

Tyndall World Equities Fund

Fund Objective

The objective of the Fund is to outperform the MSCI World ex-Australia Index (with net dividends re-invested) expressed in AUD (unhedged) by at least 3% per annum over rolling three year periods.

Fund Details - 31 January 2012

Responsible Entity	Tyndall Asset Management Limited
APIR Code	SUN0031AU
Fund Size	\$752.85 million
Unit price	\$0.8147
Minimum Initial Investment	\$500,000
Inception Date	30 November 1995

The fund size represents the gross market value.

The unit price is ex price, ie month end soft close unit price, net of distribution. Entry and exit fees do not apply.

Strategy

The investment strategy for the Fund is under-pinned by a philosophy of bottom-up stock picking. In order to achieve the high performance outcomes in a risk controlled manner, the strategy is to outsource the stock picking to a range of exceptional international investment managers. Although these managers follow their own particular investment strategies, they are blended in such a way as to target superior active and risk-adjusted returns. Tyndall retains management of the overall portfolio and also manages a derivatives overlay to ensure a balance of return and risk

Market Commentary

Global equities were off to a good start in the first month of 2012 with metal prices rising strongly across the board. Materials (+7.2%, AUD) was the best performing sector, followed by Financials (+4.9%, AUD), while Telecommunications (-5.6%, AUD) fared the worst. Overall, the MSCI World ex-Australia (AUD) index gained +1.17% during January, while the MSCI Emerging Markets (AUD) index soared +7.4% boosted especially by Brazil and India. The Australian dollar also had a very strong month, rising from 1.02 to 1.06 against the US dollar.

Fund Performance

The Fund delivered +1.07% during January. Overweight positions in top holdings Google (-13.7%, AUD) and Coca Cola (-7.2%, AUD), which were hit hard during the month, were the biggest detractors from performance, but Apple, Oracle and Microsoft all performed well. Emerging Markets added value, in particular energy stocks CNOOC (+12.9%, AUD) and Petrobras (+15.3%, AUD). On a sector level, the strong performance by Financials, in which the Fund is underweight, detracted from returns. However, our risk management position in the iShares Dow Jones Financial Sector Index Fund, which was put on in September to hedge against a rally in Financials, has paid off with a gain of 17% during the last 5 months. Overall, the Fund's tracking error declined to 4.3% while volatility of monthly returns is 22% below that of the benchmark.

Fund Performance to 31 January 2012

	Fund (%)	Index (%)	Excess Return (%)
1 month	1.07	1.17	-0.10
3 months	2.21	2.32	-0.11
6 months	-0.00	-0.80	0.80
1 year	-5.19	-9.08	3.89
3 years p.a.	-0.34	-2.26	1.92
5 years p.a.	-6.05	-7.86	1.81
10 years p.a.	-2.16	-3.12	0.96
Since inception p.a.	3.46	2.58	0.88

Fund and index returns are gross unit price returns and represent the total return.

Index = MSCI World ex-Australia Index (with net dividends re-invested) expressed in AUD (unhedged). Prior to 1 October 2005, the index was the MSCI World Index (net dividends reinvested) expressed in AUD (unhedged).

Outlook

In line with our expectations for Emerging Market outperformance in 2012, the region had a strong rally in January as uncertainty about the West's economic woes intensified again. The European Union (EU) is still searching for a solution to its debt crisis, and while the USA has its own debt issues, there are some positives in the world's largest economy. The US fourth quarter GDP came in at 2.8%, while the unemployment number improved unexpectedly to a 3-year low of 8.3% in January. However, this overshadowed a poor labour force participation rate. Fewer Americans are looking for work, with the share of working-age people in the labour force declining to its lowest level in 29 years. This prompted Federal Reserve (Fed) Chairman Ben Bernanke to confirm the Fed's stance that interest rates will stay low at least through late 2014. Bernanke also repeated his view that the job market is a "long way" from returning to normal. While stocks may continue to rally, we feel that a defensive portfolio positioning continues to make sense in the current market environment.

Top 10 Physical Holdings

Company	Fund %	Country
Google Inc	1.55	United States
Coca-Cola	1.17	United States
Apple	1.13	United States
Oracle	1.07	United States
Microsoft	1.00	United States
China Mobile	1.00	Hong Kong
Nestle SA	0.93	Switzerland
Wal-Mart Stores	0.88	United States
Novo Nordisk A/S	0.88	Denmark
CNOOC	0.82	Hong Kong

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Tyndall World Equities Fund

Underlying Managers

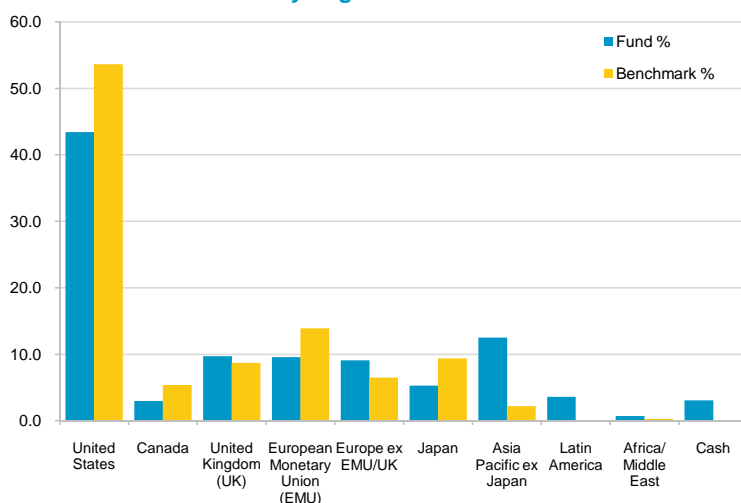
Investment Manager	Attribute	Location	Strategic Allocation	Fund (%)
Walter Scott & Partners	Global Growth Manager	Edinburgh, UK	10-30	22.3
Principal Global Investors	Global Growth Manager	Des Moines, USA	10-30	22.8
Epoch	Global Value Manager	New York, USA	10-30	22.8
Davis Advisors	Global Value Manager	New York, USA	10-30	14.6
Schroders	Global Emerging Markets	London, UK	0-20	9.2
Tyndall	Derivatives	Sydney, Australia	0-10	7.9
Tyndall	Cash	Sydney, Australia	0-10	0.4
Total Allocation				100.0

As a percentage of the total Tyndall World Equities Fund, 11.81% of the fund was invested in emerging markets as at 31 January 2012.

Country/ Regional Allocation

Country/Region	Fund %	Benchmark %
United States	43.4	53.6
Canada	3.0	5.4
United Kingdom (UK)	9.7	8.7
European Monetary Union (EMU)	9.6	13.9
Europe ex EMU/UK	9.1	6.5
Japan	5.3	9.4
Asia Pacific ex Japan	12.5	2.2
Latin America	3.6	0.0
Africa/ Middle East	0.7	0.3
Cash	3.1	0.0
Total Allocation	100.0	100.0

Country/Regional Allocation



Sector Allocation

Sector	Fund %	Benchmark %
Energy	9.9	11.7
Materials	6.6	6.9
Industrials	12.8	11.5
Consumer Discretionary	12.4	10.9
Consumer Staples	13.9	10.5
Health Care	7.4	10.5
Financials	9.9	17.4
Information Technology	14.4	12.7
Telecommunication Services	5.9	4.1
Utilities	3.7	3.8
Cash	3.1	0.0
Total Allocation	100.0	100.0

Sector Allocation

