

PFS TAUBE GLOBAL FUND

Active long-biased global equity fund

Prices as at 30th December 2011: Acc. Shares 113.90p Inc. Shares 110.20p

Investment Manager's Comment

The fourth quarter of 2011 closed a difficult year for equity investors as a second banking crisis developed in Europe. As the year closed the US Federal Reserve dramatically led major central banks to increase US dollar swap lines (i.e. US loans) to ease the situation. Against this background equity markets have performed surprisingly well. At year end the MSCI World Index is down 5.9%; by contrast the Fund is down 3.4% and shareholders have experienced significantly lower volatility. From inception in March 2007 the performance remains good – the MSCI World Index is up 9.4% while the Fund is up 13.9%. Our policy this year has been to adapt to market conditions by holding significant liquidity (currently 19.8% of NAV) and to hedge equity positions using a short position in FTSE 100 futures (currently 34.8% of NAV). Shareholders have benefited from the agreed takeover of El Paso Energy Corp., a US gas pipeline company, at a 37% premium to the previous market price. This was our biggest holding (7.8% of NAV) as of December 30th 2011, and we have held shares since December 2008. The acquirer, Kinder Morgan Inc. is offering shares and cash and we remain holders of El Paso in the expectation that the merged company will continue to do well. We have reduced emerging market exposure due to worry that European banks withdrawing from lending outside their home countries will cause credit problems, exacerbating the regional effects of Chinese monetary tightening. However, hopes of a soft landing in China are rising. The area where we continue to be optimistic is the energy business. Our emphasis on 'oil in safe places' look increasingly well founded as the Middle East continues to be highly unstable politically and Iran looms menacingly ever larger as it gets closer to obtaining nuclear weapons. On a positive note shale gas and increasingly shale oil are being found in safe places, particularly the Americas. The outlook remains obscure. The 2012 political landscape is complicated by significant elections in Russia, France and the US, a leadership change in China in October as well as significant political frictions between members of the EU and severe strains within Germany itself. We are very aware that corporate margins have probably peaked and that earnings estimates need to be reduced. But in a near zero interest rate world equities will continue to have appeal to investors for their capacity to pay dividends and for the potential for that dividend to offer a real return. We shall continue to place great emphasis on this aspect in our investment policy.

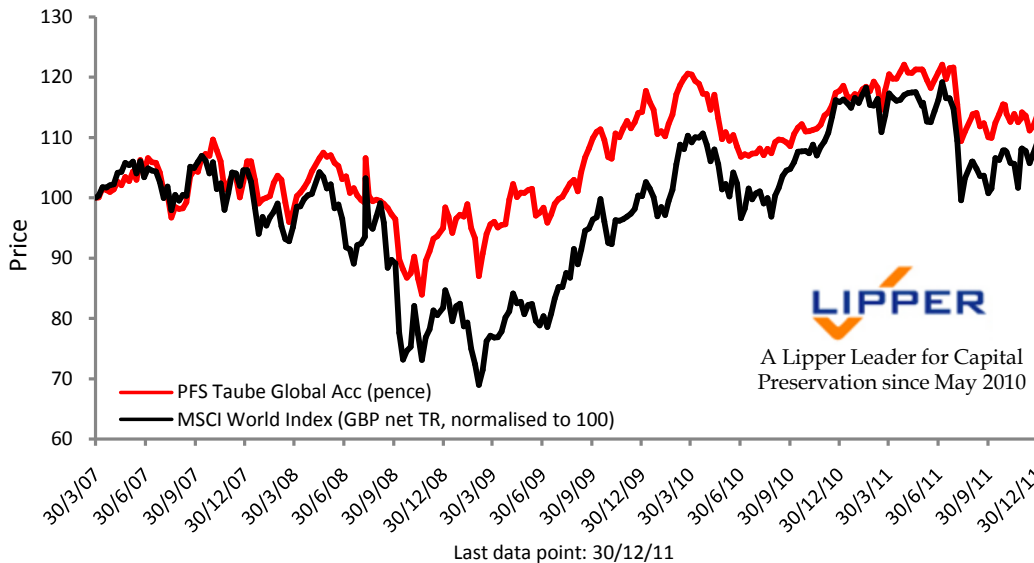


Andrew Green
Gordon Grender &
Chandos Gore Langton

Investment Strategy:
Active long-biased, unleveraged, with the tactical use of liquidity and derivatives to minimize risk

Investment Objective:
Long term capital growth

Performance – Inception to 30th December 2011



Summary of Terms

Fund Type: UK OEIC (UCITS)
Eligible for ISAs and SIPPs
Share Classes: Income and Accumulation Shares
Inception: April 2nd 2007
Base Currency: £ Sterling (GBP)

Dealing: Daily through the ACD/ Administrator
Phoenix Fund Services (UK) Ltd
TEL: 0845 026 4284
FAX: 0845 280 2419

Minimum initial investment: £25,000
Minimum subsequent investment: £5,000

Investment Management Fee: 1.5% pa
ACD Charge: 0.15% up to £50,000 and 0.1% on balances, subject to a minimum of £28,000

Depository: BNY Mellon Trust & Depository (UK) Limited

PFS Taube Global Fund Acc. Shares – Monthly Returns

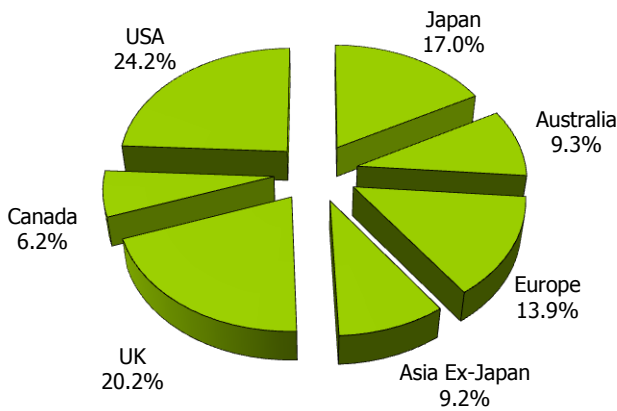
Monthly % Change	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YEAR
2011	-0.5%	+0.4%	+2.4%	+1.3%	-0.7%	-0.4%	+0.7%	-6.7%	-3.0%	+4.9%	-2.0%	+0.6%	-3.4%
2010	-3.2%	+3.0%	+5.9%	-2.8%	-6.4%	-1.2%	-1.0%	0.0%	+1.1%	+2.3%	+1.0%	+5.0%	+3.0%
2009	+2.4%	-4.1%	+2.5%	+4.3%	+1.1%	-3.2%	+2.3%	+3.2%	+5.1%	-1.3%	+4.4%	+2.4%	+20.3%
2008	-2.9%	+4.0%	-5.8%	+5.3%	+3.9%	-3.5%	-3.3%	+0.0%	-2.5%	-10.1%	+2.4%	+6.0%	-7.5%
2007				+1.0%	+1.8%	+1.7%	-0.3%	-5.8%	+6.6%	+2.3%	-4.3%	+0.3%	+2.7%

Bloomberg tickers:
Inc SWTUABI LN
Acc SWTUABA LN
ISIN number:
Inc GB00B1VNYQ88
Acc GB00B1VTF410
SEDOL number:
Inc B1VNYQ8 GB
Acc B1VTF41 GB

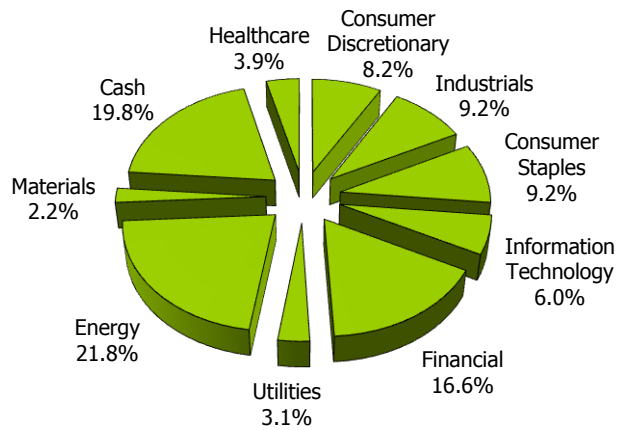


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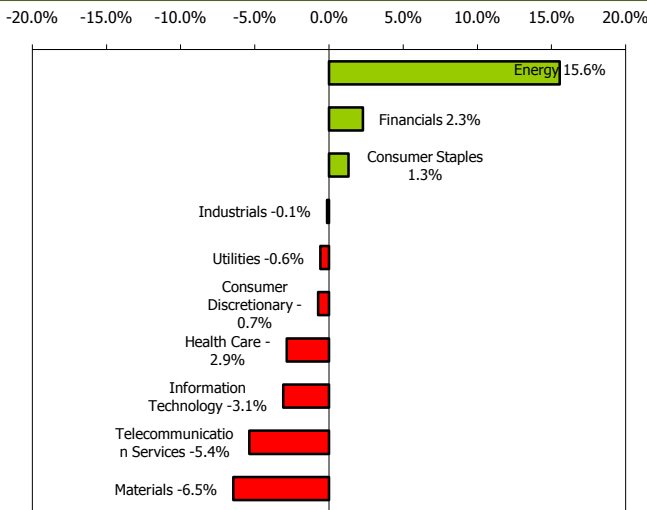
Geographical distribution of equity holdings



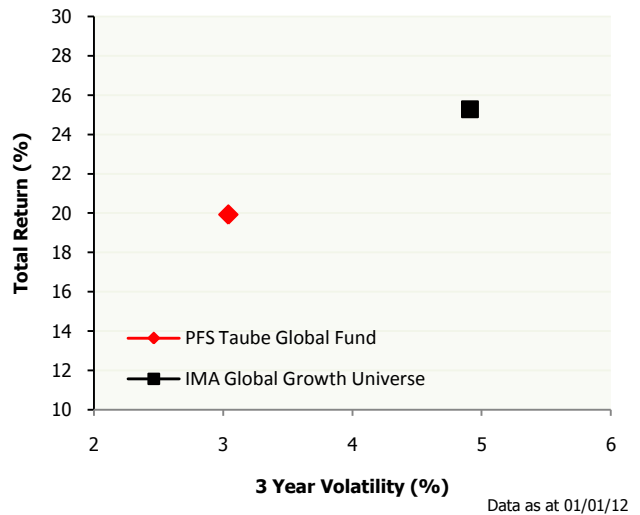
GICS Sector distribution of portfolio



Equity holdings relative to BBG World Index



3 Year Return vs. Volatility



Top 5 Holdings as a % of equity holdings

El Paso Energy Corp	9.70
Royal Dutch Shell	6.15
Bridgestone	5.75
W.R. Berkley	5.54
Sembcorp Industries	5.37

Market capitalisation distribution (%)

Large Cap	69.6
Mid-Cap	19.2
Small Cap	11.2

Disclaimer

The source of data is Nils Taube Investments Ltd unless otherwise stated. Date of Data is 30th December 2011 unless otherwise stated. Basis of performance: mid to mid. Dealing price (net of fees) provided by ACD. MSCI index returns, contributions to quarterly returns and equity holdings relative to BBG World Index are from Bloomberg. 3 year Return v Volatility is from MoneyFacts Group plc. BBG GICS sector weighting data supplied by Bloomberg (GICS=Global Industry Classification Standard). NITIL is the Investment manager of the PFS Taube Global Fund. This newsletter is provided for information purposes to existing shareholders and issued to them by Phoenix Fund Services (UK) Ltd ("PFSUK"). In addition, this newsletter has been approved as a financial promotion by Nils Taube Investments Limited (the "Firm"), authorised and regulated by the Financial Services Authority ("FSA"), and will be provided to professional clients and market counterparties in the United Kingdom. It is not intended for distribution to any other country where such distribution or use would be contrary to local law or regulation. The PFS Taube Global Fund (the "Fund") is authorised in the United Kingdom as an OEIC (Open Ended Investment Company). The ACD and administrator of the Fund is PFSUK who are authorised and regulated by the Financial Services Authority. This newsletter is provided for information purposes only and should not be regarded as an offer or solicitation of an offer to buy or sell any investments or related services, including interests in a Fund that may be referenced herein. Nothing in this document constitutes investment, legal, tax or other advice nor is it to be relied upon in making an investment decision. Subscriptions will only be received and shares issued on the basis of the current prospectus for the Fund which can be obtained by contacting the ACD. No recommendation is made positive or otherwise regarding individual securities mentioned herein. No guarantee is made to the accuracy of the information provided which has been obtained from sources believed to be reliable. Past performance is not indicative of future performance. An investor may not get back the amount invested. The price of shares and the income from the Fund can go down as well as up and can be affected by changes in rates of exchange. Investment in the Fund carries risks which are more Fully described in the prospectus. The information contained in this newsletter is strictly confidential and is intended only for use of the person who has been provided the newsletter by the Firm or PFSUK. No part of this newsletter may be divulged to any other person, distributed, resold and/or reproduced without the prior written permission of the Firm.

