

2011 saw a record number of what Bespoke Investment Group calls “all or nothing days”. For those unfamiliar with the term, an all or nothing day occurs when the net daily advance/decline reading of the S&P 500 is +/- 400 or more. Over seventeen years from 1990 to 2006, the average number of days per year on which S&P stocks traded in the same direction was just over 5. However, in the 5 years from 2007, that average has been just under 50.

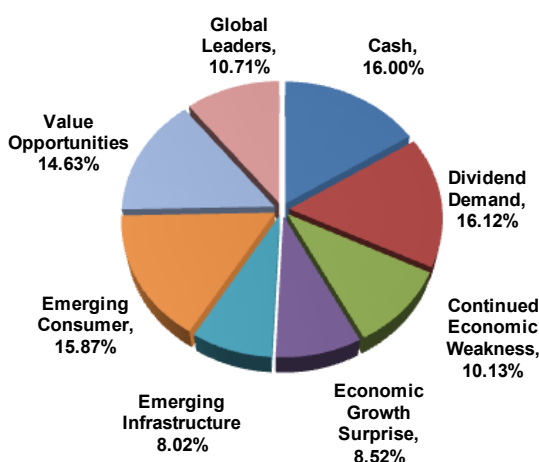
It doesn't seem likely that this trend will lessen in 2012 so we should expect continued volatility in equity markets with rallies and downward spikes throughout this year. I can empathise with the frustrations of investors as the market's mood swings and inability to discern good companies from bad means everything moves in tandem at lightning speed, laying waste to investment plans based on thoughtful asset allocation and fund selection.

That said, it seems likely that the US economy will avoid recession in 2012, muddling through with growth in the region of 2% -- insufficient to reduce the high rate (9%) of unemployment, US corporate earnings should rise again this year, albeit at a slower pace, and inflation should moderate.

To conclude on a positive note, corporate America remains in robust health. Balance sheets are awash with cash which is finding its way back to investors through increased dividends and share buybacks, and earnings are growing. In this scenario, I'm hopeful that funds such as Cullen North American High Dividend (5.8% weight in Global Growth) which rose by 12.4% in 2011 will continue to prosper.

Top 5 Holdings	
1. MFM Slater Growth	8.5%
2. Pictet Water	8.0%
3. Psigma American Fund-I Acc	7.1%
4. Pictet Premium Brands	6.5%
5. FCM European Opp-B Eur Inc	6.3%

Equity Allocation



Fund Information

Price at 23 December 2011		
GBP Fund Price	£89.1635	
USD Fund Price	\$84.0399	
Fund Size	£4mil	
Underlying OEIC Fund Size	£20 mil	
Sedol	GBP	B16TBT3
	USD	B16TBZ9
ISIN	GBP	GG00B16TBT38
	USD	GG00B16TBZ97
Minimum Investment \$5,000.00		

Dealing Line

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Fund Management

Sam Liddle

Lead Fund Manager

Nick Greenwood

Fund Manager

Fund Charges

Upfront Fee 5%

Annual Management Charge 1.25% p.a

Plus underlying OEIC 0.5% p.a

The Fund is authorised as a Class “B” Scheme by the Guernsey Financial Services Commission pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 1987 and the rules made there under. Units in the Fund are not available for sale and may not be offered for sale, directly or indirectly, in South Africa or the United Kingdom, or any state or jurisdiction in which such offer or sale would be prohibited. Please note, the Fund has not been registered, nor will be registered, under the United States Investment Company Act of 1940 and the units have not been registered, nor will be registered, under the United States of America Securities Act of 1933 (as amended). None of the units may be offered or sold, directly or indirectly. Subscriptions will only be received and units issued on the basis of the current prospectus for the Fund. It is intended solely for the use of the person to whom it is sent. It is not an invitation to subscribe and is for information purposes only. Please note that the value of funds and assets (and the income from them) may go down as well as up and may be affected by, amongst other things, changes in rates of exchange. Past performance is not indicative of future performance and the success of the Fund will be dependent on the performance of MitonOptimal. An investor may not get back, on redemption or otherwise, the amount invested. Performance is calculated on a total return basis in the currency of the Fund. The Fund size quoted is a total of all classes in the Fund. Risk characteristics are calculated on the basis of monthly investment returns.

The Fund Manager

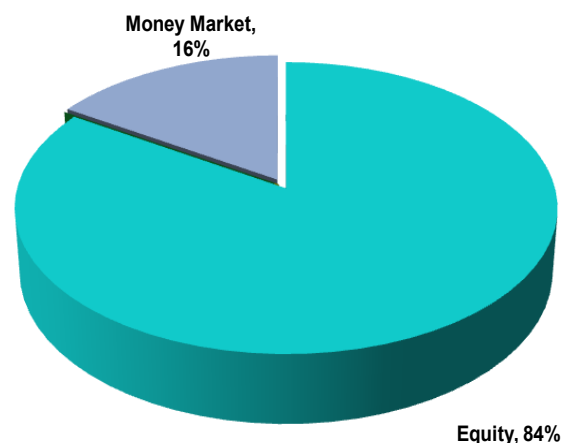


Sam began his investment career with Morgan Grenfell in 1984 and launched their portfolio service in 1989. In 1995 he moved to Singer & Friedlander. Sam moved to Legg Mason investors in 1999 to undertake a similar role. In January 2003 Sam joined Miton Investments and brought with him the CF Miton Global Portfolio and CF Miton Extra Income Portfolio's.

Investment Objective

The fund invests into the CF Miton Global Growth which has the objective of achieving growth over the medium to long term from investment in Collective Investment Schemes. Income will not be the primary objective. Investments will not be confined to any particular economic sector. The fund strategy is to manage the Trust using an adaptive and pragmatic approach to portfolio construction, seeking to use skills in asset allocation and fund selection to achieve out performance.

Asset Class Allocation



Fund Performance

Currency	YTD	1 Year	3 Years	Since Launch*
GBP	-13.64%	-13.64%	16.45%	43.32%
IMA Flexible Investment TR in GB	-8.85%	-8.85%	29.53%	29.30%

Hedged versions of the fund are available in USD and EUR.
*Since Launch performance is that of the UK OEIC.

Performance History



12/03/2001 - 31/12/2011 Data from FE 2012

The Offshore Fund invests 100% into the UK OEIC fund. Actual performance is from launch in July 2006. Performance prior to July 2006 relates to the underlying OEIC fund.