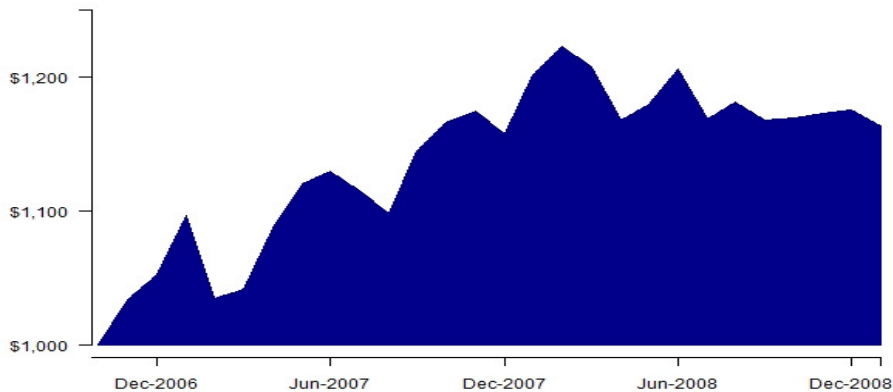


Headland Global Diversified Fund

Manager and Fund Description

Headland Global Investment Management is an alternative investment specialist. The Headland Global Diversified Fund seeks to provide investors with positive returns regardless of the performance of equity markets. The Fund uses a quantitative process to allocate capital to major investment themes in global bond, currency and commodity markets.

Value of \$1,000 invested in the Headland Global Diversified Fund since inception.



Performance January 2009

1 month	-1.02
3 month	-0.52
1 year	-3.00
Annualised return since inception	7.40
Performance is net of fees.	

Returns prior to March 2008 are for a proprietary managed account employing the Global Diversified Fund's investment strategy. Prior to November 2007 the Fund had exposure to equity indices.

Key Performance

Latest Return Date: January 2009		Annualised Return: 7.40%	
Latest Month:	Latest 3 Months:	Latest 12 Months:	Latest 24 Months:
-1.02%	-.052%	-3.00%	6.75%
Total Return:	YTD:	Average Return:	Reporting frequency:
16.58%	-1.03%	0.67%	Monthly
% Positive Months:	% Negative Months:	Best month:	Worst month:
68.00%	32.00%	4.40%	-5.63%
Largest Drawdown:	Time to recovery:	Average +ve Return:	Average -ve Return:
-5.63%	12 months	1.98%	-2.33%

Investment Terms

Minimum investment:	Additional investment:	Investment frequency:	Redemption frequency:
AU\$25,000	AU\$5,000	Monthly	Monthly
Redemption notice:	Redemption frequency:	Entry fee:	Exit fee:
3 Days	Monthly	0.00%	0.00%

Fund Fees

Management fee:	Performance fee:	High water mark:	Hurdle:
1.5%	20%	Yes	RBA Cash Rate

Risk

Annualised Standard Deviation:	Downside deviation:	Sortino ratio:	Sharpe Ratio:
8.53%	5.74%	0.79	0.53
Administrator:	Custodian:		
DDH Graham	Australian Wealth Management		

Historical Performance

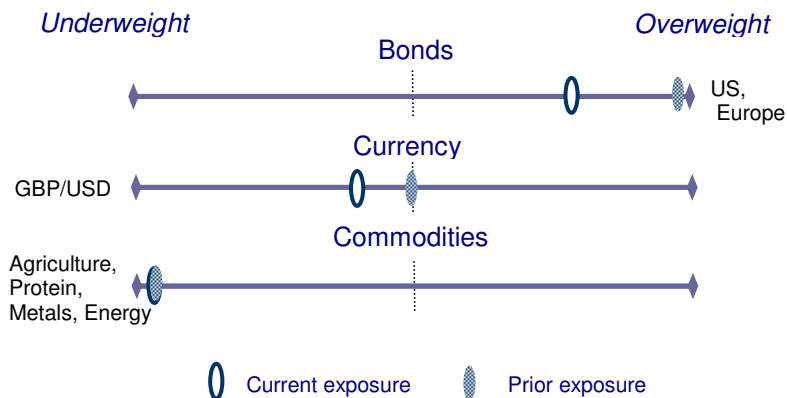
Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	YTD %
2009	-1.02												
2008	3.78	1.76	-1.21	-3.32	1.06	2.15	-3.03	1.08	-1.18	0.24	0.27	0.23	1.75
2007	4.15	-5.63	0.67	4.40	3.06	0.84	-1.27	-1.50	4.15	1.85	0.79	-1.49	9.96
2006											3.43	1.81	5.30

Headland Global Diversified Fund

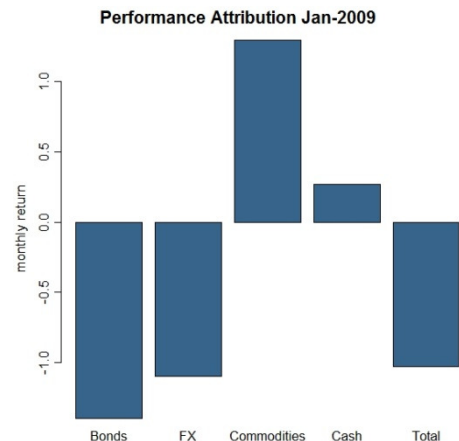
Investment process

The Headland Global Diversified Fund seeks to provide investors with positive returns regardless of the performance of equity markets. The Fund uses a quantitative process to allocate capital to major investment themes in global bond, currency and commodity markets.

Asset Allocation



Performance Attribution



Investment strategy

The Fund's investment strategy continues to reflect a negative outlook for the global economy.

Global Fixed Income – *Falling interest rates, lower inflation expectations.*

Bond markets sold off in January on investors' concerns of increased Government issuance. Whilst performance was negatively impacted the Fund remains invested with the major trend of falling interest rates and lower inflation expectations. The Fund has exposure to US and European Government debt weighted toward short dated maturities (2 year). Historically recessions caused by a financial crisis have tended to be longer and deeper than recessions caused by the normal business cycle.

Foreign Exchange – *Stronger US dollar.*

Whilst most commentators are predicting the long term decline of the US dollar the prevailing trend is for an appreciating currency. The Fund added a long US dollar position versus the British pound where economic conditions are rapidly declining. The Bank of England lowered interest rates to a 350 year low during the month.

Commodities – *Lower prices, falling demand and over supply.*

The Fund benefitted from falling commodity prices over the month. A short position in Crude Oil made the largest contribution to performance as prices fell 20% in January on falling demand and over supply. Short positions in Lean Hogs also made a positive contribution as falling feed costs lowered prices.

Comments welcome.

Jerry Pressnell - Managing Director (jpressnell@headlandglobal.com.au)