

# SVM Global Opportunities Fund

## Short Report



Period to 30 June 2007

### Investment Objective

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 (or any successor or substitute index).

The Fund will invest principally in investment trusts and other transferable securities to the extent allowed by the Fund's investment and borrowing powers.

### 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	
	31/12/06 pence per share
Global Opps A class	Nil
Global Opps B class	Nil

### Total Expense Ratio (TER)

The TER shows the annualised operating expenses of the Fund. It includes the manager's performance fee, which was 0.63% p.a for A Shares and 0.78% p.a for B Shares for the period. It does not include transaction expenses.

Fund Total Expense Ratio (p.a.)	Class A Shares	Class B Shares
Global Opportunities Fund	2.26%	1.81%

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

The above figures were calculated by SVM Asset Management using data sourced from the 30 June 2007 Interim Report and Accounts. The figures are intended to provide an indication of the Total Expenses 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
Global Opportunities	+2.4	+20.3

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.

## Comparative Tables

### Net Asset Values

	Net asset value of shares £'000	Net asset value in pence per share	Shares in issue
As at 30/06/07			
Global Opportunities A class	27,711	121.25	22,853,573
Global Opportunities B class	12,291	121.95	10,078,844
As at 31/12/06			
Global Opportunities A class	9,554	111.05	8,603,123
Global Opportunities B class	6,685	111.43	5,999,568

### Share Price Performance

	Highest share price in pence	Lowest share price in pence	Price as at period end
During period to 30/06/07			
Global Opportunities A class	124.40	112.90	123.20
Global Opportunities B class	125.10	113.30	123.90
During period to 31/12/06			
Global Opportunities A class	112.7	99.54	112.7
Global Opportunities B class	113.1	99.62	113.1








### Top 10 Holdings: 30/06/07 %

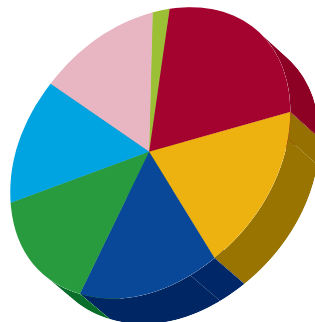
Saltus European Debt Strategy	4.0%
Oryx International Growth Fund	2.5%
Jupiter Adria	2.5%
Rab Special Situations	2.3%
Utilico Emerging Utilities	2.2%
City Natural Resources High Yield Trust	2.2%
Private Equity Investor	2.1%
South African Property	2.1%
Life Offices Opportunities Trust	2.1%
Jupiter Green	2.0%

### Top 10 Holdings: 31/12/06 %

Templeton Emerging Markets Investment Trust	2.9%
JPMF Japanese	2.7%
Jupiter Second Enhanced Geared Income	2.6%
Jupiter European Opportunities	2.6%
Oryx International Growth Fund	2.5%
O Twelve Estates	2.4%
Platinum Investment Trust	2.3%
Real Estate Opportunity 7.5% 31/05/11	2.3%
Melchior Japan Investment Trust	2.3%
Leo Capital	2.2%

# Portfolio Analysis

	30/06/07	31/12/06
 <b>Specialist Funds</b>	<b>23.0%</b>	31.0%
 <b>Resources</b>	<b>17.0%</b>	15.0%
 <b>Property</b>	<b>16.0%</b>	16.3%
 <b>Hedge</b>	<b>15.5%</b>	5.4%
 <b>Private Equity</b>	<b>13.6%</b>	6.9%
 <b>Others</b>	<b>13.0%</b>	20.0%
 <b>Cash</b>	<b>1.9%</b>	5.5%



## Fund Managers



**Donald Robertson**



**Colin Mclean**

The Fund is now slightly more than one year old. During the period, market conditions remained favourable for our multi strategy fund stance and, although volatility has increased of late, the Fund's underlying managers continue to deliver superior performances.

Solid underlying US and Japanese stockmarkets in particular were erased by currency weakness. Indeed, Sterling proved to be the currency of choice, driven by relatively benign fundamentals and higher interest rates. Generally, the higher growth economies, loosely categorised as emerging markets, continue to prosper. With global growth moderating, investors have been drawn to the higher beta markets. The Fund remains heavily skewed away from the US and to a lesser extent Western Europe. Overweight positions are retained in the UK, Emerging Europe and the Far East (ex Japan).

While the Fund still retains a number of market sensitive funds, most of the additions in the six months have been either in special situations or in funds that are less or even not dependent upon rising stockmarkets for their returns. To date, we have concentrated on traditional hedge funds and funds whose principal investment remit is private equity and property. Although these funds may reduce overall returns in strongly positive markets, they have the benefit of protecting against any adverse equity market moves. These funds in the main have not disappointed and their returns have not held the portfolio back to any material extent.

As it looks increasingly likely that the economic power balance is shifting eastward away from the US, the higher growth 'emerging' markets should continue to out-perform. As equity returns moderate or even go negative, the Fund's absolute performance funds should give a degree of protection.

## 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](http://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 Interim Report and Accounts for the period ending 30 June 2007. 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 e-mail to [info@svmonline.co.uk](mailto: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 movement may cause the value of your investment to fall as well as rise.

## Contacts

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Authorised and regulated by the Financial Services Authority

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