

P&C Global Gold and Natural Resources Fund

Monthly Investors Report as at 31 March 2006

Swiss Valoren No 1.557.566 Bloomberg Ticker: PCGLDFD CY

Fund's objectives: Seeking absolute returns in USD and portfolio insurance through diversification into asset class with low correlation to financial assets (bonds, equities and currencies).

Investment vehicles: Gold mining equities (<100%), physical gold, silver and precious metals (<100%), cash (<50%). Plus other natural resource equities and commodities. Cash used for capital preservation. Significant gold sector exposure expected.

Investment restrictions: Min 20 holdings, 10% max single share holding, 15% max single issuer, 5% max unlisted equities, normally no currency hedging.

Key Information

Subscription price as at 31/03/06

NAV Pre Perf Fees: USD 2,482.19

Min Investment: USD 100,000

Size of Fund: USD 36.7mn

Type of Fund: Cyprus private fund under International Collective Investment Scheme Law No 47(1) 1999 of Cyprus

Fund Adviser: Baker Steel Capital Managers LLP, London

Fund Manager: P&C Global Fund Management Limited, Cyprus

Sub-Manager: P&C Global Wealth Managers SA, Switzerland

Custodian: RBC Global Services, London, UK

Administrator: C P Palema Ltd

Auditor: KPMG

Sales Fee: Up to 5% permitted

Dealings: Monthly (last business day of month)

Inv Mngmt Fee: 1.80%

Performance Fee: 12% absolute returns (High Water Mark principle) on a calendar year basis

Asset Allocation (As at 31/03/06)

Metal resource shares: 100.8%

Silver: 0.1%

Cash (net): -0.9%

Fund Commentary

Executive Summary

In March the fund advanced by 3.5% on the back of rising precious metal prices markets. During the same period the FTSE Gold Mines Index advanced by 4.8% after a 12.7% decline last month, gold bullion rose by a similar 4.7%, silver shot up by 21%, platinum rose by 2.4% while palladium jumped a full 12%. Since inception over 2 years ago the fund is up by 148% with a Compound Annual Growth Rate (CAGR) of 34.3%. Over the same period gold advanced by 68% or a CAGR of only 18.2%.

In March the fund advanced almost as much as gold and the FTSE gold mines index while significantly outperforming the index year to date. All precious metals relevant to the portfolio advanced during the month with spectacular advances by silver and palladium. The portfolio remains concentrated with the number of companies represented at 42.

Company News During the month the larger capitalisation gold companies underperformed the smaller quoted companies and also the exploration based stocks. Newmont announced a cut in production at its mine in its Indonesian operations due to technical problems. Angold Ashanti is trying to raise capital at the same time as its parent, Anglo American, is seeking to reduce its holding. Highlands Pacific is gearing up for growth using part of its new capital raised to expand productive capacity in Papua New Guinea.

Macro News Silver made an amazing jump on the back of anticipatory buying ahead of the new ETF. The SEC has made rule changes allowing the listing but the registration statement is not yet approved. This rise might be an over-reaction.

Outlook US government debt is again in the news with Congress raising the total debt limit and the monthly government budget deficit hitting an all time high. This monetary related fear coupled with Gold ETF introduction has fuelled the gold advance. Talk continues of China possibly diversifying its dollar reserves which would have a major effect upon the gold dollar price.

Fund Statistics

CAGR (before all fees)	34.3% pa
CAGR (after all fees)	31.2% pa
Number of Months	37
Number of "Up" Months	24
Average "Up" Month	+7.6%
Number of "Down" Months	13
Average "Down" Month	-6.0%
Largest Monthly Rise	+22.1 (September 2005)
Largest Monthly Fall	-19.4% (April 2004)
Number of stock positions	42
Unlisted stock positions	1
Largest stock position	8%

Investment Driven Major Buys and Sales

Net Buys	Net Sales
Nevsun	DRD

Top 10 Holdings

1. Ballarat Goldfields NL	6. Bendigo Mining Ltd
2. Randgold Resources Ltd - ADR	7. DRD Gold Ltd
3. Mvelaphanda Resources Ltd	8. Straits Resources Limited
4. Nevsun Resources Ltd	9. Kinross Gold Corp
5. Cambior Inc	10. Banro Corporation

Performance in USD (for initial investors)

	28/2/03	31/3/06	% ch
P&C Gold Fund (Gross NAV)	1000	2482.2	+148.2%
Value of \$1,000 invested (after all fees)	1000	2311.5	+131.1%
FTSE Gold Mines Index	1191	2348.8	+97.2%
Gold Bullion	347	582	+67.7%
Silver Bullion	4.49	11.75	+161.1%
Palladium Bullion	241	332	+37.8%
Platinum	490	1076	+119.6%

Monthly Performance (gross)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yr
2003	-	0.0%	-3.8%	-0.6%	13.3%	2.0%	9.8%	19.1%	4.5%	7.4%	7.1%	3.3%	80.0%
2004	-5.0%	2.0%	6.8%	-19.4%	1.4%	-6.1%	-2.2%	4.9%	9.9%	5.2%	8.4%	-9.2%	-7.7%
2005	-2.7%	7.6%	-4.0%	-11.6%	-4.0%	5.9%	3.6%	1.7%	22.1%	-8.2%	9.85%	6.72%	25.0%
2006	18.5%	-2.3%	3.5%										19.8%

All prices and comparative numbers are unaudited and for indication purposes only

Performance in USD (for initial investors) and Asset Allocation

