Interim Reports and Accounts

For the six months ended 30th June 2023

Monument International Funds (IOM) Limited

MONUMENT
International

Contents

Directors, Management and Administration

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Non Executive Director

Peter James Scott Hammonds
Non Executive Director

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Director of Monument International
Fund Managers (IOM) Limited

Darren Mark Kelly
Director of Monument International
Fund Managers (IOM) Limited

Manager and Registrar:
Monument International Fund
Managers (IOM) Limited
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Registered in the Isle of Man No. 023846C
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Report of the Directors

Activity and Results

This Interim Report and Accounts contains the Financial Statements of Monument International Funds (IOM) Limited ("the Company") for the six months ended 30th June 2023 and also an analysis of each Fund including a Portfolio Statement.

A review of the period, together with an assessment of the investment outlook, is set out in the Investment Report by the Investment Manager, Threadneedle Asset Management Limited.

The Directors would like to take this opportunity to advise Shareholders that they reserve the right to treat the working days immediately before and after the statutory Christmas and New Year holidays as dealing days or otherwise. Please note that Christmas Eve is a non dealing day.

For full information about the Company's Funds and Reporting Fund Status investors are advised to consult the Company's current Scheme Particulars which are available from Monument International Fund Managers (IOM) Limited.

As can be seen from the following accounts, the Company, at 30th June 2023, had Funds under management (FUM) of approximately US$ 154 million (December 2022: US$ 145 million).

The Company is an Open Ended Investment Company with variable capital.

The Shareholders are only liable for the debts of the Company to the extent of their investment. Where the assets of a constituent part of the Scheme are insufficient to meet that constituent part's liabilities, then any liabilities that remain undischarged will revert to the Company as a whole and be allocated amongst the other constituents of the Scheme. At the period end the Directors were not aware of any existing or contingent liability which could not be discharged out of the assets of that constituent part of the Scheme.

Director

24th August 2023

Investment Report

Market Review

Global equity markets were buoyant in the first half of 2023, with the MSCI All Country World Index (ACWI) returning 14.4% in local currency terms, led by the Japanese, United States (US) and continental European markets. The stock market in Japan was helped by the boost to Japanese exporters from the weak Yen and the Bank of Japan's (BoJ's) dogged refusal to raise interest rates from the level of 0.1%. US equities registered strong gains, largely driven by technology stocks, which benefited from the boom in artificial intelligence. The sector has also been helped by the levelling off of bond yields, which disproportionately helps growth stocks. The US technology focused Nasdaq Composite Index surged by nearly 32% over the first half of the year, although it was still down compared with the start of 2022.

Continental European stock markets also performed well, as inflation has fallen back quickly and the economy has shown remarkable resilience in the face of last year's energy price shock. Other markets lagged, particularly the United Kingdom (UK), where equities were dragged down by higher and more persistent inflation than in the rest of the world, along with a fragile housing market. Equities in Asia and emerging markets also underperformed, weighed down by index heavyweight China, which posted a negative return; the market's recovery after lifting its zero Covid policy at the end of last year has proved underwhelming so far.

In fixed income markets, 10 year government bond yields edged down in the US and Europe. The 10 year US Treasury yield slipped from 3.88% to 3.84% and the 10 year Bund yield fell from 2.57% to 2.39%. This reflected progress in the fight against inflation, as annual consumer price inflation continued to ease in the US and Eurozone. Nevertheless, annualised core inflation (which excludes energy and food prices) remained more stubborn, falling slightly in the US but rising modestly in the Eurozone. The UK has been an outlier, with the 10 year gilt yield rising almost three quarters of a percentage point to 4.39% in the first six months of 2023. This was primarily caused by the UK's disappointing inflation performance. According to the Office for National Statistics, UK annual consumer price inflation was 8.7% in May, well above the US and Europe, while annual core inflation was also considerably higher at 7.1%, up from 6.8% in April. This leaves the Bank of England (BoE) with an uncomfortable dilemma as it faces pressure to continue raising interest rates against a backdrop of fragile economic growth.

The major central banks continued to tighten monetary policy, but the Federal Reserve (Fed) in particular slowed the pace after last year's large increases, raising rates by a total of 0.75% to a target range of 5 - 5.25%. The European Central Bank (ECB) and BoE each raised rates by a total of 1.50%, to 3.5% and 5.0% respectively. For the first time since the beginning of 2022, the Fed kept rates on hold in June to allow time to observe the impact of the cumulative monetary tightening on the economy. However, it also indicated that it expected to carry out further rate increases by the end of the year. The ECB and BoE are also expected to raise rates further from current levels. Meanwhile, the BoJ defied speculation that it might move away from its negative interest rate policy, as it expects inflation to fall back in the second half of the year.

The banking crisis in March and April had a more fleeting impact than initially expected. The problems began in March when US tech focused Silicon Valley Bank collapsed after a sudden run on deposits. The Swiss government then orchestrated a takeover of troubled lender Credit Suisse by UBS, while JPMorgan later absorbed First Republic Bank in the US. Equity markets fell and bond yields plummeted during the crisis, but these moves have since been reversed. While the banking crisis will lead to some tightening of credit conditions, it now appears that this will not be sufficient by itself to tip the US economy into recession.

Developed economies have generally remained resilient over the first half of the year. The US economy has continued to grow slowly, while the UK and Eurozone economies have been broadly flat. Interest rate sensitive sectors such as housing, and the manufacturing sector, which is affected by a sluggish global economy, are weak, but strong labour markets are supporting the service sector and keeping economies out of recession. Another important theme to emerge this year has been the disappointingly slow recovery of the Chinese economy after its reopening at the end of last year following the lifting of Covid restrictions. The authorities in Beijing are reportedly considering a range of policy measures to stimulate economic activity.

The sluggish global economy led to softness in commodity prices in the first six months of 2023. Energy prices continued to fall after their spike last year following the outbreak of the Ukraine war, and base metals, often considered a key indicator of global economic activity, also declined.

Investment Report

Outlook

Central banks across much of the developed world have raised interest rates dramatically in a bid to defeat inflation and break any potential wage price spiral. The headline inflation rate has now peaked in many countries, aided by the easing of supply chain bottlenecks and the significant retracement in prices of numerous raw materials. Core inflation is proving to be more 'sticky' and will remain the primary concern for policymakers for a while longer. However, many central banks have slowed the pace of monetary policy tightening as interest rates have entered restrictive territory.

Following an initial bounce in sentiment and activity, driven by the mild winter weather and lower energy prices, economic growth is set to slow across the much of the globe this year, owing to the headwinds of inflation and rising interest rates. Central banks have shown their willingness to accept rising unemployment and a contractionary economic environment if this is what is required to bring inflation back towards target levels. To date, any deterioration in the employment picture has been limited to a handful of sectors, but this is likely to broaden over the coming months. The BoJ remains an outlier among developed market central banks, in that it has left interest rates unchanged. Meanwhile, some emerging economies are beginning to see some monetary relief, as these central banks were quicker to tighten policy when inflation first started to pick up.

Report of the Manager

Monument International Funds (IOM) Limited is an Authorised Scheme under Schedule 1 of the Collective Investment Schemes Act 2008 (of the Isle of Man) and is an Umbrella Fund, as defined in the Authorised Collective Investment Schemes Regulations 2010. The Company has elected to be a Type A Scheme for the purpose of the Authorised Collective Investment Schemes Regulations 2010. Each constituent part, hereinafter referred to as a sub fund as listed in the tables below, is an Authorised Securities Fund as defined in the Authorised Collective Investment Schemes Regulations 2010 (except the Managed Currency Fund which is a Money Market Fund).

The aim of the Company is to provide an attractive, tax efficient, investment medium for investors worldwide. Resident for tax purposes in the Isle of Man the Company does not pay UK Corporation Tax on its income or capital gains. The Manager's policy for achieving the investment objective is described for each constituent part of the Company on pages 6, 12, 17, 21, 26, 32, 37 and 43.

The investment activities of the Company in the six month period to 30th June 2023 are described in the Fund Investment Report by the Investment Manager on pages 6, 12, 17, 21, 26, 32, 37 and 43.

The following amounts have been paid and/or accumulated for distribution to holders of Participating Redeemable Preference Shares in respect of the six month period to 30th June 2023. Where negative, the deficit has been transferred to the capital reserve.

Sub Funds	XD Date	Amount Due/(Deficit) US$	Payment Date
Managed	1.7.2023	(13,551)	31.8.2023
Worldwide Equity*	1.1.2024	-	28.2.2024
Managed Currency	1.7.2023	7,168	31.8.2023
Gilt and Income	1.7.2023	67,790	31.8.2023
North American Growth*	1.1.2024	-	28.2.2024
Far East*	1.1.2024	-	28.2.2024
UK Capital Growth*	1.1.2024	-	28.2.2024
Europe*	1.1.2024	-	28.2.2024

*Distribute annually

The total number and bid value of Participating Redeemable Preference Shares as at 1st January 2023 and 30th June 2023 were as follows:

	Shares in Issue		Bid value Per Share (US$)	
Sub Funds	1.1.2023	30.06.2023	1.1.2023	30.06.2023
Managed	10,207,403	9,998,176	2.5070	2.7300
Worldwide Equity	6,726,811	6,084,079	3.3410	3.8100
Managed Currency	1,512,201	1,443,299	0.3242	0.3274
Gilt and Income	18,337,069	17,250,615	0.3739	0.3660
North American Growth	2,333,943	2,293,654	11.3300	13.3200
Far East	1,783,713	1,736,848	3.8430	4.0430
UK Capital Growth	23,761,432	21,605,208	1.3725	1.4801
Europe	3,484,908	3,096,487	6.9199	7.7946

The net asset value of the sub Funds, net asset value per share and shares in issue at the end of the last three accounting periods are shown in the Comparative Tables on pages 8, 14, 18, 23, 28, 34, 39 and 44.

The names and addresses of the Registrar, the Investment Manager, the Fiduciary Custodian and the Auditor can be found on page 1.

Monument International Fund
Managers (IOM) Limited
St George's Court,
Upper Church Street
Douglas
Isle of Man IM1 1EE

Director
24th August 2023

Director
24th August 2023

Managed Fund

Fund Investment Report

Investment Policy
To invest primarily for capital growth from a balanced and managed portfolio of asset types in various economies.

Types of Investment
Investments are held primarily in equity and fixed interest stock markets of the major economies, but may also be held indirectly through other permitted investments such as unit trusts, investment trusts and convertible securities as circumstances warrant and as permitted by the Regulations.

Exposure to individual regions or economies will generally reflect relative levels of market capitalisation. Consequently, a relatively large proportion of the Fund may consist of investments in the North American market.

Limited sales and purchases of investments may be made through options and financial futures, whilst bearing in mind the investment policy of the Fund and Regulations.

It must be remembered that the price of shares and the income from them can go down as well as up.

Fund Performance
Over the six months to 30th June 2023, the Fund posted a total gross return of 10.9% compared with a return of 9.6% for the benchmark index, both in United States (US) Dollar terms. The benchmark comprises 65% MSCI AC World Index, 32% J.P. Morgan Global Government Traded Bond Index and 3% 7-Day LIBID.

Review
Global equity markets had a positive half year, helped initially by optimism about falling inflation, which spurred hopes that key central banks might slow, or pause, their interest rate hikes. Equities were also buoyed by hopes of a brighter outlook for the global economy as natural gas prices tumbled in Europe and China's economy rebounded after Beijing lifted its Covid restrictions.

March was characterised by a spell of intense volatility due to the banking crisis and resulting fears of contagion, though equities later recovered thanks to swift action by financial authorities. The resulting anticipation of tighter credit conditions triggered fears about a global growth slowdown and pushed interest rate forecasts lower as investors predicted that central banks could soon pause the pace of monetary tightening.

Following a calmer spell in April, volatility (and Treasury yields) rose once more in May as negotiations about the United States (US) debt ceiling again went to the wire, though lawmakers finally agreed on a deal to suspend the borrowing limit until 2025 near the end of the month. Volatility eased again in June, reaching post pandemic lows, and risk assets rallied, aided by another quarterly earnings season that beat expectations and some encouraging economic data. However, central banks turned more hawkish, and the expectations of US rate cuts priced in by the market during the banking turmoil melted away.

Indeed, key central banks continued to tighten monetary policy, but the Federal Reserve (Fed) slowed the pace of its hikes after last year's large increases, leaving rates on hold at its June meeting for the first time since the start of its current tightening cycle in early 2022. Policymakers indicated that they needed more time to assess the economic impact of prior tightening and the recent banking failures. However, Fed rate setters increased their median year end interest rate projections, while also predicting stronger US economic growth and a slower fall in core inflation this year than previously envisaged.

The European Central Bank and the Bank of England continued raising interest rates. The latter turned more hawkish in June, with a hike of 0.5% exceeding expectations after data showed that core inflation (which excludes food and fuel prices) hit a 31 year high in May and wage growth accelerated.

Of the major equity regions, Japan fared best in local currency terms, helped by reforms intended to increase corporates' focus on shareholders, as well as the market's high weighting in technology names. The US also outperformed, boosted by gains in the sizeable technology sector. Continental European stocks were modestly behind the MSCI All Country World Index. United Kingdom (UK) equities underperformed as the country experienced higher and more persistent inflation than other developed markets. The UK stock market was also impacted by its relatively large weighting to energy and mining as prices of oil and industrial metals fell on concerns about the sluggish global economy. Emerging markets underperformed as well, dragged down by weakness in China due to concerns that the post Covid economic rebound could be running out of steam and a continued deterioration in relations between the US and China.

By sector, technology was by far the best performer due to some stellar corporate earnings from major players and optimism around artificial intelligence (AI). Consumer discretionary and communication services also significantly outperformed. On the other side, energy was the weakest performer as oil prices fell. Utilities and healthcare also underperformed.

In fixed income markets, 10 year government bond yields (which move inversely to price) edged down in the US and Europe. However, the UK was an outlier; with the 10 year gilt yield rising almost three quarters of a percentage point. This was primarily caused by the UK's disappointing inflation performance.

Gross of fees, the fund outperformed its benchmark over the period. The equity segment was beneficial for relative returns, while the fixed income portion detracted slightly.

Within equities, NVIDIA Corporation (US) was the strongest contributor. The stock benefited over the period from the wave of enthusiasm surrounding AI. The biggest uplift came in May when the company posted strong first quarter results. While earnings and revenue beat analysts' estimates, investors were most impressed by upbeat guidance for revenue in the next quarter, which exceeded estimates by 50%. We remain positive on NVIDIA's longer term prospects owing to its strong exposure to semiconductor growth. The firm's scale and competitive edge within both gaming and AI should also position it well to benefit from powerful secular trends, such as accelerating AI adoption, the increasing demand for electric vehicles, cloud gaming and emerging omniverse opportunities.

Managed Fund

Fund Investment Report (continued)

Review (continued)

Another prominent contributor during the period was Microsoft Corp (US). The company's shares rallied amid the growing enthusiasm surrounding artificial intelligence (AI). Microsoft exceeded revenue expectations in the first half of the year, driven by the growth of its cloud segment. Additionally, Microsoft's stake in OpenAI, the creator of ChatGPT, also significantly amplified its performance, capitalising on the prevailing optimism surrounding AI and large language models (LLMs). We believe that Microsoft, with its extensive product reach across various industries, is well positioned to leverage AI in its offerings, driving future growth and market dominance.

Our holding in SVB Financial Group (US) was a notable detractor during the period due to the company's liquidity issues and subsequent bankruptcy filing. SVB Financial, known for its strong presence in providing finance to the private equity and venture capital industry, offered a unique banking exposure for our portfolio. However, the company's investments in bonds and other debt instruments that were highly sensitive to interest rate volatility posed challenges in an environment of rising interest rates. With the increases in rates discussed above, the value of the company's bond portfolio significantly declined, giving rise to a potential liquidity risk on the balance sheet and consequently impacting our performance. That said, the portfolio's diversification ensured that the impact of this single security was relatively small on the overall performance.

Within equities, key new positions over the period included CSL Ltd (Australia), AXA SA (France) and Micron Technology, Inc. (US).

Global bio technology leader CSL is a specialty pharmaceutical group with a strong competitive franchise, providing a range of products and services that develop and deliver biotherapies that either save people's lives or enable people with life threatening conditions to live fuller lives. It also operates one of the world's largest and most sophisticated plasma collection networks. A consistent, high quality name, CSL benefits from strong management and a promising product pipeline, including Hemgenix (the first gene therapy designed to treat haemophilia B), garadacimab (a treatment for hereditary angioedema) and CSL 112 (cardiac arrest prevention).

As a large insurer with a global presence, AXA benefits from significant scale advantages. The company has recently shifted its focus towards non life insurance, an area where demand is growing. We believe there are opportunities for market share gains as the business increases its exposure to the US and developed markets in Europe and Asia.

Micron is an industry leading computer memory and storage company with a strong competitive position supported by increased diversification of both its products and end markets. The firm has made substantial operational improvements and is a leader in process technology, power efficient products and performance reliability.

We sold our holding in Samsung SDI Co Ltd (South Korea) following the stock's recent strong performance. We also sold out of Walt Disney Co (The) (US) amid concerns about the cyclicality of the parks element of the business. In addition, we sold our position in First Republic Bank (US) in the middle of March ahead of the bank's collapse and forced takeover in April. First Republic Bank was impacted by SVB Financial's failure and the subsequent loss of confidence in regional US banks.

In fixed income, we increased our holdings in government bonds from Austria and the US. We reduced our exposure to France.

Compared to 2022, macro sentiment has had less impact on markets this year. However, higher interest rates, inflation and slowing growth will likely continue to present issues for companies across the globe. Markets will want to see solid earnings delivery and evidence of profitability in the near term.

Our holdings tend to be less economically sensitive than average and so should be better placed in an environment of slower growth. They are typically cash generative and, in many cases, have business models focused on recurring revenues. These companies also tend to have strong balance sheets, so they should be less impacted by the need to refinance debt at higher rates. Pricing power typically means these firms are more resilient to inflation, too, while many are also supported by powerful secular themes. We still believe growth stocks will outperform, but we stress the importance of focusing on the quality of the growth opportunity.

While the market has been quite narrowly led in the first half of 2023, we believe that diversification will remain important, as investments in companies that tackle issues such as decarbonisation, deglobalisation and energy efficiency create a broad opportunity set. We remain committed to finding quality growing companies across a range of sectors and geographies.

In summary, we believe that our focus on quality companies with pricing power and lower gearing than the broader economy is a prudent way to take equity market exposure. Over the longer term, an environment of muted economic activity should be supportive of this approach given our emphasis on secular winners.

Managed Fund
Comparative Table
for the accounting period 1st January 2023 to 30th June 2023

	Preference Shares			
	2023[1]	2022	2021	2020
Change in net assets per share	US$	US$	US$	US$
Opening net asset value per share	2.5099	3.2822	3.0863	2.6290
Return before operating charges[2]	0.2748	(0.7124)	0.2655	0.5161
Operating charges	(0.0297)	(0.0599)	(0.0696)	(0.0588)
Return after operating charges	0.2451	(0.7723)	0.1959	0.4573
Distributions on preference shares	–	–	–	–
Closing net asset value per share	2.7550	2.5099	3.2822	3.0863
after direct transaction costs[2]	(0.0005)	(0.0011)	(0.0006)	(0.0008)
Performance				
Return after charges	9.77%	(23.53%)	6.35%	17.39%
Other information				
Closing net asset value (US$)	27,544,961	25,619,308	36,066,502	36,850,724
Closing number of shares	9,998,176	10,207,403	10,988,630	11,940,168
Operating charges	2.23%	2.20%	2.16%	2.16%
Direct transaction costs	0.02%	0.04%	0.02%	0.03%
Ongoing Charges Figure (“OCF”)[3]	2.23%	2.20%	2.16%	2.16%

Prices	2023[1]	2022	2021	2020	2019	2018
Highest offer share price (US$)	2.9360	3.4560	3.5510	3.2640	2.7750	2.6060
Lowest bid share price (US$)	2.5050	2.3130	3.0130	2.1230	2.1310	2.1010
Net distribution per share (US$)	–	–	–	–	–	–

Notes

[1] Based on amounts for 12 months to 31st December except for 2023 which is for the six months period ended 30th June 2023.

[2] Return before operating charges is stated after direct transaction costs.

[3] The OCF takes into account the annual management charge and any expenses incurred expressed as a percentage of the average daily net asset values over the period. The OCF figure for the period to 30th June 2023 is an annualised ratio.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and because of this, investors may not get back money invested and are not certain to make a profit on their investment.

Managed Fund

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital gains/(losses)	2,496,939	(7,998,367)
Revenue	317,994	217,937
Expenses	(286,832)	(332,027)
Net revenue/(expense) before taxation	31,162	(114,090)
Taxation	(45,148)	(40,746)
Net expense after taxation	(13,986)	(154,836)
Total return before distribution	2,482,953	(8,153,203)
Distributions	435	3,792
Change in Net Assets Attributable to Preference Shareholders from investment activities	2,483,388	(8,149,411)

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	27,090,457	25,437,318
Current assets:		
Debtors	735,494	732,747
Cash and bank balances	455,221	167,941
Total assets	28,281,172	26,338,006
Liabilities:		
Creditors:		
Other creditors	(183,222)	(166,232)
Total liabilities	(183,222)	(166,232)
Equity:		
Management shares	(10)	(10)
Nominal shares	(552,979)	(552,456)
Total equity	(552,989)	(552,466)
Net Assets Attributable to Preference Shareholders	27,544,961	25,619,308

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Opening Net Assets Attributable to Preference Shareholders	25,619,308	36,066,502
Movement due to sales and repurchases of shares:		
Amounts receivable on issue of shares	4,781	4,924
Amounts payable on cancellation of shares	(562,516)	(1,266,422)
	(557,735)	(1,261,498)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)	2,483,388	(8,149,411)
Closing Net Assets Attributable to Preference Shareholders	27,544,961	26,655,593

The comparatives used within the Statement of Change in Net Assets Attributable to Preference Shareholders are for the corresponding period of the previous year. Therefore the Opening Net Assets Attributable to Preference Shareholders for the current year are at 31st December 2022 whilst the figure disclosed in the comparatives' Closing Net Assets Attributable to Preference Shareholders is at 30th June 2022.

Distribution Table

There is no distribution for the accounting period 1st January 2023 to 30th June 2023, as expenses exceed revenue (June 2022: Nil).

Managed Fund
Portfolio Statement
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Collective Investment Schemes 2.45% (2.46%)				
Columbia Threadneedle Emerging Market Bond Fund Retail Gross Accumulation GBP	GBP	24,520	81,127	0.30
Columbia Threadneedle Emerging Market Local Fund Retail Gross Accumulation GBP	GBP	103,422	196,348	0.71
Columbia Threadneedle High Yield Bond Fund Institutional Gross Accumulation GBP	GBP	83,521	203,790	0.74
Columbia Threadneedle Sterling Corporate Bond Fund Institutional Gross Accumulation GBP	GBP	135,653	193,227	0.70
Collective Investment Schemes total			**674,492**	**2.45**
Equities 65.73% (65.74%)				
Australia 0.71% (0.00%)				
CSL Ltd.	AUD	1,066	196,774	0.71
			196,774	**0.71**
Canada 0.67% (0.61%)				
Nutrien Ltd.	CAD	3,091	183,136	0.67
			183,136	**0.67**
Cayman Islands 0.00% (0.21%)				
Denmark 1.26% (2.68%)				
Novo Nordisk A/S 'B'	DKK	1,098	177,099	0.64
Orsted A/S	DKK	1,808	170,817	0.62
			347,916	**1.26**
France 5.08% (4.65%)				
AXA SA	EUR	5,898	174,252	0.63
EssilorLuxottica SA	EUR	1,193	224,988	0.82
L'Oreal SA	EUR	438	204,715	0.75
LVMH Moet Hennessy Louis Vuitton SE	EUR	240	226,125	0.82
Schneider Electric SE	EUR	1,544	281,110	1.02
TotalEnergies SE	EUR	4,988	286,843	1.04
			1,398,033	**5.08**
Germany 1.12% (0.96%)				
adidas AG	EUR	727	140,722	0.51
Infineon Technologies AG	EUR	4,067	168,321	0.61
			309,043	**1.12**
Hong Kong 0.86% (1.05%)				
AIA Group Ltd.	HKD	23,400	236,192	0.86
			236,192	**0.86**
India 1.06% (1.08%)				
HDFC Bank Ltd., ADR	USD	4,191	292,699	1.06
			292,699	**1.06**
Indonesia 0.96% (1.08%)				
Bank Rakyat Indonesia Persero Tbk. PT	IDR	729,480	263,961	0.96
			263,961	**0.96**
Ireland 2.61% (1.50%)				
CRH plc	EUR	5,399	299,581	1.09
Linde plc	EUR	487	186,014	0.68
Linde plc	USD	362	138,262	0.50
Trane Technologies plc	USD	497	94,917	0.34
			718,774	**2.61**
Japan 2.49% (2.44%)				
Hoya Corp.	JPY	800	94,482	0.34
Keyence Corp.	JPY	600	281,538	1.02
Recruit Holdings Co. Ltd.	JPY	3,600	113,503	0.41
Sony Group Corp.	JPY	2,200	196,963	0.72
			686,486	**2.49**
Netherlands 0.35% (0.56%)				
Akzo Nobel NV	EUR	1,165	94,894	0.35
			94,894	**0.35**
Norway 0.73% (1.03%)				
Equinor ASA	NOK	6,904	201,123	0.73
			201,123	**0.73**
Singapore 1.00% (1.05%)				
DBS Group Holdings Ltd.	SGD	11,800	274,739	1.00
			274,739	**1.00**
South Korea 0.72% (1.58%)				
Samsung SDI Co. Ltd.	KRW	393	199,535	0.72
			199,535	**0.72**

Investment	Currency	Holding	Market Value US$	% of Net Assets
Equities 65.73% (65.74%) (continued)				
Switzerland 3.62% (3.40%)				
DSM-Firmenich AG	EUR	1,074	116,177	0.42
Lonza Group AG	CHF	394	234,467	0.85
Nestle SA	CHF	2,701	325,092	1.18
SIG Group AG	CHF	6,562	181,021	0.66
Sika AG	CHF	493	140,794	0.51
			997,551	**3.62**
Taiwan 1.54% (1.48%)				
Taiwan Semiconductor Manufacturing Co. Ltd.	TWD	23,000	424,633	1.54
			424,633	**1.54**
United Kingdom 2.76% (3.25%)				
Anglo American plc	GBP	4,183	118,752	0.43
Diageo plc	GBP	4,894	210,397	0.76
RELX plc	EUR	3,520	117,591	0.43
Shell plc	GBP	10,507	313,046	1.14
			759,786	**2.76**
United States of America 37.81% (36.69%)				
Abbott Laboratories	USD	1,675	181,721	0.66
Adobe, Inc.	USD	638	312,677	1.14
Advanced Drainage Systems, Inc.	USD	927	106,744	0.39
Advanced Micro Devices, Inc.	USD	1,643	187,335	0.68
Alphabet, Inc. 'A'	USD	4,729	570,034	2.07
Amazon.com, Inc.	USD	4,819	628,976	2.28
American Tower Corp., REIT	USD	703	136,059	0.49
Autodesk, Inc.	USD	954	194,921	0.71
Bank of America Corp.	USD	6,841	196,337	0.71
ConocoPhillips	USD	855	88,510	0.32
Cooper Cos., Inc. (The)	USD	626	239,501	0.87
Crowdstrike Holdings, Inc. 'A'	USD	1,045	154,890	0.56
Dexcom, Inc.	USD	1,146	147,811	0.54
Ecolab, Inc.	USD	1,504	278,375	1.01
Electronic Arts, Inc.	USD	2,038	265,837	0.97
Elevance Health, Inc.	USD	490	216,413	0.79
Eli Lilly & Co.	USD	836	390,170	1.42
Equinix, Inc., REIT	USD	238	185,830	0.67
Intercontinental Exchange, Inc.	USD	2,478	280,757	1.02
Intuit, Inc.	USD	713	327,645	1.19
JPMorgan Chase & Co.	USD	1,855	268,214	0.97
Lam Research Corp.	USD	472	302,590	1.10
Mastercard, Inc. 'A'	USD	919	359,393	1.31
MercadoLibre, Inc.	USD	167	199,699	0.73
Micron Technology, Inc.	USD	3,210	203,514	0.74
Microsoft Corp.	USD	2,859	976,063	3.54
Motorola Solutions, Inc.	USD	381	111,115	0.40
NextEra Energy, Inc.	USD	3,450	253,403	0.92
NVIDIA Corp.	USD	945	399,915	1.45
PepsiCo, Inc.	USD	926	170,949	0.62
QUALCOMM, Inc.	USD	2,209	262,429	0.95
Stryker Corp.	USD	683	207,905	0.76
Thermo Fisher Scientific, Inc.	USD	528	273,705	0.99
T-Mobile US, Inc.	USD	2,118	292,898	1.06
Trimble, Inc.	USD	3,476	185,340	0.67
Uber Technologies, Inc.	USD	6,131	264,798	0.96
Union Pacific Corp.	USD	1,180	240,767	0.87
Xylem, Inc.	USD	1,486	167,130	0.61
Zoetis, Inc. 'A'	USD	1,072	185,295	0.67
			10,415,665	**37.81**
Virgin Islands (British) 0.38% (0.44%)				
Nomad Foods Ltd.	USD	5,914	104,086	0.38
			104,086	**0.38**
Equities total			**18,105,026**	**65.73**
Government Bonds 29.64% (30.38%)				
Australia 0.51% (0.51%)				
Australia Government Bond 0.25% 21/11/2024	AUD	AUD 125,000	78,741	0.29
Australia Government Bond 1.25% 21/05/2032	AUD	AUD 10,000	5,290	0.02
Australia Government Bond 1.75% 21/06/2051	AUD	AUD 45,000	17,436	0.06
Queensland Treasury Corp. 6.50% 14/03/2033	AUD	AUD 50,000	38,204	0.14
			139,671	**0.51**
Austria 1.21% (0.02%)				
Austria Government Bond 2.90% 20/02/2033	EUR	€280,000	300,956	1.09
Austria Government Bond 1.50% 20/02/2047	EUR	€29,000	23,150	0.08
Austria Government Bond 1.50% 02/11/2086	EUR	€15,000	9,765	0.04
			333,871	**1.21**

Managed Fund
Portfolio Statement (continued)
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Government Bonds 29.64% (30.38%) (continued)				
Canada 0.59% (0.62%)				
Canada Housing Trust No. 1 2.90% 15/06/2024	CAD	CAD 50,000	36,995	0.13
Canada Housing Trust No. 1 3.55% 15/09/2032	CAD	CAD 170,000	126,023	0.46
			163,018	**0.59**
Finland 0.75% (0.00%)				
Finland Government Bond 0.50% 15/09/2029	EUR	€218,000	205,486	0.75
			205,486	**0.75**
France 3.52% (5.41%)				
BPIFrance SA 2.88% 25/11/2029	EUR	€100,000	106,771	0.39
France Government Bond OAT 0.00% 25/02/2027	EUR	€343,000	336,087	1.22
France Government Bond OAT 0.00% 25/11/2031	EUR	€190,000	163,500	0.59
France Government Bond OAT 1.25% 25/05/2034	EUR	€145,000	132,554	0.48
France Government Bond OAT 0.50% 25/06/2044	EUR	€222,000	142,334	0.52
France Government Bond OAT 0.75% 25/05/2053	EUR	€155,000	89,641	0.32
			970,887	**3.52**
Japan 5.09% (5.47%)				
Japan Government Five Year Bond 0.10% 20/03/2025	JPY	JPY 96,750,000	671,497	2.44
Japan Government Forty Year Bond 0.40% 20/03/2056	JPY	JPY 14,550,000	76,614	0.28
Japan Government Forty Year Bond 0.50% 20/03/2059	JPY	JPY 7,400,000	39,198	0.14
Japan Government Ten Year Bond 0.20% 20/09/2032	JPY	JPY 30,050,000	205,130	0.74
Japan Government Thirty Year Bond 0.60% 20/09/2050	JPY	JPY 5,350,000	31,550	0.11
Japan Government Thirty Year Bond 0.70% 20/12/2051	JPY	JPY 3,550,000	21,299	0.08
Japan Government Twenty Year Bond 0.30% 20/12/2039	JPY	JPY 600,000	3,797	0.01
Japan Government Twenty Year Bond 0.50% 20/12/2041	JPY	JPY 29,200,000	186,417	0.68
Japan Government Two Year Bond 0.01% 01/09/2024	JPY	JPY 24,100,000	166,992	0.61
			1,402,494	**5.09**
Luxembourg 0.28% (0.30%)				
European Financial Stability Facility 1.70% 13/02/2043	EUR	€92,000	77,929	0.28
			77,929	**0.28**
Netherlands 1.09% (0.95%)				
Netherlands Government Bond 0.25% 15/07/2025	EUR	€248,000	255,120	0.93
Netherlands Government Bond 2.75% 15/01/2047	EUR	€40,000	44,210	0.16
			299,330	**1.09**
United Kingdom 1.74% (1.80%)				
UK Treasury 0.50% 31/01/2029	GBP	£70,000	70,742	0.26
UK Treasury 0.88% 31/07/2033	GBP	£99,881	90,876	0.33
UK Treasury 3.75% 29/01/2038	GBP	£62,000	72,173	0.26
UK Treasury 1.25% 22/10/2041	GBP	£117,000	89,015	0.32
UK Treasury 1.50% 22/07/2047	GBP	£180,000	128,936	0.47
UK Treasury 1.25% 31/07/2051	GBP	£27,000	16,941	0.06
UK Treasury 0.50% 22/10/2061	GBP	£25,000	9,999	0.04
			478,682	**1.74**
United States of America 14.86% (15.30%)				
US Treasury 4.00% 15/02/2026	USD	$455,000	447,926	1.63
US Treasury 1.13% 31/10/2026	USD	$191,000	171,714	0.62
US Treasury 2.50% 31/03/2027	USD	$173,000	162,113	0.59
US Treasury 0.38% 31/07/2027	USD	$14,100	12,061	0.05
US Treasury 2.75% 31/07/2027	USD	$102,000	96,147	0.35
US Treasury 2.25% 15/08/2027	USD	$85,000	78,559	0.29
US Treasury 0.63% 30/11/2027	USD	$145,000	124,139	0.45

Investment	Currency	Holding	Market Value US$	% of Net Assets
United States of America 14.86% (15.30%) (continued)				
US Treasury 3.63% 31/03/2028	USD	$85,000	83,021	0.30
US Treasury 1.75% 31/01/2029	USD	$60,000	53,020	0.19
US Treasury 3.25% 30/06/2029	USD	$25,000	23,908	0.09
US Treasury 4.00% 31/10/2029	USD	$560,200	558,515	2.03
US Treasury 3.88% 31/12/2029	USD	$265,000	262,578	0.95
US Treasury 2.75% 15/08/2032	USD	$286,000	261,925	0.95
US Treasury 3.50% 15/02/2033	USD	$382,000	371,674	1.35
US Treasury 3.38% 15/05/2033	USD	$419,500	404,096	1.47
US Treasury 1.13% 15/08/2040	USD	$40,000	25,597	0.09
US Treasury 1.38% 15/11/2040	USD	$175,000	116,601	0.42
US Treasury 2.25% 15/05/2041	USD	$198,000	151,864	0.55
US Treasury 1.75% 15/08/2041	USD	$4,000	2,798	0.01
US Treasury 2.00% 15/11/2041	USD	$100,000	72,918	0.27
US Treasury 2.38% 15/02/2042	USD	$110,000	85,289	0.31
US Treasury 3.25% 15/05/2042	USD	$75,000	66,659	0.24
US Treasury 3.38% 15/08/2042	USD	$100,000	90,422	0.33
US Treasury 3.13% 15/08/2044	USD	$19,000	16,368	0.06
US Treasury 2.50% 15/02/2045	USD	$44,000	33,911	0.12
US Treasury 1.25% 15/05/2050	USD	$75,000	41,930	0.15
US Treasury 1.38% 15/08/2050	USD	$110,000	63,572	0.23
US Treasury 1.88% 15/02/2051	USD	$50,000	32,945	0.12
US Treasury 2.25% 15/02/2052	USD	$73,000	52,512	0.19
US Treasury 2.88% 15/05/2052	USD	$154,000	127,068	0.46
			4,091,850	**14.86**
Government Bonds total			**8,163,218**	**29.64**
Corporate Bonds 0.39% (0.46%)				
Germany 0.39% (0.46%)				
Kreditanstalt fuer Wiederaufbau 2.05% 16/02/2026	JPY	JPY 10,000,000	72,811	0.26
Kreditanstalt fuer Wiederaufbau 2.60% 20/06/2037	JPY	JPY 4,000,000	35,399	0.13
			108,210	**0.39**
Corporate Bonds total			**108,210**	**0.39**
Supranationals 0.09% (0.20%)				
European Union 0.10% 04/10/2040	EUR	28,000	18,105	0.06
International Bank for Reconstruction & Development 0.25% 21/01/2061	EUR	20,000	7,720	0.03
			25,825	**0.09**
Supranationals total			**25,825**	**0.09**
Certificates of Deposit 0.05% (0.05%)				
Supranational 0.05% (0.05%)				
European Investment Bank 0.63% 21/10/2027	USD	16,000	13,686	0.05
			13,686	**0.05**
Certificates of Deposit total			**13,686**	**0.05**
Total Value of Investments			27,090,457	98.35
Net other assets (2022: 0.71%)			454,504	1.65
Net assets attributable to Preference Shareholders			**27,544,961**	**100.00**

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.
The comparative percentage figures in brackets are as at 31st December 2022.

Worldwide Equity Fund

Fund Investment Report

Investment Policy
To invest primarily for capital growth in a portfolio of international equities.

Types of Investment
Investments are made principally for prospects of capital growth in international stocks, generally in shares of leading companies, but also indirectly may be made through other types of permitted investment such as unit trusts, investment trusts, convertible securities, traded options, warrants, fixed interest securities and other media as circumstances warrant and as permitted by the Regulations.

Exposure to individual regions or economies will generally reflect relative levels of market capitalisation. Consequently, a relatively large proportion of the Fund may consist of investments in the North American market.

It must be remembered that the price of shares and the income from them can go down as well as up.

Fund Performance
Over the six months to 30th June 2023, the Fund posted a total gross return of 16.2% compared with a return of 14.3% from the MSCI AC World Index in United States (US) Dollar terms.

Review
Global equity markets had a positive half year, helped initially by optimism about falling inflation, which spurred hopes that key central banks might slow, or pause, their interest rate hikes). Equities were also buoyed by hopes of a brighter outlook for the global economy as natural gas prices tumbled in Europe and China's economy rebounded after Beijing lifted its Covid restrictions.

March was characterised by a spell of intense volatility due to the banking crisis and resulting fears of contagion, though equities later recovered thanks to swift action by financial authorities. The resulting anticipation of tighter credit conditions triggered fears about a global growth slowdown and pushed interest rate forecasts lower as investors predicted that central banks could soon pause the pace of monetary tightening.

Following a calmer spell in April, volatility (and Treasury yields) rose once more in May as negotiations about the United States (US) debt ceiling again went to the wire, though lawmakers finally agreed on a deal to suspend the borrowing limit until 2025 near the end of the month. Volatility eased again in June, reaching post pandemic lows, and risk assets rallied, aided by another quarterly earnings season that beat expectations and some encouraging economic data. However, central banks turned more hawkish, and the expectations of US rate cuts priced in by the market during the banking turmoil melted away.

Indeed, key central banks continued to tighten monetary policy, but the Federal Reserve (Fed) slowed the pace of its hikes after last year's large increases, leaving rates on hold at its June meeting for the first time since the start of its current tightening cycle in early 2022. Policymakers indicated that they needed more time to assess the economic impact of prior tightening and the recent banking failures. However, Fed rate setters increased their median year end interest rate projections, while also predicting stronger US economic growth and a slower fall in core inflation this year than previously envisaged.

The European Central Bank and the Bank of England continued raising interest rates. The latter turned more hawkish in June, with a hike of 0.5% exceeding expectations after data showed that core inflation (which excludes food and fuel prices) hit a 31 year high in May and wage growth accelerated.

Of the major equity regions, Japan fared best in local currency terms, helped by reforms intended to increase corporates' focus on shareholders, as well as the market's high weighting in technology names. The US also outperformed, boosted by gains in the sizeable technology sector. Continental European stocks were modestly behind the MSCI All Country World Index. United Kingdom equities underperformed as the country experienced higher and more persistent inflation than other developed markets. The UK stock market was also impacted by its relatively large weighting to energy and mining as prices of oil and industrial metals fell on concerns about the sluggish global economy. Emerging markets underperformed as well, dragged down by weakness in China due to concerns that the post Covid economic rebound could be running out of steam and a continued deterioration in relations between the US and China.

By sector, technology was by far the best performer due to some stellar corporate earnings from major players and optimism around artificial intelligence (AI). Consumer discretionary and communication services also significantly outperformed. On the other side, energy was weakest performer as oil prices fell. Utilities and healthcare also underperformed.

Gross of fees, the fund outperformed its benchmark over the period. Security selection was beneficial for relative outperformance, particularly in healthcare, consumer discretionary and materials, though picks in financials detracted. Sector allocation also added value, especially our overweight position in technology. On the other side, the overweight in materials and underweight in consumer discretionary contributed negatively.

At the stock level, NVIDIA Corporation (US) was the strongest contributor. The stock benefited over the period from the wave of enthusiasm surrounding AI. The biggest uplift came in May when the company posted strong first quarter results. While earnings and revenue beat analysts' estimates, investors were most impressed by upbeat guidance for revenue in the next quarter, which exceeded estimates by 50%. We remain positive on NVIDIA's longer term prospects owing to its strong exposure to semiconductor growth. The firm's scale and competitive edge within both gaming and AI should also position it well to benefit from powerful secular trends, such as accelerating AI adoption, the increasing demand for electric vehicles, cloud gaming and emerging omniverse opportunities.

Fund Investment Report (continued)

Review (continued)

Another prominent contributor during the period was Uber Technologies Inc (US). Shares in the firm climbed in the first half of the year, buoyed by revenue that was above expectations, particularly from Europe, the Middle East and the Asia region. Uber's positive outlook was supported by the surge in demand for ride hailing and food delivery services. Moreover, a substantial increase in annualised booking rates positioned the company well to capture additional market share. We have a strong conviction in Uber's rideshare and Uber Eats food delivery platforms, which are both dominant players in an expanding global market. We also believe the company's large and growing total addressable markets make it likely that Uber will experience significant revenue growth over the longer term.

Our holding in SVB Financial Group (US) was a notable detractor during the period due to the company's liquidity issues and subsequent bankruptcy filing. SVB Financial, known for its strong presence in providing finance to the private equity and venture capital industry, offered a unique banking exposure for our portfolio. However, the company's investments in bonds and other debt instruments that were highly sensitive to interest rate volatility posed challenges in an environment of rising interest rates. With the increases in rates discussed above, the value of the company's bond portfolio significantly declined, giving rise to a potential liquidity risk on the balance sheet and consequently impacting our performance. That said, the fund's diversification ensured that the impact of this single security was relatively small on the overall performance.

Key new positions over the period included CSL (Australia), AXA (France) and Micron Technology (US).

Global biotech leader CSL is a specialty pharmaceutical group with a strong competitive franchise, providing a range of products and services that develop and deliver biotherapies that either save people's lives or enable people with life threatening conditions to live fuller lives. It also operates one of the world's largest and most sophisticated plasma collection networks. A consistent, high quality name, CSL benefits from strong management and a promising product pipeline, including Hemgenix (the first gene therapy designed to treat haemophilia B), garadacimab (a treatment for hereditary angioedema) and CSL 112 (cardiac arrest prevention).

As a large insurer with a global presence, AXA benefits from significant scale advantages. The company has recently shifted its focus towards non life insurance, an area where demand is growing. We believe there are opportunities for market share gains as the business increases its exposure to the US and developed markets in Europe and Asia.

Micron is an industry leading computer memory and storage company with a strong competitive position supported by increased diversification of both its products and end markets. The firm has made substantial operational improvements and is a leader in process technology, power efficient products and performance reliability.

We sold our holding in Samsung Electronics following the stock's recent strong performance. We also sold out of Walt Disney amid concerns about the cyclicality of the parks element of the business. In addition, we sold our position in First Republic Bank (US) in the middle of March ahead of the bank's collapse and forced takeover in April. First Republic Bank was impacted by SVB Financial's failure and the subsequent loss of confidence in regional US banks.

Compared to 2022, macro sentiment has had less impact on markets this year. However, higher interest rates, inflation and slowing growth will likely continue to present issues for companies across the globe. Markets will want to see solid earnings delivery and evidence of profitability in the near term.

Our holdings tend to be less economically sensitive than average and so should be better placed in an environment of slower growth. They are typically cash generative and, in many cases, have business models focused on recurring revenues. These companies also tend to have strong balance sheets, so they should be less impacted by the need to refinance debt at higher rates. Pricing power typically means these firms are more resilient to inflation, too, while many are also supported by powerful secular themes. We still believe growth stocks will outperform, but we stress the importance of focusing on the quality of the growth opportunity.

While the market has been quite narrowly led in the first half of 2023, we believe that diversification will remain important, as investments in companies that tackle issues such as decarbonisation, deglobalisation and energy efficiency create a broad opportunity set. We remain committed to finding quality growing companies across a range of sectors and geographies.

In summary, we believe that our focus on quality companies with pricing power and lower gearing than the broader economy is a prudent way to take equity market exposure. Over the longer term, an environment of muted economic activity should be supportive of this approach given our emphasis on secular winners.

Worldwide Equity Fund
Comparative Table
for the accounting period 1st January 2023 to 30th June 2023

	Preference Shares			
	2023[1] US$	2022 US$	2021 US$	2020 US$
Change in net assets per share				
Opening net asset value per share	3.3464	4.5242	3.9784	3.3020
Return before operating charges[2]	0.5550	(1.0991)	0.6379	0.7796
Operating charges	(0.0397)	(0.0787)	(0.0921)	(0.1032)
Return after operating charges	0.5153	(1.1778)	0.5458	0.6764
Distributions on preference shares	–	–	–	–
Closing net asset value per share	3.8617	3.3464	4.5242	3.9784
after direct transaction costs[2]	(0.0011)	(0.0018)	(0.0013)	(0.0019)
Performance				
Return after charges	15.40%	(26.03)%	13.72%	20.48%
Other information				
Closing net asset value (US$)	23,494,819	22,510,588	33,199,767	32,583,795
Closing number of shares	6,084,079	6,726,811	7,338,223	8,190,205
Operating charges	2.19%	2.15%	2.12%	2.13%
Direct transaction costs	0.03%	0.05%	0.03%	0.04%
Ongoing Charges Figure ("OCF")[3]	2.19%	2.15%	2.12%	2.13%

Prices	2023[1]	2022	2021	2020	2019	2018
Highest offer share price (US$)	4.1240	4.7830	4.8740	4.2160	3.4940	3.1970
Lowest bid share price (US$)	3.3360	3.0400	3.9320	2.3740	2.4780	2.4380
Net distribution per share (US$)	–	–	–	–	–	–

Notes

[1] Based on amounts for 12 months to 31st December except for 2023 which is for the six months period ended 30th June 2023.

[2] Return before operating charges is stated after direct transaction costs.

[3] The OCF takes into account the annual management charge and any expenses incurred expressed as a percentage of the average daily net assets values over the period. The OCF figure for the period to 30th June 2023 is an annualised ratio.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and because of this, investors may not get back money invested and are not certain to make a profit on their investment.

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital gains/(losses)	3,396,055	(8,742,809)
Revenue	250,874	220,037
Expense	(246,679)	(295,703)
Net revenue/(expense) before taxation	4,195	(75,666)
Taxation	(53,782)	(54,058)
Net expense after taxation	(49,587)	(129,724)
Total return before distribution	3,346,468	(8,872,533)
Distributions	2,940	331
Change in Net Assets Attributable to Preference Shareholders from investment activities	3,349,408	(8,872,202)

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	23,049,310	22,202,834
Current assets:		
Debtors	409,287	239,485
Cash and bank balances	500,780	365,085
Total assets	23,959,377	22,807,404
Liabilities:		
Creditors:		
Other creditors	(237,774)	(71,639)
Total liabilities	(237,774)	(71,639)
Equity:		
Nominal shares	(226,784)	(225,177)
Total equity	(226,784)	(225,177)
Net Assets Attributable to Preference Shareholders	23,494,819	22,510,588

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Opening Net Assets Attributable to Preference Shareholders	22,510,588	33,199,767
Movement due to sales and repurchases of shares:		
Amounts receivable on issue of shares	462,803	1,191,364
Amounts payable on cancellation of shares	(2,827,980)	(1,198,830)
	(2,365,177)	(7,466)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)	3,349,408	(8,872,202)
Closing Net Assets Attributable to Preference Shareholders	23,494,819	24,320,099

The comparatives used within the Statement of Change in Net Assets Attributable to Preference Shareholders are for the corresponding period of the previous year. Therefore the Opening Net Assets Attributable to Preference Shareholders for the current year are at 31st December 2022 whilst the figure disclosed in the comparatives' Closing Net Assets Attributable to Preference Shareholders is at 30th June 2022.

Worldwide Equity Fund
Portfolio Statement
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Equities 98.10% (98.63%)				
Australia 1.08% (0.00%)				
CSL Ltd.	AUD	1,375	253,813	1.08
			253,813	**1.08**
Canada 0.98% (0.90%)				
Nutrien Ltd.	CAD	3,888	230,356	0.98
			230,356	**0.98**
Cayman Islands 0.00% (0.33%)				
Denmark 1.83% (3.94%)				
Novo Nordisk A/S 'B'	DKK	1,358	219,036	0.93
Orsted A/S	DKK	2,227	210,403	0.90
			429,439	**1.83**
France 7.54% (7.04%)				
AXA SA	EUR	7,209	212,985	0.91
EssilorLuxottica SA	EUR	1,554	293,069	1.25
L'Oreal SA	EUR	553	258,463	1.10
LVMH Moet Hennessy Louis Vuitton SE	EUR	313	294,905	1.25
Schneider Electric SE	EUR	1,949	354,847	1.51
TotalEnergies SE	EUR	6,218	357,576	1.52
			1,771,845	**7.54**
Germany 1.65% (1.50%)				
adidas AG	EUR	915	177,112	0.75
Infineon Technologies AG	EUR	5,100	211,074	0.90
			388,186	**1.65**
Hong Kong 1.24% (1.56%)				
AIA Group Ltd.	HKD	28,800	290,697	1.24
			290,697	**1.24**
India 1.61% (1.64%)				
HDFC Bank Ltd., ADR	USD	5,428	379,092	1.61
			379,092	**1.61**
Indonesia 1.42% (1.63%)				
Bank Rakyat Indonesia Persero Tbk. PT	IDR	920,119	332,943	1.42
			332,943	**1.42**
Ireland 3.88% (2.27%)				
CRH plc	EUR	6,878	381,648	1.62
Linde plc	EUR	643	245,599	1.05
Linde plc	USD	437	166,908	0.71
Trane Technologies plc	USD	612	116,880	0.50
			911,035	**3.88**
Japan 3.78% (3.64%)				
Hoya Corp.	JPY	1,000	118,103	0.50
Keyence Corp.	JPY	800	375,383	1.60
Recruit Holdings Co. Ltd.	JPY	4,600	145,032	0.62
Sony Group Corp.	JPY	2,800	250,680	1.06
			889,198	**3.78**
Netherlands 0.51% (0.84%)				
Akzo Nobel NV	EUR	1,463	119,167	0.51
			119,167	**0.51**
Norway 1.07% (1.56%)				
Equinor ASA	NOK	8,609	250,792	1.07
			250,792	**1.07**
Singapore 1.50% (1.56%)				
DBS Group Holdings Ltd.	SGD	15,200	353,901	1.50
			353,901	**1.50**
South Korea 1.07% (2.40%)				
Samsung SDI Co. Ltd.	KRW	496	251,830	1.07
			251,830	**1.07**
Switzerland 5.41% (5.14%)				
DSM-Firmenich AG	EUR	1,404	151,875	0.65
Lonza Group AG	CHF	499	296,952	1.26
Nestle SA	CHF	3,432	413,075	1.76
SIG Group AG	CHF	8,308	229,186	0.98
Sika AG	CHF	628	179,348	0.76
			1,270,436	**5.41**
Taiwan 2.30% (2.22%)				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	USD	5,349	540,784	2.30
			540,784	**2.30**
United Kingdom 4.07% (4.88%)				
Anglo American plc	GBP	5,054	143,479	0.61
Diageo plc	GBP	6,283	270,111	1.15
RELX plc	EUR	4,453	148,759	0.63
Shell plc	GBP	13,214	393,699	1.68
			956,048	**4.07**
United States of America 56.61% (54.90%)				
Abbott Laboratories	USD	2,100	227,829	0.97
Adobe, Inc.	USD	794	389,131	1.66
Advanced Drainage Systems, Inc.	USD	1,186	136,568	0.58
Advanced Micro Devices, Inc.	USD	2,109	240,468	1.02
Alphabet, Inc. 'A'	USD	5,983	721,191	3.07
Equities 98.10% (98.63%) (continued)				
United States of America 56.61% (54.90%) (continued)				
Amazon.com, Inc.	USD	6,186	807,397	3.44
American Tower Corp., REIT	USD	867	167,799	0.71
Autodesk, Inc.	USD	1,176	240,280	1.02
Bank of America Corp.	USD	8,931	256,320	1.09
ConocoPhillips	USD	1,130	116,978	0.50
Cooper Cos., Inc. (The)	USD	812	310,663	1.32
Crowdstrike Holdings, Inc. 'A'	USD	1,387	205,581	0.87
Dexcom, Inc.	USD	1,426	183,925	0.78
Ecolab, Inc.	USD	1,895	350,746	1.49
Electronic Arts, Inc.	USD	2,579	336,405	1.43
Elevance Health, Inc.	USD	637	281,337	1.20
Eli Lilly & Co.	USD	1,063	496,113	2.11
Equinix, Inc., REIT	USD	313	244,390	1.04
Intercontinental Exchange, Inc.	USD	3,111	352,476	1.50
Intuit, Inc.	USD	908	417,253	1.78
JPMorgan Chase & Co.	USD	2,339	338,196	1.44
Lam Research Corp.	USD	606	388,494	1.65
Mastercard, Inc. 'A'	USD	1,236	483,363	2.06
MercadoLibre, Inc.	USD	222	265,468	1.13
Micron Technology, Inc.	USD	4,130	261,842	1.11
Microsoft Corp.	USD	3,688	1,259,083	5.36
Motorola Solutions, Inc.	USD	473	137,946	0.59
NextEra Energy, Inc.	USD	4,211	309,298	1.32
NVIDIA Corp.	USD	1,230	520,524	2.22
PepsiCo, Inc.	USD	1,205	222,455	0.95
QUALCOMM, Inc.	USD	2,810	333,828	1.42
Stryker Corp.	USD	872	265,437	1.13
Thermo Fisher Scientific, Inc.	USD	680	352,498	1.50
T-Mobile US, Inc.	USD	2,678	370,341	1.58
Trimble, Inc.	USD	4,275	227,943	0.97
Uber Technologies, Inc.	USD	7,728	333,772	1.42
Union Pacific Corp.	USD	1,476	301,163	1.28
Xylem, Inc.	USD	1,914	215,268	0.92
Zoetis, Inc. 'A'	USD	1,339	231,446	0.98
			13,301,215	**56.61**
Virgin Islands (British) 0.55% (0.68%)				
Nomad Foods Ltd.	USD	7,303	128,533	0.55
			128,533	**0.55**
Equities total			**23,049,310**	**98.10**
Total Value of Investments			23,049,310	98.10
Net other assets (2022: 1.37%)			445,509	1.90
Net assets attributable to Preference shareholders			**23,494,819**	**100.00**

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31st December 2022.

Managed Currency Fund

Fund Investment Report

Investment Policy

To invest in a portfolio of short term fixed interest investments. The Managed Currency Fund invests principally in deposits.

Types of Investment

The majority of the Investment Fund is invested in short dated bonds and interest bearing time deposits, and is earning the higher rates of interest not normally available to the individual investor. Investments may be made in all forms of money market instrument which are normally held to maturity, and in any currency where the projected return over the life of the investment is attractive. The Fund will normally have a bias towards United States (US) Dollar denominated assets.

Limited sales and purchases of currencies may be made through options and the forward and financial futures markets whilst bearing in mind the investment policy of the Fund, the Fund size and the Regulations.

It must be remembered that the price of shares and the income from them can go down as well as up.

Fund Performance

Over the six months to 30th June 2023, the Fund achieved a gross return of 2.1%, while the benchmark returned 2.6%, in United States (US) Dollar terms.

Review

During the six months under review, the portfolio was invested in United States (US) Dollar deposits, with a smaller allocation to US Treasury Bills. T Bills are issued by the US government for periods of up to 52 weeks.

Over the reporting period, the US Dollar weakened against the Pound and the Euro but strengthened versus the Yen.

The Fund produced a positive return over the first half of 2023, buoyed by further rises in US interest rates. Having raised US rates by 0.25% in February, the Federal Reserve (Fed) announced another increase of 0.25% in March, bringing the target range to 4.75% 5.0% by the end of the first quarter. Subsequently, the Fed increased rates by another 0.25% in May, but then left them unchanged in June for the first time since early 2022, when its current cycle of rate rises began. Fed Chairman Jerome Powell explained that the central bank now wants to evaluate the impact of its earlier monetary policy tightening before making further changes. However, he suggested that more rate hikes would be necessary in 2023.

On the economic front, the latest figures for new job openings trounced market estimates, though unemployment claims rose to an 18 month high, suggesting the labour market may finally be softening in response to the Fed's earlier rate rises. According to the US Bureau of Statistics, annual consumer price inflation eased from 4.9% in April to 4% in May – the smallest rise since March 2021. Other data released in June painted a mixed picture: consumer confidence hit a four month high and first quarter (Q1) GDP was revised upwards, whereas a closely watched composite measure of US business activity fell to a three month low in June, due to sluggish growth in the service sector and further weakness in manufacturing.

In political news, Republicans and Democrats clashed over whether to raise the US debt ceiling. The debate tracked familiar party lines, with Republicans trying to limit spending and Democrats demanding an unconditional increase in the borrowing limit. However, by the end of the review period, an agreement had been finalised to suspend the debt ceiling until 2025.

A key development in March was the well publicised collapse of US based Silicon Valley Bank, along with two other smaller US lenders. Bank shares plunged globally on fears that the fallout could spread to the broader financial sector. In Europe, the Swiss government brokered an emergency deal for UBS to acquire its troubled rival Credit Suisse. However, a more general crisis was averted thanks to decisive action from US and European regulators, who said they would deploy all tools necessary to protect the banking system. Concerns for the banking sector resurfaced in April, as the extent of bond portfolio losses and customer withdrawals at several US banks were laid bare in quarterly earnings updates. This led to a further loss of confidence in First Republic Bank, which was eventually taken over by JPMorgan.

In the United Kingdom (UK), the Bank of England (BoE) raised its base rate by a total of 0.75% in the first quarter, followed by another rise of 0.25% in May and a larger increase of 0.5% in June, bringing rates to 5.0% at the end of the first half of 2023. BoE Governor Andrew Bailey explained that June's larger than expected rate increase should help address mounting concerns that inflation is becoming entrenched. Headline consumer price inflation remained unchanged in May, despite consensus expectations of a fall, while core inflation (which excludes food and energy prices) reached a 31 year high. Nevertheless, the BoE still expects inflation to fall significantly later this year. Elsewhere, the European Central Bank increased its main deposit rate by 1.0% during the first quarter, followed by further rises of 0.25% in both May and June, bringing rates to 3.50% by the end of the reporting period. The Bank of Japan kept its key interest rate unchanged at 0.1% and the Yen weakened against other major currencies.

In summary, central banks across much of the developed world have tightened monetary policy dramatically in a bid to defeat inflation and break any potential wage price spiral. Headline inflation has now peaked in many countries, aided by the easing of supply chain bottlenecks and lower prices of numerous raw materials. However, core inflation is proving more 'sticky' and will remain the primary focus for policymakers for a while longer.

Managed Currency Fund
Comparative Table
for the accounting period 1st January 2023 to 30th June 2023

	Preference Shares			
	2023[1]	2022	2021	2020
Change in net assets per share	US$	US$	US$	US$
Opening net asset value per share	0.3230	0.3240	0.3286	0.3310
Return before operating charges[2]	0.0069	0.0047	(0.0009)	0.0017
Operating charges	(0.0025)	(0.0046)	(0.0037)	(0.0037)
Return after operating charges	0.0044	0.0001	(0.0046)	(0.0020)
Distributions on preference shares	(0.0050)	(0.0011)	–	(0.0004)
Closing net asset value per share	0.3224	0.3230	0.3240	0.3286
after direct transaction costs[2]	–	–	–	–
Performance				
Return after charges	1.36%	0.03%	(1.40)%	(0.60)%
Other information				
Closing net asset value (US$)	465,360	488,496	506,810	516,331
Closing number of shares	1,443,299	1,512,201	1,564,194	1,571,261
Operating charges	1.52%	1.44%	1.14%	1.13%
Direct transaction costs	–	–	–	–
Ongoing Charges Figure ("OCF")[3]	1.52%	1.44%	1.14%	1.13%

Prices	2023[1]	2022	2021	2020	2019	2018
Highest offer share price (US$)	0.3446	0.3412	0.3459	0.3489	0.3513	0.3511
Lowest bid share price (US$)	0.3231	0.3202	0.3240	0.3286	0.3314	0.3321
Net distribution per share (US$)	0.0050	0.0011	–	0.0004	0.0038	0.0023

Notes
[1] Based on amounts for 12 months to 31st December except for 2023 which is for the six months period ended 30th June 2023.

[2] Return before operating charges is stated after direct transaction costs.

[3] The OCF takes into account the annual management charge and any expenses incurred expressed as a percentage of the average daily net assets values over the period. The OCF figure for the period to 30th June 2023 is an annualised ratio.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and because of this, investors may not get back money invested and are not certain to make a profit on their investment.

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital losses	(895)	(791)
Revenue	10,211	706
Expenses	(2,719)	(2,839)
Interest payable and similar charges	(222)	(13)
Net revenue/(expense) before taxation	7,270	(2,146)
Taxation	–	–
Net revenue/(expense) after taxation	7,270	(2,146)
Total return before distribution	6,375	(2,937)
Distributions	(7,268)	11
Change in Net Assets Attributable to Preference Shareholders from investment activities	(893)	(2,926)

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	115,680	201,632
Current assets:		
Debtors	61,214	61,923
Cash and bank balances	356,681	287,382
Total assets	533,575	550,937
Liabilities:		
Creditors:		
Distribution payable	(7,168)	(1,685)
Other creditors	(852)	(733)
Total liabilities	(8,020)	(2,418)
Equity:		
Nominal shares	(60,195)	(60,023)
Total equity	(60,195)	(60,023)
Net Assets Attributable to Preference Shareholders	465,360	488,496

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$		June 2022 US$	
Opening Net Assets Attributable to Preference Shareholders		488,496		506,810
Movement due to sales and repurchases of shares:				
Amounts receivable on issue of shares	452		–	
Amounts payable on cancellation of shares	(22,695)		(3,329)	
		(22,243)		(3,329)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)		(893)		(2,926)
Closing Net Assets Attributable to Preference Shareholders		465,360		500,555

The comparatives used within the Statement of Change in Net Assets Attributable to Preference Shareholders are for the corresponding period of the previous year. Therefore the Opening Net Assets Attributable to Preference Shareholders for the current year are at 31st December 2022 whilst the figure disclosed in the comparatives' Closing Net Assets Attributable to Preference Shareholders is at 30th June 2022.

Distribution Table

for the accounting period 1st January 2023 to 30th June 2023

	Income US$	Equalisation US$	Distribution Payable 2023 US$	Distribution Paid 2022 US$
Group 1	0.0050	–	0.0050	0.0000
Group 2	0.0050	–	0.0050	0.0000

Group 2 units are those purchased after 16:00 (UK time) on 31st December 2022.

Managed Currency Fund
Portfolio Statement
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Government Bonds 5.34% (3.07%)				
United States of America 5.34% (3.07%)				
US Treasury Bill 0.00% 08/08/2023	USD	$25,000	24,861	5.34
			24,861	**5.34**
Government Bonds total			**24,861**	**5.34**
Time Deposits 19.52% (38.21%)				
United States of America 19.52% (38.21%)				
SMBC Bank International plc 5.48% 20/09/2023	USD	45,528	45,597	9.80
Standard Chartered Bank 4.06% 18/09/2023	USD	44,847	45,222	9.72
			90,819	**19.52**
Time Deposits total			**90,819**	**19.52**
Total Value of Investments			115,680	24.86
Net other assets (2022: 58.72%)			349,680	75.14
Net assets attributable to Preference Shareholders			**465,360**	**100.00**

*United States Dollar (US$) time deposits equal to or greater than 3 months at 30th June 2023 was US$ 90,819 (December 2022: US$ 186,649).

All investments in time deposits are other securities which are not admitted to an official stock exchange listing or on another regulated market.

The comparative percentage figures in brackets are as at 31st December 2022.

Gilt and Income Fund

Fund Investment Report

Investment Policy

To achieve a high total return with limited capital risk from a portfolio of Sterling-denominated fixed interest investments and money market assets.

Types of Investment

All assets are Sterling denominated. Investments are primarily in Eurosterling Bonds and those United Kingdom (UK) Government Securities (gilt edged stock) which can pay income free of UK withholding tax to the Fund, and in bank deposits. As market conditions justify, investments may be made in other appropriate assets as permitted by the Regulations.

Limited sales and purchases of fixed interest securities may be made through options and financial futures, whilst bearing in mind the investment policy of the Fund and the Regulations.

It must be remembered that the price of shares and the income from them can go down as well as up.

Fund Performance

Over the six months to 30th June 2023, the Fund posted a total gross return of -3.8% in Sterling terms, compared with a return of -3.5% for the FTSE Actuaries UK Conventional Gilts All Stocks Index.

Review

The first half of 2023 was a weak period for gilts as inflation in the United Kingdom (UK) proved stubborn and the Bank of England (BoE) and other major central banks continued raising rates.

In January, gilt yields (which move inversely to price) fell as signs of cooling inflation reinforced hopes that the current cycle of rising interest rates might soon end. Yields rose in February following surprisingly strong employment and inflation data in the United States (US) and Europe, before tumbling again in March after the collapse of two US lenders stoked fears of wider troubles in the banking sector. The resulting anticipation of tighter lending conditions triggered fears about a global growth slowdown and further prompted expectations that key central banks could slow, or even pause the pace of monetary tightening.

However, as the second quarter progressed, expectations of interest rates moved higher. Headline consumer price index (CPI) in the UK only fell below double digits in April and remained unchanged in May, versus consensus expectations for another fall. Meanwhile, core inflation (which excludes food and fuel prices) rose to the highest level in 31 years in May, largely due to elevated food prices and higher pricing in core services, as wage growth accelerated. In response, the BoE raised interest rates by more than expected, to 5.0%, which was the highest level since before the financial crisis.

The portfolio underperformed its benchmark over the period.

We started the year with an overweight in duration (which measures sensitivity to changes in interest rates) of 0.45 years long relative to the benchmark. We remained modestly overweight in duration over the first quarter. This positioning proved beneficial as yields fell in January on signs of cooling inflation, which fuelled hopes that key central banks might slow the pace of rate hikes. In the second week of January, we added 0.1 (years) contribution to duration (CTD) in the ultralong segment. We then reduced duration over the rest of the month to 0.35 years long by the end of January.

In February, trading activity was focused on adjusting relative duration across various maturity buckets. Being overweight duration detracted as yields rose owing to some strong US and European labour market and inflation data, which caused concern that interest rates may be kept higher for longer. By the end of February, relative duration rose to 0.55 years long versus the benchmark.

March was a very good month for gilts amid fears of contagion following the collapse of US lenders. The crisis also lowered interest rate expectations. Our overweight duration position proved beneficial, and we elected to take some profits in the rally. As shorter dated bonds performed particularly well, our preference for 7–10 year debt also proved supportive. Yields later moved higher as regulators' swift reassurances eased fears of contagion in the financial sector, and we added back some duration. The portfolio finished the first quarter with an overall relative duration position of 0.60 years long relative to the benchmark.

We increased duration in the second week of April via a purchase of 2035 gilts as yields moved higher. A week later, we added to duration again via 2033s and 2041s as yields rose following the release of strong UK employment and inflation data. This took overall duration to 0.85 years long by the end of April.

In May, we increased duration by 0.5 CTD in the 7–15 year segment and switched 0.2 CTD from 2041 gilts into 2065s. We took part in a new issue of 2063 gilts, adding 0.5 CTD of duration. After April's CPI print came in higher than expected, we trimmed duration, selling 0.2 CTD via 2035s and 0.1 CTD via 2037s. We ended May with relative duration of 0.65 years long.

June was a quiet month for activity. We still remained overweight duration, which weighed on performance as gilt yields rose markedly. However, this was partly offset by our underweight in shorter dated bonds, where yields rose further; these bonds are more vulnerable to increases in interest rates. We ended the period with a relative duration of around one year long, which was predominantly concentrated in the 7–20 year bonds.

Looking ahead, headline inflation appears to have peaked, aided by easing supply bottlenecks and the significant retracement in prices of numerous raw materials. However, core inflation is proving to be more sticky. Policymakers may soon move to signal a pause in interest rate hikes, but are likely to remain guarded in declaring victory over inflation. Central banks have expressed a willingness to accept rising unemployment and a contractionary economic environment if this is what is required to bring inflation back towards target levels.

Fund Investment Report (continued)

Review (continued)

The UK economy is showing myriad signs of slowing, but the labour market remains tight. In such a market, employment levels are high, which puts upward pressure on wages.

Recently, there have been signs that inflationary pressures not directly linked to gas prices are persisting more stubbornly than previously anticipated. We therefore feel that the peak in interest rates is likely to be later and higher, but feel that market expectations of the terminal rate are too high, especially if economic data comes in softer than expected. (The terminal rate is the neutral rate of interest: one that neither restricts nor stimulates the economy).

We maintain our view that the longer term, structural drivers of low inflation and low bond yields remain intact and that the terminal interest rate will not prove to be any higher in this cycle than in previous ones.

Gilt and Income Fund
Comparative Table
for the accounting period 1st January 2023 to 30th June 2023

	Preference Shares			
	2023[1]	2022	2021	2020
Change in net assets per share	£	£	£	£
Opening net asset value per share	0.3097	0.4225	0.4515	0.4215
Return before operating charges[2]	(0.0116)	(0.1062)	(0.0228)	0.0364
Operating charges	(0.0024)	(0.0055)	(0.0062)	(0.0064)
Return after operating charges	(0.0140)	(0.1117)	(0.0290)	0.0300
Distributions on preference shares	(0.0032)	(0.0011)	–	–
Closing net asset value per share	0.2925	0.3097	0.4225	0.4515
after direct transaction costs[2]	–	–	–	–
Performance				
Return after charges	(4.52%)	(26.44%)	(6.42%)	7.12%
Other information				
Closing net asset value (£)	5,046,412	5,678,478	8,277,151	11,186,991
Closing number of shares	17,250,615	18,337,069	19,592,932	24,775,355
Operating charges	1.54%	1.53%	1.46%	1.44%
Direct transaction costs	–	–	–	–
Ongoing Charges Figure ("OCF")[3]	1.54%	1.53%	1.46%	1.44%

Prices	2023[1]	2022	2021	2020	2019	2018
Highest offer share price (£)	0.3428	0.4404	0.4766	0.4912	0.4681	0.4282
Lowest bid share price (£)	0.2935	0.2854	0.4054	0.4205	0.3977	0.3849
Net distribution per share (£)	0.0032	0.0011	–	–	–	–

Notes

[1] Based on amounts for 12 months to 31st December except for 2023 which is for the six months period ended 30th June 2023.

[2] Return before operating charges is stated after direct transaction costs.

[3] The OCF takes into account the annual management charge and any expenses incurred expressed as a percentage of the average daily net assets values over the period. The OCF figure for the period to 30th June 2023 is an annualised ratio.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and because of this, investors may not get back money invested and are not certain to make a profit on their investment.

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital losses	(380,564)	(1,623,920)
Revenue	121,250	55,131
Expenses	(49,643)	(66,593)
Net revenue/(expense) before taxation	71,607	(11,462)
Taxation	–	–
Net revenue/(expense) after taxation	71,607	(11,462)
Total return before distribution	(308,957)	(1,635,382)
Distributions	(71,607)	110
Change in Net Assets Attributable to Preference Shareholders from investment activities	(380,564)	(1,635,272)

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	6,442,819	6,797,161
Current assets:		
Debtors	627,481	620,225
Cash and bank balances	7,623	60,762
Total assets	7,077,923	7,478,148
Liabilities:		
Creditors:		
Distribution payable	(69,873)	(25,128)
Other creditors	(16,367)	(48,997)
Total liabilities	(86,240)	(74,125)
Equity:		
Nominal shares	(575,927)	(573,211)
Total equity	(575,927)	(573,211)
Net Assets Attributable to Preference Shareholders	6,415,756	6,830,812

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Opening Net Assets Attributable to Preference Shareholders	6,830,812	11,211,318
Movement due to sales and repurchases of shares:		
Amounts receivable on issue of shares	47,295	19,257
Amounts payable on cancellation of shares	(446,345)	(199,744)
	(399,050)	(180,487)
Difference on currency conversion	364,558	(1,043,312)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)	(380,564)	(1,635,272)
Unclaimed distributions	–	440
Closing Net Assets Attributable to Preference Shareholders	**6,415,756**	**8,352,687**

The comparatives used within the Statement of Change in Net Assets Attributable to Preference Shareholders are for the corresponding period of the previous year. Therefore the Opening Net Assets Attributable to Preference Shareholders for the current year are at 31st December 2022 whilst the figure disclosed in the comparatives' Closing Net Assets Attributable to Preference Shareholders is at 30th June 2022.

Distribution Table

for the accounting period 1st January 2023 to 30th June 2023

	Income £	Equalisation £	Distribution Payable 2023 £	Distribution Paid 2022 £
Group 1	0.0032	–	0.0032	0.0000
Group 2	0.0011	0.0021	0.0032	0.0000

Group 2 units are those purchased after 16:00 (UK time) on 31st December 2022.

Gilt and Income Fund
Portfolio Statement
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Government Bonds 92.66% (92.11%)				
United Kingdom 92.66% (92.11%)				
International Finance Facility for Immunisation Co. 2.75% 07/06/2025	GBP	£18,000	21,486	0.33
LCR Finance plc 4.50% 07/12/2028	GBP	£60,000	73,837	1.15
UK Treasury 0.25% 31/01/2025	GBP	£369,000	432,958	6.75
UK Treasury 3.50% 22/10/2025	GBP	£232,000	281,496	4.39
UK Treasury 0.38% 22/10/2026	GBP	£417,000	454,062	7.08
UK Treasury 4.13% 29/01/2027	GBP	£612,000	750,207	11.69
UK Treasury 0.50% 31/01/2029	GBP	£438,000	442,641	6.90
UK Treasury 0.88% 31/07/2033	GBP	£385,000	350,289	5.46
UK Treasury 0.63% 31/07/2035	GBP	£417,000	342,343	5.34
UK Treasury 1.75% 07/09/2037	GBP	£553,000	501,540	7.82
UK Treasury 3.75% 29/01/2038	GBP	£162,000	188,580	2.94
UK Treasury 4.25% 07/09/2039	GBP	£101,000	124,063	1.93
UK Treasury 1.25% 22/10/2041	GBP	£533,000	405,511	6.32
UK Treasury 3.50% 22/01/2045	GBP	£98,000	106,885	1.67
UK Treasury 0.88% 31/01/2046	GBP	£519,000	323,522	5.04
UK Treasury 1.50% 22/07/2047	GBP	£110,000	78,794	1.23
UK Treasury 4.25% 07/12/2049	GBP	£325,000	397,070	6.19
UK Treasury 1.25% 31/07/2051	GBP	£446,000	279,843	4.36
UK Treasury 1.50% 31/07/2053	GBP	£99,000	65,407	1.02
UK Treasury 4.00% 22/01/2060	GBP	£92,000	111,035	1.73
UK Treasury 0.50% 22/10/2061	GBP	£288,000	115,195	1.80
UK Treasury 4.00% 22/10/2063	GBP	£24,000	29,112	0.45
UK Treasury 2.50% 22/07/2065	GBP	£81,000	68,891	1.07
			5,944,767	**92.66**
Government Bonds total			**5,944,767**	**92.66**
Corporate Bonds 1.94% (2.79%)				
Austria 1.94% (1.72%)				
Oesterreichische Kontrollbank AG 1.25% 15/12/2023	GBP	£100,000	124,602	1.94
			124,602	**1.94**
United Kingdom 0.00% (1.07%)				
Corporate Bonds total			**124,602**	**1.94**
Supranationals 3.72% (2.71%)				
Asian Infrastructure Investment Bank (The) 4.38% 11/06/2026	GBP	£57,000	69,318	1.08
European Investment Bank 1.00% 21/09/2026	GBP	£80,000	88,293	1.38
International Bank for Reconstruction & Development 0.63% 14/07/2028	GBP	£80,000	81,228	1.26
			238,839	**3.72**
Supranationals total			**238,839**	**3.72**
Certificates of Deposit 0.92% (0.82%)				
Supranational 0.92% (0.82%)				
International Bank for Reconstruction & Development 0.88% 13/12/2024	GBP	50,000	59,181	0.92
			59,181	**0.92**
Certificates of Deposit total			**59,181**	**0.92**
Commercial Papers 1.18% (1.08%)				
Germany 0.36% (0.33%)				
Kreditanstalt fuer Wiederaufbau 1.20% 04/07/2025	GBP	20,000	23,183	0.36
			23,183	**0.36**
Supranational 0.82% (0.75%)				
Inter-American Development Bank 2.25% 15/12/2028	GBP	48,000	52,247	0.82
			52,247	**0.82**
Commercial Papers total			**75,430**	**1.18**
Total Value of Investments			6,442,819	100.42
Net other liabilities (2022: 0.49% Net other assets)			(27,063)	(0.42)
Net assets attributable to Preference Shareholders			**6,415,756**	**100.00**

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31st December 2022.

North American Growth Fund

Fund Investment Report

Investment Policy
To invest primarily for capital growth in a portfolio of equities based in North America.

Types of Investment
Investments are made for capital growth, primarily in shares of leading companies, but may also be held indirectly through other types of permitted investment such as unit trusts, investment trusts, convertible securities, traded options, warrants, fixed interest securities and other media as circumstances warrant and as permitted by the Regulations.

It must be remembered that the price of shares and the income from them can go down as well as up.

Fund Performance
Over the six months to 30th June 2023, the Fund posted a total gross return of 19.8%, compared with a return of 16.9% from the S&P 500 Index in United States (US) Dollar terms.

Review
United States (US) equities enjoyed a strong half year despite some uncertainty along the way. Share prices were helped initially by optimism about falling inflation, which spurred hopes that key central banks might soon end their monetary tightening cycle. Equities were also buoyed by hopes of a brighter outlook for the global economy as natural gas prices tumbled in Europe and China's economy rebounded after Beijing lifted its Covid restrictions.

March, however, was characterised by a spell of intense share price volatility due to the banking crisis and resulting fears that other banks could fail. However, risk assets recovered thanks to swift action by financial authorities. The resulting anticipation of tighter credit conditions triggered fears about a global economic slowdown and pushed interest rate forecasts lower as investors predicted that central banks could soon stop raising interest rates.

Following a calmer spell in April, market volatility rose once more in May as negotiations about the US debt ceiling again went to the wire, though lawmakers finally agreed on a deal to suspend the borrowing limit until 2025 near the end of the month. Volatility eased again in June, reaching levels not seen since before the pandemic, while risk assets rallied. Investor sentiment was boosted by another surprisingly positive quarterly earnings season and encouraging economic data. However, central bankers resumed talks about raising interest rates, and hopes they might soon fall melted away.

Nevertheless, the Federal Reserve eased the pace of its interest rate hikes over the period, following significant increases last year to address inflation. The central bank held rates at its June meeting for the first time since early 2022. Policymakers indicated that they needed more time to assess the economic impact of recent rate rises and the banking failures. However, Federal Reserve policy makers increased their median year end interest rate projections, while also predicting stronger economic growth and a slower fall in core inflation in the US this year than previously envisaged.

On the economic front, there were finally signs of a softening in the labour market in response to the Federal Reserve's aggressive rate hiking programme. In June, moreover, first quarter gross domestic product growth was revised upward to 2% from initial estimates of 1.3%. Consumer price inflation eased over the period, helped by falling energy prices, but core inflation (which excludes food and fuel) remained stubborn, rising 5.3% on an annual basis in May (versus 5.5% in April). Elsewhere, a closely watched composite measure of business activity fell to a three month low in June. While it remained positive, manufacturing activity declined at a faster rate, while growth in the services sector eased.

Sector performance diverged significantly over the review period. Technology was by far the best performer in the benchmark due to optimism around artificial intelligence and stellar corporate earnings from large companies. The communication services and consumer discretionary sectors also significantly outperformed. On the other side, utilities and energy stocks were the weakest performers, ending the period in the red as oil prices fell. Healthcare also underperformed and posted modest losses.

In gross terms, the fund outperformed the benchmark S&P 500.

The main driver of outperformance was sector allocation, though stock selection was also positive. In terms of the former, the overweight in communication services, lack of exposure to utilities stocks and underweight in financials proved most beneficial. With selection effects, meanwhile, our choices in healthcare, industrials and financials made the largest contributions, overcoming detraction from our picks in consumer discretionary.

At a stock level, Meta Platforms Inc. (Communication Services) and Broadcom Inc. (Information Technology) contributed most during a strong period for high growth tech stocks.

Meta shares were also boosted by the firm's positive results for the fourth quarter of 2022 and the first quarter of 2023, with revenues holding up better than many expected. Higher advertising revenue, cost cutting and greater use of artificial intelligence all helped to boost performance. The announcement of a $40 billion share buyback programme was also welcomed by investors, and the stock rose again in March and May with news of further job losses.

Broadcom shares rallied strongly in May after the firm's stellar first quarter results. Investors were also encouraged after NVIDIA Corporation (a company in the same sector) forecast higher demand for artificial intelligence products. Broadcom subsequently reported earnings and second quarter revenues that beat estimates (released 1 June). The company also said that revenues would grow in the third quarter due to the firm's continued leadership in the networking sector. The stock was subsequently upgraded by several analysts.

The lack of exposure to UnitedHealth also added value. Shares in the managed healthcare and insurance firm sold off following an update from the firm's management about rising post Covid elective surgeries, delivered at a healthcare conference. The recovery in elective surgeries is likely to lead to rising insurance claims and higher costs for UnitedHealth. News that the United Kingdom's Competition and Markets Authority was to investigate the company's proposed acquisition of the health technology firm EMIS Group also weighed on the shares. The investigation will focus on cost increases linked to new reimbursement rules for Medicare health plans, as well as examining why surgeries have difficulty meeting patient demand.

North American Growth Fund

Fund Investment Report (continued)

Review (continued)

On the other side, the main detractor was the zero weight in Tesla, Inc. (consumer discretionary). The lack of exposure weighed on relative performance after the stock rose sharply as investors turned to companies with high growth prospects. Tesla's shares were also boosted in January by strong results for the final quarter of 2022, which beat analyst expectations for both earnings and revenue. However, gross margins in the firm's automotive business shrank. The company's stock was lifted further in June by news that Ford and General Motors had agreed a deal to use Tesla's Supercharger network for electric vehicles from early 2024.

Similarly, the underweight stance in NVIDIA Corporation (Information Technology) was unhelpful as shares in the chipmaker outperformed. NVIDIA's stock jumped in response to stellar first quarter results released in May, which included estimate beating earnings and revenue. Investors were also impressed by upbeat guidance for revenue in the next quarter, which exceeded analyst estimates by 50%, and the company's efforts in relation to artificial intelligence.

We initiated new positions in Hess Corp (Energy) and BioMarin Pharmaceutical Inc. (Healthcare).

Hess occupies an attractive position in the oil exploration and production sector. The stock has provided steadily rising shareholder returns and generates attractive cash profits, especially from its long term Guyana assets. The company has taken steps to reduce its debt in recent years, which now makes it a more attractive investment. Lastly, investor appreciation for Hess' low shale exposure may grow as shale inventory and well productivity concerns increase.

BioMarin is a leading orphan disease (i.e., diseases that affect fewer than 200,000 people) drug company that is well positioned to grow over the next few years thanks to three new product launches. The most important of these, Valrox, is expected to see substantial demand as it offers haemophilia patients considerably better health outcomes than existing treatments. This, together with another new drug recently launched in the US and European Union, Vosoritide, has the potential to double BioMarin's annual sales. There is also room for margins to rise meaningfully over time as the company's operating costs fall.

We sold out of Aspen Technology, Inc. (Information Technology) and trimmed our positions in ConocoPhillips (Energy) and Bristol Myers Squibb Company (Healthcare).

We are becoming more constructive on the outlook for US equities in 2023 as inflation has fallen from its peak and the labour market continues to hold up well, increasing the likelihood of a "soft landing" for the economy. Financial conditions have tightened considerably in the last 12 months due to the Federal Reserve's aggressive two pronged monetary regime, characterised by rapidly increasing interest rates and unwinding its vast accumulated balance sheet. Although the Federal Reserve is far from declaring victory over inflation, the fall in headline consumer price inflation will have given it reassurance that monetary tightening is having an effect. It has already eased off on the pace of its interest rate hikes, though there is still a possibility that central bankers could hold the terminal federal funds rate for longer than expected. As a lot of bad news is already priced in by the market, we are gaining confidence in the outlook. However, persistent entrenched inflation does still pose a risk, and should the economy enter a deep recession, there could be further downside.

Despite a gloomy year for markets in 2022, there were some bright spots, not least the labour market, which remains remarkably robust. The US has also weathered the energy storm relatively well due to its ability to leverage domestic production, although it is still at the mercy of global prices. Moreover, a steady stream of housing and tech related layoffs in recent months could herald a broader softening of the labour market. Given that much of the inflationary impetus in the US is demand driven, creative destruction in the market will likely be needed to bring inflation back down to target.

On the earnings front, consumer discretionary and communication services are expected to lead earnings growth in 2023, along with industrials and financials: these sectors face easier comparisons after a tougher time in 2022. Industrial companies are still benefiting from extended backlogs, which could cushion a drop off in demand, but the extent to which pricing can remain positive is unclear. Energy and materials are the only sectors expected to see declining earnings in both 2023 and 2024, as oil remains in backwardation (when the current price of the commodity is higher than prices trading in the futures market), and demand weakness and destocking pressures continue to weigh on chemical companies. Margins have continued to come down as companies feel pressure from labour and materials input costs. Full year earnings growth estimates for the rest of 2023 have declined recently, baking in the prospect of slowing earnings growth this year as companies grapple with myriad headwinds. Inflation has become the overarching theme. Reports from consumer discretionary firms continue to highlight a material shift in demand away from stay at home beneficiaries, with companies that benefited from the lockdowns, especially in tech and communication services, generally reporting poor results, and some announcing major layoffs to shore up lagging profits.

North American Growth Fund
Comparative Table
for the accounting period 1st January 2023 to 30th June 2023

	Preference Shares			
	2023[1]	2022	2021	2020
Change in net assets per share	US$	US$	US$	US$
Opening net asset value per share	11.3427	14.5468	11.3162	9.3731
Return before operating charges[2]	2.3071	(2.9456)	3.5065	2.1457
Operating charges	(0.1288)	(0.2585)	(0.2759)	(0.2026)
Return after operating charges	2.1783	(3.2041)	3.2306	1.9431
Distributions on preference shares	–	–	–	–
Closing net asset value per share	13.5210	11.3427	14.5468	11.3162
after direct transaction costs[2]	(0.0001)	(0.0012)	(0.0013)	(0.0019)
Performance				
Return after charges	19.20%	(22.03%)	28.55%	20.73%
Other information				
Closing net asset value (US$)	31,012,451	26,473,122	35,403,407	28,770,518
Closing number of shares	2,293,654	2,333,943	2,433,757	2,542,421
Operating charges	2.09%	2.11%	2.11%	2.12%
Direct transaction costs	–	0.01%	0.01%	0.02%
Ongoing Charges Figure ("OCF")[3]	2.09%	2.11%	2.11%	2.12%

Prices	2023[1]	2022	2021	2020	2019	2018
Highest offer share price (US$)	14.2200	15.3100	15.4400	11.9800	9.9140	9.0470
Lowest bid share price (US$)	11.3400	10.6700	11.2200	6.5150	6.9980	6.8990
Net distribution per share (US$)	–	–	–	–	–	–

Notes
[1] Based on amounts for 12 months to 31st December except for 2023 which is for the six months period ended 30th June 2023.

[2] Return before operating charges is stated after direct transaction costs.

[3] The OCF takes into account the annual management charge and any expenses incurred expressed as a percentage of the average daily net assets values over the period. The OCF figure for the period to 30th June 2023 is an annualised ratio.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and because of this, investors may not get back money invested and are not certain to make a profit on their investment.

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital gains/(losses)	5,205,918	(7,851,269)
Revenue	210,419	205,062
Expenses	(296,954)	(316,686)
Net expense before taxation	(86,535)	(111,624)
Taxation	(58,426)	(59,522)
Net expense after taxation	(144,961)	(171,146)
Total return before distribution	5,060,957	(8,022,415)
Distributions	2,152	3,174
Change in Net Assets Attributable to Preference Shareholders from investment activities	5,063,109	(8,019,241)

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	30,989,794	26,106,454
Current assets:		
Debtors	164,778	166,606
Cash and bank balances	77,413	408,156
Total assets	31,231,985	26,681,216
Liabilities:		
Creditors:		
Other creditors	(69,908)	(58,569)
Total liabilities	(69,908)	(58,569)
Equity:		
Nominal shares	(149,626)	(149,525)
Total equity	(149,626)	(149,525)
Net Assets Attributable to Preference Shareholders	31,012,451	26,473,122

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Opening Net Assets Attributable to Preference Shareholders	26,473,122	35,403,407
Movement due to sales and repurchases of shares:		
Amounts receivable on issue of shares	351,552	67,193
Amounts payable on cancellation of shares	(875,332)	(1,004,811)
	(523,780)	(937,618)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)	5,063,109	(8,019,241)
Closing Net Assets Attributable to Preference Shareholders	31,012,451	26,446,548

The comparatives used within the Statement of Change in Net Assets Attributable to Preference Shareholders are for the corresponding period of the previous year. Therefore the Opening Net Assets Attributable to Preference Shareholders for the current year are at 31st December 2022 whilst the figure disclosed in the comparatives' Closing Net Assets Attributable to Preference Shareholders is at 30th June 2022.

North American Growth Fund
Portfolio Statement
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Equities 99.93% (98.61%)				
Communication Services 13.29% (11.02%)				
Entertainment 1.93% (1.92%)				
Electronic Arts, Inc.	USD	2,955	385,450	1.24
Take-Two Interactive Software, Inc.	USD	1,448	213,436	0.69
			598,886	**1.93**
Interactive Media & Services 8.82% (6.40%)				
Alphabet, Inc. 'A'	USD	14,811	1,785,318	5.76
Meta Platforms, Inc. 'A'	USD	3,305	950,749	3.06
			2,736,067	**8.82**
Media 1.51% (1.49%)				
Comcast Corp. 'A'	USD	11,304	469,116	1.51
			469,116	**1.51**
Wireless Telecommunication Services 1.03% (1.21%)				
T-Mobile US, Inc.	USD	2,294	317,237	1.03
			317,237	**1.03**
Communication Services total			**4,121,306**	**13.29**
Consumer Discretionary 9.60% (10.31%)				
Automobiles 0.79% (0.80%)				
General Motors Co.	USD	6,320	243,699	0.79
			243,699	**0.79**
Broadline Retail 3.96% (0.00%)				
Amazon.com, Inc.	USD	9,413	1,228,585	3.96
			1,228,585	**3.96**
Hotels, Restaurants & Leisure 3.26% (3.56%)				
Hilton Worldwide Holdings, Inc.	USD	3,663	535,018	1.73
Starbucks Corp.	USD	4,804	473,914	1.53
			1,008,932	**3.26**
Internet & Direct Marketing Retail 0.00% (2.97%)				
Multiline Retail 0.00% (1.10%)				
Specialty Retail 1.37% (1.51%)				
TJX Cos., Inc. (The)	USD	5,028	424,866	1.37
			424,866	**1.37**
Textiles, Apparel & Luxury Goods 0.22% (0.37%)				
Under Armour, Inc. 'A'	USD	9,706	69,204	0.22
			69,204	**0.22**
Consumer Discretionary total			**2,975,286**	**9.60**
Consumer Staples 5.89% (5.83%)				
Beverages 3.55% (4.25%)				
Coca-Cola Co. (The)	USD	8,557	513,334	1.65
PepsiCo, Inc.	USD	3,185	587,983	1.90
			1,101,317	**3.55**
Consumer Staples Distribution & Retail 0.83% (0.00%)				
Target Corp.	USD	1,965	258,535	0.83
			258,535	**0.83**
Food Products 1.51% (1.58%)				
Kellogg Co.	USD	2,859	191,925	0.62
Lamb Weston Holdings, Inc.	USD	2,408	274,897	0.89
			466,822	**1.51**
Consumer Staples total			**1,826,674**	**5.89**
Energy 4.50% (5.82%)				
Energy Equipment & Services 1.05% (1.33%)				
Schlumberger NV	USD	6,646	326,584	1.05
			326,584	**1.05**
Oil, Gas & Consumable Fuels 3.45% (4.49%)				
ConocoPhillips	USD	3,114	322,361	1.04
Hess Corp.	USD	2,085	282,685	0.91
Valero Energy Corp.	USD	4,004	464,464	1.50
			1,069,510	**3.45**
Energy total			**1,396,094**	**4.50**

Investment	Currency	Holding	Market Value US$	% of Net Assets
Financials 10.23% (8.94%)				
Capital Markets 5.64% (6.76%)				
BlackRock, Inc.	USD	256	177,477	0.57
Intercontinental Exchange, Inc.	USD	4,874	552,224	1.78
Morgan Stanley	USD	3,464	297,419	0.96
Northern Trust Corp.	USD	3,467	255,414	0.82
State Street Corp.	USD	5,707	416,383	1.34
Virtu Financial, Inc. 'A'	USD	2,983	50,800	0.17
			1,749,717	**5.64**
Diversified Financial Services 0.00% (2.18%)				
Financial Services 4.59% (0.00%)				
Block, Inc. 'A'	USD	575	37,732	0.12
Mastercard, Inc. 'A'	USD	1,843	720,742	2.33
Voya Financial, Inc.	USD	9,274	664,482	2.14
			1,422,956	**4.59**
Financials total			**3,172,673**	**10.23**
Health Care 14.06% (15.47%)				
Biotechnology 1.92% (1.35%)				
BioMarin Pharmaceutical, Inc.	USD	1,772	156,078	0.50
Vertex Pharmaceuticals, Inc.	USD	1,248	439,920	1.42
			595,998	**1.92**
Health Care Equipment & Supplies 4.26% (4.46%)				
Abbott Laboratories	USD	4,730	513,158	1.65
Intuitive Surgical, Inc.	USD	1,393	475,514	1.53
Medtronic plc	USD	3,780	333,358	1.08
			1,322,030	**4.26**
Health Care Providers & Services 1.57% (2.23%)				
Centene Corp.	USD	7,234	487,210	1.57
			487,210	**1.57**
Life Sciences Tools & Services 0.94% (1.17%)				
Thermo Fisher Scientific, Inc.	USD	562	291,330	0.94
			291,330	**0.94**
Pharmaceuticals 5.37% (6.26%)				
AstraZeneca plc, ADR	USD	2,112	151,557	0.49
Bristol-Myers Squibb Co.	USD	6,023	385,532	1.24
Eli Lilly & Co.	USD	1,956	912,885	2.95
Zoetis, Inc. 'A'	USD	1,235	213,470	0.69
			1,663,444	**5.37**
Health Care total			**4,360,012**	**14.06**
Industrials 11.15% (11.38%)				
Aerospace & Defense 2.57% (2.65%)				
Howmet Aerospace, Inc.	USD	10,350	509,220	1.64
Huntington Ingalls Industries, Inc.	USD	1,277	288,589	0.93
			797,809	**2.57**
Air Freight & Logistics 1.35% (1.58%)				
United Parcel Service, Inc. 'B'	USD	2,385	420,142	1.35
			420,142	**1.35**
Commercial Services & Supplies 1.85% (1.85%)				
Republic Services, Inc. 'A'	USD	3,776	575,462	1.85
			575,462	**1.85**
Electrical Equipment 1.62% (1.48%)				
Eaton Corp. plc	USD	2,495	501,171	1.62
			501,171	**1.62**
Ground Transportation 2.43% (0.00%)				
Uber Technologies, Inc.	USD	4,626	199,797	0.65
Union Pacific Corp.	USD	2,711	553,152	1.78
			752,949	**2.43**
Machinery 1.33% (1.25%)				
Ingersoll Rand, Inc.	USD	6,322	411,373	1.33
			411,373	**1.33**
Road & Rail 0.00% (2.57%)				
Industrials total			**3,458,906**	**11.15**

North American Growth Fund
Portfolio Statement (continued)
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Equities 99.93% (98.61%) (continued)				
Information Technology 27.59% (25.61%)				
Communications Equipment 1.03% (1.11%)				
Cisco Systems, Inc.	USD	6,172	318,722	1.03
			318,722	**1.03**
Electronic Equipment, Instruments & Components 1.88% (1.90%)				
TE Connectivity Ltd.	USD	2,727	380,744	1.23
Trimble, Inc.	USD	3,774	201,229	0.65
			581,973	**1.88**
IT Services 0.00% (2.55%)				
Semiconductors & Semiconductor Equipment 9.97% (7.57%)				
Advanced Micro Devices, Inc.	USD	2,160	246,283	0.79
Broadcom, Inc.	USD	1,166	1,012,554	3.27
Lam Research Corp.	USD	769	492,991	1.59
Microchip Technology, Inc.	USD	5,891	525,654	1.69
NVIDIA Corp.	USD	1,092	462,124	1.49
QUALCOMM, Inc.	USD	2,969	352,717	1.14
			3,092,323	**9.97**
Software 10.08% (8.85%)				
Adobe, Inc.	USD	1,141	559,193	1.80
Bill.com Holdings, Inc.	USD	1,174	138,062	0.45
Microsoft Corp.	USD	6,424	2,193,154	7.07
Salesforce, Inc.	USD	1,112	236,745	0.76
			3,127,154	**10.08**
Technology Hardware, Storage & Peripherals 4.63% (3.63%)				
Apple, Inc.	USD	7,456	1,435,429	4.63
			1,435,429	**4.63**
Information Technology total			**8,555,601**	**27.59**
Materials 2.17% (2.64%)				
Chemicals 2.17% (2.64%)				
Albemarle Corp.	USD	834	183,797	0.59
DuPont de Nemours, Inc.	USD	4,101	292,934	0.94
FMC Corp.	USD	1,896	196,805	0.64
			673,536	**2.17**
Materials total			**673,536**	**2.17**
Real Estate 1.45% (1.59%)				
Equity Real Estate Investment Trusts (REITs) 0.00% (1.59%)				
Industrial REITs 1.45% (0.00%)				
Prologis, Inc.	USD	3,708	449,706	1.45
			449,706	**1.45**
Real Estate total			**449,706**	**1.45**
Equities total			**30,989,794**	**99.93**
Total Value of Investments			30,989,794	99.93
Net other assets (2022: 1.39%)			22,657	0.07
Net assets attributable to Preference Shareholders			**31,012,451**	**100.00**

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31st December 2022.

During the year, MSCI and S&P Dow Jones Indices, the developers of the Global Industry Classification Standard (GICS) framework, announced that they have reclassified several industries and sub-industries within the GICS framework. As a result of this reclassification, some comparative percentage figures may be different from the figures disclosed in the 31 December 2022 annual report.

Far East Fund

Fund Investment Report

Investment Policy
To invest primarily for capital growth from a portfolio of equities in the principal Far Eastern and Asian markets.

Types of Investment
Investments are made for capital growth, primarily in shares of leading companies, but also may be held indirectly through other types of permitted investment such as unit trusts, investment trusts, convertible securities, traded options, warrants, fixed interest securities and other media as circumstances warrant and as permitted by the Regulations. Investments may be held in any approved Far Eastern market.

Exposure to individual economies will generally reflect relative level of market capitalisation. Consequently, a relatively large proportion of the Fund may consist of investments in the Japanese market.

It must be remembered that the price of shares and the income from them can go down as well as up.

Fund Performance
Over the six months to 30th June 2023, the Fund produced a total gross return of 6.6% in United States (US) Dollar terms, compared with a total return of 6.3% for the MSCI AC Asia Pacific Index.

Review
Asian markets had a positive, albeit volatile half year. Sentiment was initially boosted by optimism about China's reopening after its abandonment of Covid controls in late 2022 and hopes that the Federal Reserve might slow the pace of its interest rate hikes. However, the collapse of two United States regional lenders in March created turmoil in markets, impacting global financial stability and resulting in a sell off in equities. Markets subsequently rebounded as contagion concerns dissipated and sentiment towards China turned more positive, thanks to optimism towards the internet space and reforms of state owned enterprises (SOEs). However, equities were later impacted by deteriorating US -China relations, China's waning post Covid recovery, and concerns surrounding the US debt ceiling.

Japan was one of the top performing markets, as the Yen weakened, which proved beneficial given the country's large export sector. The Yen was pressured as the Bank of Japan retained its ultra loose monetary policy stance. Japanese equities also received increasingly positive global attention due to efforts by regulators to address the persistently low valuations of certain companies. The Tokyo Stock Exchange highlighted the scale of the potential opportunity in Japanese stocks earlier this year, suggesting that many firms could boost shareholder returns through better capital management. Some analysts said the comments could also lead to higher dividend payments and bigger share buybacks. Investors were further encouraged as, during a visit to Tokyo, Warren Buffet revealed that Berkshire Hathaway had increased its holdings in Japan's five largest trading houses and was considering other potential deals. Meanwhile, economic data remained fairly resilient, as consumer confidence continued to improve, and economic growth for Q1 2023 was better than expected, boosted by a surprise jump in business investment, higher consumer demand and increased tourism from overseas.

Chinese equities fell over the period amid deteriorating relations with the US and concerns that the post Covid recovery could be running out of steam. More positively, there were hopes that Beijing might ease its crackdown on the internet and gaming sectors. Alibaba's founder, Jack Ma, returned to China for the first time in over a year; this was perceived to be a vote of confidence in the Chinese government. Towards the end of the period, the People's Bank of China cut its short term borrowing rate, which boosted sentiment, as did an announcement from Premier Li Qiang stating the government will take the necessary steps to expand domestic demand.

Taiwan was the best performing regional market over the period, helped by broad optimism for the technology sector after bellwether Taiwan Semiconductor Manufacturing Company Limited (TSMC, Taiwan) reported results for 2022 that were ahead of expectations. Korea was also ahead of the regional benchmark after consumer confidence reached its highest level in nine months on easing inflation and hopes of economic growth. Indian equities marginally underperformed the benchmark, despite economic growth for Q1 2023 beating forecasts, boosted by robust private consumption, rising exports and improvements in manufacturing. Indian stocks were also supported by hopes that the Reserve Bank of India might cut interest rates later in the year after signs of receding inflationary pressures.

Australian equities lagged, due to the sell off in the sizeable financial sector following the banking crisis in May. Although housing and transport costs moderated, annual consumer price index inflation remained above the central bank's target, leading to interest rates being raised by 100 basis points over the period.

Gross of fees, the fund outperformed its benchmark.

At the country level, Japan and Singapore added the most value, thanks to favourable stock selections and our overweight positioning in Japan. On the other side, overweight positioning in Hong Kong and stock choices in China proved to be a hindrance; however, this was moderated by our helpful underweight stance in China.

At the sector level, overweight positioning and favourable stock selection in technology contributed positively, while underweight positioning in utilities and stock selection in healthcare also proved to be beneficial. However, picks in consumer discretionary, financials and energy weighed on relative performance.

At the stock level, Socionext Inc. (Japan) was the top relative performers. The company provides integrated circuit solutions across a variety of industries. Shares were boosted by strong earnings, driven by a significant increase in customer numbers in Socionext's auto division. We later sold the stock as it hit our price target and we felt there were better opportunities elsewhere.

Far East Fund

Fund Investment Report (continued)

Review (continued)

Other notable contributors included Tokyo Electron Ltd. (Japan) and Keppel Corp. Ltd. (Singapore). Semiconductor firm Tokyo Electron was supported by hopes of a recovery in water fabrication equipment. The shares also benefited from improved sentiment towards the sector in May, as NVIDIA's upbeat earnings guidance fueled optimism around the increasing demand for chips in artificial intelligence (AI) solutions. Meanwhile, infrastructure company Keppel, which specialises in sustainable urbanisation solutions, reported higher revenues and profits for Q1 2023, aided by gains from the sale of its offshore and marine divisions. Management also announced it would be accelerating its plans to monetise assets.

On the other side, China Tourism Group Duty Free Corp. Ltd. 'A' (China) detracted, as did the holdings in Chinese online delivery platform Meituan 'B' and e commerce firm JD.com, Inc. 'A'. (The latter two stocks are domiciled in the Cayman Islands). All three were hurt by concerns over China's slowing post Covid recovery and increased tensions with the US. Meituan was also impacted amid by a sharp correction in the Chinese internet sector, along with fears of increased competition following the recent launch of a delivery app by rival ride hailing service DiDi.

We initiated new positions in Astellas Pharma Inc. (Japan), SMC Corp. (Japan) and Bank Negara Indonesia Persero Tbk. PT. Astellas specialises in innovative drugs that address areas of high unmet medical need, serving patients who often lack alternative treatment options. The firm's main products include prostate cancer drug Xtandi, leukaemia drug Xospata, and Evrenzo for chronic kidney disease. We believe the stock is undervalued given the potential revenue opportunities emanating from the company's healthy early and late stage pipeline. SMC, the world's largest pneumatic equipment maker, was trading at an attractive valuation. The firm makes products used in the automation of production facilities, where demand is growing due to labour shortages and localisation trends. SMC benefits from a large market position and is strengthening this globally. The firm boasts a number of competitive advantages, such as its broad and high quality product range, along its distribution reach and rapid lead times. We view the stock as a high quality winner within the automation sector. Bank Negara Indonesia continues to execute well on its strategy to grow within its target segments, while higher interest rates and increased capital due to regulatory changes in Indonesia are expected to provide further tailwinds. These factors help the bank maintain a high dividend payout ratio.

Aside from the aforementioned Socionext, sales included OZ Minerals (Australia), following a takeover bid from BHP, which has since gained shareholder approval.

In 2022, markets faced many headwinds, with escalating geopolitical risks, China's zero Covid policy and increases in US interest rates all contributing to a slowing global economy. While the Chinese government has made a policy pivot towards growth, the recovery data since it ended Covid restrictions has been mixed and may prompt economic stimulus from Beijing.

In Japan, economic growth should receive a further boost from domestic demand and the country's economic reopening, while the authorities' favourable focus on corporate governance could also prove supportive. Japanese stocks continue to trade at a discount to their global peers, prompting the Tokyo Stock Exchange to request better capital allocation and transparency from listed companies. In terms of monetary policy, Bank of Japan Governor Ueda has committed to an ultra loose stance for the time being, though we expect a degree of policy normalisation later this year amid higher inflation. However, rising prices could be viewed as positive for a country that has long suffered from spiralling deflation.

Meanwhile, the semiconductor cycle is nearing its cyclical low point, which should boost several of the region's economies, including Korea and Taiwan. Other economies in the Association of Southeast Asian Nations (ASEAN) are proving resilient and stand to gain further from the reconfiguration of Asia's supply chains. Indonesia's economic strength is underpinned by strong consumer demand and buoyant commodity prices, while the country's central bank has signalled the end of policy tightening. Elsewhere, India is significantly expanding its manufacturing sector and investing in infrastructure to encourage foreign direct investment.

Geopolitical tensions are likely to remain the key risks to regional progress. US- China relations could soon be on a firmer footing due to the re establishment of working groups on trade, the economy and climate, though Washington's goal of constraining China's development of high end technology is a headwind. Meanwhile, we are monitoring the ongoing tensions between China and Taiwan ahead of Taiwan's elections next year.

Asian and Japanese stocks are attractive from a valuation perspective, trading significantly below the long term average and look cheap relative to global equities. We are focusing on quality companies with strong market positions, preferring those with stable earnings, low debts and pricing power, which should fare better in this environment.

Far East Fund
Comparative Table
for the accounting period 1st January 2023 to 30th June 2023

	Preference Shares			
	2023[1]	2022	2021	2020
Change in net assets per share	US$	US$	US$	US$
Opening net asset value per share	3.8518	4.8875	4.9807	3.9780
Return before operating charges[2]	0.2510	(0.9280)	0.0321	1.0988
Operating charges	(0.0524)	(0.1077)	(0.1253)	(0.0961)
Return after operating charges	0.1986	(1.0357)	(0.0932)	1.0027
Distributions on preference shares	–	–	–	–
Closing net asset value per share	4.0504	3.8518	4.8875	4.9807
after direct transaction costs[2]	(0.0016)	(0.0052)	(0.0031)	(0.0020)
Performance				
Return after charges	5.16%	(21.19)%	(1.87)%	25.21%
Other information				
Closing net asset value (US$)	7,034,943	6,870,509	8,960,856	8,894,932
Closing number of shares	1,736,848	1,783,713	1,833,417	1,785,864
Operating charges	2.62%	2.67%	2.45%	2.40%
Direct transaction costs	0.04%	0.13%	0.06%	0.05%
Ongoing Charges Figure (“OCF”)[3]	2.62%	2.67%	2.45%	2.40%

Prices	2023[1]	2022	2021	2020	2019	2018
Highest offer share price (US$)	4.4600	5.2590	5.7960	5.2650	4.2150	4.2930
Lowest bid share price (US$)	3.8030	3.3050	4.7340	2.8390	3.1260	3.1220
Net distribution per share (US$)	–	–	–	–	0.0032	–

Notes

[1] Based on amounts for 12 months to 31st December except for 2023 which is for the six months period ended 30th June 2023.

[2] Return before operating charges is stated after direct transaction costs.

[3] The OCF takes into account the annual management charge and any expenses incurred expressed as a percentage of the average daily net assets values over the period. The OCF figure for the period to 30th June 2023 is an annualised ratio.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and because of this, investors may not get back money invested and are not certain to make a profit on their investment.

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital gains/(losses)	353,239	(1,934,632)
Revenue	85,217	97,172
Expenses	(78,513)	(86,235)
Net revenue before taxation	6,704	10,937
Taxation	(8,697)	(9,995)
Net (expense)/revenue after taxation	(1,993)	942
Total return before distribution	351,246	(1,933,690)
Distributions	97	187
Change in Net Assets Attributable to Preference Shareholders from investment activities	351,343	(1,933,503)

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	6,979,128	6,818,076
Current assets:		
Debtors	94,190	85,150
Cash and bank balances	58,614	62,866
Total assets	7,131,932	6,966,092
Liabilities:		
Creditors:		
Other creditors	(23,673)	(22,384)
Total liabilities	(23,673)	(22,384)
Equity:		
Nominal shares	(73,316)	(73,199)
Total equity	(73,316)	(73,199)
Net Assets Attributable to Preference Shareholders	7,034,943	6,870,509

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Opening Net Assets Attributable to Preference Shareholders	6,870,509	8,960,856
Movement due to sales and repurchases of shares:		
Amounts receivable on issue of shares	975	1,020
Amounts payable on cancellation of shares	(187,884)	(106,780)
	(186,909)	(105,760)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)	351,343	(1,933,503)
Closing Net Assets Attributable to Preference Shareholders	7,034,943	6,921,593

The comparatives used within the Statement of Change in Net Assets Attributable to Preference Shareholders are for the corresponding period of the previous year. Therefore the Opening Net Assets Attributable to Preference Shareholders for the current year are at 31st December 2022 whilst the figure disclosed in the comparatives' Closing Net Assets Attributable to Preference Shareholders is at 30th June 2022.

Far East Fund

Portfolio Statement

as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Collective Investment Schemes 5.19% (4.93%)				
Threadneedle India Fund	USD	3,119	365,130	5.19
Collective Investment Schemes total			**365,130**	**5.19**
Equities 94.02% (94.31%)				
Australia 9.19% (10.13%)				
ANZ Group Holdings Ltd.	AUD	7,737	122,058	1.74
Chalice Mining Ltd.	AUD	4,215	17,564	0.25
Coles Group Ltd.	AUD	2,773	34,001	0.48
CSL Ltd.	AUD	507	93,588	1.33
Deterra Royalties Ltd.	AUD	18,730	57,351	0.82
Fortescue Metals Group Ltd.	AUD	1,419	20,950	0.30
IGO Ltd.	AUD	3,024	30,597	0.43
Macquarie Group Ltd.	AUD	607	71,767	1.02
Mineral Resources Ltd.	AUD	681	32,380	0.46
Santos Ltd.	AUD	11,638	58,256	0.83
Telstra Group Ltd.	AUD	11,408	32,653	0.46
Transurban Group	AUD	7,107	67,366	0.96
Treasury Wine Estates Ltd.	AUD	1,065	7,961	0.11
			646,492	**9.19**
Cayman Islands 10.33% (12.40%)				
Alibaba Group Holding Ltd.	HKD	10,632	110,165	1.57
Baidu, Inc. 'A'	HKD	1,450	24,572	0.35
Chailease Holding Co. Ltd.	TWD	6,330	41,361	0.59
China Resources Land Ltd.	HKD	20,000	84,731	1.20
JD.com, Inc. 'A'	HKD	1,741	29,414	0.42
Li Ning Co. Ltd.	HKD	1,500	8,058	0.11
Meituan 'B'	HKD	2,126	33,152	0.47
NetEase, Inc.	HKD	2,200	42,812	0.61
Parade Technologies Ltd.	TWD	2,000	68,712	0.98
Sands China Ltd.	HKD	6,400	21,805	0.31
Sea Ltd., ADR	USD	287	16,451	0.23
Sunny Optical Technology Group Co. Ltd.	HKD	2,500	24,915	0.35
Tencent Holdings Ltd.	HKD	4,100	173,488	2.47
Trip.com Group Ltd.	HKD	1,150	39,945	0.57
Wuxi Biologics Cayman, Inc.	HKD	1,500	7,178	0.10
			726,759	**10.33**
China 4.43% (4.21%)				
BYD Co. Ltd. 'H'	HKD	1,000	31,876	0.45
China Construction Bank Corp. 'H'	HKD	153,000	98,986	1.41
China Merchants Bank Co. Ltd. 'H'	HKD	5,500	24,985	0.36
China Tourism Group Duty Free Corp. Ltd. 'A'	CNY	500	7,608	0.11
Inner Mongolia Yili Industrial Group Co. Ltd. 'A'	CNY	9,700	37,817	0.54
NARI Technology Co. Ltd. 'A'	CNY	7,560	24,041	0.34
Ping An Insurance Group Co. of China Ltd. 'H'	HKD	10,000	63,548	0.90
Wuliangye Yibin Co. Ltd. 'A'	CNY	1,000	22,518	0.32
			311,379	**4.43**
Hong Kong 6.15% (5.85%)				
AIA Group Ltd.	HKD	14,800	149,386	2.12
BOC Hong Kong Holdings Ltd.	HKD	15,500	47,371	0.67
Galaxy Entertainment Group Ltd.	HKD	12,000	76,104	1.08
Hong Kong Exchanges & Clearing Ltd.	HKD	1,756	66,148	0.94
Lenovo Group Ltd.	HKD	24,000	24,990	0.36
Sun Hung Kai Properties Ltd.	HKD	4,000	50,354	0.72
Techtronic Industries Co. Ltd.	HKD	1,709	18,569	0.26
			432,922	**6.15**
India 3.34% (3.38%)				
HDFC Bank Ltd., ADR	USD	1,021	71,307	1.02
ICICI Bank Ltd., ADR	USD	2,631	60,723	0.86
Infosys Ltd., ADR	USD	1,768	28,571	0.41
Reliance Industries Ltd., GDR	USD	1,186	74,006	1.05
			234,607	**3.34**
Indonesia 2.01% (1.68%)				
Bank Negara Indonesia Persero Tbk. PT	IDR	67,800	41,266	0.59
Bank Rakyat Indonesia Persero Tbk. PT	IDR	276,913	100,200	1.42
			141,466	**2.01**
Japan 37.30% (36.79%)				
Advantest Corp.	JPY	300	39,727	0.56
Ajinomoto Co., Inc.	JPY	700	27,659	0.39
Appier Group, Inc.	JPY	2,400	28,976	0.41
Astellas Pharma, Inc.	JPY	3,800	56,487	0.80
BayCurrent Consulting, Inc.	JPY	700	25,959	0.37
Bridgestone Corp.	JPY	1,000	40,703	0.58
Chugai Pharmaceutical Co. Ltd.	JPY	1,900	53,700	0.76
Daiei Kankyo Co. Ltd.	JPY	1,069	18,712	0.27
Dai-ichi Life Holdings, Inc.	JPY	2,800	53,032	0.75
Daiichi Sankyo Co. Ltd.	JPY	3,300	103,816	1.48
Daiseki Co. Ltd.	JPY	900	25,157	0.36
Daiwabo Holdings Co. Ltd.	JPY	400	7,667	0.11
Disco Corp.	JPY	300	46,878	0.67
Ebara Corp.	JPY	900	42,660	0.61
Gunma Bank Ltd. (The)	JPY	5,900	21,525	0.31
Hitachi Ltd.	JPY	200	12,284	0.17

Investment	Currency	Holding	Market Value US$	% of Net Assets
Equities 94.02% (94.31%) (continued)				
Japan 37.30% (36.79%) (continued)				
Hoya Corp.	JPY	800	94,482	1.34
Inpex Corp.	JPY	3,600	39,802	0.57
ITOCHU Corp.	JPY	2,300	90,243	1.28
Keyence Corp.	JPY	400	187,692	2.67
Koito Manufacturing Co. Ltd.	JPY	1,700	30,446	0.43
Lion Corp.	JPY	2,800	26,008	0.37
Mabuchi Motor Co. Ltd.	JPY	600	16,634	0.24
Marubeni Corp.	JPY	2,700	45,525	0.65
MatsukiyoCocokara & Co.	JPY	1,200	66,918	0.95
Mitsubishi UFJ Financial Group, Inc.	JPY	13,200	97,081	1.38
Mitsui & Co. Ltd.	JPY	1,900	71,039	1.01
Nippon Telegraph & Telephone Corp.	JPY	87,500	102,977	1.46
Nishi-Nippon Financial Holdings, Inc.	JPY	3,100	27,303	0.39
ORIX Corp.	JPY	5,600	101,105	1.44
PAL GROUP Holdings Co. Ltd.	JPY	1,000	26,845	0.38
Recruit Holdings Co. Ltd.	JPY	3,100	97,739	1.39
Renesas Electronics Corp.	JPY	2,500	46,701	0.66
Rohm Co. Ltd.	JPY	200	18,681	0.27
Sanwa Holdings Corp.	JPY	2,600	33,495	0.48
Shin-Etsu Chemical Co. Ltd.	JPY	2,600	85,680	1.22
Shinko Electric Industries Co. Ltd.	JPY	1,000	40,475	0.57
Shoei Co. Ltd.	JPY	1,400	25,736	0.37
SMC Corp.	JPY	100	54,969	0.78
Solasto Corp.	JPY	7,200	33,027	0.47
Sony Group Corp.	JPY	1,500	134,293	1.91
Square Enix Holdings Co. Ltd.	JPY	900	41,583	0.59
Sumitomo Metal Mining Co. Ltd.	JPY	300	9,610	0.14
Suntory Beverage & Food Ltd.	JPY	1,900	68,331	0.97
TechnoPro Holdings, Inc.	JPY	800	17,158	0.24
Tokio Marine Holdings, Inc.	JPY	4,000	91,604	1.30
Tokyo Electron Ltd.	JPY	700	99,163	1.41
Toyota Motor Corp.	JPY	3,700	58,968	0.84
TS Tech Co. Ltd.	JPY	2,100	26,298	0.37
Z Holdings Corp.	JPY	4,800	11,487	0.16
			2,624,040	**37.30**
Jersey 0.00% (0.31%)				
Malaysia 0.41% (0.70%)				
CIMB Group Holdings Bhd.	MYR	26,600	28,837	0.41
			28,837	**0.41**
Philippines 0.58% (0.63%)				
Ayala Land, Inc.	PHP	32,760	14,422	0.21
Metropolitan Bank & Trust Co.	PHP	26,107	26,320	0.37
			40,742	**0.58**
Singapore 2.43% (2.91%)				
CapitaLand Ascott Trust, REIT	SGD	85	68	–
CapitaLand Investment Ltd.	SGD	1,502	3,662	0.05
DBS Group Holdings Ltd.	SGD	800	18,626	0.26
Keppel Corp. Ltd.	SGD	14,600	72,172	1.03
Sembcorp Industries Ltd.	SGD	6,800	28,841	0.41
United Overseas Bank Ltd.	SGD	2,300	47,552	0.68
			170,921	**2.43**
South Korea 8.16% (6.37%)				
KB Financial Group, Inc.	KRW	539	19,533	0.28
Kia Corp.	KRW	1,101	73,865	1.05
KT Corp.	KRW	1,212	27,364	0.39
LG Chem Ltd.	KRW	93	47,077	0.67
Samsung Biologics Co. Ltd.	KRW	68	38,396	0.54
Samsung Electronics Co. Ltd.	KRW	4,390	240,548	3.42
Samsung SDI Co. Ltd.	KRW	134	68,035	0.97
SK Hynix, Inc.	KRW	675	58,963	0.84
			573,781	**8.16**
Taiwan 7.75% (6.48%)				
Chroma ATE, Inc.	TWD	4,000	32,108	0.46
CTBC Financial Holding Co. Ltd.	TWD	22,000	17,554	0.25
Delta Electronics, Inc.	TWD	5,000	55,307	0.78
Taiwan Semiconductor Manufacturing Co. Ltd.	TWD	20,000	369,247	5.25
Unimicron Technology Corp.	TWD	7,000	39,445	0.56
Yageo Corp.	TWD	2,000	31,562	0.45
			545,223	**7.75**
Thailand 1.02% (1.53%)				
CP ALL PCL	THB	23,400	41,249	0.58
Thai Oil PCL	THB	24,683	30,806	0.44
			72,055	**1.02**
United States of America 0.92% (0.94%)				
Yum China Holdings, Inc.	HKD	1,150	64,774	0.92
			64,774	**0.92**
Equities total			**6,613,998**	**94.02**
Total Value of Investments			6,979,128	99.21
Net other assets (2022: 0.76%)			55,815	0.79
Net assets attributable to Preference Shareholders			**7,034,943**	**100.00**

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31st December 2022.

UK Capital Growth Fund

Fund Investment Report

Investment Policy

To invest primarily for capital growth from a portfolio of equities based in the United Kingdom.

Types of Investment

Investments are made for capital growth, primarily in shares of leading companies, but also may be made indirectly through other types of permitted investment such as unit trusts, investment trusts, convertible securities, traded options, warrants and also through fixed interest securities and other media as circumstances warrant and as permitted by the Regulations.

It must be remembered that the price of shares and the income from them, can go down as well as up.

Fund Performance

Over the six months to 30th June 2023 the Fund posted a total gross return of 8.3% compared with a return of 2.6% from FTSE All-Share Index in Sterling terms.

Review

United Kingdom (UK) equity markets had a volatile six months but ultimately made gains. At the start of the period, stock markets were boosted by falling inflation, which spurred hopes that key central banks might soon ease or pause their interest rate hikes. Equities were also buoyed by hopes of a brighter outlook for the global economy as natural gas prices tumbled in Europe and China's economy rebounded after Beijing lifted its Covid restrictions.

Volatility spiked in March after the collapse of Silicon Valley Bank and Signature Bank in the United States (US), along with the forced takeover of troubled Swiss bank Credit Suisse by its rival UBS. Equities sold off sharply, with the FTSE-All Share particularly impacted given its significant exposure to financial stocks. The UK's stock market was also negatively affected by weakness in its sizeable mining and energy sectors, as oil and industrial metal prices fell on concerns that the banking crisis might curb global growth. However, markets later rebounded as swift action by financial authorities allayed fears of contagion and investors grew hopeful that interest rates might soon peak.

Over much of the second quarter, equities were impacted by concerns about persistently high inflation. Core inflation (which excludes food and fuel prices) reached its highest level in three decades in May. Subsequently, the Bank of England hiked interest rates by 0.5% (50 basis points) in June, as labour market data also indicated accelerating wage growth. This took interest rates from 3.5% at the start of the year to 5%, the highest level since before the financial crisis.

More positively, the UK economy grew slightly in the first quarter of 2023, confounding previous predictions that the country was heading towards a recession, and April's report likewise surprised on the upside. Indeed, the Office for Budget Responsibility has stated that it expects the UK to avoid a technical recession in 2023.

At the sector level, industrials was the top performer in the FTSE-All Share as fears of a recession eased. Consumer discretionary and technology also outperformed. At the other end, materials and real estate were the worst performers, as both posted negative returns. Materials were dragged lower by bouts of weakness in industrial metals as initial optimism about China's reopening faded and concerns about global demand grew. Meanwhile, real estate stocks were hit by concerns about higher mortgage rates and fears that tighter lending conditions would make it harder for companies in the sector to meet their rising interest costs.

In gross terms, the fund outperformed the benchmark over the period.

The main driver of the outperformance was stock selection, though sector allocation was also positive. In terms of the former, picks in consumer staples and materials proved especially advantageous. In terms of allocation, positive contributions from the over weights in industrials and consumer discretionary added most value.

At a stock level, top performers included Whitbread PLC (Consumer discretionary) and Associated British Foods PLC (Consumer Staples). Both stocks benefited from strong corporate earnings.

Whitbread's results for the year to 2 March 2023 showed that revenues were up compared to pre pandemic levels, fuelled by increased bookings and higher prices at Premier Inn in the UK and Germany. Subsequently, results for the first quarter of the company's current financial year, which ends in March 2024, showed further growth in business at Premier Inn. The company also indicated strong forward for the next quarter.

Associated British Foods (ABF) reported good performance at its food business alongside increased sales and revenues at budget clothing retailer Primark. We are positive about the launch of a click and collect service for Primark in England and Wales, which should help ABF benefit from the shift towards online shopping. In June, management upgraded its guidance for the full year, with profits now expected to be slightly ahead of the previous year's levels.

The lack of exposure to British American Tobacco PLC (Consumer Staples) also contributed to relative outperformance. Shares were negatively impacted by strength in the pound over the period, as a significant proportion of its revenue comes from overseas markets, along with speculation about increased regulation to discourage cigarette sales. Investors were also disappointed that the company's 2022 results showed a fall in tobacco volumes and by news that share buybacks would be paused.

On the other side, the lack of exposure to in HSBC Holdings PLC (Financials) and Flutter Entertainment PLC (Consumer Discretionary) detracted.

Despite being caught up in the fallout of the banking crisis in March, HSBC performed well over the period, initially helped by optimism around China's economic reopening. Shares were also boosted by rising interest rates and the bank's favourable earnings results.

Meanwhile, Flutter Entertainment initially outperformed as the company announced it is considering a dual listing of its shares in the US. Shares were later supported by a trading update for the first quarter of 2023, which showed a significant increase in revenue in the US.

UK Capital Growth Fund

Fund Investment Report (continued)

Review (continued)

The holding in DS Smith PLC (Materials) also weighed on performance. Shares were pressured by declining sales volumes. However, these are being offset by effective cost management and price increases as full year results showed higher revenues and profits rose. The company also hiked dividends. Over the longer term, the company's prospects are supported by growth in online retail and the trend towards environmentally friendly packaging.

We initiated several new positions over the period, including Standard Chartered PLC (Financials), WPP PLC (Communication Services), DCC PLC (Industrials) and Pets At Home Group PLC (Consumer Discretionary).

Standard Chartered was attractively valued, and has significant liquidity and a robust capital position. The bank also has a strong management team, which is committed to demonstrating the standalone value of the group, with a focus on cost controls and growing capital returns.

The position in advertising and market business WPP was funded by a reduction in the overweight in Tesco PLC. WPP is a high quality business that is diversified by geography and client type, with a high (and improving) return on capital employed. We believe the shares are undervalued following a period of muted performance. We feel that concerns about the negative impact of AI on the company are overblown. Although we expect agency revenues to decline, analysts have consistently underestimated the resilience of the sector, which could rebound more quickly than expected. The company also boasts high and consistent cash conversion, solid capital allocation and a respectable balance sheet.

DCC is a leading international sales, marketing and support services group. We viewed the firm as trading at an attractive valuation given its returns and cashflow over the longer term, as well as its solid balance sheet. The company's management is also optimistic about profit growth in the coming years. The new position in DCC was funded by selling out of Schroders PLC (Financials).

Pets At Home Group PLC (Consumer Discretionary) is the leading UK retailer of pet supplies, food, toys and accessories. The company also provides veterinarian and grooming services. Following our purchase, the shares rose as the company reported record annual sales, which drove an increase in revenues. Pets at Home has a significant share of the UK market, which enables it to offer better value services and products than non specialised competitors. In our view, there is a significant growth opportunity over the next few years.

Aside from Schroders, sales included Barclays PLC (Financials) and easyJet PLC (Industrials). We also exited Rentokil Initial PLC (Industrials) after the stock reached our price target.

Looking ahead, UK equities are still trading at very attractive valuations relative to global peers. This should continue to help UK listed businesses attract takeover bids and interest from private equity firms.

Recently, there have been concerns about UK inflation being more persistent than anticipated. More positively, consumer spending has been holding up well so far, as UK households are now much less indebted than at the start of the Covid pandemic, with higher aggregate savings. While we are mindful of the impact of a potential slowdown in house prices, we still feel that much of the gloom overhanging the UK economy is overdone.

Overall, we will continue to focus on company fundamentals and use volatile markets to top up and buy favoured stocks to deliver solid risk adjusted returns.

UK Capital Growth Fund
Comparative Table
for the accounting period 1st January 2023 to 30th June 2023

	Preference Shares			
	2023[1]	**2022**	**2021**	**2020**
Change in net assets per share	**£**	**£**	**£**	**£**
Opening net asset value per share	1.1304	1.2304	1.1364	1.3058
Return before operating charges[2]	0.0974	(0.0635)	0.1303	(0.1403)
Operating charges	(0.0131)	(0.0244)	(0.0257)	(0.0223)
Return after operating charges	0.0843	(0.0879)	0.1046	(0.1626)
Distributions on preference shares	0.0000	(0.0121)	(0.0106)	(0.0068)
Closing net asset value per share	1.2147	1.1304	1.2304	1.1364
after direct transaction costs[2]	(0.0010)	(0.0016)	(0.0011)	(0.0014)
Performance				
Return after charges	7.46%	(7.14)%	9.20%	(12.45)%
Other information				
Closing net asset value (£)	26,244,851	26,860,947	31,999,136	33,443,068
Closing number of shares	21,605,208	23,761,432	26,006,314	29,427,973
Operating charges	2.14%	2.12%	2.10%	2.10%
Direct transaction costs	0.08%	0.14%	0.09%	0.13%
Ongoing Charges Figure ("OCF")[3]	2.14%	2.12%	2.10%	2.10%

Prices	**2023[1]**	**2022**	**2021**	**2020**	**2019**	**2018**
Highest offer share price (£)	1.3290	1.3310	1.3430	1.3950	1.4170	1.4110
Lowest bid share price (£)	1.1480	1.0150	1.1130	0.7990	1.0800	1.0760
Net distribution per share (£)	–	0.0121	0.0106	0.0068	0.0221	0.0175

Notes

[1] Based on amounts for 12 months to 31st December except for 2023 which is for the six months period ended 30th June 2023.

[2] Return before operating charges is stated after direct transaction costs.

[3] The OCF takes into account the annual management charge and any expenses incurred expressed as a percentage of the average daily net assets values over the period. The OCF figure for the period to 30th June 2023 is an annualised ratio.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and because of this, investors may not get back money invested and are not certain to make a profit on their investment.

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital gains/(losses)	2,260,522	(4,776,851)
Revenue	591,884	723,771
Expenses	(357,183)	(396,880)
Net revenue before taxation	234,701	326,891
Taxation	(8,953)	(5,994)
Net revenue after taxation	225,748	320,897
Total return before distribution	2,486,270	(4,455,954)
Distributions	(4,950)	(3,875)
Change in Net Assets Attributable to Preference Shareholders from investment activities	2,481,320	(4,459,829)

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	33,088,674	32,389,539
Current assets:		
Debtors	900,385	501,013
Cash and bank balances	98,852	288,588
Total assets	34,087,911	33,179,140
Liabilities:		
Creditors:		
Distribution payable	–	(347,214)
Other creditors	(304,252)	(108,210)
Total liabilities	(304,252)	(455,424)
Equity:		
Nominal shares	(417,268)	(411,878)
Total equity	(417,268)	(411,878)
Net Assets Attributable to Preference Shareholders	33,366,391	32,311,838

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Opening Net Assets Attributable to Preference Shareholders	32,311,838	43,342,509
Movement due to sales and repurchases of shares:		
Amounts receivable on issue of shares	468,659	725,219
Amounts payable on cancellation of shares	(3,709,897)	(2,324,716)
	(3,241,238)	(1,599,497)
Difference on currency conversion	1,814,471	(4,095,221)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)	2,481,320	(4,459,829)
Closing Net Assets Attributable to Preference Shareholders	33,366,391	33,187,962

The comparatives used within the Statement of Change in Net Assets Attributable to Preference Shareholders are for the corresponding period of the previous year. Therefore the Opening Net Assets Attributable to Preference Shareholders for the current year are at 31st December 2022 whilst the figure disclosed in the comparatives' Closing Net Assets Attributable to Preference Shareholders is at 30th June 2022.

UK Capital Growth Fund
Portfolio Statement
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Equities 99.17% (100.24%)				
Communication Services 5.92% (4.74%)				
Diversified Telecommunication Services 0.99% (0.99%)				
BT Group plc	GBP	210,648	329,001	0.99
			329,001	**0.99**
Media 4.93% (3.75%)				
Informa plc	GBP	97,699	903,998	2.71
ITV plc	GBP	285,045	248,166	0.74
WPP plc	GBP	47,069	492,493	1.48
			1,644,657	**4.93**
Communication Services total			**1,973,658**	**5.92**
Consumer Discretionary 14.31% (13.55%)				
Automobile Components 0.33% (0.00%)				
Dowlais Group plc	GBP	68,197	110,372	0.33
			110,372	**0.33**
Hotels, Restaurants & Leisure 9.01% (8.80%)				
Compass Group plc	GBP	44,843	1,254,815	3.76
InterContinental Hotels Group plc	GBP	5,768	400,977	1.20
SSP Group plc	GBP	164,161	527,192	1.58
Whitbread plc	GBP	19,124	823,491	2.47
			3,006,475	**9.01**
Household Durables 1.69% (2.25%)				
Berkeley Group Holdings plc	GBP	7,300	364,737	1.09
Crest Nicholson Holdings plc	GBP	83,933	201,252	0.60
			565,989	**1.69**
Specialty Retail 1.25% (0.00%)				
Pets at Home Group plc	GBP	55,630	267,341	0.80
Watches of Switzerland Group plc	GBP	19,173	149,545	0.45
			416,886	**1.25**
Textiles, Apparel & Luxury Goods 2.03% (2.50%)				
Burberry Group plc	GBP	25,106	676,353	2.03
			676,353	**2.03**
Consumer Discretionary total			**4,776,075**	**14.31**
Consumer Staples 21.32% (21.31%)				
Beverages 4.82% (4.37%)				
Diageo plc	GBP	37,450	1,610,002	4.82
			1,610,002	**4.82**
Consumer Staples Distribution & Retail 1.74% (0.00%)				
Tesco plc	GBP	183,874	581,849	1.74
			581,849	**1.74**
Food & Staples Retailing 0.00% (2.17%)				
Food Products 4.65% (4.41%)				
Associated British Foods plc	GBP	40,991	1,039,151	3.12
Tate & Lyle plc	GBP	55,301	511,483	1.53
			1,550,634	**4.65**
Household Products 4.48% (3.96%)				
Reckitt Benckiser Group plc	GBP	19,821	1,494,326	4.48
			1,494,326	**4.48**
Personal Care Products 5.63% (0.00%)				
Haleon plc	GBP	56,391	230,850	0.69
Unilever plc	GBP	31,536	1,646,231	4.94
			1,877,081	**5.63**
Personal Products 0.00% (6.40%)				
Consumer Staples total			**7,113,892**	**21.32**
Financials 15.75% (16.17%)				
Banks 1.61% (1.13%)				
Standard Chartered plc	GBP	61,725	538,489	1.61
			538,489	**1.61**
Capital Markets 8.96% (8.90%)				
Intermediate Capital Group plc	GBP	48,460	852,061	2.55
London Stock Exchange Group plc	GBP	13,696	1,453,588	4.36
St. James's Place plc	GBP	49,648	682,958	2.05
			2,988,607	**8.96**
Insurance 5.18% (6.14%)				
Legal & General Group plc	GBP	305,731	883,495	2.65
Prudential plc	GBP	60,168	844,118	2.53
			1,727,613	**5.18**
Financials total			**5,254,709**	**15.75**

Investment	Currency	Holding	Market Value US$	% of Net Assets
Health Care 7.62% (7.26%)				
Health Care Equipment & Supplies 4.26% (3.79%)				
ConvaTec Group plc	GBP	257,956	672,958	2.02
Smith & Nephew plc	GBP	46,482	747,551	2.24
			1,420,509	**4.26**
Pharmaceuticals 3.36% (3.47%)				
GSK plc	GBP	63,501	1,121,367	3.36
			1,121,367	**3.36**
Health Care total			**2,541,876**	**7.62**
Industrials 17.51% (17.43%)				
Airlines 0.00% (0.18%)				
Commercial Services & Supplies 0.00% (1.54%)				
Industrial Conglomerates 1.37% (1.42%)				
DCC plc	GBP	8,107	455,253	1.37
			455,253	**1.37**
Machinery 2.91% (3.12%)				
Rotork plc	GBP	65,554	254,360	0.76
Weir Group plc (The)	GBP	31,952	717,185	2.15
			971,545	**2.91**
Professional Services 8.08% (6.86%)				
Experian plc	GBP	26,905	1,031,985	3.09
RELX plc	GBP	49,834	1,663,741	4.99
			2,695,726	**8.08**
Trading Companies & Distributors 5.15% (4.31%)				
Ashtead Group plc	GBP	11,507	796,426	2.39
Ferguson plc	GBP	1,617	255,944	0.77
Howden Joinery Group plc	GBP	54,429	445,775	1.33
RS Group plc	GBP	22,800	220,647	0.66
			1,718,792	**5.15**
Industrials total			**5,841,316**	**17.51**
Information Technology 3.08% (3.18%)				
Electronic Equipment, Instruments & Components 0.72% (1.11%)				
Spectris plc	GBP	5,234	239,087	0.72
			239,087	**0.72**
Software 2.36% (2.07%)				
Sage Group plc (The)	GBP	66,987	789,470	2.36
			789,470	**2.36**
Information Technology total			**1,028,557**	**3.08**
Materials 8.82% (11.82%)				
Chemicals 2.07% (2.94%)				
Elementis plc	GBP	113,735	147,778	0.44
Johnson Matthey plc	GBP	20,029	446,000	1.34
Synthomer plc	GBP	103,387	95,952	0.29
			689,730	**2.07**
Construction Materials 4.00% (4.36%)				
Breedon Group plc	GBP	116,810	486,358	1.46
CRH plc	GBP	15,286	848,288	2.54
			1,334,646	**4.00**
Containers & Packaging 1.72% (1.44%)				
DS Smith plc	GBP	165,330	572,353	1.72
			572,353	**1.72**
Metals & Mining 1.03% (3.08%)				
Rio Tinto plc	GBP	5,440	345,185	1.03
			345,185	**1.03**
Materials total			**2,941,914**	**8.82**
Real Estate 2.32% (2.74%)				
Equity Real Estate Investment Trusts (REITs) 0.00% (1.14%)				
Office REITs 0.93% (0.00%)				
Derwent London plc	GBP	11,897	310,370	0.93
			310,370	**0.93**
Real Estate Management & Development 1.39% (1.60%)				
Grainger plc	GBP	160,971	464,966	1.39
			464,966	**1.39**
Real Estate total			**775,336**	**2.32**

UK Capital Growth Fund
Portfolio Statement (continued)
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Equities 99.17% (100.24%) (continued)				
Utilities 2.52% (2.04%)				
Electric Utilities 2.52% (2.04%)				
SSE plc	GBP	35,956	841,341	2.52
			841,341	**2.52**
Utilities total			**841,341**	**2.52**
Equities total			**33,088,674**	**99.17**
Total Value of Investments			33,088,674	99.17
Net other assets (2022: (0.24%) Net other liabilities)			277,717	0.83
Net assets attributable to Preference Shareholders			**33,366,391**	**100.00**

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31st December 2022.

During the year, MSCI and S&P Dow Jones Indices, the developers of the Global Industry Classification Standard (GICS) framework, announced that they have reclassified several industries and sub-industries within the GICS framework. As a result of this reclassification, some comparative percentage figures may be different from the figures disclosed in the 31 December 2022 annual report.

Europe Fund

Fund Investment Report

Investment Policy
To invest primarily for capital growth from a portfolio of European equities.

Types of Investment
Investments are made principally for prospects of capital growth in Continental European stocks, generally in shares of leading European companies, but also may be made indirectly through other types of permitted investment such as unit trusts, investment trusts, convertible securities, traded options, warrants, fixed interest securities and other media as circumstances warrant and as permitted by the Regulations.

It must be remembered that the price of shares and the income from them, can go down as well as up.

Fund Performance
Over the six months to 30th June 2023, the Fund posted a total gross return of 14.2% compared with a return of 13.0% from the FTSE World Europe ex UK Index in Euro terms.

Review
European equities rebounded in the first half of 2023.

The Federal Reserve and European Central Bank raised interest rates several times in a bid to tame soaring inflation. Monetary policy proved effective, and energy prices also receded from recent highs; inflation duly eased although it remained well above central bank targets. Equity markets rallied on growing expectations of an end to central bank monetary tightening.

Equities came under pressure at various points in the six month period, especially following the collapse of Silicon Valley Bank (SVB) and two smaller United States (US) lenders in March. The run on SVB by depositors, and its subsequent closure and takeover by the Federal Deposit Insurance Corporation, disrupted the entire banking sector; bank share prices fell, led by those of weaker lenders, and Swiss regulators forced a takeover of Credit Suisse Group AG (Switzerland) by its rival UBS Group AG (Switzerland). Share prices later stabilised as contagion fears faded. Negotiations over raising the US debt ceiling also caused jitters, but President Biden eventually agreed a deal with Republican leaders.

Economic data painted a mixed picture. In the US, consumer confidence improved, and first quarter Gross Domestic Product (GDP) was revised upwards, whereas a composite measure of business activity fell to a three month low due to sluggish growth in the service sector and further weakness in manufacturing. Eurozone Q1 GDP was revised down as high energy bills dented consumer spending and business activity declined. Leading indicators were more positive, as consumer confidence increased, and factory prices dipped. A report from the Bundesbank said that GDP growth in Germany, Europe's largest economy, would be likely to rise slightly in the second quarter (Q2).

Greece, the Czech Republic and Hungary led the gains. Turkey, Norway and Finland were the main laggards. On a sector basis, technology and consumer discretionary posted strong returns, followed by industrials. Real estate stocks were impacted by higher interest rates and the energy sector underperformed as oil and gas prices fell.

The fund outperformed its benchmark index, boosted by successful stock selection. Sector and country positioning were favourable too, especially the average overweight position in consumer discretionary, the underweight exposure to energy and the lack of exposure to Turkey.

Top relative contributors included CRH plc (Ireland) and Compagnie Financière Richemont S.A. (Switzerland). Building materials group CRH has decided to transfer its primary listing to the US from the Euronext in Dublin and plans to retain a secondary listing in London. The US is a major growth market for the company; CRH hopes to gain access to a larger pool of investors and a potentially higher stock valuation. Richemont reported strong results, as expenditure on luxury goods remained buoyant. The company is well placed to benefit from the lifting of lockdown restrictions in China.

Detractors included Tryg A/S (Denmark) and the aforementioned UBS. Tryg lagged ahead of an interim results release. The Scandinavian non life insurance firm has faced currency headwinds, as well as some unexpectedly large claims. Tryg is in the process of integrating two recent acquisitions, which should generate synergies. UBS' acquisition of Credit Suisse could cause issues in the near term; we therefore sold the stock.

New holdings included TotalEnergies SE (France), Lonza Group AG (Switzerland) and Koninklijke KPN NV (Netherlands). TotalEnergies benefited from high oil and gas prices. The company is adopting an encouraging new focus on alternative energy, and this is where capital expenditure will be concentrated. Lonza had suffered a period of weakness due to diminishing Covid benefits, but the outlook in other business segments is encouraging, particularly its biologics and cell & gene divisions. A fibre rollout is progressing well, and Koninklijke stands to gain from the regulatory environment. Positive meetings with management added to our confidence in the business.

Sales included Prosus NV (Netherlands) and SAP SE (Germany), following earlier share price rallies.

The post lockdown economic recovery has boosted corporate profits, though the hurdle for growth is now higher. Less positively, Ukraine and other issues have brought an unwelcome dose of inflation and tighter monetary policies. This has led to a cost of living crisis and pressure on energy intensive businesses, particularly those with limited pricing power. However, energy prices have recently receded as Europe has managed to largely disentangle itself from its energy dependence on Russia. Moreover, China's reopening should be a boost to growth given Europe's export oriented economies.

In the US, Biden divides opinion and disagreements between Democrats and Republicans continue, hampering law making and executive policy; the prosecution of Trump has raised the stakes. Tensions with China over trade, security and Taiwan are ongoing. Germany's coalition favours policies which are economically supportive and pro European, less so with the right wing government in Italy, while Macron's reform proposals in France have brought strikes. Increases in defence spending loom with many European countries upping arms shipments to Ukraine, which now include tanks; Finland's accession to the North Atlantic Treaty Organisation (NATO) puts more pressure on Russia, as do recent military setbacks. In the banking sector, risks to lower quality institutions are more apparent following the collapse of SVB and Credit Suisse.

In European equities, there are reasons to remain optimistic. Company valuations have been reset due to higher interest rates and, over the longer term, share prices tend to follow earnings. As a result, good companies can continue to grow, and their lower valuations have created opportunities in the current climate. In managing this fund, our focus is on stock selection, informed by economic and thematic views. We favour companies that have a competitive advantage and pricing power generated by brands, patented processes, regulatory barriers to entry and strong market positions.

Europe Fund
Comparative Table
for the accounting period 1st January 2023 to 30th June 2023

	Preference Shares			
	2023[1] EUR	2022 EUR	2021 EUR	2020 EUR
Change in net assets per share				
Opening net asset value per share	6.4810	7.5128	6.0436	5.8765
Return before operating charges[2]	0.9076	(0.8732)	1.6174	0.2887
Operating charges	(0.0795)	(0.1454)	(0.1482)	(0.1216)
Return after operating charges	0.8281	(1.0186)	1.4692	0.1671
Distributions on preference shares	–	(0.0132)	–	–
Closing net asset value per share	7.3091	6.4810	7.5128	6.0436
after direct transaction costs[2]	(0.0122)	(0.0192)	(0.0089)	(0.0077)
Performance				
Return after charges	12.78%	(13.56%)	24.31%	2.84%
Other information				
Closing net asset value (EUR)	22,632,605	22,585,582	28,205,404	23,452,663
Closing number of shares	3,096,487	3,484,908	3,754,312	3,880,574
Operating charges	2.22%	2.19%	2.15%	2.20%
Direct transaction costs	0.17%	0.29%	0.13%	0.14%
Ongoing Charges Figure ("OCF")[3]	2.22%	2.19%	2.15%	2.20%

Prices	2023[1]	2022	2021	2020	2019	2018
Highest offer share price (EUR)	7.8910	8.0920	7.9750	6.5390	6.2530	5.6120
Lowest bid share price (EUR)	6.6460	5.7120	5.9740	4.0370	4.4070	4.3440
Net distribution per share (EUR)	–	0.0132	–	–	–	–

Notes

[1] Based on amounts for 12 months to 31st December except for 2023 which is for the six months period ended 30th June 2023.

[2] Return before operating charges is stated after direct transaction costs.

[3] The OCF takes into account the annual management charge and any expenses incurred expressed as a percentage of the average daily net assets values over the period. The OCF figure for the period to 30th June 2023 is an annualised ratio.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and because of this, investors may not get back money invested and are not certain to make a profit on their investment.

Europe Fund

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital gains/(losses)	2,770,224	(6,064,594)
Revenue	679,657	693,670
Expenses	(266,733)	(286,313)
Net revenue before taxation	412,924	407,357
Taxation	(171,258)	(174,584)
Net revenue after taxation	241,666	232,773
Total return before distribution	3,011,890	(5,831,821)
Distributions	(452)	(4,262)
Change in Net Assets Attributable to Preference Shareholders from investment activities	3,011,438	(5,836,083)

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	24,262,972	24,081,438
Current assets:		
Debtors	104,104	99,737
Cash and bank balances	480,511	259,357
Total assets	24,847,587	24,440,532
Liabilities:		
Creditors:		
Distribution payable	–	(49,173)
Other creditors	(58,434)	(191,340)
Total liabilities	(58,434)	(240,513)
Equity:		
Nominal shares	(96,981)	(96,010)
Total equity	(96,981)	(96,010)
Net Assets Attributable to Preference Shareholders	24,692,172	24,104,009

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Opening Net Assets Attributable to Preference Shareholders	24,104,009	32,075,184
Movement due to sales and repurchases of shares:		
Amounts receivable on issue of shares	80,180	22,341
Amounts payable on cancellation of shares	(3,040,806)	(1,164,777)
	(2,960,626)	(1,142,436)
Difference on currency conversion	537,351	(2,292,021)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)	3,011,438	(5,836,083)
Closing Net Assets Attributable to Preference Shareholders	24,692,172	22,804,644

The comparatives used within the Statement of Change in Net Assets Attributable to Preference Shareholders are for the corresponding period of the previous year. Therefore the Opening Net Assets Attributable to Preference Shareholders for the current year are at 31st December 2022 whilst the figure disclosed in the comparatives' Closing Net Assets Attributable to Preference Shareholders is at 30th June 2022.

Europe Fund
Portfolio Statement
as at 30th June 2023

Investment	Currency	Holding	Market Value US$	% of Net Assets
Equities 98.26% (99.91%)				
Belgium 1.07% (1.21%)				
KBC Group NV	EUR	3,781	263,510	1.07
			263,510	**1.07**
Denmark 6.35% (6.08%)				
DSV A/S	DKK	1,248	262,040	1.06
Novo Nordisk A/S 'B'	DKK	6,477	1,044,694	4.23
Tryg A/S	DKK	12,101	261,795	1.06
			1,568,529	**6.35**
Finland 0.00% (2.25%)				
France 21.13% (28.51%)				
Air Liquide SA	EUR	3,654	656,978	2.66
AXA SA	EUR	12,474	368,535	1.49
BNP Paribas SA	EUR	4,069	257,123	1.04
Cie de Saint-Gobain	EUR	2,076	126,428	0.51
L'Oreal SA	EUR	433	202,377	0.82
LVMH Moet Hennessy Louis Vuitton SE	EUR	1,107	1,043,002	4.22
Pernod Ricard SA	EUR	1,110	245,472	1.00
Safran SA	EUR	4,627	726,718	2.94
Sanofi	EUR	8,250	887,834	3.60
Schneider Electric SE	EUR	1,650	300,409	1.22
TotalEnergies SE	EUR	7,005	402,834	1.63
			5,217,710	**21.13**
Germany 14.12% (20.53%)				
Allianz SE	EUR	2,800	650,978	2.64
Beiersdorf AG	EUR	827	109,444	0.44
Deutsche Telekom AG	EUR	27,251	595,211	2.41
Hannover Rueck SE	EUR	303	64,148	0.26
Mercedes-Benz Group AG	EUR	3,238	260,604	1.05
Merck KGaA	EUR	3,068	505,760	2.05
MTU Aero Engines AG	EUR	333	86,212	0.35
Muenchener Rueckversicherungs-Gesellschaft AG	EUR	1,885	705,803	2.86
Siemens AG	EUR	2,315	385,972	1.56
Siemens Healthineers AG	EUR	2,182	123,551	0.50
			3,487,683	**14.12**
Ireland 2.44% (4.79%)				
CRH plc	EUR	10,874	603,379	2.44
			603,379	**2.44**
Italy 4.88% (1.08%)				
Enel SpA	EUR	104,614	705,576	2.86
Intesa Sanpaolo SpA	EUR	93,515	246,237	0.99
Moncler SpA	EUR	3,671	254,401	1.03
			1,206,214	**4.88**
Netherlands 20.36% (15.13%)				
Airbus SE	EUR	5,203	752,814	3.05
ASM International NV	EUR	1,286	545,987	2.21
ASML Holding NV	EUR	1,937	1,400,885	5.67
BE Semiconductor Industries NV	EUR	2,498	271,442	1.10
Davide Campari-Milano NV	EUR	10,080	139,775	0.57
Heineken Holding NV	EUR	4,382	380,549	1.54
Heineken NV	EUR	4,680	482,097	1.95
Koninklijke Ahold Delhaize NV	EUR	15,282	522,188	2.12
Koninklijke KPN NV	EUR	148,729	531,088	2.15
			5,026,825	**20.36**
Norway 1.08% (1.57%)				
DNB Bank ASA	NOK	14,302	267,923	1.08
			267,923	**1.08**
Spain 0.26% (1.88%)				
Iberdrola SA	EUR	4,880	63,676	0.26
			63,676	**0.26**
Sweden 1.07% (3.17%)				
Atlas Copco AB 'A'	SEK	9,687	138,965	0.56
Sandvik AB	SEK	6,383	124,217	0.51
			263,182	**1.07**
Switzerland 24.48% (12.49%)				
ABB Ltd.	CHF	4,721	185,326	0.75
Cie Financiere Richemont SA	CHF	4,576	776,946	3.15
Holcim AG	CHF	5,574	375,317	1.52
Lonza Group AG	CHF	599	356,461	1.44
Nestle SA	CHF	12,552	1,510,758	6.12
Novartis AG	CHF	11,261	1,133,338	4.59
Roche Holding AG	CHF	3,835	1,175,812	4.76
Sika AG	CHF	316	90,245	0.37
Swisscom AG	CHF	458	285,760	1.16
VAT Group AG	CHF	373	153,719	0.62
			6,043,682	**24.48**
United Kingdom 1.02% (1.22%)				
Unilever plc	EUR	4,802	250,659	1.02
			250,659	**1.02**
Equities total			**24,262,972**	**98.26**
Total Value of Investments			24,262,972	98.26
Net other assets (2022: 0.09%)			429,200	1.74
Net assets attributable to Preference Shareholders			**24,692,172**	**100.00**

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 31st December 2022.

Aggregated Financial Statements Monument International Funds (IOM) Limited

Statement of Total Return

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Income		
Net capital gains/(losses)	16,101,438	(38,993,233)
Revenue	2,267,506	2,213,486
Expenses	(1,585,256)	(1,783,276)
Interest payable and similar charges	(222)	(13)
Net revenue before taxation	682,028	430,197
Taxation	(346,264)	(344,899)
Net revenue after taxation	335,764	85,298
Total return before distribution	16,437,202	(38,907,935)
Distributions	(78,653)	(532)
Change in Net Assets Attributable to Preference Shareholders from investment activities	16,358,549	(38,908,467)

Statement of Change in Net Assets Attributable to Preference Shareholders

for the accounting period 1st January 2023 to 30th June 2023

	June 2023 US$	June 2022 US$
Opening Net Assets attributable to Preference Shareholders	145,208,682	200,766,353
Movement due to sales and repurchases of shares:		
Amounts receivable on issue of shares	1,416,697	2,031,318
Amounts payable on cancellation of shares	(11,673,455)	(7,269,409)
	(10,256,758)	(5,238,091)
Difference on currency conversion	2,716,380	(7,430,554)
Change in Net Assets Attributable to Preference Shareholders from investment activities (see above)	16,358,549	(38,908,467)
Unclaimed distributions	–	440
Closing Net Assets attributable to Preference Shareholders	154,026,853	149,189,681

Balance Sheet

as at 30th June 2023

	June 2023 US$	December 2022 US$
Assets:		
Fixed assets:		
Investments	152,018,834	144,034,452
Current assets:		
Debtors	3,096,933	2,506,886
Cash and bank balances	2,035,695	1,900,137
Total assets	157,151,462	148,441,475
Liabilities:		
Creditors:		
Distribution payable	(77,041)	(423,200)
Other creditors	(894,482)	(668,104)
Total liabilities	(971,523)	(1,091,304)
Equity:		
Management shares	(10)	(10)
Nominal shares	(2,153,076)	(2,141,479)
Total equity	(2,153,086)	(2,141,489)
Net Assets Attributable to Preference Shareholders	154,026,853	145,208,682

The Aggregated Financial Statements represent the sum of the individual sub-funds within the Umbrella Company. Further analysis of the Distribution and the Net Asset position can be found within the Financial Statements of the individual sub-funds.

The interim financial statements of each of the sub-funds have been prepared in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by The Investment Association in May 2014, the Authorised Collective Investment Schemes Regulations 2010 and the Isle of Man Companies Acts 1931 to 2004.

The accounting policies applied are consistent with those of the annual financial statements for the year ending 31st December 2022 and are described in those financial statements.

The Interim Report and Accounts were approved and authorised for issue by the Board of Directors of Monument International Funds (IOM) Limited and signed on its behalf by:

Director
24th August 2023

Director
24th August 2023

Further Information

Taxation
The Company is resident in the Isle of Man and, as such, is liable to Isle of Man Income Tax on profits. Under current Isle of Man taxation rules, a rate of 0% (2022: 0%) will apply and so no provision for Isle of Man taxation has been deemed necessary in these Financial Statements.

Dividend payments to Preference Shareholders can be made without the deduction of Isle of Man taxation at source.

Price Publication
Monument International Fund Managers (IOM) Limited publishes prices for each of the sub Funds which are available on the Monument Re Limited website, www.monument.im/mifm.

Directors' Fees
The annual remuneration of each non-executive director is GBP 10,000. All Directors except the Non Executive Directors waive their right to any Directors fees.

Approval of Financial Statements

The Financial Statements were approved by the Board of Directors on 24th August 2023.

A copy of the Financial Statements is available on the Monument Re Limited website, www.monument.im/mifm or on request from the Manager.

Issued by

Monument International Fund
Managers (IOM) Limited

Licensed by the Isle of Man
Financial Services Authority

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