

P&C Global Gold and Natural Resources Fund

Monthly Investors Report as at 30 March 2007

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 30/3/07

NAV Pre Perf Fees: USD 2,483.89

Min Investment: USD 100,000

Size of Fund: USD 23.5mn

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 31/3/07)

Metal resource shares: 99.9%

Silver: 0.1%

Cash (net): 0.0%

Fund Commentary

In March the fund's NAV rose 1.3%, after mining equity prices recovered most of their losses from the earlier part of the year. Gold bullion fell 0.8% in March, silver more than gave back February's gains falling 5.3%, palladium rose 0.8% and platinum fell back slightly by 0.6%. The FTSE Gold Mines Index closed down 2.0% over the course of the month.

In line with the recommendations of the investment adviser, and providing liquidity for shareholder redemptions, holdings in Yamana Gold, Rio Narcea Gold, Pan American Silver, Goldfields and Newcrest Mining were either sold completely or scaled back substantially.

Commodities and their related equities generally stabilised after the high price volatility seen in the first few weeks of the year, and with broader investor attention more focused on wider asset allocation strategies. Country differentiation is re-emerging as an important factor. For example, the Shanghai A Share Index rose 18.87% in the first three months of the year whilst the Bombay Sensex 30 Index fell 5.18%. Bond, currency and interest rate markets re-adjusted as it became clear that US interest rates were, at best, going to stay higher than hitherto discounted by the markets, European interest rates were likely to continue rising as signalled by the ECB, and Japanese interest rates were not going to rise as quickly as the market had expected and priced in.

Within the mining equity sector, merger and acquisition activity remains high as cash rich companies seek to take advantage of attractive valuations compared with the cost of new exploration. This remains a key factor underpinning mining equities.

Outlook

Growth momentum in the global economy is increasingly evident and inflation pressures are more persistent than the market consensus expected. Conditions remain highly supportive for positive performance from commodities and associated mining equities.

Fund Statistics

CAGR (before all fees)	22.5% pa
CAGR (after all fees)	20.1% pa
Number of Months	49
Number of "Up" Months	30
Average "Up" Month	+7.3%
Number of "Down" Months	19
Average "Down" Month	-5.8%
Largest Monthly Rise	+22.1 (September 2005)
Largest Monthly Fall	-19.4% (April 2004)
Number of stock positions	56
Unlisted stock positions	2
Largest stock position	7.0%

Investment Driven Major Buys and Sales

Net Buys

None

Net Sales

Yamana Gold
Rio Narcea Gold
Pan American Silver
Goldfields
Newcrest Mining

Top 10 Holdings

- | | |
|------------------------------|---------------------------|
| 1. Oceana Gold | 6. Straits Resources |
| 2. Ivanhoe Nickel & Platinum | 7. Kingsgate Consolidated |
| 3. Nevsun Resources | 8. Sino Gold |
| 4. Euro Goldfields | 9. Banro Corp |
| 5. Lihir Gold | 10. Golden Star |

Performance in USD (for initial investors)

	28/2/03	30/3/07	% ch
P&C Gold Fund (Gross NAV)	1000	2483.89	+124.84%
Value of \$1,000 invested (after all fees)	1000	2252.00	+122.52%
FTSE Gold Mines Index	1190.83	2305.82	+93.63%
Gold Bullion	349.95	663.79	+89.68%
Silver Bullion	4.60	13.38	+190.87%
Palladium Bullion	241.50	353.50	+46.38%
Platinum	683.50	1243.00	+81.86%

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%	15.4%	-10.0%	-5.4%	-2.56%	1.15%	-8.11%	9.02%	5.40%	-2.15%	19.68%
2007	-2.99%	1.94%	1.27%										0.15%

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

Performance in USD (for initial investors) and Asset Allocation

