

P&C Global Gold and Natural Resources Fund

Monthly Investors Report as at 31 March 2008

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 31/03/08	
NAV Pre Perf Fees:	USD 2,658.82
Min Investment:	USD 100,000
Size of Fund:	USD 21.9mn
Type of Fund:	Cyprus private fund under International Collective Investment Scheme Law No 47(1) 1999 of Cyprus
Fund Manager:	P&C Global Fund Management Limited, Cyprus
Sub-Manager:	Butterfield Asset Management, Bermuda
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 31/03/08)

Metal resource shares:	89.3%
Silver:	9.6%
Cash (net):	1.1%

Fund Commentary

The fund's NAV fell by 12.7% in March to USD 2658.82, slightly underperforming the FTSE Gold Mines Index which fell by 12.4%. Gold bullion ended March -5.9% lower (retracing last month's rise almost exactly) at USD 916.88/oz, and, intra-month, backing off the new historic highs near USD 1000/oz.

The fundamentals for gold - as if it were possible - even improved last month. We had the bail out of Bear Stearns, more cuts in interest rates, a weaker dollar, continuing inflation pressures worldwide and in the media a litany of "It's worse than 1929" stories. It may be that gold corrected if only for the simple reason that it had to, as it was looking overbought to traders. Who knows? We remain convinced it's going a lot higher in the longer term.

Not even the most oleaginous spin-doctor could describe a 12.7% monthly drawdown as low volatility, but our investment adviser makes the point that we have a "defensive" stance in one important sense. We are overweight mid-tier producers at the expense of the pure leverage plays i.e. exploration and advanced exploration stocks. The cash thirsty junior market is generally not the place to ride out systemic risk in the financial market place.

We've also been loading up on bullion (now 10% of the fund, held through ETFs) at the expense of stocks. Our studies indicate that bullion strongly outperforms equities during crisis events such as the current global liquidity crunch. This can - and will - be reversed when more confidence returns to equity markets. We are actively using the current "shakeout" to find value. We'll reduce our bullion exposure when we see some exciting opportunities in the equity area.

We re-emphasize to our readers that corrections of this sort are opportunities to add to positions in gold.

Fund Statistics

CAGR	19.4% pa
Number of Months	62
Number of "Up" Months	39
Average "Up" Month	+7.0%
Number of "Down" Months	23
Average "Down" Month	-6.36%
Largest Monthly Rise	+22.1 (September 2005)
Largest Monthly Fall	-19.4% (April 2004)
Number of stock positions	55
Unlisted stock positions	2
Largest stock position	8.8%

Investment Driven Major Buys and Sales

Net Buys	Net Sales
St Barbara Limited	Semafo Inc
Straits Resources Limited	Stratogold Corp

Top 10 Holdings

1. Central Fund (Gold, Silver)	6. Lingbao Gold
2. Ivanhoe Nickel & Platinum	7. Eldorado Gold
3. IAM Gold	8. Yamana Gold
4. QGX Limited	9. Sino Gold
5. Nevsun Resources	10. Peabody Energy

Performance in USD (for initial investors)

	28/2/03	31/03/08	%ch
P&C Gold Fund (Gross NAV)	1000	2658.82	+165.9%
FTSE Gold Mines Index	1190.83	3016.42	+153.30%
Gold Bullion	349.95	916.88	+162.0%
Silver Bullion	4.60	17.24	+274.8%
Palladium Bullion	241.50	450.20	+86.4%
Platinum	683.50	2043.40	+199.0%

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%	19.7%
2007	-2.99%	1.94%	1.27%	3.80%	0.57%	1.53%	-2.01%	-12.08%	21.11%	11.1%	-11.0%	3.0%	12.8%
2008	0.17%	8.8%	-12.7%										-4.9%

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

Performance in USD (for initial investors)

P&C Fd (NAV for Initial Investors)

