

Global Titans Fund

COMMENTARY

Global markets were broadly flat in local currencies in September with the rise in the Australian dollar leading to a fall in the broader benchmark in Australian dollars. Overall global economic data have been modestly stronger with the US and UK economies leading the way. Central bankers remain highly accommodative, against a backdrop of very low global inflation, though a US rate increase is expected in December. Emerging markets outpaced developed, with China and Brazil up solidly, and the more economically sensitive sectors, including the banking sector, came out ahead whilst the more defensive growth sectors, including consumer staples, trailing.

The Fund's unit price decreased by 1.75% in September. The performance was driven by positive contributions from our holdings in Paypal, BAT, Diageo, Unilever and Visa Inc. The main negative contributors were Medtronic, Reckitt Benckiser, Mead Johnson Nutrition and Oracle. The Fund continues to have no foreign currency hedging in place as Insync consider the main risks to the Australian dollar to be on the downside. Over 50% of the fund is currently protected using our put protection strategy.

Insync's philosophy is to invest in the more predictable growth companies and to include downside protection strategies. This can occasionally result in short term underperformance of equity benchmarks but our strategy has delivered positive absolute returns during previous market downturns. We look for exceptional businesses with high ROIC, strong free cash flow, solid balance sheets and a long track record of returning cash to shareholders through growing dividends and/or share buy-backs.

PERFORMANCE¹

	Fund (%)	MSCI World ex-AUS ² (%)	Cash Benchmark ³ (%)
1 Month	-1.8	-1.2	0.1
3 Months	-1.1	2.4	0.5
6 Months	4.4	6.9	1.1
1 Year	-2.6	2.5	2.2
3 Years (% p.a.)	9.1	12.6	2.4
5 Years (% p.a.)	12.2	16.2	2.9
Since Inception (% p.a.)	9.2	10.3	3.4
Since Inception (% Total)	85.0	97.6	26.6

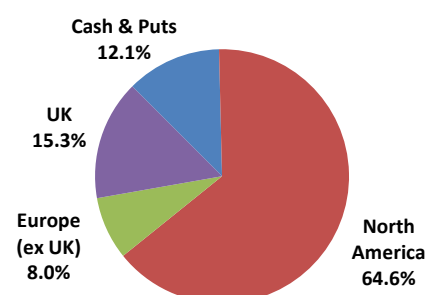
KEY HOLDINGS

Medtronic
Reckitt Benckiser
Roche
PayPal
Microsoft

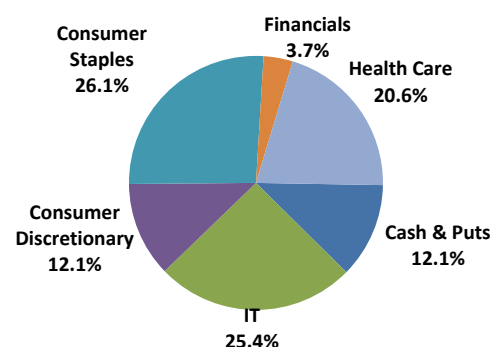
PORTFOLIO CHARACTERISTICS

Average Market Cap	A\$163.1bn
Weighted Avg Forecast Dividend Yield	1.91%
Weighted Avg Forecast PE Ratio	18.5x
Weighted Avg ROE	28.3%
Current FX Hedging Position	0% overseas exposure hedged back into \$A
Investment Style	Large cap, concentrated listed global equities
Benchmark	Unconstrained

GEOGRAPHIC COMPOSITION



INDUSTRY COMPOSITION



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¹ Returns are calculated net of management fees and expenses but before tax and adviser fees (if applicable) with all distributions re-invested. Inception date for the Insync Global Titans Fund is 7 October 2009.

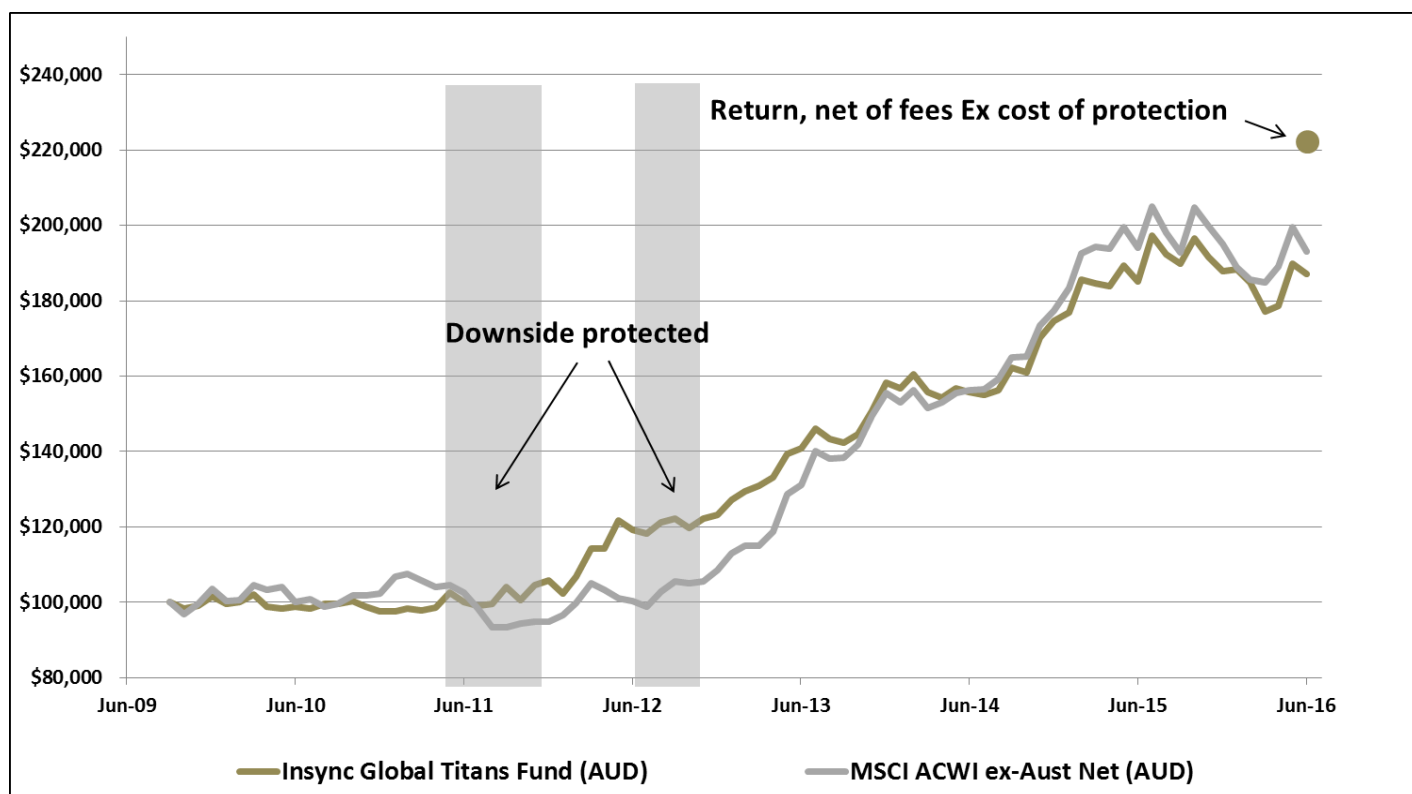
² MSCI All Country World ex-Australia Net Total Return Index in \$A.

³ UBS Australia Bank Bill Index.

FUND FACTS

Lead Portfolio Manager	Monik Kotecha
Fund type	Concentrated, large cap global equity fund, incorporating active currency management and downside protection strategies
APIR code	SLT0041AU
Investment objectives	To provide long term capital growth and some income through investment in listed global securities. Insync believes that a strong focus on capital preservation will lead to superior relative and absolute returns over time
Distributions paid	Annually, as at 30 June
Unit pricing	Daily
Minimum initial investment	\$10,000
Applications and redemptions	Each Sydney business day
Entry and redemption fee	Nil
Buy/Sell Spread	0.20%/0.20%
Management costs (management fees + usual expenses)	1.3% (plus GST) per annum of the net asset value of the Fund, paid monthly in arrears on the last business day of the month
Performance fee	15% (plus GST) of any performance above the RBA cash rate plus 2% based on annual performance, with high water mark protection for investors
How to apply	Applications can be made by reading the Insync Global Titans Fund Product Disclosure Statement (PDS) and then completing the associated application form. Both documents can be found on Insync’s website at http://www.insyncfm.com.au under the ‘How To Invest’ tab, or by contacting Insync on +61 2 8094 1255

Growing wealth & protecting capital



Insync Disclaimer

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