



Hunter Hall Global Ethical Trust

Hunter Hall Global Ethical Trust - Hedged

Monthly Performance Report

June 2011

Ethical
Managed Funds

Date - 30.06.2011	Entry Price	Unit Price	Exit Price
GET	111.05c	110.72c	110.38c
GEH	96.35c	96.06c	95.77c

GEH prices above are post the June 2011 distribution of 2.7317 cents per unit.

Absolute and Relative Performance

To 30 June 2011 (%)	1 month	6 months	1 year	Compound Annual Return				Value of \$10,000 invested at inception
				3 years	5 years	7 years	Since inception	
Global Ethical Trust (GET)								
GET (absolute performance)	-2.3	-0.5	+2.2	-4.7	-3.4	+2.9	+3.9	\$14,464
MSCI (benchmark)	-2.0	+0.8	+3.0	-3.1	-4.9	-0.9	-2.6	\$7,778
Relative Performance	-0.3	-1.3	-0.8	-1.6	+1.5	+3.8	+6.5	\$6,686
Global Ethical Trust - Hedged (GEH)								
GEH (absolute performance)	-1.8	-	-	-	-	-	-1.2	\$9,879
MSCI - Hedged (benchmark)	-1.2	-	-	-	-	-	-0.5	\$9,946
Relative Performance	-0.6	-	-	-	-	-	-0.7	-\$67

Inception date for the GET: 29.11.2001. Inception date for the GEH: 28.02.2011. MSCI refers to the MSCI World Total Return Index, Net Dividends Reinvested, in A\$. MSCI - Hedged refers to the MSCI World Total Return Index, Net Dividends Reinvested, Hedged in A\$ Source: Hunter Hall. Past performance is no guarantee of future performance and no guarantee of future return is implied.

GET: Top 10 Holdings

The GEH is invested almost entirely in GET units, with the balance of its assets held in cash

Company	Main Business	Country	Net Assets (%)
Gold	gold	n.a	6.5
BTG	medical devices	UK	4.0
InterDigital	wireless technologies	USA	3.4
AMG Metallurgical	speciality metals	Netherlands	3.4
Proto Corp	publishing	Japan	3.1
Virgin Media	broadband communications	UK	2.9
Trigon	agricultural operations	Ukraine	2.7
JDS Uniphase	optical components	USA	2.6
Woongjin Thinkbig	education services	Korea	2.6
Alcatel Lucent	telecommunications equipment	France	2.3

Commentary

The Hunter Hall Global Ethical Trust (GET) fell 2.3%, underperforming its benchmark by 0.3%, which fell 2.0%. European sovereign debt concerns and the approaching end of quantitative easing in the United States spooked global markets in June until a sharp rally occurred in the last days of the financial year as another band-aid bail out for Greece was apparently cobbled together.

Our US optical component manufacturers were hurt on the back of weakness from a competitor. As in March, weaker than expected guidance from Finisar, which we don't own, saw **Oclaro** and **JDS Uniphase**, which we do, fall 30% and 17%, respectively. Given Finisar's fall came on the back of weaker than expected Enterprise and Chinese inventory problems, we expect JDS to benefit given it has lower Chinese exposure, no

Enterprise division and a more diversified business. Oclaro has previously stated inventory will likely not be an issue beyond June.

Canadian telephone directories company **Yellow Media** fell 37% on reports of an accelerating decline in the company's print directory businesses and gradual decline in its digital business. The company is currently transitioning itself to become an online company, with more than 25% of its revenues coming from the online and mobile side of the business. The stock was also hurt by concerns surrounding the approval of Yellow's recent sale of its Trader Corp. unit for C\$745m. These concerns were alleviated on the final days of trade for the half-year with government approval for the sale to buyout giant Apex Partners.

Taiwanese smart-phone manufacturer **HTC** fell 21% largely on concerns over the company's upcoming June quarterly results. While we believe the sell-off to be exaggerated given the strong demand that exists, growing competitive risks saw us reduce our holding a little over the month.

Other detractors over the month included Singapore-listed sport shoe sole manufacturer **Qingmei** (-13%, US-listed broadband communications company **Virgin Media** (-8%) which fell off its recent 52-week highs and US wireless technologies company **InterDigital** (-5%).

After reporting positive signs of improvement in its March 2011 quarterly results released in May, Ukrainian agricultural operator **Trigon** (+15%) successfully closed a senior unsecured bond issue of SEK350m (US\$55m). The proceeds from the bond will be used for a 50-70% increase in the Company's harvested area for 2012. The company also reported it is looking at the possibility of listing its Estonian dairy operations, Trigon Dairy Farming, within the next year.

Ukrainian grain and oilseed company **Landkom** rose 12% after the company confirmed it had sold a further 20,000 tonnes of its 2011 rapeseed crop for US\$600/tonne, through contracts with an oil crushing plant and a global agricultural commodities trading group. With 70% of Landkom's 2011 expected rapeseed harvest now sold at prices well above market expectations, we believe the company will deliver much

better results for this financial year. More worryingly the Ukraine government has imposed a grain export duty to protect the country's internal market and prevent grain shortages which will come into force July 1, 2011. This will hit Landkom's operating margins and make it less competitive on the international market.

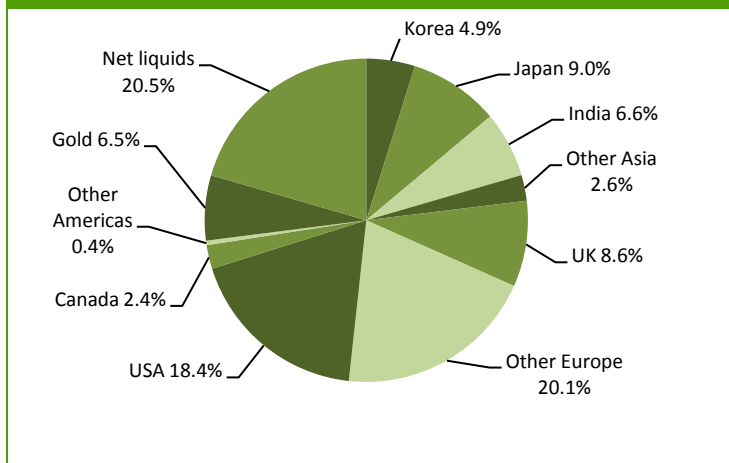
Canadian regional airline operator **Chorus** rose 5%. Despite reporting a 10% drop in net profit for the March 2011 quarter, to \$15m, hurt by an increase in salaries and wages under new collective agreements, the stock price was boosted by a 25% increase in revenue, to \$443m, for the same period. The company announced a quarterly dividend of C\$0.15 per share.

Other positive contributors included Japanese plating chemicals company **C Uyemura** (+11%), French electronic devices company **Ingenico** (+4%) Korean education company **Woongjin Thinkbig** (+3%) and Korean gas utility **Samchully** (+3%).

At financial year-end the GET's net assets were \$275.2m with 21% net liquids, held in a basket of currencies including the United States Dollar, Australian Dollar, Japanese Yen, Swiss Francs, Euro, and Norwegian Kroner.

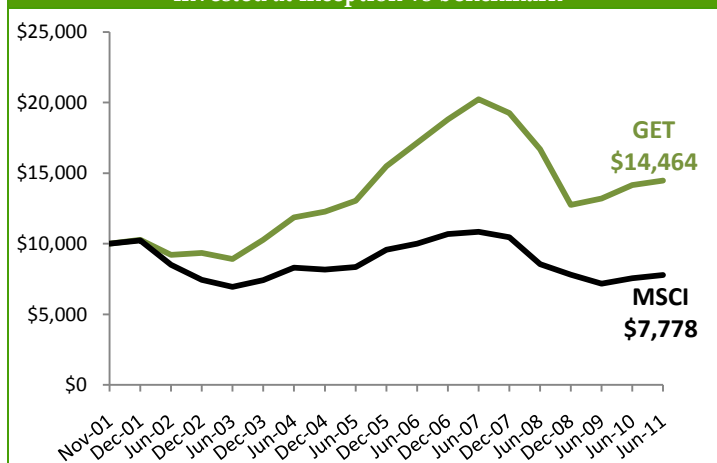
GET's net assets at month end were \$1.1m with 92% in GET units, 8% net liquids and its hedging level was 97%.

GET: Country Allocation Breakdown



GET: Value of \$10,000

invested at inception vs benchmark



Hunter Hall Investment Management Limited - Contact Details

Street address: Level 2, 60 Castlereagh St, Sydney, Australia
Postal address: Reply Paid 3955, Sydney NSW 2001
Website: www.hunterhall.com.au

Telephone: 1800 651 674
 0800 448 305 (New Zealand callers)
 +61 2 8224 0300
Email: invest@hunterhall.com.au

Initial applications for units can only be made on an Application Form found in the current Product Disclosure Statement for the Hunter Hall Funds. Investment returns have been calculated in accordance with normal industry practice utilising movements in the unit price and assuming the reinvestment of all distributions of income and realised profits. Hunter Hall Investment Management Limited (AFSL: 219462) or any related entity does not guarantee the repayment of capital or any particular rate of return from the Fund. Past performance is no guarantee of future performance. This document does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered investment advice and should not be relied on as an investment recommendation.