 Rexdale Blvd
Greenfield Park	345 to 545, boulevard Taschereau
Hamilton	751 Upper James Street
Kingston	945, Gardiners Road
Kingston	1040 to 1096 Princess Street
Hull	320, boulevard St-Joseph
Lachine	2972, rue Remembrance
Lachute	505, avenue Béthany
Laprairie	50, boul. Taschereau
LaSalle	395, avenue Dollard
Laval	Land, Projet Centre-ville
Laval	Land, boul. St-Elzéar
Laval	Land, L'Aubier 2900 rue Édouard Montpetit
Laval	901, boulevard Curé-Labelle
Laval	2999, autoroute 440 and land
Laval	3003, boulevard Le Carrefour
Lethbridge	200, 4 th Ave. S.
Lévis	Land, route du Président-Kennedy

Location	Land and buildings
Lloydminster	5211 44 th Street
London	509 Commissioners Road
Longueuil	825, St-Laurent Ouest
Longueuil	1401, chemin Chambly
Markham	5000 Highway 7
Mascouche	Land, Mascouche/Lachenaie
Mascouche	Land, montée Masson
Mercier	Land, boul. St-Jean-Baptiste
Mississauga	1250 South Service Road
Mississauga	6711 and 6733 Mississauga Rd.
Montréal	3801, route Transcanadienne
Montréal	7999, boul. les Galeries d'Anjou
Montréal	1500, avenue McGill College
Montréal	677 to 685, Ste-Catherine Ouest
Montréal	Land, 5400 and 5414 Hochelaga
Montréal	1745 to 1775, rue Fleury Est
Montréal	4801 to 4885, avenue Van Horne
Montréal	4815, rue Buchan
Montréal	4901, rue Jean-Talon Ouest
Montréal	4300 to 4700 and 4950, rue de la Savane
Montréal	5010, rue Paré
Montréal	5400, avenue Pierre-de-Coubertin
Montréal	2615 to 2865, avenue Van Horne and adjacent land
Montréal	7500, rue Victoria
Montréal	Land, rue Jean-Talon Ouest (lots 100-2, 9 of village de Côte-des-Neiges)
Montréal	Land, rues Paré and Buchan
Montréal-Nord	10521 to 10707, boulevard Pie-IX
Montréal-Nord	6000, boulevard Henri-Bourassa Est
Mont-Royal	2305, chemin Rockland
Mont-Royal	2375, rue Lucerne
Nanaimo	Suite 294 A, 6631 Island Highway N
New Westminster	Suite 148, 610 6 th Street
Newmarket	17600 Yonge Street
Niagara Falls	7555 Montrose Road
North York	1800 Sheppard Av East
North York	2450 Sheppard Avenue East
Oakville	240 Leighland Avenue
Oshawa	419 King Street West
Ottawa	100 Bayshore Drive
Pincourt	107, boulevard Cardinal-Léger
Québec City	440, rue Bouvier
Québec City	5401, boul. des Galeries
Red Deer	4900 Molly Banister Dr

STATEMENT OF REAL ESTATE HOLDINGS (continued)
as at December 31, 1999

Location	Land and buildings
IVANHOE (continued)	
Red Deer	4747 67 th Street
Regina	30A to 3806 Albert Street
Repentigny	86 and 100, boulevard Brien and adjacent land
Repentigny	175, rue Notre-Dame
Richmond	1400, 6551 No. 3 Road
Rosemère	201 to 257, boulevard Labelle
Scarborough	325 to 395 Bamburgh Circle
Scarborough	5107 Sheppard Avenue East
Sherbrooke	350, rue Belvédère Sud
Sorel	250, boulevard Fiset
Saint Albert	300 36 th Street NE
Saint-Bruno	1, boulevard des Promenades and adjacent land
Saint-Hubert	5025, boulevard Cousineau and land
Saint John's	430 Topsail Road
Saint-Laurent	3205, boul. Côte Vertu
Saint-Laurent	214 to 333, boul. Côte Vertu
Saint-Léonard	Land, rues Jean-Talon Est and Provencher
Saint-Léonard	Land, rue Jean-Talon Est (near Palerme)
Saint-Léonard	4325 to 4505, rue Jean-Talon Est
Sainte-Agathe	Land, chemin Palomino
Sainte-Foy	2452, boulevard Laurier and adjacent land
Sainte-Marie-de-Beauce	116, boul. Vachon Nord
Surrey	2695 Guilford Town Centre
Sydney	800 Grand Lake Rd
Thetford Mines	166, rue St-Charles
Thornhill	800 Stell West Avenue
Timmins	1500 Riverside Drive West
Toronto	401 Bay Street
Toronto	65 Skyway
Toronto	4763 to 4781 Yonge Street
Trois-Rivières	1650, rue Royale
Trois-Rivières	4015, boulevard des Forges
Trois-Rivières	4125, boul. Des Forges
Vancouver	North and South Office Towers
Victoria	221 to 3147 Douglas Street
Victoria	775 Finlayson St
Waterloo	550 King Street North
Windsor	3100 Howard Avenue
Windsor	Tecumseh Blvd. and Lauzon Road

Location	Land and buildings
Windsor	2700 Tecumseh Road West
Windsor	3155 Howard Avenue
Winnipeg	1555 Regent Avenue West
Foreign investments	
Alexandria (Virginia, U.S.)	5801 Duke Street
Miami (Fla., U.S.)	Land, West Kendall
Omaha (Nebraska, U.S.)	3001 South 144 th Street
San Jose (Calif., U.S.)	1 Eastridge Mall
Savannah (Georgia, U.S.)	1405 Abercorn Ext.
Tampa (Fla., U.S.)	Land, International Plaza
Varsovie (Poland)	Wola
Chattanooga (Tenn., U.S.)	271 Northgate Mall
Danbury (Conn., U.S.)	7 Backus Avenue
Elizabethtown (Ky., U.S.)	1704 North Dixie Highway
Gainesville (Fla., U.S.)	6419 Newberry Road
Holland (Mich., U.S.)	12331 James Street
Kingsport (Tenn., U.S.)	2101 Fort Henry Drive
Lancaster (Penn., U.S.)	142 Park City Center
Las Vegas (Nev., U.S.)	4300 Meadows Lane, Suite 10
Milwaukee (Wis., U.S.)	2500 North Mayfair Road
Minnetonka (Minn., U.S.)	12401 Wayzata Boulevard
Omaha (Nebr., U.S.)	10000 California Street
Savannah (Georgia, U.S.)	7804 Abercorn Extension
St. Charles (Ill., U.S.)	3800 East Main Street

Location	Land and buildings
Taylor (Mich., U.S.)	2300 Eureka Road
Victor (N.Y., U.S.)	7979 Route 96, Pittford Victor Road and adjacent land
PENYORK PROPERTIES	
Burlington	1100 Burloak Road
Mississauga	2630 Skymark Avenue
Mississauga	Land, College Square
North York	90 Sheppard Avenue East
North York	5001 Yonge Street
Toronto	55 University Avenue
SITQ IMMOBILIER	
Alma	705, avenue du Pont Nord and adjacent land
Baie d'urfé	Land
Beauport	1100, boulevard des Chutes
Blainville	Land, industriel
Brossard	8705, boulevard Taschereau
Calgary	9 th and 10 th Avenues S.W. and S.E.
Cap-Rouge	1100, boulevard Chaudière
Chandler	175, rue Daigneault and adjacent land
Charlesbourg	4000, boulevard du Jardin
Chicoutimi	1212 and 1324, boulevard Talbot and adjacent land
Chicoutimi	299, rue des Saguenéens
Cowansville	175, rue Principale
Edmonton	Land, Edmonton Parkade
Forestville	25, route 138
Gaspé	39, montée Sandy Beach
Jonquière	3460, boulevard Saint-François and adjacent land
Kamloops	2189 Troon Way
La Pocatière	126, route 230 Ouest
Laval	Land, Dagenais, Autoroute 440
Laval	Land, Midlick, Autoroute 440
Laval	Land, Technoval
Laval	440, rue Armand Frappier
Laval	3080, 3090 and 3100, boulevard le Carrefour
Laval	2525, boulevard Daniel-Johnson
Laval	1 to 4, place Laval
Lévis	20, rue Saint-Georges Est
Longueuil	370, chemin Chambly
Magog	1700, rue Sherbrooke

Location	Land and buildings
SITQ IMMOBILIER (continued)	
Mississauga	Airport Square 2600, Skymark Avenue
Montréal	896 to 902, rue Sainte-Catherine Ouest
Montréal	Land, angle Duke and Wellington
Montréal	Land, angle King and Wellington
Montréal	Land, Multimédia phases 1, 2, 3 46 to 50 to 80, rue Queen 71c to 87, rue Prince
Montréal	1200, avenue McGill College
Montréal	1981, avenue McGill College
Montréal	500, rue Sherbrooke Ouest
Montréal	747, Square Victoria
Montréal	752 to 772, rue Sherbrooke Ouest
Montréal	1055, boulevard René-Lévesque Est
Montréal	2000, rue Notre-Dame Est
Montréal	rue Jarry Est
Nicolet	150, rue Éloi-de-Grandmont and adjacent land
North York	North York City Center 5150 and 5160 Yonge Street
Plessisville	1971, rue Bilodeau
Pointe- aux-Trembles	12675, rue Sherbrooke Est
Québec City	Land, boulevard l'Ornière
Québec City	Land, Maizerets
Québec City	690 and 700, boulevard René-Lévesque Est
Québec City	801, chemin Saint-Louis
Québec City	880 and 930, chemin Sainte-Foy
Québec City	9550, boulevard de l'Ornière
Québec City	Land, corner of boulevard Lebourgneuf and boulevard des Gradins
Québec City	5700 to 5780, boulevard des Gradins, 565 to 585, boulevard Lebourgneuf and 300 to 350, rue Bouvier
Regina	1801 Hamilton Street
Richmond	13140, 13155, 13200, 13211, 13231, 13251, 13260 Delf Place
Richmond	13511, 13551, 13571, 13575, 13700, 13775, 13777 and 13800 Commerce Parkway
Richmond	Land, Delf Place
Rimouski	419, boulevard Jessop
Rimouski	80 to 84 and 114, rue Saint-Germain
Rivière-du-Loup	298, boulevard Thériault and adjacent land
Roberval	1221, boulevard Saint-Dominique

Location	Land and buildings
Saint-Georges- de-Beauce	8585, boulevard Lacroix
Saint-laurent	St-Laurent Ouest #64 4400, rue Garand
Saint-Laurent	155, rue Authier
Saint-Laurent	3300, 3350 to 3450, 3500 and land, chemin de la Côte-Vertu
Saint-Laurent	1055 to 1105, 1435 to 1473, 1475 to 1499, rue Bégin
Saint-Laurent	4405, 4420 to 4440, 4445, 4448 to 4454, 4475, 4488 to 4492, 4500 to 4520, 4600 to 4620, 4700 to 4720, rue Garand
Saint-Laurent	655 to 817 and land, rue Gougeon
Saint-Laurent	Land, chemin Côte-de-Liesse
Saint-Laurent	Land, rue Pitfield
Saint-Laurent	4150, 4155, 4200, 4205 to 4395, 4300 to 4320, 4400 to 4420, 4405 to 4515, rue Poirier
Saint-Laurent	1400, rue Pomba
Saint-Laurent	4600 to 4650, rue Thimens
Saint-Laurent	6969, 7031 to 7045, 7875, 7905, 7945 to 7955, 8085 to 8089, route Transcanadienne
Saint-Léonard	6801, boulevard des Grandes Prairies
Saint-Raymond- de-Portneuf	333, côte Joyeuse
Sainte-Anne- de-Beaupré	10516, boulevard Sainte-Anne
Sainte-Foy	2095, boulevard Charest Ouest
Sainte-Foy	1000 and 1020, route de l'Église
Sainte-Foy	650, avenue Graham-Bell
Sainte-Foy	2875, boulevard Laurier
Saskatoon	255 Second Avenue North
Surrey	12827 and 12835 King George Highway
Thetford Mines	8051, boulevard Smith Nord and adjacent land
Trois-Rivières	225, rue des Forges
Trois-Rivières- Ouest	4520, boulevard Royal and 4000 to 4100, boulevard des Récollets
Vancouver	1075 West Georgia Street
Vancouver	505, 555, 580 and 595 Burrard Street
Vancouver	1055 Dunsmuir Street
Vancouver	533 and 535 Hornby Street
Vancouver	1875 Boundary Road
Vancouver	1508 Broadway
Vancouver	2020 and 2030 West Broadway

Location	Land and buildings
Vancouver	1130 and 1166 West Pender Street
Victoria	1644 Hillside Avenue
Westmount	1 to 4, Westmount Square
Winnipeg	Land, Main Street
Winnipeg	201 Portage Avenue
Foreign investments	
Amarillo (Tex., U.S.)	600 South Tyler Street
Austin (Tex., U.S.)	7600 Burnet Road
Austin (Tex., U.S.)	5307 IH 35
Banbury (England)	Castle Street et Parsons Street
Baton Rouge (Louisiana, U.S.)	450 Laurel Street
Bellevue (Wash., U.S.)	320 108 th Avenue NE
Bellevue (Wash., U.S.)	2244, 132 nd Avenue SE
Bellevue (Wash., U.S.)	3650 and 3655 131 st Avenue SE
Denver (Colo., U.S.)	4300 and 4500 Cherry Creek South Drive
Everette (Wash., U.S.)	1212 Admiralty Way
Farmer's Branch (Tex., U.S.)	13456 Midway, 4100 Alpha, 4001, 4020, 4040, 4099, 4100, 4101 McEwen, 4000 S. McEwen, 4000 N. McEwen, 4141 Blue Lake
Forth Worth (Tex., U.S.)	500 Throckmorton Street
Glendale (Calif., U.S.)	4300 Cherry Creek South Drive
Huntington Beach (Calif., U.S.)	7711 Center Avenue
Issaquah (Wash., U.S.)	22011 SE 51 st Avenue and 5150 220 th Avenue SE
Juarez (Mexico)	Land, Azlécas and Panamericano
Kirkland (Wash., U.S.)	12413 and 12421 Willows Road NE
Lafayette (Louisiane, U.S.)	200 West Congress Street

STATEMENT OF REAL ESTATE HOLDINGS (continued)
as at December 31, 1999

Location	Land and buildings	Location	Land and buildings
Foreign investments (continued)			
Lake Charles (Louisiane, U.S.)	123 Broad Street	Seattle (Wash., U.S.)	1941 Westlake
Londres (England)	Land, The Chiswick Park	Shreveport (Louisiane, U.S.)	400 Texas Street
Los angeles (Calif., U.S.)	1888 Century Park East 1888 Century Park East	St-Ouen (France)	28 to 60, rue Andouin and Quay de Seine
McKinney (Tex., U.S.)	1600 Redbud Drive	Washington D.C. (U.S.)	1776 Eye Street, Republic Place
Paris (France)	61 to 65, rue de Landy	Westlake Hills (Tex.,U.S.)	3811 Bee Caves Road
Paris (France)	42, avenue Friedland		
Paris (France)	52, rue d'Anjou		
Paris (France)	8, rue d'Alsace		
Paris (France)	13, Esplanade du Général de Gaulle		
Paris (France)	20, Bis Jardins Boieldieu		
Paris (France)	1, rue Carpeaux		
Paris (France)	16, rue de la République		
Paris (France)	11 and 13, cours Valmy		
Plano (Tex.,U.S.)	1700 Coit Road		
Richmond (Virginia, U.S.)	Land, Millenium 18200 to 18700 Union Hill Rd N.E.		
Round Rock (Tex.,U.S.)	1111 North IH-35		
Santa Ana (Calif., U.S.)	1551 N. Tustin Avenue		
Seattle (Wash., U.S.)	Land, Other Continental		
Seattle (Wash., U.S.)	1420 5 th Avenue		

**STATEMENT OF PROPERTIES HELD FOR RESALE
as at December 31, 1999**

Location	Address
Alma	1055, rue Du Pont Sud
Anjou	7333, boulevard Des Roseraies
Baie-Comeau	300, boulevard LaSalle
Beaupré	1000, boulevard Beaupré, apt. 101 and 102
Blainville	621 to 629, boul. du Curé-Labelle
Charlesbourg	744 to 746 and 748 to 750, rue St-Viateur
Gaspé	142, boulevard Gaspé
Hull	214, boulevard de la Cité-des-Jeunes
Jonquière	2675, boulevard du Royaume
La Baie	993 to 997 and 1013, rue Bagot
Lachine	795, 1re Avenue
Magog	1750, rue Sherbrooke
Montréal	4148 to 4154, rue Adam
Montréal	2100, boul. De Maisonneuve Est
Port-Cartier	24, boulevard des Îles
Québec City	2 to 50, 80 rue St-Jean
Québec City	135 to 163, rue Des Chênes Ouest
Québec City	450, rue Saint-Jean-Baptiste
Québec City	5237, boulevard Wilfrid-Hamel
Repentigny	818, rue Notre-Dame
Rimouski	40 to 44 and 70, rue Saint-Germain Est
Rosemère	395, chemin Grande-Côte
Saint-Eustache	15, chemin Grande-Côte
Saint-Jean-sur-Richelieu	800, boulevard Industriel
Saint-Léonard	5750, boulevard Métropolitain Est
Saint-Sauveur-Des-Monts	200, rue Principale
Sainte-Foy	2670, rue Dalton
Sherbrooke	908 to 920, 12e avenue Nord
Trois-Rivières	525, rue Charlevoix
Vanier	989 to 999, Pierre-Bertrand
Vanier	955, Pierre-Bertrand

The properties hereinabove mentioned are held by the Caisse or one of the following subsidiaries: Placements P.H.C. inc., 2954834 Canada inc., 3097-1618 Québec inc. and 3097-1626 Québec inc.

15 CHANGES IN PRIVATE INVESTMENTS
as at December 31

	Cost	Fair value									
	1999	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
In millions of dollars	8,938	12,001	6,899	4,621	3,503	2,817	2,288	2,278	1,715	1,802	1,887
Number of investments	636	636	491	367	269	206	183	149	124	128	138

16 ADMINISTRATIVE STATISTICS
as at December 31
(fair value - in millions of dollars)

	1999	1998	1997	1996	1995
Total assets under management ¹	105,528	86,429	70,524	61,333	52,699
Investment management expenses and administrative expenses	57.5	45.9	36.2	35.4	35.9
Amount in basis points ¹	5.5	5.3	5.1	5.8	6.8
Total assets under management per employee	399.7	370.9	323.5	273.8	191.6
Number of depositors	20	20	19	18	18
Number of employees	264	233	218	224	275

¹ Includes depositors' assets and assets administered and under management. Figures prior to 1998 have not been restated to conform with the presentation of 1999.

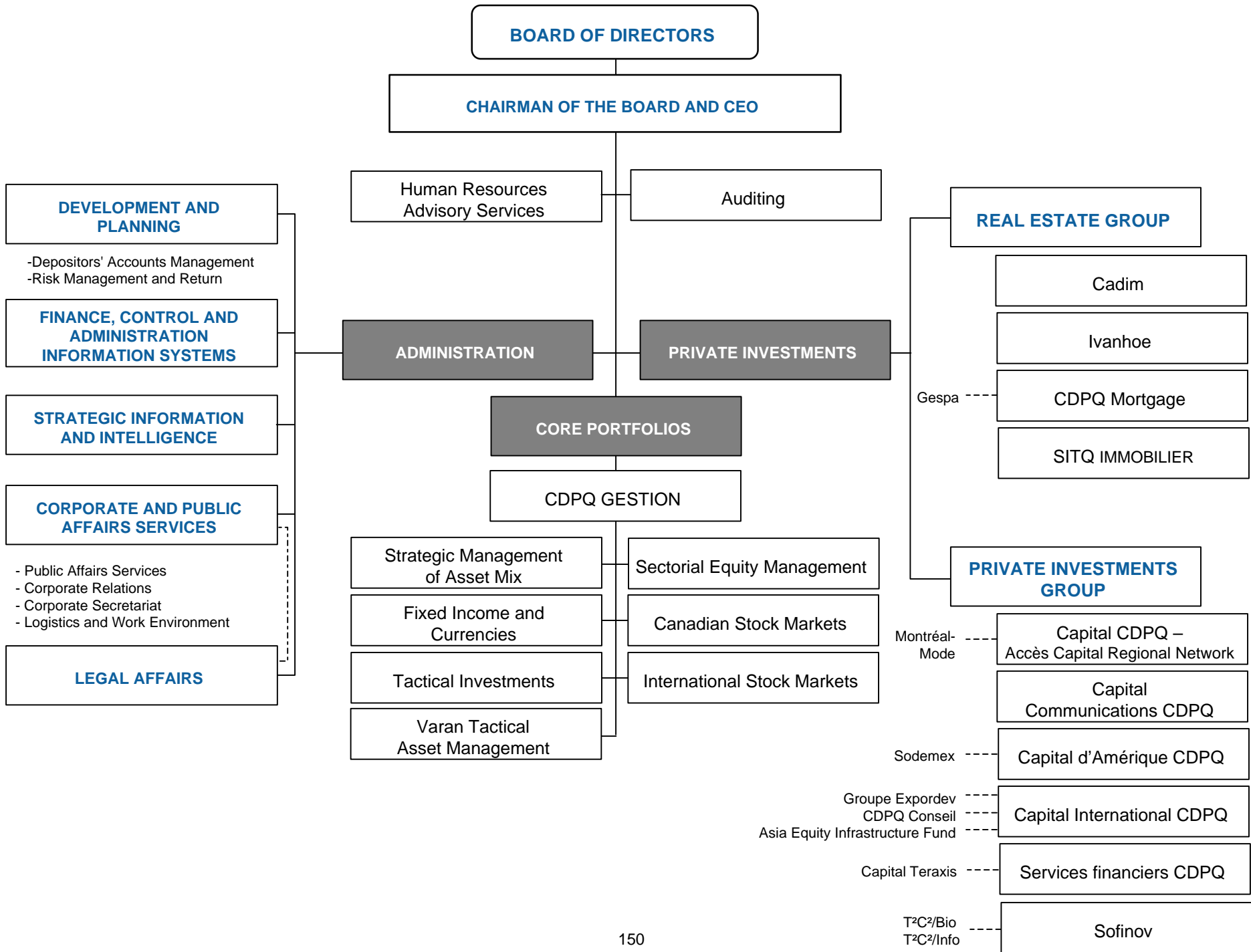
The Caisse establishes the general orientations concerning the management of global assets, as well as the investment policies and optimal allocation of the various asset classes for the Group as a whole. In addition, the Caisse manages directly certain core portfolio investments.

17 ADMINISTRATIVE STATISTICS - EXTERNAL MANAGEMENT
as at December 31
(fair value - in millions of dollars)

	1999	1998	1997	1996	1995
Caisse					
Investments in foreign shares at fair value ¹	21,886	15,589	12,044	10,499	6,184
Expenses related to international consultants, securities handling and safekeeping	11.3	10.4	13.1	12.5	5.9
Amount in basis points	5.2	6.7	10.9	11.9	9.5
Private Investments Group					
Private investments at fair value ¹	12,057	6,912	4,621	3,503	2,817
Investment management expenses and administrative expenses	24.4	17.7	12.1	9.0	7.4
Amount in basis points	20.2	25.6	26.2	25.7	26.3
Real Estate Group					
Real estate investments and mortgages at fair value ¹	13,796	10,206	6,765	5,559	4,755
Investment management expenses and administrative expenses	39.5	25.1	20.1	18.5	17.1
Amount in basis points	28.6	24.6	29.7	33.3	36.0

¹ Included in total assets under management.

External management is based on management orientations for global assets, and on investment policies and optimal allocation of various asset classes as determined by the Caisse.



BOARD OF DIRECTORS

JEAN-CLAUDE SCRAIRE *
 ● ■ ▼ ◆ †
 Chairman of the Board and
 Chief Executive Officer

GUY MORNEAU ◆
 Deputy Chairman of the Board
 President and General Manager
 Régie des rentes du Québec

JEAN-CLAUDE BACHAND ●
 Counsel
 Byers Casgrain

CLAUDE BÉLAND ■
 President
 La Confédération des caisses
 populaires et d'économie
 Desjardins du Québec

LUC BESSETTE ●■
 President
 Commission administrative
 des régimes de retraite
 et d'assurances

RODRIGUE BIRON ■
 Corporate Director
 Rodrigue Biron et Associés

YVES FILION ●
 Deputy Chief Executive Officer
 Hydro-Québec

JEAN-YVES GAGNON ▼
 Chairman and
 Chief Executive Officer
 Société de l'assurance
 automobile du Québec

GILLES GODBOUT ◆
 Deputy Minister
 Ministère des Finances
 Gouvernement du Québec

THOMAS O. HECHT
 Chairman Emeritus
 IBEX Technologies

MARC LAVIOLETTE
 President
 Confédération des
 syndicats nationaux

HENRI MASSÉ
 President
 Fédération des travailleurs
 et travailleuses du Québec

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 Member and Vice-President
 Commission municipale
 du Québec

SENIOR MANAGEMENT

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 Chief Executive Officer

MICHEL NADEAU *
 Senior Vice-President
 Core Portfolios and
 Assistant General Manager

FERNAND PERREAULT *
 Senior Vice-President
 Real Estate Group

MANAGEMENT

CLAUDE BERGERON *
 Legal Affairs

JEAN-CLAUDE CYR *
 Development and Planning
 and Québec Economic Affairs

GINETTE DEPELTEAU
 Corporate Secretary

ANDRÉ DUCHESNE
 Fixed Income and Currencies

PHILIPPE GABELIER *
 Corporate and Public
 Affairs Services

GENEVIÈVE GALLOUET *
 Human Resources
 Advisory Direction

FRANÇOIS GRENIER
 Sectorial Equity
 Management

RICHARD GUAY
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 Strategic Information
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 Canadian Stock Markets

BERTRAND LAUZON *
 Finance and Control

RÉJEANNE LIZOTTE
 Auditing

PIERRE LUSSIER *
 Strategic Management
 of Asset Mix

YVES MOQUIN
 Tactical Investments

NORMAND PROVOST *
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ADEL SARWAT
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JEAN-GUY TALBOT
 Corporate Development

CHRISTIANE THÉBERGE
 Public Affairs Services

MARIO THERRIEN
 Varan Tactical
 Asset Management

REAL ESTATE GROUP

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 Senior Vice-President and
 Chairman of the Board
 of the Group Companies

ANDRÉ CHAREST
 Vice-President
 Administration and Finance

PIERRE DUHAIME
 Vice-President
 Investments Management

GENEVIÈVE B. BEAULIEU
 Corporate Secretary
 of the Group Companies

KAREN LAFLAMME
 Director
 Administration and Finance

LOUISE POIRIER-LANDRY
 Director
 Real Estate Portfolio Planning
 and Management

Cadim

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 company residential
 and non-conventional
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 and Treasurer

SYLVIE DROUIN
 Vice-President
 Legal Affairs

PIERRE GIBEAULT
 Vice-President
 Real Estate Operations

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 General Manager
 New Markets

PIERRE BURON
 Director
 Asset Management

GUY CHARETTE
 Director
 Acquisitions

GILLES HORROBIN
 Director
 Stock Markets

MICHEL LANTHIER
 Investments

MARC LAPOINTE
 Director
 New Markets

LINE LEFEBVRE
 Director
 Finance and Treasury

JACQUES PLANTE
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 Investments,
 International Markets

ANDRÉE ROY
 Director
 Mezzanine Financing

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 Real Estate Group

PIERRE DUHAIME
 Vice-President
 Investments Management
 Real Estate Group

JEAN-YVES GAGNON
 Chairman of the Board
 and General Manager
 Société de l'assurance
 automobile du Québec

GUY HÉNAULT
 Sales and Market Manager
 Real Estate
 Commercial Market
 Royal Bank of Canada

Board of directors *The Board of Directors consists of the Chief Executive Office of the Caisse, who is the Chairman, depositors' representatives, namely as at December 31, 1999, the President and General Manager of Régie des rentes du Québec, the Chairman of the Commission administrative des régimes de retraite et d'assurances, the Chairman and Chief Executive Officer of the Société de l'assurance automobile du Québec, as well as members of the business community and the co-operative sector and labour union leaders.*

- **Audit Committee** *The Audit Committee examines the annual and quarterly financial statements and recommends their approval to the Board of Directors. It also evaluates the mandate and the nature of the audit work performed and monitors the effectiveness of the internal-control systems and mechanisms.*
- **Resources Committee** *The Resources Committee receives proposals, submits its opinions and makes recommendations to the Board to Directors regarding human, financial and computer resources.*
- ▼ **Real Estate Portfolio Management Committee** *The Real Estate Portfolio Management Committee (the Caisse Real Estate Group Board of Directors) studies the annual strategic plan, receives management reports and approves or recommends certain investment proposals to the Caisse's Board of Directors.*
- ◆ **Ethics, Professional Conduct and Corporate Governance Committee** *The Ethics, Professional Conduct and Corporate Governance Committee studies reports on the application of the Code of Ethics and Professional Conduct and on the exercise of the Caisse's voting rights.*

Investment Committees *The Caisse has seven investment committees, which were restructured in 1999. The main mandate of the Investment Steering Committee is to review general investment policy as well as specific policies arising therefrom, including sectorial policies, monitoring of depositors' investment policies, and general risk management as well as performance analysis. It also provides opinions and makes recommendations as required, as well as overseeing the activities of the team responsible for management of depositor accounts. As for the Equity Management, Interest Rate Management and Currency Management Committees, they propose sector-based investment policies, approve management methods and oversee the investment activities of their sectors. The Asset Allocation Active Management Committee provides tactical and strategic management of fund allocation and investment positions among the major asset categories. The Real Estate Group Committee and the Private Investments Group Committee have a mandate to propose sector-based investment policies, ensure client satisfaction and quality of service, determine strategic orientations suited to Québec's economy and ensure a flow of information among all the Caisse's organizational entities.*

- † Ex officio chairman of the Board of Directors of the Private Investments Group subsidiaries.
- Ex officio chairman of the Board of Directors of the Real Estate Group subsidiaries.
- * Member of the Steering Committee.

GHISLAINE LABERGE
Consultant in Real Estate
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Director
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École des Hautes Études
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General Manager
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General Manager
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YVON TESSIER
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and Business parks

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SITQ IMMOBILIER

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SITQ IMMOBILIER

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Director, Western Québec Region

RÉJEAN FALARDEAU
Director, Western Québec Region

LUCIEN GOULET
Director, Eastern Québec Region

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ANDRÉ CHAREST
Vice-President
Administration and Finance
Real Estate Group

JEAN-CLAUDE CYR
Vice-President
Development and Planning
and Coordinator
Québec Economic Affairs
Caisse de dépôt
et placement du Québec

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Vice-President
Investments Management
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Chairman of the Board
and Chief Executive Officer
Société de l'assurance
automobile du Québec

GHISLAINE LABERGE
Consultant in Real Estate
Financing

GÉRALD LAROSE
Advisors

PETER MARTIN
Vice-President,
Region of Québec
GWL Realty Advisors Inc.

JEAN C. PINARD
President and
Chief Operating Officer
CDPQ Mortgage

Fernand Perreault, Ex officio chairman of the Board of Directors of the Real Estate Group subsidiaries.

PRIVATE INVESTMENTS GROUP

Management

NORMAND PROVOST
Coordinating Vice-President

GINETTE DEPELTEAU ▶
Corporate Secretary
of Group Companies

GILLES DUBÉ ▶
Director
Investment Management

ANATOLE POULIOT ▶
Director
Business Development

REGIONAL NETWORK

Accès Capital

*Network of investment
companies*

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Management

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YVES CUSSON
Director, Investments
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GLOSSARY

Active management

Management style that involves building a portfolio with a weighting different from the index. The objective is to outperform a market or a benchmark index.

Administered asset

Asset with respect to which Caisse subsidiaries provide administrative services on behalf of client-owners. These services include administration of real estate property and management of securitized loans. Caisse subsidiaries charge administration fees for these services. Administered asset is not included in the statement of cumulative net assets.

Asset under management

Asset managed by Caisse subsidiaries on behalf of client-owners. Management services, which are more comprehensive than mere administrative services, include selection of investments and provision of advice. Caisse subsidiaries charge administration fees for these services. Asset under management is not included in the statement of cumulative net assets.

Authorized investment

An investment in a more or less long-term project that the Caisse has decided to undertake but for which it has not yet made any disbursements.

Business cycle

More or less regular fluctuations in business conditions over a period of time. The five phases of the cycle are expansion, peak, recession, trough and recovery.

CMBS

Commercial mortgage-backed securities, in this instance, sequential-payment bonds secured by a mortgage on a group of commercial mortgage loans.

Cost

Amount paid to acquire a security. This amount is used as the basis for calculation of any increase or decrease in the security's value.

Cyclical management

Management style based on the phases of the economic cycle and their impact on the value of certain types of investment.

Deposit on loans of securities

A transaction involving the sale of a security and the commitment by the vendor to buy back the security at a set price and date.

Depositors' assets

The financial situation and the operating results stemming from deposits made by depositors are presented in the cumulative financial statements and represent depositors' assets. The latter share net assets and net investment income.

Derivative financial instruments

Also known as derivatives, the value of these financial instruments is derived from a commodity or underlying asset they represent. Forward and option contracts are good examples of this type of instrument

Direct investment

Any investment made directly in a company.

Economic return

The impact of investments on the economy as a whole, for example when they enable a company to expand, and thus increase its activities and create new jobs.

Fair value

Exchange value that would be agreed on by competent parties acting freely in competitive conditions.

Fund of funds

A fund that invests in multiple hedge funds with different investment styles in order to smooth out the potential inconsistency of returns if all the assets were invested in a single hedge fund. These funds offer an effective way for an investor to gain exposure to a range of hedge funds and strategies without having to commit substantial assets or resources to specific asset allocation, portfolio construction and individual hedge fund selection.

Indirect investment

Any investment made in an investment fund or in a limited partnership company, which in turn invests in various companies.

Internal rate of return

Discount rate for which the present value of net inflows of funds resulting from an investment project is equal to the present value of the outflows required to realize the investment.

Liquid

A market is said to be liquid when both buyers and sellers can, under normal market conditions, readily find other investors buying or selling the same securities. A security is said to be liquid when it can be found easily on the market, and trades in quantities permitting sizable transactions but without significant impact on its market price.

Market capitalization

Valuation of a business or a group of businesses, based on the value of listed stocks and obtained by multiplying the number of common shares outstanding by their market price.

Mutual fund

A mutual fund pools the money of many people and invests it in stocks, bonds or other securities to pursue a specific financial objective. The fund is managed by professional money managers who select the particular securities that they believe will help the fund achieve the shareholders' "mutual" goal.

Option

A contract giving its holder the right, although not the obligation, to buy (call option), or sell (put option) a commodity or a financial asset, at a set price within a predetermined period of time.

Passive management

Management style that calls for building a portfolio that reproduces the weighting of the chosen benchmark. The goal is to obtain a return similar to that of the market or index.

Private company

Any company whose shares are not listed on a stock exchange and are usually held by a limited number of shareholders. Transfer of ownership of such shares is usually subject to restrictions.

Private investment

An investment made in a private or public company following discussions and negotiations. At the Caisse, equity as well as mortgage and real estate investments are included in that definition.

Private placement

Investment in securities offered directly by an issuer to a limited number of investors without going through the stock market.

Public company

Any private-sector company whose shares are listed on a stock exchange. Securities may trade on the floor or over-the-counter.

Real estate

Buildings and land held in a real estate portfolio.

Realized investment

An investment in a company which has been partially or entirely paid by the investor at the time financial reporting is prepared.

Sectorial management

Management style based on the selection of securities within a single industry, with no geographic restrictions. Selection is made according to international trends in the given sector and macroeconomic factors.

Securitization

Operation by which certain assets (mortgages, for example) are sold to a company that finances their acquisition by issuing marketable securities.

Segregated fund

Investment fund sold by insurance companies. As opposed to mutual funds, segregated funds usually include a partial or total guarantee covering the invested capital over a long period, commonly 10 years. The guarantee may range from a minimum of 75% of the purchase price to more than 100% in certain funds.

Standard deviation

A measure of the spread between a given return on a specific date and the average return.

Structural management

Management style based on the balance between different asset classes, such as fixed-income and variable-income securities, within a portfolio.

Time value

Difference between the market value of an option, for example, and its intrinsic value, that is the difference between the market value of the underlying asset and the exercise price of a call option.

Total assets under management

Includes depositors' assets and assets administered and under management on clients' behalf.

Value at risk

The negative effect, the risk of change to market prices and rates can have on the value of a portfolio during a given period.

Venture capital

Capital invested in new companies that often show strong potential for innovation but whose owner-operators, partners or shareholders lack the necessary resources to finance long-term projects. Also applies to investments in private companies by investors who do not take part in the day-to-day management of operations.

Volatility

A market or a security is said to be volatile when it is subject to or undergoes rapid price changes. The beta coefficient is used to calculate the volatility of a security relative to the market as a whole.

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