



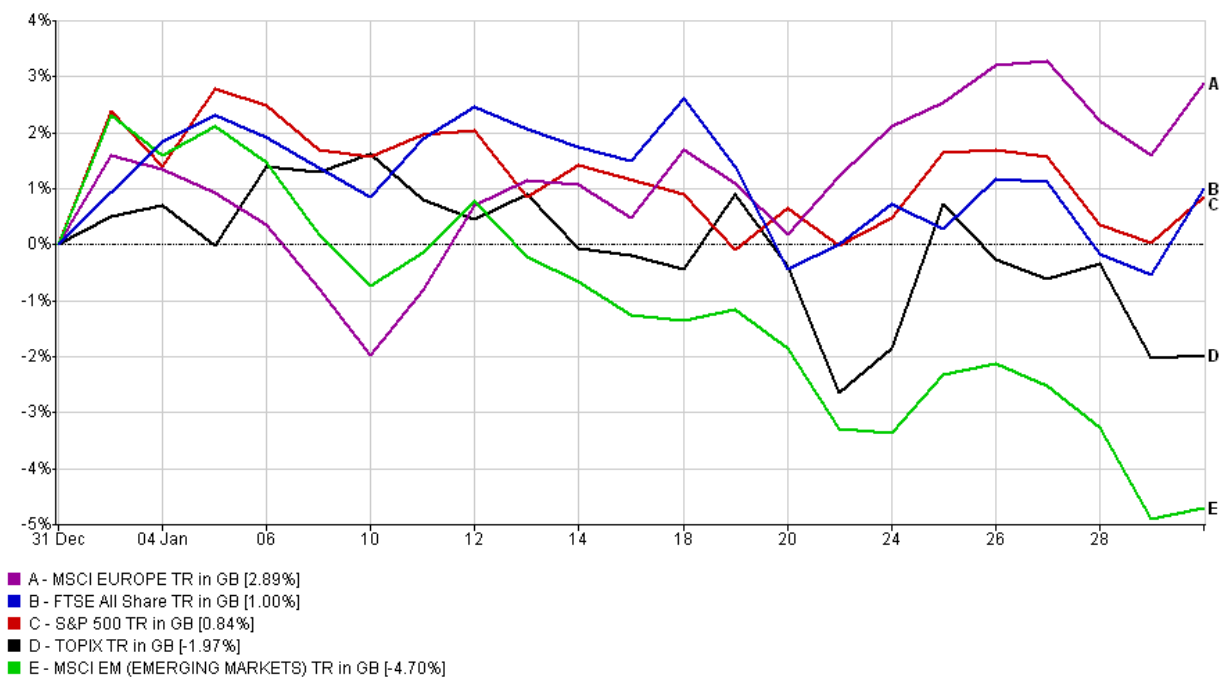
Performance Summary to 31 January 2011

Fundamental Indicators

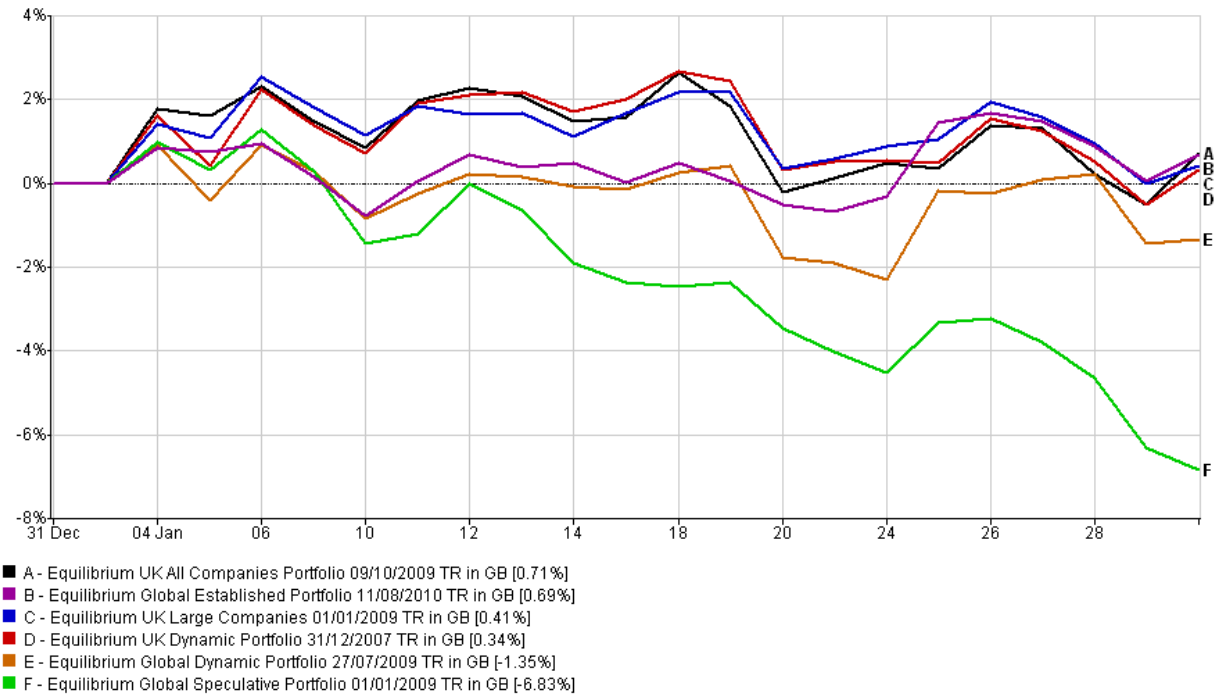
Index	Value	Last Month's Value
UK 10 Year Gilt Yield	3.65%	3.23%
FTSE Allshare P/E Ratio	15.3x	14.5x
FTSE Allshare Yield	2.8%	3%
Spread v Gilt	0.55%	-0.23%
IBOXX Sterling Corp Bond Yield	5.94%	5.79%
Spread v Gilt	2.29%	2.56%
Breakeven inflation 2016 IL Gilt	2.98%	2.46%
Breakeven inflation 2024 IL Gilt	3.31%	3.05%
IPD UK All Property Yield	6.4%	6.4% approx
Spread v Gilt	2.75	+3.17%

Equity

It was a mixed month for equity after a very strong December. Europe showed some gains and Emerging Markets showed some strong losses. Most other markets were relatively flat:



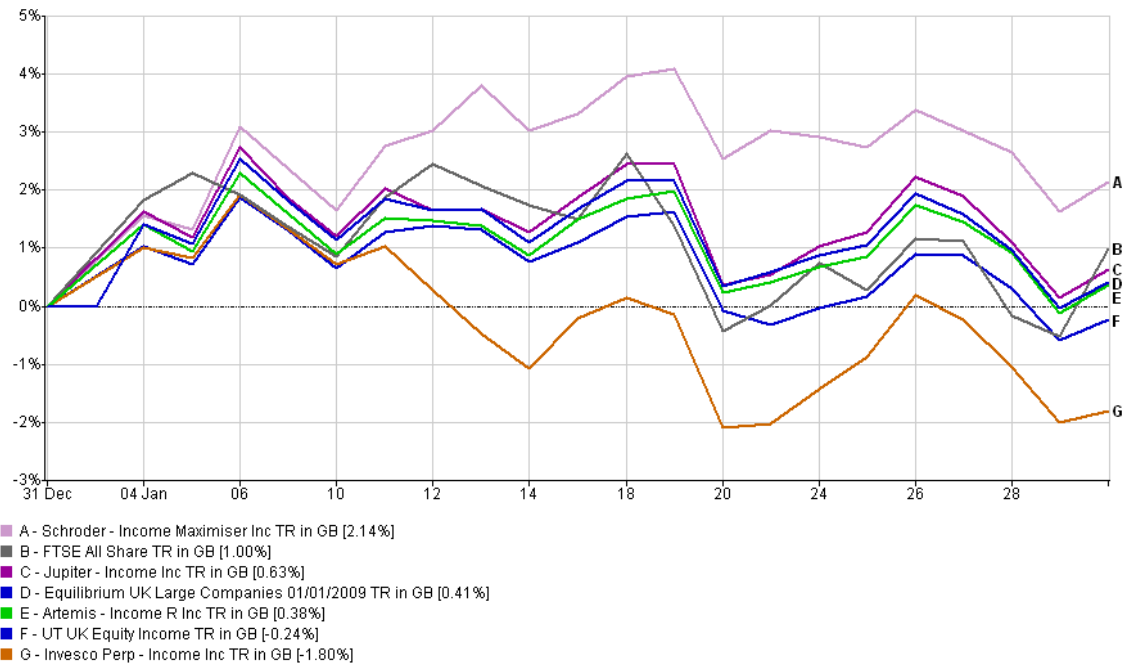
Our portfolios followed suit, with our global speculative having a very poor month:



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We are reviewing global emerging markets urgently with a view to potentially switching to a global equity income in the short term. We are concerned that some emerging markets may be overvalued and it may be worth a short term switch to more Western economies. Given the above, we need to decide if the time to do so has passed.

Within UK equity, UK Large is still disappointing compared to the Allshare. Three of the individual funds have beaten the sector over the month with Invesco continuing to disappoint:



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Following a meeting with Jupiter Income this month we suggest retaining this holding for the time being despite poor performance over the past two years. Invesco is now becoming a concern also, however we still believe UK Large Companies are one of the areas showing most value. We may consider dropping Schroders which has underperformed since the new managers took over.

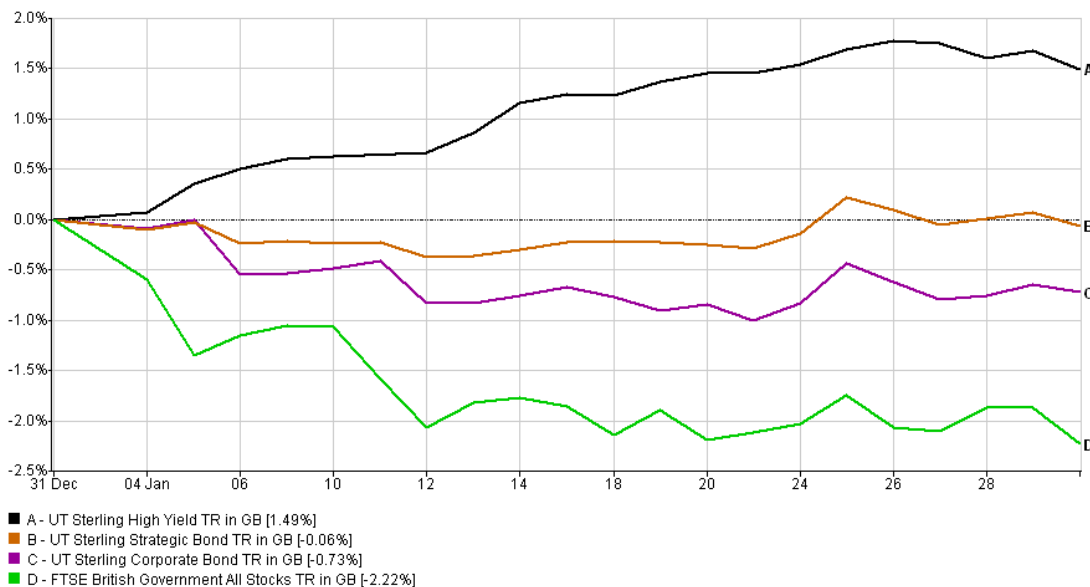
Looking at the trend charts over 12 months shows a strong uptrend since July last year, which has flattened over the past month:



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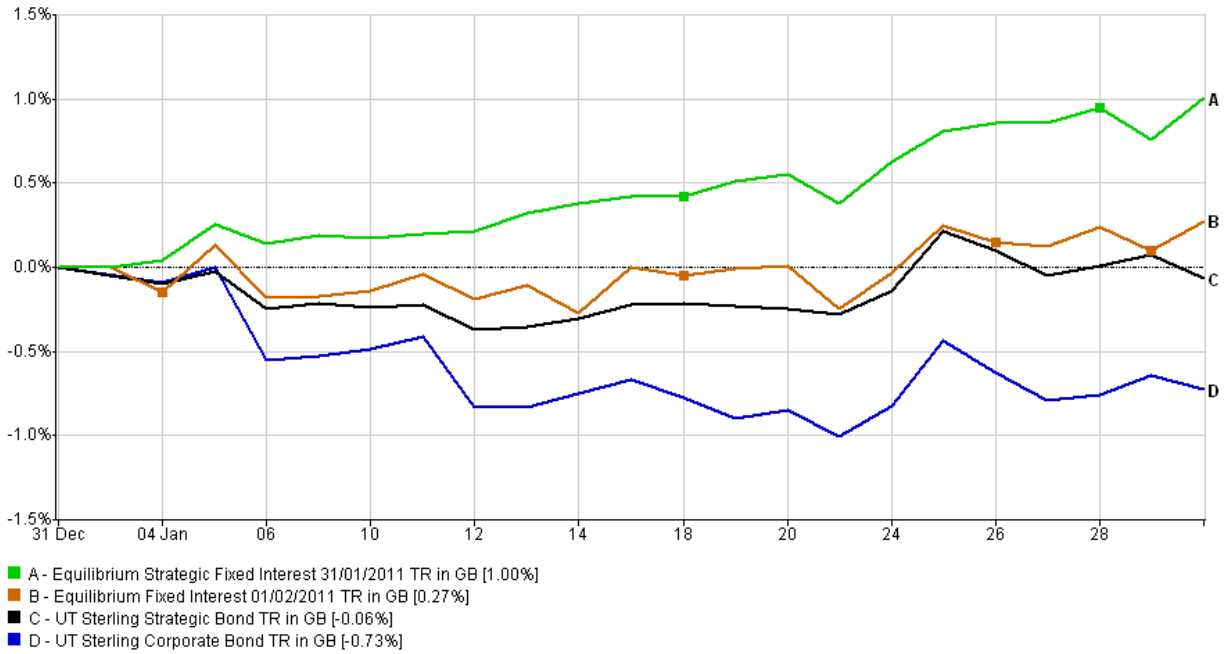
Fixed Interest

A mixed month for fixed interest, with gilts continuing to sell off but high yield recovering well:



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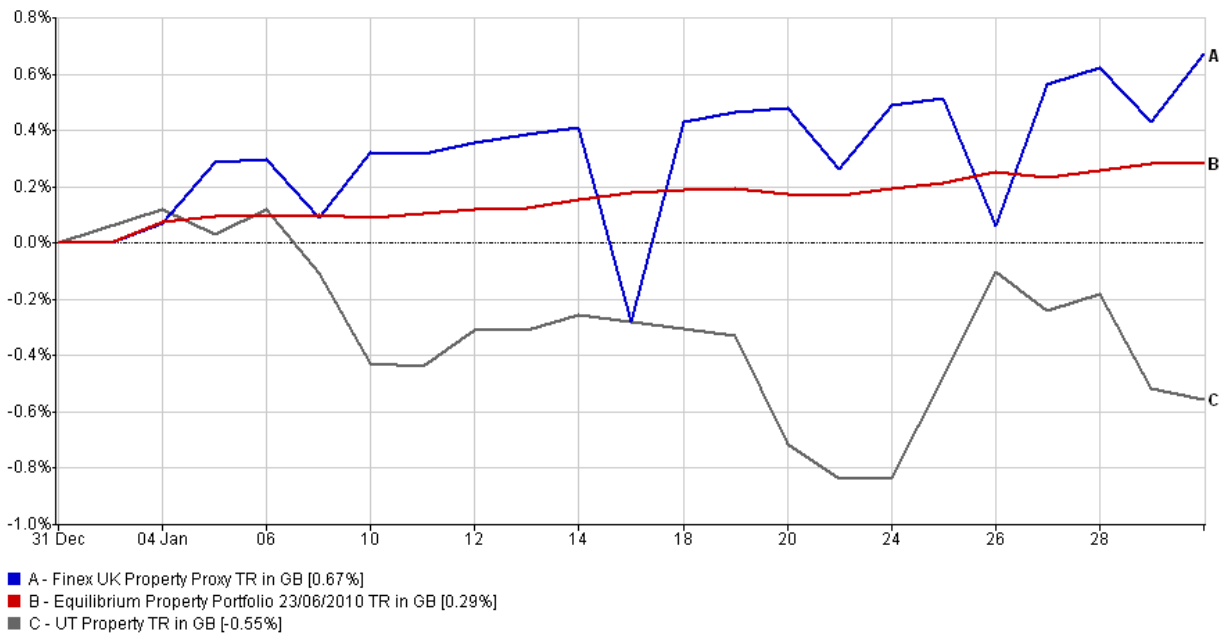
Our portfolios did comparatively well, with a relatively strong recovery from the strategic funds:



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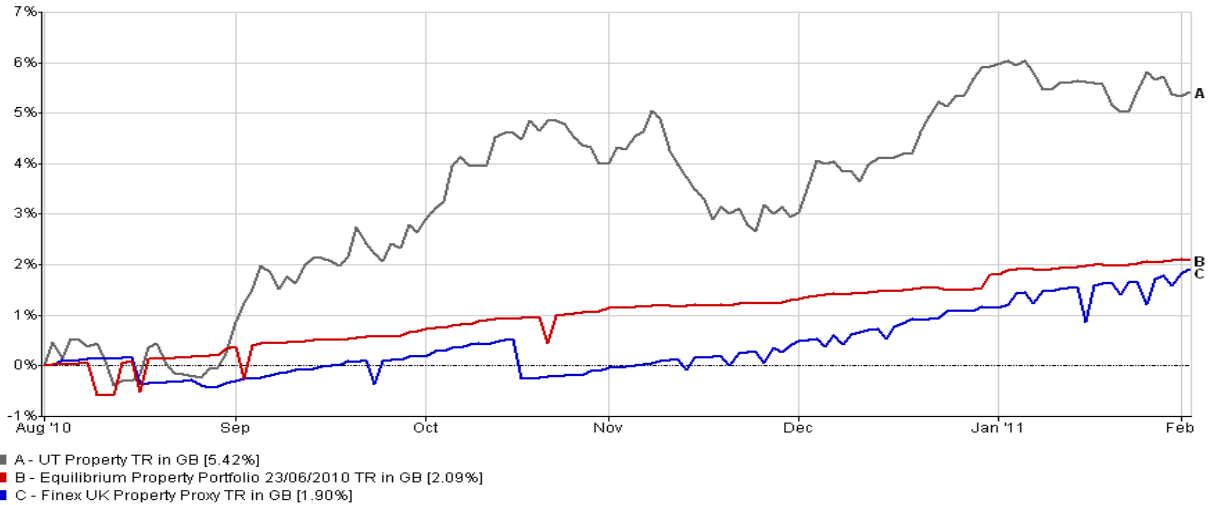
Property

Our property portfolio again posted small gains over the month, underperforming the Finex index but ahead of the UT sector:



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Over 6 months returns have been steadily positive, if relatively low return:



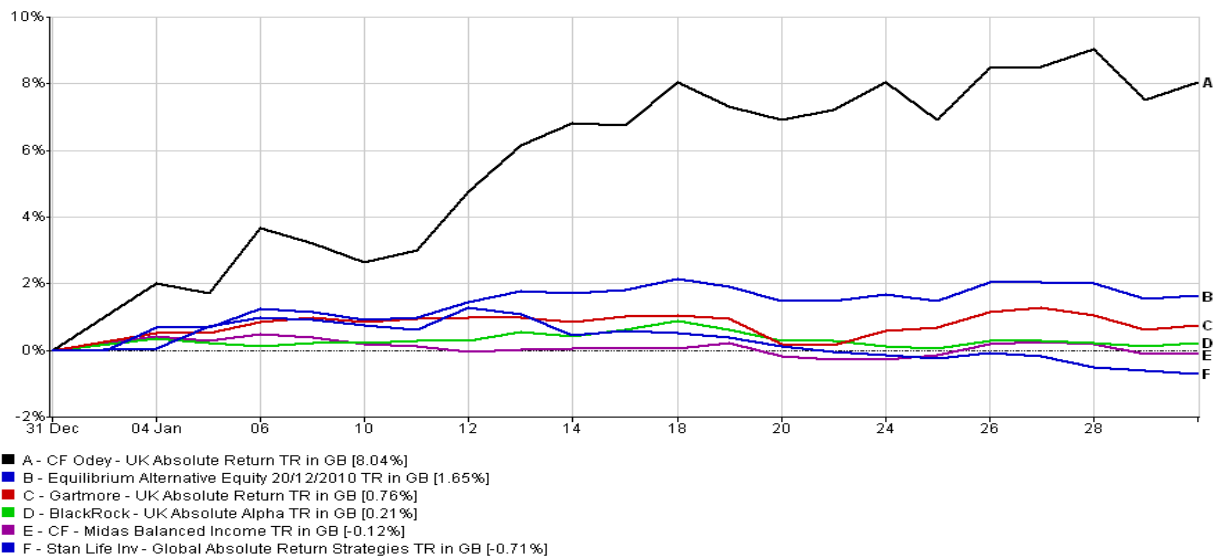
We would expect returns to continue in a similar vein in 2011, and would be relatively satisfied if they did.

Inflows into the property asset were generally very strong over the month as shown in the table below.

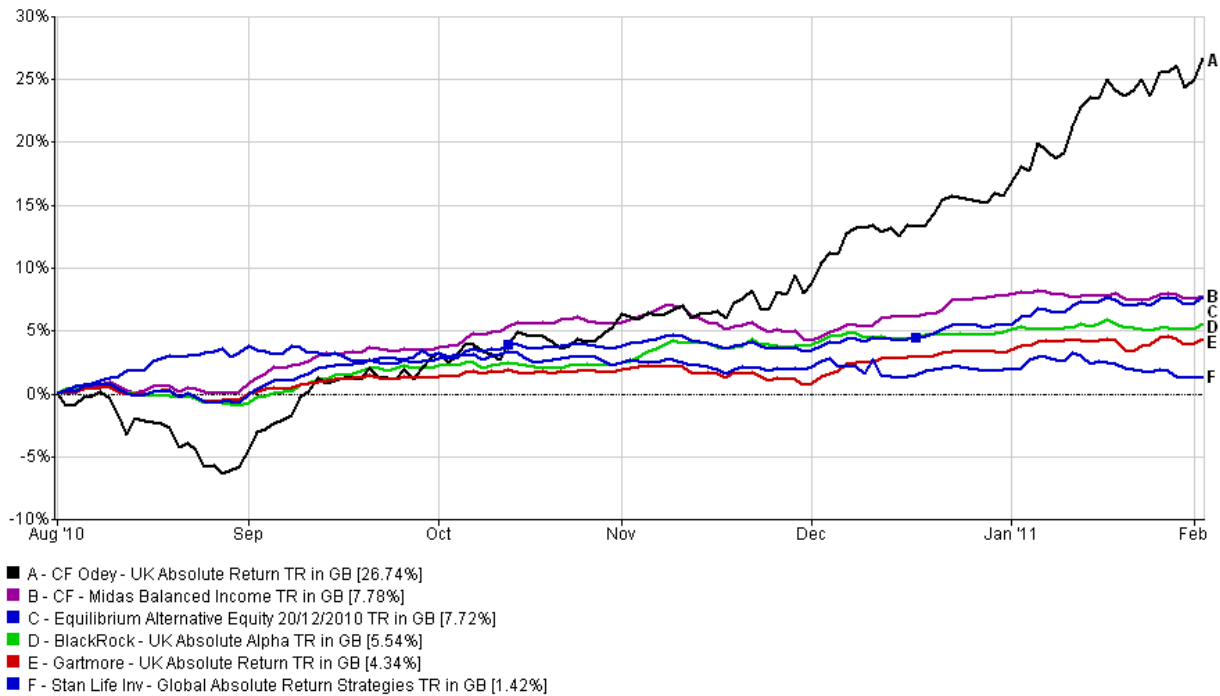
Fund	Fund Size (£)	Last Month Perf. (%)	Adjusted Fund Size Last Month (£)	Fund Size Change (£)	Fund Size Change (%)
Aviva Property	£1,896,500,000.00	0.66%	£1,900,863,440.00	£4,363,440.00	-0.23%
Standard Life Property	£257,900,000.00	0.20%	£254,007,000.00	£3,893,000.00	1.53%
M&G Property	£1,727,900,000.00	0.07%	£1,706,193,500.00	£21,706,500.00	1.27%
Threadneedle Property	£325,400,000.00	0.09%	£312,080,620.00	£13,319,380.00	4.27%
Ignis UK Property	£732,400,000.00	1.11%	£721,318,740.00	£11,081,260.00	1.54%
SWIP	£2,191,500,000.00	0.73%	£2,187,874,189.72	£3,625,810.28	0.17%

Alternative

Our alternative portfolio did well again over the month, driven by excellent returns from Odey:



The returns have been decent over 6 months, with the portfolio posting 7.7%. The Gartmore, Blackrock and more aggressive Odey funds have posted good returns after a disappointing 6 months before. This indicates that stock picking skills have come slightly more to the fore, after a period where it has been extremely difficult to find alpha:



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