

DIRECTORY FOR THE FUND

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Administrator

HSBC Trustee (Cayman) Limited

Administrator's Delegate

HSBC Institutional Trust Services (Singapore)
Limited

Custodian of the Fund

HSBC Trustee (Cayman) Limited

Legal Advisers to Cayman Law

Walkers

Legal Advisers to Singapore Law

Rajah & Tann

Auditors to the Fund

PricewaterhouseCoopers Cayman

i Capital Global Fund

Third Quarter 2011 Report for the nine months ended 31 January 2011

i CAPITAL GLOBAL FUND

Third Quarter 2011 Report of the Fund Manager for the nine months ended 31 January 2011

Performance

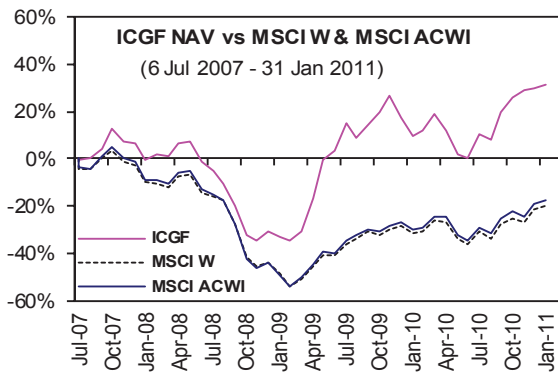
This is the third quarterly report of the *i* Capital Global Fund for the financial year ended 30 April 2011.

In the nine months ended 31 January 2011, the net asset value (NAV) of the *i* Capital Global Fund rose 17.56% or US\$196.629 from US\$1,119.740 to US\$1,316.369 per share. In the same period, MSCI W⁽¹⁾ rose 9.14% and MSCI ACWI⁽²⁾ gained 9.18%.

Between 6 July 2007 and 31 January 2011, the net asset value (NAV) of the *i* Capital Global Fund gained 31.64% or US\$316.369 from US\$1,000.000 to US\$1,316.369 per share. In the same period, the MSCI W plunged 19.82% and the MSCI ACWI slumped 17.74%.

Figure 1 shows the NAV of the *i* Capital Global Fund against the performance of the two MSCI benchmark indices since its launch which was just before the financial markets and economies were seriously affected by the 2008 US-led financial crisis. Since then, your Fund has consistently outperformed the two MSCI benchmark indices.

Figure 1



In the three months ending 31 January 2011, your Fund sold some of its holdings in PT Jasa Marga (Persero) Tbk and bought additional shares of 53,458 in Skilled Group Ltd, a provider for contract labour services to industry, commerce and government, in Australia and New Zealand.

The portfolio of your Fund is spread across 13 companies that are engaged in a wide range of business activities – see the Schedule of Securities in page 7. The top 5 investments as at 31 January 2011 are Rexlot Holdings Ltd, Porsche Automobil Holdings SE, Beijing Capital Land Ltd, Australia and New Zealand Banking Group Ltd, and Keppel Corporation Ltd.

They make up 52.62% of the total assets. At the end of January 2011, your Fund had 22.01% of its NAV in cash.

Strategy

As the global economy greeted the Year of the Dragon, there is an apparent sense of relief that the global economy ended a year of unprecedented turbulence without any further major calamities. The new year seems to have started off with high hopes that for the global economy, the worst is behind us. Is it?

Based on recent economic figures, the US economy appears to be proving the pessimists wrong by churning out economic data that are reassuring investors that the world's largest economy is not about to contract again. Key data among these figures is the unexpected cheer from the US job market.

China's economic growth has, at the same time, been slowing down steadily and her inflation rate has also fallen substantially from the scary peak reached in mid-2011. With many policy options and administrative measures available to deal with any adverse development, China is once again poised to prove the naysayers wrong and successfully soft land.

The debt and sovereign crisis in Europe continues to frighten the global markets though. Nevertheless, the fact that the recent economic figures and trends for the world's biggest and second biggest economies are moving in the right direction, has substantially offset the worries arising from the continuing crisis in the Eurozone. The ball appears to be in the European court.

Based on Chinese astrology, the Dragon is seen as an auspicious, inspirational and positive animal. The Europeans have, in contrast, viewed the Dragon as an evil monster to be slayed. It is ironic that the handling of the European debt and sovereign crisis will determine whether this Year of the Dragon will be a dreadful year or a year of rejoicing and rebirth.

We conducted the 2011 Gathering of the *i* Capital Global Fund in Kuala Lumpur. A similar Gathering will be held this year. Be on the lookout for this unique event, where all investors are able to meet the Fund Manager in person.

Tan Teng Boo
Capital Dynamics (S) Pte Ltd
26 January 2012

- (1): MSCI World Index: a free float-adjusted market capitalization weighted index which consists of 24 developed markets.
- (2): MSCI All Country World Index: a free float-adjusted market capitalization weighted index which consists of 45 country indices, comprising 24 developed and 21 emerging market country indices. This includes the stock markets of China, which the ICGF cannot invest in at this time.

i CAPITAL GLOBAL FUND

INCOME STATEMENT (UNAUDITED)

For the nine months ended 31 January 2011

	For the nine months ended 31/01/11 US\$
Income	
Dividend income	705,932
Interest income	1,005
Net foreign exchange gain	20,274
Other net changes on financial assets and financial liabilities at fair value through profit or loss	8,353,764
Total income	9,080,975
Expenses:	
Performance fees	523,600
Management fees	540,085
Administrative & Custodian fees	76,691
Audit fees	12,665
Other operating expenses	21,058
Total operating expenses	1,174,099
Operating profit	7,906,876
Withholding tax on dividends and other investment income	(55,126)
Increase in net assets attributable to holders of participating shares from operations (at bid market prices)	7,851,750
Adjustment from bid market prices to last traded market prices	(91,220)
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	7,760,530

i CAPITAL GLOBAL FUND

BALANCE SHEET (UNAUDITED)

As at 31 January 2011

	US\$
ASSETS	
Current Assets	
Financial assets at fair value through profit or loss	42,027,062
Other receivables	10
Cash and cash equivalents	11,573,876
Total Assets	53,600,948
Equity	
Management shares	10
Total Equity	10
LIABILITIES	
Current Liabilities	
Accrued expenses and other payables	1,017,460
Liabilities (excluding net assets attributable to holders of participating shares)	1,017,460
Net assets attributable to holders of participating shares (at bid market prices)	52,583,478
Represented by:	
Net assets attributable to holders of participating shares (at last traded market prices)	52,627,744
Adjustment from bid market prices to last traded market prices	(44,266)
Net assets attributable to holders of participating shares (at bid market prices)	52,583,478
Net assets value per holders of participating shares at bid market prices, based on 39,979 shares (2010: 42,158 shares) outstanding	1,315.28

i CAPITAL GLOBAL FUND

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months ended 31 January 2011

	Share Capital		Other reserves US\$	Total US\$
	Number of shares	US\$		
Equity at beginning of the period	10	10	(135,486)	(135,476)
Adjustment from last traded market prices to bid market prices attributable to holders of participating shares	-	-	91,220	91,220
Equity at end of financial period	10	10	(44,266)	(44,256)

i CAPITAL GLOBAL FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES (UNAUDITED)

For the nine months ended 31 January 2011

	Number of shares	US\$
Net assets attributable to holders of participating shares at the beginning of the period (at last traded market prices)	42,158	47,206,161
Issue of participating shares during the period	710	899,933
Redemption of participating shares during the period	(2,889)	(3,238,880)
Net decrease from share transactions	(2,179)	(2,338,947)
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	-	7,760,530
Net assets attributable to holders of participating shares at end of the period (at last traded market prices)	39,979	52,627,744

i CAPITAL GLOBAL FUND

CASH FLOW STATEMENT (UNAUDITED)

For the nine months ended 31 January 2011

	US\$
Cash flows from operating activities	
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	7,760,530
Adjustment for:	
Bid market prices to last traded market prices	91,220
Dividend income	(705,932)
Interest income	(1,005)
Tax expense	55,126
Operating cash flow before working capital changes	7,199,939
Changes in operating assets and liabilities	
Net increase in financial assets at fair value through profit or loss	(5,515,548)
Net decrease in other liabilities	(7,364,772)
Cash used in operations	(5,680,381)
Dividend received, net of withholding tax	1,044,304
Interest received	1,005
Net cash used in operating activities	(4,635,072)
Cash flows from financing activities	
Proceeds from participating shares issued	899,933
Redemption of participating shares	(3,238,880)
Net cash used in financing activities	(2,338,947)
Net decrease in cash and cash equivalents held	(6,974,019)
Cash and cash equivalents at the beginning of the financial period	18,547,895
Cash and cash equivalents at the end of the financial period	11,573,876

i CAPITAL GLOBAL FUND**SCHEDULE OF SECURITIES**

As at 31 January 2011

	Holdings as at 31/01/2011 No. of Shares	Fair Value as at 31/01/2011 USD	Percentage of total net assets attributable to unitholders at 31/01/2011 %
AUTOS & TRUCKS			
PORSCHE PFD NPV	55,000	5,120,000	9.74
BUILDING / CONSTRUCTION MATERIALS			
JASA MARGA (PERSERO) NPV (DEMAT)	1,630,500	536,111	1.02
DEPARTMENT STORES			
NEW WORLD DEPARTMENT STORE	1,270,000	975,827	1.85
FINANCE			
AUSTRALIA AND NZ BANKING GROUP LTD NPV	200,000	4,715,810	8.97
REXLOT HOLDINGS LTD	76,875,000	8,283,360	15.75
ST GALLER KANTONALBANK	6,527	3,334,178	6.34
FOODS			
TESCO PLC	600,000	3,870,148	7.36
INVESTMENT			
K GREEN TRUST	100,000	86,718	0.16
MISCELLANEOUS			
SHANGHAI ASIA HLDGS LTD	1,535,000	203,866	0.39
REAL ESTATE			
BEIJING CAPITAL LAND LTD H SHR	15,000,000	4,983,485	9.48
SERVICES			
SKILLED GROUP LTD	594,455	1,170,527	2.22
SHIPBUILDING			
KEPPEL CORP LTD	500,000	4,562,500	8.68
TRANSPORT - SHIP			
MERMAID MARINE AUSTRALIA LTD NPV	1,332,420	4,184,532	7.96
		42,027,062	79.92

Other Information

Capital Dynamics (S) Pte Ltd (CDPL), a global fund manager based in Singapore, is the fund manager for the *i* Capital Global Fund.

CDPL commenced operations in June 2006 and is part of the established Capital Dynamics group, which provides fund management and investment advisory services to institutional and retail clients. As a global fund manager, CDPL manages the *i* Capital Global Fund, an open-end fund and discretionary accounts.

From its inception in July 2007 to January 2011, the *i* Capital Global Fund's performance is 7.99% per annum, as opposed to -5.99% per annum for the MSCI World Index (MSCI W) and -5.31% per annum for the MSCI All Country World Index (MSCI ACWI). From 1 January 2007 to 31 January 2011, funds under CDPL's management achieved a return of 9.28% per annum, outperforming the MSCI W and MSCI ACWI which in that period recorded -3.03% and -2.22% per annum respectively.

The Fund's performance for the *i* Capital Global Fund as at 31 January 2011 is shown below:

Performance as at 31 January 2011			
(US\$)	ICGF	MSCI W	MSCI ACWI
Cumulative *	31.64%	-19.82%	-17.74%
Annualised Return	7.99%	-5.99%	-5.31%

*Cumulative Returns are measured since inception.

Capital Dynamics (Australia) Ltd (CDAL), a wholly owned subsidiary of CDPL, obtained its Australian Financial Services License (ASFL 326283) from the Australian Securities and Investments Commission in December 2008. This allows CDAL to provide funds management and financial advisory services to retail and wholesale investors.

Based in Sydney, CDAL was set up with the aim of providing investors with the proven investment success of the Capital Dynamics group through the launch of the *i* Capital International Value Fund (ARSN 134578180) and individually managed accounts.

Launched in July 2009, the *i* Capital International Value Fund invests in global equities and is managed with a focus on long term capital appreciation while providing distributions.

Capital Dynamics Asset Management S/B (CDAM), based in Kuala Lumpur, manages icapital.biz Berhad, a closed-end fund listed on Bursa Malaysia and discretionary accounts. The share price of icapital.biz Berhad consistently trades at a premium to its net asset value.

CDAM has been consistently reporting positive returns since its inception. Between April 1998 and January 2011, CDAM achieved a net compound return of 21.03% per annum and has substantially outperformed the Kuala Lumpur Composite Index every year, which gained 7.27% per annum in the same period.

The Capital Dynamics group traces back to 1988, when its managing director, Tan Teng Boo, an experienced investment manager, founded Capital Dynamics S/B, the first independent investment adviser in Malaysia. It provides top quality advice on investments through *i* Capital, its weekly report, and www.icapital.biz, the Internet edition. It supervises 5 portfolios with the oldest starting as far back as September 1991. Every portfolio has outperformed the market indices by a substantial margin.

The investment philosophy of the Capital Dynamics group, including that of CDPL, is guided by a sound and rigorous value-investing framework. Essentially, the Capital Dynamics group seeks low risk yet high return types of investments.

The Capital Dynamics group is independent and is therefore not part of any financial institution or political or government organisation. Being owner-operated, the continuity and consistency of the investment approach adopted by the group is assured.

(Note: Information is current as at 31 January 2011.)

