

Economic Investment Trust Limited



**FIRST QUARTER REPORT
MARCH 31, 2010**

Economic Investment Trust Limited

THE PERIOD AT A GLANCE (Unaudited)

	As at March 31 2010 ⁽¹⁾	As at Dec. 31 2009 ⁽¹⁾
Net equity value per Common Share ⁽²⁾	\$ 85.89	\$ 86.24
Net assets.....	\$ 482,291	\$ 484,281
Number of Common Shares outstanding at period end	5,615,535	5,615,535

	Three months ended March 31	
	2010 ⁽¹⁾	2009 ⁽¹⁾
Net investment income per Common Share ⁽²⁾	\$ 0.18	\$ 0.22
Dividends per Common Share	\$ 0.15	\$ 0.15
Decrease in net assets from operations per Common Share	\$ (0.22)	\$ (6.13)
Investment income	\$ 1,679	\$ 1,934
Net investment income	\$ 986	\$ 1,239

⁽¹⁾ In thousands of Canadian dollars, except number of Common Shares outstanding and per share amounts.

⁽²⁾ See Management's Discussion and Analysis for Use of Non-GAAP Measures.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The Company's external auditors, PricewaterhouseCoopers LLP, have not performed a review of these interim financial statements of Economic Investment Trust Limited.

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of the unaudited operating results and financial condition of Economic Investment Trust Limited ("Economic" or the "Company") for the first quarter of 2010 should be read in conjunction with the MD&A for the year ended December 31, 2009, the Company's annual audited financial statements, the notes relating thereto, the supplementary financial information included in the Company's Annual Report, the quarterly unaudited financial statements and notes contained in this report, as well as the Company's MD&A and unaudited interim financial statements for the first three quarters of 2009. The unaudited financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). They do not include all of the disclosures required under GAAP for annual financial statements. The reporting currency for the Company is the Canadian dollar, and all amounts in the following discussion are in Canadian dollars.

This MD&A may contain certain forward-looking statements that are subject to risks and uncertainties that may cause the results or events mentioned in this discussion to differ materially from actual results or events. No assurance can be given that results, performance or achievement expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

Overview

Economic is a closed-end investment corporation, the shares of which trade on the Toronto Stock Exchange (EVT). Economic is an investment vehicle for long-term growth through investments in common equities, as management believes that over long periods of time, common equities, as an asset class, will outperform fixed income instruments or balanced funds. From time to time, however, assets of the Company may be invested in interest bearing short-term securities pending the selection of suitable equity investments. The Company's portfolio is comprised of both long-term investments and global investments externally managed by Sanford C. Bernstein & Co., LLC ("Bernstein").

The long-term investments consist primarily of shares in E-L Financial Corporation Limited ("E-L Financial") and, to a lesser extent, Algoma Central Corporation ("Algoma") and The Bank of Nova Scotia. E-L Financial, Algoma and the Company can be significantly influenced by the same party. In management's view, these investments are consistent with the Company's investment strategy and contribute to achieving the investment objective. Further related party information is provided in Note 8 to the financial statements in the 2009 Annual Report and in the statement of investments.

Bernstein, a wholly-owned subsidiary of Alliance Bernstein L.P., is a global investment manager that commenced operations in 1967. Bernstein has managed the Company's global investments portfolio since July 2000. As part of its mandate, Bernstein may hedge the foreign currency exposure of any non-Canadian investment that it manages.

During the quarter, the Company purchased in the market 37,300 E-L Financial common shares for approximately \$16,414,000. The purchase was financed by liquidating a portion of the Bernstein managed portfolio. Economic may make purchases in long-term investments from time to time if, in its judgment, the shares represent a good investment in view of their price.

At the quarter end, approximately 55.9% (December 31, 2009 – 52.5%) of the investment portfolio was held in long-term investments and 44.1% (December 31, 2009 – 47.5%) was managed by Bernstein. Over time these percentages will vary based on the market value of the two portfolios and as a result of any additional purchases of long-term investments.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Investment Strategy

The objective of the Company is to earn an above-average rate of return primarily through long-term capital appreciation and dividend income. The equity investments in the portfolio currently reflect investment opportunities all over the world.

The investment portfolio of the Company is comprised of a mix of high-yielding and low-yielding foreign and Canadian investments. Net investment income, net realized gain (loss) on investments, net change in unrealized appreciation of investments and net equity value per Common Share may vary significantly from period to period depending on the selection of the global equities which move with the constantly changing economic environment and market conditions.

As the Company's investment objective is focused on long-term capital appreciation and dividend income, short-term volatility is expected and tolerated. Management remains confident that the Company's investment strategy will reward shareholders over the long term.

Use of Non-GAAP Measures

This MD&A contains references to "net equity value per Common Share" and "net investment income per Common Share". These terms do not have any standardized meaning according to Canadian GAAP and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide information useful to our shareholders in evaluating the Company's financial results.

Investors and management use net equity value per Common Share to determine the Company's value on a per Common Share basis. Net equity value per Common Share is also used by investors and management as a comparison to the market price of its Common Shares to determine the particular discount or premium that the Company's Common Shares are trading at relative to the net equity value per Common Share.

Net investment income per Common Share is used by both investors and management to assess the sustainability and funding of dividends on Common Shares.

Net equity value per Common Share is calculated as follows (in thousands of Canadian dollars, except number of Common Shares and per Common Share amounts):

	March 31 2010	Dec. 31 2009
Net assets	<u>\$ 482,291</u>	<u>\$ 484,281</u>
Common Shares outstanding.....	<u>5,615,535</u>	<u>5,615,535</u>
Net equity value per Common Share	<u>\$ 85.89</u>	<u>\$ 86.24</u>

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Net investment income per Common Share is calculated as follows (in thousands of Canadian dollars, except number of Common Shares and per Common Share amounts):

	Three months ended	
	March 31	
	2010	2009
Decrease in net assets from operations.....	\$ (1,225)	\$ (34,396)
Add: Net loss on investments	2,211	35,635
Net investment income.....	986	1,239
Deduct: Dividends paid on Preferred Shares Series A ¹	—	5
Net investment income, net of dividends paid on Preferred Shares Series A.....	\$ 986	\$ 1,234
Common Shares outstanding.....	5,615,535	5,615,535
Net investment income per Common Share	\$ 0.18	\$ 0.22

¹ On November 30, 2009, the Company redeemed all of the outstanding Preferred Shares Series A.

Market Review

Global stock markets posted generally modest returns during the quarter. In Canadian dollar terms, in the first quarter of 2010, the S&P/TSX Composite Index increased 3.1%, the MSCI World Index 0.3% and the S&P 500 Index 2.3%. All benchmark returns are on a total return (capital gains plus dividends) basis.

For the quarter ended March 31, 2010, the Company's net equity value per Common Share decreased to \$85.89 from \$86.24 at December 31, 2009 primarily because of a net decline in the Bernstein managed portfolio. With dividends reinvested at month-end net equity values, the Company's net equity value return was negative 0.2% in 2010, compared to a negative return of 8.3% in 2009.

As the Company is a taxable Canadian corporation, these returns are net of a provision for income taxes on investment income and realized gains on investments, and net of a future income tax provision on the unrealized appreciation of investments.

Operating Results

Net investment income

The Company's net investment income in the first quarter of 2010 was \$986,000 compared to 2009 first quarter net investment income of \$1,239,000. On a per Common Share basis, net investment income for the quarter was \$0.18 in 2010 compared to \$0.22 in 2009, a decrease of 18.2%. The decrease was primarily because of lower-yielding foreign securities in the Bernstein portfolio and because of increased investment management and administrative costs arising from an average market value increase in the Bernstein portfolio.

Foreign dividend income in the first quarter decreased to \$934,000 in 2010 from \$1,148,000 in 2009. Canadian dividend income in the first quarter decreased to \$742,000 in 2010 from \$783,000 in 2009. The overall decline in dividend income occurred in the Bernstein managed portfolio as a result of lower-yielding securities held in the current quarter relative to the prior year's quarter. Canadian dividends earned on long-term investments were unchanged compared to the prior year.

Expenses in the quarter amounted to \$447,000 (2009 - \$345,000). The increase in expenses from the prior period was due primarily to an increase in investment management and administrative costs because the average market value of the Bernstein portfolio increased period over period.

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Net loss on investments

The Company realized a net loss on the sale of investments of \$217,000 in the first quarter of 2010 compared to a net loss of \$35,114,000 in the first quarter of 2009. Included in the net realized loss for the quarter was a realized gain of \$1,559,000 from forward foreign currency contracts. This gain in part offset realized losses of \$1,776,000 on the sale of equity investments during the quarter. The largest contributor to net realized equity losses during the quarter was the sale of Lukoil ADR.

The Company's net change in unrealized appreciation of investments decreased by \$1,808,000 during the quarter compared to a decline of \$415,000 in the same period last year. The Bernstein managed portfolio contributed \$1,220,000 to the current period decrease and the balance of the decline was attributable to the Company's long-term investments.

Quarterly Results

The following table summarizes various financial results on a quarterly basis for the most recent quarters (in thousands of dollars, except per share amounts):

	March 31 2010	Dec. 31 2009	Sept. 30 2009	June 30 2009	March 31 2009	Dec. 31 2008	Sept. 30 2008	June 30 2008
Investment income	\$ 1,679	\$ 1,815	\$ 1,768	\$ 4,096	\$ 1,934	\$ 2,932	\$ 2,489	\$ 5,876
Increase (decrease) in net assets from operations	\$ (1,225)	\$ 3,489	\$ 67,182	\$ 38,347	\$ (34,396)	\$ (96,397)	\$ (78,712)	\$ (2,335)
Increase (decrease) in net assets from operations per Common Share ¹	\$ (0.22)	\$ 0.63	\$ 11.96	\$ 6.83	\$ (6.13)	\$ (17.16)	\$ (14.02)	\$ (0.42)
Net equity value per Common Share	\$ 85.89	\$ 86.24	\$ 85.75	\$ 73.93	\$ 67.24	\$ 73.50	\$ 90.80	\$ 104.96

¹ Net of dividends on Preferred Shares Series A

Investment income is derived primarily from dividend income that is earned by the Company. While North American investments usually pay regular quarterly dividends, investments outside of North America often pay less frequently. In general, dividends earned on investments outside of North America peak in the second quarter of the year. Given the recent overall decline in global stock markets, there is no guarantee that the Company will receive dividend income on its investments at recent dividend payout levels. During the past five quarters, the Company has experienced a year-over-year decline in foreign dividend income.

The returns of the portfolio may not necessarily correlate with benchmark returns and may fluctuate significantly as illustrated by the quarterly returns in the last two quarters of 2008 and first three quarters of 2009.

Share Data

At March 31, 2010, there are 5,615,535 Common Shares issued and outstanding and each share is entitled to one vote.

Liquidity and Capital Resources

Quarterly dividends were paid on the Common Shares. The quarterly per share dividend was \$0.15 on the Common Shares. The payment of the Company's quarterly dividends is funded by net investment income. For the quarter ended March 31, 2010, net investment income was \$0.18 per Common Share.

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Future Accounting Changes

Transition to International Financial Reporting Standards ("IFRS")

IFRS will replace Canadian GAAP for publicly accountable enterprises for fiscal years beginning on or after January 1, 2011. The Company will begin to report its financial results, including comparative information, in accordance with IFRS in the first quarter of 2011.

Senior management from the Company oversees the transition and provides quarterly reports to the Company's Audit Committee. Senior management continues to develop financial reporting expertise in IFRS.

Additional changes to IFRS accounting standards are expected to be issued during the remainder of 2010 and 2011, and as a result, there is some uncertainty regarding the expected accounting standards that will be in place in 2011. The following disclosures reflect the Company's current expectations based on the information that is available as of this report's date. As a result of changing circumstances during our transition, the Company may change accounting policy choices or elections initially selected.

The Company's project plan includes four phases: analysis, design and planning, solution development and implementation. The current standards that are expected to be relevant to the Company's recognition, measurement, presentation and disclosure of its financial statements have been identified. Preliminary accounting policy choices have been made based on the expected accounting requirements in 2011. Model financial statements have been prepared and related disclosures will be finalized in 2010. To date, no system changes have been identified by the Company. Management anticipates modest changes to internal controls over financial reporting, and disclosure controls and procedures. These changes to the controls and procedures will be finalized in 2010.

At this point in the project, the Company anticipates that on transition to IFRS there will be no impact to the calculation of net assets or net equity value per Common Share. The transition to IFRS is expected to affect overall presentation of the financial statements, including the addition of a statement of cash flows, and certain other items which may result in additional disclosures in the accompanying notes to the financial statements.

Additional Information

Additional information relating to Economic, including the Company's Annual Information Form, is available at www.sedar.com.

Economic's website, www.evt.ca, also provides further information on the Company, including historical information on the net equity value per Common Share which is updated weekly.

Duncan N.R. Jackman
Chairman and President

May 4, 2010

Economic Investment Trust Limited

STATEMENT OF NET ASSETS (Unaudited)

	<u>March 31</u> <u>2010</u>	<u>December 31</u> <u>2009</u>
	(000's)	
Assets		
Investments, at fair value (cost - \$258,030; December 31, 2009 - \$257,234) (Note 2).....	\$ 491,856	\$ 493,184
Cash	3,792	6,963
Short-term investments	585	—
Receivable in respect of investments sold	1,289	1,169
Accrued income on investments.....	405	375
Income taxes receivable.....	9,153	8,817
Other assets	206	208
	<u>507,286</u>	<u>510,716</u>
Liabilities		
Accounts payable and accrued liabilities.....	218	234
Payable in respect of investments purchased.....	—	1,118
Future income taxes	24,777	25,083
	<u>24,995</u>	<u>26,435</u>
Net assets.....	<u>\$ 482,291</u>	<u>\$ 484,281</u>
Shareholders' Equity		
Capital stock.....	\$ 204,691	\$ 204,691
Contributed surplus	1,474	1,474
Unrealized appreciation of investments.....	209,183	210,991
Retained earnings	66,943	67,125
Total shareholders' equity.....	<u>\$ 482,291</u>	<u>\$ 484,281</u>

(See accompanying notes)

Economic Investment Trust Limited

STATEMENT OF OPERATIONS (Unaudited)

	Three months ended March 31	
	2010	2009
	(000's)	
INVESTMENT INCOME		
Dividends:		
Foreign	\$ 934	\$ 1,148
Canadian	742	783
	<u>1,676</u>	<u>1,931</u>
Interest, including securities lending income	3	3
	<u>1,679</u>	<u>1,934</u>
Expenses:		
Investment management and administrative costs	255	184
Directors' remuneration	27	25
Office and miscellaneous	74	74
Transfer, registrar and custody fees	81	52
Professional fees	10	10
	<u>447</u>	<u>345</u>
Investment income before income taxes	1,232	1,589
Provision for income taxes	246	350
NET INVESTMENT INCOME	<u>986</u>	<u>1,239</u>
NET REALIZED AND UNREALIZED LOSS ON INVESTMENTS		
Net realized loss on investments	(217)	(35,114)
Net change in unrealized appreciation of investments	(1,808)	(415)
Transaction costs on purchase and sale of investments	(186)	(106)
NET LOSS ON INVESTMENTS	<u>(2,211)</u>	<u>(35,635)</u>
DECREASE IN NET ASSETS FROM OPERATIONS	<u>\$ (1,225)</u>	<u>\$ (34,396)</u>
DECREASE IN NET ASSETS FROM OPERATIONS PER COMMON SHARE	<u>\$ (0.22)</u>	<u>\$ (6.13)</u>

STATEMENT OF RETAINED EARNINGS (Unaudited)

	Three months ended March 31	
	2010	2009
	(000's)	
BEGINNING OF PERIOD	\$ 67,125	\$ 124,951
Add:		
Net investment income	986	1,239
Refundable dividend taxes recovered	280	282
	<u>1,266</u>	<u>1,521</u>
Deduct:		
Dividends	842	847
Net realized loss on investments	217	35,114
Transaction costs on purchase and sale of investments	186	106
Provision for refundable dividend taxes	203	218
	<u>1,448</u>	<u>36,285</u>
END OF PERIOD	<u>\$ 66,943</u>	<u>\$ 90,187</u>

(See accompanying notes)

Economic Investment Trust Limited

STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

	Three months ended March 31	
	2010	2009
		(000's)
DECREASE IN NET ASSETS FROM OPERATIONS	\$ (1,225)	\$ (34,396)
DIVIDENDS TO SHAREHOLDERS		
Preferred Shares Series A.....	—	(5)
Common Shares	(842)	(842)
	(842)	(847)
CAPITAL SHARE TRANSACTIONS		
Purchase of Preferred Shares Series A for cancellation	—	(25)
TAXATION CHANGES		
Net decrease in refundable dividend taxes on hand	77	64
DECREASE IN NET ASSETS	(1,990)	(35,204)
NET ASSETS, BEGINNING OF PERIOD	484,281	413,157
NET ASSETS, END OF PERIOD	\$ 482,291	\$ 377,953

STATEMENT OF NET REALIZED LOSS ON INVESTMENTS (Unaudited)

	Three months ended March 31	
	2010	2009
		(000's)
Proceeds on sales of investments.....	\$ 74,144	\$ 33,494
Cost of investments, beginning of period	257,234	311,414
Cost of investments purchased during the period	75,157	37,362
	332,391	348,776
Cost of investments, end of period	258,030	272,533
Cost of investments sold during the period	74,361	76,243
Realized loss on investments sold before income taxes	(217)	(42,749)
Recovery of income taxes	—	(7,635)
Net realized loss on investments.....	\$ (217)	\$ (35,114)

(See accompanying notes)

Economic Investment Trust Limited

STATEMENT OF INVESTMENTS AS AT MARCH 31, 2010 (Unaudited)

Number of shares		Cost	Fair value	% of Fair value
		(000's)		
North America				
Canada				
212,638	Algoma Central Corporation ²	\$ 2,974	\$ 16,267	
381,006	E-L Financial Corporation Limited ²	23,880	169,738	
33,101	Ecando Investments Limited			
	Classes A, B and common ^{2, 3}	4,139	36,898	
176,414	The Fulcrum Investment Company			
	Limited ^{2, 3}	464	9,597	
151,094	Nexen Inc.	3,682	3,792	
216,900	NVG Holdings Limited			
	Classes B, C, D, E and common ^{1, 2, 3}	2,115	32,802	
4,837	TGV Holdings Limited Class B ^{1, 2, 3, 4}	318	9,450	
		<u>37,572</u>	<u>278,544</u>	56.6
United States				
168,600	Altria Group, Inc.	3,469	3,510	
111,900	Archer Daniels Midland Company	3,630	3,282	
73,200	BB&T Corporation	2,319	2,407	
58,000	Bunge Limited	3,457	3,633	
116,700	CBS Corporation, Class B	2,880	1,653	
66,200	Comcast Corporation, Class A	1,181	1,265	
68,800	ConocoPhillips	3,865	3,575	
48,400	Devon Energy Corporation	3,530	3,168	
299,499	Esprit Holdings Limited	2,140	2,401	
138,000	Ford Motor Company	1,194	1,762	
40,100	Fortune Brands, Inc.	1,849	1,976	
43,200	Freeport-McMoRan Copper & Gold Inc.	3,426	3,664	
50,300	GAP, Inc. (The)	1,144	1,181	
30,400	Goldman Sachs Group, Inc. (The)	5,306	5,264	
46,600	Lowe's Companies, Inc.	1,082	1,147	
72,000	Macy's, Inc.	3,254	1,593	
75,500	Merck & Co. Inc.	2,650	2,862	
524,100	Motorola, Inc.	3,854	3,737	
185,000	News Corporation, Class A	2,097	2,706	
73,500	News Corporation, Class B	679	1,268	
237,600	Pfizer Inc.	5,679	4,138	
694,900	Sprint Nextel Corporation	7,905	2,682	
82,922	Time Warner Cable Inc.	3,568	4,490	
75,933	Time Warner Inc.	2,751	2,412	
50,700	Travelers Companies, Inc. (The)	2,506	2,777	
152,900	Wells Fargo & Company	4,551	4,828	
		<u>79,966</u>	<u>73,381</u>	14.9
	Total North America	<u>117,538</u>	<u>351,925</u>	71.5

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Economic Investment Trust Limited

STATEMENT OF INVESTMENTS AS AT MARCH 31, 2010 (continued) (Unaudited)

Number of shares		Cost	Fair value	% of Fair value
		(000's)		
	Latin America			
68,100	Banco do Brasil S.A.	\$ 1,204	\$ 1,155	0.2
	Europe, excluding United Kingdom			
46,450	Allianz SE	9,001	5,939	
264,073	Banco Santander SA	4,145	3,567	
48,100	Bayer AG	3,231	3,308	
57,700	Bayerische Motoren Werke AG	3,126	2,714	
67,500	Bouygues SA	3,563	3,450	
30,775	Carlsberg AS-B	2,467	2,618	
57,400	Compagnie de Saint-Gobain	3,271	2,807	
104,600	Danske Bank A/S	2,739	2,615	
30,700	Deutsche Bank AG	2,564	2,411	
121,800	E.ON AG	4,732	4,566	
38,800	Electricite de France	2,375	2,153	
90,900	France Telecom SA	2,508	2,212	
97,700	Ingersoll-Rand plc	2,877	3,458	
26,500	Kleppierre	1,157	1,058	
291,000	Nokia Oyj	4,755	4,605	
89,800	OJSC Gazprom ADR	2,332	2,183	
31,700	Randstad Holding N.V.	956	1,532	
41,330	Sanofi-Aventis SA	3,135	3,133	
1,591,800	Telecom Italia S.p.A.	2,604	2,327	
698,600	Telecom Italia S.p.A. (New) di Risparmio	866	797	
40,200	Transocean Ltd.	3,484	3,527	
134,400	Tyco Electronics Ltd.	2,936	3,752	
1,303,600	Unicredit Spa	4,107	3,895	
71,060	Vivendi	2,118	1,934	
		<u>75,049</u>	<u>70,561</u>	14.4
	United Kingdom			
44,300	AstraZeneca plc	2,096	2,006	
76,146	Aviva plc	858	452	
395,700	BAE Systems plc	2,444	2,265	
623,600	Barclays plc	2,680	3,465	
438,200	Marks & Spencer Group plc	2,766	2,500	
1,268,900	Old Mutual plc	2,188	2,389	
61,300	Rio Tinto plc	3,399	3,692	
206,200	Royal Dutch Shell plc	7,600	6,064	
2,599,250	Vodafone Group Plc	6,889	6,093	
95,300	Wolseley plc	1,951	2,337	
197,470	Xstrata plc	3,740	3,802	
		<u>36,611</u>	<u>35,065</u>	7.1

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Economic Investment Trust Limited

STATEMENT OF INVESTMENTS AS AT MARCH 31, 2010 (continued) (Unaudited)

Number of shares		Cost	Fair value	% of Fair value
		(000's)		
Asia				
1,610,920	AU Optronics Corp.....	\$ 1,420	\$ 1,858	
99,246	Compal Electronics Inc. GDR.....	655	659	
13,100	Hana Financial Group Inc.	392	412	
152,900	Hynix Semiconductor Inc.	2,698	3,666	
417	Japan Tobacco Inc.	1,602	1,575	
65,700	KB Financial Group, Inc.	2,864	3,215	
134,300	Mitsubishi Corporation	3,267	3,575	
145,000	Mitsui Fudosan Co., Ltd.	2,510	2,500	
331,200	Nissan Motor Co., Ltd.	3,353	2,880	
26,490	ORIX Corporation	1,826	2,381	
4,720	Samsung Electronics Co., Ltd.	3,020	3,463	
129,900	Tata Steel Limited W.....	1,681	1,858	
575,800	Turkiye Garanti Bankasi A.S.	2,340	2,715	
		<u>27,628</u>	<u>30,757</u>	6.3
	Total equities	258,030	489,463	99.5
	Forward foreign currency contracts, net Schedule 1	—	2,393	0.5
	Total investments	<u>\$ 258,030</u>	<u>\$ 491,856</u>	<u>100.0</u>

¹ The net assets of NVG Holdings Limited and TGV Holdings Limited are invested primarily in the shares of The Bank of Nova Scotia.

² These companies and Economic can be significantly influenced by the same party.

³ Not listed on a stock exchange.

⁴ Subject to direct significant influence by the Company.

Schedule 1 - Forward foreign currency contracts, net

Forward contracts to sell foreign currencies for Canadian dollars:

Par value	Currency	Number of contracts	Contract rates	Settlement date	Unrealized gain
(in millions)					(000's)
20.1	EUR	3	1.40396 - 1.50425	May 18, 2010	\$ 1,819
9.0	USD	2	1.02581 - 1.06806	May 18, 2010	574
					<u>\$ 2,393</u>

The counterparty currently has an approved credit rating equivalent to A-1+.

Economic Investment Trust Limited

NOTES TO FINANCIAL STATEMENTS

(Unaudited)

Summary of significant accounting policies

1. Basis of presentation

The accompanying unaudited interim financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and follow the same accounting policies and methods as the most recent annual financial statements, and should be read in conjunction with the notes to the Company's audited financial statements for the year ended December 31, 2009. The financial statements do not include all of the disclosures required under GAAP for annual financial statements.

2. Classification of fair value measurements

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted unadjusted prices in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

At March 31, 2010, the Company had \$398,858,000 of Level 1 and \$92,998,000 of Level 2 investments. There were no transfers between Level 1 and Level 2 investments during the quarter. The Company had no Level 3 investments during the quarter.

Economic Investment Trust Limited

CORPORATE INFORMATION

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BANKER The Bank of Nova Scotia

AUDITORS PricewaterhouseCoopers LLP, Toronto

CUSTODIAN RBC Dexia Investor Services Trust

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M5J 2Y1
Toll Free: 1-800-564-6253
Web Contact form: www.computershare.com/service

TORONTO STOCK EXCHANGE LISTING

Common

EVT

NET EQUITY VALUE

The Company's net equity value per Common Share is published weekly on the Globe and Mail's website (www.globefund.com) and on the Company's website.

REPORTING PROCEDURE FOR ACCOUNTING AND AUDITING MATTERS

Please refer to the "Contact Us" section of our website if you have complaints or concerns regarding accounting or auditing matters.

WEBSITE

www.evt.ca

