



# P&C Global Thematic Investors Fund

(Monthly Fact Sheet as at 31st May 2011)

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

## Brief Fund Details

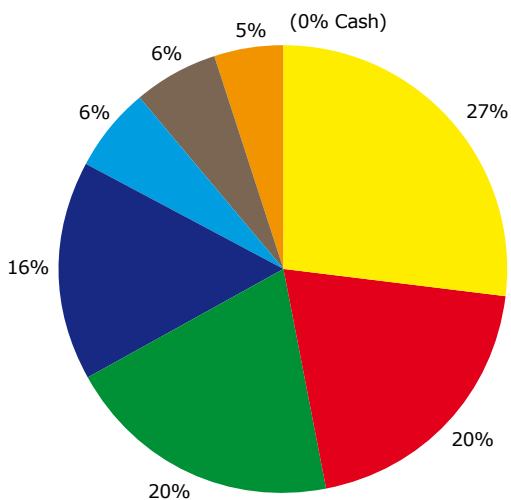
**Fund's objectives:** : to maximise total returns in excess of the returns available from EUR deposit through investment in equities and funds exposed to global investment themes as described in the GTI Newsletter.

**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 2011:
  - NAV EUR 962.87
  - Estimated USD equivalent (for USD investors): USD 1,384.22
- 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	Water Shortages
Emerging Middle Class	Ageing Population	

## Portfolio Commentary

### Executive Summary

In May the fund's EUR NAV rose by +1.4% to EUR 962.87. By comparison the MSCI Emerging Markets Index in EUR rose by +0.1% and the MSCI World Index in EUR by +1.0%. Since "Crisis End" 2008 –just over a 2 year period- outperformance over the World equity index by our global themes is +11.2% (+67.9% v +56.7%) after all costs.

The USD equivalent NAV fell by -1.78% to USD 1384.22 (as the USD strengthened versus the EUR by about 3%).

	May 2011	YTD 2011	31/12/08 to 31/05/11 (29 Mths)
<b>P&amp;C GTI Fund (EUR)</b>	<b>+1.4%</b>	<b>-6.2%</b>	<b>+67.9%</b>
MSCI World (EUR)	+1.0%	-0.8%	+56.7%
MSCI Emerging Markets (EUR)	+0.1%	-5.3%	+99.2%
<b>P&amp;C GTI Fund (USD)</b>	<b>-1.7%</b>	<b>+0.5%</b>	<b>+73.7%</b>
MSCI World (USD)	-2.2%	+6.4%	+62.0%
MSCI Emerging Markets (USD)	-3.0%	+1.4%	+105.9%

### Turning a Corner

It has been a tricky year for your fund, with a triple hit from the Gulf markets, a weak US dollar (to whose zone of influence some 90% of your fund is tied) and a correction in Emerging Middle Class theme consumer stocks (>50% of the fund). The fund has been down in EUR for 4 months in a row; such moves nearly always presage "snap-backs". Last month's out-performance of both the major developed and emerging market indices may be a sign of much better things to come in H2. There are several reasons.

First, we have talked before about the supply response to higher grain prices (wheat, corn and maize have come off the boil recently) and the ability of our dominant Asian and Latin American consumer stocks to preserve margins in the face of them. This headwind is disappearing. If soft commodity pressures do not re-emerge in a major way, this will leave our companies –none of them strangers to increasing prices- with an open goal for profits in 2011. Expect a welcome price response in share prices.

### Top 4 Fund Holdings (26%)

1. Imara African Opps	9%
2. Investec Global Energy	7%
3. EFG MEDA	5%
4. Arisaig Asia Consumer Fund	5%

### Asset Allocation 31/5/11

GTI funds (11 positions)	50%
GTI equities (41 positions)	50%
Cash	0%

## Top 10 Equities (23%)

1. Hsu Fu Chi
2. Wumart
3. Potash Corp
4. Shell
5. Lianhua Supermkts
6. Rio Tinto
7. Gazprom
8. BHP Billiton
9. AmBev
10. Diageo



Second, although the fund doesn't really invest on Wall Street, we keep a careful eye on events there; the island of Manhattan supplies the mood music to the rest of the world. Alexis Xydias of Bloomberg writes "S&P 500 Index companies will earn +18% more this year than in 2010 (more than 9,000 analysts compiled by Bloomberg). Higher profits haven't stopped the gauge from falling -6.8% since April 29, **pushing valuations to the cheapest levels in 26 years.** Even if companies posted no growth, price-earnings ratios would be lower than on 96% of days in the past two decades." We would add that 2011 earnings increases in our GTI world are at least +18% and, longer term, much more sustainable.

Third, the fund has large positions in the Gulf and Arab world, which hurt it badly in Q1 and Q2. This same area is now enjoying a bonanza of Petrodollar inflows based on USD 100 oil.

Fourth, we have absolutely zero idea where the dollar –another headwind for the fund- is now headed but after a 6% down move in its index in 2011 to reflect "softer patch" US economic numbers, we wouldn't bet heavily on a similar move in H2.

In May we added to our positions in *Ageing Population* theme plays Stanley Gibbons (stamps and collectibles) and Noble Investments (rare coins). These stocks are well covered in our last GTI newsletter. If you didn't get a copy of this, please ask.

The fund now only holds 11 funds but 41 stocks, which means that **GTI is NOT a fund of funds anymore.**



### 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 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 and will pay no performance fees until we have attained the High Water Mark some 12% above the current share price.

### 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	899.50	884.43	906.58	929.08	947.07	994.53	1026.89	+27.1%
	+0.05%	+1.22%	+8.31%	+3.67	-1.69%	-0.4%	-1.7%	+2.5%	+2.5%	+1.9%	+5.0%	+3.3%	
2011	985.93	981.23	961.23	949.94	962.87								-6.2%
	-3.9%	-0.5%	-2.04%	-1.18%	+1.4%								