

INVESTORS CHRONICLE

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13 MAY - 19 MAY 2011

GLOBAL UNIT TRUST

FIRST STATE GL AGRIBUS. A ACC NAV (CFAGRY)

First State Global Agribusiness off to a flyer

Celebrating its one-year anniversary this month, the First State Global Agribusiness Fund invests in firms involved in the production, processing, distribution and marketing of soft commodities, as well as suppliers of services and inputs to these firms such as fertiliser, crop protection and seeds.

Despite being a relatively new launch the fund has managed to make a healthy return of over 8 per cent in the last six months, which is testament both to First State's experience and track record in the resources space and the skill of the fund's manager, Renzo Casarotto.

More than 50 per cent of the fund's total portfolio is invested in North America, which is reflective of the US being twice as productive in terms of farming yield than the rest of the world. This, says Mr Casarotto, is due to the government being pro-farming, with huge investments in research and development. The US also benefits from large-scale farms that are heavily mechanised.

First State Global Agribusiness A Acc NAV

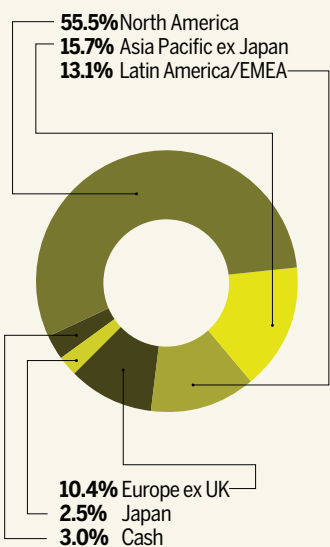
Price: 127.55p
Size of fund: £26m
No. of holdings: 52
Set-up date: 24 May 2010
Manager start date: 24 May 2010
3-month performance: -1.75%
6-month performance: 8.86%
Performance year to date: 0.69%
Total expense ratio: 2.21%
Minimum investment: £1,000 initial
Yield: na
More details: firststate.co.uk

Performance figures as at 4 May 2011

Top 10 holdings

Potash Corporation	8.3%	Rayonier	4.4%
Deere & Company	7.2%	Brasil Foods	3.7%
Mosaic	6.6%	Yara International	3.6%
Monsanto	6.0%	Sino-Forest Corporation	3.6%
Syngenta	5.0%	Agrium	3.1%

Geographic breakdown



As at 31 March 2011

Given the fund's global remit it also has a significant investment in the developing world, reflecting Mr Casarotto's view that profit margins in food production across the developing world are set to improve thanks to new investment.

The fund is still relatively small in size, at £26m, and comes with a hefty TER of 2.21 per cent. However, it is one of the few funds in this space that levies no performance fee and First State expects that as the fund grows the TER should fall.