



Hunter Hall Global Deep Green Trust

Monthly Performance Report

August 2011

Ethical
Managed Funds

Date	Entry Price	Unit Price	Exit Price
31.08.2011	0.9153	0.9125	0.9098

Absolute and Relative Performance

To 31 August 2011 (%)	1 month	6 months	Compound Annual Return			Value of \$10,000 invested at inception
			1 year	3 years	Since inception	
Absolute Performance - GDG	-5.0	-6.1	-0.7	-0.5	-2.4	\$9,125
Benchmark - MSCI	-4.7	-13.7	-4.9	-8.2	-9.6	\$6,781
Relative Performance	-0.3	+7.6	+4.2	+7.7	+7.2	\$2,344

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	10.0
BTG	medical devices	UK	7.7
Interdigital	wireless technologies	USA	7.2
Biota	pharmaceuticals	Australia	6.3
Symphony	biodegradable plastics	UK	4.5
Catch the wind	wind sensor systems	USA	3.7
Colefax	furnishing fabrics	UK	3.7
CBD Energy	energy services	Australia	3.6
McLeod Russel	tea grower	India	3.2
Redflex	technology	Australia	3.1

Commentary

The Global Deep Green Trust fell 5%, slightly underperforming its benchmark by 0.3% as intensifying global sovereign debt concerns saw the MSCI fall 4.7% in August.

Continuing its impressive rise was US wireless telecommunication specialist **InterDigital**, up 3% in August. News that a key potential bidder for the takeover of the company, *Google*, had purchased competitor *Motorola Mobility* sent InterDigital's share price down early in the month. However, this reversed when it emerged that *Google* had not withdrawn from the auction. Competitors, *Samsung* and *Apple*, were also said to be interested in the company.

Australian influenza drug manufacturer **Biota** (+3%) contributed, despite recording an annual net loss of \$28.1 million for FY11. The company's revenue was

down 78% to \$14.6 million for the year due in part to significantly lower royalties from the sale of *Relenza*, down from the record high \$64 million received during the H1N1 flu pandemic in 2010. Biota announced that while royalties were down for *Relenza*, positive progress was being made with *Inavir* which launched in Japan in 2010 and is a more effective and longer lasting flu drug. This progress was highlighted by the \$US231 million (A\$221 million) contract awarded to Biota by the US Office of Biomedical Advanced Research and Development Authority (BARDA) in April to further develop the drug.

US nutritional supplement manufacturer **Herbalife** was flat after going ex-dividend during the month. The company expanded its distribution facilities by 82% over the month while paying a US 20c dividend.

Commentary - continued

We used the flat price in August to re-enter Hong Kong based **China Lumena New Materials** as the company announced at the end of the month that its revenues and gross profit were up by 119% and 98% respectively for the 6 months to 30 June 2011 on the previous corresponding period. The company is already the leading *thenardite* producer in China, and with the country's continued urbanisation set to stimulate sales of washing machines and washing powder, we believe there will be further demand for the commodity. The implementation of medical reform in China, as part of the government's Twelfth Five-year Plan, may also lead to an increased demand for medical thenardite, of which China Lumena is the only certified producer in the country.

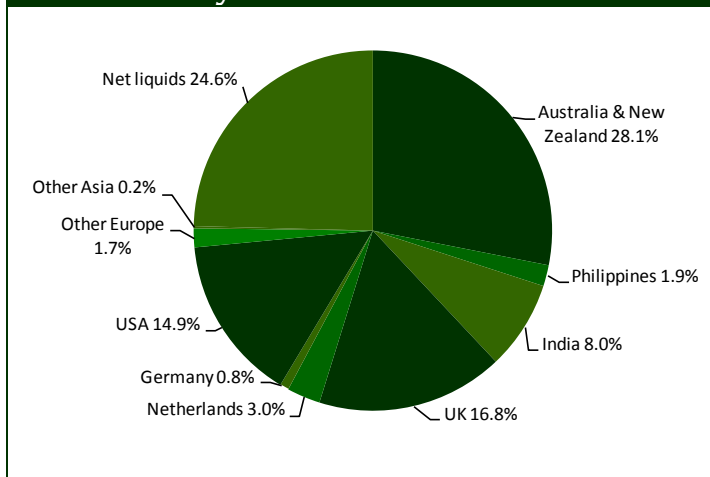
UK food and beverage additive company **Pure Circle** (-24%) was a detractor over the month. However at the beginning of September the company confirmed a significant expansion of its European and UK distribution networks, including a new headquarters in London. Pure Circle is the world's leading supplier of high purity stevia products, and the company expects European approval for high stevia ingredients by the end of this year. France currently has temporary approval in place for high purity stevia sweeteners, and has experienced rapid growth in the low-calorie sweetener market.

UK biodegradable plastics company **Symphony Environmental** (-14%) continued to suffer from higher raw material costs and the relative strength of the Sterling against the US\$. News that UK supermarket giant *Tesco* will stop using biodegradable plastic shopping bags, citing doubts about their degradability, also hampered the company's share price. However Symphony hit back at the supermarket chain, saying that the bags supplied to Tesco by one of the company's competitors were poorly made, and added that Symphony's bags were manufactured with *recyclate*, which can be recycled with ordinary plastics, while traditional bio-based plastic bags cannot.

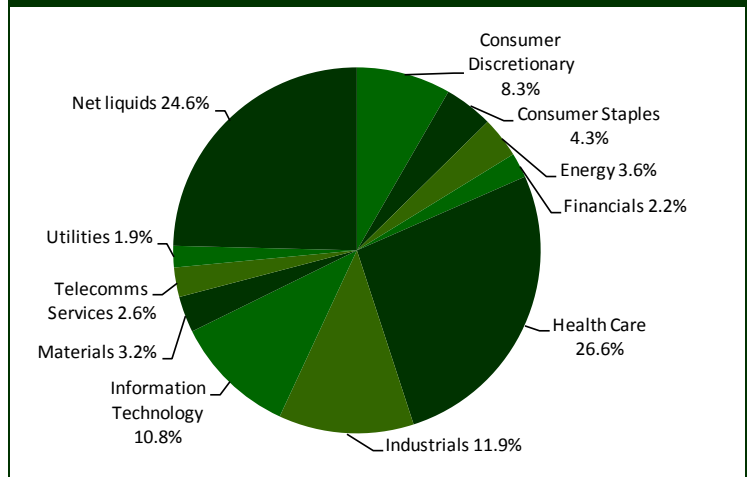
Other detractors over the month included Canadian wind sensor developer **Catch the Wind** (-25%), Australian cancer treatment company **Bionomics** (-24%) and Netherlands specialty metals company **AMG** (-18%).

At month end the Fund's net assets were \$6.5m with 24.6% net liquids. The international component was 47.9%, with 33% of the foreign currency exposure hedged back into Australian Dollars.

Country Allocation Breakdown



Sector Allocation Breakdown



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