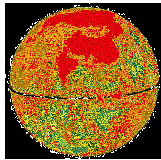


fresh & objective thinking leads to  
truly independent financial advice



## EMERGING MARKETS : OUTLOOK



The emerging markets have done well over the past year or so, managing to avoid the

devastating bouts of recession experienced by more developed countries and maintaining impressive growth figures, particularly China and India.

Although many areas in the EM sector have taken a hit just recently, most existing investors prior to this blip, would have experienced good returns on well managed funds. However what is the outlook for the emerging markets— would it be foolish to expect more of the same? Well, the continued demand for commodities is set to sustain good performance for some EMs such as Brazil and Russia who can boast some of the richest natural resources regions in the world. China, a key buyer of commodi-

ties has, despite minor blips, remained strong with continued investment and consumption in this area, pushing prices higher. There is a risk that rising inflows into the EMs could have a negative effect on local currencies and subsequently push inflation too high. However, policy makers are currently using specific measures to stem this threat. Equity market experts currently favour Russia as it is trading comparatively cheap to other BRIC equities. Other smaller emerging market regions are of interest in terms of longer term investments. To summarise the EMs are still expected to lead in terms of economic performance and is still considered to be a beneficial item in a diversified portfolio.

For more information on recent fund performances, or how to invest in the emerging markets please contact your IFA or go to [www.churchillandpartners.com/funds.asp](http://www.churchillandpartners.com/funds.asp).

## SWISS ECONOMY BENEFITS FROM MIDDLE EAST UNREST

The unrest in the middle east has been unsettling for a number of obvious reasons. Unnerving reports of chaotic and sometimes tragic demonstrations, accusations of serious crimes against humanity and the rising cost of oil prices has people spooked on a global scale.

However, the Swiss economy is one country that is apparently safe from the knock on effects of Gaddafi's scorn in Libya at least. In 2008 diplomatic relations between the two regions were soured following a series of incidents, including the arrest of the Libyan leader Moammar Gaddafi's Son Hannibal, and his pregnant wife, on accusations of beating hotel staff in Switzerland. Then in apparent retaliation from this, a fight broke out between Gaddafi and the Swiss over the release of two Swiss businessmen from the country. As a result of these strains, Crude oil imports from Libya into Switzerland have fallen from 75% in 2008 to just 11% in 2010 (Sources: Swiss Crude Oil Association & Swiss State Secretariat for Economic Affairs.) However,

thanks to this huge decline in trading,

Switzerland now appears to be well guarded from the impact of Libyan social unrest.

Gaddafi's hostility towards Switzerland has been evident ever since the trouble in 2008, particularly in 2010 when Gaddafi imposed a Visa ban for all Swiss people, pleaded to the United Nations to divide Switzerland between France, Italy and Germany, and is reported to have removed all his assets from Swiss banks. There is no doubt that in light of recent events the Swiss are now counting them selves fortunate to have limited trading with the unstable country and its scornful leader. Furthermore, geopolitical worries actually helped the Swiss Franc to climb to record highs against the dollar at the end of last month. For more information and up to date market news please go to [www.churchillandpartners.com/market-news.asp](http://www.churchillandpartners.com/market-news.asp)



EGYPTIAN FINANCIAL MARKETS REMAIN IN DISARRAY FOLLOWING DEMONSTRATIONS & RECENT POLITICAL SHAKE UP.

OIL PRICES CONTINUE TO RISE ADMIT CONCERNS THAT CRUDE SHIPMENTS WILL BE DISRUPTED BY UNREST IN MIDDLE EASTERN NATIONS.

PREMIER WEN JIABO ATTEMPTS TO TAME INFLATION AS RECORD INFLOWS INTO CHINA ADD TO THE WORLD'S FASTEST GROWING ECONOMY.

STOXX EUROPE 600 REACHES 2 1/2 YEAR HIGH THIS MONTH, FTSE 100 INDEX ALSO REACHED HIGHEST LEVEL SINCE 2008.

To read more on these stories go to

[www.churchillandpartners.com/market-news.asp](http://www.churchillandpartners.com/market-news.asp)

## RBC GLOBAL 'AGRI-INDUSTRY' FUND



Soaring food prices are expected to continue in the foreseeable future so why not take advantage of this

opportunity by investing in the Agriculture Industries now.

The latest offering from the Royal Bank of Canada invests in 5 underlying stocks- big name companies in the 'Agri-Industry.' These include well known brands Starbucks Corporation and Carlsberg A/S, as well as global agribusiness Bunge Ltd, Potash Corporation of Saskatchewan Inc, and Archer-Daniels-Midland Company who also process agricultural commodities and products. The fund presents a timely opportunity for investors seeking a medium term investment, given the improving

economic outlook for 2011. The notes are available in 3 different currencies, USD, EURO and GBP and offer a strong capital buffer, ensuring no capital is lost providing none of the stocks have fallen below 50% of their initial levels on the final valuation date. Investors can also redeem quarterly income payments of 2.1875%. (8.75 % p.a. fixed, regardless of performance) The Royal Bank of Canada is 7th in the top ten banks by market capitalisation globally, and Barrons rated it #3 Most respected financial institution in 2010. The fund strikes on 28th March 2011, the final valuation date being March 2014.

For more information or to arrange an investment please contact your IFA or go to [www.churchillandpartners.com/funds-portman-associates.asp](http://www.churchillandpartners.com/funds-portman-associates.asp)

For more information or to arrange an appointment with one of our independent financial advisors contacts us on:

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[www.churchillandpartners.com/contact-us.asp](http://www.churchillandpartners.com/contact-us.asp) Switchboard: +44 (0) 1245 216 030

### MARKETS UPDATE- Close 28/02/2011

	Current	Previous (27-01-10)	Move-ment %
FTSE 	5,994.01	5,965.08	+0.48
DOW 	12,226.34	11,989.83	+1.97
CAC 	4,110.35	4,059.57	+1.25
SSMI 	6,610.44	6,562.36	+0.73
DAX 	7,272.32	7,155.58	+1.63
NIKKEI 	10,624.09	10,478.66	+1.39

For the very latest market info  
[www.churchillandpartners.com/market-news.asp](http://www.churchillandpartners.com/market-news.asp)

### CURRENCY EXCHANGE RATES- 02/03/11

CHF- USD\$: 1.08250	CHF- GBPE: 0.66400
CHF-EUR€: 0.78110	EUR€- USD\$: 1.38790
USD\$- GBPE: 0.61240	EUR€- GBPE: 0.84960

[www.churchillandpartners.com/currency-converter.asp](http://www.churchillandpartners.com/currency-converter.asp)