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COMMODITIES CLIMB BACK INTO THE SPOTLIGHT

INCREASED DEMAND AND RISING PRICES HIGHLIGHT THE ROAD TO RECOVERY



This time last year the doom and gloom of the global downturn was upon us, the markets had collapsed into crisis and the resulting depression of recession was rife. However, now that the majority of the world's economies have bottomed out and turned the corner back into growth, there is a positive outlook on the horizon, particularly visible now in the commodities sector. Many commodities have already doubled in price since their lows. Furthermore, demand has increased and there is an apparent ex-

pectation for a growing need for commodities, so the prices are set to get higher. Positive forecasts on the back of all the previous bad news, has resulted in albeit slowly improving consumer and business sentiment. We have seen a recent consistent appetite for commodity and energy funds, partly due to investors looking to diversify their portfolios again, but also due to the rebounded demand for natural resources. Improved sentiment has emerged from the enormous amount of worldwide fiscal stimuli. As governments put measures in place to improve economies, faith in the markets is returning.

Along with this, and featuring quite prominently in the resurgence of the commodities sector, is the positive impact of China's economic recovery. China is in the spotlight because of its sheer scale and consequently, very high commodity consumption. (China consumes a whopping 50% of the world's iron ore and at least 20% of the world's other commodities.) China's plans for further industrialisation and urban development

have resulted in strong restocking for commodities such as iron ore and other natural resources. The Chinese government are keen to see growth remain and so we expect this demand to continue.

Individual commodity sectors have been diverging just recently as assets respond to their respective fundamental drivers rather than sentiment. Agricultural commodities such as cocoa, cotton and coffee performed well due to demand outweighing disruptions in supply. Other commodities (soya, wheat and grain) fell due to

positive harvest predictions. Nevertheless, all this adds to the appeal of commodities as an investment. Short term volatility is still likely, however along with the weakness in the dollar, this presents an opportunity to buy low and reap the rewards of growth with a long term view on the investment. The long term commodity bull market is now secure— its time to take advantage!

For commodity fund options go to www.churchillandpartners.com/funds-castlestone-management.asp

For more information or to arrange an appointment with one of our independent financial advisors contact us on: enquiries@churchillandpartners.com
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TAKING ADVANTAGE OF THE DWINDLING DOLLAR

The dollar weakness continues to persist as the value dipped again on the 9th, amid expectations that US interest rates will remain at historic lows for the foreseeable future. Bad news, some might think. However, the weakness in the dollar has many advantages. Sterling hit a 3 month high against the currency, rising to

more than \$1.6844. Furthermore as mentioned previously, the weakening dollar has contributed to the boost in gold and other commodities which are forecasted a continued rise, on the back of its declining value.



INVEST IN THE BIG NAMES IN INFORMATION TECHNOLOGY



The newest fund from Nomura incorporates 5 major play-

ers in today's world of IT— Amazon, Apple, Research in Motion (Manufacturer of Blackberry) InfoSys, (IT consultation and software services) and Yahoo. The High Income InfoTech notes pay annual coupons regardless of the performance of the stock basket. The capital risk depends on a required fall of 40 % or more

from the initial level vs. the final level in any stock. The attractive fixed income payments throughout the life of the investment are as follows for the 3 available currencies: USD 9.00%, EUR 8.70% and GBP 8.75%.

The issue date for the fund is 18th December 09, the full 3 year term maturing on 18th December 2012.

For more information or to arrange an investment please go to www.churchillandpartners.com/funds-portman-associates.asp

VAM WORLD GROWTH MANAGED FUND UP 38.92% YTD

Managed by Driehaus Capital Management LLC, the Vam World Growth fund continues to rise, reporting a gain of a further 7.86 % in Sept 09. Outperforming it's benchmark the MSCI World Growth Index in Sept, this gain was aided by stock selection in the US, Brazil and China.

The investment objective of the fund is to achieve significant capital appreciation over each full market cycle. The diversified fund invests in a broad range of different sectors spread across many

different countries worldwide. As the world recovered from economic crisis, the fund began to rise from previous inevitable lows, and with active management from successful fund manager Driehaus, this steady growth is expected to persist.

For more information or to arrange an investment go to www.churchillandpartners.com/funds-vam.asp



MARKETS UPDATE- Close 25th Nov 2009

	Current	Previous (26-10-09)	Movement %
FTSE 100	5,362.59	5,191.74	+3.29%
DOW	10,464.40	9,867.96	+6.04%
CAC	3,809.16	3,744.45	+1.73%
SMI	6,422.20	6,303.35	+1.89%
DAX	5,803.02	5,642.16	+2.85%
NIKKEI	9,441.64	10,366.62	-8.92%

For the very latest market info www.churchillandpartners.com/market-news.asp

CURRENCY EXCHANGE RATES- 26th Nov 2009

CHF- USD\$: 0.99797	CHF- GBP£: 0.60298
CHF-EUR€: 0.66223	EUR€- USD\$: 1.507
USD\$-GBP£: 0.6042	EUR€- GBP£: 0.91053

For the very latest market info www.churchillandpartners.com/currency-converter.asp