



3i Financial Investment Services Inc.
"Performance Drives Performance"

MARKET UPDATE NEWSLETTER

2nd Quarter - June 30, 2008

Consumer Corner

Prime rate at most financial institutions is at **4.75%**

The current Bank of Canada prime rate is **3.00%**

The following are some of the most competitive interest rates for deposit savings and chequing accounts:

Deposit Savings

- 1) Peoples Trust : **4.00%**
- 2) Citibank : **3.75%**
- 3) ICICI Bank : **3.40%**

Chequing

- 1) State Bank of India : **3.40%**
- 2) Manulife Bank : **3.00%**
- 3) Dundee Wealth Bank : **2.00%**

Mortgage Rates (lowest rate)

- | | |
|--------|--------------|
| 1 Year | 4.70% |
| 2 Year | 5.15% |
| 3 Year | 5.15% |
| 4 Year | 5.10% |
| 5 Year | 5.20% |

* As of June 30, 2008

For further information and advice, please contact your licensed professional financial advisor:

3i Financial Group Inc.

Tel: (905) 326-5408

Fax: (905) 326-5405

email: info@3ifinancial.com



MARTIN TAM, CEO

ANNOUNCEMENT

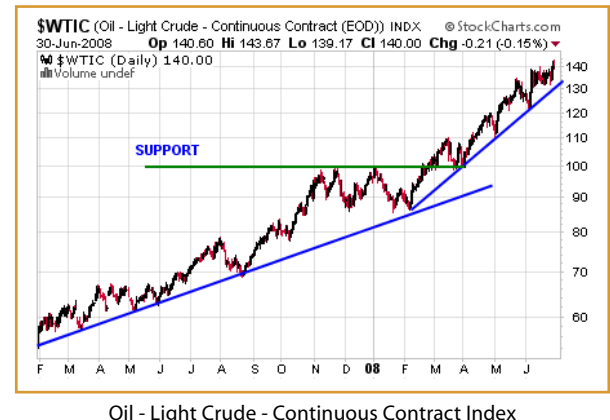
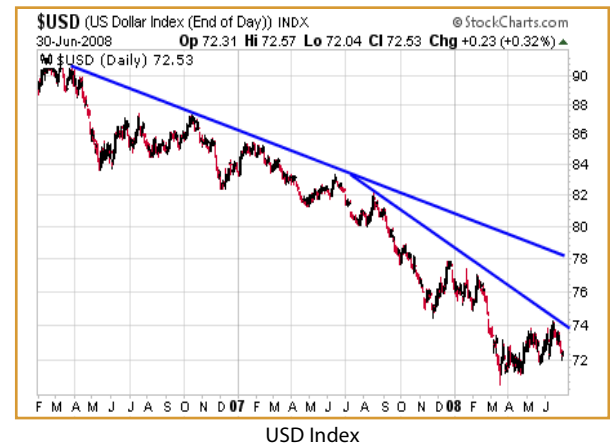
We are pleased to announce that 3i Financial Investment Services Inc. is a member of the Mutual Fund Dealers Association (MFDA) licensed to distribute mutual funds. This is a milestone as it allows us to provide our advisors and their clients with a streamlined product offering, and an enhanced level of services and marketing support. As a community-based organization providing a comprehensive financial service solution, this announcement further establishes 3i as your financial brokering provider of choice.

\$140 Oil Who's to Blame?

Who should we blame? China? India? Emerging Markets? Tight supply and demand? And lately, speculators? How about the irresponsible creation of easy liquidity by the world's central bankers and a weaker U.S. Dollar. Governments around the world are blaming speculators for driving up all soft commodities and energy prices simply because these speculators were pouring large amount of money into these areas of investment. The high energy and commodity prices are starting to hurt the economy, causing riots and undesirable behavior of hoarding by the general population. The questions we need to ask are: where is this money coming from? Why is there so much money out there? Who ultimately has the power to create and flush the population with all this excess liquidity? Once this enormous amount of money is created it is hard for it to be destroyed. Sooner or later, this monster liquidity will make its way to areas where it believes it can generate a good return for its owner. The money or liquidity is never gone until its returned back and destroyed by the central banks, it merely changes hands from one owner to another and ultimately works its way to the capital markets in the hopes of generating a good return.

Reiteration of Themes for 2008

1. Precious metals like gold, silver and platinum
2. Foreign currencies like the Euro, Australian Dollar, Chinese Yuan, and the Canadian Dollar. Avoid the U.S. Dollar and/or diversify out of it
3. Energy - crude oil, natural gas, petroleum, bio-diesel, and ethanol
4. Emerging markets like Brazil, India, China, and Russia



Interest Rate Outlook

A new Bank of Canada governor comes with a new mindset. The Bank of Canada has taken a particularly strong stance on its monetary policy because of the sudden spike in the risk of inflation. As we mentioned before, inflation is now a worldwide problem and even Canada with its abundance of energy and natural resources is not immune to such global risk. The Bank of Canada has halted their interest rate reduction campaign and is now showing a bias to tighten rates going forward. There is a good possibility that the Bank of Canada might be increasing interest rates in the near term as it tries to combat inflation. Ever since the surprise announcement by the Bank of Canada on holding the line on interest rates, the fixed mortgage rates have been on the rise. We strongly advise anyone who is holding a VARIABLE mortgage, or renewing their mortgage in the next 60 days to lock in his or her rate.

U.S. Recession – Getting Worse

We mentioned to our readers that the United States is in a recession. The concern now is that the recession in the U.S. is getting worse with no end in sight. Current housing data has deteriorated to the worst levels in as many years as far as housing data has been collected. The U.S. consumer confidence level is at the lowest level in 16 years and the economic data contributes to deteriorate.

The U.S. consumer is in a very tight situation now that they have to deal with a soaring cost of living (food, heating cost, electricity, etc), soaring transportation cost (oil, gasoline, and diesel), and a high personal debt level. For these reasons, among others, we still continue to advise our readers not to have any broad exposure to the U.S. Equity markets, especially the U.S. financial institutions.



PRODUCT SHOWCASE

Sentry Select Canadian Income Fund

As of May 31, 2008

CANADIAN SERIES



SANDY MCINTYRE
Senior Vice-President and
Senior Portfolio Manager



MICHAEL SIMPSON, CFA
Vice-President and
Senior Portfolio Manager

Investment Objective

To provide consistent monthly income and capital appreciation by investing primarily in a diversified portfolio of Canadian securities including income trusts, real estate investment trusts (REITs), fixed-income investments and equities.

Fund Details

FUND CODE (SERIES A/SERIES F)	NCE717/NCE617
INCEPTION DATE	Feb. 11, 2002
AUM (MILLION)	\$504.2
NAV (SERIES A)	\$16.30

RISK PROFILE²



Performance

AVERAGE ANNUAL COMPOUND RETURNS¹ (SERIES A)

3 MONTH	6 MONTH	1 YEAR	3 YEAR	5 YEAR	SINCE INCEPT.
7.3%	8.2%	3.7%	11.5%	19.0%	16.1%

ANNUAL RETURNS (SERIES A)

2007	2006	2005	2004	2003	2002
8.1%	4.6%	22.6%	31.0%	34.4%	-1.2%

INVESTMENT STYLE

		Value	Blend	Growth
MARKET CAP	Large			
	Mid			
	Small			

DISTRIBUTION HISTORY

CURRENT MONTHLY DISTRIBUTIONS OF \$0.0833 PER UNIT				
2007	2006	2005	2004	2003
\$1.11	\$0.93	\$0.92	\$0.99	\$0.81

1. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns (except for figures of one year or less, which are simple total returns) including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

2. Risk Profile is Sentry Select's assessment of the degree to which we believe the value of the Fund may fluctuate relative to other Sentry Select funds. We determine this risk profile level through our analysis of the historical risk profile of the Fund, plus certain additional factors, including but not limited to, Sentry Select's understanding of the Fund's investment style, asset class and any recent changes to the Fund's portfolio management team.

3. Percentages will fluctuate over the life of the Fund as the market value of each issuer changes. The manager may change the percentage range in some or all of the sectors if such change is in the best interests of the unitholders.