

Samuel Terry Absolute Return Fund – January 2012 monthly report

The Fund's performance, and those of the Australian All Ordinaries Accumulation Index and the MSCI World Equities Index, are as follow:

To 31 Jan 2012	STAR	All Ords	MSCI (\$A)
1 month	6.31%	5.23%	2.03%
3 months	6.83%	0.01%	1.91%
1 year	23.39%	-6.86%	-8.93%
3 years (%p.a.)	29.68%	12.23%	0.18%
5 years (%p.a.)	5.34%	-1.52%	-6.59%
Since inception on 1 November 2003 (%p.a.)	9.41%	7.75%	1.25%

The Fund benefitted from gains in several of our holdings. Australian gold miner **Saracen** (8% of the Fund) rose 15% because of a 7% rise in the \$A gold price. French toll road owner **Macquarie Atlas Roads** (6.6% of the Fund) rose 17% on speculation of a favourable debt restructure. **Goldman Sachs** (5.4% of the Fund) rose 23% after reporting better than expected profits. Australian medical supplier **ITL** (3.5% of the Fund) rose 27% as the company started buying back shares. Finally, Indonesian television network **Surya Citra Media** (5.3% of the Fund) rose 18% for no apparent reason.

Disappointing us (again!) was Australian insurer **Calliden** (2.2% of the Fund) which reported worse than expected losses, and fell 26%.

The 4% rise in the Australian dollar during January reduced the Fund's value by 1%.

The Fund's net asset value per unit was \$A 1.3101 at month end. The Fund owned securities issued by 24 companies. 10.4% of the Fund was in \$A cash.

Fred Woollard
15 February 2012

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