



Ethical  
Managed Funds

Hunter Hall Investment Management Limited

ABN 69 063 081 612 AFSL 219462

# Hunter Hall Global Deep Green Trust

## Monthly Performance Report

July 2011

Date	Entry Price	Unit Price	Exit Price
31.07.2011	0.9630	0.9601	0.9572

### Absolute and Relative Performance

To 31 July 2011 (%)	1 month	6 months	Compound Annual Return			Value of \$10,000 invested at inception
			1 year	3 years	Since inception	
Absolute Performance - GDG	+5.2	+1.5	-0.5	+0.1	-1.1	\$9,601
Benchmark - MSCI	-4.3	-8.2	-2.3	-4.4	-8.7	\$7,112
<b>Relative Performance</b>	<b>+9.5</b>	<b>+9.7</b>	<b>+1.8</b>	<b>+4.5</b>	<b>+7.6</b>	<b>\$2,489</b>

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	10.7
Interdigital	wireless technologies	USA	8.6
BTG	medical devices	UK	7.7
Biota	pharmaceuticals	Australia	5.8
Symphony	biodegradable plastics	UK	5.5
CBD Energy	energy services	Australia	4.3
McLeod Russel	tea grower	India	3.5
Colefax	furnishing fabrics	UK	3.4
AMG	speciality metals	Netherlands	3.4
Redflex	technology	Australia	2.9

### Commentary

The Global Deep Green Trust rose 5.2%, outperforming its benchmark by 9.5% as intensifying global sovereign debt concerns saw the MSCI fall 4.3% in July. Despite this, the GDG did well due to strong returns from some of its major holdings.

The shining light in the portfolio was the 67% appreciation in US wireless technologies company **InterDigital**. The InterDigital board announced its intention to "explore and evaluate potential strategic alternatives of the company". Apple, Google and Samsung are said to be interested bidders following the sale of Nortel's patents which ended up selling for five times the initial bid made by Google. Further, InterDigital has filed a complaint with the US International Trade Commission against Nokia, Huawei and ZTE claiming infringement of numerous 3G patents. An infringement would result in an exclusion of infringing products from entering the USA and may result in InterDigital earning additional royalties.

UK biodegradable plastics company **Symphony Environmental** (+10%) reported excellent 2010

results, including a 21% rise in revenues to £8.48 million (AUD \$13.4m) and a 29% increase in after-tax profit to £1.19 million (AUD \$1.88m). At the Symphony's Distributors' Conference during the month, the company announced good progress on its plan to turn scrap tyres into valuable products.

Liver cancer treatment company **Sirtex Medical** (+4%) performed well on the back of news that dose sales of its targeted radioactive treatment for inoperable liver cancer, *SIR-Spheres* microspheres, grew 23% in the June 2011 Quarter compared to the corresponding quarter in 2010. Sales for the financial year also grew 19% compared to 14% the previous year.

Business solutions company **UXC** (+14%) was the second strongest contributor after entering an agreement with the investment firm Cashel House to sell the remaining assets of its Field Solutions business unit. This came as a result of the company's strategic review, to gain greater shareholder value for the company. The deal follows the merger of three of the company's infrastructure businesses in June.

## Commentary - continued

News that Australian cancer drug company **Bionomics** (+15%) is planning to commence new clinical trials of its ovarian cancer treatment drug, *BNC105*, was well received by the market. The drug is administered along with chemotherapy drugs, with the preclinical studies showing the combination increases therapeutic benefits over isolated treatment.

UK food and beverage additive company **Pure Circle**, the world's leading supplier of high purity stevia products, rose 25% after providing the market with a pleasing trade update. Based on *Neilsen USA* consumer retail sales and PureCircle company data, the USA is expected to increase annual consumption of high purity stevia by 101% from the previous year. The market is experiencing growth across all of the company's key categories, including flavoured waters, juices, baked goods and sugar substitutes.

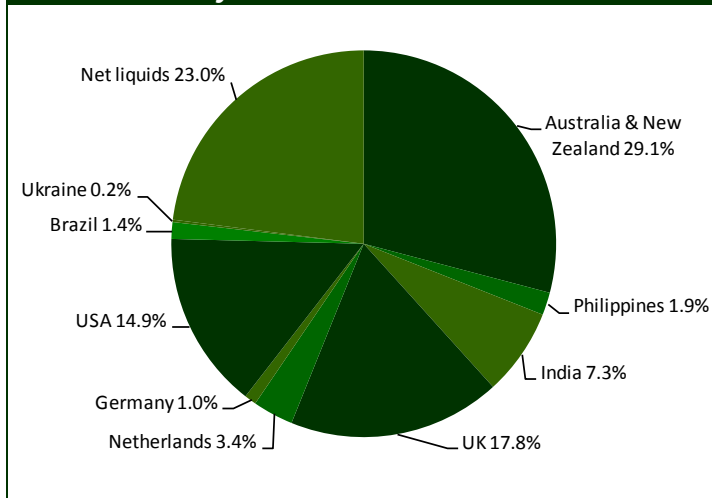
Other contributors over the month included Australian solar energy company **CBD Energy** (+9%), Philippines sewerage and sanitation services company **Manila Water** (+6%), **Indian Bank** (+6%) and Australian drug developer **Biota** (+1%).

Despite the strong performance, there were a few detractors over the month. US machine manufacturer **Veeco** (-18%) reported a lower than expected June Quarter net income of US\$19m, down from US\$52.4m for the corresponding quarter in 2010. Of concern was the poor results from Veeco's *copper indium gallium selenide* solar division. The company has subsequently decided to exit the division, citing a lower-than-expected acceptance in the market place for the expensive technology.

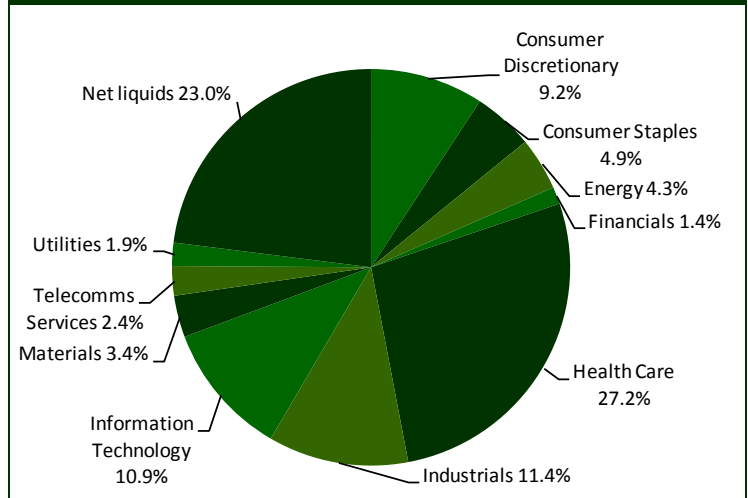
Other detractors included Brazilian educational company **Kroton** (-5%), Indian telecommunications company **Tulip Telecom** (-4%), US nutritional supplement manufacturer **Herbalife** (-3%) and UK furniture retailer **Colefax** (-3%).

At month end the Fund's net assets were \$6.9m with 23% net liquids. The international component was 48.5%, with 37% of the foreign currency exposure hedged back into Australian Dollars.

### Country Allocation Breakdown



### Sector Allocation Breakdown



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