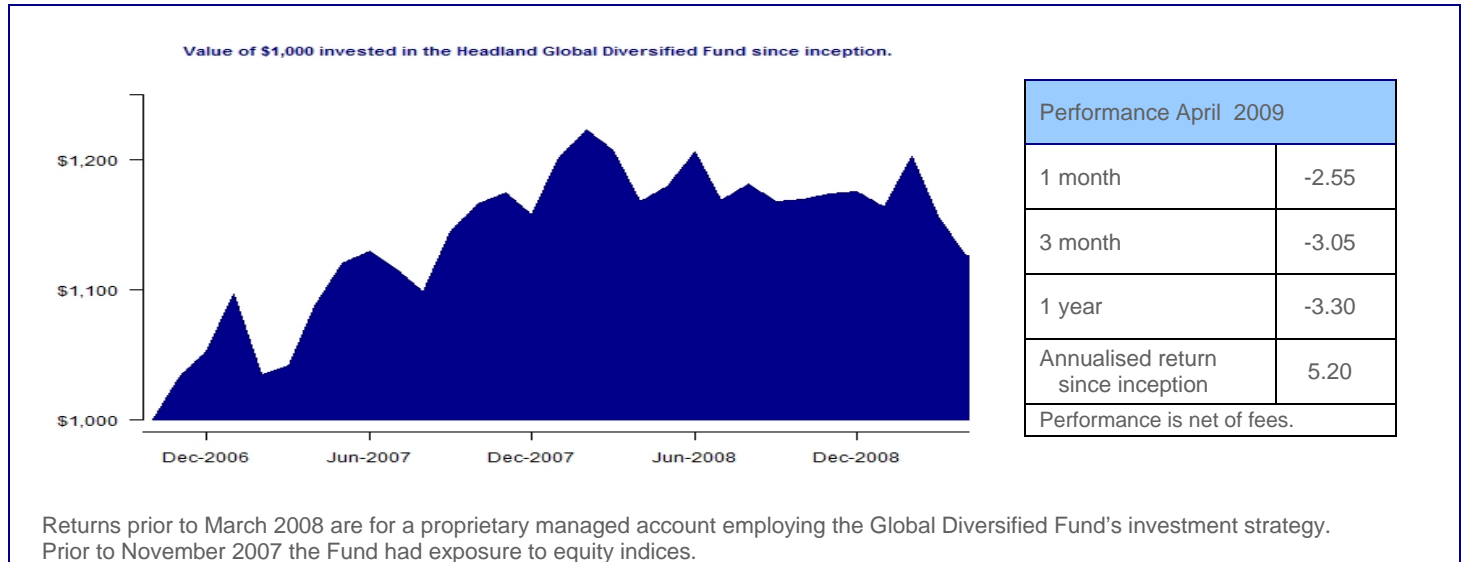


Headland Global Diversified Fund

Manager and Fund Description

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



Key Performance

Latest Return Date: April 2009		Annualised Return: 5.20%	
Latest Month:	Latest 3 Months:	Latest 12 Months:	Latest 24 Months:
-2.50%	-3.05%	-3.30%	4.15%
Total Return:	YTD:	Average Return:	Reporting frequency:
12.75%	-4.20%	0.43%	Monthly
% Positive Months:	% Negative Months:	Best month:	Worst month:
66.00%	34.00%	4.40%	-5.63%
Largest Drawdown:	Time to recovery:	Average +ve Return:	Average -ve Return:
-7.78%	13 months	2.06%	-2.36%

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%	0.59	0.25
Correlation to equities	Correlation to bonds		
-0.11	-0.01		

Historical Performance

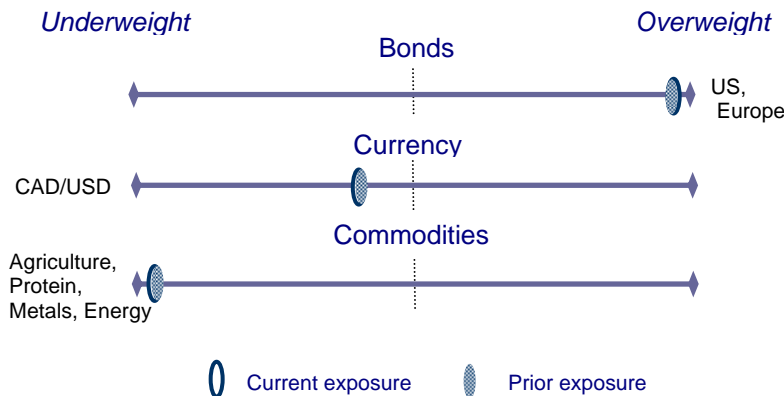
Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	YTD %
2009	-1.02	3.38	-3.90	-2.53									-4.20
2008	3.78	1.76	-1.21	-3.32	1.06	2.15	-3.03	1.08	-1.18	0.24	0.27	0.23	1.75
2007	4.15	-5.63	0.67	4.40	3.06	0.84	-1.27	-1.50	4.15	1.85	0.79	-1.49	9.96
2006											3.43	1.81	5.30

Headland Global Diversified Fund

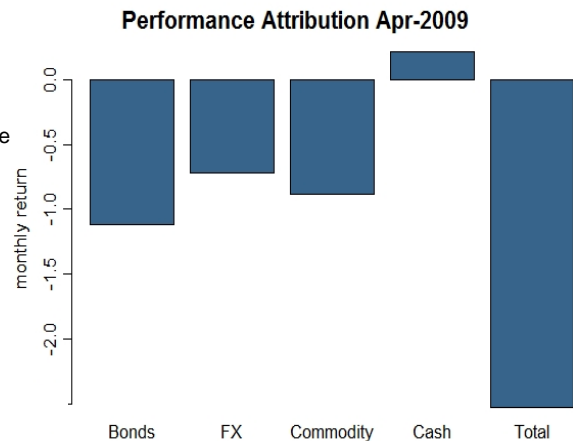
Investment process

The Headland Global Diversified Fund seeks to provide investors with positive returns regardless of stock market performance. 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 positive sentiment toward the global economy has continued into April. Whilst economic data remains remarkable weak the rate of deterioration has slowed. This has led some commentators to predict "green shoots" of recovery. The magnitude of the rally has been impressive however it is likely that a full recovery will take some time – possibly many years. Whilst the change in sentiment has been negative for performance the Funds asset allocation remains unchanged.

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

Bond markets are becoming increasingly concerned about the massive amount of global government spending. Expectations of higher bond issuance and the likely downgrading of sovereign credit ratings have caused government yields to increase. The Fund has been overweight bonds for some months, however a continuation of the selloff in bonds will cause us to reconsider this position.

Foreign Exchange – *Stronger US dollar.*

The prospect of the US printing money caused other currencies to rally against the US dollar.

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

The global stimulus particularly from China caused commodities to rally off the bear market lows. The Fund gave back recent gains across a range of markets including wheat, copper and crude oil.

Comments welcome.

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