

SVM GLOBAL OPPORTUNITIES FUND

Short Report

Period to 30 June 2010



Key Objectives

The objective of this Fund is to achieve above average capital growth over the medium to long term (although short-term investment opportunities will also be considered) and it aims to outperform the FTSE World Index.

Risk Profile

The Fund is exposed to currency and market risks as it invests in global funds. The Fund is exposed to Sterling and a variety of global currencies as well as stockmarket fluctuations. The Fund does not actively hedge the currency risk of the portfolio.

Distribution

XD date: 31 December

Payment date: 30 April (Accumulation shares).

The following distribution was accumulated over the last accounting period.

Income		
	31/12/09 pence per share	31/12/08 pence per share
Global Opps A Class	Nil	Nil
Global Opps B Class	Nil	Nil

Total Expense Ratio (TER)

The TER shows the annualised operating expenses of the Fund. It does not include transaction expenses.

Fund Total Expense Ratio (p.a.)	Class A Shares	Class B Shares
Global Opportunities Fund	1.73%	1.13%

Total Expense Ratio = Total Annualised Expenses / Average Net Asset Value over 6 months X 100

The above figures were calculated by SVM Asset Management using data sourced from the 30 June 2010 Report and Accounts. The figures are intended to provide an indication of the Total Expense Ratio and will vary from year to year.

Fund Performance

Percentage growth for each year to last quarter end	15/05/06* 30/06/06	30/06/06 30/06/07	30/06/07 30/06/08	30/06/08 30/06/09	30/06/09 30/06/10
Global Opportunities	+2.4	+20.3	-7.2	-32.9	+9.4

Source: Lipper Hindsight, mid to mid, UK net. Past performance should not be seen as an indication of future performance. All performance data refers to the A (retail) share class.

*Launch date

Comparative Tables

Net Asset Values

	Net asset value of shares £'000	Net asset value in pence per share	Shares in issue
As at 30/06/10			
Global Opportunities A class	26,140	81.45	32,094,468
Global Opportunities B class	8,707	83.39	10,441,203
As at 31/12/09			
Global Opportunities A class	28,561	83.12	34,359,237
Global Opportunities B class	9,634	84.35	11,421,236

Share Price Performance

	Highest share price in pence	Lowest share price per pence	Price as at period end
During period to 30/06/10			
Global Opportunities A class	90.80	83.70	83.88
Global Opportunities B class	92.86	85.69	85.87
During period to 31/12/09			
Global Opportunities A class	89.01	66.24	85.12
Global Opportunities B class	90.73	67.29	86.88

Top 10 Holdings: 30/06/10

%








Treasury China Trust	4.7
Acheron Portfolio Corp	4.5
F & C Private Equity B shares	4.1
Quorum Oil & Gas	3.9
Prosperity Voskhod Fund	3.4
Juridica Investments	3.2
South African Property Opportunities	3.1
B P Marsh	3.0
Oryx International Growth Fund	2.8
Trading Emissions	2.8
Total	35.8

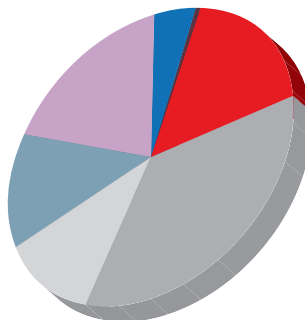
Top 10 Holdings: 31/12/09

%

F&C Private Equity Trust	4.3
China Real Estate Opportunities	4.1
Quorum Oil & Gas Technology	4.1
Acheron Portfolio	4.1
South African Property	3.4
Juridica Invest	3.1
Ceiba Investment	2.9
Blackrock World Mining Trust	2.8
Oryx International Growth Fund	2.7
Psource Structured Debt	2.7
Total	34.2

Sector Analysis

	30/06/10	31/12/09
 Hedge	17.9%	17.0%
 Specialist Funds	34.1%	31.8%
 Resources	12.2%	12.1%
 Property	12.9%	16.5%
 Private Equity	17.7%	16.6%
 Special Situations	4.9%	5.8%
 Cash	0.3%	0.2%



Fund Managers



Donald Robertson



Colin McLean

The six months to 30 June 2010 can be comfortably split into two periods. The first period - the first three months - saw a continuation of the rally started in March 2009 while the second quarter saw a consolidation phase. By the end of March, stockmarkets had been driven into over-bought territory and the subsequent correction took all major indices into deficit for the six months.

The global stimulus packages appear to have worked to avert the threat of prolonged depression but, as yet, it is unsure as to whether a sustained recovery is certain or indeed its strength. Rumours of double-dip recession have also not helped. The one position that is clear is that certain countries, mostly the mature western economies, remain challenged due to substantial indebtedness. This situation will not improve in the short term and puts a strong sustainable recovery in some doubt. On the other side, emerging markets

continue to exhibit stronger growth combined with financial surpluses rather than indebtedness. These areas also have the advantage of not being overvalued in comparison. This is a marked change on the situation in 1998 where the landscape was exactly opposite. In those countries, the financial stimulus has been reversed without a material adverse effect. We wonder whether mature economies will escape so lightly.

The fund remains defensively positioned with its market sensitive funds concentrated in the higher growth markets typically emerging markets. The Fund also retains its thematic approach with emphasis on funds that have disproportionately and unjustified high discounts level. Discounts generally over the six months widened by a few percentage points as investors booked profits. Those funds with extremely wide discounts have come under pressure from shareholders to improve ratings. Consequently, there are a number of funds that have either restructured or are in the process of so doing. As yet, discount contraction has been concentrated only in those funds that have formally announced a form of capital return and a specific date. We expect share prices of funds in the portfolio to benefit as their restructurings take effect.

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Further Information

Further information about the share price and activities of the Fund together with related product literature and further information on the Manager can be found on our website at www.svmonline.co.uk

Report and Accounts

This document is a short report for a sub-fund of the SVM Funds ICVC taken from the Report and Accounts for the period ending 30 June 2010. The Long Form version of the Report and Accounts is available on written request to the Marketing Department, SVM Asset Management Limited, 7 Castle Street, Edinburgh EH2 3AH or by email to info@svmonline.co.uk

Investment Warning

Past performance should not be seen as an indication of future performance. The value of an investment may fall as well as rise and investors may not get back the amount originally invested. Currency movements may cause the value of your investment to fall as well as rise.

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