



USD \$

Global Conservative \$ Fund

31 December 2009

The Aim: To generate higher returns than cash deposits by constructing a portfolio of low risk investments. These include short-dated corporate, state linked and sovereign bonds, asset backed investments and other guaranteed investments.

The Methodology: Fixed rate bonds provide the income element of the Fund, with assets selected from a range of international, corporate and emerging market sovereign linked credits. Short dated fixed income bonds exhibit minimal capital price volatility, allowing for stable income generation. Inclusion of capital guaranteed products provide cash-plus alternatives linked to major equity markets with potential bonuses. Asset backed investments include real estate and mortgage backed securities. The currency exposure is largely hedged.

The Benchmark: 1 Month US Dollar LIBOR plus 1%

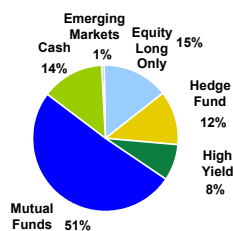
Fund Details

Start Date	31st October 2001	Liquidity	Monthly
Domicile	Cayman Islands	Investment Manager	London & Capital Asset Management Ltd
Custodian	BNPP Trust Company (I.O.M) Limited	Bloomberg	-
Administrator	Citibank Europe PLC	Reuters	-
Listing	Irish Stock Exchange - Dublin	ISIN Number	-
Auditors	Moore Stephens	Valoren Number	-
Master Fund Assets		\$54.9 million	

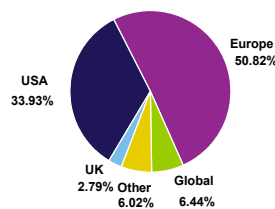
Actual Performance - Global Conservative \$ Fund

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	CUM
2002	1.73	0.97	0.35	0.42	(1.02)	(3.06)	(3.02)	2.85	(0.74)	1.28	3.79	2.32	5.75	5.92
2003	2.27	1.59	0.59	0.92	1.48	0.34	(1.12)	0.30	1.68	(0.25)	0.27	(4.25)	3.71	9.85
2004	(0.13)	0.41	0.19	(0.84)	(0.09)	0.18	0.09	0.65	0.25	0.43	1.19	0.72	3.07	13.23
2005	0.01	0.49	0.07	0.20	0.76	0.88	0.61	0.67	0.76	0.00	0.93	1.46	7.05	21.21
2006	1.12	1.05	0.86	0.04	0.10	0.79	1.13	0.79	1.01	0.75	0.98	1.17	10.24	33.62
2007	0.14	0.32	0.67	0.86	0.79	(0.26)	(1.31)	(0.71)	0.68	0.51	(1.00)	(0.02)	0.65	34.48
2008	(0.90)	0.42	(1.73)	(0.06)	(0.50)	(0.50)	(0.57)	(0.43)	(3.90)	(1.64)	(0.68)	(1.55)	(11.46)	19.06
2009	0.54	(0.17)	(0.97)	0.27	1.52	0.12	3.44	1.88	2.10	(0.18)	0.97	0.40*	10.31	31.34

Sector Breakdown



Geographical Breakdown



Top Ten Holdings

Global Inc Conservative Fund	50.5%
Total Cash	14.0%
RockView	4.2%
Fidelity US High Yield	2.6%
Pimco Global High Yield Bond	2.6%
Threadneedle European HY	1.9%
SPDR Trust Series 1	1.6%
Threadneedle UK Equity Income Fund	1.3%
Newton Higher Income Fund Institutional	1.2%
Millennium Global High Liquidation	1.1%

Performance Record

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
Fund Cumulative Growth *	0.40%	1.20%	8.89%	10.31%	(1.71%)	15.99%
Index Benchmark Growth	0.10%	0.31%	0.63%	1.34%	11.84%	24.20%
Fund Annualised Growth *				10.31%	(0.57%)	3.01%
Index Benchmark Growth				1.34%	3.80%	4.43%

Fund Manager's Commentary

Confidence and optimism continued to build during December helping economically sensitive assets such as equities and credit bonds rally, while significantly undermining government bonds. A surprisingly robust US employment report, acted as a catalyst as it implied a broader recovery was beginning to take hold. The Federal Reserve reaffirmed its intention to maintain low interest rates due to continuing concerns over credit provision to individuals and small to medium-sized businesses. In contrast, the ECB began to outline a possible exit strategy by allowing the expiry of supportive liquidity measures. Dark clouds began to gather around the smaller European economies following the Greek rating downgrade. Looking ahead the low interest rate regime will remain in place for some quarters, with fiscal policy also likely to remain. The outright support for banks will also be maintained in order to foster a stronger and broader economic recovery.

The Fund return for the month was positive, with most strategies contributing positively. The Fund benefited from its allocation to the Conservative Bond Fund, which performed well as credit bonds rallied, especially financials and High Yield. Management of beta adjusted net exposures added significant alpha in equity strategies. On the hedge fund side, allocation to the Low Volatility Fund of Hedge Funds benefited from its allocation to equity long/short strategies and the active management of the derivative overlay. By contrast, the Commodity Fund detracted from overall performance, undermined by a fall in precious metals.

Individual Class Historical Performance

	£ Fund	\$ Fund	€ Fund	£ (i) Fund
31 Jan 2009	0.65%	0.54%	0.33%	0.52%
28 Feb 2009	(0.16%)	(0.17%)	0.22%	(0.28%)
31 Mar 2009	(0.94%)	(0.97%)	(0.88%)	(1.10%)
30 Apr 2009	0.26%	0.27%	0.28%	0.13%
31 May 2009	1.42%	1.52%	1.33%	1.23%
30 Jun 2009	0.11%	0.12%	0.12%	(0.02%)
31 Jul 2009	3.48%	3.44%	3.44%	3.35%
31 Aug 2009	1.90%	1.88%	1.80%	1.80%
30 Sep 2009	2.15%	2.10%	2.02%	1.78%
31 Oct 2009	(0.17%)	(0.18%)	(0.18%)	(0.30%)
30 Nov 2009	0.92%	0.97%	0.91%	0.77%
31 Dec 2009 *	0.40%	0.40%	0.39%	0.25%
Fund Annualised Growth *	10.40%	10.31%	10.14%	8.34%

Individual Class Monthly Net Asset Value

	£ Fund	\$ Fund	€ Fund	£ (i) Fund
November 09 NAV	32.67	30.79	104.94	25.29
December 09 NAV *	32.79	30.91	105.35	25.36
% Performance *	0.40%	0.40%	0.39%	0.25%

Fund Charges

	Initial Charge	Annual Management Charges	Performance Fees (in excess of benchmark)
Insurance Classes	Up To 6%	-	-
Institutional Classes (i)	Up To 6%	1.5%	20%

Application Information

Investments can be made directly into this product, or through an existing custodial account. London & Capital are also able to assist with the establishment of an account in order to hold the investment. In accordance with our statutory requirements, Know Your Customer information will be sought for any investment.

Private Clients	Trustees / Private Companies	Financial Institutions
<ul style="list-style-type: none"> - A signed application form - Source of fund & wealth - ID & address verification 	<ul style="list-style-type: none"> - A signed application form - Source of funds & wealth - ID verification on investing structure, contributor(s) & controllers - Details on beneficial ownership of investor 	<ul style="list-style-type: none"> - A signed application form - Source of fund & wealth - Information on licence / regulator

Note that these are basic, generic requirements, and may be subject to change based on the investment, and the requirements to which London & Capital must adhere. London & Capital reserve the right to amend these requirements at any time.

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Important Notes

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