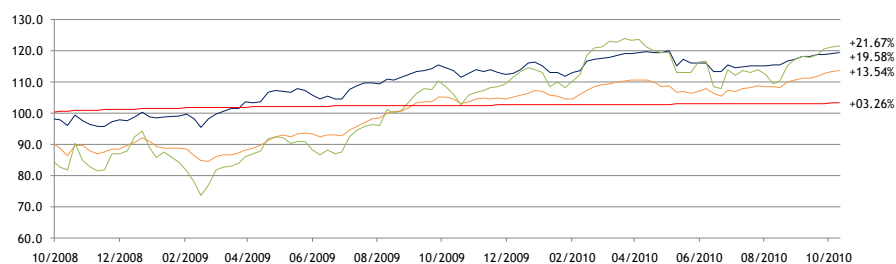


Fund Objectives

The Fund aims to deliver consistent and attractive returns to investors, considerably in excess of the returns from cash after all fees and expenses. Over rolling three year periods, the Fund also aims to generate returns that are competitive with the returns from other major asset classes such as equities and bonds.

Performance of the Fund since inception to 26 October 2010



Legend: Spearpoint All Weather Fund, FTSE World TR GBP, Europe OE Sterling Cautious Balanced, 3mth GBP Libor

Source: Morningstar

Performance of the Fund since inception to 26 October 2010

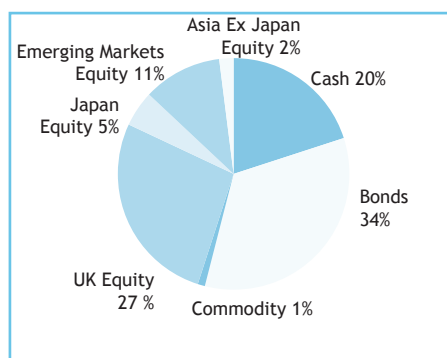
	Return	Annualised return	Annualised Volatility	Sharpe Ratio*	Maximum Drawdown**
Spearpoint All Weather GBP	19.58%	8.82%	8.19%	0.70	-5.57%
Europe OE Sterling Cautious Balanced	13.54%	6.19%	8.35%	0.38	-15.32%
FTSE World TR GBP	21.67%	9.72%	21.13%	0.32	-26.32%

*Risk free rate 3.05% yield on 10yr UK Gilt **Based on weekly data

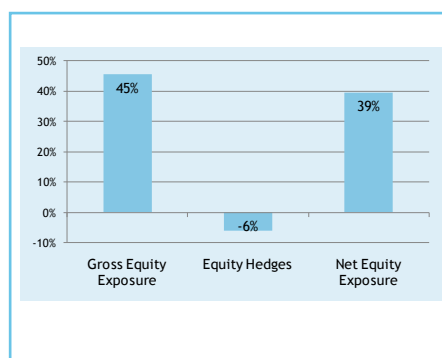
Historical Monthly Returns

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010	-0.82	0.72	4.05	1.17	-2.08	-3.49	1.46	0.60	2.21	1.23			4.94
2009	0.20	-0.68	3.24	2.33	2.73	-1.13	3.15	2.16	2.34	-0.13	-0.05	0.41	15.40
2008									-1.20	-2.57	-0.31	2.90	-1.26

Asset Allocation



Net Equity Exposure



Fund Facts

Class: Institutional
Fund Size: £52.8m
Base Currency: GBP
Launch Date: 19th September 2008
Launch Price: GBP1.00
Minimum Investment: GBP10,000
Return Objective: LIBOR cash + 4% to 6% over rolling 3 year cycles
Management Fee: 1% + Performance Fee
Dealing Frequency: Weekly
Lead Manager: Kevin Boscher
Lipper ID Code: 68014455
Sedol: B3CZDH1
ISIN: GG00B3CZDH15
Bloomberg Ticker Code: SPRALLW GU

Tactical Holdings

- JO Hambro Japan
- Schroders UK Alpha Plus
- M&G Optimal Income
- Investec Asia
- Veritas Asia
- GlaxoSmithKline
- Invista European Real Estate
- Vodafone
- Rabobank 4% 2013 (USD)
- UK Gilt 3.75% 2019
- UK Gilt 4.75% 2030
- Barratt Developments
- GAM China
- Aquarius Platinum
- ITV
- Atlantis China



PRICE: £1.1958 (as at 26 October 2010)

31 October 2010

Review

Equities and commodities enjoyed another good month during October, whilst the US Dollar continued its decline as speculation grew that the Federal Reserve (Fed) will embark on another substantial programme of Quantitative Easing (QE) starting with their early November meeting. These trends were also helped by an improvement in economic data from the US, decent corporate profits across a broad range of sectors and companies and a number of share buy-back announcements and more Merger and Acquisition (M&A) activity. The Fund rose 1.2% over the month and has now risen 4.9% year-to-date.

Outlook

The global economy remains unbalanced with the G7 economies struggling to recover from their "soft patch" without additional monetary stimulus, whilst the developing world is experiencing a strong recovery and is leaning towards tightening policy. One of the consequences of this polarized economy is that we remain in an environment of competitive currency devaluations; the major economies are all competing to stimulate activity through cheaper currencies, which in turn is pressurising the faster growing and dollar-pegged countries to intervene to suppress unwanted appreciation of their currencies. The threat of trade and currency wars has thus escalated considerably and has become a major threat to the global economic recovery.

Fixed income markets are caught in a tug of war. On the one hand, most G7 policymakers will continue to hold interest rates at zero, and will attempt to suppress yields across the curve (through QE and other means) in order to keep debt financing costs low and encourage consumption and investment. On the other hand, improving global growth and rising asset prices could weaken bond prices and push up real interest rates. For the time being, the broad forces appear to be roughly in balance and we expect bond yields to remain range-bound with the risk of a sudden move in either direction staying low.

The combination of modest but improving growth, very low inflation, strong corporate fundamentals with attractive valuations and highly accommodative monetary policy is supportive for equities. However, in the short-term, markets are looking tired and probably need a new catalyst to move higher. Also, markets appear to have discounted a substantial QE announcement from the Fed at their early November meeting and are also expecting a significant swing to the Republicans in the pending US elections. Consequently a lot of good news is "priced in" and it is very possible that we will see a reversal in some of the recent strong trends should the Fed disappoint with their announcement. For example, the Dollar could strengthen, putting pressure on commodity prices and equity markets.

The first week of November is shaping up to be a critical period for the global economy and financial markets and will likely dictate the trends for the remainder of this year. We maintain our optimistic bias towards equities and commodities, since either growth is recovering from its recent mid-cycle slowdown or further monetary stimulus will be forthcoming. However, for the next few weeks, tactical caution is required since markets have discounted a lot of good news and there is room for disappointment and a temporary setback. We have therefore moved more defensive within the Fund, having enjoyed a good period of absolute and relative returns. We will be watching events in the US very closely over the next week or so and will be ready to react as appropriate.

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