

DIRECTORY FOR THE FUND

Directors of the Fund

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Investment Manager

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Administrator

HSBC Trustee (Cayman) Limited

Administrator's Delegate

HSBC Institutional Trust Services (Singapore)
Limited

Custodian to the Fund

HSBC Trustee (Cayman) Limited

Legal Advisers as to Cayman Law

Walkers

Legal Advisers as to Singapore Law

Rajah & Tann

Auditors to the Fund

PricewaterhouseCoopers Cayman

i Capital Global Fund

Quarterly Report for the period 1 May 2009 to 31 October 2009

***i* Capital Global Fund**

Interim Report of the Fund Manager
for the period 1 May 2009 to 31 October 2009

Performance

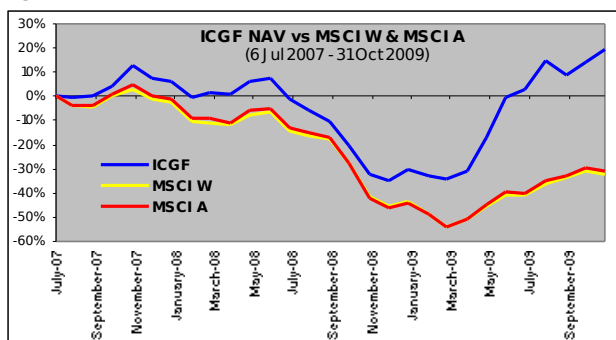
This is the second quarterly report of the *i* Capital Global Fund for the financial year ending 30 April 2010.

In the six months ending 31 October 2009, the net asset value (NAV) of the *i* Capital Global Fund rose 44.04% or US\$365.774 from US\$830.481 to US\$1,196.255 per share. In the same period, the MSCI World Index ⁽¹⁾ rose 23.87% and the MSCI All Country Index ⁽²⁾ gained 25.46%.

Between 6 July 2007 and 31 October 2009, the net asset value (NAV) of the *i* Capital Global Fund gained 19.63% or US\$196.255 from US\$1,000.000 to US\$1,196.255 per share. In the same period, the MSCI World Index plunged 32.19% and the MSCI All Country Index slumped 30.73%.

The performance of your Fund, since its inception in July 2007, is best seen visually. Figure 1 shows the NAV of the *i* Capital Global Fund against the performance of the two MSCI benchmark indices since its launch. As can be seen, your Fund has consistently outperformed the two MSCI benchmark indices.

Figure 1



As you may remember, your Fund was launched just before the financial markets and economies were seriously affected by the US-led financial crisis. Capital Dynamics (S) Pte Ltd, as the fund manager, had consistently taken advantage of the panicky pessimism and silly selling. By the end of October 2009, your Fund had about US\$4,242,756 in cash or 8.39% of NAV.

In the three months ending 31 October, your Fund sold all its holdings in Oil Search Ltd and bought additional shares in Porsche. In the said period, your Fund invested in Mermaid Marine Australia Ltd, a service provider in the Australian offshore oil and gas industry.

Mermaid Marine Australia Ltd, listed on the ASX, charters vessels, operates supply base facilities, etc. It is well positioned to benefit from the massive long-term oil and gas development in Australia's North West Shelf and the Browse Basin regions.

The portfolio of your Fund is spread across 14 companies that are engaged in a wide range of business activities – see the Schedule of Securities in page 7.

(1): This index comprises prices from 23 developed countries.

(2): This index comprises prices from 48 countries, including China.

The top 5 investments as at 31 October 2009 are Rexlot Holdings Ltd, Beijing Capital Land Ltd, Shanghai Industrial Holdings Ltd, Keppel Corporation Ltd and Porsche. They make up 55.39% of the total assets.

Subsequent to 31 October 2009, your Fund has sold its holdings in CNPC Hong Kong Ltd, Chaoda Modern Agriculture, Bank of East Asia, Shanghai Industrial Holdings Ltd, Keppel Corporation Ltd and Rolls Royce Group Plc. During the same period, your fund invested in Jasa Maga and ANZ Banking Group Ltd and bought backs some of its holdings in Keppel Corporation Ltd. Your fund also made additional investments in Mermaid Marine Australia Ltd.

Strategy

In our previous commentary dated 24 December 2009, we advised that one of the defining features of The *i* Capital Long Boom is volatility and that in the coming months and years, we can be assured of this volatility repeating. Looking at the events that have so far unfolded in 2010, this is an understatement.

First, there was the US-China currency quarrel. Then, even as the currency manipulator issue faded somewhat into the background, cash-starved Iceland sent volcanic ashes to Europe and totally disrupted air traffic there. To confirm the dark days facing Europe, the PIGS (Portugal, Ireland, Greece and Spain) debt and fiscal crises took on a vastly different dimension and concerns over a global contagion made headlines. To make the situation even more worrying, investors sold in panic as fears over the US economy slowing down fast at the same time as China's property market and economy were heading towards a crash heightened. In the end, investors had many reasons to dump stocks.

The stock market conditions since July 2009 have been volatile. They have swung from fear to optimism and back to fear again. Capital Dynamics (S) Pte Ltd, as your fund manager, has during this time stood firm in its "Intelligently Eclectic" value investing philosophy. At the time of writing of this report, your Fund has an estimated 17.89% of its assets in cash or near cash. In such turbulent conditions, it makes solid investment sense to stay invested with the tested and proven.

Once again, it is an excellent time to add to your investment in the *i* Capital Global Fund.

Tan Teng Boo
Capital Dynamics (S) Pte Ltd
05 July 2010

i CAPITAL GLOBAL FUND

Income Statement (Unaudited)

For the financial period from 1 May 2009 to 31 October 2009

	For the financial period from 1 May 2009 to 31 October 2009 US\$
Income	
Dividend income	468,730
Interest income	194
Net foreign exchange loss	(58,864)
Other net changes on financial assets & financial liabilities at fair value through profit or loss	15,760,458
Total income	16,170,518
Expenses:	
Management fees	356,497
Administrative and Custodian fees	49,332
Audit fees	8,980
Other operating expenses	6,042
Total operating expenses	420,851
Operating profit	15,749,667
Interest expense	-
Total finance costs	-
Profit before tax	15,749,667
Withholding tax on dividends and other investment income	(44,403)
Increase in net assets attributable to holders of participating shares from operations (at bid market prices)	15,705,264
Adjustment from bid market prices to last traded market prices	(36,416)
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	15,668,848

i CAPITAL GLOBAL FUND

Balance Sheet (Unaudited)

As at 31 October 2009

	31 October 2009
	US\$
ASSETS	
Current Assets	
Financial assets at fair value through profit or loss	46,115,998
Other receivables	38,483
Cash and cash equivalents	6,623,531
Total Assets	52,778,012
Equity	
Management shares	10
Total Equity	10
LIABILITIES	
Current Liabilities	
Due to broker	583,975
Accrued expenses and other payables	999,239
Liabilities (excluding net assets attributable to holders of participating shares)	1,583,214
Net assets attributable to holders of participating shares (at bid market prices)	51,194,788
Represented by:	
Net assets attributable to holders of participating shares (at last traded market prices)	51,384,530
Adjustment from bid/asking market prices to last traded market prices	(189,562)
Net assets attributable to holders of participating shares (at bid market prices)	51,194,788
Net assets value per holder of participating shares at bid market prices, based on 42,954 shares outstanding	1,191.85

i CAPITAL GLOBAL FUND

STATEMENT OF CHANGES IN EQUITY (Unaudited)

For the financial period from 1 May 2009 to 31 October 2009

	For the financial period from 1 May 2009 to 31 October 2009	
	Number of shares	US\$
Equity at beginning of the period	10	10
Issue of management shares	-	-
Equity at end of financial period	10	10

i CAPITAL GLOBAL FUND

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

For the financial period from 1 May 2009 to 31 October 2009

	For the financial period from 1 May 2009 to 31 October 2009	
	Number of shares	US\$
Net assets attributable to holders of participating shares at the beginning of the period (at last traded market prices)	42,527	35,317,617
Issue of participating shares during the period	1,316	1,400,723
Redemption of participating shares during the period	(889)	(1,002,838)
Net increase from share transactions	427	397,885
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	-	15,668,848
Net assets attributable to holders of participating shares at end of the period (at last traded market prices)	42,954	51,384,350

i CAPITAL GLOBAL FUND

CASH FLOW STATEMENT (Unaudited)

For the financial period from 1 May 2009 to 31 October 2009

	For the financial period from 1 May 2009 to 31 October 2009
	US\$
Cash flows from operating activities	
Increase in net assets attributable to holders of participating shares from operations (at last traded market prices)	15,668,848
Adjustment for:	
Bid market prices to last traded market prices	36,416
Dividend income	(468,730)
Interest income	(194)
Tax expense	44,403
Operating cash flow before working capital changes	15,280,743
Changes in operating assets and liabilities	
Net increase in financial assets at fair value through profit or loss	(13,787,563)
Net increase in other assets	-
Net increase in other liabilities	1,341,385
Cash provided by operations	(2,834,565)
Dividend received, net of withholding tax	741,844
Interest received	194
Net cash provided by operating activities	3,576,603
Cash flows from financing activities	
Proceeds from participating shares issued	1,400,723
Redemption of participating shares	(1,002,838)
Net cash provided by financing activities	397,885
Net increase in cash and cash equivalents held	3,974,488
Cash and cash equivalents at the beginning of the financial period	2,649,043
Cash and cash equivalents at the end of the financial period	6,623,531

i CAPITAL GLOBAL FUND**NOTE TO THE FINANCIAL STATEMENTS**

As at 31 October 2009

Schedule of securities

	Holdings as at 31 October 2009 No. of Shares	Fair Value as at 31 October 2009 USD	Percentage of total net assets attributable to unitholders at 31 October 2009 %
AEROSPACE			
ROLLS-ROYCE GROUP PLC	90,000	670,252	1.31
ROLLS-ROYCE GROUP PLC C SHR	5,400,000	8,901	0.02
AGRICULTURE			
CHAODA MODERN AGRICULTURE	2,840,875	2,195,651	4.29
AUTOS & TRUCKS			
PORSCHE PFD NPV	55,000	4,193,008	8.19
DEPT STORES			
NEW WORLD DEPARTMENT STORES	1,270,000	1,137,228	2.22
FINANCE			
BANK OF EAST ASIA	1,100,000	3,931,486	7.68
ST GALLER KANTONALBANK	6,527	2,980,722	5.82
FOODS			
TESCO PLC	600,000	4,028,732	7.87
INFORMATION TECHNOLOGY-SOFTWARE & SERVICES			
REXLOT HOLDINGS LTD (formerly known as REXCAPITAL FINANCIAL HOLDING LTD)	76,875,000	6,744,944	13.18
MISCELLANEOUS			
SHANGHAI ASIA HLDGS LTD	1,535,000	137,195	0.26
SHANGHAI INDUSTRIAL HLDGS LTD	1,200,000	5,721,106	11.18
OIL & GAS			
CNPC HONG KONG LTD	1,500,000	1,590,916	3.11
REAL ESTATE			
BEIJING CAPITAL LAND LTD H SHR	15,000,000	6,425,599	12.55
SHIPBUILDING			
KEPPEL CORP LTD	900,000	5,270,459	10.29
TRANSPORT - SHIP			
MERMAID MARINE AUSTRALIA LTD	444,237	1,079,799	2.11
		46,115,998	90.08

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 October 2009, the *i* Capital Global Fund's performance gained 19.63%, as opposed to -32.19% for the MSCI World Index (MSCIW) and -30.73% for the MSCI All Country World Index (MSCIA). From 1 Jan 2007 to 31 October 2009, funds under CDPL's management achieved a return of 8.37% per annum, outperforming the MSCIW and MSCIA which in that period recorded -9.84% and -8.88% per annum respectively.

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 June 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 1998 and October 2009, CDAM achieved a net compound return of 21.21% per annum and has substantially outperformed the Kuala Lumpur Composite Index every year, which gained 6.22% 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 started as far back as Sep 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 investment.

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.