

**TO:** Mr.  
**FR.:** Michel Lahaie  
**DATE:** 30 Jun, 2005  
**RE:** MONTHLY PORTFOLIO VALUATION

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<b>Portfolio Valuation</b> at previous month's end:	USD	10,631,806		
<b>Portfolio Valuation</b> at this month's end:	USD	10,881,725		
<b>Bottom line:</b> Net increase this month of:	USD	249,919	or	2.35%

**Comments:**

The portfolio had a busy and profitable month with the bond and equity sections contributing the most to the bottom line.

In the fixed Income section, the Sanmina bond was exchanged into a new class which was purely an administrative issue. We received the interest payment on the Polyone 7.5% bond.

In the Equity section we took profit on CP Ships and Fujikon and a small loss on Melco. Both CP Ships and Melco paid a dividend as well as Nidec, Suncor, Toyota, General Maritime and Regal Hotel. We added several stocks: Hengan Intl, a producer of tissue paper and disposable diapers in China to participate in the growing consumer market in that country; First Pacific, a recovery play on Philippines Telecom and Indofood in Indonesia; Billabong Intl, another consumer play based in Australia but present in over 50 countries with a range of surf boards and apparel targeted at the younger generation; Manulife, a Canadian life insurance company with a growing presence in Asia and especially in China; Pinguely-Haulotte, a French manufacturer of construction and handling equipment where the principal shareholder has been consistently buying back shares; Allied Irish Bank to participate in the dynamic economy of Ireland which was held back for over a century but that is clearly going to make time back over the next 10 years; Neyveli Lignite, a coal producer in India that is also generating power and expanding as that economy grows (note this stock had to be purchased via a deep in-the-money call warrant due to the arcane investment rules in India); finally two stocks in the US: Online Resources currently serves more than 700 financial institutions (mainly Tier 2 banks) in the US and handling \$10 billion+ in consumer bill payments annually, and Universal American Financial, a small but rapidly growing health insurer specializing in Medicare Supplement & Health Administrative Services, especially the senior health insurance market.

In the Investment Fund section, we received the proceeds of the EEGO Fund and settled the investment in the Temujin Fund.

**Recommendation:**

For this month, kindly refer to the separate comment attached to this note.

Please do not hesitate to call should you have any questions or comments.

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