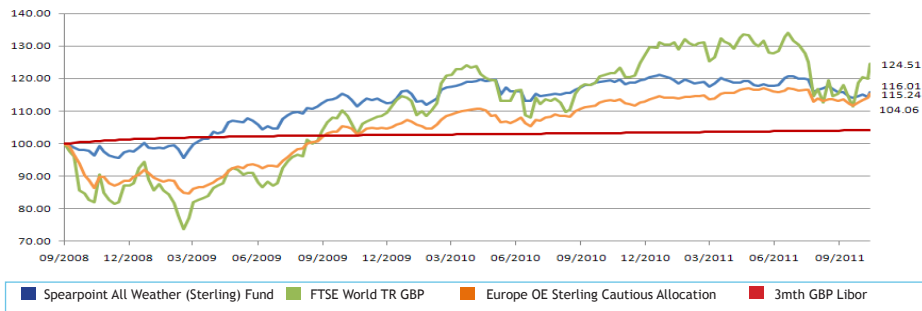


Fund Objectives

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 28 October 2011[^]



Source: Morningstar/Spearpoint

Performance of the Fund since inception to 28 October 2011[^]

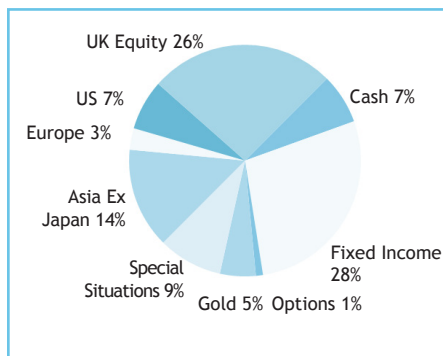
	Return	Annualised Return	Annualised Volatility	Sharpe Ratio*	Maximum Drawdown**
Spearpoint All Weather Sterling	16.0%	4.9%	7.5%	0.30	-5.9%
Europe OE Sterling Cautious Allocation	15.2%	4.6%	7.4%	0.27	-15.3%
FTSE World TR GBP	24.5%	7.2%	20.3%	0.23	-26.3%

*Risk free rate 2.61% yield on 10yr UK Gilt **Based on weekly data

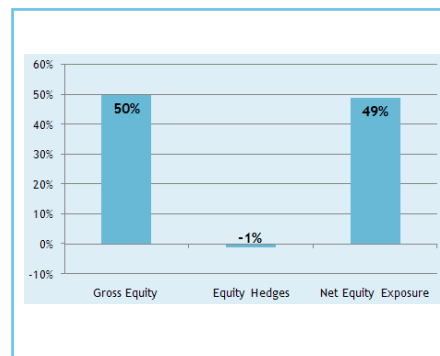
Historical Monthly Returns[^]

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2011	-1.95	0.28	1.17	-1.18	-0.36	1.65	-0.22	-1.85	-2.98	1.42	-	-	-4.05
2010	-0.82	0.72	4.05	1.17	-2.08	-3.49	1.46	0.60	2.21	1.23	-0.69	1.18	6.11
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

Base Currency: GBP

Dealing Frequency: Daily (t+3 Settlement)

Lead Manager: Kevin Boscher

Return Objective: LIBOR cash + 4% to 6% over rolling 3 year cycles

Fund Structure: Dublin UCITS IV, SPL Investment Funds PLC is an open ended umbrella investment company with segregated liability between sub funds, registration number 454277

Custodian: BNY Mellon Trust Company (Ireland) Limited

Administrator: Capita Financial Administrators (Ireland) Limited

Auditors: Deloitte & Touche

Reporting Fund Status: Yes

[^]Performance Note

The performance data up to 23/11/2010 reflects the performance of the Spearpoint All Weather Fund, which was a cell of Spearpoint Investment Funds PCC Ltd (a protected cell investment company registered with limited liability in Guernsey, registration number 49131) and was managed with comparable parameters, guidelines and investment process by the same principals as this Fund. The Fund switched from a Guernsey scheme to an Irish listed sub-fund on 24/11/2010, as detailed above in the Fund Facts. From this date the liquidity of the Fund and expenses of the Fund vary from those to which the prior performance relates. Past performance should not be used as a guide to future performance.

Tactical Holdings

- M&G Optimal Income
- GlaxoSmithKline
- BG Group
- Polar Tech Fund
- Vodafone
- Unilever
- Royal Dutch Shell
- Atlantis China
- FTSE Put Options
- Gold Bullion
- UK Treasury 3 3/4% 2020
- UK Treasury 3 3/4% 2021
- Ishares MSCI Far East Ex-Japan



PRICE: GBP 0.9763 (as at 28 October 2011)
31 October 2011
Review

Equities staged an impressive recovery during October, although this came to an abrupt halt towards the end of the month as Greece surprised everyone by announcing that it will hold a referendum on their austerity plans. The risk-on rally was partly a technical bounce from extremely oversold levels, but was also a positive response to the European summit held on 26 October, which at least came up with a plan to address the debt crisis, even if that plan lacked detail and was sketchy at best. However, equally important in our view, as a catalyst for markets, was improved data confirming that the US would likely avoid a recession, together with signals from China that their monetary tightening cycle is at an end. Despite the rally, financial markets remained very volatile, with frequent changes of direction, but the Fund rose a pleasing 1.4% over the period.

Outlook

Given the highly uncertain global macro environment, and the systemic risks emanating from Europe, we had remained defensively positioned within the Funds and cautious on markets. However, given the severity of the equity sell-off and the extreme pessimism that prevailed, we were also looking for opportunities to turn more bullish. In particular, we were looking for confirmation that the US economy would avoid recession, that China was close to the end of its tightening cycle and that progress was being made in Europe. The past couple of weeks have given us grounds for optimism on the US and China. The recent US data has consistently surprised on the upside and, whilst the structural headwinds to growth remain and the economy is set for a long period of below trend growth, the US economy has at least stabilised. Also, if conditions were to deteriorate again, the Federal Reserve has indicated their willingness to embark on additional quantitative easing (QE), if required.

The Chinese economy has cooled and evidence of a soft landing continues to accumulate, although certain sectors of the economy are suffering, such as property developers. Recent comments from the authorities seem to suggest that the monetary tightening campaign has come to an end and the recent sharp falls in food prices could pave the way for policy to be eased in the near future. Consequently, we have recently increased our exposure to Asian equities given China's changing stance and in view of their superior growth prospects and attractive valuations.

There is no question that the plan announced by European policy makers at their recent summit was a step in the right direction, although it was far from the "comprehensive solution" promised and leaves many unanswered questions. In addition, Europe is almost certainly in recession and long term growth remains a big concern, especially in the weaker periphery countries where the real problem of a lack of growth and competitiveness has not yet been addressed. Progress is painfully slow and there remains much detail to be confirmed. Hence, there is still room for considerable disappointment and turmoil from Europe over the next few months, even without the latest Greek shock.

Nobody can be sure what lies ahead for Greece and there will likely be many "twists and turns" over the coming days and weeks. The current Government will probably not survive for much longer and there is considerable doubt as to whether the promised referendum will even take place. In the meantime, Greece remains insolvent and will eventually default, whilst other European leaders have warned them that any further payments of aid will be withheld until Greece has decided on its future within the Euro zone. The bad news is that this move has dramatically increased the short-term uncertainty and risks associated with Europe and has called into question the entire response to the crisis. If there is a silver lining, however, it might be that this latest development makes it more likely that the European Central Bank (ECB) will eventually be forced to buy unlimited amounts of periphery debt and embark on QE in order to monetize the debts. The chances of this happening may have improved with Mario Draghi taking the helm at the ECB and after his recent comments.

It remains a very challenging and difficult environment for investors. The global macro picture appears to have stabilised but it remains fragile and the indications are that we are set to be in a low growth world for many years to come. Even though policy makers seem to have a better understanding of the seriousness of the issues facing them, the threat of policy error is high and they are running out of tools. The euro area crisis is far from over, but to some extent investors have experienced the European rollercoaster so many times that they are beginning to understand what to expect and discount the fact that eventually policy makers will probably be forced to do the right thing. In the meantime, many investors are underweight equities and have underperformed this year and will now be under pressure to chase returns. In addition, the market itself has arguably discounted much of the bad news.

Having protected capital fairly well during the recent market turmoil, thanks to our defensive positioning, we are clearly focussed on making the most of the opportunities that currently exist and on trying to recoup the year-to-date losses, where possible. Equities could continue their rally into the New Year, provided that the latest Greek crisis is resolved in an orderly manner. We especially favour Asian, US and select UK equities at present and will continue to underweight European assets. That said, we are also acutely aware of the multiple threats to this more bullish outlook and will not hesitate to change strategy again, if necessary.

	Sedol	ISIN	Bloomberg Ticker Code	Annual Fee	Performance Fee	Minimum Initial Investment	Minimum Additional Investment	Month End NAV
Sterling Institutional Non Reporting Shares	B57TGD9	IE00B57TGD98	SPASNRI ID	1.0%	20% of out performance of 3M Sterling Libor +2%	£10,000	£5,000	£0.9763
Sterling Retail Non Reporting Shares	B5N2P02	IE00B5N2P027	SPASRRR ID	1.5%	15% of out performance of 3M Sterling Libor +3%	£10,000	£5,000	£0.9722
Sterling Institutional Reporting Shares	B3TFL14	IE00B3TFL149	SPAWSRI ID	1.0%	20% of out performance of 3M Sterling Libor +2%	£10,000	£5,000	£0.9625
Sterling Retail Reporting Shares	B3RK939	IE00B3RK9391	SPAWSRR ID	1.5%	15% of out performance of 3M Sterling Libor +3%	£10,000	£5,000	£0.9587

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