

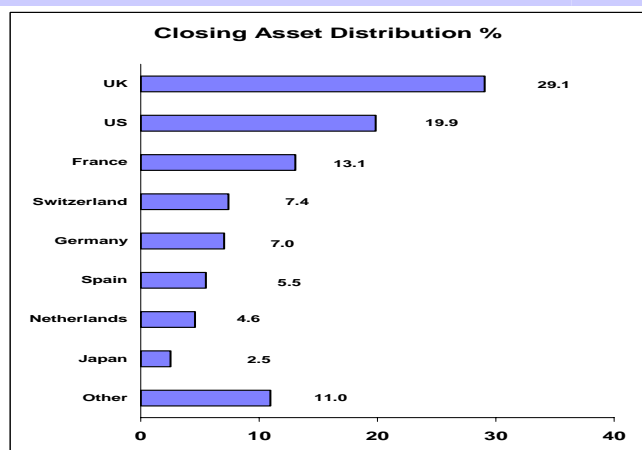
Indexed Ethical Global Equity Fund

How the fund works

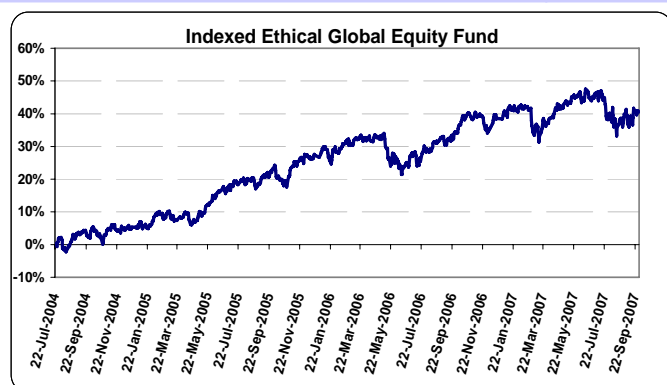
The objective of indexed funds is to consistently perform in line with the agreed benchmark index. In this case, the fund's benchmark is split 50/50 between the FTSE4Good Europe 50 Equities Index and the FTSE4Good Global 100 Equities Index. This is achieved by either adopting the same asset allocation as that of the index or holding assets that perform in line with the index.

The fund is suited to investors who want access to socially responsible investment companies who work towards environmental sustainability, develop positive relationships with stakeholders and up-hold and support universal human rights.

Asset Allocation



Performance



Period	Cumulative Return %	Annualised Return %
YTD	1.53	n/a
1 Year	4.51	4.51
3 Year	37.90	11.31

All performance returns are quoted net of fees of 0.75% per annum.

Stocks

Largest Stocks	Weight %	Country
BP	3.6	UK
HSBC HLDGS	3.5	UK
TOTAL	3.1	France
VODAFONE	3.0	UK
GLAXOSMITHKLINE	2.4	UK
NOKIA	2.4	Finland
ROYAL DUTCH	2.4	UK
TELEFONICA	2.1	Spain
NOVARTIS	2.1	Switzerland
ROCHE HLDGS	2.1	Switzerland
Total Of Top Stocks Listed	26.6	

Monthly News

Equities recovered some ground in September, despite the continued uncertainty in the financial markets. The Federal Reserve's decision to cut the Fed Funds rate by 0.50% to 4.75% proved to be a major catalyst. Equities have rallied strongly since and regained some of their losses since the peak in July, while volatility has eased back to a more normal level.

In contrast, bonds underperformed as yields increased from 4.18% to 4.32% in Europe as the flight to safety has reversed. The credit market also showed signs of returning to normal as both the new issuance market and secondary prices improved in the latter half of the month. However, liquidity markets remains tight as Interbank rates are still above levels in early July and the ECB continues to inject a large amount of liquidity to the banking sector.

In Stock News

Nokia rose 28% after reporting a doubling of profit, and sales rose the most in five quarters, as they took share from Motorola. Their market share rose to 38%, handset margins were the highest in three years, and the stock advanced to a five year high.

Telecom operator Telefonica's rose 19% as share price performed strongly during the quarter following good quarterly results, upgraded full year guidance and the growing expectation that the company will shortly increase its dividend targets for 2008 and 2009 respectively.