

# Absolute Insight Currency Fund

A Sub Fund of the Absolute Insight Funds Plc

FACTSHEET - 30 June 2010  
FOR INVESTMENT PROFESSIONALS ONLY



## INVESTMENT OBJECTIVE

The investment objective of the Fund is to seek to provide attractive, positive absolute returns in all market conditions.

## INVESTMENT POLICY SUMMARY

The Fund's overall policy consists of two distinct elements:

1. The Fund aims to generate long-term capital growth, primarily, through obtaining exposure to a range of global currencies by using a full range of derivative instruments.
2. The Fund will maintain a portfolio of liquid or near cash assets.

The manager seeks to meet the investment objective through, in addition to maintaining a portfolio of liquid or near cash assets, maintaining well diversified exposure across a number of currencies. Currency investment will generally include directional currency investing and currency volatility investing.

Further details on the components of the investment policy can be found in the prospectus.

## PERFORMANCE SINCE LAUNCH



## PERFORMANCE %

	1 mth	3 mths	YTD	1 year	3 year	Since Inception (p.a.)
Fund (gross)	0.6	2.2	2.7	6.1	9.2	8.3
Fund (net)	0.5	1.7	2.0	4.5	7.6	6.7
Benchmark	0.0	0.1	0.3	0.6	3.3	3.6

Past performance is not a guide to future performance.  
Net returns are after 1% annual management charge and 10% performance fee above benchmark.

## MONTHLY RETURN (GROSS %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	-0.4	1.1	-0.1	0.6	1.0	0.6							2.7
2009	2.7	-0.1	-1.3	0.9	1.8	0.2	1.0	0.7	0.8	1.5	0.5	-1.2	7.7
2008	1.6	3.3	4.3	-2.2	-1.6	0.3	-1.6	1.0	1.8	5.6	1.9	0.1	15.2
2007	-	-	-0.7	1.5	-0.8	0.2	1.3	-0.2	1.5	1.2	-1.0	-0.7	2.3

Source: Insight and Bloomberg. Fund benchmark: 3 Month GBP LIBID (gross of UK tax). Inception date: 28 February 2007.

## MAIN CONTRIBUTORS TO MONTHLY RETURN - GROSS

Trade	Contribution %
1 Long JPY vs various (AUD, CAD, NZD, EUR, GBP, USD)	+0.8
2 Long CHF vs EUR	+0.3
3 Long USD vs various (EUR, AUD, CAD, NZD, GBP)	-0.2

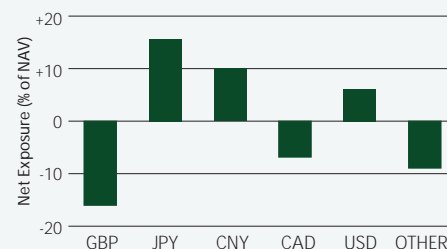
## FUND SIZE: £231.6m

## DISTRIBUTION OF MONTHLY RETURNS



Source: Insight

## NET LONG SHORT EXPOSURE BY CURRENCY



Source: Insight

## CORRELATIONS

	HFR Global Hedge Fund
Currency Fund	-0.20

Basis: Calculated using twice monthly returns since inception.  
Source: Insight, Bloomberg.

## RISK STATISTICS

Standard deviation (%)	5.70
Sharpe ratio	0.82
Maximum drawdown (%)	-5.61
No. of positive months	27/40

Basis: Calculated using twice monthly gross prices.  
Max drawdown using all available official prices since inception.  
Source: Insight

# Absolute Insight Currency Fund

## FUND MANAGER COMMENTARY

The Fund returned 0.63% (gross of fees) in June, compared to the 3-month sterling LIBID return of 0.05%. We continued to run defensive positions during the month, initially focusing on an underweight euro versus US dollar and Japanese yen position, based on our view that ongoing sovereign credit concerns in Europe would be negative for the euro. During the month we became more concerned about renewed weakness in the US housing sector as well as increasing signs of a slowdown in Chinese growth. We subsequently increased underweight positions in growth-sensitive currencies such as the Australian dollar, New Zealand dollar and the Canadian dollar. These were held primarily versus the Japanese yen and to a smaller extent the US dollar, both traditional safe havens. A short euro versus long Swiss franc position was also based on the Swiss franc's safe haven status. The long yen positions contributed the most to performance as risk aversion saw the yen strengthen across the board. The Swiss franc also gained as the Swiss central bank failed to halt its appreciation. US dollar positions were less successful as the majority of this was versus the euro which rallied slightly as investors covered short positions.

## INVESTMENT PHILOSOPHY AND PROCESS

The Fund invests in a diverse range of currencies via forward contracts, futures and options. In seeking to maximise return while minimising risk, the portfolio managers use discretionary trading strategies of currencies reflecting their qualitative and quantitative views. This allows the portfolio managers to add value through discretionary decision making. For example, central bank policies are a significant driver of currency market trends. The presence of non-profit maximising investors in currency markets creates volatility around these trends and presents opportunities for tactical investing.

The team manages the Fund with rigorous risk controls. Stop-losses are established on all discretionary trades at the outset. The option-selling component has automatic stop-loss levels, while the forward rate bias component is subject to a maximum monthly drawdown.

## KEY BENEFITS

- Aims to produce positive returns in all market conditions
- A relatively low-risk product
- An effective method of portfolio diversification

Past performance is not a guide to future performance.

Market movements may cause the value of investments to go down as well as up and you may not get back the amount originally invested. This document is aimed at professional investors only. It is not designed for, and should not be used or relied upon by private investors.

## FUND FACTS

Inception date	28-Feb-2007
Benchmark	3 month GBP LIBID
Fund manager	Dale Thomas/Max Wahl
Legal structure	Open-Ended Investment Company (UCITS)
Domicile	Ireland
Listing	Irish Stock Exchange
Currency	Sterling, Euro
Pricing	Daily
Custodian	State Street Custodial Services (Ireland) Limited
Administrator	State Street Fund Services (Ireland) Limited

## SHARE CLASS B1p

ISIN £ (acc)*	IE00B3FMC507
ISIN € (acc)	IE00B1HL9055
Sedol £ (acc)**	B3FMC50
Sedol € (acc)	B1HL905

\* Formerly IE00B1HL9162

\*\* Formerly B1HL916

## Need more Information?

For details on all of our fund ranges or to obtain any literature please contact:

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[www.insightinvestment.com](http://www.insightinvestment.com)**