



# P&C Global Thematic Investors Fund

(Monthly Fact Sheet as at 31st May 2010)

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Website: [www.Global-Thematic.com](http://www.Global-Thematic.com)

## Brief Fund Details

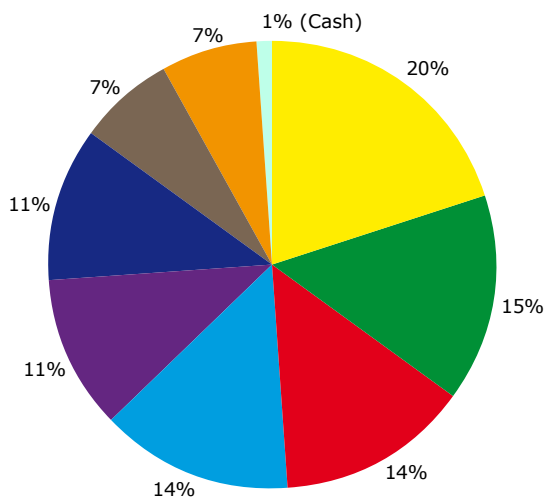
**Fund's objectives:** : to maximise total returns in excess of the returns available from EUR deposit through investment in equities and funds exposed to global investment themes as described in the GTI Newsletter.

**Investment vehicles:** equities (<100%), closed-ended and open-ended funds (<100%).

**Investment restrictions:** cash <25%, any one fund or adviser <20%, any one security <10%, derivatives (only for short-term market hedging) <25%, normally no currency hedging.

- Subscription price as at 31st May 2010:
  - NAV EUR 903.40
  - Estimated USD equivalent (for USD investors): USD 1,108.52
- Minimum investment: EUR 100,000
- Domicile of fund: Cayman Islands
- Investment Manager: GTI Fund Investment Ltd, Cayman Islands
- Investment Adviser: P&C Global Wealth Managers SA, Switzerland
- Advisers: Iain Little and Bruce Albrecht
- Custodian: RBC Dexia Investor Services Bank SA, Luxembourg
- Administrator: RBC Dexia Investor Services Bank SA, Luxembourg
- Auditor: BDO Tortuga, Cayman Islands
- Sales fee: Up to 3% permitted
- Dealings: Monthly (last business day of month)
- Inv Management Fees: 1.50%
- Performance Fees: 12% absolute returns (HWM)

## Asset Allocation of the GTI Fund



Cash	Supply inelasticity	Energy & Alt Energy
Internet Hub/Glob Out	Developing China	Restructuring Japan
Emerging Middle Class	Ageing Population	Water Shortages

## Portfolio Commentary

### Executive Summary

In May the fund's EUR NAV fell by -1.6% to EUR 903.40. The MSCI World Index in EUR fell by -1.9% and the MSCI Emerging Markets Index by -1.6%. For 2010 so far our EUR performance (+11.8%) is ahead of both the MSCI World (+9.2%) and the MSCI Emerging Markets (+9.5%) performances. Since the crisis days of end 2008 the outperformance over the World equity index by the 8 global themes is a little better than 14% (+57.5% v +43.2%) after all costs.

The USD equivalent NAV fell by a much larger -9.3% to USD 1108.52 (the USD continued to strengthen versus the EUR, this month by about 8%).

		May 2010	YTD 2010	31/12/08 to 31/5/10 (17 Mths)
EUR Performance	<b>P&amp;C GTI Fund (EUR)</b>	-1.7%	+11.8%	+57.5%
	MSCI World (EUR)	-1.9%	+9.2%	+43.2%
	MSCI Emerging Markets (EUR)	-1.6%	+9.5%	+85.1%
USD	<b>P&amp;C GTI Fund (USD)</b>	-9.3%	-4.4%	+39.1%
	MSCI World (USD)	-9.5%	-6.6%	+26.5%
	MSCI Emerging Markets (USD)	-9.2%	-6.4%	+63.4%

### Q: Why's He Smiling Now?



### Top 4 Fund Holdings (34%)

1. India	11%
2. Sub Saharan Africa	9%
3. Japan	7%
4. Global Energy	7%

### Asset Allocation 31/05/10

GTI funds	81.8%
GTI equities	17.6%
Cash	0.5%

I'm sure you guessed the answer. The only one wearing a smile is Liam Byrne, outgoing Chief Secretary to The UK Treasury. To use market-savvy terminology, Byrne went "short", but all the others were "long" of jobs besieged by crisis. It was a month of reckoning, when the best thing to be hoped for was to be kicked out of your job, like Byrne. Byrne's exit was inglorious, as not only was he part responsible for creating one of the largest fiscal messes in the UK's history, but he also achieved the status of Bad Taste Villain of the Year by leaving his successor a note that read: "*Dear Chief Secretary, I'm afraid there is no money. Kind regards – and good luck! Liam*".

To all these events –political uncertainty, prospective fiscal austerity, government interference, and a Euro currency crisis- the markets reacted with corresponding ill-grace. This grumpy tone has continued into early June, but in the last few days has staged a turnaround for the better and we think we are up by just over 1% as at the time of writing.

Your fund was more or less in line with both the indices that we track, but it was our first "down" month this year in EUR. Risk was taken off the table almost everywhere. Selling was indiscriminate and reminiscent of 2008.

As we flagged at the end of April, we have increased the "**Emerging Middle Class**" theme via a further 4% investment into the Sub Saharan African consumer. This means that we now have 13% invested in Sub Sahara Africa. We suspect this to be the highest such weighting of any globally diversified fund in the world. We are unabashed bulls of Sub Saharan Africa which, as we say, has been the fastest growing region of the world in recent years. The fund we have invested in is run by a team that focuses **solely** on the African consumer and which only buys companies that have either dominance or monopoly –either will do- in their consumer area. We regret that we can't hold some of the individual names rather than a fund, but custodian RBC Dexia is not yet set up to hold securities in most African countries. Your money is going to be exposed to some exciting companies, including the largest brewer in East Africa, EA Breweries, 51% owned by Diageo (the largest spirits company in the world) and Sonatel (42% owned by France Telecom) and a quasi-monopoly in French speaking West Africa (Iain wrote one of the earliest research reports on Sonatel in 1998 when it did its first listing, somewhat before seeing its stock price rise nearly 10 times). Prices in Sub-Sahara Africa are picking up after a largely unjustified lull and we think our timing will be good in as much it might give some diversification benefits to the portfolio at a time when market commentators are obsessed by global macro and country debt default in the distinctly dodgy West.

#### What We Do

The Fund is a long only fund, investing globally. It's an optimist's fund. We're trying to capture the long term global growth of the 8 GTI themes. GTI is expressly designed for investors who want to benefit from that growth. GTI has absolutely no direct exposure to Sub Prime slime, no first world banks, no derivatives, no structured finance, no gearing. Long term equity investors who buy into our fund at these levels should be well rewarded over time.

**Our Q1 2010 "GTI Letter To Shareholders" has been emailed in the last few days. If you still haven't received it, please ask us for a copy, or go onto the fund's web site ([www.global-thematic.com](http://www.global-thematic.com)) for this and much more besides.**

#### Month End Price in EUR (all prices unaudited and for indication only)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year (%)
2006							1000.00	999.48	985.32	1045.36	1033.72	1052.71	+5.3%
								-0.05%	-1.42%	+6.09%	-1.11%	+1.84%	
2007	1059.72	1044.40	1053.78	1089.56	1123.05	1120.68	1113.00	1072.54	1108.91	1145.54	1075.49	1097.73	+4.3%
	+0.67%	-1.45%	+0.90%	+3.40%	+3.07%	-0.21%	-0.68%	-3.63%	+3.39%	+3.30%	-6.11%	+2.07%	
2008	998.28	1026.40	946.73	1013.30	1020.43	943.75	908.65	918.04	822.48	663.13	628.94	573.44	-47.8%
	-9.06%	+2.82%	-7.76%	+7.03	+0.72%	-7.51%	-3.72%	+1.03%	-10.41%	-19.4%	-5.16%	-8.82%	
2009	609.81	560.22	577.93	639.00	698.10	703.30	737.54	731.76	757.52	743.10	747.43	808.04	+40.9%
	+6.34%	-8.13%	+3.16%	+10.57%	+9.25%	+0.75%	+4.87%	-0.78%	+3.52%	-1.90%	+0.58%	+8.11%	
2010	+808.48	+818.36	886.39	918.91	903.40								+11.8%
	+0.05%	+1.22%	+8.31%	+3.67	-1.69%								