

# The Hurlingham Managed Growth Portfolio, a sub-fund of The Hurlingham Fund Annual Short Report for the year ending 31st October 2008

The information in this report is designed to enable investors to make an informed judgement on the activities of the Fund during the year. Copies of the Long-Form Annual Report & Accounts are available free of charge by calling Premier on 01483 306 090, or can be downloaded from the Fund's website, [www.thehurlinghamfund.co.uk](http://www.thehurlinghamfund.co.uk).

## Investment Objective and Policy

The investment objective of the Hurlingham Managed Growth Portfolio is to provide long-term capital growth from a portfolio of investments. The Fund will achieve this by investing in units in collective investment schemes, but may also invest in equities, fixed interest securities, money market instruments and warrants.

## Fund Facts

**Launch date:** 5th January 2006  
**Ex-dividend dates:** 31st October, 30th April  
**Income dates:** 28th February, 30th June

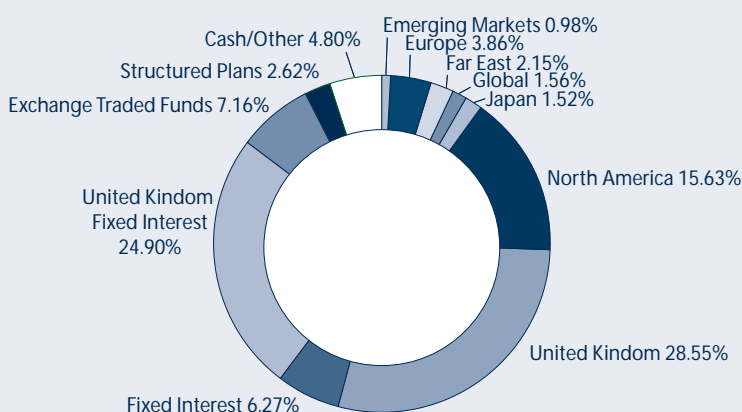
## Total Expense Ratio (TER)

31/10/2008

2.79%

The TER shows the annual operating expenses of the Fund including the annual management charge and other expenses. It does not include transaction charges. Funds highlight the TER to help you compare the annual operating expenses to different schemes. The TER for income and accumulation is the same.

## Asset Allocation as at 31/10/2008



## Top Ten Holdings as at 31/10/2008

Treasury 4.5% 07/03/2013	10.11%
Treasury 4% 07/09/2016	9.66%
Threadneedle American Select	7.88%
Martin Currie North American 'B'	7.75%
AXA Framlington UK Select Opportunities	7.29%
M&G UK Select 'A'	7.17%
Schroder UK Alpha Plus	6.16%
iShares FTSE 100	5.13%
Treasury 5% 07/03/2012	5.13%
River & Mercantile UK Equity Unconstrained	4.34%

## Risk Profile

As the Fund has a global portfolio of investments, there is a risk that the income and capital value of the Fund may be significantly affected by currency movements if a significant proportion of the Fund's assets are either denominated in other currencies or are investments in unit trusts or investment funds with substantial currency exposure.

## Performance Record

Year	Share Class	Highest price (p)	Lowest Price (p)
2006 <sup>1</sup>	Income	106.21	93.92
	Accumulation	106.25	93.99
2007	Income	112.08	100.87
	Accumulation	112.29	101.07
2008 <sup>2</sup>	Income	108.00	77.25
	Accumulation	108.29	77.47

<sup>1</sup> 5th January 2006 to 31st December 2006.

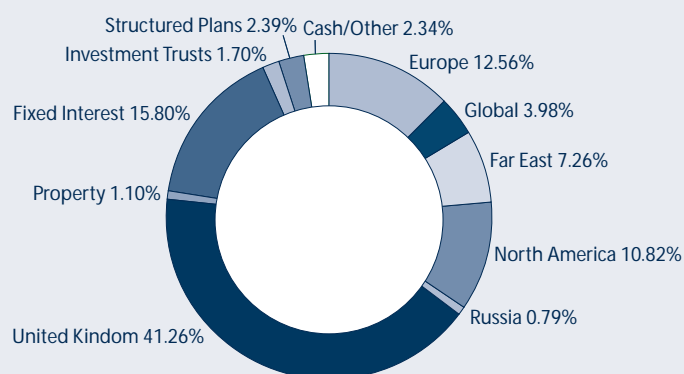
<sup>2</sup> To 31st October 2008.

Past performance is not a guide to future returns. The price of units and shares and the return from them may go down as well as up and you may get back less than you invested.

## Net Asset Values

As at	Share class	Net Asset Value per Share (p)
31/10/2007	Income	110.78
	Accumulation	110.78
31/10/2008	Income	81.17
	Accumulation	81.17

## Asset Allocation as at 31/10/2007



## Top Ten Holdings as at 31/10/2007

Schroder UK Alpha Plus	10.22%
M&G UK Select 'A'	10.02%
AXA Framlington UK Select Opportunities	8.11%
Standard Life UK Equity Higher Income	7.91%
Aegon Global Bond 'B'	6.86%
Threadneedle American Select	6.55%
Resolution Argonaut European Alpha	5.05%
Lazard Emerging Markets Growth 'I'	4.45%
M&G American	4.27%
Neptune Global Equity 'B'	3.98%

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Annual Short Report for the year ending 31st October 2008

## Investment Review

### Performance

Over the reporting period, the Fund fell 26.6% with the IMA Balanced Managed Sector falling 27.4%.

### Portfolio Activity

In what has proved to be a difficult period, we started repositioning the portfolio more defensively from February onwards. We substantially reduced risk, in particular all our small cap holdings, and moved further up the market cap scale with the purchase of some FTSE 100 'I' shares, as well as reducing all our Asian and Emerging Market holdings. By the end of the period we had just over 3% in non mainstream markets and had reduced our European exposure whilst increasing exposure to US investments.

We significantly reduced our exposure to corporate bonds, using the proceeds from both the overseas equities and corporate bonds to increase our gilt exposure. By the end of the period we had increased the weighting from 15.6% to 28.5%.

All in all, the majority of the activity has gone towards improving the quality of our bond exposure and continuing to move up the market cap exposure for equities, which we believe in the long run should help protect investors from the worst of the market swings.

### Outlook

Government and Central Banks around the globe have taken substantial measures that should enable gradual stabilisation and reduce downside risks for the real economy. These measures will take time to become effective, but they are now targeted towards the root causes of the banking crisis and, as a result, we feel we are now closer to the bottom, with valuations on both equities and bonds starting to look attractive. However, volatility will remain high and as such, we will remain cautiously positioned in the short term.

Source: Close Private Asset Management Ltd, November 2008.

Performance data taken from Financial Express Analytics, total return, bid to bid, UK sterling. Past performance is not a guide to future returns.

The full Investment Review is available in the Long-form Annual Report & Accounts, which is available on request, or from the Fund's website, [www.thehurlinghamfund.co.uk](http://www.thehurlinghamfund.co.uk).

## Other Information

*Authorised Corporate Director (ACD) & Registered Office:* **Premier Portfolio Managers Limited,**  
Eastgate Court, High Street, Guildford, Surrey, GU1 3DE

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Premier Portfolio Managers Limited and Premier Fund Managers Limited are both members of the Premier Asset Management Marketing Group and are authorised and regulated by the Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. Premier Portfolio Managers Limited is an ISA manager and markets a number of funds. Premier Fund Managers Limited manages these and other funds and provides discretionary portfolio management services. Premier Portfolio Managers Limited is also a member of the Investment Management Association.

You should remember that past performance is not a guide to future returns and the price of shares and the income from them may go down as well as up and you may get back less than you invested. Investment in these funds should be viewed as a long term investment. Exchange rates will also cause the value of underlying investments to fall as well as rise. Tax concessions are not guaranteed and may be changed at any time, their value will depend on your individual circumstances. Reference to any particular stock does not constitute a recommendation to buy or sell the stock. Details of the nature of the investments, the commitment required and fund specific risk warnings are described in the Simplified Prospectus document which is available on request. Monthly cash withdrawals may lead to erosion of the capital value of your investment should you take a higher cash withdrawal than the growth or income generated. 1102095491

