

Global Blue Chip Fund

Standard & Poor's
 Micropal Star Ranking
 n/a

Objective

To achieve long-term capital growth in the value of the assets.

Investment Policy

To hold a global portfolio international blue chip equities. Blue chip is defined as an internationally recognised company, often the leader in its field, with a lengthy history of profit growth and quality management.

Investment Process

Benchmarked against a portfolio of 60% USD Equities and 40% International Equities. The primary consideration for our equity process is to focus on large capitalisation companies with market leadership positions and a history of consistent earnings growth.

Fund Review

Even before the tragic event of September 11th 2001 our cautious stance towards a slowing economy was evident in our cash weighting of 25 % of the Fund. We believe that actions will likely delay the timeframe for recovery, but the extent of the stimulus packages will also likely speed recovery once it begins to take hold.

Our strategy will be to build the portfolio on a stock-by-stock basis, moving towards a neutral sector weighting, focusing on company fundamentals first. The companies we favour are either the dominant leaders in their industries or are rapidly gaining market share. We want to own businesses that dictate the competitive landscape within an industry rather than those that merely respond to competitive changes. We expect to move to a fully invested position over the coming months. Our goal is, and always has been, to make strategic investments that have minimal downsides and can still participate in the eventual market turnaround. The key to attaining this goal continues to be our disciplined stock selection approach. At these times it is much more important to be right than quick.

Benchmark Composition

60% MSCI US Index
 40% MSCI World Ex-US

All benchmark components are calculated on a total return basis ie. dividends included.

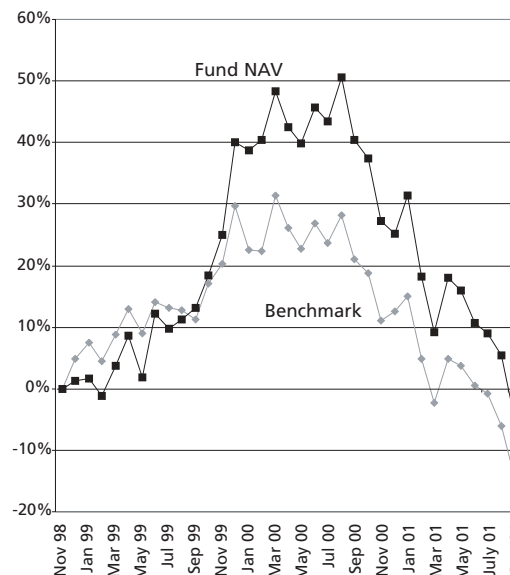
Top 10 Holdings

	Country	Fund (%)
1. American International Group	USA	3.8%
2. Johnson & Johnson	USA	3.7%
3. Bristol-Myers Squibb	USA	3.2%
4. JP Morgan Chase & Co	USA	2.7%
5. Citigroup Inc	USA	2.6%
6. Microsoft Corp	USA	2.5%
7. International Business Machines	USA	2.4%
8. Amgen Inc	USA	2.4%
9. Home Depot Inc	USA	2.4%
10. Merck & Co	USA	2.4%

Top 5 Sectors

Sector	Fund (%)	Index (%)
1. Healthcare	22.1%	13.7%
2. Information Technology	21.8%	10.8%
3. Financial	17.6%	21.3%
4. Consumer Discretionary	16.3%	13.2%
5. Consumer Staples	9.1%	8.1%

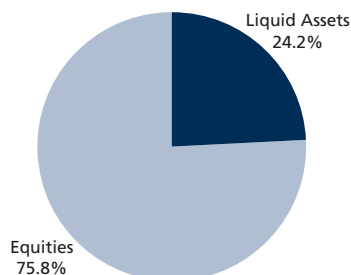
Fund Versus Benchmark



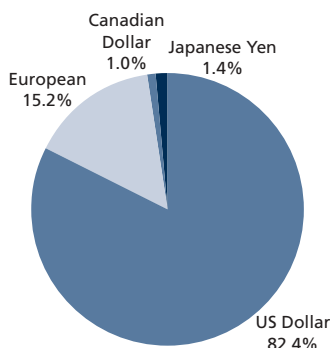
Historical Returns

1 Year	2 Years	2.8 Years	4 Years	5 Years
-32.0%	-14.3%	-4.5%	n/a	n/a

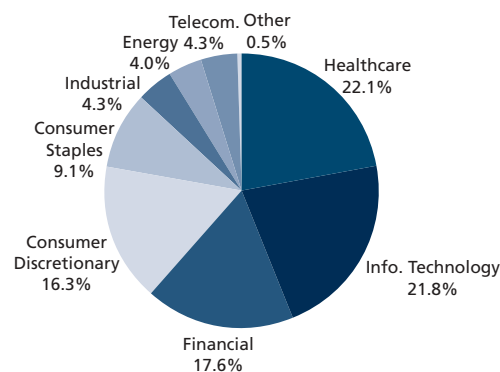
Asset Allocation



Currency Allocation



Equity Sector Allocation



General Information

Currency: USD
 Units Available: Accumulation
 Size of Fund (millions): USD 44

Fiscal Year End: June 30th
 Min. Investment: USD 5,000
 Valuation: Tuesday

Dealings: Every Wednesday
 Management Fees: 1.75%
 NAV per share (30.9.01): USD 9.45

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