



A personal message from Don Reed, President and CEO, Franklin Templeton Investments

The year 2001 was both extraordinary – and extraordinarily difficult – for investors. The challenges stretched well beyond the boundaries of traditional market forces, to a point that nearly escaped comprehension.

And yet, the markets proved resilient. They rebounded. And they're now poised to flourish once more. Just as they always have after periods of crisis.

That's why I firmly believe there are plenty of great reasons to be optimistic about the outlook for 2002. That means there are just as many reasons for you to be investing right now and for you to stay invested for the long term.

Allow me to share just five reasons with you on the following pages. And if you're hungry for more great reasons to stay invested for the long term, we have plenty. Just visit www.franklintempleton.ca. Or call your Investment Advisor for help.

Thank for your continued support and best wishes for a healthy and prosperous 2002.

Sincerely,

Don Reed

Don Reed,
President and CEO,
Franklin Templeton Investments

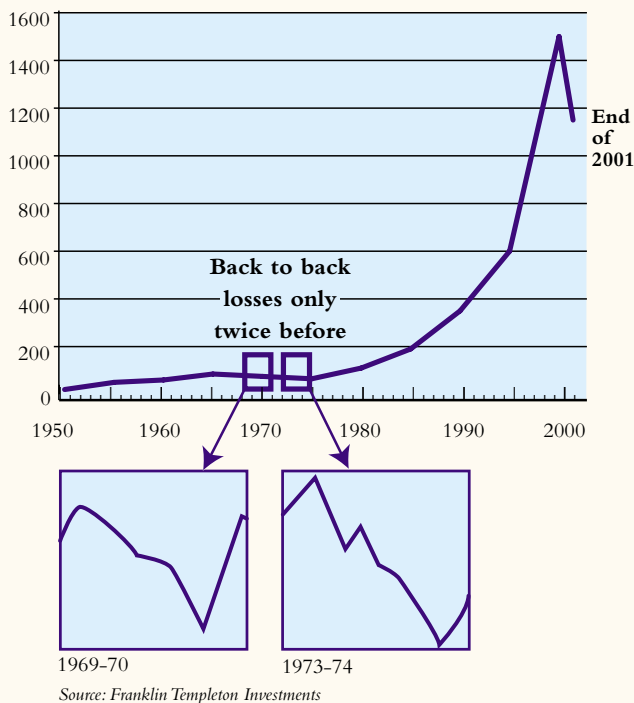


1

HISTORY SAYS A MARKET REBOUND IN 2002 IS A VIRTUAL CERTAINTY.

Since 1950, the market has never had three consecutive years of losses. In fact until 2001, two down years in a row had only happened twice.

S&P 500 - 1950-2001



**BELIEVE IN HISTORY.
STAY INVESTED FOR THE UPTURN IN 2002.**



2

BULL MARKETS LAST THREE TIMES LONGER THAN BEARS.

In some cases, like in the 1950s and 1990s, a short bear run will set off a lengthy bull run.

DIJA* - Bear And Subsequent Bull Markets

PERIOD	LENGTH OF BEAR	BEAR DECLINE	SUBSEQUENT PERIOD	LENGTH OF BULL	BULL RISE
May 46 - June 49	38 months	-24.0%	June 49 - Dec 61	151 months	354.8%
Dec 61 - June 62	7 months	-27.1%	June 62 - Feb 66	45 months	85.7%
Mar 74 - Dec 74	10 months	-35.2%	Dec 74 - Sept 76	22 months	75.7%
Apr 81 - Aug 82	17 months	-24.1%	Aug 82 - Aug 87	61 months	250.4%
Jul 90 - Oct 90	4 months	-21.1%	Oct 90 - May 00	116 months	362.3%
Average	15.2 months	-26.3%		79 months	225.8%
May 00 - ?	?	?	?	?	?

Source: Franklin Templeton Investments, Bloomberg
* Dow Jones Industrial Average, in US\$



**THE BEAR IS READY TO HIBERNATE.
GET INVESTED NOW FOR A LONGER BULL RUN.**



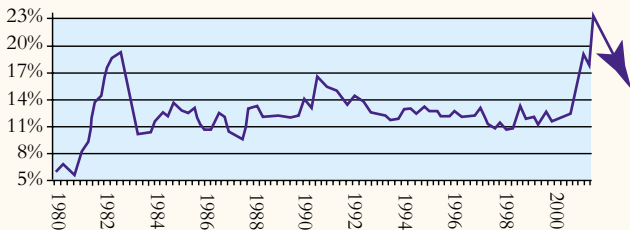


3

CASH HELD IN MONEY MARKET INVESTMENTS IS AT ITS HIGHEST LEVEL SINCE 1981.

Record amounts of cash on the sidelines are primed for equity markets.

Cash as % of Total Market



Source: The Investment Company Institute, Factset, Federal Reserve

EQUITY MARKETS ARE ABOUT TO GET A CASH INJECTION. GET IN AHEAD OF THE CROWD.

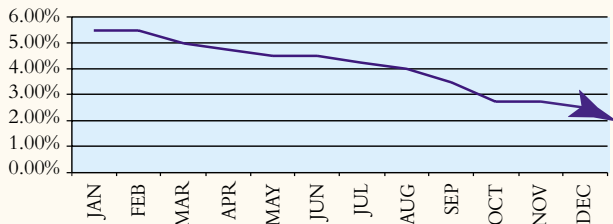


4

AGGRESSIVE INTEREST RATE CUTS ARE KICK-STARTING THE ECONOMY.

Two things happen when rates are this low: Consumers are enticed to spend and corporate investment is stimulated.

Canadian Interest Rates 2001



Source: Franklin Templeton Investments

THE FREE FALL IN INTEREST RATES IS PROVIDING A DOUBLE BOOST TO THE MARKETS.



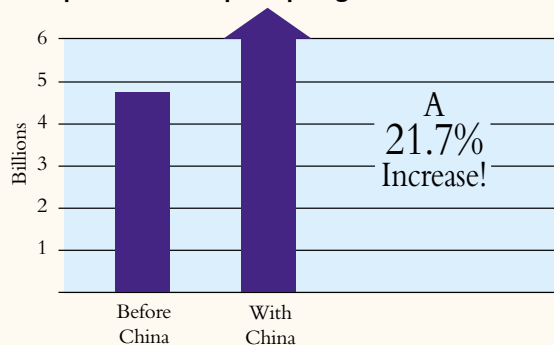
5

1.3 BILLION NEW CONSUMERS JUST JOINED THE GLOBAL MARKETPLACE.

By adding China to the World Trade Organization this year, exports to China from the U.S. alone are expected to top US\$5.4B by 2005.

Source: Institute for International Economics

Population of WTO participating nations



Source: Franklin Templeton Investments

CHINA IS READY TO PLAY THE WORLD TRADE GAME. THE SOUND YOU HEAR IS PRODUCTION GEARING UP TO MEET THAT DEMAND.

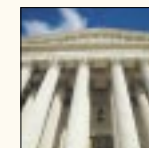
Want more great ideas?

Visit www.franklintempleton.ca.
Or call your Investment Advisor today.



Commissions, trailing commissions, management fees and expenses all may associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

5 GREAT REASONS TO INVEST IN 2002



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