

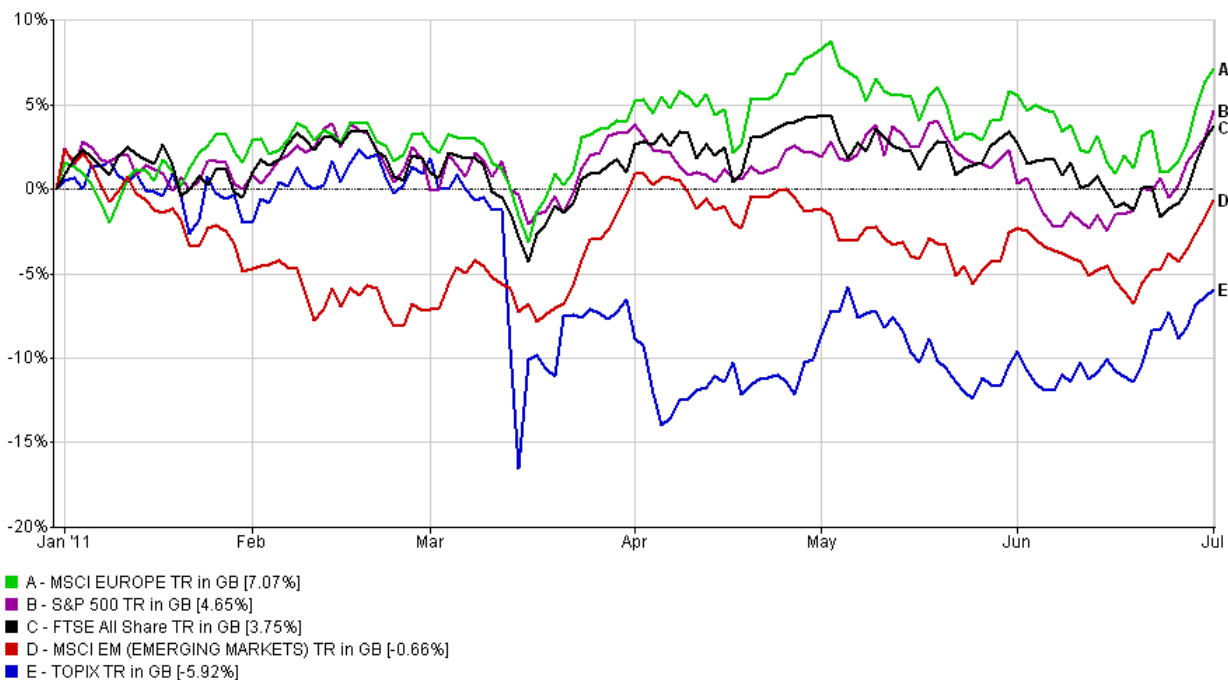
Performance Summary to 30 June 2011

Fundamental Indicators

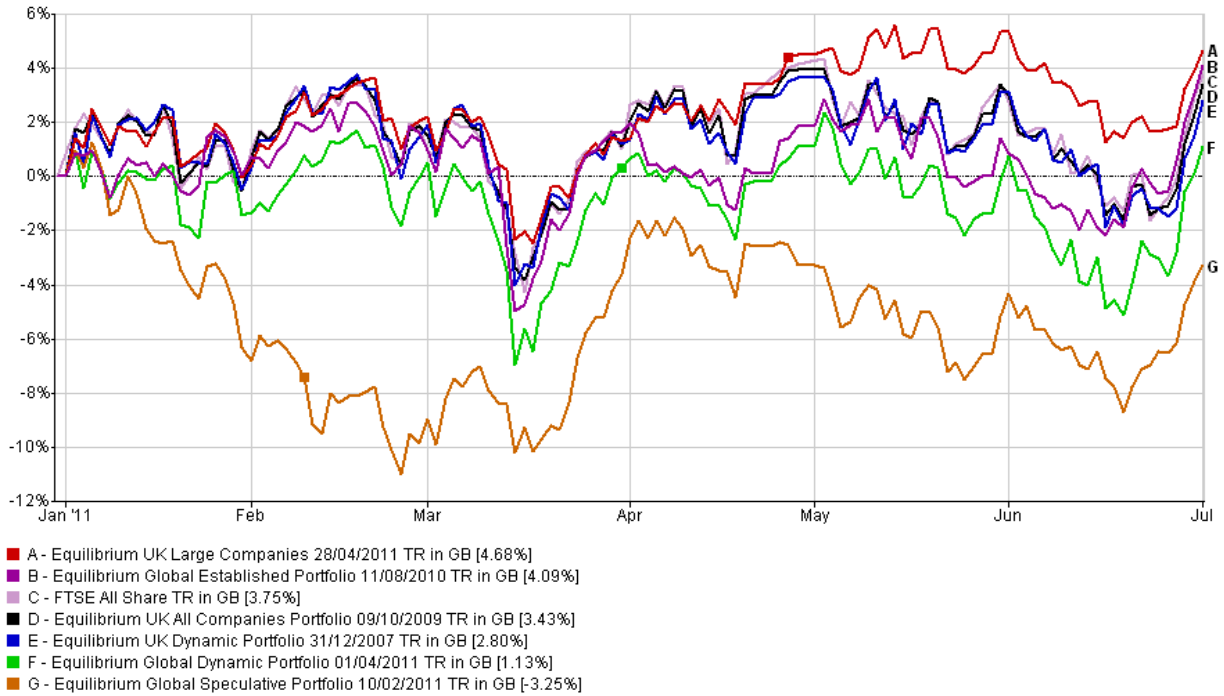
Index	Value	Last Month's Value
UK 10 Year Gilt Yield	3.38%	3.31%
FTSE Allshare P/E Ratio	14x	14x
FTSE Allshare Yield	3.0%	2.8%
Spread v Gilt	-0.38%	-0.51%
IBOXX Sterling Corp Bond Yield	4.98%	5.48%
Spread v Gilt	1.6%	2.17%
Breakeven inflation 2016 IL Gilt	2.89%	2.89%
Breakeven inflation 2024 IL Gilt	3.25%	3.17%
IPD UK All Property Yield	6.1%	6.06%
Spread v Gilt	2.72%	2.75%

Equity

The UK equity market ended the month with a run of positive days, but this was not representative of the mood over the period due to the ongoing Greek debt restructure. The FTSE 100 index finished the month just slightly under the 6000 level as Greece's parliament vote for austerity measures was approved just at the end of the month.

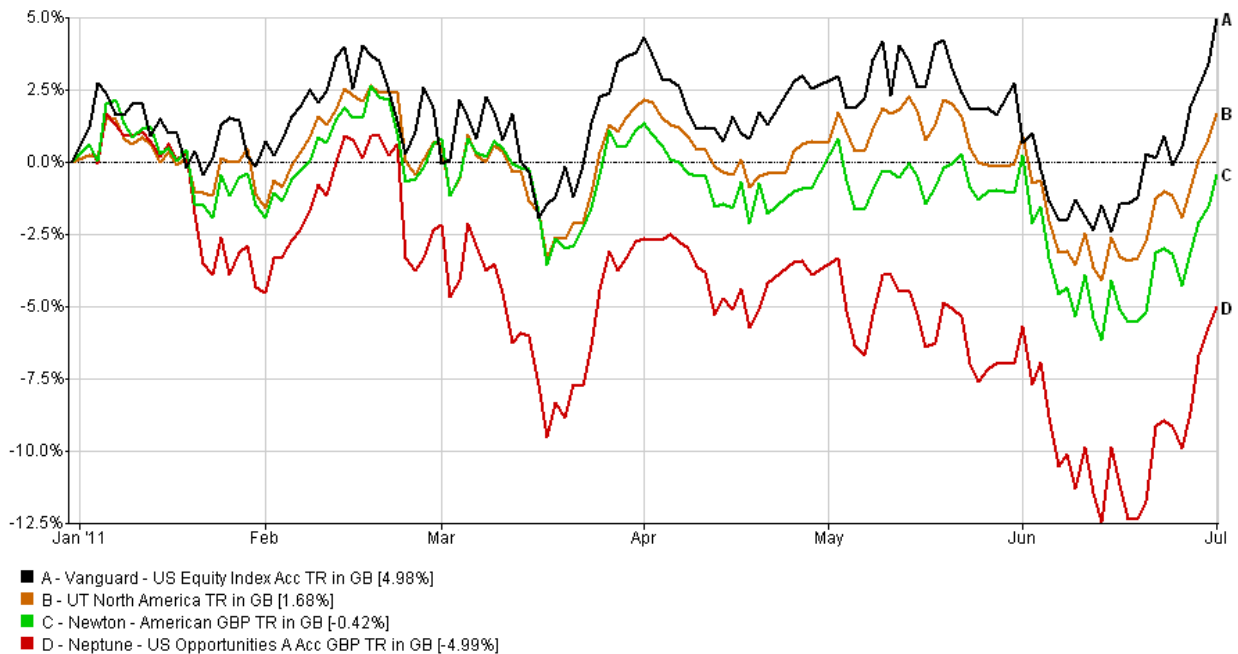


Our Global Speculative portfolio is the only equity portfolio that has delivered negative returns over six months. Emerging markets took a hit over this time mainly due to fears over China growing too fast and inflation worries. Souring investor sentiment was a backdrop of higher interest rates as several central banks in emerging countries continued to tighten monetary policy to tackle mounting inflation pressures.



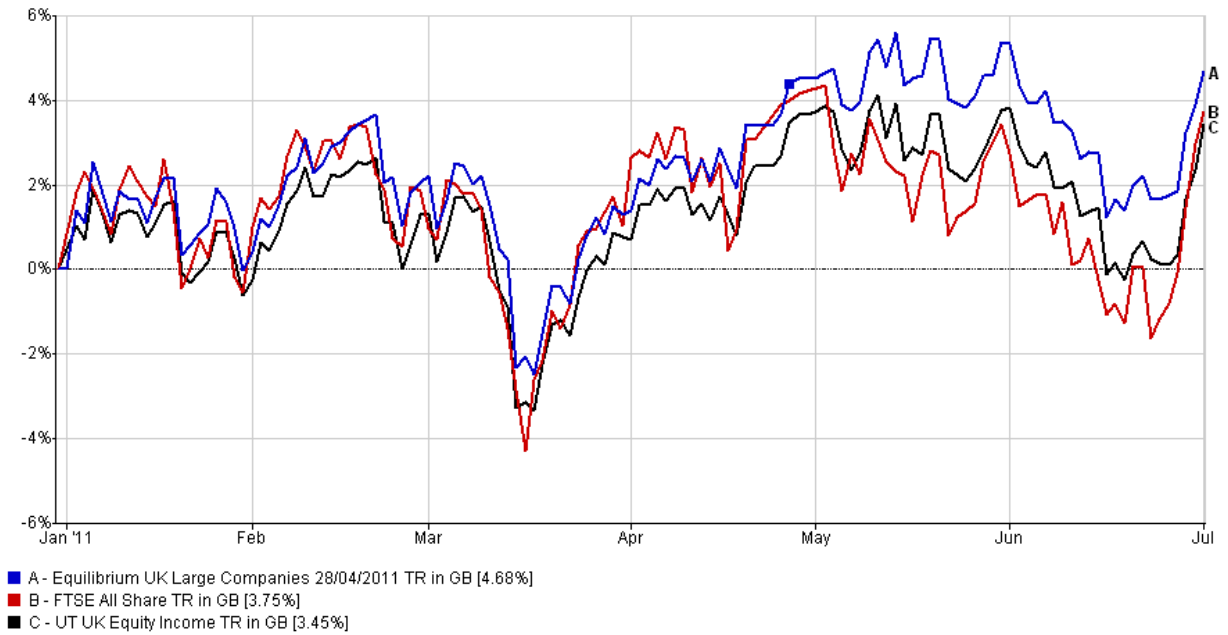
31/12/2010 - 01/07/2011 Data from FE 2011

Neptune US Opportunities has delivered very poor results year to date shedding close to 5% of its returns. This was due to a number of stock specific issues; the funds bottom five contributors had company-related issues, which accounted for the majority of its overall underperformance. This purely comes down to poor stock selection, specifically in technology sector.



31/12/2010 - 01/07/2011 Data from FE 2011

Our UK Large portfolio has continued to outperform the sector average and FTSE All-Share over the past 6 months.



31/12/2010 - 01/07/2011 Data from FE 2011

The FTSE All Share moving average chart is now indicating a buy signal as the line graphs has shot upwards. Current P/E ratio stands at about 14x which indicates market levels are fairly priced on current earnings:

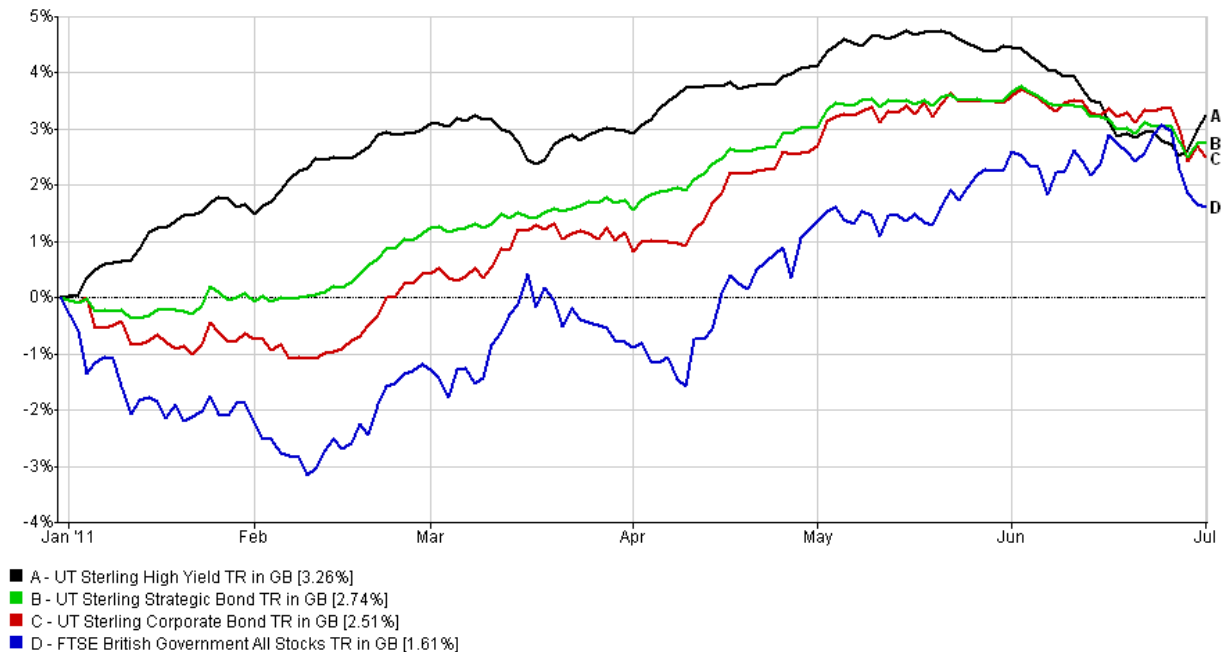


31/12/2010 - 01/07/2011 Data from FE 2011

Fixed Interest

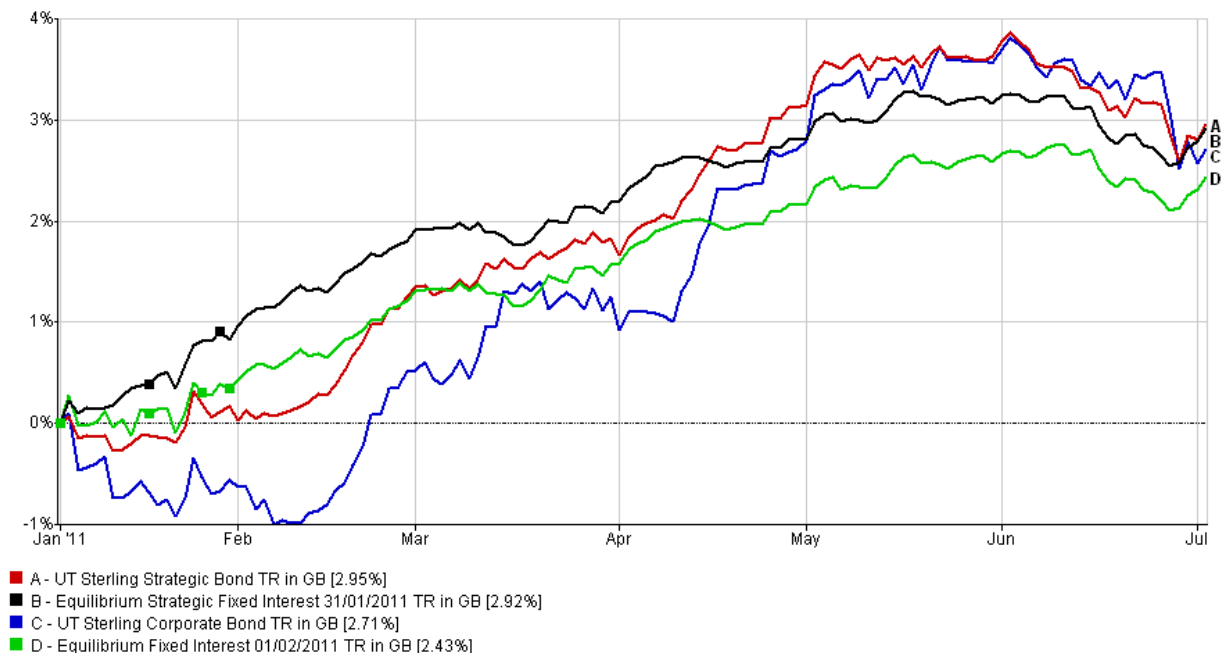
Yields on troubled peripheral eurozone countries rose as investors became increasingly concerned about the possibility of Greece debt restructuring or default.

Credit markets achieved negative total returns for the month, but core government debt underperformed most. There were clear general aversion to risk, driven by poor economic data and primarily the sovereign debt crisis, which drove spreads over government debt wider.



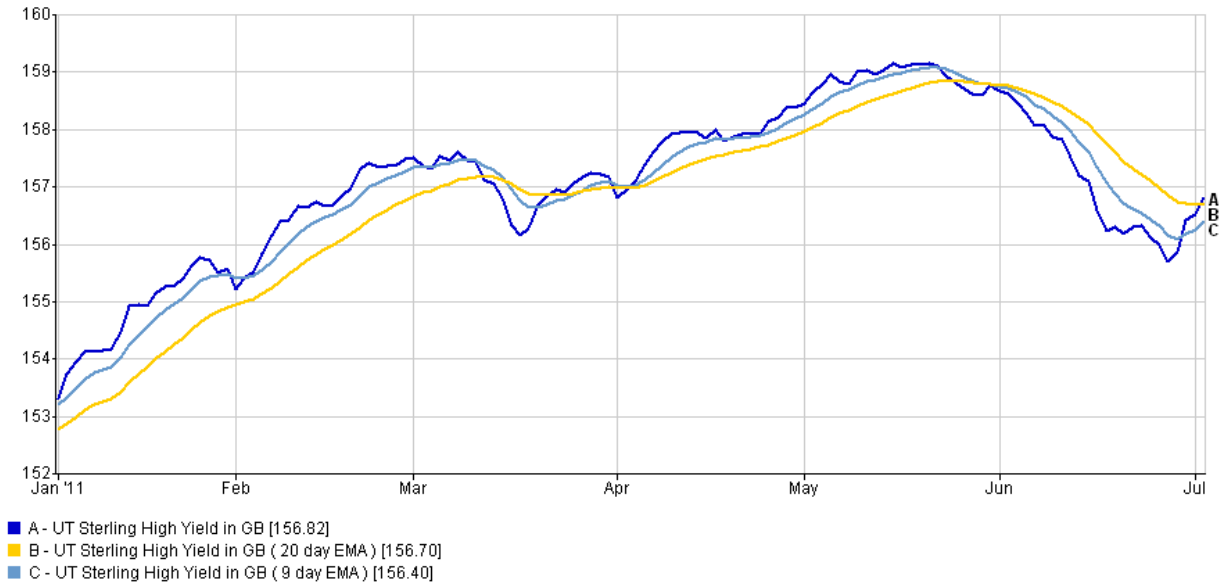
31/12/2010 - 01/07/2011 Data from FE 2011

The fixed interest asset has continued to see a rally since the beginning of the year, but in the month of June, it dipped due to the Greek crisis.



04/01/2011 - 04/07/2011 Data from FE 2011

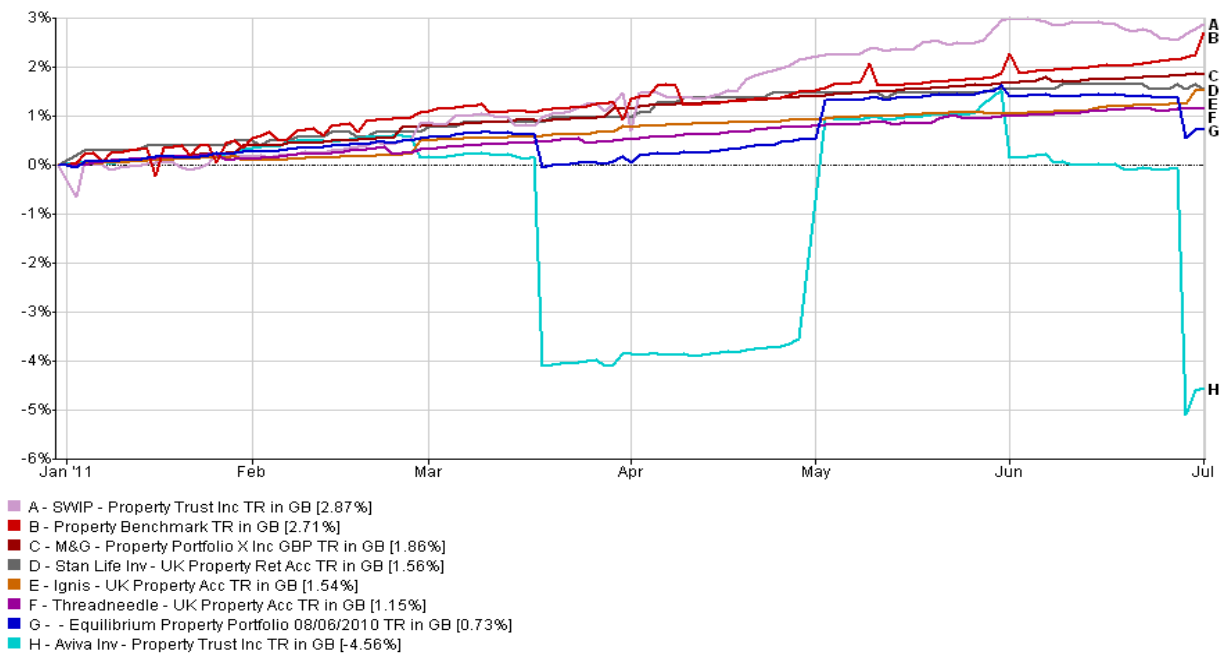
Over the month, there were significant outflows from high yield bonds as investors moved away from riskier bonds. The graph shows a clear indication of the current sentiment towards it.



04/01/2011 - 04/07/2011 Data from FE 2011

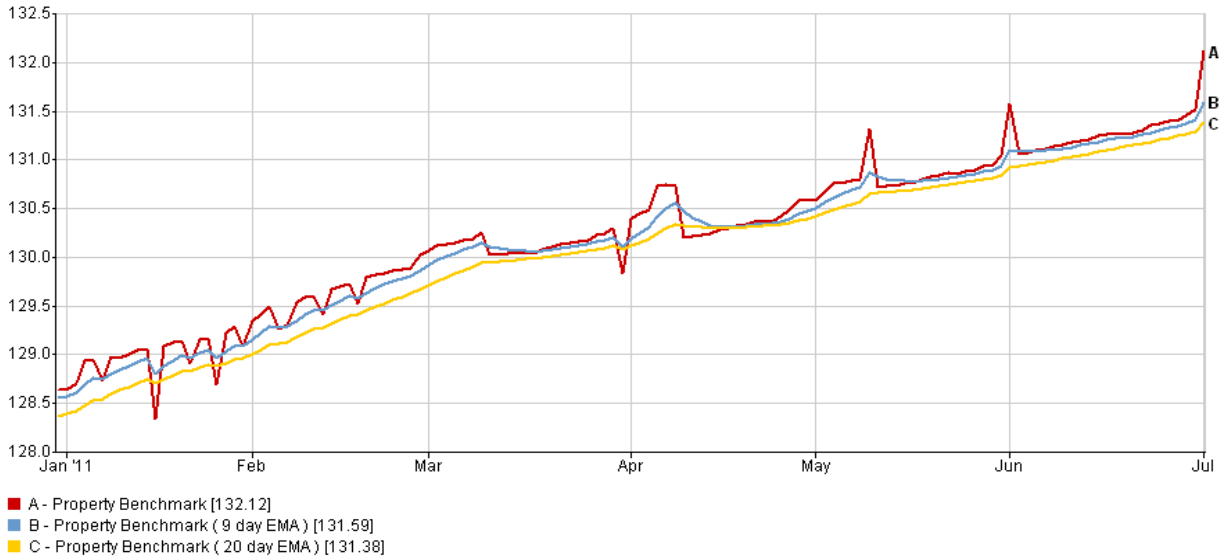
Property

Our property portfolio continued to posted small gains over the month, with the majority underperforming the Property Benchmark (80% Finex, 20% cash). Aviva has once again has had a re-price towards the end of June.



31/12/2010 - 01/07/2011 Data from FE 2011

Property returns are continuing to move along as shown in the 6 month technical trend chart, remaining in a positive trend, but slowing:



31/12/2010 - 01/07/2011 Data from FE 2011

Inflows into the property funds were generally strong over the month as shown in the table below apart from the Aviva fund due to their outflow back in May:

Fund	Fund Size (£)	Last Month Perf. (%)	Adjusted Fund Size Last Month (£)	Fund Size Change (£)	Fund Size Change (%)
Aviva Property	£1,910,100,000	-4.75%	£1,806,606,750	£103,493,250	5.73%
Standard Life Property	£283,000,000	0.10%	£276,376,100	£6,623,900	2.40%
M&G Property	£1,833,800,000	0.19%	£1,820,953,250	£12,846,750	0.71%
Threadneedle Property	£364,200,000	0.15%	£356,834,450	£7,365,550	2.06%
Ignis UK Property	£822,500,000	0.48%	£808,663,040	£13,836,960	1.71%
SWIP	£2,333,600,000	-0.21%	£2,289,581,760	£44,018,240	1.92%

Alternative

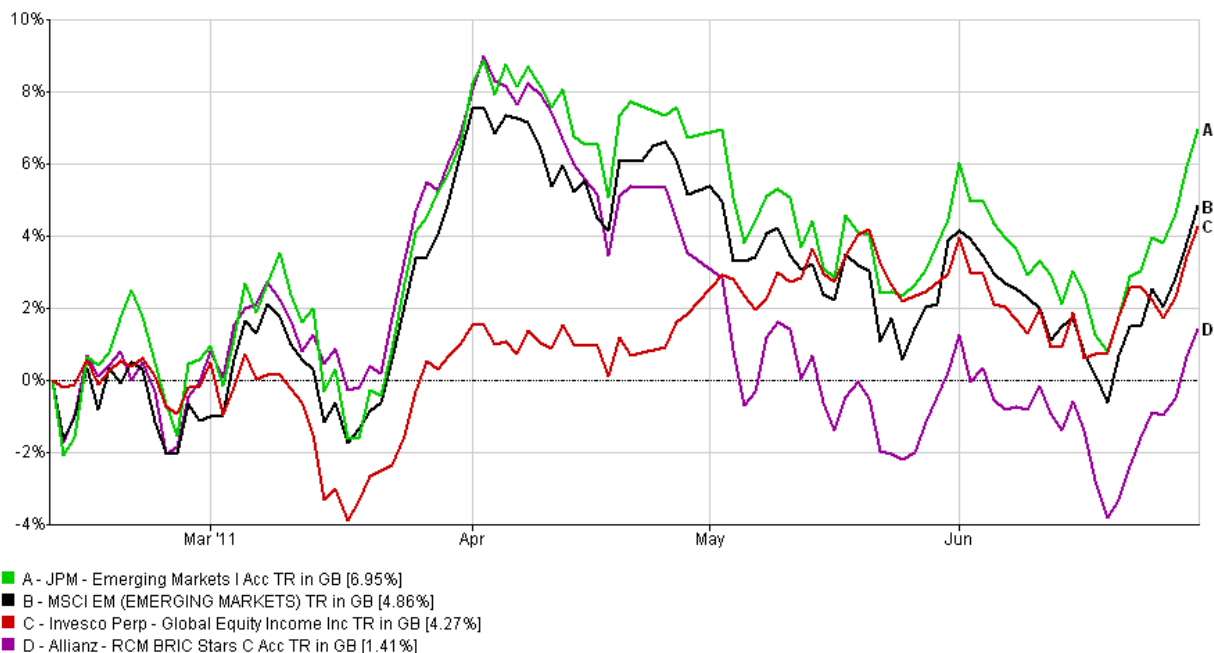
The Alternative equity portfolio performed well over the six months, with only the Gartmore fund slightly underperforming the FTSE All Share. CF Odey continued to do well in the month of May delivering 0.66%.



04/01/2011 - 04/07/2011 Data from FE 2011

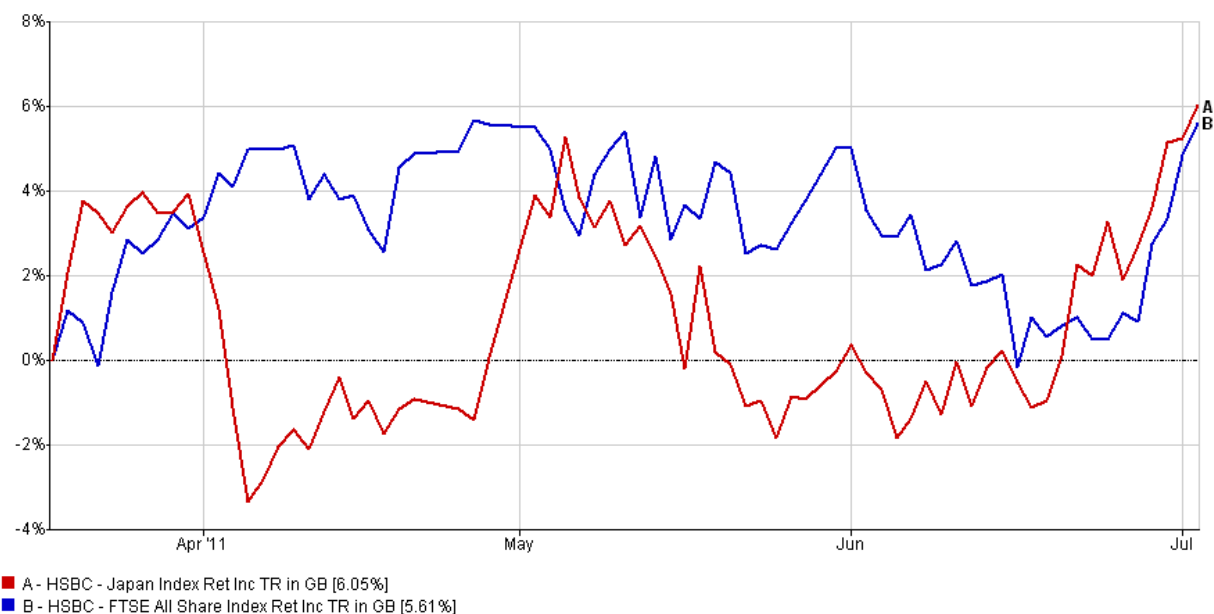
Tactical

The Invesco Perpetual Global Equity Income fund has just slightly underperformed the MSCI Emerging Markets Index since we made the tactical switch back in March, however it has outperformed the Allianz fund:



09/02/2011 - 30/06/2011 Data from FE 2011

The HSBC FTSE All Share tracker has delivered 5.61% since we switched into the tracker back in March; this isn't far off the switch back levels we agreed on. The Japan tracker we bought a couple of days later due to settlement times of the fund we switched out of:



18/03/2011 - 04/07/2011 Data from FE 2011

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