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Performance

Returns for the period ending April 30, 2008

	1 Month	3 Month	YTD	1 Year	Since Inception*
Spratt Global Equity Fund (Series A)	0.37%	2.03%	-5.08%	-9.01%	-10.07%
MSCI World Index (CAD)	3.27%	3.99%	-2.99%	-11.52%	-12.18%

* Annualized

Inception Date: April 25, 2007

Comment

Our overall position in the Spratt Global Equity Fund (the "Fund") has been quite favourable over the past month. Since the market bottomed in mid-march, our Fund is now up more than 6%. We have been overweight the energy sector since inception in April 2007, and currently maintain this overweight position. We believe that this sector will continue to offer high and growing profitability, delivering value since the stock prices are not reflecting the robust price of the commodities and the resulting momentum. For the same reasons, we continue to be overweight materials, specifically in the agricultural and base metal space. In addition, we are still underweight the financial sector, as lower stock prices in this sector are a reflection of a value trap. We are adding to early cyclical names that will be the first to benefit from better economic times in the future.

Although difficulties in the US economy continue to unfold, it is without apprehension that we believe better times are ahead. This could be attributed to the actions that have been taken by the Fed, which are having a positive impact on leading economic indicators and early cyclical sectors. The global growth story remains intact. A lower fed fund rate will be reflected in higher market multiples, resulting in positive earnings revisions, and ultimately improved GDP growth, as these market multiples are a forecasting mechanism.

We continue to demonstrate a discipline approach in the implementation of our strategy and long-term philosophy in the management of the Fund. We remain vigilant in uncovering what we believe are the most promising 60 to 80 Global names, all the while maintaining a geographically diversified portfolio comprising of 20 to 30 countries, across 10 sectors. The companies carefully chosen for the Spratt Global Equity Fund have not only exhibited high and growing profitability but also reasonable valuations and relative momentum.

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