



Hunter Hall Global Deep Green Trust

Monthly Performance Report

May 2011

Ethical
Managed Funds

Date	Entry Price	Unit Price	Exit Price
31.05.2011	96.11c	95.82c	95.53c

Absolute and Relative Performance

To 31 May 2011 (%)	1 month	6 months	Compound Annual Return			Value of \$10,000 invested at inception
			1 year	3 years	Since inception	
Absolute Performance - GDG	-2.9	+7.7	-0.5	-2.4	-1.2	\$9,582
Benchmark - MSCI	+0.6	+3.4	+0.8	-5.3	-7.4	\$7,587
Relative Performance	-3.5	+4.3	-1.3	+2.9	+6.2	\$1,995

Inception date: 31 October 2007. MSCI refers to the MSCI World Total Return Index, Net Dividends Reinvested, in A\$. Source: Hunter Hall. Past performance is no guarantee of future performance and no guarantee of future return is implied.

Top 10 Holdings

Company	Main Business	Country	Net Assets (%)
Sirtex Medical	liver cancer treatments	Australia	9.9
BTG	medical devices	UK	7.1
InterDigital	wireless technologies	USA	6.8
Biota	pharmaceuticals	Australia	6.5
Symphony	biodegradable plastics	UK	5.1
CBD Energy	energy services	Australia	4.1
UXC	business solutions	Australia	4.0
AMG	speciality metals	Netherlands	3.7
Colefax	furnishing fabrics	UK	3.6
McLeod Russel	tea grower	India	3.2

Commentary

The Global Deep Green Trust fell 2.9%, underperforming its benchmark by 3.5%.

Canadian wind sensor system manufacturer **Catch the Wind** fell 37%. Two new independent Directors have been appointed to its Board. Ms Susan Nickey and Dr Jo Major Jnr bring with them considerable experience in both the renewable and optical technology sectors. The company also announced a deal to sell laser wind sensor units to TransAlta Corporation, Canada's largest independent renewable energy provider. TransAlta has agreed to buy 20 Vindicator laser wind sensor units. The sale is the company's largest to date.

Australian technology company **Redflex** fell 26% after rejection of a takeover bid at A\$2.75. While the Redflex Board supported the takeover bid, former Chairman Chris Cooper used his 11.1% blocking stake to reject the bid, despite the Carlyle Group/Macquarie consortium sweetening the price to A\$2.75/per share late in the process. We sold part of our Redflex holding into strength and used the resulting price weakness (to A\$1.81) to buy back.

Dutch specialty metals company **AMG** fell 11% despite reporting pleasing March 2011 quarterly results. Revenue was US\$318m, up 35% on the previous corresponding period, operating profit at US\$17m was up 48%, and EBITDA of US\$26m was up 19%. AMG benefitted from improved pricing of a number of Advanced Materials products, including antimony, chromium and tantalum. The company also announced price increases for aluminium master alloys and grain refiner products, effective immediately.

Other detractors over the month included Australian energy services company **CBD Energy** (-24%), UK biodegradable plastics company **Symphony** (-20%) and Australian liver cancer treatments company **Sirtex** (-4%). All stocks fell despite the absence of any adverse developments.

On the positive side, a few of our stocks contributed to performance over the month.

Commentary - continued

US nutritional company **Herbalife** hit 52-week highs, up 25% after posting a market-beating quarterly profit and subsequently raising its outlook for the year. Sales rose 29% to US\$795m, on the previous corresponding period, led by a 45% increase in Mexico and 41% increase in Asia Pacific and China. Encouragingly, sales in the US rose 10%. The company's strategic focus on global obesity continues to be its main growth driver.

UK medical company **BTG** rose 10%. High integration costs following its recent takeover of Biocompatibles saw BTG record an £11m loss before tax for the year. With the company's varicose veins treatment, Varisolve, phase III results due in FY2012 and Biocompatibles fully integrated, we believe FY2012 could be a transformative year for BTG.

Healthcare company **Bionomics** (+20%) had a busy month. The company successfully completed a share placement, raising \$14.25m which will strengthen its position in talks to find a partner for the further development of its drug compounds. This followed the sale of 60m shares by the biggest shareholder in

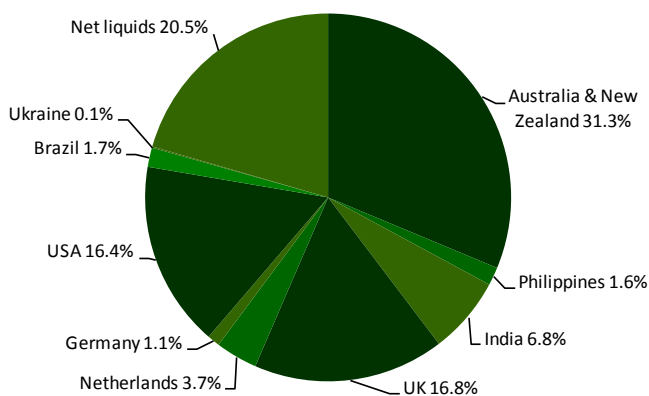
Bionomics, Start-up Australia, decreasing its shareholding from 27.7% of the company to 8.2%. We expect an announcement on BNC210, a potential blockbuster anti-anxiety compound, very soon.

Other contributors over the month included New Zealand electric motor manufacturer **Wellington Drive** (+20%), Australian business solutions company **UXC** (+3%) and US integrated circuits company **Analog Devices** (+2%).

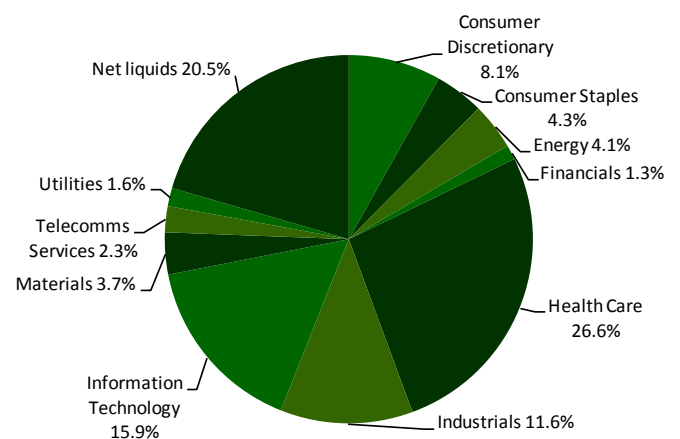
Over the month we exited our position in Taiwanese electrical components manufacturer **Epistar**. We established two positions in US process equipment technology company **Veeco** (up 13% from our average entry price) and a position in Philippines water utility **Manila Water** (flat from our average entry price).

At month end the Fund's net assets were \$7.5m with 21% net liquids. The international component was 49%, with 38% of the foreign currency exposure hedged back into Australian Dollars.

Country Allocation Breakdown



Sector Allocation Breakdown



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