Putnam World Trust

(formerly Putnam World Trust II)

Annual Report

30 June 2008

PUTNAM INVESTMENTS

Report and audited financial statements for the year ended 30 June 2008.

A Unit Trust authorised by the Irish Financial Services Regulatory Authority under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2003, as amended.

This Report includes *inter alia* information in relation to the Putnam Global Fixed Income Alpha Fund S1 and Putnam Global Fixed Income Alpha Fund S2, for which notice for public distribution pursuant to section 132 of the German Investment Act has not been filed with the German Financial Regulator (the Bafin). Units in these Funds will not be publicly marketed to investors who are governed by the German Investment Act.

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Putnam World Trust ("the Trust") is an umbrella unit trust established as an Undertaking for Collective Investment in Transferable Securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003 (as amended). The Trust converted to UCITS III in 2006. The Trust was constituted on 18 February 2000 and commenced operations on 22 February 2000. Prior to 2 September 2008, the Trust was known as Putnam World Trust II.

The Trust is an umbrella unit trust comprising Funds in which different classes of Units may be issued from time to time. Each Fund represents interests in a trust comprising a separate and distinct portfolio of investments. The Manager may issue different classes of Units in each Fund. Each Fund will bear its own liabilities and shall not bear the liabilities of any other Fund.

No material changes to the prospectus were made during this reporting period.

Effective 2 September 2008, a number of changes were made to the Trust's prospectus. Additional detail about these changes, which were communicated to all Unitholders of the Trust, is available in the Trust's prospectus and will be included in the semi-annual accounts.

1) The Trust's name changed from Putnam World Trust II to Putnam World Trust.

2) The name of the Trust's manager changed from Putnam Investments Limited to Putnam Investments (Ireland) Limited.

3) A number of revisions were made to the various sub-funds' distribution policies and classes of Units (including the investment minimums, management fees, class currencies, and sales charges for certain classes). In addition, the dealing days for some sub-funds were amended.

4) Six additional sub-funds of the Trust, offering investment in a variety of asset classes, are expected to be launched during fall 2008.

In addition, during the fiscal year, three sub-funds – Putnam American Government Bond Fund, Putnam Opportunistic Value Fund, and The George Putnam (U.S. Equity and Bond) Fund – were liquidated, and Putnam Vista (U.S. Mid-Cap Equity) Fund merged into Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund. Also, Class E Units were launched for Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund. For more information on these changes, please refer to the Trust's prospectus, or contact the Manager for more detail.

As of 30 June 2008, the Trust comprised the following Funds and Classes of Units in issue:

Fund	Classes of Units Currently in Issue	Base Currency
Putnam Diversified Income Fund‡	N/A	US Dollar
Putnam Emerging Information Sciences Fund	Classes A, B, C, E, I, and T††	US Dollar
Putnam Emerging Markets Debt Fund	Classes A, B, C, and I	US Dollar
Putnam Europe Equity Fund	Classes A, B, C, E, and I	US Dollar
Putnam European High Yield Fund‡	N/A	Euro
Putnam Global Equity Multi-Alpha Fund	Classes A, B, C, J†, M, and Q	US Dollar
Putnam Global Fixed Income Alpha Fund S1*	Class S	Sterling
Putnam Global Fixed Income Alpha Fund S2**	Classes I and S	Sterling
Putnam Global Growth Fund	Classes A, B, and I	US Dollar
Putnam Global High Yield Bond Fund	Classes A, B, C, E, I, S, and T††	US Dollar
Putnam Global Income Fund‡	N/A	US Dollar
Putnam Growth and Income (U.S. Value Equity) Fund	Classes A, B, C, E, and I	US Dollar
Putnam High Yield Advantage Fund‡	N/A	US Dollar
Putnam Income Fund‡	N/A	US Dollar
Putnam International (Non U.S. Core) Equity Fund	Classes A, B, C, and I	US Dollar
Putnam Investors (U.S. Core Equity) Fund	Classes A, B, C, E, I, and M	US Dollar
Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund	Classes A, B, C, E, and I	US Dollar
Putnam Total Return Fund	Classes A, B, C, E, J†, M, Q, and S	US Dollar
Putnam U.S. Government Bond Fund‡	N/A	US Dollar
Putnam U.S. Liquid Assets Fund	Classes A, B, C, and I	US Dollar
Putnam U.S. Small-Cap Value Equity Fund	Classes A, B, C, E, I, and M	US Dollar

* Class S Units of Putnam Global Fixed Income Alpha Fund S1 were launched on 21 February 2008.

** Class S Units of Putnam Global Fixed Income Alpha Fund S2 were launched on 25 February 2008. Class I Units were launched on 1 May 2008.

‡ This Fund has not been activated and is not available to investors at the time this report is issued.

† Class J Units are available for investment only by other collective investment funds.

†† Class T Units of Putnam Emerging Information Sciences Fund and Putnam Global High Yield Bond Fund were registered on 31 July 2007 and were launched on 26 November 2007.

For Funds with Class E Units and certain Class M Units, Units are stated in euros (€) throughout this report.

Effective 2 September 2008, various changes were made to the Unit Classes of the Funds, including termination of certain classes and launch of additional classes. Detailed information on these changes is available in the Trust's prospectus and will be included in the next semi-annual accounts.

The assets of each Fund will be invested separately in accordance with the investment objectives and policies of the Fund. Each Fund has its own investment goal and strategy for pursuing it.

Six additional sub-funds of the Trust were created following the close of the financial year and will become available for investment during Autumn 2008. Details of these sub-funds are available in the Trust's prospectus and will be included in the next semi-annual accounts.

Putnam Emerging Information Sciences Fund
The Fund's investment objective is long-term capital growth. The Fund seeks to achieve its objective by investing at least two thirds of its total assets (after deduction of ancillary liquid assets) in a diversified portfolio of equity securities issued by companies in the information science industries with special emphasis on small or emerging companies whose equity securities will be listed or traded on Recognised Exchanges.

Putnam Emerging Markets Debt Fund
The Fund's investment objective is to seek high current income. The Fund seeks its objective by investing at least two thirds of its total assets (after deduction of ancillary liquid assets) in a diversified portfolio of global fixed income and other debt and debt-related instruments. The Fund intends to invest in issues from the so-called emerging markets, including but not limited to Latin America, Asia, Central and Eastern Europe, Africa, and the Middle East. Debt-related instruments shall include but are not limited to corporate and government bonds. There is also no limit on the percentage of the Fund's assets that may be invested in any rating category or in unrated categories.

Putnam Europe Equity Fund
The Fund's investment objective is long-term capital appreciation. The Fund seeks its objective by investing at least two thirds of its total assets (after deduction of ancillary liquid assets) in a diversified portfolio of common stocks and other equity securities of European companies. The Fund will consider an issuer of securities to be a "European company" if it is organised under the laws of a European country or has a principal office in a European country. The Fund may also invest in equity securities traded on US exchanges and over-the-counter markets, securities convertible into equity securities, and ADRs (American Depository Receipts).

Putnam Global Equity Multi-Alpha Fund
The Fund's investment objective is long-term capital appreciation, which the Fund will seek by investing at least two-thirds of its total assets (after deduction of ancillary liquid assets) in equity securities of companies that are listed or traded on a Recognised Exchange. ADRs, GDRs, and securities issued under Rule 144a will be permitted and investments may also be made indirectly through the use of derivatives, such as warrants and rights.

Putnam Global Fixed Income Alpha Fund S1
The Fund's investment objective is to achieve an annual total return before fees that exceeds six-month Sterling LIBOR by 1.0% or more, as measured over rolling three-year periods. The Fund proposes to seek this objective by investing principally and at least two-thirds of its total assets (after deduction of ancillary liquid assets) in listed transferable securities, i.e. investment-grade and non-investment-grade government, agency, supranational, corporate, and securitised bonds (including commercial paper and convertible bonds), collateralised mortgage obligations, asset-backed and mortgage-backed securities, collateralised securities, securitised loan interests, certificates of deposit, and other short-term instruments and other similar instruments.

Putnam Global Fixed Income Alpha Fund S2
The Fund's investment objective is to achieve an annual total return before fees that exceeds six-month Sterling LIBOR by 2.0% or more, as measured over rolling three-year periods. The Fund proposes to seek this objective by investing principally and at least two-thirds of its total assets (after deduction of ancillary liquid assets) in listed transferable securities, i.e. investment-grade and non-investment-grade government, agency, supranational, corporate, and securitised bonds (including commercial paper and convertible bonds), collateralised mortgage obligations, asset-backed and mortgage-backed securities, collateralised securities, securitised loan interests, certificates of deposit, and other short-term instruments and other similar instruments.

Putnam Global Growth Fund
The Fund's investment objective is to seek capital appreciation. Current income is only an incidental consideration. The Fund follows a global investment strategy of investing at least two thirds of its total assets (after deduction of ancillary liquid assets) in equity securities traded on Recognised Exchanges located in a number of countries. The Fund may at times invest up to 100% of its assets in securities principally traded on Recognised Exchanges outside the United States. Under normal market conditions, the Fund invests at least 65% of its assets in at least three different countries, one of which may be the United States.

Putnam Global High Yield Bond Fund
The Fund seeks high current income. Capital growth is a secondary objective when consistent with the objective of high current income. The Fund seeks high current income by investing at least two thirds of its total assets (after deduction of ancillary liquid assets) in high-yielding, lower-rated debt securities such as securities rated lower than BBB by Standard & Poor's or Baa by Moody's, and listed or traded on Recognised Exchanges, constituting a portfolio that the Investment Advisor believes does not involve undue risk to income or principal.

* Funds that no longer offer their Units and are in the process of deauthorisation are not listed.

Putnam Growth and Income (U.S. Value Equity) Fund
The primary investment objective of the Fund is capital growth. Current income is a secondary objective. The Fund invests at least two thirds of its total assets (after deduction of ancillary liquid assets) in equity securities of companies organised or whose principal office is in the United States that offer potential for capital growth and may, consistent with the Fund's primary investment objective, invest in stocks that offer potential for current income. The Fund may invest up to 20% of its net assets in securities principally traded in non-US markets.

Putnam International (Non U.S. Core) Equity Fund
The Fund's investment objective is long-term capital appreciation. The Fund seeks its objective by investing at least two thirds of its total assets (after deduction of ancillary liquid assets) in equity securities of companies located outside the United States. The Fund may invest in equity securities traded on US exchanges (including the Nasdaq) and over-the-counter markets, securities convertible into equity securities (including warrants), and ADRs.

Putnam Investors (U.S. Core Equity) Fund
The Fund aims to achieve long-term capital growth and any income that results from this growth. The Fund is designed for investors seeking long-term growth of capital from a portfolio investing at least two thirds of its total assets (after deduction of ancillary liquid assets) in equity securities issued by companies organised or whose principal office is in the United States. Although the Fund's investments are not limited to any particular type of company, the Investment Advisor currently expects that the Fund will invest a substantial portion of its assets in common stocks of companies with market capitalisations of more than US$1 billion.

Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund
The Fund's investment objective is long-term capital appreciation. The Fund seeks its objective by investing at least two thirds of its total assets (after deduction of ancillary liquid assets) in common stocks of companies organised or whose principal office is in the United States that are in sectors of the US economy that the Investment Advisor believes possess above-average, long-term growth potential. The Fund will generally invest in companies that the Investment Advisor identifies as offering the best prospects for long-term growth within a particular sector.

Putnam Total Return Fund
The Fund's investment objective is to provide positive total return, both relative and absolute, by investing its net assets primarily in a diversified multi-asset class portfolio of global equities (including preferred stocks and convertible securities), and in a wide range of fixed-income securities. The portfolio will include US and non-US securities and US and non-US debt instruments, which are listed or traded on Recognised Exchanges.

Putnam U.S. Liquid Assets Fund†
The Fund seeks as high a level of current income as the Investment Advisor believes is consistent with preservation of capital and maintenance of liquidity. The Fund pursues its objectives by investing in a portfolio of high-quality US dollar-denominated money market instruments issued by entities organised or having their principal offices in the United States. Examples of these instruments include (but are not limited to) bank certificates of deposit (CDs), bankers' acceptances, prime commercial paper, corporate obligations, and government securities.

Putnam U.S. Small-Cap Value Equity Fund
The Fund's investment objective is to achieve long-term capital growth and any income that results from this growth. The Fund is designed for investors seeking long-term growth of capital from a portfolio investing at least two-thirds of its total assets (after deduction of ancillary liquid assets) in equity securities of companies with market capitalisations of not more than US$5 billion ("small-cap companies"). The Fund will invest at least two thirds of its total assets (after deduction of ancillary liquid assets) in equity securities issued by small-cap companies organised or whose principal office is located in the United States. The Fund may invest up to one-third of its net assets in equity securities with larger market capitalisations or equity securities principally traded on non-US securities markets.

† Putnam U.S. Liquid Assets Fund was terminated on 19 September 2008.

DISTRIBUTION POLICY AS OF 30 JUNE 2008

Each Fund has its own specific distribution policy. If the Manager decides to make a distribution, it will be paid at the Manager's discretion as set out in the relevant prospectus supplement for the Fund. For certain Funds, the Manager will distribute all net investment income of a Fund at least annually and sometimes more frequently, as specified in the relevant supplement. The Manager does not currently intend to make any distributions of realised capital gains, unless otherwise specified in the prospectus.

Distributions shall be made to the Unitholders on record on the date of distribution rate in accordance with the number of Units held in that particular Fund. The distributions payable to Unitholders will be reinvested in Units of the relevant Fund unless otherwise requested by the Unitholder.

Putnam Total Return Fund, Putnam Global Fixed Income Alpha Fund S1, Putnam Global Fixed Income Alpha Fund S2 and Putnam Global Equity Multi-Alpha Fund, as well as Class T Units of Putnam Emerging Information Sciences Fund and Putnam Global High Yield Bond Fund, do not currently intend to distribute net investment income, though the Manager has the discretion to do so at any time. If, in the future, it is determined that this will be done, the amount to be distributed to Unitholders will be decided upon by the Manager. Such distributions, if any, will be made annually within four months of the financial year-end.

Effective 2 September 2008, changes were made to the distribution policies of the existing Units of the Trust. Detailed information on these changes is available in the Trust's prospectus and will be included in the next semi-annual accounts.

CALCULATION OF NET ASSET VALUE

The net asset value of each Fund will be expressed in the base currency of the relevant Fund and will be calculated on each Dealing Day by ascertaining the value of the assets of the Fund on such Dealing Day and deducting, from such value, the liabilities of the Fund on such Dealing Day. The net asset value per Unit is calculated by dividing the net asset value of the relevant Fund by the number of Units then outstanding for that Fund, or the net asset value of the relevant Fund attributable to the Class of Unit divided by the number of Units in that Class then in issue or deemed to be in issue on such Dealing Day and rounding the result to the nearest Unit of currency.

The most recently available net asset value per Unit and the net asset value per Unit per Class on each Dealing Day will be made public at the registered office of the Administrator and either at the *Financial Times* or at the following website address: www.putnam.com; and/or in any other publication that the Manager may from time to time determine.

CALCULATION OF SALES CHARGES AS OF 30 JUNE 2008

For all Funds except for Putnam Global Equity Multi-Alpha Fund and Putnam Total Return Fund, Class I, J, and M Units may be subject to an initial sales charge of up to 5% of the Net Asset Value per Unit at the discretion of the Manager. Class A, E, S, and T Units may be subject to a sales charge of up to 6.25%. Class B and C Units may be subject to a deferred sales charge.

Class C Units are not subject to an initial sales charge at the time of purchase, but a higher ongoing management fee is paid out of assets, and Unitholders may incur a 1% CDSC (Contingent Deferred Sale Charge) if the Units are redeemed within one year of purchase.

For Putnam Total Return Fund, Class E, I, J, M, Q, and S Units have no initial or deferred sales charge.

For Putnam Global Equity Multi-Alpha Fund, Class I, J, M, and Q Units have no initial or deferred sales charges. It is currently expected that Class J Units will only be available for investment by other collective investment funds (e.g., feeder funds) but the Manager reserves the right to vary this policy at any time.

Effective 2 September 2008, changes were made to the sales charges of the existing Units of the Trust. Detailed information on these changes is available in the Trust's prospectus and will be included in the next semi-annual accounts.

FINANCIAL DERIVATIVES INSTRUMENTS

The Manager may, on behalf of each Fund, employ techniques and instruments relating to transferable securities and money market instruments under and in accordance with conditions or requirements imposed by the Financial Regulator. The derivatives used by the Funds may include futures, swaps, options, TBA purchase and sales, forward contracts, and contracts for difference, and they may be used for hedging and for investment purposes, including as a substitute for direct investment in securities or to obtain additional exposure beyond that which might be obtained from a traditional securities portfolio, subject always to the restrictions and requirements of the Financial Regulator. Details of the derivatives that may be used are set out in the derivatives risk management process filed with the Financial Regulator. The Funds may also use forward foreign exchange contracts and other currency instruments for hedging or to alter the currency exposure characteristics of transferable securities held by the Funds as an alternative currency exposure management strategy. The techniques and instruments that the Manager may use on behalf of the Trust or any Fund are set out in Appendix II of the Prospectus and, if applicable to a particular Fund, the relevant Supplement.

For the purpose of providing margin or collateral in respect of transactions in techniques and instruments, the Trustee may transfer, mortgage, charge, or encumber any assets or cash forming part of the relevant Fund.

Dear Unitholder:

Global financial markets are currently experiencing the kind of upheaval not seen in many years. Investor confidence has been shaken by losses across a range of sectors worldwide and by the collapse of several prominent financial companies. On 3 October, US lawmakers approved a US$700 billion rescue plan for the financial industry. The plan allows the US Treasury to buy the failed mortgages and mortgage-related securities that are at the heart of the crisis. Treasury secretary Henry Paulson said that this comprehensive plan was necessary because the "case-by-case" rescues of firms such as Bear Stearns, AIG, Fannie Mae, and Freddie Mac had not done enough to restore investor confidence. European governments had also begun to take steps to protect the financial system, which included measures to shore up banks. We are encouraged by the actions being taken, which we believe will restore stability to the financial system in due course, although the process likely will take some time.

As a Unitholder of one or more Putnam World Trust Funds, you should feel confident about the financial standing of Putnam Investments. Our parent companies, Great-West Lifeco and Power Financial Corporation, are among the largest and most successful organisations in the financial services industry. All three companies are well-capitalised with strong cash flows.

We are pleased to announce that Robert L. Reynolds, a well-known leader and visionary in the mutual fund industry, joined the Putnam leadership team as President and Chief Executive Officer of Putnam Investments effective 1 July 2008. Charles E. Haldeman, Jr., former President and CEO, has taken on the role of Chairman of Putnam Investment Management, LLC, the firm's United States fund management company.

Mr. Reynolds brings to Putnam substantial industry experience and an outstanding record of success. He was Vice Chairman and Chief Operating Officer at Fidelity Investments from 2000 to 2007, and President of Fidelity's Institutional Retirement Group from 1996 to 2000. We are extremely pleased to be working with Bob as we continue to position Putnam to exceed our investors' expectations.

I would like to take this opportunity to welcome new investors to the Funds and, on behalf of everyone at Putnam Investments (Ireland) Limited, to thank all of our investors for your continued confidence in the Putnam World Trust family of funds.

Respectfully yours,

Joseph T. Phoenix

Director

Putnam Investments (Ireland) Limited

24 October 2008

PUTNAM WORLD TRUST TOTAL RETURN* FOR YEAR ENDED 30 JUNE 2008 (UNAUDITED)

	Class A	Class B		Class C§		Class E‡	Class I	Class J	Class M	Class Q	Class S	Class T§§§§
	NAV	NAV	CDSC	NAV	CDSC	NAV	NAV	NAV	NAV	NAV	NAV	NAV
Putnam Emerging Information Sciences Fund†												
1 year	-19.79%	-20.18%	-23.37%	-19.91%	-20.71%	-6.59%	-19.47%	–%	–%	–%	–%	–%
5 years												
Cumulative	47.06	43.56	43.56	45.32	45.32	101.23	50.14	–	–	–	–	–
Annualised	8.02	7.50	7.50	7.76	7.76	15.01	8.47	–	–	–	–	–
Life of Fund (since 3/4/00)												
Cumulative	-77.70	-78.66	-78.66	-78.15	-78.15	30.75	-76.97	–	–	–	–	–
Annualised	-16.65	-17.09	-17.09	-16.86	-16.86	3.95	-16.32	–	–	–	–	–
Putnam Emerging Markets Debt Fund												
1 year	4.10	3.50	-0.49	3.46	2.46	–	3.92	–	–	–	–	–
Life of Fund (since 31/1/05)												
Cumulative	23.43	21.07	20.07	21.49	21.49	–	23.04	–	–	–	–	–
Annualised	6.34	5.75	5.49	5.85	5.85	–	6.25	–	–	–	–	–
Putnam Europe Equity Fund††												
1 year	-16.93	-17.32	-20.63	-17.12	-17.95	-12.22	-16.61	–	–	–	–	–
5 years												
Cumulative	86.36	81.99	81.99	83.19	83.19	98.26	90.32	–	–	–	–	–
Annualised	13.26	12.72	12.72	12.87	12.87	14.67	13.74	–	–	–	–	–
Life of Fund (since 18/2/00)												
Cumulative	4.52	0.26	0.26	1.99	1.99	59.03	7.83	–	–	–	–	–
Annualised	0.53	0.03	0.03	0.24	0.24	6.94	0.91	–	–	–	–	–
Putnam Global Equity Multi-Alpha Fund* **												
1 year	-12.76	–	–	–	–	–	–	-11.40	-12.70	-12.05	–	–
Life of Fund (30/6/06)												
Cumulative	10.24	-15.53	-18.91	-15.41	-16.26	–	–	12.47	10.00	-0.35	–	–
Annualised	5.00	–	–	–	–	–	–	6.46	4.88	-0.22	–	–
Putnam Global Fixed Income Alpha Fund S1												
Life of fund (since 21/2/08)												
Cumulative	–	–	–	–	–	–	–	–	–	–	2.80	–
Annualised	–	–	–	–	–	–	–	–	–	–	–	–
Putnam Global Fixed Income Alpha Fund S2‡‡												
Life of fund (since 25/2/08)												
Cumulative	–	–	–	–	–	–	-0.91	–	–	–	1.32	–
Annualised	–	–	–	–	–	–	–	–	–	–	–	–
Putnam Global Growth Fund†												
1 year	-11.96	-12.37	-15.87	–	–	–	-11.62	–	–	–	–	–
5 years												
Cumulative	55.43	51.49	51.49	–	–	–	58.43	–	–	–	–	–
Annualised	9.22	8.66	8.66	–	–	–	9.64	–	–	–	–	–
Life of Fund (since 18/2/00)												
Cumulative	-39.05	-41.56	-41.56	–	–	–	-36.99	–	–	–	–	–
Annualised	-5.75	-6.22	-6.22	–	–	–	-5.37	–	–	–	–	–
Putnam Global High Yield Bond Fund†§§												
1 year	-3.95	-4.35	-7.95	-4.18	-5.06	11.61	-4.11	–	–	–	-3.35	-4.07
5 years												
Cumulative	34.07	30.95	30.95	31.80	31.80	76.99	34.25	–	–	–	–	33.90
Annualised	6.04	5.54	5.54	5.68	5.68	12.10	6.07	–	–	–	–	6.01
Life of Fund (since 18/2/00)												
Cumulative	35.30	29.55	29.55	31.97	31.97	78.03	38.19	–	–	–	37.60	35.13
Annualised	3.68	3.14	3.14	3.37	3.37	11.96	3.94	–	–	–	7.49	3.66

PUTNAM WORLD TRUST TOTAL RETURN* FOR YEAR ENDED 30 JUNE 2008 (UNAUDITED)

	Class A	Class B		Class C§		Class E‡	Class I	Class J	Class M	Class Q	Class S	Class T§§§§
	NAV	NAV	CDSC	NAV	CDSC	NAV	NAV	NAV	NAV	NAV	NAV	NAV
Putnam Growth and Income (U.S. Value Equity) Fund††												
1 year	-28.34%	-28.67%	-31.52%	-28.56%	-29.27%	-16.84%	-27.99%	–%	–%	–%	–%	–%
5 years												
Cumulative	6.54	3.95	3.95	5.17	5.17	50.03	8.77	–	–	–	–	–
Annualised	1.28	0.78	0.78	1.01	1.01	8.45	1.70	–	–	–	–	–
Life of Fund (since 18/2/00)												
Cumulative	-0.50	-4.63	-4.63	-2.65	-2.65	59.66	2.82	–	–	–	–	–
Annualised	-0.06	-0.57	-0.57	-0.32	-0.32	7.00	0.33	–	–	–	–	–
Putnam International (Non U.S. Core) Equity Fund††												
1 year	-14.50	-14.94	-18.33	-14.70	-15.55	–	-14.20	–	–	–	–	–
5 years												
Cumulative	76.90	72.42	72.42	74.03	74.03	–	79.61	–	–	–	–	–
Annualised	12.08	11.51	11.51	11.72	11.72	–	12.43	–	–	–	–	–
Life of Fund (since 18/2/00)												
Cumulative	0.94	-3.43	-3.43	-1.51	-1.51	–	3.65	–	–	–	–	–
Annualised	0.11	-0.42	-0.42	-0.18	-0.18	–	0.43	–	–	–	–	–
Putnam Investors (U.S. Core Equity) Fund†§§§												
1 year	-24.96	-25.38	-28.37	-25.09	-25.84	-12.26	-24.49	–	-23.74	–	–	–
5 years												
Cumulative	16.63	13.86	13.86	15.25	15.25	–	19.35	–	24.62	–	–	–
Annualised	3.12	2.63	2.63	2.88	2.88	–	3.60	–	4.50	–	–	–
Life of Fund (since 18/2/00)												
Cumulative	-38.92	-41.48	-41.48	-40.11	-40.11	11.17	-36.46	–	-31.93	–	–	–
Annualised	-5.72	-6.20	-6.20	-5.94	-5.94	5.81	-5.28	–	-4.49	–	–	–
Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund††												
1 year	-11.00	-11.41	-14.95	-11.13	-12.02	–	-10.60	–	–	–	–	–
5 years												
Cumulative	34.01	30.91	30.91	32.50	32.50	–	35.95	–	–	–	–	–
Annualised	6.03	5.53	5.53	5.79	5.79	–	6.33	–	–	–	–	–
Life of Fund (since 18/2/00)												
Cumulative	-51.96	-53.92	-53.92	-52.92	-52.92	–	-50.77	–	–	–	–	–
Annualised	-8.39	-8.85	-8.85	-8.61	-8.61	–	-8.12	–	–	–	–	–
Putnam Total Return Fund* **												
1 year	7.69	–	–	–	–	25.31	–	7.71	24.79	8.49	9.22	–
Life of Fund (30/6/06)												
Cumulative	18.59	6.12	2.12	6.35	5.35	31.65	–	20.00	42.29	12.71	15.65	–
Annualised	8.90	–	–	–	–	18.97	–	10.20	19.29	7.85	9.62	–
Putnam U.S. Liquid Assets Fund††**												
1 year	3.63	3.14	-0.86	3.13	2.13	–	3.63	–	–	–	–	–
5 years												
Cumulative	12.93	10.84	10.84	10.88	10.88	–	12.78	–	–	–	–	–
Annualised	2.46	2.08	2.08	2.09	2.09	–	2.43	–	–	–	–	–
Life of Fund (since 18/2/00)												
Cumulative	23.27	19.25	19.25	20.18	20.18	–	23.18	–	–	–	–	–
Annualised	2.53	2.13	2.13	2.22	2.22	–	2.52	–	–	–	–	–
Putnam U.S. Small-Cap Value Equity Fund††§§§												
1 year	-32.12	-32.49	-35.19	-32.36	-33.04	-21.15	-31.84	–	-31.11	–	–	–
5 years												
Cumulative	33.00	29.71	29.71	31.04	31.04	78.73	35.80	–	41.22	–	–	–
Annualised	5.87	5.34	5.34	5.56	5.56	12.32	6.31	–	7.15	–	–	–
Life of Fund (since 17/4/01)												
Cumulative	42.71	37.65	37.65	40.03	40.03	125.80	46.82	–	55.00	–	–	–
Annualised	5.06	4.54	4.54	4.79	4.79	12.50	5.48	–	6.27	–	–	–

* Total return is the change in Unit value and assumes reinvestment of all distributions back into the Fund. Performance data represent past results. Past performance may not be a reliable guide to future performance. Investment returns and principal value will fluctuate so an investor's Units, when sold, may be worth more or less than their original cost. Fund performance data do not take into account any adjustment for taxes payable on reinvested distributions.

** Putnam U.S. Liquid Assets Fund is not subject to an initial sales charge.

*** Class I Units of Putnam Global Equity Multi-Alpha Fund and Putnam Total Return Fund were redesignated Class A Units on 10 July 2007. Class A and M Units of Putnam Global Equity Multi-Alpha Fund and Putnam Total Return Fund launched 30 June 2006. Class B and C Units of Putnam Global Equity Multi-Alpha Fund and Putnam Total Return Fund launched on 10 July 2007. Class J Units of Putnam Global Equity Multi-Alpha Fund and Putnam Total Return Fund launched on 14 August 2006. Class E, Q, and S Units of Putnam Total Return Fund and Class Q Units of Putnam Global Equity Multi-Alpha Fund launched on 30 November 2006.

† Class I performance has been restated based on Class A performance. Actual Class I performance began on 8 June 2000.

†† Class I performance has been restated based on Class A performance. Actual Class I performance began on 18 April 2001.

‡ Actual Class E performance for the Funds began on 1 August 2001 with the exception of Putnam Global High Yield Bond Fund, which began 23 May 2003. Putnam Investors (U.S. Core Equity) Fund Class E Units launched on 14 August 2006. Returns for periods of less than six months are not reported. Performance is based on US dollar valuations.

‡‡ Class I Units launched on 1 May 2008.

§ Class C performance has been restated based on Class A performance. Actual Class C performance began on 27 February 2004, with the exception of Putnam Europe Equity Fund and Putnam International (Non U.S. Core) Equity Fund, which began 1 June 2005, and Putnam U.S. Liquid Assets Fund, which began on 1 November 2005.

§§ Class S Units launched on 30 January 2004. Performance is based on US dollar valuations.

§§§ Putnam Investors (U.S. Core Equity) Fund and Putnam U.S. Small-Cap Value Equity Fund offer Class M Units (28 April 2006), which have been restated based on Class A performance.

§§§§ Performance of Class T Units has been restated based on performance of Class A Units. Actual Class T performance began on 26 November 2007.
Returns shown for Class B and Class I Units for the periods prior to inception are derived from the historical performance of Class A Units adjusted to reflect the lower operating expenses applicable to such Units. Class B Units returns reflect the applicable CDSC, which is 4% in the first year, declining to 1% in the fourth year, and is eliminated thereafter. Class C Units reflect a 1% CDSC in the first year and is eliminated thereafter.

Data is historical. Past performance is not a guarantee of future results. More recent returns may be less or more than those shown. Investment return, net asset value, and market price will fluctuate, and you may have a gain or a loss when you sell your Units. Performance assumes reinvestment of distributions at NAV and does not account for any taxes or sales charges. The payment of any sales charges will reduce performance.

The difference at any one time between the issue price and the redemption price of Fund Units means that the investment should be viewed as medium to long term. For funds with income as an objective, income may fluctuate in accordance with market conditions and taxation arrangements. Changes in the exchange rate may have an adverse effect on the value, price, or income of the US dollar-based Funds.

Class A1 Units have been re-designated Class I Units as of 17 October 2003. Returns shown for Class C and Class I Units for periods prior to inception are derived from the historical performance of Class A Units, adjusted to reflect the different operating expenses applicable to such Units, but not adjusted to reflect the current maximum sales charge.

The Funds are sub-funds of Putnam World Trust, an umbrella unit trust domiciled in Dublin, Ireland. Prior to 22 February 2000, certain of the Funds were domiciled in the Cayman Islands and were subject to lower fees and expenses (except for Putnam Emerging Information Sciences Fund, which was re-domiciled from Luxembourg to Ireland on 3 April 2000). The Trust is established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003 (as amended).

Effective 2 September 2008, various changes were made to the Unit classes of the Funds, including termination of certain classes, launch of additional classes, changes to fee structure and investment minimums. The performance information also does not reflect these changes, which took place after the end of the period.

Putnam Emerging Information Sciences Fund

A broad mix of factors affected US financial markets over the past year. Following a period of extended tranquillity, volatility returned to both the stock and bond markets. What had been ample liquidity conditions reversed abruptly early in the period as the decline in the prices of subprime mortgage securities spread throughout the credit markets and inaugurated the credit crunch. During the period's second half, the credit crunch became a full-blown liquidity crisis as turmoil continued to spread well beyond subprime securities. Oil prices rose throughout the period and reached US$140 per barrel on the New York Mercantile Exchange near the end of the period. Surging food and energy prices resulted in rising US inflation as the period came to a close.

As the US economy weakened and financial turbulence continued, the Federal Reserve Board (the Fed) moved aggressively and cut the federal funds target rate by 3.25 percentage points from September 2007 through April 2008, reducing the benchmark lending rate from 5.25% to 2.00%. By the second quarter of 2008, the Fed's creative policy approach appeared to restore a measure of order to financial markets, and numerous indicators of market distress eased significantly.

Broad US indexes registered double-digit negative returns. On a relative basis, large- and mid-cap stocks held up better than small-cap stocks, and growth stocks outperformed value stocks, but still posted negative results overall.

Within this environment, the Fund posted negative returns: -19.79% for Class A Units, -20.18% for Class B Units, -19.91% for Class C Units, -6.59% (-19.77% in euro terms) for Class E Units, and -19.47% for Class I Units, all at net asset value (NAV, or without sales charges). The Fund's benchmark, the Russell 2500 Growth Technology Index, declined 10.33% for the period.

During the period, we remained focused on bottom-up stock selection within industries where we have high levels of conviction. These industries include communications equipment, where valuations recovered from exceptionally low levels, and computer hardware manufacturers, which generated modest growth in gross revenues. In the case of computer hardware companies, we believe their recent growth trajectory, combined with favourable valuations, offers the possibility of solid upside potential with limited downside risk. Lastly, software companies remain highly profitable and continue to generate robust cash flows.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class E* NAV	Class I NAV
30/6/07	$13.09	$15.36	$10.85	€7.74	$13.46
30/6/08	10.50	12.26	8.69	6.21	10.84

* Values stated in euros.

The Fund made no distributions during the year.

International investing involves certain risks, such as currency fluctuations, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. The Fund invests some or all of its assets in small and/or midsize companies. Such investments increase the risk of greater price fluctuations. The Fund invests in fewer issuers or concentrates its investments by region or sector, and involves more risk than a fund that invests more broadly.

Putnam Emerging Markets Debt Fund

Thanks to strong returns during the first half of the year, emerging markets (EM) debt posted positive results for the year overall. The Fund's benchmark, the JPMorgan Emerging Markets Bond Global Diversified Index, returned 4.92% for the 12 months ended 30 June 2008. Performance weakened during the period's second half as the EM debt market grappled with investor anxiety about the potential effects of a US economic slowdown and the ensuing flight to quality. Still, even against this backdrop, EM debt significantly outpaced most domestic and international stock benchmarks during the latter half of the period, and also outperformed the US high-yield bond market. Country fundamentals remained strong, as did the technical (supply and demand) backdrop for EM debt.

Within this environment, the Fund generated positive returns across all Unit classes: 4.10% for Class A Units, 3.50% for Class B Units, 3.46% for Class C Units, and 3.92% for Class I Units, all at net asset value (NAV, or without sales charges).

Advantageous country allocations bolstered the Fund's results during the period. Specifically, an overweight position in Peru, which posted some of the best gains during the period, helped returns, as did underweight positions in Pakistan and Indonesia.

EM debt spreads versus US Treasuries widened significantly as the period came to a close. Inflation in emerging economies continues to accelerate; however, record-high commodity prices are beneficial to EM exporters. At the same time, interest rates have risen sharply in many EM countries and governments are struggling to maintain growth while keeping inflation contained. All told, our outlook for EM debt has become increasingly defensive as we wait to see how current spikes in inflation and interest rates will be addressed.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class I NAV
30/6/07	$9.09	$9.08	$9.10	$9.61
30/6/08	9.06	9.05	9.05	9.58

Distributions	Number	Income	Capital gain	Total
Class A	12	$0.3960	—	$0.3960
Class B	12	0.3430	—	0.3430
Class C	12	0.3600	—	0.3600
Class I	1	0.3981	—	0.3981

International investing involves certain risks, such as currency fluctuations, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. Lower-rated bonds may offer higher yields for more risk. Mutual funds that invest in bonds are subject to certain risks, including interest-rate risk, credit risk, and inflation risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses.

Putnam Europe Equity Fund

The credit crisis that began in the United States in 2007 caused severe and recurring market dislocations for Europe. In July and August 2007, investors began to realise that the US subprime mortgage crisis would pose a threat to the worldwide financial system. European financial companies with significant holdings in US mortgage-backed securities were among the first to be injured. As a consequence, investors fled risky stocks and crowded into a handful of high-quality, large-cap companies with strong earnings momentum, regardless of their valuation. This was a particular problem for the Fund's strategy, because valuation signals are at the core of our investment process.

Against this backdrop, the Fund posted negative returns: -16.93% for Class A Units, -17.32% for Class B Units, -17.12% for Class C Units, -12.22% (-24.55% in euro terms) for Class E Units, and -16.61% for Class I Units, all at net asset value (NAV, or without sales charges). The Fund's benchmark, the MSCI Europe Index, declined 11.34% for the period.

The Fund was well positioned in the second half of the period, benefiting from favouring large and mega-cap stocks, and from sector positioning, especially an overweight position in energy and underweight positions in financials and consumer cyclicals.

Overall, economic growth in Europe is slowing and the markets are reflecting that slowdown. Growth in Europe continues to be driven by Germany, which in turn is supported by exports to emerging markets. Emerging markets face the threat of central banks taking actions to dampen growth and stem inflationary pressures from increased food and energy prices. Also, within Europe, the European Central Bank's focus on fighting inflation and the strength of the euro together create a headwind for European exporters and a risk for stocks. Therefore, a cautious outlook is necessary in these uncertain times.

We plan to continue our defensive posture by increasing large-cap exposure and positioning the Fund for a period of slower growth in Europe. At period's end, the Fund had an overweight position in the energy sector, while consumer cyclicals, financials, and capital goods were the largest underweight positions. By country, the Fund maintained overweight positions in Switzerland and Norway.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class E* NAV	Class I NAV
30/6/07	$19.73	$18.82	$13.66	€9.98	$19.38
30/6/08	16.39	15.56	11.30	7.53	16.16

Distributions	Number	Income	Capital gain	Total
Class A	—	—	—	—
Class B	—	—	—	—
Class C	1	$0.0246	—	$0.0246
Class E	—	—	—	—
Class I	—	—	—	—

* Values stated in euros.

International investing involves certain risks, such as currency fluctuations, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. The Fund invests some or all of its assets in small and/or midsize companies. Such investments increase the risk of greater price fluctuations. The Fund invests in fewer issuers or concentrates its investments by region or sector, and involves more risk than a fund that invests more broadly.

Putnam Global Equity Multi-Alpha Fund

Despite continuing concerns about a worldwide liquidity crisis, record-high energy prices, and the future of the US economy, global stock markets outperformed many of the major US equity market benchmarks for the year ended 30 June 2008. Specifically, the Fund's benchmark, the MSCI® World Index fell 10.68% during the period. However, this result compared favourably with the Standard & Poor's 500 Index and the broad-market Russell 3000 Index, which declined by 13.12% and 12.69%, respectively, for the year. The United Kingdom suffered a loss comparable to that of the benchmark and was hurt by many of the same negative factors as the US markets. Finland, Hong Kong, and Belgium fared even worse, all falling more than 20% during the second half of the period. Japan and Norway, meanwhile, held up relatively well, particularly during the period's second half.

Within this environment, the Fund posted negative returns: -12.76% for Class A Units, -15.53% for Class B Units, -15.41% for Class C Units, -11.40% for Class J Units, -12.70% for Class M Units (-25.00% in euro terms), and -12.05% for Class Q Units, all at net asset value (NAV, or without sales charges).

With respect to country exposure, during the first half of the period, positive contributors to performance included long positions in Hong Kong, Singapore, and Australia, and short positions in Sweden, Japan, and France. Long positions in Belgium and Germany, and a short position in Canada detracted from results. During the second half of the period, a long position in Australia, and short positions in Sweden, France, the Netherlands, and Switzerland aided results. Long positions in the United States, the United Kingdom, Italy, and Germany, and short positions in Canada and Japan weighed on performance. At the end of the period, the Fund's largest country overweight positions were in the United Kingdom and Italy, and the largest underweight positions were in Switzerland, Singapore, and Sweden.

Looking ahead, we will continue to follow our disciplined process of developing country forecasts using four key factors: value, macro, growth, and expectational. Value factors favour relatively inexpensive markets while disfavouring expensive markets. Macro factors seek to identify countries with interest-rate environments that are favourable to stocks. Growth factors, such as momentum, and expectational factors, such as earnings surprises, provide further insights into markets and stocks that appear attractive as either buy or sell candidates, and guide us in taking long or short positions.

Unit value	Class A NAV	Class B§ NAV	Class C§ NAV	Class J NAV	Class M* NAV	Class Q NAV
30/6/07	$10.74	—	—	$10.79	€7.92	$9.63
10/7/07	—	$8.50	$8.50	—	—	—
30/6/08	9.37	7.18	7.19	9.56	5.94	8.47

The Fund made no distributions during the year.

* Values stated in euros.

§ Launched 10 July 2007.

Global investing involves certain risks, such as currency fluctuations, economic instability, and political developments. Additional risks may be associated with emerging market securities. The Fund invests some or all of its assets in small and/or midsize companies. Such investments increase the risk of greater price fluctuations. The use of derivatives involves special risks and may result in losses.

Putnam Global Fixed Income Alpha Fund S1

During the final three months of the period, investors moved out of sovereign bonds and into higher-yielding, riskier assets as systemic-risk fears subsided. Bond yields spiked and credit spreads tightened until late June, when risk aversion crept back into the markets. Inflation was the dominant concern, as crude oil prices consistently breached previous highs and the dollar depreciated. But as data on the economy grew more dismal, concerns about its prospects shifted to the fore. Both the US Federal Reserve Board (the Fed) and the Bank of England cut their target overnight rates by 0.25% in April and held them steady for the rest of the quarter. Meanwhile, inflation remained the main focus of the European Central Bank; it kept rates unchanged during the final months of the period, but raised them by 0.25% in early July.

Against this backdrop, the Fund's Class S Units returned 2.80% (1.20% in sterling terms) at net asset value (NAV, or without sales charges) versus 1.01% for the Fund's benchmark, the 6-Month LIBOR Index (2.07% in sterling terms). (Please note that Fund returns are from inception and do not cover the entire reporting period.)

The Fund's short-duration stance in the US aided returns, while long-duration positions in Continental Europe and the United Kingdom detracted as rates rose in all three regions. Maintaining a steeper yield curve bias in the United States and United Kingdom also impeded results, while a flat yield curve bias in Europe proved beneficial. The Fund's volatility positioning also hampered performance.

In terms of sectors, exposure to the securitised sectors was the greatest contributor to returns during the period. Allocations to AAA-rated commercial mortgage-backed securities (CMBS), and to a lesser extent, interest-only collateralised mortgage obligations boosted returns. In contrast, a short position in investment-grade corporate bonds hindered results, as did allocations to AAA-rated home equity loans and manufactured housing loans.

Following a 10-year credit boom, we believe the US economy has entered a multi-year process of retrenchment to reduce the leverage of private-sector balance sheets, particularly those of households. There will likely be two features to this process: a persistent rise in the household savings rate that will curtail the growth of domestic demand, and an increased reliance on foreign demand as a source of growth. Our economists also believe that the Fed likely will begin to raise interest rates by the end of 2008 in response to inflationary pressures.

Unit value	Class S*§ NAV
30/6/07	—
21/2/08	£10.00
30/6/08	10.12

* Values stated in pound sterling.
§ Launched 21 February 2008.
The Fund made no distributions during the year.
International investing involves certain risks, such as currency fluctuation, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. Lower-rated bonds may offer higher yields in return for more risk. Mutual funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk. Mutual funds that invest in bonds are subject to certain risks including interest-rate risk, credit risk, and inflation risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses.

Putnam Global Fixed Income Alpha Fund S2

During the final three months of the period, investors moved out of sovereign bonds and into higher-yielding, riskier assets as systemic-risk fears subsided. Bond yields spiked and credit spreads tightened until late June, when risk aversion crept back into the markets. Inflation was the dominant concern, as crude oil prices consistently breached previous highs and the dollar depreciated. But as data on the economy grew more dismal, concerns about its prospects shifted to the fore. Both the US Federal Reserve Board (the Fed) and the Bank of England cut their target overnight rates by 0.25% in April and held them steady for the rest of the quarter. Meanwhile, inflation remained the main focus of the European Central Bank; it kept rates unchanged during the final months of the period, but raised them by 0.25% in early July.

Against this backdrop, the Fund's Class S Units returned 1.32% (0.00% in sterling terms) versus 0.98% for the Fund's benchmark, the 6-Month LIBOR Index (2.01% in sterling terms). The Fund's Class I Units returned -0.91% (-1.99% in sterling terms) versus 0.49% for the benchmark (0.98% in sterling terms). (Please note that Fund returns are from inception and do not cover the entire reporting period.)

The Fund's short-duration stance in the US aided returns, while long-duration positions in Continental Europe and the United Kingdom detracted as rates rose in all three regions. Maintaining a steeper yield curve bias in the United States and United Kingdom also impeded results, while a flat yield curve bias in Europe proved beneficial. The Fund's volatility positioning also hampered performance.

In terms of sectors, exposure to the securitized sectors was the greatest contributor to returns during the period. Allocations to AAA-rated commercial mortgage-backed securities (CMBS), and to a lesser extent, interest-only collateralized mortgage obligations boosted returns. In contrast, a short position in investment-grade corporate bonds hindered results, as did allocations to AAA-rated home equity loans and manufactured housing loans.

Following a 10-year credit boom, we believe the US economy has entered a multi-year process of retrenchment to reduce the leverage of private-sector balance sheets, particularly those of households. There will likely be two features to this process: a persistent rise in the household savings rate that will curtail the growth of domestic demand, and an increased reliance on foreign demand as a source of growth. Our economists also believe that the Fed likely will begin to raise interest rates by the end of 2008 in response to inflationary pressures.

Unit value	Class I*§ NAV	Class S*§§ NAV
30/6/07	—	—
5/1/08	£5.03	—
25/2/08	—	£10.00
30/6/08	4.93	10.00

* Values stated in pound sterling.
§ Launched 1 May 2008.
§§ Launched 25 February 2008.
The Fund made no distributions during the year.
International investing involves certain risks, such as currency fluctuation, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. Lower-rated bonds may offer higher yields in return for more risk. Mutual funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk. Mutual funds that invest in bonds are subject to certain risks including interest-rate risk, credit risk, and inflation risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses.

Putnam Global Growth Fund

Despite continuing concerns about a worldwide liquidity crisis, record-high energy prices, and the future of the US economy, global stock markets outperformed many of the major US equity market benchmarks for the year ended 30 June 2008. Specifically, the Fund's benchmark, the MSCI® World Growth Index fell 3.08% during the period. However, this result compared quite favourably with the Standard & Poor's 500 Index and the broad-market Russell 3000 Index, which declined by 13.12% and 12.69%, respectively, for the year.

US equity markets trended downward from October 2007 to March 2008 before rebounding from March to May, only to move downward again from May 2008 to the end of the period. European markets enjoyed positive returns in September and October 2007, but soon came under the influence of the subprime mortgage crisis and rising crude oil prices that dampened returns worldwide. Following a solid rally during September, Pacific equity markets struggled during the balance of 2007 and the early months of 2008 before recovering to post a modest gain over the final three months of the period. Emerging markets (EM) equities benefited from robust returns in China during the first half of the period, but positive results in February 2008 were outweighed by declines in January and March. EM equities followed the global pattern of progressively weakening performance during the concluding months of the period.

Within this environment, the Fund posted negative returns: -11.96% for Class A Units, -12.37% for Class B Units, and -11.62% for Class I Units, all at net asset value (NAV, or without sales charges).

Stock selection within the energy, industrial, and basic materials sectors contributed to results, while stock selection among consumer cyclicals detracted from results.

Global economic growth continues to be positive but is decelerating. While the world feared the impact of lower lending levels and the liquidity crunch, the far greater source of lowered expectations for growth is now coming from high oil prices. As a result, inflation fear has taken the place of liquidity fear. Against that backdrop, we have returned to a defensive stance. Accordingly, we prefer the business-to-business sales opportunities offered by information technology firms and infrastructure-related capital goods companies.

Unit value	Class A NAV	Class B NAV	Class I NAV
30/6/07	$20.16	$18.60	$20.74
30/6/08	17.75	16.30	18.33

The Fund made no distributions during the year.

International investing involves certain risks, such as currency fluctuation, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. The Fund invests some or all of its assets in small and/or midsize companies. Such investments increase the risk of greater price fluctuations.

Putnam Global High Yield Bond Fund

Following nine months of substantial volatility, the global high-yield market began to recover during the final three months of the period as investor risk-aversion diminished. Despite continuing concerns about a worldwide liquidity crisis, record-high energy prices, and the future of the US economy, high-yield bonds outperformed many of the major US equity market benchmarks for the year ended 30 June 2008. Specifically, the Fund's benchmark, the Merrill Lynch Global High Yield Constrained Index (hedged to US$) fell 2.51% during the period. However, this result significantly outdistanced the Standard & Poor's 500 Index and the broad-market Russell 3000 Index, which declined by 13.12% and 12.69%, respectively, for the year.

Against this backdrop, the Fund posted mostly negative returns: -3.95% for Class A Units, -4.35% for Class B Units, -4.18% for Class C Units, 11.61% (-4.17% in euro terms) for Class E Units, -4.11% for Class I Units, -3.35% (-2.52% in sterling terms) for Class S Units, and -4.07% for Class T Units, all at net asset value (NAV, or without sales charges).

The Fund benefited from its defensive positioning during the period as the high-yield market declined. The Fund's below-benchmark exposure to lower-rated issues helped relative performance as higher-rated issues outperformed. Our emphasis on US versus European bonds (hedged in US dollars) also aided results. Underweight positions in housing and financials, which were two of the worst-performing industry groups, also bolstered returns.

Fundamentals remain in a downward trajectory, with notable weakness in the housing, financials, automotive, and retail sectors. Given current market conditions, we plan to maintain a broadly diversified portfolio and focus on managing risk by detecting deteriorating credits early. At the same time, we will continue to seek attractively valued opportunities that we believe offer the potential for capital appreciation.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class E* NAV	Class I NAV	Class S** NAV	Class T§ NAV
30/6/07	$7.38	$7.30	$8.93	€8.53	$2.71	£5.44	—
26/11/07	—	—	—	—	—	—	$6.96
30/6/08	6.65	6.58	7.90	7.61	2.59	4.67	6.90

Distributions	Number	Income	Capital gain	Total
Class A	12	$0.4440	—	$0.4440
Class B	12	0.4080	—	0.4080
Class C	13	0.6694	—	0.6694
Class E*	1	€0.5780	—	€0.5780
Class I	1	0.0090	—	0.0090
Class S**	13	£0.6380	—	£0.6380
Class T	—	—	—	—

* Values stated in euros.

** Values stated in pound sterling.

§ Launched 26 November 2007.

International investing involves certain risks, such as currency fluctuation, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. Lower-rated bonds may offer higher yields in return for more risk. Mutual funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk. Mutual funds that invest in bonds are subject to certain risks including interest-rate risk, credit risk, and inflation risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses.

Putnam Growth and Income (U.S. Value Equity) Fund

A broad mix of factors affected US financial markets over the past year. Following a period of extended tranquillity, volatility returned to both the stock and bond markets. What had been ample liquidity conditions reversed abruptly early in the period as the precipitous decline in the prices of subprime mortgage securities quickly spread throughout the credit markets and inaugurated the credit crunch. During the period's second half, the credit crunch became a full-blown liquidity crisis as turmoil continued to spread beyond subprime securities. Oil prices rose throughout the period, breaking one record high after another, and reached a staggering $140 per barrel on the New York Mercantile Exchange near the end of the period. Surging food and energy prices resulted in rising US inflation as the period came to a close.

As the US economy weakened and financial turbulence continued, the US Federal Reserve Board (the Fed) moved aggressively and cut the federal funds target rate by 3.25 percentage points from September 2007 through April 2008, reducing the benchmark lending rate from 5.25% to 2.00%. The Fed also created a number of new lending facilities to inject liquidity into the financial system. By the second quarter of 2008, the Fed's creative policy approach appeared to restore a measure of order to financial markets, and numerous indicators of market distress eased significantly.

Against this backdrop, the Fund posted negative returns: -28.34% for Class A Units, -28.67% for Class B Units, -28.56% for Class C Units, -16.84% (-28.59% in euro terms) for Class E Units, and -27.99% for Class I Units, all at net asset value (NAV, or without sales charges). For the period, the Fund's primary benchmark, the Russell 1000 Value Index, declined 18.78%, and its secondary benchmark, the S&P 500/Citigroup Value Index, fell 20.25%.

During the second half of the period, an underweight position in conglomerates – particularly our avoidance of General Electric – was a key positive contributor to the Fund's returns. After earlier weakness, select holdings within the investment banking and brokerage and insurance industries also bolstered results. An overweight position in the technology sector was also beneficial. Weak stock selection among energy and transportation companies detracted from performance.

Looking ahead, we continue to believe that many financial stocks, as well as select consumer stocks, are trading at increasingly compelling valuations. As such, we believe stocks in these areas have the potential to contribute to returns for Unitholders who maintain a long-term perspective.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class E* NAV	Class I NAV
30/6/07	$16.83	$15.87	$10.82	€10.62	$17.22
30/6/08	12.06	11.32	7.73	7.43	12.40

Distributions	Number	Income	Capital gain	Total
Class A	–	–	–	–
Class B	–	–	–	–
Class C	–	–	–	–
Class E*	1	€0.1890	–	€0.1890
Class I	–	–	–	–

* Values stated in euros.

Putnam International (Non U.S. Core) Equity Fund

The credit crisis that began in the United States in 2007 caused severe and recurring market dislocations internationally. In July and August 2007, investors began to realise that the US subprime mortgage crisis would pose a threat to the worldwide financial system and have ramifications for the global economy. Investors fled risky stocks and crowded into a handful of high-quality, large-cap companies with strong earnings momentum, regardless of their valuation. This posed a particular problem for the Fund's strategy, because valuation signals are at the core of our investment process. The trend was quite pronounced in Europe, though less so in Asia, illustrating the benefits of the portfolio's broad diversification.

In this environment, the Fund posted negative returns: -14.50% for Class A Units, -14.94% for Class B Units, -14.70% for Class C Units, and -14.20% for Class I Units, all at net asset value (NAV, or without sales charges). The Fund's benchmark, the MSCI EAFE Index, declined 10.61% for the period.

Though the Fund's absolute returns were negative, our shift to a more defensive stance, coupled with favourable stock selection resulted in substantial improvement in relative performance during the second half of the year.

The Fund maintained overweight positions in the energy, health-care, and utilities sectors and underweight positions in consumer cyclicals and financials. In terms of markets, the portfolio had overweight positions in Switzerland, where we favoured health-care stocks, and in Norway, which contributed to the energy overweight. We maintained underweight positions in the United Kingdom and Australia because of unattractive valuations.

As the global economy moves through a transitional phase, we are gauging the potential impact of a US recession on other developed and emerging economies. A consequence of the subprime mortgage crisis in the United States is that the buoyant liquidity conditions that had been a key driver of global markets over the past several years are no longer in place. Rising inflation and potentially higher interest rates are common themes in both developed and developing markets. Nevertheless, the developing world continues to record robust growth. We are currently positioning the Fund to benefit from this broadly based developing market growth.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class I NAV
30/6/07	$21.31	$20.21	$13.22	$21.71
30/6/08	18.05	17.10	11.25	18.44

Distributions	Number	Income	Capital gain	Total
Class A	1	$0.1965	–	$0.1965
Class B	1	0.1040	–	0.1040
Class C	1	0.0310	–	0.0310
Class I	1	0.2140	–	0.2140

International investing involves certain risks, such as currency fluctuation, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. The Fund invests some or all of its assets in small and/or midsize companies. Such investments increase the risk of greater price fluctuations.

Putnam Investors (U.S. Core Equity) Fund

A broad mix of factors affected US financial markets over the past year. Following a period of extended tranquillity, volatility returned to both the stock and bond markets. What had been ample liquidity conditions reversed abruptly early in the period as the decline in the prices of subprime mortgage securities spread throughout the credit markets and inaugurated the credit crunch. During the period's second half, the credit crunch became a full-blown liquidity crisis as turmoil continued to spread well beyond subprime securities. Oil prices rose throughout the period and reached US$140 per barrel on the New York Mercantile Exchange near the end of the period. Surging food and energy prices resulted in rising US inflation as the period came to a close.

As the US economy weakened and financial turbulence continued, the US Federal Reserve Board (the Fed) moved aggressively and cut the federal funds target rate by 3.25 percentage points from September 2007 through April 2008, reducing the benchmark lending rate from 5.25% to 2.00%. The Fed also created a number of new lending facilities to inject liquidity into the financial system. By the second quarter of 2008, the Fed's creative policy approach appeared to restore a measure of order to financial markets, and numerous indicators of market distress eased significantly.

Against this backdrop, the Fund posted negative returns: -24.96% for Class A Units, -25.38% for Class B Units, -25.09% for Class C Units, -12.26% (-22.02% in euro terms) for Class E Units, -24.49% for Class I Units, and -23.74% for Class M Units, all at net asset value (NAV, or without sales charges). The Fund's benchmark, the S&P 500 Index, declined 13.12% for the period.

During the second half of the period, stock selection among information technology companies was a key positive contributor to the Fund's performance. In addition, an underweight position in industrial conglomerates, along with stock selection among consumer staples and basic materials companies also proved favourable. An overweight position in financials, and avoidance of the strong-performing utilities sector, detracted from relative results.

Frequently, when the market overreacts to near-term company-specific or macro events, stocks of solid companies may decline to levels that represent compelling valuations. Thus, despite continued market volatility, we plan to continue our emphasis on bottom-up stock selection rather than top-down macro forecasts.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class E* NAV	Class I NAV	Class M NAV
30/6/07	$12.34	$11.78	$11.20	€7.96	$12.74	$9.56
30/6/08	9.26	8.79	8.39	5.87	9.62	7.29

Distributions	Number	Income	Capital gain	Total
Class A	—	—	—	—
Class B	—	—	—	—
Class C	—	—	—	—
Class E*	1	€0.3940	—	€0.3940
Class I	—	—	—	—
Class M	—	—	—	—

* Values stated in euros.
The Fund made no distributions during the year.
Returns for periods of less then six months are not reported.

Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund

A broad mix of factors affected US financial markets over the past year. Following a period of extended tranquillity, volatility returned to both the stock and bond markets. What had been ample liquidity conditions reversed abruptly early in the period as the precipitous decline in the prices of subprime mortgage securities quickly spread throughout the credit markets and inaugurated the credit crunch. During the second half of the period, the credit crunch became a full-blown liquidity crisis as turmoil continued to spread well beyond subprime securities. Oil prices rose throughout the period and reached a staggering US$140 per barrel on the New York Mercantile exchange near the end of the period. Surging food and energy prices resulted in rising US inflation as the period came to a close.

As the US economy weakened and financial turbulence continued, the US Federal Reserve Board (the Fed) moved aggressively and cut the federal funds target rate by 3.25 percentage points from September 2007 through April 2008, reducing the benchmark lending rate from 5.25% to 2.00%. The Fed also created several new lending facilities to inject liquidity into the financial system. By the second quarter of 2008, the Fed's creative policy approach appeared to restore a measure of order to financial markets, and numerous indicators of market distress eased significantly.

On a relative basis, large- and mid-cap stocks held up better than small-cap stocks, and growth stocks outperformed value stocks, but still posted negative results overall. The Fund's benchmark, the Russell 3000 Growth Index, fell 6.38%.

In this environment, the Fund posted negative returns: -11.00% for Class A Units, -11.41% for Class B Units, -11.13% for Class C Units, and -10.60% for Class I Units, all at net asset value (NAV, or without sales charges).

The Fund benefited from an overweight position in the strong-performing basic materials sector, and from favourable stock selection among health-care companies. The primary detractor from results was unfavourable stock selection in the technology and consumer staples sectors, which caused the Fund to trail its benchmark for the period.

Recent events have some investors concerned about the outlook for US stocks. While it is important not to underestimate the seriousness of these events, US equity markets are no stranger to turmoil and have proven to be resilient over the long term. With this long-term perspective in mind, we plan to maintain the Fund's global exposure and expand our positions in sectors and industry groups that we currently find most attractive. These include basic materials, capital goods, consumer staples, and larger technology companies.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class E*§ NAV	Class I NAV
30/6/07	$13.37	$12.62	$10.78	—	$13.58
30/6/08	11.90	11.18	9.58	€10.00	12.14

* Values stated in euros.
§ Launched 30 June 2008.
The Fund made no distributions during the year.
The Fund invests all or a portion of its assets in small to midsize companies. Such investments increase the risk of greater price fluctuations.

Putnam Total Return Fund

A mix of factors affected global financial markets for the year ended 30 June 2008, and broad US and international stock-market indexes registered double-digit negative returns. In the fixed-income markets, bonds with the lowest levels of credit risk generated the highest returns as investors sought refuge from credit-market turmoil and deteriorating economic conditions.

Within this environment, the Fund generated positive returns across all unit classes: 7.69% for Class A Units, 6.12% for Class B Units, 6.35% for Class C Units, 25.31% for Class E Units (7.58% in euro terms), 7.71% for Class J Units, 24.79% for Class M Units (7.12% in euro terms), 8.49% for Class Q Units, and 9.22% for Class S Units (10.05% in sterling terms), all at net asset value (NAV, or without sales charges). The Fund's benchmark, the Merrill Lynch 1-Month LIBOR Index, returned 4.45% for the period.

During the second half of the period, underweight positions in US equities, US fixed income (including high-yield corporate bonds), real-estate investment trusts, and an overweight position in US Treasury Inflation Protected Securities benefited results. An underweight position in commodities and an overweight position in international fixed income detracted from returns. All of our equity alpha strategies contributed to performance, with US all-cap equity and US small-cap growth adding the most value. Security selection strategies had a neutral impact overall. Lastly, the net effect of our overlay strategies added alpha during the period.

Looking ahead, the combination of weakening growth and intensifying inflation creates an extremely difficult environment for US stocks. Therefore, we continue to emphasize safety, favouring larger companies and those with profit models that are less sensitive to the economic cycle. Within US fixed income, we currently regard the securitized sectors as the most attractive area. Although these sectors are still under stress, we do not expect losses from defaults for the most senior and protected securitized instruments even if there is a US recession. We have a bullish long-term outlook for commodities, but after strong price gains during the final months of the period, caution is warranted.

Unit value	Class A NAV	Class B§ NAV	Class C§ NAV	Class E* NAV	Class J NAV	Class M* NAV	Class Q NAV	Class S** NAV
30/6/07	$9.36	—	—	€6.60	$9.47	€7.16	$8.83	£4.48
10/7/07	—	$8.50	$8.50	—	—	—	—	—
30/6/08	10.08	9.02	9.04	7.10	10.20	7.67	9.58	4.93

The Fund made no distributions during the year.

* Values stated in euros.

** Values stated in pound sterling.

§ Launched 10 July 2007.

Global investing involves certain risks, such as currency fluctuations, economic instability, and political developments. The Fund invests some or all of its assets in small and/or midsize companies. Such investments increase the risk of greater price fluctuations. Lower-rated bonds may offer higher yields in return for more risk. The Fund may have a significant portion of its holdings in bonds. The use of derivatives involves special risks and may result in losses. Mutual funds that invest in bonds are subject to certain risks including interest-rate risk, credit risk, and inflation risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses. Diversification does not assure a profit or protect against loss. It is possible to lose money in a diversified portfolio.

Putnam U.S. Liquid Assets Fund

Facing a weakening US economy, a full-blown liquidity crisis, and volatile financial markets, the US Federal Reserve Board (the Fed) moved aggressively to cut the federal funds target rate by 3.25 percentage points from September 2007 through April 2008, reducing the benchmark lending rate from 5.25% to 2.00%. With the goal of easing credit-market stress by restoring confidence in inter-bank lending, the central bank also created a number of new lending facilities to inject liquidity into the financial system. By the second quarter of 2008, the Fed's creative policy approach appeared to restore a measure of order to financial markets, and numerous indicators of market distress eased significantly from March to May. However, amid signs of increasing inflationary pressures, the Fed opted to hold rates steady at its June meeting.

Within this environment, bonds with the lowest levels of credit risk generated the highest returns as investors sought refuge from credit-market turmoil and deteriorating economic conditions. However, amid a backdrop of stabilising sentiment in the credit markets and the Fed's suspension of its rate-reduction campaign, interest rates rose during the April-June period and weighed on the returns of investment-grade bonds. US Treasuries sustained the largest declines, which was a sharp reversal from earlier in the period when they benefited from a widespread flight to quality.

For the year, the Fund returned 3.63% for Class A Units, 3.14% for Class B Units, 3.13% for Class C Units, and 3.63% for Class I Units, all at net asset value (NAV, or without sales charges). The Fund's benchmark, the Lipper Money Market Funds Average, returned 3.48% for the period.

Despite the moderate sell-off that occurred during the final months of the period, investor risk aversion remains a significant supporting factor for US government securities, as market turmoil and a weakening economy continue to drive many investors to the safety of Treasuries. During the last three months of the period, we began to extend the weighted average maturity of the portfolio to a more neutral level by investing in fixed-rate paper with maturities of six to nine months, which also enabled us to lock in attractive yields. Amidst the uncertainty in the market, we continue to maintain our conservative, high-quality focus. This conservative approach to managing the Fund has helped us to avoid areas of the market that have been under pressure, while enabling us to capitalise on numerous compelling investment opportunities.

Putnam U.S. Liquid Assets Fund was terminated on 19 September 2008.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class I NAV
30/6/07	$1.00	$1.00	$1.00	$1.00
30/6/08	1.00	1.00	1.00	1.00

Distributions	Number	Income	Capital gain	Total
Class A	12	$0.035732	—	$0.035732
Class B	12	0.030945	—	0.030945
Class C	12	0.030907	—	0.030907
Class I	12	0.035733	—	0.035733

Money market funds are not insured or guaranteed by any governmental agency. Although the Fund seeks to preserve the value of your investment at $1.00 per unit, it is possible to lose money by investing in this Fund.

Putnam U.S. Small-Cap Value Equity Fund

A broad mix of factors affected US financial markets over the past year. Following a period of extended tranquillity, volatility returned to both the stock and bond markets. What had been ample liquidity conditions reversed abruptly early in the period as the precipitous decline in the prices of subprime mortgage securities spread throughout the credit markets and inaugurated the credit crunch. During the period's second half, the credit crunch became a full-blown liquidity crisis as turmoil continued to spread well beyond subprime securities. Oil prices rose throughout the period and reached US$140 per barrel on the New York Mercantile Exchange near the end of the period. Surging food and energy prices resulted in rising US inflation as the period came to a close.

As the US economy weakened and financial turbulence continued, the Federal Reserve Board (the Fed) moved aggressively and cut the federal funds target rate by 3.25 percentage points from September 2007 through April 2008, reducing the benchmark lending rate from 5.25% to 2.00%. The Fed also created several new lending facilities to inject liquidity into the financial system. By the second quarter of 2008, the Fed's creative policy approach appeared to restore a measure of order to financial markets, and numerous indicators of market distress eased significantly.

Against this backdrop, the Fund posted negative returns: -32.12% for Class A Units, -32.49% for Class B Units, -32.36% for Class C Units, -21.15% (-32.25% in euro terms) for Class E Units, -31.84% for Class I Units, and -31.11% for Class M Units, all at net asset value (NAV, or without sales charges). The Fund's benchmark, the Russell 2000 Value Index, declined 21.63% for the period.

Strong stock selection in the energy and consumer staples sectors aided results, while stock selection within financials, telecommunications, and technology detracted from returns. At the end of the period, the Fund maintained its largest overweight positions in energy, followed by technology and health care. The Fund remained underweighted in financials and transportation.

Looking ahead, despite market volatility, we will continue to seek out statistically compelling companies that we believe are poised for positive change, and whose stocks are trading at levels that, in our view, represent attractive value. While this approach and our investment time horizon demand patience, we believe that our process is properly designed to reward investors who maintain a long-term focus.

Unit value	Class A NAV	Class B NAV	Class C NAV	Class E* NAV	Class I NAV	Class M NAV
30/6/07	$17.87	$17.33	$12.36	€15.84	$18.31	$9.45
30/6/08	12.13	11.70	8.36	10.56	12.48	6.51

Distributions	Number	Income	Capital gain	Total
Class A	—	—	—	—
Class B	—	—	—	—
Class C	—	—	—	—
Class E*	1	€0.2090	—	€0.2090
Class I	—	—	—	—
Class M	—	—	—	—

* Values stated in euros.

The Fund invests some or all of its assets in small to midsize companies. Such investments increase the risk of greater price fluctuations.

TOTAL EXPENSE RATIO (TER)* (UNAUDITED)

The Total Expense Ratio (TER) of each of the Funds for the year ended 30 June 2008 is presented below:

Fund	Class A %	Class B %	Class C %	Class E %	Class I %	Class J %	Class M %	Class Q %	Class S %	Class T %
Putnam American Government Bond Fund	1.88	2.28	2.11	–	1.62	–	–	–	–	–
Putnam Emerging Information Sciences Fund	3.30	3.80	3.55	2.90	2.91	–	–	–	–	0.41
Putnam Emerging Markets Debt Fund	1.55	2.05	1.94	–	1.55	–	–	–	–	–
Putnam Europe Equity Fund	3.01	3.51	3.27	2.61	2.61	–	–	–	–	–
The George Putnam (U.S. Equity and Bond) Fund	1.99	2.35	2.19	–	1.79	–	–	–	–	–
Putnam Global Equity Multi-Alpha Fund**	1.84	2.27	–	–	2.03	0.41	1.84	1.07	–	–
Putnam Global Fixed Income Alpha Fund S1**	–	–	–	–	–	–	–	–	0.44	–
Putnam Global Fixed Income Alpha Fund S2**	–	–	–	–	0.31	–	–	–	0.43	–
Putnam Global Growth Fund	3.15	3.65	–	–	2.74	–	–	–	–	–
Putnam Global High Yield Bond Fund	1.91	2.42	2.32	1.91	1.91	–	–	–	1.91	0.98
Putnam Growth and Income (U.S. Value Equity) Fund	2.86	3.36	3.11	2.46	2.46	–	–	–	–	–
Putnam International (Non U.S. Core) Equity Fund	2.83	3.33	3.08	–	2.42	–	–	–	–	–
Putnam Investors (U.S. Core Equity) Fund	2.33	2.98	3.25	1.23	1.68	–	0.07	–	–	–
Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund	3.06	3.61	2.97	0.95	2.54	–	–	–	–	–
Putnam Opportunistic Value Fund	2.46	2.78	2.41	2.26	2.25	–	–	–	–	–
Putnam Total Return Fund**	1.67	2.16	0.26	0.98	–	1.71	3.41	0.90	0.18	–
Putnam U.S. Liquid Assets Fund**	0.68	1.18	1.20	–	0.68	–	–	–	–	–
Putnam U.S. Small-Cap Value Equity Fund	2.70	3.20	2.94	2.27	2.30	–	1.27	–	–	–
Putnam Vista (U.S. Mid-Cap Equity) Fund	3.16	3.66	3.41	2.73	2.15	–	–	–	–	–

* The Total Expense Ratio (TER) is calculated as the total operating expenses for each Unit Class of each Fund in the accounting currency of the Fund for the period in question as a percentage of the average assets of the Fund for the period in question.
** Not registered in Switzerland.

PORTFOLIOS' TURNOVER RATE (UNAUDITED)

The Portfolio Turnover Rate (PTR) shows the turnover* incurred by each Fund, whose redeemable participating units are registered for sale in Switzerland during the reporting period, expressed as a rate of the average net asset value of that Fund for the corresponding period.

Fund	PTR %
Putnam Emerging Information Sciences Fund	57.52
Putnam Emerging Markets Debt Fund	284.02
Putnam Europe Equity Fund	122.05
Putnam Global Equity Multi-Alpha Fund**	12.13
Putnam Global Fixed Income Alpha Fund S1**	179.00
Putnam Global Fixed Income Alpha Fund S2**	796.00
Putnam Global Growth Fund	182.46
Putnam Global High Yield Bond Fund	61.32
Putnam Growth and Income (U.S. Value Equity) Fund	76.86
Putnam International (Non U.S. Core) Equity Fund	127.79
Putnam Investors (U.S. Core Equity) Fund	213.19
Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund	94.30
Putnam Total Return Fund**	367.70
Putnam U.S. Liquid Assets Fund**	3,041.51
Putnam U.S. Small-Cap Value Equity Fund	104.88

* Turnover being a Fund's aggregate value of total cost of securities purchased plus total disposal proceeds of securities sold less the aggregate value of that Fund's redeemable participating units subscriptions plus redemptions during the reporting period. All values in the turnover calculation are in the functional currency of the respective Fund.
** Not registered in Switzerland.

STATEMENT OF MANAGER'S RESPONSIBILITIES

The Manager is responsible for the preparation of financial statements, which give a true and fair view of the financial affairs of the Trust and of its income for the year. In preparing those financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Manager is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Trust and to enable it to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Trust Deed and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003, (as amended).

The measures taken by the Manager to secure compliance with the Trust's obligations to keep proper books of account are the use of appropriate systems and procedures and the employment of competent persons. To this end, the directors of the Manager have appointed State Street Fund Services (Ireland) Limited for the purpose of maintaining proper books of account. The books of account are kept at Guild House, Guild Street, International Financial Services Centre, Dublin 1, Ireland. The Manager is also responsible for safeguarding the assets of the Trust. In this regard it has entrusted the assets of the Trust to a Trustee for safekeeping in accordance with the Trust Deed. The Manager is also responsible for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with laws and regulations.

ON BEHALF OF THE MANAGER:

Director: David Dillon

Director: Wyndham Williams

24 October 2008

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We have enquired into the conduct of the Manager in respect of Putnam World Trust ('the Trust') for the year ended 30 June 2008, in our capacity as Trustee to the Trust.

This report including the opinion has been prepared for and solely for the unitholders in the Trust as a body, in accordance with the Financial Regulator's UCITS Notice 4, and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

RESPONSIBILITIES OF THE TRUSTEE

Our duties and responsibilities are outlined in the Financial Regulator's UCITS Notice 4. One of those duties is to enquire into the conduct of the Trust in each annual accounting period and report thereon to the unitholders.

Our report shall state whether, in our opinion, the Trust has been managed in that period in accordance with the provisions of the Trust's Trust Deed and the UCITS Regulations. It is the overall responsibility of the Manager to comply with these provisions. If the Manager has not so complied, we as Trustee must state why this is the case and outline the steps which we have taken to rectify the situation.

BASIS OF TRUSTEE OPINION

The Trustee conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in UCITS Notice 4 and to ensure that, in all material respects, the Trust has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Trust's constitutional documentation and the appropriate regulations.

OPINION

In our opinion, the Trust has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Manager and the Trustee by the Trust Deed and by the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2003, (as amended), ('the Regulations'); and

(ii) otherwise in accordance with the provisions of the Trust Deed and the Regulations.

State Street Custodial Services (Ireland) Limited
Guild House
Guild Street
International Financial Services Centre
Dublin 1
Ireland

Date: 24 October 2008

INDEPENDENT AUDITORS REPORT TO THE UNITHOLDERS OF PUTNAM WORLD TRUST (the "TRUST")

We have audited the Trust's financial statements for the year ended 30 June 2008 which comprise for each of the Trusts' Funds the Balance Sheet, the Profit and Loss Account, the Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders, the Schedule of Investments and the related notes. These financial statements have been prepared under the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF THE MANAGER AND THE AUDITORS

The Manager's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable Irish law and the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out in the Statement of Manager's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for each Fund's Unitholders as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003 (as amended).

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Manager in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, of the state of each Fund's affairs at 30 June 2008 and of their results for the year then ended; and
- have been properly prepared in accordance with the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003, (as amended).

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin

24 October 2008

Schedule of Investments
30 June 2008

U.S. EQUITIES (88.57%)

Number of Shares		Value USD	% of Fund
21,467	Acme Packet Incorporated	$166,584	0.81
13,700	Actel Corporation	232,900	1.13
25,300	Advanced Analogic Technologies Incorporated	101,200	0.49
10,100	Advent Software Incorporated	363,600	1.77
4,900	Affiliated Computer Services Incorporated (Class A)	259,700	1.26
16,500	Akamai Technologies Incorporated	577,500	2.81
29,550	Altera Corporation	620,550	3.01
3,200	Amphenol Corporation (Class A)	144,000	0.70
11,300	Analog Devices Incorporated	361,600	1.75
5,800	Ansoft Corporation	208,800	1.01
12,500	Ansys Incorporated	587,500	2.84
3,100	Autodesk Incorporated	105,400	0.51
2,750	Avnet Incorporated	74,250	0.36
7,200	Belden CDT Incorporated	244,800	1.18
11,200	Blackbaud Incorporated	235,200	1.14
6,700	BMC Software Incorporated	241,200	1.17
5,300	CommScope Incorporated	280,900	1.36
4,200	Dolby Laboratories Incorporated (Class A)	168,000	0.81
1,900	EchoStar Corporation (Class A)	58,900	0.28
6,500	Equifax Incorporated	221,000	1.07
850	Equinix Incorporated	75,650	0.37
31,100	F5 Networks Incorporated	870,800	4.23
5,600	FLIR Systems Incorporated	229,600	1.11
25,650	Foundry Networks Incorporated	307,800	1.49
7,800	Harris Corporation	390,000	1.89
8,150	Hittite Microwave Corporation	293,400	1.42
126	Illumina Incorporated	10,962	0.05
31,850	Informatica Corporation	477,750	2.31
20,400	Intermec Incorporated	428,400	2.07
7,000	International Rectifier Corporation	133,000	0.64
5,000	Intersil Corporation (Class A)	120,000	0.58
6,000	Jack Henry & Associates Incorporated	132,000	0.64
5,600	JDA Software Group Incorporated	100,800	0.49
12,800	Juniper Networks Incorporated	281,600	1.36
4,700	Liberty Global Incorporated (Class A)	145,700	0.70
9,300	Maxim Integrated Products Incorporated	196,695	0.95
17,700	McAfee Incorporated	601,800	2.91
23,400	Micrel Incorporated	210,600	1.02
16,300	Micros Systems Incorporated	489,000	2.36
1,400	MicroStrategy Incorporated	91,000	0.44
19,000	Molex Incorporated	456,000	2.22
7,300	Moog Incorporated	270,100	1.31
17,500	National Instruments Corporation	490,000	2.37
7,950	NCI Incorporated	182,850	0.88
7,700	NCR Corporation	192,500	0.93
14,100	Netezza Corporation	169,200	0.82
7,450	Netlogic Microsystems Incorporated	245,850	1.19
14,900	NeuStar Incorporated (Class A)	327,800	1.58
15,100	Novatel Wireless Incorporated	166,100	0.80
38,800	Nuance Communications Incorporated	620,800	3.00
12,500	NVIDIA Corporation	237,500	1.15
20,500	PDF Solutions Incorporated	123,000	0.59
17,800	PROS Holdings Incorporated	195,800	0.95
24,800	Quest Software Incorporated	372,000	1.80
40,600	Red Hat Incorporated	852,600	4.12

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
600	Salesforce.com Incorporated	$40,800	0.20
29,600	Sapient Corporation	177,600	0.86
23,200	Smart Modular Technologies WWH Incorporated	92,800	0.45
19,100	Solera Holdings Incorporated	534,800	2.59
14,900	Switch & Data Facilities Co. Incorporated	253,300	1.22
17,900	Synopsys Incorporated	429,600	2.08
18,000	Teradata Corporation	414,000	2.00
3,500	Trimble Navigation Limited	126,000	0.61
8,639	TTM Technologies Incorporated	112,307	0.54
2,750	Varian Semiconductor Equipment	96,250	0.47
5,800	Varian Incorporated	295,800	1.43
	Total U.S. Equities	$18,315,498	88.57

NON–U.S. EQUITIES (10.19%)

Number of Shares		Value USD	% of Fund
15,350	Amdocs Limited	$445,150	2.15
52,300	ARM Holdings PLC	261,500	1.26
31,200	Marvell Technology Group Limited	561,600	2.71
11,500	Nice Systems Limited	345,000	1.67
16,550	O2Micro International Limited	115,850	0.56
1,428	Realex Properties Corporation	1,474	0.01
19,900	Seagate Technology	378,100	1.83
	Total Non–U.S. Equities	$2,108,674	10.19

CONVERTIBLE PREFERRED STOCKS (—%)

Number of Shares		Value USD	% of Fund
78,732	MartketSoft Software Corporation	$8	–
46,220	Totality Corporation	5	–
	Total Convertible Preferred Stocks	$13	–

REPURCHASE AGREEMENTS (0.76%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$158,000	Repurchase Agreement – Goldman Sachs	2.33	01/07/2008	$158,000	0.76
	Total Repurchase Agreements			$158,000	0.76
Total Value of Investments				**$20,582,185**	**99.52**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (0.06%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	USD	12,400	EUR	8,018	Citibank NA	$178	–
17/09/2008	EUR	76,393	USD	118,200	Credit Suisse First Boston	(1,637)	(0.01)
17/09/2008	GBP	20,200	EUR	25,492	HSBC Bank USA	(36)	–
17/09/2008	EUR	240,454	USD	372,400	HSBC Bank USA	(4,796)	(0.02)
17/09/2008	USD	21,700	EUR	14,019	JP Morgan Chase Bank	292	–
17/09/2008	EUR	117,043	USD	181,100	Lehman Brothers*	(2,503)	(0.01)
17/09/2008	USD	797,200	EUR	515,338	Merrill Lynch	11,206	0.05
17/09/2008	USD	847,300	EUR	547,238	UBS AG	11,143	0.05
17/09/2008	EUR	17,156	GBP	13,600	Westpac Banking Group	35	–
20/08/2008	HKD	46,900	EUR	3,928	JP Morgan Chase Bank	151	–
Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts						$14,033	0.06
Total Financial Assets at Fair Value through Profit or Loss						**$20,596,218**	**99.58**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	97.67
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market	0.76
(d) Collective Investment Schemes	–
(e) OTC financial derivative instruments	0.11
(f) Exchange traded financial derivative instruments	–
(g) Other assets	1.46
Total Investments	100.00

Schedule of Investments
30 June 2008

FOREIGN GOVERNMENT BONDS & NOTES (44.15%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$10,000	Argentina Government International Bond	7.00	12/09/2013	$7,725	0.27
160,000	Argentina Government International Bond	10.5	01/01/2012	34,400	1.21
85,000	Argentina Government International Bond	0.00	30/04/2013	40,460	1.42
5,000	Argentina Government International Bond	7.00	03/10/2015	3,494	0.12
150,000	Argentina Government International Bond	3.09	03/08/2012	126,259	4.44
95,000	Colombia Governament International Notes	10.00	23/01/2012	110,081	3.87
125,000	Egypt Treasury Bill	0.00	18/09/2008	22,465	0.79
225,000	Egypt Treasury Bill	0.00	18/09/2008	41,528	1.46
17,600	Federative Republic of Brazil Bond	10.00	01/01/2012	101,408	3.57
20,000	Federative Republic of Brazil Bond	8.25	20/01/2034	24,625	0.87
115,000	Peru Government International Bond	9.88	06/02/2015	140,731	4.95
11,832	Republic of Ecuador Bond	12.00	15/11/2012	12,069	0.42
30,000	Republic of Peru Bond	8.75	21/11/2033	38,550	1.36
80,000	Republic of Peru Bond	8.38	03/05/2016	92,700	3.26
54,175	Russia Government International Bond	5.00	31/03/2030	60,744	2.14
73,000	Turkey Government International Bond	6.88	17/03/2036	60,316	2.12
100,000	Ukraine Government International Bond	6.75	14/11/2017	89,000	3.13
10,000	United Mexican States Notes	5.63	15/01/2017	10,113	0.36
125,000	Venezuela Government International Bond	5.38	07/08/2010	118,281	4.16
85,000	Venezuela Government International Notes	10.75	19/09/2013	88,400	3.11
35,000	Venezuela Government International Notes	3.91	20/04/2011	31,500	1.11
	Total Foreign Government Bonds & Notes			$1,254,849	44.15

CORPORATE BONDS & NOTES (20.92%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$130,000	Grupo Televisa SA	6.00	15/05/2018	$126,356	4.45
10,000	Pemex Project Funding Master Trust	5.75	01/03/2018	9,875	0.35
10,000	Pemex Project Funding Master Trust	6.63	15/06/2035	9,866	0.35
60,000	Pemex Project Funding Master Trust	6.63	15/06/2038	58,950	2.07
100,000	RSHB Capital SA	7.75	29/05/2018	98,000	3.45
100,000	Sarawak International Incorporated	5.50	03/08/2015	94,525	3.33

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$100,000	VTB Capital SA	6.61	31/10/2012	$97,659	3.44
100,000	VTB Capital SA	6.32	04/02/2015	98,960	3.48
	Total Corporate Bonds & Notes			$594,191	20.92

COMMERCIAL PAPER (17.57%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$500,000	Federal Home Loan Bank System	0.00	25/07/2008	$499,300	17.57
	Total Commercial Paper			$499,300	17.57

MUTUAL FUNDS (8.80%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$250,000	U.S. Liquid Assets Fund	20.06	31/12/2049	$250,000	8.80
	Total Mutual Funds			$250,000	8.80

U.S. GOVERNMENT & AGENCY OBLIGATIONS (1.05%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$30,000	U.S. Treasury Bill#	0.00	18/09/2008	$29,909	1.05
	Total U.S. Government & Agency Obligations			$29,909	1.05

REPURCHASE AGREEMENTS (5.88%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$167,000	Repurchase Agreement – Goldman Sachs	2.33	01/07/2008	$167,000	5.88
	Total Repurchase Agreements			$167,000	5.88
Total Value of Investments				**$2,795,249**	**98.37**

At 30 June 2008, securities in part or in entirety have been designated as collateral for open futures contracts.

CREDIT DEFAULT CONTRACTS OUTSTANDING (–1.10%)

Swap counterparty/ Referenced debt*	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) USD	% of Fund
Barclays Bank PLC					
Peru CD	$10,084	07/01/2009	170 bp	$33	–
Peru CD	9,572	10/11/2008	170 bp	26	–
Citibank, N.A.					
Republic of the Philippines, 10.625%, 3/16/25	50,000	20/10/2017	138.5 bp	(5,779)	(0.20)
Credit Suisse First Boston International					
Ukraine Government, 7.65%, 6/11/13	40,000	20/10/2011	194 bp	(1,522)	(0.05)
Deutsche Bank AG					
India Government Bond, 5.87%, 1/2/10	40,000 (F)	11/01/2010	170 bp	(4)	–
Korea Monetary STAB Bond, 5%, 2/14/09	5,000 (F)	23/02/2009	105 bp	2	–
Korea Monetary STAB Bond, 5.15%, 2/12/10	5,000 (F)	19/02/2010	115 bp	12	–
Malaysian Government, 6.844%, 10/1/09	6,000	01/10/2009	90 bp	27	–
Republic of Argentina, 8.28%, 12/31/33	35,000	20/07/2012	(199.5 bp)	4,905	0.17
Republic of Argentina, 8.28%, 12/31/33	15,000	20/08/2012	(380 bp)	1,252	0.04
Republic of Argentina, 8.28%, 12/31/33	55,000	20/03/2013	(551 bp)	1,901	0.07
Republic of Brazil, 12 1/4%, 3/6/30	30,000	20/10/2017	105 bp	(971)	(0.03)
Republic of China, zero coupon, 12/05/2008	8,000 (F)	12/12/2008	115 bp	–	–
Republic of Indonesia, 6.75%, 2014	80,000	20/09/2016	292 bp	(1,462)	(0.05)
Republic of South Korea, 5.45% 1/23/10	15,000 (F)	01/02/2010	101 bp	(1)	–
Republic of Venezuela, 9 1/4%, 9/15/27	10,000	20/06/2014	220 bp	(1,508)	(0.05)
Republic of Venezuela, 9 1/4%, 9/15/27	35,000	20/07/2012	(205 bp)	3,670	0.13
Russian Federation, 7.5%, 3/31/30	30,000	20/08/2017	86 bp	(884)	(0.03)
United Mexican States, 7.5%, 4/8/33	15,000	20/03/2014	56 bp	(476)	(0.02)
United Mexican States, 7.5%, 4/8/33	25,000	20/04/2017	66 bp	(1,214)	(0.04)
JPMorgan Chase Bank, N.A.					
Republic of Argentina, 8.28%, 12/31/33	15,000	20/06/2014	235 bp	(2,740)	(0.10)
Republic of Brazil, 12.25%, 3/6/30	80,000	20/11/2012	90 bp	(605)	(0.02)
Republic of Turkey, 11 7/8%, 1/15/30	40,000	20/05/2017	230 bp	(3,542)	(0.12)
Republic of Turkey, 11 7/8%, 1/15/30	140,000	20/10/2012	154 bp	(6,999)	(0.25)
Russian Federation, 7 1/2%, 3/31/30	35,000	20/05/2017	60 bp	(1,623)	(0.06)
Russian Federation, 7.5%, 3/31/30	45,000	20/08/2012	65 bp	(624)	(0.02)
Russian Federation, 7.5%, 3/31/30	30,000	20/08/2017	85 bp	(906)	(0.03)
Lehman Brothers Special Financing, Inc.**					
Republic of Argentina, 8.28%, 12/31/33	10,000	20/09/2012	(469 bp)	564	0.02
Republic of Argentina, 8.28%, 12/31/33	25,000	20/05/2017	296 bp	(5,299)	(0.19)
Republic of Brazil, 12.25%, 3/6/30	5,000	20/04/2013	170 bp	116	–
Republic of Ecuador, 10%, 8/15/30	10,000	20/06/2012	600 bp	166	0.01
Republic of Ecuador, 10%, 8/15/30	45,000	20/05/2012	540 bp	(22)	–
Republic of Turkey, 11 7/8%, 1/15/30	20,000	20/05/2017	228 bp	(1,796)	(0.06)
Republic of Venezuela, 9 1/4%, 09/15/27	25,000	20/05/2012	183 bp	(2,764)	(0.10)
United Mexican States, 7.5%, 4/8/33	70,000	20/08/2017	72 bp	(3,102)	(0.11)
Net Unrealised Depreciation on Credit Default Contracts				$(31,169)	(1.10)

* Payments related to the reference debt are made upon a credit default event.

** Please refer to note 12 Subsequent events for more detail.

(F) Is valued at fair value following procedures approved by the Manager.

FUTURES CONTRACTS (–0.05%)

Number of Contracts Long	Counterparty	Unrealised (Depreciation) USD	% of Fund
9 U.S. Government Long Bond Sept 2008	Lehman Brothers*	$(1,399)	(0.05)
Net Unrealised Depreciation on Futures Contracts		$(1,399)	(0.05)
Total Financial Assets at Fair Value through Profit or Loss		**$2,795,249**	**98.37**
Total Financial Liabilities at Fair Value through Profit or Loss		**$(32,568)**	**(1.15)**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	80.65
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market	5.66
(d) Collective Investment Schemes	8.48
(e) OTC financial derivative instruments	0.43
(f) Exchange traded financial derivative instruments	–
(g) Other assets	4.78
Total Investments	100.00

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Schedule of Investments
30 June 2008

NON-U.S. EQUITIES (97.26%)

Number of Shares		Value USD	% of Fund
4,438	Air France-KLM	$106,519	0.94
2,219	Akzo Nobel NV	152,579	1.35
1,762	Allianz SE	310,769	2.75
11,987	Allied Irish Banks PLC	184,819	1.64
1,942	Arcelor Mittal	192,040	1.70
2,882	ASML Holding NV	70,897	0.63
27,660	BAE Systems PLC	243,821	2.16
18,230	Banco Santander Central Hispano SA	334,764	2.96
3,300	BASF AG	227,688	2.02
3,056	Bayerische Motoren Werke (BMW) AG	146,793	1.30
7,834	BHP Billiton PLC	299,647	2.65
3,329	BNP Paribas SA	301,673	2.67
45,138	BP PLC	524,520	4.64
19,036	Britvic PLC	109,749	0.97
2,476	Credit Suisse Group	113,881	1.01
9,923	Davis Service Group PLC	88,361	0.78
3,893	Deutsche Post AG	101,469	0.90
9,602	DnB Holdings ASA	122,330	1.08
3,272	EFG Eurobank Ergasias	77,811	0.69
25,780	Enel SpA	245,230	2.17
4,064	Finmeccanica SpA	106,823	0.95
22,252	GKN PLC	98,796	0.87
14,867	GlaxoSmithKline PLC	329,666	2.92
4,440	Hellenic Telecommunication Organization SA	111,881	0.99
6,155	ING Groep NV	196,294	1.74
15,457	Koninklijke KPN NV	265,341	2.35
17,758	Koninklijke Ahold NV	238,839	2.11
23,088	Lloyds TSB Group PLC	142,889	1.27
903	Lukoil	87,591	0.78
530	Lukoil ADR	52,338	0.46
756	Merck KGaA	107,240	0.95
977	Modern Times Group AB (Class B)	57,469	0.51
1,818	National Bank of Greece SA	81,944	0.73
7,700	Nestle SA	348,414	3.09
13,379	Nokia OYJ	326,173	2.89
6,957	Novartis AG	383,771	3.40
2,909	Petroleum Geo-Services ASA	71,491	0.63
2,074	Praktiker Bau- und Heimwerkermaerkte AG	43,769	0.39
48,752	Premier Foods PLC	92,314	0.82
19,950	Prudential PLC	211,745	1.87
4,811	Reckitt Benckiser PLC	243,951	2.16
842	Renault SA	69,075	0.61
2,047	Rio Tinto PLC	245,131	2.17
2,194	Roche Holding AG	395,682	3.50
1,578	RWE AG	199,263	1.76
414	Salzgitter AG	75,196	0.67
14,441	Saras SpA	82,046	0.73
7,683	Statoil ASA	286,849	2.54
4,734	Suez SA	322,379	2.85
746	Swisscom AG	249,289	2.21
3,110	Telekom Austria AG	64,359	0.57
5,053	Tognum AG	135,922	1.20
5,839	Total SA	498,231	4.41
23,488	UniCredito Italiano SpA	143,711	1.27
7,464	Vivendi SA	283,179	2.51
1,604	Xstrata PLC	128,619	1.14
983	Zurich Financial Services AG	252,088	2.23
	Total Non-U.S. Equities	$10,985,118	97.26

U.S. GOVERNMENT & AGENCY OBLIGATIONS (0.09%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$10,000	U.S. Treasury Bills#	0.00%	18/09/2008	$9,970	0.09
	Total U.S. Government & Agency Obligations			$9,970	0.09
Total Value of Investments				**$10,995,088**	**97.35**

FUTURES CONTRACTS (0.26%)

Number of Contracts Long		Counterparty	Unrealised (Depreciation) USD	% of Fund
1	FTSE 100 Index Sept 2008	JP Morgan Chase Bank	$(3,229)	(0.03)
	Net Unrealised Depreciation on Futures Contracts		$(3,229)	(0.03)
	Variation margin settlement to date		$33,066	0.29
	Cumulate unrealised less variation margin settlement to date		$29,837	0.26

At 30 June 2008, securities in part or in entirety have been designated as collateral for open futures contracts.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (0.07%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	USD	9,832	NOK	50,900	Bank of America Securities	$97	–
17/09/2008	CHF	167,800	USD	160,362	Bank of America Securities	(4,316)	(0.04)
17/09/2008	USD	232,019	SEK	1,407,300	Bank of America Securities	825	0.01
17/09/2008	USD	246,837	GBP	127,200	Bank of America Securities	5,186	0.05
17/09/2008	SEK	336,400	EUR	36,006	Bank of America Securities	827	0.01
17/09/2008	USD	79,200	EUR	51,212	Citibank NA	1,136	0.01
17/09/2008	GBP	18,500	EUR	23,350	Citibank NA	(30)	–
17/09/2008	NOK	1,333,100	USD	258,593	Citibank NA	(1,457)	(0.01)
17/09/2008	USD	89,601	CHF	93,400	Citibank NA	2,061	0.02
17/09/2008	USD	319,587	GBP	164,700	Citibank NA	6,735	0.06
17/09/2008	USD	326,692	EUR	211,500	Citibank NA	5,087	0.05
17/09/2008	SEK	1,100,900	USD	181,961	Citibank NA	(188)	–
17/09/2008	EUR	38,700	USD	60,346	Credit Suisse First Boston	(358)	–
17/09/2008	USD	279,845	NOK	1,448,200	Credit Suisse First Boston	2,658	0.02
17/09/2008	EUR	46,120	NOK	369,900	Credit Suisse First Boston	(184)	–
17/09/2008	GBP	23,000	USD	44,929	Credit Suisse First Boston	(641)	(0.01)
17/09/2008	EUR	54,000	USD	83,631	Deutsche Bank, London	(1,074)	(0.01)
17/09/2008	USD	31,843	NOK	164,000	HSBC Bank USA	149	–
17/09/2008	USD	124,176	GBP	63,600	HSBC Bank USA	1,835	0.02
17/09/2008	GBP	362,300	EUR	457,219	HSBC Bank USA	(647)	(0.01)
17/09/2008	USD	15,923	EUR	10,300	HSBC Bank USA	234	–
17/09/2008	SEK	180,900	USD	29,787	JP Morgan Chase Bank	(144)	–
17/09/2008	USD	196,234	CHF	204,300	JP Morgan Chase Bank	4,265	0.04
17/09/2008	EUR	38,800	USD	59,804	JP Morgan Chase Bank	(1,058)	(0.01)
17/09/2008	USD	31,162	GBP	16,000	Lehman Brothers*	539	0.01
17/09/2008	USD	84,100	EUR	54,353	Lehman Brothers*	1,162	0.01
17/09/2008	GBP	13,200	EUR	16,651	Lehman Brothers*	(36)	–
17/09/2008	USD	59,465	NOK	306,800	Lehman Brothers*	383	–
17/09/2008	CHF	110,300	USD	105,651	Lehman Brothers*	(2,597)	(0.02)
17/09/2008	NOK	1,173,800	EUR	146,728	Lehman Brothers*	1,178	0.01
17/09/2008	USD	103,556	EUR	66,800	Lehman Brothers*	1,227	0.01
17/09/2008	USD	38,877	NOK	201,300	Merrill Lynch	391	–
17/09/2008	USD	20,900	EUR	13,510	Merrill Lynch	292	(0.01)
17/09/2008	CHF	196,000	USD	187,838	Merrill Lynch	(4,515)	(0.04)
17/09/2008	CHF	19,400	EUR	12,127	Merrill Lynch	(15)	–
17/09/2008	EUR	48,500	USD	75,021	Merrill Lynch	(1,055)	(0.01)
17/09/2008	CHF	509,400	USD	488,458	UBS AG	(11,465)	(0.10)
17/09/2008	EUR	727,200	USD	1,126,787	UBS AG	(13,900)	(0.12)
17/09/2008	EUR	115,948	USD	179,200	UBS AG	(2,688)	(0.03)
17/09/2008	USD	7,238	GBP	3,700	UBS AG	93	–

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (Continued)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	USD	213,341	NOK	1,103,100	UBS AG	$1,843	–
17/09/2008	CHF	189,000	EUR	118,262	UBS AG	49	–
17/09/2008	USD	824,019	GBP	424,200	Westpac Banking Group	16,452	0.15
Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts						$8,336	0.07
Total Financial Assets at Fair Value through Profit or Loss						**$11,033,261**	**97.55**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	90.40
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market	–
(d) Collective Investment Schemes	–
(e) OTC financial derivative instruments	0.45
(f) Exchange traded financial derivative instruments	–
(g) Other assets	9.15
Total Investments	100.00

Schedule of Investments
30 June 2008

U.S. EQUITIES (42.39%)

Number of Shares		Value USD	% of Fund
3,019	Aetna Incorporated	$122,330	0.75
978	AK Steel Holding Corporation	67,433	0.41
2,594	Altria Group Incorporated	53,229	0.33
1,830	Ameriprise Financial Incorporated	74,426	0.46
1,774	AmerisourceBergen Corporation	70,907	0.43
894	Annaly Capital Management Incorporated	13,866	0.08
182	Apache Corporation	25,285	0.15
2,847	Atmos Energy Corporation	78,492	0.48
1,986	Best Buy Company Incorporated	78,487	0.48
2,650	BJ's Wholesale Club Incorporated	102,052	0.63
383	BlackRock Incorporated	67,791	0.42
1,200	BMC Software Incorporated	43,104	0.26
2,472	Boeing Company/The	162,435	1.00
1,020	Casey's General Stores Incorporated	23,633	0.14
1,886	Caterpillar Incorporated	139,036	0.85
505	CF Industries Holdings Incorporated	77,053	0.47
2,717	Chevron Corporation	269,037	1.65
1,751	Chubb Corporation	85,817	0.53
5,374	Coca-Cola Enterprises Incorporated	92,970	0.57
335	Comtech Telecommunications Corporation	16,415	0.10
1,391	ConocoPhillips	131,004	0.80
8,114	Electronic Data Systems Corporation	199,929	1.23
2,000	Eli Lilly & Company	92,180	0.56
4,882	Exxon Mobil Corporation	428,835	2.63
121	Fairpoint Communications Incorporated	872	0.01
1,200	Federated Investors Incorporated	41,304	0.25
1,398	General Electric Company	37,159	0.23
93	Global IndustriesLimited	1,667	0.01
1,007	Hewlett-Packard Company	44,429	0.27
3,992	Hill-Rom Holdings Incorporated	107,065	0.66
1,444	IBM Corporation	170,840	1.05
7,750	Intel Corporation	166,470	1.02
2,517	iShares MSCI EAFE Index Fund	172,717	1.06
2,656	Invitrogen Corporation	104,115	0.64
2,795	Johnson & Johnson	179,663	1.10
2,810	JPMorgan Chase & Company	96,411	0.59
928	Kinetic Concepts Incorporated	36,962	0.23
8,401	King Pharmaceuticals Incorporated	87,958	0.54
1,460	Lockheed Martin Corporation	143,898	0.88
3,061	Marathon Oil Corporation	158,682	0.97
1,370	MEMC Electronic Materials Incorporated	84,282	0.52
7,415	Microsoft Corporation	204,135	1.25
971	Monsanto Company	122,472	0.75
754	The Mosaic Company	109,096	0.67
1,921	Nasdaq OMX Group Incorporated	51,022	0.31
1,588	National-Oilwell Varco Incorporated	140,887	0.86
1,684	NIKE Incorporated	100,366	0.62
700	Northrop Grumman Corporation	46,830	0.29
1,438	Occidental Petroleum Corporation	129,104	0.79
2,014	Owens-Illinois Incorporated	83,964	0.51
3,963	The Pepsi Bottling Group Incorporated	110,528	0.68
7,787	Pfizer Incorporated	135,883	0.83
15	PharMerica Corporation	339	—
2,426	Philip Morris International Incorporated	119,626	0.73
400	Polaris Industries Incorporated	16,152	0.10
2,013	The Procter & Gamble Company	122,209	0.75

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
800	ProLogis Trust	$43,408	0.27
211	Reliance Steel & Aluminum Company	16,264	0.10
1,218	Reynolds American Incorporated	56,820	0.35
1,382	S&P 500 Index Depository Receipts	176,523	1.08
1,537	Shaw Group Incorporated	94,648	0.58
1,306	Southern Copper Corporation	139,259	0.85
892	State Street Corporation	56,981	0.35
3,997	Syniverse Holdings Incorporated	64,671	0.40
1,030	Synopsys Incorporated	24,607	0.15
1,571	Telephone and Data Systems Incorporated	74,073	0.45
1,510	Thermo Electron Corporation	84,107	0.52
1,091	Travelers Cos. Incorporated	47,273	0.29
1,711	UnitedHealth Group Incorporated	44,914	0.28
1,880	Valero Energy Corporation	77,362	0.47
5,761	Verizon Communications Incorporated	203,536	1.25
1,378	WellPoint Incorporated	65,538	0.40
100	WESCO International Incorporated	3,994	0.02
	Total U.S. Equities	$6,916,831	42.39

NON-U.S. EQUITIES (48.18%)

Number of Shares		Value USD	% of Fund
4,813	3i Group PLC	$79,097	0.48
91	Agrium Incorporated	9,834	0.06
55	ALPS Electric Company Limited	569	—
2,520	Anglo American PLC	177,056	1.09
8,421	Antofagasta PLC	110,360	0.68
573	Arch Capital Group Limited	38,001	0.23
35,000	Ascendas Real Estate Investment Trust	56,892	0.35
379	Autobacs Seven Company Limited	10,617	0.07
10,069	BAE Systems PLC	88,757	0.54
8,304	Balfour Beatty PLC	70,303	0.43
986	Baloise Holding AG	103,947	0.64
8,830	Banco Santander Central Hispano SA	162,148	0.99
5,411	Bank Leumi Le-Israel BM	26,986	0.17
5,701	Bank of Ireland PLC	49,472	0.30
2,114	Bank of Nova Scotia	96,973	0.59
1,892	BASF AG	130,541	0.80
3,354	BAT Industries PLC	116,189	0.71
1,319	BCE Incorporated	46,089	0.28
3,485	BG Group PLC	90,719	0.56
3,632	BHP Billiton Limited	151,486	0.93
1,570	BNP Paribas SA	142,273	0.87
718	Bobst Group AG	57,105	0.35
10,203	Bombardier Incorporated	74,311	0.46
19,594	BP PLC	227,689	1.40
766	Canadian Imperial Bank of Commerce	42,102	0.26
4,200	Canon Sales Company Incorporated	73,922	0.45
17	Canon Incorporated	867	0.01
9,432	China Mobile Limited	126,657	0.78
80,950	China Steel Corporation	124,830	0.77
3,210	Circle K Sunkus Company Limited	56,255	0.34
619	Corio NV	48,382	0.30
3,972	Credit Agricole SA	81,196	0.50
6,000	Dainippon Sumitomo Pharma Company Limited	48,557	0.30
1,261	Deutsche Bank AG	109,128	0.67
5,167	Deutsche Lufthansa AG	111,240	0.68

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1	Discovery Holdings Limited	$3	–
8,104	DnB Holdings ASA	103,246	0.63
808	E.On AG	163,175	1.00
873	Emera Incorporated	19,796	0.12
14,592	Enel SpA	138,805	0.85
5,157	ENI SpA	192,080	1.18
7,900	Esprit Holdings Limited	82,020	0.50
20	FamilyMart Company Limited	815	–
37,746	FirstRand Limited	64,356	0.39
863	Fording Canadian Coal Trust	82,703	0.51
26,111	Formosa Chemicals & Fibre Corporation	51,449	0.32
354	Fuji Heavy Industries	1,733	0.01
1,073	Fujitsu Limited	7,945	0.05
14	Galenica Holdings AG	4,943	0.03
1,700	Gaz de France SA	109,262	0.67
2,955	Hennes & Mauritz AB	160,315	0.98
1,000	Hitachi Limited	7,197	0.04
3,800	Honda Motor Company Limited	128,674	0.79
4,112	ING Groep NV	131,139	0.80
82	IT Holdings Corporation	1,647	0.01
616	Itochu Corporation	6,548	0.04
7,000	Jardine Cycle & Carriage Limited	87,320	0.54
1	KDDI Corporation	6,178	0.04
4,101	Koninklijke Ahold NV	55,157	0.34
76	Korea Electric Power Corporation	1,104	0.01
179	Liechtenstein Landesbank	13,868	0.08
1,218	Lloyds TSB Group PLC	7,538	0.05
1,000	Marubeni Corporation	8,319	0.05
2,300	Methanex Corporation	65,152	0.40
2,189	Mitsubishi Corporation	71,852	0.44
637	Muenchener Rueckversicherungs-Gesellschaft AG	111,627	0.68
51,572	Nan Ya Plastic Corporation	109,435	0.67
1,569	National Express Group PLC	29,757	0.18
21,683	Neptune Orient Lines Limited	51,512	0.32
21,000	Nippon Oil Corporation	141,030	0.86
40	Nippon Telegraph & Telephone (NTT) Corporation	194,680	1.19
7,615	Nokia OYJ	185,650	1.14
10,728	Nordea AB	148,133	0.91
826	Novo Nordisk A/S	54,086	0.33
1,409	Paddy Power PLC	44,048	0.27
106	Potash Corporation Of Saskatchewan Incorporated	24,648	0.15
25,000	PT Astra International Incorporated	52,225	0.32
5,800	Public Bank Berhad	18,297	0.11
16,569	Qantas Airways Limited	48,284	0.30
2,450	Remgro Limited	58,983	0.36
6,000	Ricoh Company Limited	108,036	0.66
8,313	RMB Holdings Limited	22,379	0.14
169	Rothmans Incorporated	4,502	0.03
2,333	Royal Bank of Canada	104,290	0.64
16,012	Royal Bank of Scotland Group PLC	68,538	0.42
325	Sanofi-Aventis	21,712	0.13
3,439	Seagate Technology	65,651	0.40
4,546	Seiko Epson Corporation	125,206	0.77
193	Shimizu Corporation	914	0.01

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
13,370	Singapore Airlines Limited	$144,556	0.89
4,676	Stagecoach Group PLC	26,073	0.16
2,200	Suzuken Company Limited	81,136	0.50
32,036	Taisei Corporation	76,147	0.47
9	Taiwan Semiconductor Manufacturing Company Limited	19	–
1,200	TDK Corporation	71,647	0.44
2,634	Teck Cominco Limited	127,299	0.78
19,847	Telstra Corporation Limited	80,667	0.49
21,805	Tenaga Nasional Berhad	54,429	0.33
354	Total SA	30,206	0.19
1,029	Toyo Suisan Kaisha Limited	23,245	0.14
352	Vastned Retail NV	28,273	0.17
2,827	Vivendi SA	107,255	0.66
54,202	Vodafone Group PLC	161,081	0.98
483	Volkswagon AG	139,630	0.86
4,300	Yamaha Motor Company Limited	80,508	0.49
470	Zurich Financial Services AG	120,531	0.74
	Total Non-U.S. Equities	$7,861,214	48.18

U.S. GOVERNMENT & AGENCY OBLIGATIONS (6.11%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$1,000,000	United States Treasury Bill		18/09/2008	$996,969	6.11
	Total U.S. Government & Agency Obligations			$996,969	6.11
Total Value of Investments				**$15,775,014**	**96.68**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

FUTURES CONTRACTS (0.23%)

Number of Contracts Long/(Short)		Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
(6)	Amsterdam Exchanges Index July 2008	Goldman Sachs International	$45,026	0.28
(6)	BEL 20 Index July 2008	Goldman Sachs International	31,187	0.19
3	DAX Index Sept 2008	Goldman Sachs International	(39,913)	(0.24)
(10)	Euro-CAC 40 Index Sept 2008	Goldman Sachs International	26,058	0.16
16	New Financial Times Stock Exchange 100 Index Sept 2008	Goldman Sachs International	(30,256)	(0.19)
60	OBX Index July 2008	Goldman Sachs International	(31,201)	(0.19)
(87)	OMXS 30 Index July 2008	Goldman Sachs International	113,979	0.70
26	S&P 500 Index E-Mini Sept 2008	Goldman Sachs International	(102,700)	(0.63)
4	S&P/MIB Index Sept 2008	Goldman Sachs International	(27,222)	(0.17)
3	S&P/Toronto Stock Exchange 60 Index Sept 2008	Goldman Sachs International	(4,140)	(0.03)
(30)	SGX MSCI Singapore Index July 2008	Goldman Sachs International	15,615	0.10
2	SPI 200 Index Sept 2008	Goldman Sachs International	(9,317)	(0.06)
(19)	Swiss Market Index Sept 2008	Goldman Sachs International	34,362	0.21
8	Tokyo Price Index Sept 2008	Goldman Sachs International	(59,324)	(0.36)
	Net Unrealised Depreciation on Futures Contracts		$(37,846)	(0.23)
	Variation margin settlement to date		$(75,521)	(0.46)
	Cumulate unrealised less variation margin settlement to date		$37,675	0.23
Total Financial Assets at Fair Value through Profit or Loss			**$15,812,689**	**96.94**

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	74.93
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market	–
(d) Collective Investment Schemes	–
(e) OTC financial derivative instruments	–
(f) Exchange traded financial derivative instruments	1.27
(g) Other assets	23.80
Total Investments	100.00

Schedule of Investments
30 June 2008

ASSET-BACKED SECURITIES (1.55%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
453,096	Ace Securities Corporation 144A	6.50	15/08/2030	£199,465	0.04
704,000	BankAmerica Manufactured Housing Contract Trust	6.90	10/04/2028	445,704	0.10
1,605,211	Bombardier Capital Mortgage Securitization Corporation	6.53	15/10/2028	605,699	0.13
535,000	Credit-Based Asset Servicing and Securitization 144A (Class M1)	6.25	25/10/2036	225,467	0.05
234,000	Credit-Based Asset Servicing and Securitization 144A (Class M2)	6.25	25/10/2036	96,267	0.02
2,228,000	Green Tree Financial Corporation	7.95	15/09/2027	976,287	0.21
1,260,000	Green Tree Financial Corporation	7.60	15/04/2026	492,608	0.11
171,956	Green Tree Financial Corporation	6.85	15/10/2018	77,618	0.02
2,883,757	Greenpoint Manufactured Housing	8.45	20/06/2031	1,229,778	0.27
578,082	Mid-State Trust	7.34	01/07/2035	278,948	0.06
1,657,663	Mid-State Trust	4.86	15/07/2038	616,917	0.14
466,000	Oakwood Mortgage Investors Incorporated	6.83	15/05/2028	174,575	0.04
393,968	Oakwood Mortgage Investors Incorporated	6.45	15/11/2017	166,328	0.04
2,236,320	Oakwood Mortgage Investors Incorporated	5.26	15/01/2019	699,776	0.15
457,910	Oakwood Mortgage Investors Incorporated	2.77	15/03/2014	143,723	0.03
1,309,767	Vanderbilt Mortgage & Finance Incorporated	7.74	07/04/2031	624,459	0.14
	Total Asset-Backed Securities			£7,053,619	1.55

COLLATERALISED MORTGAGE OBLIGATIONS (28.86%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
23,000	Banc of America Commercial Mortgage Incorporated	5.63	10/04/2049	£11,310	–
4,450,000	Banc of America Commercial Mortgage Incorporated	5.45	15/01/2049	2,188,986	0.48
2,165,000	Banc of America Commercial Mortgage Incorporated	5.31	10/10/2045	1,085,650	0.24
2,950,430	Banc of America Funding Corporation	5.99	20/05/2036	1,176,797	0.26
2,112,938	Bear Stearns* Alternative A Trust	6.25	25/08/2036	819,569	0.18
1,993,054	Bear Stearns* Alternative A Trust	5.69	25/09/2035	767,744	0.17
90,000	Bear Stearns* Commercial Mortgage Securities Trust	5.85	11/06/2040	44,518	0.01
3,060,000	Citigroup Commercial Mortgage Trust	6.03	10/10/2012	1,543,414	0.34
5,635,000	Citigroup Commercial Mortgage Trust	6.30	10/11/2014	2,871,164	0.63

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,445,415	Citigroup Mortgage Loan Trust Incorporated	6.21	25/07/2036	£526,818	0.12
3,012,740	Citigroup Mortgage Loan Trust Incorporated	5.66	25/11/2036	1,137,411	0.25
10,803,000	Commercial Mortgage Loan Trust	6.22	10/09/2017	5,353,766	1.18
1,308,434	Countrywide Alternative Loan Trust	5.54	25/03/2047	592,707	0.13
1,121,313	Countrywide Alternative Loan Trust	5.12	25/03/2034	29,447	0.01
2,875,586	Countrywide Alternative Loan Trust (Class 2A2)	6.00	25/02/2037	1,174,221	0.26
2,295,213	Countrywide Alternative Loan Trust (Class A4)	6.00	25/02/2037	938,490	0.21
4,767,000	Credit Suisse Mortgage Capital Certificates	6.43	15/02/2041	2,403,788	0.53
14,000	Credit Suisse Mortgage Capital Certificates	6.01	15/09/2039	6,964	–
5,215,000	Credit Suisse Mortgage Capital Certificates	5.91	15/06/2039	2,589,630	0.57
15,600,000	CS First Boston Mortgage Securities Corporation	5.71	15/02/2039	7,788,480	1.71
3,438,314	CWMBS Incorporated	5.71	20/11/2035	1,345,517	0.30
40,071	CWMBS Incorporated	3.13	25/05/2035	471	–
6,789,195	Federal Home Loan Mortgage Corporation	3.93	15/11/2037	270,491	0.06
91,503	Federal Home Loan Mortgage Corporation	0.00	15/07/2037	37,874	0.01
84,947	Federal Home Loan Mortgage Corporation	0.00	15/10/2036	38,348	0.01
65,803	Federal Home Loan Mortgage Corporation	0.00	15/03/2036	31,605	0.01
112,282	Federal Home Loan Mortgage Corporation	0.00	15/08/2035	47,036	0.01
37,013	Federal Home Loan Mortgage Corporation	0.03	25/05/2043	55	–
40,457	Federal Home Loan Mortgage Corporation	0.28	25/05/2043	171	–
31,468	Federal Home Loan Mortgage Corporation	0.37	25/05/2043	203	–
42,541	Federal Home Loan Mortgage Corporation	0.52	25/05/2043	341	–
830,586	Federal Home Loan Mortgage Corporation	3.29	15/08/2037	27,075	0.01
5,534,862	Federal Home Loan Mortgage Corporation	3.48	15/11/2036	180,614	0.04
2,716,939	Federal Home Loan Mortgage Corporation	3.68	15/04/2035	84,265	0.02

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
2,353,116	Federal Home Loan Mortgage Corporation	3.78	15/02/2038	£94,693	0.02
3,600,547	Federal Home Loan Mortgage Corporation	3.93	15/10/2037	139,271	0.03
788,602	Federal Home Loan Mortgage Corporation	3.94	15/05/2037	37,215	0.01
1,121,793	Federal Home Loan Mortgage Corporation	3.98	15/09/2037	46,941	0.01
608,834	Federal Home Loan Mortgage Corporation	4.02	15/11/2036	25,900	0.01
1,186,383	Federal Home Loan Mortgage Corporation	4.10	15/05/2036	52,247	0.01
1,056,243	Federal Home Loan Mortgage Corporation	4.18	15/09/2035	46,166	0.01
2,534,302	Federal Home Loan Mortgage Corporation	4.20	15/10/2037	97,298	0.02
79,664	Federal Home Loan Mortgage Corporation	4.26	15/10/2035	3,159	–
2,470,852	Federal Home Loan Mortgage Corporation	4.28	15/05/2035	89,360	0.02
4,930,398	Federal Home Loan Mortgage Corporation	4.73	15/08/2036	214,895	0.05
3,379,737	Federal Home Loan Mortgage Corporation	6.13	15/05/2037	213,014	0.05
49,085	Federal Home Loan Mortgage Corporation	7.00	25/07/2032	25,854	0.01
151,136	Federal Home Loan Mortgage Corporation	10.70	15/08/2035	75,243	0.02
266,451	Federal Home Loan Mortgage Corporation	11.58	15/10/2036	138,890	0.03
199,653	Federal Home Loan Mortgage Corporation	17.28	15/09/2036	39,989	0.01
367,999	Federal Home Loan Mortgage Corporation	18.14	15/09/2032	187,095	0.04
254,604	Federal Home Loan Mortgage Corporation	18.72	15/04/2032	139,741	0.03
173,913	Federal Home Loan Mortgage Corporation	20.74	15/05/2036	102,538	0.02
109,266	Federal Home Loan Mortgage Corporation	24.41	15/08/2036	68,085	0.01
79,427	Federal Home Loan Mortgage Corporation (Class KF)	0.00	15/11/2036	41,189	0.01
116,984	Federal Home Loan Mortgage Corporation (Class TP)	0.00	15/11/2036	51,651	0.01
61,315	Federal Home Loan Mortgage Corpration	4.18	15/09/2030	2,243	–
41,839	Federal National* Mortgage Association	0.00	25/08/2035	18,758	–

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
2,396,562	Federal National* Mortgage Association	4.27	25/10/2034	£114,679	0.03
13,939,555	Federal National* Mortgage Association	5.07	25/02/2038	877,831	0.19
82,040	Federal National* Mortgage Association	6.00	25/10/2022	6,464	–
605,005	Federal National* Mortgage Association	6.00	25/02/2038	67,305	0.01
77,969	Federal National* Mortgage Association	6.50	25/09/2022	6,155	–
120,645	Federal National* Mortgage Association	7.00	25/01/2038	11,624	–
138,687	Federal National* Mortgage Association	7.50	25/08/2037	13,553	–
101,670	Federal National* Mortgage Association	17.74	25/06/2037	54,872	0.01
41,877	Federal National* Mortgage Association	0.35	25/09/2042	250	–
39,739	Federal National* Mortgage Association	0.37	25/09/2042	218	–
300,371	Federal National* Mortgage Association	0.45	25/12/2041	1,817	–
39,147	Federal National* Mortgage Association	0.47	25/07/2042	272	–
28,650	Federal National* Mortgage Association	0.68	25/09/2042	284	–
53,814	Federal National* Mortgage Association	0.81	25/07/2042	729	–
73,528	Federal National* Mortgage Association	1.64	25/12/2042	1,918	–
34,246	Federal National* Mortgage Association	1.92	25/06/2043	942	–
25,256	Federal National* Mortgage Association	1.94	25/06/2043	707	–
39,204	Federal National* Mortgage Association	2.22	25/06/2043	1,242	–
254,814	Federal National* Mortgage Association	3.62	25/09/2035	7,770	–
6,228,591	Federal National* Mortgage Association	3.62	25/10/2025	197,332	0.04
4,606,550	Federal National* Mortgage Association	3.74	25/03/2038	165,466	0.04
304,210	Federal National* Mortgage Association	3.96	25/04/2037	12,778	–
2,468,792	Federal National* Mortgage Association	3.97	25/02/2038	97,686	0.02
2,491,729	Federal National* Mortgage Association	3.97	25/08/2036	111,669	0.02
9,991,369	Federal National* Mortgage Association	3.98	25/11/2037	384,486	0.08
2,042,408	Federal National* Mortgage Association	4.12	25/05/2035	80,500	0.02
8,739,366	Federal National* Mortgage Association	4.14	25/11/2036	411,084	0.09
749,838	Federal National* Mortgage Association	4.17	25/05/2034	35,858	0.01
2,492,500	Federal National* Mortgage Association	4.17	25/12/2036	111,100	0.02
701,918	Federal National* Mortgage Association	4.21	25/11/2036	30,794	0.01
1,160,612	Federal National* Mortgage Association	4.22	25/03/2037	53,540	0.01
1,792,464	Federal National* Mortgage Association	4.22	25/08/2034	75,181	0.02
2,794,430	Federal National* Mortgage Association	4.22	25/02/2035	110,925	0.02

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
885,610	Federal National* Mortgage Association	4.22	25/04/2035	£39,719	0.01
25,306,360	Federal National* Mortgage Association	4.24	25/06/2035	999,139	0.22
707,905	Federal National* Mortgage Association	4.26	25/01/2037	33,166	0.01
738,145	Federal National* Mortgage Association	4.29	25/05/2037	35,786	0.01
7,137,485	Federal National* Mortgage Association	4.31	25/04/2037	342,076	0.08
2,373,725	Federal National* Mortgage Association	4.32	25/05/2035	94,896	0.02
1,372,514	Federal National* Mortgage Association	4.50	25/03/2038	73,074	0.02
43,969	Federal National* Mortgage Association	4.52	25/08/2035	1,956	–
1,370,362	Federal National* Mortgage Association	4.52	25/10/2029	59,624	0.01
1,423,836	Federal National* Mortgage Association	4.57	25/12/2033	69,137	0.02
1,204,973	Federal National* Mortgage Association	4.67	25/07/2033	56,669	0.01
1,060,131	Federal National* Mortgage Association	4.72	25/07/2036	55,497	0.01
124,535	Federal National* Mortgage Association	4.75	25/01/2036	5,922	–
213,413	Federal National* Mortgage Association	5.00	25/08/2037	25,134	0.01
98,921	Federal National* Mortgage Association	5.00	25/10/2037	11,942	–
2,041,768	Federal National* Mortgage Association	5.00	25/03/2038	238,441	0.05
714,000	Federal National* Mortgage Association	5.00	25/04/2023	47,991	0.01
1,638,358	Federal National* Mortgage Association	5.12	25/04/2034	102,902	0.02
1,389,895	Federal National* Mortgage Association	5.22	25/07/2034	78,857	0.02
37,426,275	Federal National* Mortgage Association	5.50	25/05/2037	4,890,190	1.07
1,811,843	Federal National* Mortgage Association	5.50	25/04/2038	209,146	0.05
3,747,475	Federal National* Mortgage Association	6.00	25/05/2036	493,999	0.11
1,913,000	Federal National* Mortgage Association	6.00	25/03/2038	203,462	0.04
1,619,000	Federal National* Mortgage Association	6.00	25/05/2038	187,626	0.04
8,340,007	Federal National* Mortgage Association	6.50	01/07/2036	1,111,857	0.24
143,653	Federal National* Mortgage Association	6.50	25/02/2037	16,809	–
240,274	Federal National* Mortgage Association	6.50	25/03/2037	27,307	0.01
1,090,841	Federal National* Mortgage Association	6.50	25/04/2038	120,323	0.03
795,000	Federal National* Mortgage Association	6.50	25/05/2038	84,806	0.02
132,647	Federal National* Mortgage Association	6.50	25/08/2038	13,740	–
39,423	Federal National* Mortgage Association	7.00	25/02/2044	20,895	–
105,025	Federal National* Mortgage Association	7.50	25/01/2038	9,052	–
70,266	Federal National* Mortgage Association	7.50	25/10/2040	37,624	0.01

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
64,751	Federal National* Mortgage Association	7.50	25/03/2044	£34,771	0.01
93,790	Federal National* Mortgage Association	10.67	25/08/2035	47,278	0.01
199,929	Federal National* Mortgage Association	17.24	25/04/2035	113,188	0.02
171,798	Federal National* Mortgage Association	18.53	25/11/2036	96,296	0.02
110,488	Federal National* Mortgage Association	28.12	25/08/2037	73,992	0.02
557,823	Federal National* Mortgage Association	28.63	25/02/2037	316,216	0.07
918,000	Federal National* Mortgage Association (Class 1)	6.00	25/10/2038	100,079	0.02
191,068	Federal National* Mortgage Association (Class 10)	5.50	25/08/2037	23,010	0.01
94,717	Federal National* Mortgage Association (Class 10)	6.00	25/07/2038	10,565	–
132,768	Federal National* Mortgage Association (Class 11)	5.50	25/08/2037	15,823	–
121,446	Federal National* Mortgage Association (Class 12)	5.50	25/08/2037	14,510	–
713,638	Federal National* Mortgage Association (Class 12)	6.50	25/02/2038	75,780	0.02
122,421	Federal National* Mortgage Association (Class 13)	5.50	25/08/2037	14,627	–
187,030	Federal National* Mortgage Association (Class 13)	6.50	25/11/2037	19,109	–
236,386	Federal National* Mortgage Association (Class 14)	5.50	25/09/2037	27,664	0.01
91,833	Federal National* Mortgage Association (Class 15)	5.50	25/09/2037	10,513	–
180,635	Federal National* Mortgage Association (Class 15)	6.50	25/12/2037	18,973	–
135,436	Federal National* Mortgage Association (Class 16)	6.50	25/11/2037	14,457	–
993,965	Federal National* Mortgage Association (Class 17)	5.50	25/01/2038	115,218	0.03
198,129	Federal National* Mortgage Association (Class 17)	6.50	25/12/2037	21,168	–
662,971	Federal National* Mortgage Association (Class 18)	5.50	25/01/2038	77,248	0.02
145,674	Federal National* Mortgage Association (Class 18)	6.50	25/12/2037	15,432	–
604,562	Federal National* Mortgage Association (Class 19)	5.50	25/01/2038	70,443	0.02
129,361	Federal National* Mortgage Association (Class 19)	6.50	25/02/2038	13,204	–
1,284,000	Federal National* Mortgage Association (Class 2)	6.00	25/04/2038	134,503	0.03

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
373,316	Federal National* Mortgage Association (Class 20)	5.50	25/07/2037	£44,394	0.01
353,677	Federal National* Mortgage Association (Class 21)	5.50	25/07/2037	42,059	0.01
136,455	Federal National* Mortgage Association (Class 21)	7.00	25/12/2037	13,427	–
239,119	Federal National* Mortgage Association (Class 22)	5.50	25/07/2037	28,364	0.01
215,630	Federal National* Mortgage Association (Class 23)	5.50	25/07/2037	25,578	0.01
133,054	Federal National* Mortgage Association (Class 23)	7.00	25/12/2037	12,485	–
151,518	Federal National* Mortgage Association (Class 24)	5.50	25/07/2037	17,374	–
90,284	Federal National* Mortgage Association (Class 24)	7.00	25/03/2038	8,413	–
103,508	Federal National* Mortgage Association (Class 25)	5.50	25/01/2038	11,621	–
93,229	Federal National* Mortgage Association (Class 25)	7.00	25/03/2038	8,748	–
111,265	Federal National* Mortgage Association (Class 26)	5.50	25/07/2037	13,265	–
82,049	Federal National* Mortgage Association (Class 27)	7.50	25/12/2037	7,072	–
1,264,497	Federal National* Mortgage Association (Class 28)	6.00	25/01/2038	147,324	0.03
84,672	Federal National* Mortgage Association (Class 28)	7.50	25/12/2037	7,298	–
1,137,444	Federal National* Mortgage Association (Class 29)	6.00	25/01/2038	132,864	0.03
1,046,394	Federal National* Mortgage Association (Class 3)	5.50	25/09/2037	120,362	0.03
365,989	Federal National* Mortgage Association (Class 3)	5.50	25/12/2037	41,879	0.01
838,825	Federal National* Mortgage Association (Class 30)	6.00	25/01/2038	98,697	0.02
740,443	Federal National* Mortgage Association (Class 31)	6.00	25/01/2038	87,121	0.02
574,321	Federal National* Mortgage Association (Class 32)	6.00	25/01/2038	68,122	0.01
491,203	Federal National* Mortgage Association (Class 33)	6.00	25/01/2038	58,263	0.01
198,604	Federal National* Mortgage Association (Class 34)	6.00	25/12/2037	23,069	0.01
164,479	Federal National* Mortgage Association (Class 35)	6.00	25/12/2037	19,056	–
129,445	Federal National* Mortgage Association (Class 36)	6.00	25/12/2037	15,068	–

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
190,428	Federal National* Mortgage Association (Class 37)	6.00	25/01/2038	£22,759	–
89,585	Federal National* Mortgage Association (Class 38)	6.00	25/12/2037	10,383	–
924,348	Federal National* Mortgage Association (Class 4)	5.50	25/09/2037	106,970	0.02
148,957	Federal National* Mortgage Association (Class 4)	5.50	25/12/2037	17,350	–
1,208,330	Federal National* Mortgage Association (Class 40)	6.00	25/04/2038	139,320	0.03
1,060,587	Federal National* Mortgage Association (Class 41)	6.00	25/04/2038	122,179	0.03
767,305	Federal National* Mortgage Association (Class 42)	6.00	25/04/2038	88,855	0.02
692,787	Federal National* Mortgage Association (Class 43)	6.00	25/04/2038	80,469	0.02
633,330	Federal National* Mortgage Association (Class 44)	6.00	25/04/2038	73,340	0.02
487,257	Federal National* Mortgage Association (Class 45)	6.00	25/04/2038	57,133	0.01
423,792	Federal National* Mortgage Association (Class 46)	6.00	25/04/2038	49,670	0.01
375,477	Federal National* Mortgage Association (Class 47)	6.00	25/04/2038	44,008	0.01
336,594	Federal National* Mortgage Association (Class 48)	6.00	25/04/2038	39,569	0.01
173,685	Federal National* Mortgage Association (Class 49)	6.00	25/06/2037	20,026	–
586,987	Federal National* Mortgage Association (Class 5)	5.50	25/09/2037	67,929	0.01
96,324	Federal National* Mortgage Association (Class 5)	5.50	25/12/2037	11,398	–
1,911,000	Federal National* Mortgage Association (Class 5)	6.00	25/04/2038	212,752	0.05
230,241	Federal National* Mortgage Association (Class 50)	6.00	25/12/2037	26,339	0.01
179,618	Federal National* Mortgage Association (Class 51)	6.00	25/06/2037	20,548	–
136,889	Federal National* Mortgage Association (Class 52)	6.00	25/04/2038	16,092	–
88,094	Federal National* Mortgage Association (Class 53)	6.00	25/06/2037	10,179	–
109,715	Federal National* Mortgage Association (Class 57)	6.00	25/06/2037	12,705	–
295,007	Federal National* Mortgage Association (Class 58)	6.50	25/08/2037	33,336	0.01
184,101	Federal National* Mortgage Association (Class 59)	6.50	25/08/2037	20,444	–

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COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
528,059	Federal National* Mortgage Association (Class 6)	5.50	25/09/2037	£61,295	0.01
355,951	Federal National* Mortgage Association (Class 6)	6.00	25/12/2037	41,079	0.01
1,031,000	Federal National* Mortgage Association (Class 6)	6.00	25/10/2038	98,192	0.02
630,179	Federal National* Mortgage Association (Class 60)	6.50	25/10/2037	73,078	0.02
147,006	Federal National* Mortgage Association (Class 61)	6.50	25/08/2037	16,383	–
173,794	Federal National* Mortgage Association (Class 62)	6.50	25/10/2037	19,770	–
136,336	Federal National* Mortgage Association (Class 63)	6.50	25/09/2037	15,153	–
253,161	Federal National* Mortgage Association (Class 64)	6.50	25/09/2037	29,027	0.01
173,838	Federal National* Mortgage Association (Class 65)	6.50	25/08/2037	20,106	–
177,418	Federal National* Mortgage Association (Class 66)	6.50	25/08/2037	20,459	0.01
133,204	Federal National* Mortgage Association (Class 67)	6.50	25/09/2037	15,099	–
91,692	Federal National* Mortgage Association (Class 68)	6.50	25/09/2037	10,426	–
99,485	Federal National* Mortgage Association (Class 69)	6.50	25/10/2037	11,317	–
519,908	Federal National* Mortgage Association (Class 7)	5.50	25/09/2037	60,167	0.01
738,541	Federal National* Mortgage Association (Class 7)	6.00	25/01/2038	89,453	0.02
371,516	Federal National* Mortgage Association (Class 70)	6.50	25/01/2037	42,260	0.01
157,331	Federal National* Mortgage Association (Class 71)	6.50	25/12/2036	17,754	–
705,446	Federal National* Mortgage Association (Class 72)	6.50	25/05/2037	82,086	0.02
198,378	Federal National* Mortgage Association (Class 74)	6.50	25/01/2037	22,496	0.01
125,630	Federal National* Mortgage Association (Class 75)	6.50	25/12/2036	14,530	–
105,962	Federal National* Mortgage Association (Class 77)	6.50	25/05/2037	12,122	–
108,099	Federal National* Mortgage Association (Class 78)	6.50	25/05/2037	12,334	–
128,219	Federal National* Mortgage Association (Class 79)	7.00	25/08/2037	13,992	–
210,188	Federal National* Mortgage Association (Class 8)	5.50	25/08/2037	25,313	0.01

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
843,608	Federal National* Mortgage Association (Class 8)	6.00	25/07/2038	£90,507	0.02
278,225	Federal National* Mortgage Association (Class 80)	7.00	25/08/2037	30,920	0.01
154,169	Federal National* Mortgage Association (Class 81)	7.00	25/08/2037	16,144	–
152,139	Federal National* Mortgage Association (Class 82)	7.00	25/08/2037	15,572	–
127,088	Federal National* Mortgage Association (Class 83)	7.00	25/08/2037	13,391	–
125,139	Federal National* Mortgage Association (Class 84)	7.00	25/09/2037	13,311	–
87,742	Federal National* Mortgage Association (Class 85)	7.00	25/09/2037	9,214	–
84,369	Federal National* Mortgage Association (Class 86)	7.00	25/09/2037	8,860	–
111,145	Federal National* Mortgage Association (Class 88)	7.50	25/09/2037	10,482	–
87,103	Federal National* Mortgage Association (Class 89)	7.50	25/09/2037	8,250	–
200,621	Federal National* Mortgage Association (Class 9)	5.50	25/08/2037	24,160	0.01
132,145	Federal National* Mortgage Association (Class 92)	5.00	25/10/2022	10,461	–
88,398	Federal National* Mortgage Association (Class 93)	5.00	25/10/2022	7,125	–
152,419	Federal National* Mortgage Association (Class 94)	5.50	25/08/2022	12,470	–
303,941	Federal National* Mortgage Association (Class 95)	5.50	25/09/2022	25,288	0.01
166,867	Federal National* Mortgage Association (Class 96)	5.50	25/08/2022	13,019	–
128,899	Federal National* Mortgage Association (Class 97)	5.50	25/09/2022	10,327	–
194,559	Federal National* Mortgage Association (Class 98)	6.00	25/09/2022	15,749	–
85,949	Federal National* Mortgage Association (Class 99)	6.00	25/09/2022	6,759	–
10,000,000	GE Capital Commercial Mortgage Corporation	5.52	10/03/2044	4,937,022	1.08
47,000	GE Capital Commercial Mortgage Corporation	5.42	10/12/2049	22,926	0.01
3,224,940	Government National Mortgage Association	3.52	20/03/2034	65,831	0.01
3,230,152	Government National Mortgage Association	3.62	20/01/2035	102,489	0.02
1,378,490	Government National Mortgage Association	3.68	16/10/2037	42,576	0.01

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COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,136,474	Government National Mortgage Association	3.70	20/02/2035	£40,271	0.01
403,008	Government National Mortgage Association	3.73	16/05/2037	15,452	—
1,137,882	Government National Mortgage Association	3.77	20/01/2035	39,899	0.01
2,236,402	Government National Mortgage Association	3.81	20/03/2036	80,848	0.02
1,601,387	Government National Mortgage Association	3.82	20/09/2035	61,543	0.01
2,682,556	Government National Mortgage Association	3.89	16/09/2035	96,379	0.02
3,791,067	Government National Mortgage Association	3.92	20/01/2032	110,182	0.02
7,881,692	Government National Mortgage Association	3.93	16/05/2038	284,495	0.06
1,685,181	Government National Mortgage Association	3.98	20/02/2036	57,376	0.01
8,677,730	Government National Mortgage Association	3.99	20/06/2037	312,393	0.07
1,989,614	Government National Mortgage Association	4.00	20/02/2038	79,648	0.02
1,375,154	Government National Mortgage Association	4.02	20/01/2037	49,157	0.01
2,944,893	Government National Mortgage Association	4.03	16/01/2038	106,082	0.02
3,909,220	Government National Mortgage Association	4.04	20/03/2037	147,885	0.03
17,105,304	Government National Mortgage Association	4.05	16/01/2038	621,496	0.14
1,219,567	Government National Mortgage Association	4.10	16/05/2037	45,125	0.01
22,165,337	Government National Mortgage Association	4.21	20/06/2037	900,627	0.20
1,003,527	Government National Mortgage Association	4.22	20/04/2032	30,680	0.01
1,284,198	Government National Mortgage Association	4.23	16/03/2034	58,158	0.01
1,785,447	Government National Mortgage Association	4.25	20/09/2037	83,248	0.02
1,474,000	Government National Mortgage Association	4.43	16/10/2035	58,898	0.01
899,434	Government National Mortgage Association	4.63	16/08/2036	44,554	0.01
879,114	Government National Mortgage Association	4.73	16/04/2034	28,344	0.01
1,032,149	Government National Mortgage Association	4.78	16/08/2034	50,208	0.01

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
618,537	Government National Mortgage Association	4.82	20/06/2032	£31,585	0.01
4,414,031	Government National Mortgage Association	5.30	20/03/2038	210,554	0.05
361,897	Government National Mortgage Association	7.50	16/04/2037	45,584	0.01
166,966	Government National Mortgage Association	23.47	20/03/2036	102,791	0.02
87,943	Government National Mortgage Association	24.59	20/08/2037	51,700	0.01
101,509	Government National Mortgage Association	7.92	20/07/2037	60,650	0.01
101,509	Government National Mortgage Association	7.68	16/07/2037	61,020	0.01
118,711	Government National Mortgage Association	25.19	20/07/2037	71,694	0.02
261,068	Government National Mortgage Association	25.31	20/07/2037	160,795	0.04
125,031	Government National Mortgage Association	31.91	16/06/2037	83,686	0.02
169,537	Government National Mortgage Association	44.62	20/05/2037	133,474	0.03
826,643	Government National Mortgage Association	0.00	20/06/2037	369,795	0.08
798,500	Government National Mortgage Association	0.00	20/02/2037	358,485	0.08
6,380,727	Government National Mortgage Association	4.02	20/06/2036	252,762	0.06
9,144,988	Government National Mortgage Association	4.27	20/12/2034	400,564	0.09
1,439,266	Government National Mortgage Association	4.27	20/07/2037	53,559	0.01
3,697,134	Government National Mortgage Association	4.32	20/03/2037	151,895	0.03
1,417,066	Government National Mortgage Association	4.32	20/12/2036	58,745	0.01
2,053,373	Government National Mortgage Association	4.32	20/11/2035	85,433	0.02
735,680	Government National Mortgage Association	4.90	20/12/2036	36,369	0.01
1,429,889	Government National Mortgage Association	4.90	20/11/2036	55,712	0.01
17,913,825	Government National Mortgage Association (Class S)	4.02	20/05/2037	647,098	0.14
5,135,457	Government National Mortgage Association (Class SA)	4.86	20/11/2036	219,728	0.05
5,109,220	Government National Mortgage Association (Class SB)	4.86	20/11/2036	235,731	0.05

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
37,452,370	Government National Mortgage Association (Class SG)	3.99	20/06/2037	£1,338,792	0.29
15,758,901	Government National Mortgage Association (Class SG)	4.02	20/05/2037	634,605	0.14
58,601	Greenpoint Mortgage Funding Trust	4.04	25/06/2045	809	–
52,000	GS Mortgage Securities Corporation II	5.51	10/04/2038	26,037	0.01
22,466,000	Holmes Financing PLC	2.79	15/07/2040	10,973,760	2.41
3,476,557	HSI Asset Loan Obligation	6.14	25/01/2037	1,438,973	0.32
874,539	IndyMac Indx Mortgage Loan Trust	6.33	25/09/2036	350,131	0.08
2,953,262	IndyMac Indx Mortgage Loan Trust	6.08	25/04/2037	1,170,518	0.26
2,930,191	IndyMac Indx Mortgage Loan Trust	6.25	25/08/2037	1,161,374	0.26
2,355,934	IndyMac Indx Mortgage Loan Trust	5.65	25/06/2037	792,567	0.17
3,589,222	IndyMac MBS Incorporated	5.64	25/01/2036	1,350,839	0.30
2,454,589	IndyMac MBS Incorporated	5.46	25/05/2035	1,047,252	0.23
1,259,733	JPMorgan Alternative Loan Trust	6.07	25/07/2036	486,715	0.11
2,075,619	JPMorgan Alternative Loan Trust	5.89	25/03/2036	833,080	0.18
1,409,534	JPMorgan Alternative Loan Trust	2.55	25/11/2036	517,762	0.11
18,000,000	JPMorgan Chase Commercial Mortgage Securities Corporation	6.01	15/06/2049	8,710,470	1.91
103,386,044	JPMorgan Chase Commercial Mortgage Securities Corporation	0.65	12/02/2051	1,414,251	0.31
23,000	LB-UBS Commercial Mortgage Trust	5.85	12/07/2012	11,440	–
100,875,022	LB-UBS Commercial Mortgage Trust	0.18	15/04/2040	443,031	0.10
1,828,959	MASTR Alternative Loans Trust	6.25	25/07/2036	688,199	0.15
94,000	Merrill Lynch Countrywide Commercial Mortgage Trust	6.16	12/08/2049	45,516	0.01
3,464,372	Merrill Lynch Mortgage Trust	5.71	12/02/2051	1,690,960	0.37
2,726,678	Merrill Lynch Mortgage Trust	5.43	12/02/2051	1,332,338	0.29
40,965,000	Merrill Lynch Mortgage Trust	5.71	12/02/2051	583,313	0.13
4,352,000	Morgan Stanley Capital I Trust	5.62	12/12/2049	2,137,135	0.47
15,000,000	Morgan Stanley Capital I Trust	5.61	12/03/2044	7,457,556	1.64
3,624,000	Permanent Master Issuer PLC	2.79	15/10/2033	1,750,000	0.38
2,850,985	Residential Asset Securitization Trust	6.00	25/05/2037	1,280,169	0.28
1,009,077	Structured Adjustable Rate Mortgage Loan Trust	5.69	25/10/2036	397,566	0.09
5,976,943	Structured Asset Securities Corporation	3.59	28/03/2045	176,670	0.04
20,720,318	Structured Asset Securities Corporation	2.95	25/11/2037	564,222	0.12

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
10,600,000	Wachovia Bank Commercial Mortgage Trust	6.10	15/02/2051	£5,163,485	1.13
17,140,000	Wachovia Bank Commercial Mortgage Trust	5.25	15/12/2043	8,396,506	1.84
7,012,564	WAMU Mortgage Pass-Through Certificates Trust	3.20	25/05/2034	219,890	0.05
	Total Collateralised Mortgage Obligations			£132,006,945	28.86

CORPORATE BONDS & NOTES (23.30%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
470,000	Allstate Life Global Funding Trusts	5.38	30/04/2013	£234,877	0.05
3,980,000	AmerisourceBergen Corporation	5.63	15/09/2012	1,984,760	0.44
2,660,000	Arrow Electronics, Incorporated	9.15	01/10/2010	1,436,150	0.32
1,405,000	AT&T Incorporated	5.60	15/05/2018	688,639	0.15
1,700,000	Banco Nacional de Desenvolvimento	6.37	16/06/2018	848,635	0.19
560,000	BankAmerica Capital III	3.28	15/01/2027	221,989	0.05
600,000	Barclays Bank PLC	7.70	29/04/2049	303,557	0.07
985,000	Berry Plastics Corporation	7.57	15/02/2015	473,178	0.10
1,910,000	Best Buy Co. Incorporated	6.75	15/07/2013	964,654	0.21
2,140,000	Block Financial Corporation	5.13	30/10/2014	986,139	0.22
205,000	Capital One Financial Corporation	2.98	10/09/2009	95,999	0.02
930,000	Cardinal Health Incorporated	5.65	15/06/2012	470,390	0.10
3,880,000	Cardinal Health Incorporated	5.50	15/06/2013	1,937,331	0.43
670,000	CCH II LLC Capital Corporation	10.25	15/09/2010	324,378	0.07
255,000	Centennial Communications Corporation	10.00	01/01/2013	129,854	0.03
900,000	Centennial Communications Corporation	8.45	01/01/2013	435,731	0.10
1,350,000	CenturyTel Incorporated	5.50	01/04/2013	638,467	0.14
971,000	Ceva Group PLC	8.50	01/12/2014	549,715	0.12
6,015,000	CNA Financial Corporation	6.50	15/08/2016	2,908,747	0.64
390,000	CNA Financial Corporation	6.00	15/08/2011	196,520	0.04
2,260,000	Computer Sciences Corporation	6.50	15/03/2018	1,139,346	0.25
1,385,000	Countrywide Financial Corporation	2.87	05/01/2009	681,268	0.15
4,480,000	Cox Communications Incorporated	4.63	15/01/2010	2,235,239	0.49
1,027,000	Cricket Communications Incorporated	10.00	15/07/2015	504,947	0.11
260,000	D.R. Horton Incorporated company	8.00	01/02/2009	130,117	0.03
383,000	D.R. Horton Incorporated company	5.00	15/01/2009	188,551	0.04

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CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
2,815,000	Darden Restaurants, Incorporated	6.20	15/10/2017	£1,310,469	0.29
3,365,000	Electronic Data Systems Corporation	6.50	01/08/2013	1,732,044	0.38
1,800,000	Embarq Corporation	7.08	01/06/2016	857,695	0.19
4,545,000	Embarq Corporation	6.74	01/06/2013	2,200,177	0.48
1,235,000	Federated Department Stores Incorporated	6.63	01/04/2011	611,306	0.13
3,010,000	FelCor Lodging LP company	8.50	01/01/2011	1,476,156	0.32
745,000	Fleet Capital Trust V	3.76	18/12/2028	307,244	0.07
660,000	Freeport-McMoRan Copper & Gold Incorporated	8.38	01/04/2017	350,166	0.08
2,540,000	Freeport-McMoRan Copper & Gold Incorporated	5.88	01/04/2015	1,274,634	0.28
103,000	Gaz Capital SA	7.34	11/04/2013	53,264	0.01
223,000	Gaz Capital SA	8.15	11/04/2018	117,051	0.03
314,000	Gaz Capital SA	6.51	07/03/2022	141,388	0.03
150,000	Genworth Life Institutional Funding Trust	5.88	03/05/2013	75,047	0.02
1,620,000	Georgia (Republic of)	7.50	15/04/2013	808,870	0.18
1,925,000	Grupo Televisa SA	6.00	15/05/2018	938,713	0.21
4,530,000	Hanson PLC	6.13	15/08/2016	2,254,948	0.50
1,465,000	Hawker Beechcraft Acquisition Co. LLC	9.75	01/04/2017	734,999	0.16
376,000	Hawker Beechcraft Acquisition Co. LLC	8.50	01/04/2015	190,056	0.04
1,065,000	Hexion U.S. Finance Corporation	7.18	15/11/2014	443,483	0.10
1,187,000	Huntsman International LLC	7.88	15/11/2014	544,905	0.12
5,170,000	International Lease Finance Corporation	5.63	20/09/2013	2,295,548	0.50
1,540,000	International Lease Finance Corporation	6.63	15/11/2013	713,360	0.16
200,000	International Paper Co.	7.40	15/06/2014	100,376	0.02
655,000	International Paper Co.	7.95	15/06/2018	326,788	0.07
42,000,000	JPMorgan Chase & Co.	0.27	20/06/2011	903,552	0.20
565,000	Lehman Brothers* Holdings, Incorporated	5.75	03/01/2017	250,148	0.05
4,690,000	Lexmark International Incorprated	5.90	01/06/2013	2,316,439	0.51
2,810,000	Liberty Media LLC	7.88	15/07/2009	1,423,513	0.31
1,070,000	Liberty Mutual Group	10.75	15/06/2058	523,618	0.11
5,935,000	Limited Brands Incorporated	6.13	01/12/2012	2,842,081	0.62
5,305,000	Marriott International Incorporated	4.63	15/06/2012	2,467,139	0.54
4,470,000	Masco Corporation	5.85	15/03/2017	2,032,695	0.45
319,000	Meritor Automotive Incorporated	6.80	15/02/2009	157,443	0.03
5,165,000	Merrill Lynch & Co. Incorporated	6.88	25/04/2018	2,462,517	0.54
1,000,000	MetLife Capital Trust	9.25	08/04/2068	567,048	0.12
710,000	Momentive Performance Materials Incorporated	9.75	01/12/2014	304,561	0.07

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
3,775,000	Newell Rubbermaid, Incorporated	5.50	15/04/2013	£1,863,269	0.41
5,620,000	Nextel Communications Incorporated	6.88	31/10/2013	2,382,551	0.52
1,800,000	ONEOK Partners LP	6.15	01/10/2016	889,917	0.20
1,230,000	Ono Finance II PLC	10.50	15/05/2014	696,829	0.15
7,235,000	Owens-Illinois Incorporated	7.50	15/05/2010	3,693,364	0.81
7,365,000	Packaging Corporation of America	5.75	01/08/2013	3,610,136	0.79
4,640,000	Pearson Dollar Finance Two PLC	6.25	06/05/2018	2,297,343	0.50
900,000	Pemex Project Funding Master Trust	6.63	15/06/2038	443,633	0.10
2,615,000	Pitney Bowes Incorporated	5.60	15/03/2018	1,289,698	0.28
3,895,000	PPG Industries Incorporated	6.65	15/03/2018	1,985,897	0.44
1,240,000	Prudential Financial Incorporated	8.88	15/06/2038	615,798	0.14
2,795,000	Qwest Corporation	6.03	15/06/2013	1,339,166	0.29
3,370,000	R. R. Donnelley & Sons Co.	5.63	15/01/2012	1,655,887	0.36
1,050,000	Rexam PLC	6.75	01/06/2013	524,805	0.12
350,000	Rhodia SA	7.50	15/10/2013	246,266	0.05
750,000	RSHB Capital SA for OJSC Russian Agricultural Bank	6.97	21/09/2016	363,290	0.08
630,000	Russian Agricultural Bank	7.75	29/05/2018	309,753	0.07
625,000	Russian Agricultural Bank	7.13	14/01/2014	309,239	0.07
511,000	Ryerson Tull Incorporated	12.00	01/11/2015	254,449	0.06
1,270,000	Sara Lee Corporation	3.88	15/06/2013	589,228	0.13
620,000	SLM Corporation	4.50	26/07/2010	287,824	0.06
1,265,000	Sovereign Bank	8.75	30/05/2018	639,741	0.14
340,000	State Street Capital Trust IV	3.78	15/06/2037	130,961	0.03
202,000	Steel Dynamics Incorporated	7.75	15/04/2016	100,838	0.02
25,000	Steel Dynamics Incorporated	6.75	01/04/2015	12,010	–
5,523,000	Supervalu Incorporated	7.88	01/08/2009	2,812,485	0.62
4,820,000	Telecom Italia Capital SA	3.34	18/07/2011	2,304,401	0.51
275,000	Tenet Healthcare Corporation	6.38	01/12/2011	132,106	0.03
163,000	THL Buildco, Incorporated	10.00	01/12/2013	78,098	0.02
1,090,000	Toll Brothers Incorporated	8.25	01/02/2011	530,454	0.12
4,215,000	Tyco Electronics Group SA	6.55	01/10/2017	2,133,654	0.47
5,630,000	Tyson Foods, Incorporated	8.25	01/10/2011	2,840,998	0.62
45,000	United Rentals NA Incorporated	6.50	15/02/2012	20,319	–
4,420,000	United States Steel Corporation	7.00	01/02/2018	2,212,663	0.49
470,000	United Technologies Corporation	6.13	15/07/2038	235,941	0.05
2,775,000	Viacom Incorporated	5.63	15/08/2012	1,381,330	0.30

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
3,401,000	Viacom, Incorporated	6.63	15/05/2011	£1,747,246	0.38
2,750,000	VTB Capital SA	6.32	04/02/2015	1,365,342	0.30
4,640,000	VTB Capital SA	6.88	29/05/2018	2,269,717	0.50
1,380,000	VTB Capital SA	6.61	31/10/2012	676,146	0.15
337,000	Wells Fargo & Co.	7.70	29/12/2049	168,068	0.04
3,740,000	Yum! Brands Incorporated	6.25	15/03/2018	1,829,648	0.40
	Total Corporate Bonds & Notes			£106,089,127	23.30

FOREIGN GOVERNMENT BONDS & NOTES (0.71%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
441,000	Republic of Argentina	7.00	12/09/2013	£170,918	0.04
1,249,000	Republic of Argentina	7.00	03/10/2015	437,858	0.10
1,421,875	Republic of Argentina	3.09	03/08/2012	600,458	0.13
78,000	Federal Republic of Brazil	10.00	01/01/2012	225,478	0.05
330,000	Federal Republic of Brazil	6.00	17/01/2017	168,874	0.04
560,000	Republic of Indonesia	6.75	10/03/2014	281,306	0.06
1,045,000	Republic of Indonesia	7.75	17/01/2038	492,826	0.11
995,000	Republic of Venezuela	3.91	20/04/2011	449,278	0.10
795,000	Republic of Venezuela	5.38	07/08/2010	377,418	0.08
	Total Foreign Government Bonds & Notes			£3,204,414	0.71

MUTUAL FUNDS (1.08%)

Principal Amount		Coupon Rate %	Maturity Date	Value GBP	% of Fund
9,800,000	U.S. Liquid Assets Fund	20.06	31/12/2049	£4,916,717	1.08
	Total Mutual Funds			£4,916,717	1.08

SHORT-TERM INVESTMENTS (34.03%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
30,000,000	Atlantic Asset Securitization Corporation	0.00	08/07/2008	£15,043,272	3.30
30,000,000	Gemini Securitization Corporation II	0.00	03/07/2008	15,049,025	3.30
39,300,000	Old Line Funding Corporation	0.00	05/08/2008	19,665,089	4.32
40,000,000	Sheffield Receivables	0.00	14/07/2008	20,049,607	4.40
30,000,000	Three Pillars Funding Corporation	0.00	10/07/2008	15,041,164	3.30
30,000,000	Thunder Bay Funding Incorporated	0.00	11/07/2008	15,040,303	3.30
40,000,000	Tulip Funding Corporation	0.00	07/07/2008	20,059,201	4.41
30,000,000	Victory Receivables Corporation	0.00	02/07/2008	15,049,898	3.30
40,000,000	Windmill Funding Corporation	0.00	11/07/2008	20,053,741	4.40
	Total Short-Term Investments			£155,051,300	34.03

U.S. GOVERNMENT & AGENCY MORTGAGE OBLIGATIONS (61.23%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
59,000,000	Federal National* Mortgage Association (TBA)	5.50	01/08/2038	£29,095,350	6.39
313,000,000	Federal National* Mortgage Association (TBA)	5.50	01/07/2035	154,727,480	33.97
52,000,000	Federal National* Mortgage Association (TBA)	5.00	01/08/2038	24,943,246	5.48
137,000,000	Federal National* Mortgage Association (TBA)	5.00	01/07/2038	65,860,839	14.46
8,426,000	U.S. Treasury Bill#	0.00	18/09/2008	4,214,573	0.93
	Total U.S. Government & Agency Mortgage Obligations			£278,841,488	61.23

REPURCHASE AGREEMENTS (7.39%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
37,090,000	Repurchase Agreement – Bank of America	2.25	01/07/2008	£18,593,904	4.08
30,000,000	Repurchase Agreement – Goldman Sachs	2.33	01/07/2008	15,065,535	3.31
	Total Repurchase Agreements			£33,659,439	7.39
Total Value of Investments				**£720,823,049**	**158.29**

TBA SALE COMMITMENTS OUTSTANDING (–32.41%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
248,000,000	Federal National* Mortgage Association	5.50	01/07/2038	£(122,595,575)	(26.92)
52,000,000	Federal National* Mortgage Association	5.50	01/07/2038	(24,998,275)	(5.49)
	Total TBA Sale Commitments			£(147,593,850)	(32.41)

* Please refer to note 12 Subsequent events for more detail.

At 30 June 2008, securities in part or in entirety have been designated as collateral for open futures contracts.

INTEREST RATE SWAP CONTRACTS OUTSTANDING (–0.53%)

Swap counterparty	Notional Amount	Termination Date	Payments made by Fund per annum	Fixed payments received by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Bank of America, N.A.						
	£2,350,000	23/05/2010	3 month USD-LIBOR-BBA	3.155%	£(7,357)	–
	7,550,000	08/05/2028	4.95%	3 month USD-LIBOR-BBA	(10,303)	–
	14,803,000	06/06/2018	4.668%	3 month USD-LIBOR-BBA	3,045	–
	17,661,000	15/05/2018	4.48%	3 month USD-LIBOR-BBA	133,352	0.03
Credit Suisse International						
	5,850,000	13/03/2018	6 month CHF-LIBOR-BBA	3.3175%	(107,043)	(0.02)
	5,850,000	14/03/2018	6 month CHF-LIBOR-BBA	3.3%	(111,101)	(0.02)
	25,820,000	15/03/2010	2.59%	6 month CHF-LIBOR-BBA	153,228	0.03
	25,820,000	15/03/2010	2.6625%	6 month CHF-LIBOR-BBA	138,147	0.03
Deutsche Bank AG						
	6,240,000	26/04/2038	6 month EUR-EURIBOR-Reuters	5.065%	64,638	0.01
	12,820,000	30/04/2020	6 month EUR-EURIBOR-Reuters	4.7975%	(156,198)	(0.03)
	15,552,000	26/06/2010	6 month GBP-LIBOR-BBA	6.180%	(15,241)	–
	32,000,000	25/04/2013	3.795%	3 month USD-LIBOR-BBA	310,977	0.07
	45,770,000	30/04/2015	4.475%	6 month EUR-EURIBOR-Reuters	667,597	0.15
	53,560,000	30/04/2012	6 month EUR-EURIBOR-Reuters	4.31%	(569,623)	(0.13)
Goldman Sachs International						
	28,000,000	19/03/2012	3.015%	3 month USD-LIBOR-BBA	510,777	0.11
	30,260,000	26/03/2010	6 month EUR-EURIBOR-Reuters	4.129%	(456,342)	(0.10)
	25,220,000	29/03/2010	6 month GBP-LIBOR-BBA	5.25%	(395,954)	(0.09)
	6,110,000	27/03/2018	5.0675%	6 month GBP-LIBOR-BBA	270,062	0.06
	21,039,000	02/04/2018	4.076%	3 month USD-LIBOR-BBA	489,664	0.11
	39,490,000	05/04/2010	2.89%	6 month CHF-LIBOR-BBA	166,512	0.04
	9,010,000	03/04/2018	6 month CHF-LIBOR-BBA	3.42%	(130,464)	(0.03)
	12,590,000	01/04/2010	2.9%	6 month CHF-LIBOR-BBA	51,104	0.01
	2,860,000	02/04/2018	6 month CHF-LIBOR-BBA	3.44%	(39,119)	(0.01)
	3,271,000	23/04/2018	4.43%	3 month USD-LIBOR-BBA	31,033	0.01
	8,251,000	19/05/2018	4.525%	3 month USD-LIBOR-BBA	48,019	0.01
	63,061,000	30/05/2028	5.014%	3 month USD-LIBOR-BBA	(349,917)	(0.08)
	4,518,950,000	07/05/2010	6 month JPY-LIBOR-BBA	1.09125%	(32,715)	(0.01)
	994,170,000	07/05/2018	2.205%	6 month JPY-LIBOR-BBA	8,844	–
JPMorgan Chase Bank, N.A.						
	42,000,000	13/06/2013	4.47%	3 month USD-LIBOR-BBA	(201,234)	(0.04)
	43,047,000	07/05/2013	3.9325%	3 month USD-LIBOR-BBA	292,207	0.06
	3,917,000	23/05/2010	3 month USD-LIBOR-BBA	3.16%	(12,066)	–
Lehman Brothers Special Financing, Inc.*						
	16,578,000	10/06/2038	5.128%	3 month USD-LIBOR-BBA	(200,280)	(0.04)
	12,440,000	11/06/2038	4.52%	6 month EUR-EURIBOR-Reuters	276,203	0.06
	18,650,000	11/06/2038	3 month USD-LIBOR-BBA	5.54%	181,709	0.04
	10,655,000	12/06/2038	4.763%	6 month EUR-EURIBOR-Reuters	80,821	0.02
	15,980,000	12/06/2038	3 month USD-LIBOR-BBA	5.418%	80,573	0.02
	16,624,000	12/06/2018	4.723%	6 month EUR-EURIBOR-Reuters	98,777	0.02
	24,668,000	12/06/2018	3 month USD-LIBOR-BBA	5.158%	(21,658)	–
	13,000,000	26/06/2013	3 month USD-LIBOR-BBA	4.465%	59,939	0.01
	30,726,000	22/03/2010	3 month USD-LIBOR-BBA	2.253%	(303,992)	(0.07)
	113,434,000	07/03/2018	4.34%	3 month USD-LIBOR-BBA	1,417,072	0.31
	15,180,000	20/03/2013	3 month USD-LIBOR-BBA	3.215%	(328,930)	(0.07)
	51,650,000	26/03/2010	3 month USD-LIBOR-BBA	2.3525%	(473,173)	(0.10)
	51,650,000	26/03/2010	3 month USD-LIBOR-BBA	2.395%	(454,775)	(0.10)
	5,870,000	26/03/2038	5.05%	3 month USD-LIBOR-BBA	54,601	0.01
	11,740,000	22/03/2038	5.29%	3 month USD-LIBOR-BBA	(177)	–
	16,421,000	20/03/2013	3 month USD-LIBOR-BBA	3.155%	(376,994)	(0.08)
	7,830,000	22/03/2038	6 month EUR-EURIBOR-Reuters	4.864%	(16,333)	–
	55,306,000	25/03/2010	3 month USD-LIBOR-BBA	2.345%	(508,609)	(0.11)
	7,100,000	25/03/2013	3 month USD-LIBOR-BBA	3.2292%	(152,316)	(0.03)
	2,400,000	25/03/2038	4.583%	3 month USD-LIBOR-BBA	73,498	0.02
	55,306,000	25/03/2010	3 month USD-LIBOR-BBA	2.268%	(544,126)	(0.12)
	20,170,000	22/03/2010	6 month GBP-LIBOR-BBA	5.075%	(370,724)	(0.08)
	5,690,000	20/03/2018	4.99%	6 month GBP-LIBOR-BBA	283,931	0.06
	5,110,000	29/03/2038	6 month EUR-EURIBOR-Reuters	4.9625%	20,794	–
	53,790,000	12/04/2012	6 month EUR-EURIBOR-Reuters	4.10%	(730,175)	(0.16)
	45,770,000	13/04/2015	4.31%	6 month EUR-EURIBOR-Reuters	909,900	0.20
	12,780,000	13/04/2020	6 month EUR-EURIBOR-Reuters	4.6575%	(255,983)	(0.06)
	351,983,000	30/05/2010	3 month USD-LIBOR-BBA	3.4275%	(238,399)	(0.05)
	2,692,000	21/04/2038	4.945%	3 month USD-LIBOR-BBA	6,199	–
	9,360,000	26/04/2038	5.3325%	3 month USD-LIBOR-BBA	(16,107)	–
	16,624,000	03/06/2018	6 month EUR-EURIBOR-Reuters	4.912%	(13,660)	–
	24,668,000	03/06/2018	5.28%	3 month USD-LIBOR-BBA	(32,920)	(0.01)
	250,736,000	03/06/2010	3 month USD-LIBOR-BBA	3.41%	(245,302)	(0.05)
	38,513,000	03/06/2038	5.0975%	3 month USD-LIBOR-BBA	(374,464)	(0.08)
	3,915,000	26/03/2038	6 month EUR-EURIBOR-Reuters	4.74%	(37,554)	(0.01)
	51,650,000	26/03/2010	3 month USD-LIBOR-BBA	2.325%	(485,093)	(0.11)
	30,260,000	29/03/2010	6 month EUR-EURIBOR-Reuters	4.25%	(417,222)	(0.09)
	7,660,000	29/03/2038	5.31%	3 month USD-LIBOR-BBA	(6,264)	–

INTEREST RATE SWAP CONTRACTS OUTSTANDING (Continued)

Swap counterparty	Notional Amount	Termination Date	Payments made by Fund per annum	Fixed payments received by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Morgan Stanley Capital Services, Inc.						
	£9,560,000	28/03/2018	5.065%	6 month GBP-LIBOR-BBA	£424,366	0.09
	39,680,000	29/03/2010	6 month GBP-LIBOR-BBA	5.21%	(648,768)	(0.14)
Net Unrealised Depreciation on Interest Rate Swap Contracts					£(2,541,086)	(0.53)

* Please refer to note 12 Subsequent events for more detail.

CREDIT DEFAULT CONTRACTS OUTSTANDING (0.44%)

Swap counterparty/ Referenced debt*	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Bank of America, N.A.					
Cigna Corp., 7 7/8%, 5/15/27	£(550,000)	20/06/2013	(52 bp)	£1,807	–
Computer Science Corp., 5%, 2/15/13	(2,260,000)	20/03/2018	(71 bp)	4,830	–
Cox Communications, Inc., 6.8%, 8/1/28	(1,120,000)	20/06/2013	(80 bp)	1,011	–
Cox Communications, Inc., 6.8%, 8/1/28	(1,095,000)	20/06/2013	(88 bp)	(967)	–
Embarq Corp., 7.082%, 6/1/16	(1,800,000)	20/06/2016	(265 bp)	(12,688)	–
Limited Brands, Inc., 6 1/8%, 12/1/12	(1,775,000)	20/12/2012	(252 bp)	7,017	–
Marriott International, 4 5/8%, 6/15/12	(895,000)	20/06/2012	(139 bp)	14,454	–
Merrill Lynch & Co., 5%, 1/15/15	(1,916,000)	20/06/2018	(136 bp)	47,765	0.01
Merrill Lynch & Co., 5%, 1/15/15	(96,000)	20/06/2013	(136 bp)	2,255	–
Oneok Partners, 7.1%, 3/15/11	(1,800,000)	20/12/2016	(102 bp)	3,919	–
Temple–Inland Inc., 6 5/8%, 1/15/18	(1,110,000)	20/09/2013	(400 bp)	(1,209)	–
Time Warner Cable Inc., 5.85%, 5/1/17	1,095,000	20/06/2013	166 bp	1,862	–
Time Warner Cable, Inc., 5.85%, 5/1/17	1,120,000	20/06/2013	139 bp	(4,681)	–
Time Warner Inc., 5 7/8%, 11/15/16	(5,745,000)	20/09/2013	(135 bp)	9,022	–
Tyson Foods, Inc., 6.6%, 4/1/16	(2,940,000)	20/09/2013	(240 bp)	33,969	0.01
Wellpoint, Inc., 6.8%, 8/1/12	550,000	20/06/2013	97 bp	(1,451)	–
Weyerhaeuser Co., 7 1/8%, 7/15/23	(1,085,000)	20/06/2013	(157 bp)	14,785	–
Citibank, N.A.					
American Axle & Manufacturing, Inc., 5 1/4%, 2/11/14	(1,700,000)	20/09/2013	(652 bp)	80,249	0.02
Countrywide Financial Corp., USLibor+14, 1/5/09	(1,385,000)	20/03/2009	(875 bp)	(24,077)	(0.01)
Darden Restaurants Inc., 6%, 8/15/35	(2,850,000)	20/09/2013	(175 bp)	(6,406)	–
DJ ABX NA HE AAA Index	3,328,755	25/07/2045	18 bp	40,352	0.01
Donnelley (R.R.) & Sons, 4.95%, 4/1/14	(3,370,000)	20/03/2012	(102 bp)	24,211	0.01
DTE Energy Co., 7.05%, 6/1/11	(5,000,000)	20/03/2013	(105 bp)	(14,248)	–
Electronic Data Systems Corp., 6.5%, 8/1/13	(1,815,000)	20/09/2013	(155 bp)	(39,984)	(0.01)
Hanson Plc, 7 7/8%, 9/27/10	(840,000)	20/09/2016	(71 bp)	(1,509)	–
International Lease Finance Corp., 4.15%, 1/20/15	(5,170,000)	20/09/2013	(105 bp)	205,326	0.05
Lear Corp., 5 3/4%, 8/1/14	1,700,000	20/09/2013	630 bp	(68,104)	(0.01)
Lexmark International, Inc., 5.9%, 6/1/13	(1,685,000)	20/06/2013	108.5 bp	2,400	–
Limited Brands, Inc., 6 1/8%, 12/1/12	(3,330,000)	20/12/2012	(275 bp)	(1,186)	–
Limited Brands, Inc., 6 1/8%, 12/1/12	(555,000)	20/06/2011	(250 bp)	(108)	–
Limited Brands, Inc., 6 1/8%, 12/1/12	(5,835,000)	20/09/2013	(265 bp)	24,356	0.01
Macy's Retail Holdings, Inc., 6 5/8%, 4/1/11	(1,235,000)	20/06/2011	(162 bp)	7,219	–
Masco Corp., 5 7/8%, 7/15/12	(4,470,000)	20/03/2017	(213 bp)	47,275	0.01
Newell Rubbermaid, Inc., 6.35%, 7/15/28	(3,775,000)	20/06/2013	(85 bp)	(7,841)	–
Qwest Capital Funding, 7 3/4%, 2/15/31	(2,795,000)	20/06/2013	(263 bp)	34,944	0.01
Rexam PLC, 4 3/8%, 3/15/13	(630,000)	20/06/2013	(145 bp)	1,325	–
Seat Pagine Gialle S.P.A., 8%, 4/30/14	640,000	20/03/2013	815 bp	(3,307)	–
Credit Suisse International					
Arrow Electronics, Inc., 6 7/8%, 6/1/18	(2,660,000)	01/10/2010	(54.2 bp)	(376)	–
Bundesrepublic of Deutschland, 6%, 6/20/16	16,432,000	20/09/2018	9 bp	–	–
DJ ABX NA HE AAA Index	6,773,858	25/07/2045	18 bp	240,779	0.05
DJ ABX NA HE AAA Index	12,975,833	25/07/2045	18 bp	262,149	0.06
DJ ABX NA HE AAA Index	12,975,833	25/07/2045	18 bp	195,789	0.04
DJ CMB NA CMBX AAA Index	2,322,000 (F)	17/02/2051	35 bp	101,474	0.02
Republic of Italy, 6 7/8%, 9/27/23	(16,432,000)	20/09/2018	(48.75 bp)	3,215	–
Wachovia Corp., 3 5/8%, 2/17/09	5,000,000	20/03/2013	173 bp	(39,785)	(0.01)
Deutsche Bank AG					
Anadarko Petroleum Corp., 5.95%, 9/15/16	(1,640,000)	20/06/2018	(59 bp)	11,774	–
CBS Corp., 4 5/8%, 5/15/18	2,775,000	20/09/2012	(87 bp)	25,416	0.01
CBS Corp, 4 5/8%, 5/15/18	(3,235,000)	20/06/2011	(102 bp)	8,269	–
CNA Financial Corp., 5.85%, 12/15/14	(6,015,000)	20/09/2016	(155 bp)	(31,365)	(0.01)
Deutsche Telekom International Finance, 8 1/8%, 5/29/12	(1,660,000)	20/06/2013	(84 bp)	9,954	–
Diageo Capital PLC, 5 1/2%, 9/30/16	(5,570,000)	20/09/2013	(46 bp)	3,186	–
DJ ABX NA HE AAA Index	1,553,945	25/07/2045	18 bp	14,098	–
DJ CDX NA IG Series 10 Index	(435,000)	20/06/2013	(155 bp)	3,058	–
DJ iTraxx Europe Series 9 Version	1,561,000	20/12/2012	375 bp	3,853	–
General Electric Capital Corp., 6%, 6/15/12	435,000	20/09/2013	109 bp	(5,408)	–
Grohe Holding GmbH, 8 5/8%, 10/1/14	350,000	20/06/2009	400 bp	1,610	–

CREDIT DEFAULT CONTRACTS OUTSTANDING (Continued)

Swap counterparty/ Referenced debt*	Notional Amount		Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Grohe Holding GmbH, 8 5/8%, 10/1/14	£1,275,000		20/06/2009	400 bp	£5,864	–
iStar Financial, Inc., 6%, 12/15/10	495,000		20/03/2009	500 bp	8,352	–
ITV PLC, 5 3/8%, 10/19/15	(1,107,000)		20/09/2013	(280 bp)	20,581	–
Korea Monetary STAB Bond, 5%, 2/14/09	2,840,000	(F)	23/02/2009	105 bp	467	–
Korea Monetary STAB Bond, 5.15%, 2/12/10	2,840,000	(F)	19/02/2010	115 bp	3,410	–
Malaysian Government, 6.844%, 10/1/09	3,503,000		01/10/2009	90 bp	7,891	–
Packaging Corporation of America, 5 3/4%, 8/1/13	(7,365,000)		20/09/2013	(129 bp)	(25,468)	(0.01)
Pitney Bowes, Inc., 4 5/8%, 10/1/12	(2,615,000)		20/03/2018	(95 bp)	(18,421)	–
PPG Industries, Inc., 7.05%, 8/15/09	(3,895,000)		20/03/2018	(154 bp)	(90,987)	(0.02)
Republic of Argentina, 8.28%, 12/31/33	(845,000)		20/04/2013	(565 bp)	13,384	–
Republic of China, zero coupon, 12/5/08	4,733,000	(F)	12/12/2008	115 bp	(35)	–
Russian Federation, 7 1/2%, 3/31/30	(1,900,000)		20/04/2013	(112 bp)	9,008	–
Russian Federation, 7 1/2%, 3/31/30	(845,000)		20/06/2013	(87 bp)	(856)	–
Smurfit Kappa Funding, 10 1/8%, 10/1/12	400,000		20/06/2009	135 bp	(278)	–
Societe Telefon Francais 1, 4 3/8%, 11/12/10	(1,670,000)		20/09/2013	(55 bp)	(13)	–
Stora Enso Oyj, 7 3/8%, 5/15/11	(2,995,000)		20/03/2013	(401.5 bp)	(48,820)	(0.01)
Tyco Electronics Group, 6.55%, 10/1/17	(4,215,000)		20/12/2017	(125.5 bp)	(60,269)	(0.01)
Unity Media GmbH, 8 3/4%, 2/15/15	570,000		20/06/2013	460 bp	(13,471)	–
Virgin Media Finance PLC, 8 3/4%, 4/15/14	570,000		20/09/2013	477 bp	(8,327)	–
Weyerhaeuser Co., 7 1/8%, 7/15/23	(1,085,000)		20/06/2013	(157 bp)	14,952	–
XTO Energy, Inc., 4.9%, 2/1/14	1,640,000		20/06/2018	82 bp	(21,631)	–
Goldman Sachs International						
Bonos Y Oblig Del Estado, 5 1/2%, 7/30/17	25,791,000		20/06/2018	(42 bp)	43,735	0.01
British Airways, 7 1/4%, 8/23/16	(4,335,000)		20/09/2013	(374 bp)	109,028	0.02
Bundesrepublic of Deutschland, 6%, 6/20/16	25,791,000		20/06/2018	9.5 bp	6,728	–
Cigna Corp., 7 7/8%, 5/15/27	(1,105,000)		20/06/2013	(58 bp)	2,151	–
CMS Energy Corp., 6 7/8%, 12/15/15	5,000,000		20/03/2013	201 bp	39,434	0.01
CSC Holdings, Inc., 7 5/8%, 7/15/18	1,040,000		20/09/2013	495 bp	(2,023)	–
DJ CDX NA HY Series 9 Index	(20,000,000)		20/17/2017	(80 bp)	(110,410)	(0.02)
DJ CDX NA HY Series 9 Index 35–100% tranche	24,662,487	(F)	20/12/2010	153.5 bp	116,235	0.03
General Mills, Inc., 5.7%, 2/15/17	(2,960,000)		20/06/2013	(54.9 bp)	683	–
General Mills, Inc., 5.7%, 2/15/17	(4,935,000)		20/09/2013	(57.9 bp)	(4,518)	–
ITV PLC, 5 3/8%, 10/19/15	(553,000)		20/09/2013	(281 bp)	10,650	–
Lighthouse International Co, SA, 8%, 4/30/14	540,000		20/03/2013	680 bp	(19,147)	–
Lowe's Companies, Inc., 8 1/4%, 6/1/10	(740,000)		20/06/2013	(104 bp)	(6,197)	–
Nordstrom, Inc., 6.95%, 3/15/28	(740,000)		20/06/2013	(130 bp)	(3,193)	–
ONO Finance II, 8%, 5/16/14	(1,230,000)		20/06/2013	(955 bp)	33,889	0.01
Pernod Ricard, 4 5/8%, 12/6/13	(1,545,000)	(F)	20/06/2013	(350 bp)	(29,578)	(0.01)
Radioshack Corp., 7 3/8%, 5/15/2011	(1,910,000)		20/09/2013	(205 bp)	6,295	–
Reynolds America, Inc., 7 5/8%, 6/1/16	3,460,000		20/09/2013	98.5 bp	(9,079)	–
Rhodia SA, Euribor+275, 10/15/13	(190,000)		20/09/2013	(367 bp)	3,459	–
Rhodia SA, Euribor+275, 10/15/13	(160,000)		20/09/2013	(387 bp)	1,904	–
Southern California Edison Co., 7 5/8%, 1/15/10	1,095,000		20/06/2013	88.1 bp	(4,309)	–
UST Inc., 6 5/8%, 7/15/12	(10,000,000)		20/03/2018	(88 bp)	(139,625)	(0.03)
Wellpoint, Inc., 6.8%, 8/1/12	1,105,000		20/06/2013	93 bp	(3,881)	–
Wind Acquisition 9 3/4%, 12/1/15	540,000		20/03/2013	597 bp	21,556	–
JPMorgan Chase Bank, N.A.						
Cardinal Health Inc., 5.85%, 12/15/17	(930,000)		20/06/2012	(40 bp)	70	–
CBS Corp., 4 5/8%, 5/15/18	6,180,000		20/09/2013	(129 bp)	22,541	–
CenturyTel. Inc., 6%, 4/1/17	(1,350,000)		20/06/2013	(95 bp)	23,435	0.01
Codere Finance (Luxembourg) S.A., 8.25%, 6/15/15	540,000		20/03/2013	795 bp	26,270	0.01
Cox Communications, Inc., 6.8%, 8/1/28	(4,480,000)		20/03/2010	(45 bp)	(1,663)	–
Darden Restaurants, Inc., 6%, 8/15/35	(2,815,000)		20/12/2017	(155.3 bp)	9,307	–
DJ CDX NA HY Series 9 Index 25–35% tranche	40,000,000		20/12/2010	388.75 bp	504,716	0.11
DJ iTraxx Europe Crossover Series 8 Version 1	(500,000)		20/12/2012	(375 bp)	(16,034)	–
DJ iTraxx Europe Series 9 Version 1	(710,000)		20/06/2013	(650 bp)	(7,308)	–
DJ iTraxx Europe Series 9 Version 1	(660,000)		20/06/2013	(650 bp)	2,940	–
Freeport–McMoRan Copper & Gold, Inc., 8 3/8%, 4/1/17	(2,540,000)		20/06/2013	(145 bp)	(2,651)	–
Illinois Tool Works, 5 3/4%, 3/1/09	(550,000)		20/06/2013	(35 bp)	1,085	–
iStar Financial, Inc., 6%, 12/15/10	475,000	(F)	20/03/2009	500 bp	9,188	–
Lexmark International, Inc., 5.9%, 6/1/13	(1,540,000)		20/06/2013	(113 bp)	(170)	–
Lexmark International, Inc., 5.9%, 6/1/13	(1,465,000)		20/06/2013	(113 bp)	(162)	–
Merrill Lynch & Co., 5%, 1/15/15	(2,836,000)		20/06/2018	(125 bp)	81,059	0.02
Merrill Lynch & Co., 5%, 1/15/15	(420,000)		20/06/2013	(135 bp)	9,950	–
Nextel Communications, 7 3/8%, 8/1/15	(3,190,000)		20/09/2013	(540 bp)	(63,073)	(0.01)
Qwest Corp., 7.2%, 11/10/26	1,285,000		20/09/2013	330 bp	58	–
Smurfit–Stone Container Enterprises, 7 1/2%, 6/1/13	655,000	(F)	20/06/2013	685 bp	(18,391)	–
UST Inc., 6 5/8%, 7/15/12	(6,920,000)		20/09/2013	(36.5 bp)	9,721	–
Lehman Brothers Special Financing, Inc.**						
Anadarko Petroleum Corp., 5.95%, 9/15/16	(750,000)		20/06/2013	(58 bp)	1,498	–
Arcelormittal Finance, 5 1/8%, 9/24/10	2,210,000		20/06/2013	130 bp	(23,084)	(0.01)
Centex Corp., 5 1/4%, 6/15/15	(1,105,000)		20/06/2013	(405 bp)	11,021	–
CNA Financial Corp., 5.85%, 12/15/14	(390,000)		20/09/2011	(174 bp)	(3,810)	–
DirecTV Holdings/Financing, 8 3/8%, 3/15/13	1,275,000		20/06/2013	280 bp	(4,120)	–
DJ ABX HE PEN AAA Index	276,500	(F)	25/05/2046	11 bp	(10,410)	–
DJ ABX HE PEN AAA Index	278,362	(F)	25/05/2046	11 bp	(10,303)	–
DJ CDX NA IG Series 10 Index	(870,000)		20/06/2013	(155 bp)	5,229	–

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CREDIT DEFAULT CONTRACTS OUTSTANDING (Continued)

Swap counterparty/ Referenced debt*	Notional Amount		Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
DJ CMB NA CMBX AAA Index	£8,582,500	(F)	17/02/2051	35 bp	£181,169	0.04
Echostar DBS Corp., 6 5/8%, 10/1/14	(1,275,000)		20/06/2013	(241.5 bp)	14,617	–
Embarq Corp., 7.082%, 6/1/16	(4,320,000)		20/06/2013	(237 bp)	(4,356)	–
Embarq Corp., 7.082%, 6/1/16	(2,420,000)		20/09/2013	(243.8 bp)	(4,796)	–
Energy Future Holdings, 5.55%, 11/15/14	(2,750,000)		20/09/2013	(589 bp)	21,578	–
Felcor Lodging LP, 8 1/2%, 6/1/11	(1,550,000)		20/06/2011	(334 bp)	24,146	0.01
First Data Corp., 5 5/8%, 11/1/11	(1,280,000)		20/09/2013	(643 bp)	18,296	–
General Electric Capital Corp., 6%, 6/15/12	870,000		20/09/2013	115 bp	(9,655)	–
GMAC, LLC, 6 7/8%, 8/28/12	1,640,000		20/03/2009	500 bp	(6,636)	–
Hanson Plc, 7 7/8%, 9/27/10	(3,690,000)		20/09/2016	(140 bp)	(92,713)	(0.02)
International Lease Finance Corp., 4.15%, 1/20/15	(1,540,000)		20/12/2013	(165 bp)	42,680	0.01
Jefferson Smurfit Corp., 7 1/2%, 6/1/13	1,060,000	(F)	20/03/2013	645 bp	(36,752)	(0.01)
Lafarge SA, 5.448%, 12/4/13	(1,240,000)		20/06/2013	(185 bp)	(8,001)	–
Lennar Corp., 5.95%, 3/1/13	(1,390,000)		20/06/2013	(555 bp)	28,306	0.01
MediaCom LLC/ Cap Corp., 9 1/2%, 1/15/13	720,000		20/09/2013	820 bp	79	–
Owens-Illinois, Inc., 7.8%, 5/15/18	(4,305,000)		20/06/2010	(128 bp)	3,089	–
Owens-Illinois, Inc., 7.8%, 5/15/18	(1,465,000)		20/06/2010	(130 bp)	772	–
Owens-Illinois, Inc., 7.8%, 5/15/18	(1,465,000)		20/06/2010	(140 bp)	(618)	–
Pearson PLC, 7%, 10/27/14	(2,800,000)		20/06/2018	(69 bp)	19,962	–
Progress Energy, Inc., 5 5/8%, 1/15/16	(2,910,000)		20/06/2013	(79 bp)	(19,710)	–
Republic of Argentina, 8.28%, 12/31/33	(845,000)		20/04/2013	(565 bp)	13,384	–
Russian Federation, 7 1/2%, 3/31/30	(845,000)		20/04/2013	(112 bp)	(856)	–
Safeway, Inc., 5.8%, 8/15/12	(740,000)		20/06/2013	(65 bp)	(282)	–
Sprint Nextel Corp., 6%, 12/1/16	(1,700,000)		20/06/2013	(390 bp)	(31,370)	(0.01)
Telecom Italia SPA, 5 3/8%, 1/29/19	(1,525,000)		20/07/2011	(105 bp)	3,374	–
Telecom Italia SPA, 5 3/8%, 1/29/19	(3,080,000)		20/07/2011	(108 bp)	5,486	–
Telus Corp., 8%, 6/1/11	(3,310,000)		20/09/2013	(80 bp)	(3,903)	–
Texas Comp Electric Holdings, LLC, 7%, 3/15/13	2,750,000		20/09/2013	559 bp	(21,578)	–
Thomson (EX-TMM), 5 3/4%, 9/25/15	(644,000)		20/06/2013	(405 bp)	40,494	0.01
US Steel Corp., 6.65%, 6/1/37	(4,420,000)		20/03/2018	(141 bp)	38,356	0.01
US Steel Corp., 6.65%, 6/1/37	(2,210,000)		20/06/2013	(130 bp)	(832)	–
XTO Energy, Inc., 4.9%, 2/1/14	750,000		20/06/2013	88 bp	(1,976)	–
Yum! Brands, Inc., 8 7/8%, 4/15/11	(3,740,000)		20/03/2018	(130 bp)	(8,950)	–
Merrill Lynch International						
AmerisourceBergen Corp., 5 7/8%, 9/15/15	(3,980,000)		20/09/2012	(65 bp)	16,533	–
Block Financial LLC. 5 1/8%, 10/30/14	(2,000,000)		20/12/2014	(69 bp)	9,342	–
Cargill Inc., 7 3/8%, 10/1/25	(5,650,000)		20/09/2013	(84 bp)	7,767	–
Diageo Capital PLC, 5 1/2%, 9/30/16	(1,255,000)		20/09/2013	(43 bp)	1,605	–
Eaton Corp., 7.65%, 11/15/29	1,105,000		20/06/2013	65 bp	344	–
Electronic Data Systems Corp., 6%, 8/1/13	(1,550,000)		20/09/2013	(100 bp)	(14,177)	–
Felcor Lodging LP, 8 1/2%, 6/1/11	(1,460,000)		20/06/2011	(316 bp)	26,172	0.01
Goodrich Corp., 7 5/8%, 12/15/12	(555,000)		20/06/2013	(30 bp)	1,509	–
Liberty Media LLC., 5.7%, 5/15/13	(2,810,000)		20/06/2009	(203 bp)	(9,784)	–
Marriott International, 4 5/8%, 6/15/12	(4,410,000)		20/06/2012	(119 bp)	86,753	0.02
Pearson PLC, 7%, 10/27/14	(1,840,000)		20/06/2018	(65 bp)	15,961	–
Rogers Communications, 6 3/8%, 3/1/14	480,000		20/09/2013	161 bp	(308)	–
Sara Lee Corp., 6 1/8%, 11/1/32	(1,270,000)		20/06/2013	55.5 bp	2,440	–
Supervalu, Inc., 7 1/2%, 05/15/12	(5,523,000)		01/08/2009	(90 bp)	8,895	–
Temple-Inland Inc., 6 5/8%, 1/15/18	(1,105,000)		20/09/2013	(395 bp)	(61)	–
Tyson Foods, Inc., 6.6%, 4/1/16	(2,815,000)		20/12/2011	(141 bp)	51,295	0.01
Tyson Foods, Inc., 6.6%, 4/1/16	(2,815,000)		20/10/2011	(152.50 bp)	42,454	0.01
Yum! Brands, Inc., 8 7/8%, 4/15/11	(5,695,000)		20/09/2013	(94 bp)	20,685	–
Morgan Stanley Capital Services, Inc.						
Bundesrepublic of Deutschland, 6%, 6/20/16	2,471,000		20/06/2018	8 bp	(868)	–
Embarq Corp., 7.082%, 6/1/16	(2,030,000)		20/09/2013	(242 bp)	1,562	–
Republic of Austria, 5 1/4%, 1/4/11	(2,471,000)		20/06/2018	(17 bp)	(3,074)	–
Rogers Communications, 6 3/8%, 3/1/14	2,830,000		20/09/2013	165 bp	696	–
UBS, AG						
Cardinal Health Inc., 5.85%, 12/15/17	(3,880,000)		20/06/2013	(49 bp)	3,367	–
Sempra Energy, 6%, 2/1/13	(10,000,000)		20/03/2018	(101 bp)	(126,928)	(0.03)
Wells Fargo & Co., USLibor+20, 10/28/15	(5,000,000)		20/03/2013	(94 bp)	19,115	–
Net Unrealised Appreciation on Credit Default Contracts Outstanding					£2,010,405	0.44

* Payments related to the reference debt are made upon a credit default event.

** Please refer to note 12 Subsequent events for more detail.

(F) Is valued at fair va lue following procedures approved by the Manager.

TOTAL RETURN SWAP CONTRACTS OUTSTANDING (0.00%)

Swap counterparty	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Total return received by or paid by Fund	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Goldman Sachs International						
	£24,928,000 (F)	26/03/2009	(2.27%)	Eurostat Eurozone HICP excluding tobacco	£155,603	0.03
	(13,870,000)	30/04/2013	2.375%	French Consumer Price Index excluding tobacco	(240,664)	(0.05)
	13,870,000 (F)	30/04/2013	(2.41%)	Eurostat Eurozone HICP excluding tobacco	330,907	0.07
	(13,870,000)	06/05/2013	2.34%	French Consumer Price Index excluding tobacco	(253,157)	(0.06)
	13,870,000	06/05/2013	(2.385%)	Eurostat Eurozone HICP excluding tobacco	280,993	0.06
	(8,322,000)	09/05/2013	3.10%	GBP Non-revised Retail Price Index	(279,952)	0.06
Net Unrealised Depreciation on Total Return Swap Contracts					£(6,270)	–

(F) Is valued at fair value following procedures approved by the Manager.

FUTURES CONTRACTS (-0.14%)

Number of Contracts Long/(Short)		Counterparty	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
340	Euro-Bund 10 yr Sept 2008	Goldman Sachs, Lehman Brothers*	£(80,914)	(0.02)
(125)	Euro-Schatz 2 yr Sept 2008	Lehman Brothers*	(8,054)	–
46	Sterling Interest Rate 90 day Dec 2008	Lehman Brothers*	(29,312)	(0.01)
217	Sterling Interest Rate 90 day June 2009	Lehman Brothers*	(156,867)	(0.03)
203	Sterling Interest Rate 90 day Sept 2009	Lehman Brothers*	(136,137)	(0.03)
50	Sterling Interest Rate 90 day March 2009	Lehman Brothers*	(36,765)	(0.01)
1194	U.S. Treasury Bond 20 yr Sept 2008	Goldman Sachs, Lehman Brothers*	637,337	0.14
(4992)	U.S. Treasury Note 2 yr Sept 2008	Lehman Brothers*	(669,224)	(0.15)
(551)	U.S. Treasury Note 5 yr Sept 2008	Lehman Brothers*	40,217	0.01
(664)	U.S. Treasury Note 10 yr Sept 2008	Lehman Brothers*	(207,659)	(0.05)
	Net Unrealised Depreciation on Futures Contracts		£(647,378)	(0.15)
	Variation margin settlement to date		£30,109	0.01
	Cumulate unrealised less variation margin settlement to date		£(617,269)	(0.14)

* Please refer to note 12 Subsequent events for more detail.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (2.12%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
16/07/2008	AUD	3,552,500	USD	3,266,837	Bank of America Securities	£(65,954)	(0.01)
16/07/2008	CAD	2,304,900	USD	2,371,997	Citibank NA	3,479	–
16/07/2008	AUD	1,164,000	USD	1,109,222	Citibank NA	(2,133)	–
16/07/2008	AUD	1,191,900	USD	1,122,693	Credit Suisse First Boston	(8,764)	–
16/07/2008	CAD	4,447,500	USD	4,376,692	Credit Suisse First Boston	3,040	–
16/07/2008	USD	1,125,157	AUD	1,193,800	Goldman Sachs International	8,440	–
16/07/2008	USD	33,505	AUD	37,200	JP Morgan Chase Bank	1,044	–
16/07/2008	USD	599,054	CAD	609,400	JP Morgan Chase Bank	(94)	–
16/07/2008	AUD	2,477,000	USD	2,224,852	Lehman Brothers*	(58,162)	(0.01)
16/07/2008	CAD	2,314,500	USD	2,264,747	Lehman Brothers*	(4,892)	–
16/07/2008	USD	1,123,813	AUD	1,192,400	Merrill Lynch	8,442	–
16/07/2008	AUD	18,800	USD	16,922	State Street Bank & Trust	(533)	–
16/07/2008	CAD	2,284,000	USD	2,234,567	UBS AG	(5,394)	–
16/07/2008	AUD	900	USD	809	UBS AG	(26)	–
16/07/2008	CAD	1,146,700	USD	1,138,820	Westpac Banking Group	5,989	–
16/07/2008	USD	20,518,259	AUD	22,792,000	Westpac Banking Group	644,396	0.14
17/09/2008	CHF	2,933,600	USD	2,803,570	Bank of America Securities	(37,853)	–
17/09/2008	SEK	16,298,900	USD	2,687,170	Bank of America Securities	(4,793)	–
17/09/2008	EUR	717,300	USD	1,116,886	Bank of America Securities	(4,149)	–
17/09/2008	USD	730,265	EUR	475,00	Citibank NA	7,436	–
17/09/2008	USD	1,690,662	NOK	8,715,700	Citibank NA	4,781	–
17/09/2008	SEK	13,317,500	USD	2,200,791	Citibank NA	(1,328)	–
17/09/2008	USD	1,068,141	GBP	548,600	Citibank NA	9,435	–
17/09/2008	USD	1,102,168	CHF	1,148,900	Citibank NA	12,722	–
17/09/2008	USD	1,108,222	EUR	705,200	Credit Suisse First Boston	(1,025)	–
17/09/2008	USD	5,517,198	NOK	28,551,500	Credit Suisse First Boston	26,289	–
17/09/2008	CHF	1,143,600	USD	1,121,957	Credit Suisse First Boston	(183)	–
17/09/2008	SEK	6,726,300	USD	1,119,634	Credit Suisse First Boston	3,380	–
17/09/2008	USD	2,215,524	GBP	1,129,200	Credit Suisse First Boston	10,922	–
17/09/2008	EUR	12,572,900	USD	19,472,027	Deutsche Bank, London	(125,351)	–
17/09/2008	NOK	5,680,400	USD	1,102,947	HSBC Bank USA	(2,579)	–
17/09/2008	SEK	6,761,500	USD	1,115,041	HSBC Bank USA	(1,846)	–
17/09/2008	USD	301,026,438	GBP	154,864,300	HSBC Bank USA	2,913,702	0.64
17/09/2008	EUR	716,500	USD	1,118,349	HSBC Bank USA	(2,787)	–
17/09/2008	SEK	13,462,700	USD	2,215,509	JP Morgan Chase Bank	(5,998)	–
17/09/2008	USD	1,548,632	CHF	1,608,900	JP Morgan Chase Bank	15,219	–
17/09/2008	USD	685,930	EUR	442,300	JP Morgan Chase Bank	3,945	–
17/09/2008	USD	307,465,781	GBP	159,452,000	Lehman Brothers*	3,249,345	0.71
17/09/2008	GBP	54,600	USD	106,383	Lehman Brothers*	(901)	–
17/09/2008	USD	12,004,749	NOK	61,936,100	Lehman Brothers*	38,757	0.01
17/09/2008	SEK	6,750,200	USD	1,115,772	Lehman Brothers*	(540)	–
17/09/2008	CHF	3,372,100	USD	3,229,981	Lehman Brothers*	(39,825)	(0.01)
17/09/2008	EUR	722,700	USD	1,111,404	Lehman Brothers*	(11,151)	–
17/09/2008	USD	2,255,218	NOK	11,626,100	Merrill Lynch	6,377	–
17/09/2008	USD	2,021,453	CHF	2,087,900	Merrill Lynch	13,847	–
17/09/2008	USD	8,387	GBP	4,300	Merrill Lynch	66	–
17/09/2008	EUR	711,100	USD	1,101,323	State Street Bank & Trust	(7,079)	–

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (Continued)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
17/09/2008	USD	2,574,411	EUR	1,660,000	UBS AG	£14,784	–
17/09/2008	USD	291,078,750	GBP	150,000,000	UBS AG	3,069,235	0.67
17/09/2008	GBP	709,100	USD	1,400,525	UBS AG	(2,218)	–
17/09/2008	CHF	1,344,100	USD	1,297,650	UBS AG	(10,756)	–
17/09/2008	USD	1,073,164	NOK	5,548,900	UBS AG	4,652	–
17/09/2008	SEK	6,761,500	USD	1,115,617	UBS AG	(1,556)	–
17/09/2008	GBP	617,100	USD	1,198,575	Westpac Banking Group	(12,087)	–
20/08/2008	USD	1,692,655	JPY	178,635,700	Citibank NA	(1,510)	–
20/08/2008	USD	1,125,395	JPY	120,821,300	Credit Suisse First Boston	8,730	–
20/08/2008	USD	2,254,250	JPY	236,411,900	Goldman Sachs International	(9,100)	–
20/08/2008	USD	551,525	JPY	56,867,000	UBS AG	(6,848)	–
Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts						£9,651,039	2.12
Total Financial Assets at Fair Value through Profit or Loss						**£732,484,493**	**160.85**
Total Financial Liabilities at Fair Value through Profit or Loss						**£(150,758,475)**	**(33.11)**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	72.68
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market	3.59
(d) Collective Investment Schemes	0.52
(e) OTC financial derivative instruments	1.29
(f) Exchange traded financial derivative instruments	0.07
(g) Other assets	21.85
Total Investments	100.00

Schedule of Investments
30 June 2008

ASSET-BACKED SECURITIES (3.44%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,279,850	Ace Securities Corporation 144A	6.50	15/08/2030	£563,425	0.08
2,272,000	BankAmerica Manufactured Housing Contract Trust	6.90	10/04/2028	1,438,409	0.21
9,577,347	Bombardier Capital Mortgage Securitization Corporation	8.29	15/06/2030	3,120,854	0.47
2,186,901	Bombardier Capital Mortgage Securitization Corporation	7.58	15/06/2030	645,362	0.10
5,450,984	Bombardier Capital Mortgage Securitization Corporation	6.53	15/10/2028	2,056,836	0.31
1,513,000	Credit-Based Asset Servicing and Securitization (Class M1)	6.25	25/10/2036	637,628	0.10
659,000	Credit-Based Asset Servicing and Securitization (Class M2)	6.25	25/10/2036	271,112	0.04
3,790,006	Green Tree Financial Corporation	8.60	15/07/2019	1,195,073	0.18
7,581,000	Green Tree Financial Corporation	7.95	15/09/2027	3,321,917	0.50
4,289,000	Green Tree Financial Corporation	7.60	15/04/2026	1,676,824	0.25
568,162	Green Tree Financial Corporation	6.85	15/10/2018	256,459	0.04
8,859,736	Greenpoint Manufactured Housing	8.45	20/06/2031	3,778,234	0.56
276,906	Mid-State Trust	7.34	01/07/2035	133,619	0.02
794,251	Mid-State Trust	4.86	15/07/2038	295,589	0.04
1,314,000	Oakwood Mortgage Investors Incorporated	6.83	15/05/2028	492,256	0.07
7,643,620	Oakwood Mortgage Investors Incorporated	5.26	15/01/2019	2,391,795	0.36
1,558,313	Oakwood Mortgage Investors Incorporated	2.77	15/03/2014	489,103	0.07
627,529	Vanderbilt Mortgage Finance FRB Ser. 01-A, (Class M1)	7.74	07/04/2031	299,188	0.04
	Total Asset-Backed Securities			£23,063,683	3.44

COLLATERALISED MORTGAGE OBLIGATIONS (63.65%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
9,044,000	Banc of America Alternative Loan Trust	5.71	25/10/2036	£4,281,063	0.64
29,700,000	Banc of America Commercial Mortgage Incorporated	5.84	10/06/2049	14,530,609	2.17
15,000	Banc of America Commercial Mortgage Incorporated	5.63	10/04/2049	7,376	—
2,300,000	Banc of America Commercial Mortgage Incorporated	5.45	15/01/2049	1,131,386	0.17
7,561,000	Banc of America Commercial Mortgage Incorporated	5.31	10/10/2045	3,791,501	0.57

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
7,455,354	Banc of America Funding Corporation	5.99	20/05/2036	£2,973,614	0.44
6,248,229	Bear Stearns* Alternative Trust	6.25	25/08/2036	2,423,571	0.36
5,006,322	Bear Stearns* Alternative Trust	5.69	25/09/2035	1,928,484	0.29
60,000	Bear Stearns* Commercial Mortgage Securities Incorporated	5.85	11/06/2040	29,679	—
9,070,000	Citigroup Commercial Mortgage Trust	6.03	10/10/2012	4,574,760	0.68
16,678,000	Citigroup Commercial Mortgage Trust	6.30	10/11/2014	8,497,830	1.27
35,500,000	Citigroup Commercial Mortgage Trust	5.89	10/12/2049	17,727,761	2.65
4,268,547	Citigroup Mortgage Loan Trust Incorporated	6.21	25/07/2036	1,555,781	0.23
7,867,813	Citigroup Mortgage Loan Trust Incorporated	5.66	25/11/2036	2,970,364	0.44
35,525,000	Commercial Mortgage Loan Trust	6.22	10/09/2017	17,605,529	2.63
4,656,951	Countrywide Alternative Loan Trust	5.54	25/03/2047	2,109,551	0.32
933,726	Countrywide Alternative Loan Trust	5.12	25/03/2034	24,521	—
7,192,277	Countrywide Alternative Loan Trust (Class 2A2)	6.00	25/02/2037	2,936,905	0.44
5,766,338	Countrywide Alternative Loan Trust (Class A4)	6.00	25/02/2037	2,357,800	0.35
10,400,000	Credit Suisse First Boston Mortgage Securities Corporation	5.71	15/02/2039	5,192,320	0.78
21,233,000	Credit Suisse Mortgage Capital Certificates	6.43	15/02/2041	10,706,867	1.60
21,502,000	Credit Suisse Mortgage Capital Certificates	5.91	15/06/2039	10,677,320	1.59
10,000	Credit Suisse Mortgage Capital Certificates (Class A2)	6.01	15/09/2039	4,974	—
18,800,000	Credit Suisse Mortgage Capital Certificates (Class A3)	6.01	15/09/2039	9,186,222	1.37
9,548,395	CWMBS Incorporated	5.71	20/11/2035	3,736,578	0.56
227,547	CWMBS Incorporated	3.13	25/05/2035	2,676	—
127,427	Federal Home Loan Mortgage Corporation	0.00	15/02/2037	63,414	0.01
170,875	Federal Home Loan Mortgage Corporation	0.00	15/11/2036	75,445	0.01
102,788	Federal Home Loan Mortgage Corporation	0.00	15/05/2035	41,622	0.01
211,714	Federal Home Loan Mortgage Corporation	0.00	15/09/2036	100,986	0.02
215,230	Federal Home Loan Mortgage Corporation	0.03	25/05/2043	319	—
234,603	Federal Home Loan Mortgage Corporation	0.28	25/05/2043	990	—

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
180,989	Federal Home Loan Mortgage Corporation	0.37	25/05/2043	£1,165	–
250,008	Federal Home Loan Mortgage Corporation	0.52	25/05/2043	2,005	–
4,501,369	Federal Home Loan Mortgage Corporation	3.29	15/08/2037	146,733	0.02
24,579,783	Federal Home Loan Mortgage Corporation	3.48	15/11/2036	802,090	0.12
16,864,042	Federal Home Loan Mortgage Corporation	3.68	15/04/2035	523,034	0.08
12,743,775	Federal Home Loan Mortgage Corporation	3.78	15/02/2038	512,830	0.08
3,032,524	Federal Home Loan Mortgage Corporation	3.93	15/10/2037	117,300	0.02
4,269,575	Federal Home Loan Mortgage Corporation	3.94	15/05/2037	201,483	0.03
6,075,298	Federal Home Loan Mortgage Corporation	3.98	15/09/2037	254,217	0.04
3,297,434	Federal Home Loan Mortgage Corporation	4.02	15/11/2036	140,274	0.02
6,426,402	Federal Home Loan Mortgage Corporation	4.10	15/05/2036	283,009	0.04
816,102	Federal Home Loan Mortgage Corporation	4.18	15/09/2035	35,670	0.01
2,052,503	Federal Home Loan Mortgage Corporation	4.20	15/10/2037	78,801	0.01
456,260	Federal Home Loan Mortgage Corporation	4.26	15/10/2035	18,093	–
15,337,025	Federal Home Loan Mortgage Corporation	4.28	15/05/2035	554,677	0.08
22,171,166	Federal Home Loan Mortgage Corporation	4.73	15/08/2036	966,346	0.14
20,981,952	Federal Home Loan Mortgage Corporation	6.13	15/05/2037	1,322,425	0.20
144,232	Federal Home Loan Mortgage Corporation	10.70	15/08/2035	71,805	0.01
189,449	Federal Home Loan Mortgage Corporation	11.58	15/10/2036	98,752	0.01
79,768	Federal Home Loan Mortgage Corporation	12.87	15/05/2036	40,779	0.01
1,083,702	Federal Home Loan Mortgage Corporation	17.28	15/09/2036	217,059	0.03
2,468,993	Federal Home Loan Mortgage Corporation	18.14	15/09/2032	1,255,264	0.19
1,708,388	Federal Home Loan Mortgage Corporation	18.72	15/04/2032	937,659	0.14
166,008	Federal Home Loan Mortgage Corporation	20.74	15/05/2036	97,877	0.01

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
104,456	Federal Home Loan Mortgage Corporation	28.06	15/07/2037	£69,681	0.01
92,898	Federal Home Loan Mortgage Corporation	28.87	15/08/2037	61,412	0.01
219,727	Federal Home Loan Mortgage Corporation	0.00	15/09/2035	96,377	0.01
82,945	Federal Home Loan Mortgage Corporation	0.00	15/03/2036	39,839	0.01
168,073	Federal Home Loan Mortgage Corporation	0.00	15/11/2036	87,159	0.01
95,154	Federal Home Loan Mortgage Corporation	0.00	15/08/2035	39,862	0.01
78,624	Federal Home Loan Mortgage Corporation	0.00	15/11/2034	36,485	0.01
61,113	Federal Home Loan Mortgage Corporation	0.00	15/10/2036	27,589	–
42,144,104	Federal Home Loan Mortgage Corporation	3.93	15/11/2037	1,679,080	0.25
265,460	Federal Home Loan Mortgage Corporation	4.18	15/09/2030	9,709	–
204,671	Federal National* Mortgage Association	0.00	25/10/2035	89,359	0.01
245,435	Federal National* Mortgage Association	0.35	25/09/2042	1,466	–
234,419	Federal National* Mortgage Association	0.37	25/09/2042	1,283	–
1,772,887	Federal National* Mortgage Association	0.45	25/12/2041	10,724	–
230,798	Federal National* Mortgage Association	0.47	25/07/2042	1,603	–
160,351	Federal National* Mortgage Association	0.68	25/09/2042	1,589	–
318,102	Federal National* Mortgage Association	0.81	25/07/2042	4,310	–
434,546	Federal National* Mortgage Association	1.64	25/12/2042	11,334	–
193,209	Federal National* Mortgage Association	1.92	25/06/2043	5,312	–
129,056	Federal National* Mortgage Association	1.94	25/06/2043	3,613	–
226,910	Federal National* Mortgage Association	2.22	25/06/2043	7,188	–
1,505,526	Federal National* Mortgage Association	3.62	25/09/2035	45,910	0.01
38,665,218	Federal National* Mortgage Association	3.62	25/10/2025	1,224,977	0.18
3,627,444	Federal National* Mortgage Association	3.74	25/03/2038	130,297	0.02
305,055	Federal National* Mortgage Association	3.96	25/04/2037	12,814	–
524,423	Federal National* Mortgage Association	3.97	25/02/2038	20,751	–
1,926,078	Federal National* Mortgage Association	3.97	25/08/2036	86,319	0.01
9,679,426	Federal National* Mortgage Association	3.98	25/11/2037	372,482	0.06
12,678,405	Federal National* Mortgage Association	4.12	25/05/2035	499,710	0.07

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
6,755,872	Federal National* Mortgage Association	4.14	25/11/2036	£317,784	0.05
3,802,258	Federal National* Mortgage Association	4.21	25/11/2036	166,812	0.02
6,287,054	Federal National* Mortgage Association	4.22	25/03/2037	290,025	0.04
5,580,960	Federal National* Mortgage Association	4.22	25/04/2035	250,303	0.04
24,589,166	Federal National* Mortgage Association	4.24	25/06/2035	970,823	0.15
3,835,027	Federal National* Mortgage Association	4.26	25/01/2037	179,675	0.03
3,999,324	Federal National* Mortgage Association	4.29	25/05/2037	193,891	0.03
31,702,030	Federal National* Mortgage Association	4.31	25/04/2037	1,519,371	0.23
14,733,611	Federal National* Mortgage Association	4.32	25/05/2035	589,017	0.09
7,432,292	Federal National* Mortgage Association	4.50	25/03/2038	395,704	0.06
7,712,089	Federal National* Mortgage Association	4.57	25/12/2033	374,472	0.06
7,481,301	Federal National* Mortgage Association	4.67	25/07/2033	351,839	0.05
5,742,458	Federal National* Mortgage Association	4.72	25/07/2036	300,613	0.04
733,314	Federal National* Mortgage Association	4.75	25/01/2036	34,871	0.01
1,871,171	Federal National* Mortgage Association	5.00	25/08/2037	220,374	0.03
1,073,730	Federal National* Mortgage Association	5.00	25/10/2037	129,617	0.02
4,250,111	Federal National* Mortgage Association	5.00	25/03/2038	496,336	0.07
4,268,103	Federal National* Mortgage Association	5.00	25/04/2023	286,874	0.04
13,516,853	Federal National* Mortgage Association	5.07	25/02/2038	851,212	0.13
1,423,092	Federal National* Mortgage Association	5.12	25/04/2034	89,381	0.01
1,110,551	Federal National* Mortgage Association	5.22	25/07/2034	63,008	0.01
151,914,422	Federal National* Mortgage Association	5.50	25/05/2037	19,849,433	2.96
1,170,092	Federal National* Mortgage Association	5.50	25/01/2038	131,360	0.02
3,771,287	Federal National* Mortgage Association	5.50	25/04/2038	435,330	0.07
881,109	Federal National* Mortgage Association	6.00	25/10/2022	69,421	0.01
899,226	Federal National* Mortgage Association	6.00	25/11/2037	103,236	0.02
11,930,115	Federal National* Mortgage Association	6.00	25/03/2038	1,268,857	0.19
9,671,331	Federal National* Mortgage Association	6.00	25/05/2038	1,120,813	0.17
1,568,722	Federal National* Mortgage Association	6.50	25/02/2037	183,561	0.03
2,085,899	Federal National* Mortgage Association	6.50	25/03/2037	237,062	0.04
5,561,848	Federal National* Mortgage Association	6.50	25/04/2038	613,488	0.09
4,637,551	Federal National* Mortgage Association	6.50	25/05/2038	494,711	0.07
1,431,292	Federal National* Mortgage Association	6.50	25/08/2038	148,253	0.02

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
93,790	Federal National* Mortgage Association	10.67	25/08/2035	£47,278	0.01
97,441	Federal National* Mortgage Association	14.99	25/07/2036	50,816	0.01
190,772	Federal National* Mortgage Association	17.24	25/04/2035	108,004	0.02
172,674	Federal National* Mortgage Association	18.53	25/11/2036	96,788	0.01
3,742,124	Federal National* Mortgage Association	28.63	25/02/2037	2,121,318	0.32
4,063,088	Federal National* Mortgage Association	4.17	25/05/2034	194,300	0.03
2,165,587	Federal National* Mortgage Association	4.17	25/12/2036	96,528	0.01
9,711,114	Federal National* Mortgage Association	4.22	25/08/2034	407,309	0.06
17,345,968	Federal National* Mortgage Association	4.22	25/02/2035	688,547	0.10
14,875,955	Federal National* Mortgage Association	4.27	25/10/2034	711,839	0.11
71,229	Federal National* Mortgage Association	4.52	25/08/2035	3,168	—
7,422,721	Federal National* Mortgage Association	4.52	25/10/2029	322,961	0.05
8,993,939	Federal National* Mortgage Association	6.00	25/05/2036	1,185,598	0.18
4,854,337	Federal National* Mortgage Association	6.00	25/02/2038	540,033	0.08
45,178,248	Federal National* Mortgage Association	6.50	01/07/2036	6,022,985	0.90
1,772,595	Federal National* Mortgage Association	6.50	25/11/2037	181,114	0.03
5,588,864	Federal National* Mortgage Association	6.50	25/02/2038	593,469	0.09
1,307,822	Federal National* Mortgage Association	7.00	25/01/2038	126,007	0.02
1,291,380	Federal National* Mortgage Association	7.50	25/08/2037	126,198	0.02
1,141,182	Federal National* Mortgage Association	7.50	25/01/2038	98,357	0.01
890,743	Federal National* Mortgage Association (Class 1)	5.00	25/11/2037	107,930	0.02
6,134,370	Federal National* Mortgage Association (Class 1)	6.00	25/10/2038	668,758	0.10
1,819,877	Federal National* Mortgage Association (Class 10)	5.50	25/08/2037	219,164	0.03
1,022,002	Federal National* Mortgage Association (Class 10)	6.00	25/07/2038	114,002	0.02
872,477	Federal National* Mortgage Association (Class 101)	6.50	25/09/2022	68,877	0.01
759,301	Federal National* Mortgage Association (Class 102)	6.50	25/09/2022	59,561	0.01
1,435,970	Federal National* Mortgage Association (Class 11)	5.50	25/08/2037	171,135	0.03
922,904	Federal National* Mortgage Association (Class 11)	6.00	25/07/2038	105,122	0.02
1,400,863	Federal National* Mortgage Association (Class 12)	5.50	25/08/2037	167,372	0.03

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,410,669	Federal National* Mortgage Association (Class 13)	5.50	25/08/2037	£168,543	0.03
2,032,175	Federal National* Mortgage Association (Class 14)	5.50	25/09/2037	237,818	0.04
989,043	Federal National* Mortgage Association (Class 15)	5.50	25/09/2037	113,221	0.02
1,705,269	Federal National* Mortgage Association (Class 15)	6.50	25/12/2037	179,110	0.03
970,031	Federal National* Mortgage Association (Class 16)	5.50	25/09/2037	115,897	0.02
1,468,455	Federal National* Mortgage Association (Class 16)	6.50	25/11/2037	156,745	0.02
4,071,399	Federal National* Mortgage Association (Class 17)	5.50	25/01/2038	471,947	0.07
1,736,278	Federal National* Mortgage Association (Class 17)	6.50	25/12/2037	185,504	0.03
5,235,536	Federal National* Mortgage Association (Class 18)	5.50	25/01/2038	610,034	0.09
1,583,619	Federal National* Mortgage Association (Class 18)	6.50	25/12/2037	167,766	0.03
4,842,024	Federal National* Mortgage Association (Class 19)	5.50	25/01/2038	564,182	0.08
1,399,779	Federal National* Mortgage Association (Class 19)	6.50	25/02/2038	142,881	0.02
876,056	Federal National* Mortgage Association (Class 2)	5.00	25/11/2037	106,062	0.02
7,857,436	Federal National* Mortgage Association (Class 2)	6.00	25/04/2038	823,094	0.12
3,117,520	Federal National* Mortgage Association (Class 20)	5.50	25/07/2037	370,731	0.06
2,938,890	Federal National* Mortgage Association (Class 21)	5.50	25/07/2037	349,489	0.05
1,479,743	Federal National* Mortgage Association (Class 21)	7.00	25/12/2037	145,605	0.02
2,057,733	Federal National* Mortgage Association (Class 22)	5.50	25/07/2037	244,086	0.04
1,906,133	Federal National* Mortgage Association (Class 23)	5.50	25/07/2037	226,103	0.03
1,443,191	Federal National* Mortgage Association (Class 23)	7.00	25/12/2037	135,424	0.02
1,565,078	Federal National* Mortgage Association (Class 24)	5.50	25/07/2037	179,462	0.03
933,534	Federal National* Mortgage Association (Class 24)	7.00	25/03/2038	86,990	0.01
1,027,308	Federal National* Mortgage Association (Class 25)	7.00	25/03/2038	96,399	0.01
1,268,793	Federal National* Mortgage Association (Class 26)	5.50	25/07/2037	151,264	0.02

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,004,818	Federal National* Mortgage Association (Class 27)	5.50	25/07/2037	£117,984	0.02
842,645	Federal National* Mortgage Association (Class 27)	7.50	25/12/2037	72,626	0.01
5,855,248	Federal National* Mortgage Association (Class 28)	6.00	25/01/2038	682,184	0.10
805,229	Federal National* Mortgage Association (Class 28)	7.50	25/12/2037	69,402	0.01
8,163,544	Federal National* Mortgage Association (Class 3)	5.50	25/09/2037	939,017	0.14
3,052,087	Federal National* Mortgage Association (Class 3)	5.50	25/12/2037	349,243	0.05
6,598,579	Federal National* Mortgage Association (Class 30)	6.00	25/01/2038	776,396	0.12
5,800,283	Federal National* Mortgage Association (Class 31)	6.00	25/01/2038	682,468	0.10
4,584,696	Federal National* Mortgage Association (Class 32)	6.00	25/01/2038	543,807	0.08
4,068,054	Federal National* Mortgage Association (Class 33)	6.00	25/01/2038	482,525	0.07
1,740,920	Federal National* Mortgage Association (Class 34)	6.00	25/12/2037	202,219	0.03
1,539,876	Federal National* Mortgage Association (Class 35)	6.00	25/12/2037	178,404	0.03
1,405,399	Federal National* Mortgage Association (Class 36)	6.00	25/12/2037	163,598	0.02
1,826,660	Federal National* Mortgage Association (Class 37)	6.00	25/01/2038	218,315	0.03
830,456	Federal National* Mortgage Association (Class 38)	6.00	25/12/2037	96,255	0.01
7,286,417	Federal National* Mortgage Association (Class 4)	5.50	25/09/2037	843,222	0.13
1,619,304	Federal National* Mortgage Association (Class 4)	5.50	25/12/2037	188,614	0.03
9,008,027	Federal National* Mortgage Association (Class 40)	6.00	25/04/2038	1,038,625	0.16
8,282,927	Federal National* Mortgage Association (Class 41)	6.00	25/04/2038	954,192	0.14
6,017,753	Federal National* Mortgage Association (Class 42)	6.00	25/04/2038	696,864	0.10
5,500,097	Federal National* Mortgage Association (Class 43)	6.00	25/04/2038	638,848	0.10
5,001,635	Federal National* Mortgage Association (Class 44)	6.00	25/04/2038	579,196	0.09
4,034,241	Federal National* Mortgage Association (Class 45)	6.00	25/04/2038	473,034	0.07
3,487,257	Federal National* Mortgage Association (Class 46)	6.00	25/04/2038	408,722	0.06

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
3,142,755	Federal National* Mortgage Association (Class 47)	6.00	25/04/2038	£368,345	0.06
2,803,487	Federal National* Mortgage Association (Class 48)	6.00	25/04/2038	329,565	0.05
1,647,379	Federal National* Mortgage Association (Class 49)	6.00	25/06/2037	189,943	0.03
4,690,352	Federal National* Mortgage Association (Class 5)	5.50	25/09/2037	542,792	0.08
1,037,632	Federal National* Mortgage Association (Class 5)	5.50	25/12/2037	122,782	0.02
11,553,193	Federal National* Mortgage Association (Class 5)	6.00	25/04/2038	1,286,220	0.19
1,993,398	Federal National* Mortgage Association (Class 50)	6.00	25/12/2037	228,040	0.03
1,713,277	Federal National* Mortgage Association (Class 51)	6.00	25/06/2037	195,995	0.03
1,485,593	Federal National* Mortgage Association (Class 52)	6.00	25/04/2038	174,639	0.03
913,531	Federal National* Mortgage Association (Class 53)	6.00	25/06/2037	105,559	0.02
676,213	Federal National* Mortgage Association (Class 54)	6.00	25/06/2037	78,103	0.01
874,148	Federal National* Mortgage Association (Class 55)	6.00	25/06/2037	101,534	0.02
744,427	Federal National* Mortgage Association (Class 56)	6.00	25/06/2037	86,728	0.01
1,257,836	Federal National* Mortgage Association (Class 57)	6.00	25/06/2037	145,659	0.02
2,448,556	Federal National* Mortgage Association (Class 58)	6.50	25/08/2037	276,693	0.04
1,764,889	Federal National* Mortgage Association (Class 59)	6.50	25/08/2037	195,984	0.03
4,278,016	Federal National* Mortgage Association (Class 6)	5.50	25/09/2037	496,573	0.07
2,964,136	Federal National* Mortgage Association (Class 6)	6.00	25/12/2037	342,083	0.05
5,989,241	Federal National* Mortgage Association (Class 6)	6.00	25/10/2038	570,414	0.09
4,991,749	Federal National* Mortgage Association (Class 60)	6.50	25/10/2037	578,864	0.09
1,601,729	Federal National* Mortgage Association (Class 61)	6.50	25/08/2037	178,508	0.03
1,641,293	Federal National* Mortgage Association (Class 62)	6.50	25/10/2037	186,706	0.03
1,476,668	Federal National* Mortgage Association (Class 63)	6.50	25/09/2037	164,125	0.02
2,221,910	Federal National* Mortgage Association (Class 64)	6.50	25/09/2037	254,762	0.04

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,633,160	Federal National* Mortgage Association (Class 65)	6.50	25/08/2037	£188,896	0.03
1,669,927	Federal National* Mortgage Association (Class 66)	6.50	25/08/2037	192,562	0.03
1,438,775	Federal National* Mortgage Association (Class 67)	6.50	25/09/2037	163,092	0.02
864,654	Federal National* Mortgage Association (Class 68)	6.50	25/09/2037	98,316	0.01
1,097,073	Federal National* Mortgage Association (Class 69)	6.50	25/10/2037	124,799	0.02
4,307,942	Federal National* Mortgage Association (Class 7)	5.50	25/09/2037	498,538	0.07
5,864,615	Federal National* Mortgage Association (Class 7)	6.00	25/01/2038	710,330	0.11
3,122,388	Federal National* Mortgage Association (Class 70)	6.50	25/01/2037	355,172	0.05
1,468,425	Federal National* Mortgage Association (Class 71)	6.50	25/12/2036	165,706	0.02
5,533,137	Federal National* Mortgage Association (Class 72)	6.50	25/05/2037	643,838	0.10
1,739,352	Federal National* Mortgage Association (Class 74)	6.50	25/01/2037	197,240	0.03
1,365,692	Federal National* Mortgage Association (Class 75)	6.50	25/12/2036	157,953	0.02
1,209,214	Federal National* Mortgage Association (Class 77)	6.50	25/05/2037	138,337	0.02
1,243,138	Federal National* Mortgage Association (Class 78)	6.50	25/05/2037	141,844	0.02
1,229,929	Federal National* Mortgage Association (Class 79)	7.00	25/08/2037	134,216	0.02
1,837,726	Federal National* Mortgage Association (Class 8)	5.50	25/08/2037	221,313	0.03
2,451,151	Federal National* Mortgage Association (Class 80)	7.00	25/08/2037	272,407	0.04
1,362,831	Federal National* Mortgage Association (Class 81)	7.00	25/08/2037	142,713	0.02
1,404,945	Federal National* Mortgage Association (Class 82)	7.00	25/08/2037	143,801	0.02
1,378,990	Federal National* Mortgage Association (Class 83)	7.00	25/08/2037	145,302	0.02
1,355,387	Federal National* Mortgage Association (Class 84)	7.00	25/09/2037	144,176	0.02
817,751	Federal National* Mortgage Association (Class 85)	7.00	25/09/2037	85,877	0.01
861,412	Federal National* Mortgage Association (Class 86)	7.00	25/09/2037	90,463	0.01
1,208,030	Federal National* Mortgage Association (Class 88)	7.50	25/09/2037	113,926	0.02

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
989,608	Federal National* Mortgage Association (Class 89)	7.50	25/09/2037	£93,726	0.01
1,919,151	Federal National* Mortgage Association (Class 9)	5.50	25/08/2037	231,119	0.03
738,660	Federal National* Mortgage Association (Class 90)	8.00	25/08/2037	65,146	0.01
672,426	Federal National* Mortgage Association (Class 91)	8.00	25/08/2037	59,136	0.01
1,433,334	Federal National* Mortgage Association (Class 92)	5.00	25/10/2022	113,465	0.02
1,013,930	Federal National* Mortgage Association (Class 93)	5.00	25/10/2022	81,718	0.01
1,418,926	Federal National* Mortgage Association (Class 94)	5.50	25/08/2022	116,088	0.02
2,686,393	Federal National* Mortgage Association (Class 95)	5.50	25/09/2022	223,512	0.03
1,591,719	Federal National* Mortgage Association (Class 96)	5.50	25/08/2022	124,184	0.02
1,399,471	Federal National* Mortgage Association (Class 97)	5.50	25/09/2022	112,116	0.02
1,660,078	Federal National* Mortgage Association (Class 98)	6.00	25/09/2022	134,373	0.02
945,439	Federal National* Mortgage Association (Class 99)	6.00	25/09/2022	74,347	0.01
5,000,000	GE Capital Commercial Mortgage Corporation	5.52	10/03/2044	2,468,511	0.37
6,500,000	GE Capital Commercial Mortgage Corporation	5.48	10/12/2049	3,181,191	0.48
16,000	GE Capital Commercial Mortgage Corporation	5.42	10/12/2049	7,805	—
787,850	Government National Mortgage Association	0.00	20/06/2037	352,441	0.05
134,344	Government National Mortgage Association	0.00	20/11/2037	79,120	0.01
21,090,452	Government National Mortgage Association	3.52	20/03/2034	430,523	0.06
21,011,492	Government National Mortgage Association	3.62	20/01/2035	666,673	0.10
9,015,775	Government National Mortgage Association	3.68	16/10/2037	278,464	0.04
7,430,106	Government National Mortgage Association	3.70	20/02/2035	263,286	0.04
117,660	Government National Mortgage Association	3.73	16/05/2037	4,511	—
5,738,783	Government National Mortgage Association	3.77	20/01/2035	201,224	0.03
14,622,458	Government National Mortgage Association	3.81	20/03/2036	528,616	0.08

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
9,939,643	Government National Mortgage Association	3.82	20/09/2035	£381,990	0.06
2,112,388	Government National Mortgage Association	3.89	16/09/2035	75,894	0.01
23,531,647	Government National Mortgage Association	3.92	20/01/2032	683,916	0.10
34,171,180	Government National Mortgage Association	3.93	16/05/2038	1,233,434	0.18
9,126,441	Government National Mortgage Association	3.98	20/02/2036	310,728	0.05
10,779,304	Government National Mortgage Association	4.00	20/02/2038	431,516	0.06
8,538,996	Government National Mortgage Association	4.02	20/01/2037	305,239	0.05
19,260,565	Government National Mortgage Association	4.03	16/01/2038	693,813	0.10
21,175,439	Government National Mortgage Association	4.04	20/03/2037	801,062	0.12
75,975,939	Government National Mortgage Association	4.05	16/01/2038	2,760,474	0.41
7,975,965	Government National Mortgage Association	4.10	16/05/2037	295,117	0.04
92,271,272	Government National Mortgage Association	4.21	20/06/2037	3,749,185	0.56
6,739,949	Government National Mortgage Association	4.22	20/04/2032	206,059	0.03
7,972,388	Government National Mortgage Association	4.23	16/03/2034	361,048	0.05
9,264,186	Government National Mortgage Association	4.25	20/09/2037	431,948	0.06
7,798,003	Government National Mortgage Association	4.27	20/07/2037	290,185	0.04
7,676,475	Government National Mortgage Association	4.32	20/12/2036	318,230	0.05
1,161,000	Government National Mortgage Association	4.43	16/10/2035	46,391	0.01
4,537,481	Government National Mortgage Association	4.63	16/08/2036	224,766	0.03
5,750,384	Government National Mortgage Association	4.73	16/04/2034	185,403	0.03
6,407,225	Government National Mortgage Association	4.78	16/08/2034	311,675	0.05
3,350,503	Government National Mortgage Association	4.82	20/06/2032	171,092	0.03
1,204,971	Government National Mortgage Association	4.90	20/11/2036	46,949	0.01
3,720,317	Government National Mortgage Association	5.30	20/03/2038	177,463	0.03

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,958,965	Government National Mortgage Association	7.50	16/04/2037	£246,748	0.04
158,000	Government National Mortgage Association	19.88	20/04/2035	91,795	0.01
77,679	Government National Mortgage Association	24.65	20/07/2036	47,053	0.01
102,174	Government National Mortgage Association	24.71	20/07/2037	61,047	0.01
102,174	Government National Mortgage Association	24.95	16/07/2037	61,419	0.01
118,711	Government National Mortgage Association	25.19	20/07/2037	71,694	0.01
261,868	Government National Mortgage Association	25.31	20/07/2037	161,288	0.02
125,031	Government National Mortgage Association	31.91	16/06/2037	83,686	0.01
170,411	Government National Mortgage Association	44.62	20/05/2037	134,162	0.02
761,047	Government National Mortgage Association	0.00	20/02/2037	341,671	0.05
41,729,592	Government National Mortgage Association	4.02	20/06/2036	1,653,053	0.25
38,070,921	Government National Mortgage Association	4.27	20/12/2034	1,667,565	0.25
1,640,418	Government National Mortgage Association	4.32	20/11/2035	68,252	0.01
18,920,480	Government National Mortgage Association	4.32	20/03/2037	777,342	0.12
3,985,347	Government National Mortgage Association	4.90	20/12/2036	197,017	0.03
79,568,432	Government National Mortgage Association (Class S)	4.02	20/05/2037	2,874,236	0.43
44,417,840	Government National Mortgage Association (Class SA)	3.99	20/06/2037	1,599,014	0.24
4,972,764	Government National Mortgage Association (Class SA)	4.86	20/11/2036	212,767	0.03
4,947,358	Government National Mortgage Association (Class SB)	4.86	20/11/2036	228,263	0.03
121,807,116	Government National Mortgage Association (Class SG)	3.99	20/06/2037	4,354,183	0.65
70,130,735	Government National Mortgage Association (Class SG)	4.02	20/05/2037	2,824,138	0.42
158,357	Greenpoint Mortgage Funding Trust	4.04	25/06/2045	2,242	–
15,000,000	GS Mortgage Securities Corporation II	5.78	10/08/2045	7,390,729	1.10
19,000	GS Mortgage Securities Corporation II	5.51	10/04/2038	9,513	–
10,864,000	Holmes Financing PLC	2.79	15/07/2040	5,306,638	0.79

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
9,750,745	HSI Asset Loan Obligation	6.14	25/01/2037	£4,035,905	0.60
2,267,205	IndyMac Index Mortgage Loan Trust	6.33	25/09/2036	907,701	0.14
7,311,226	IndyMac Index Mortgage Loan Trust	6.08	25/04/2037	2,897,787	0.43
7,359,194	IndyMac Index Mortgage Loan Trust	6.25	25/08/2037	2,916,799	0.44
17,307,593	IndyMac Index Mortgage Loan Trust	5.65	25/06/2037	5,822,503	0.87
10,562,449	IndyMac Index Mortgage Loan Trust	5.64	25/01/2036	3,975,282	0.59
6,139,235	IndyMac Index Mortgage Loan Trust	5.46	25/05/2035	2,619,308	0.39
3,717,232	JPMorgan Alternative Loan Trust	6.07	25/07/2036	1,436,204	0.21
5,138,531	JPMorgan Alternative Loan Trust	5.89	25/03/2036	2,062,425	0.31
3,655,486	JPMorgan Alternative Loan Trust	2.55	25/11/2036	1,342,766	0.20
10,000,000	JPMorgan Chase Commercial Mortgage Securities Corporation	6.01	15/06/2049	4,839,150	0.72
59,000,000	JPMorgan Chase Commercial Mortgage Securities Corporation	5.32	15/01/2049	28,534,669	4.26
305,418,990	JPMorgan Chase Commercial Mortgage Securities Corporation	0.65	12/02/2051	4,177,926	0.62
295,889,926	LB-UBS Commercial Mortgage Trust	0.18	15/04/2040	1,299,514	0.19
130,482	Lehman Mortgage* Trust	4.67	25/09/2036	5,140	–
4,528,401	MASTER Alternative Loans Trust	6.25	25/07/2036	1,703,944	0.25
45,000	Merrill Lynch Countrywide Commercial Mortgage Trust	6.16	12/08/2049	21,790	–
11,648,405	Merrill Lynch Mortgage Trust	5.71	12/02/2051	5,685,588	0.85
9,168,022	Merrill Lynch Mortgage Trust	5.43	12/02/2051	4,479,777	0.67
31,172,354	Merrill Lynch Mortgage Trust	4.53	12/06/2050	15,223,344	2.27
121,268,000	Merrill Lynch Mortgage Trust (Class X)	5.71	12/02/2051	1,726,771	0.26
14,534,000	Morgan Stanley Capital I Incorporated	5.62	12/12/2049	7,137,206	1.07
8,333,000	Morgan Stanley Capital I Incorporated	5.61	12/03/2044	4,142,921	0.62
1,752,000	Permanent Master Issuer PLC	2.79	15/10/2033	846,027	0.13
7,561,819	Residential Asset Securitization Trust	6.00	25/05/2037	3,395,459	0.51
2,534,547	Structured Adjustable Rate Mortgage Loan Trust	5.69	25/10/2036	998,585	0.15
73,151,696	Structured Asset Securities Corporation	2.95	25/11/2037	1,991,950	0.30
6,275,000	Wachovia Bank Commercial Mortgage Trust	6.10	15/02/2051	3,056,686	0.46
63,666,000	Wachovia Bank Commercial Mortgage Trust	5.25	15/12/2043	31,188,561	4.66
	Total Collateralised Mortgage Obligations			£425,955,089	63.65

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CONVERTIBLE PREFERRED STOCKS (0.12%)

Principal Amount		Coupon Rate %	Maturity Date	Value GBP	% of Fund
1,926	Lehman Brothers* Holdings Incorporated	7.25	04/01/2013	£777,309	0.12
	Total Convertible Preferred Stocks			£777,309	0.12

CORPORATE BONDS & NOTES (22.28%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,005,000	Allstate Life Global Funding Trusts	5.38	30/04/2013	£502,237	0.08
5,902,000	AmerisourceBergen Corporation	5.63	15/09/2012	2,943,230	0.44
3,920,000	Arrow Electronics Incorporated	9.15	01/10/2010	2,116,432	0.32
3,395,000	AT&T Incorporated	5.60	15/05/2018	1,664,008	0.25
2,115,000	Banco Nacional de Desenvolvimento Economico e Social	6.37	16/06/2018	1,055,802	0.16
1,625,000	BankAmerica Capital III	3.28	15/01/2027	644,166	0.10
1,775,000	Barclays Bank PLC	7.70	29/04/2049	898,022	0.13
2,910,000	Berry Plastics Corporation	7.57	15/02/2015	1,397,915	0.21
5,610,000	Best Buy Co. Incorporated	6.75	15/07/2013	2,833,356	0.42
6,345,000	Block Financial Corporation	5.13	30/10/2014	2,923,857	0.44
600,000	Capital One Financial Corporation	2.98	10/09/2009	280,974	0.04
1,370,000	Cardinal Health Incorporated	5.65	15/06/2012	692,941	0.10
1,985,000	CCH II LLC	10.25	15/09/2010	961,030	0.14
760,000	Centennial Communications Corporation	10.00	01/01/2013	387,016	0.06
2,660,000	Centennial Communications Corporation	8.45	01/01/2013	1,287,829	0.19
2,000,000	CenturyTel Incorporated	5.50	01/04/2013	945,877	0.14
2,249,000	Ceva Group PLC	8.5	01/12/2014	1,273,232	0.19
1,530,000	CNA Financial Corporation	6.00	15/08/2011	770,964	0.12
3,330,000	Computer Sciences Corporation	6.50	15/03/2018	1,678,771	0.25
2,040,000	Countrywide Financial Corporation	2.87	05/01/2009	1,003,456	0.15
6,590,000	Cox Communications Incorporated	4.63	15/01/2010	3,287,997	0.49
3,015,000	Cricket Communications Incorporated	10.00	15/07/2015	1,482,390	0.22
767,000	D.R. Horton Incorporated	8.00	01/02/2009	383,847	0.06
1,134,000	D.R. Horton Incorporated	5.00	15/01/2009	558,267	0.08
4,140,000	Darden Restaurants Incorporated	6.20	15/10/2017	1,927,297	0.29
2,285,000	Electronic Data Systems Corporation	6.50	01/08/2013	1,176,143	0.18
2,640,000	Embarq Corporation	7.08	01/06/2016	1,257,953	0.19
1,830,000	Federated Department Stores Incorporated	6.63	01/04/2011	905,822	0.14
4,425,000	FelCor Lodging LP	8.50	01/01/2011	2,170,097	0.32
2,215,000	Fleet Capital Trust V	3.76	18/12/2028	913,483	0.14

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,990,000	Freeport-McMoRan Copper & Gold Incorporated	8.38	01/04/2017	£1,055,802	0.16
3,760,000	Freeport-McMoRan Copper & Gold Incorporated	5.88	01/04/2015	1,886,860	0.28
474,000	Gaz Capital SA 144A	7.34	11/04/2013	245,119	0.04
471,000	Gaz Capital SA 144A	8.15	11/04/2018	247,226	0.04
705,000	Gaz Capital SA 144A	6.51	07/03/2022	317,448	0.05
6,505,000	Genworth Financial Incorporated	6.52	22/05/2018	3,063,097	0.46
445,000	Genworth Life Institutional Funding Trust	5.88	03/05/2013	222,640	0.03
1,270,000	Georgia (Republic of)	7.50	15/04/2013	634,114	0.09
3,425,000	Grupo Televisa SA	6.00	15/05/2018	1,670,177	0.25
6,740,000	Hanson PLC	6.13	15/08/2016	3,355,044	0.50
4,345,000	Hawker Beechcraft Acquisition Company LLC	9.75	01/04/2017	2,179,912	0.33
1,115,000	Hawker Beechcraft Acquisition Company LLC	8.50	01/04/2015	563,598	0.08
3,160,000	Hexion U.S. Finance Corporation/Hexion Nova Scotia Finance ULC	7.18	15/11/2014	1,315,874	0.20
563,000	Huntsman International LLC	7.88	15/11/2014	258,451	0.04
7,620,000	International Lease Finance Corporation	5.63	20/09/2013	3,383,380	0.51
2,285,000	International Lease Finance Corporation	6.63	15/11/2013	1,058,460	0.16
580,000	International Paper Company	7.40	15/06/2014	291,092	0.04
1,955,000	International Paper Company	7.95	15/06/2018	975,375	0.15
110,000,000	JPMorgan Chase & Co.	0.27	20/06/2011	2,366,446	0.35
4,780,000	Lexmark International Incorporated	5.90	01/06/2013	2,360,891	0.35
4,135,000	Liberty Media LLC	7.88	15/07/2009	2,094,743	0.31
3,170,000	Liberty Mutual Group	10.75	15/06/2058	1,551,279	0.23
8,750,000	Limited Brands Incorporated	6.13	01/12/2012	4,190,094	0.63
7,805,000	Marriott International Incorporated	4.63	15/06/2012	3,629,787	0.54
6,575,000	Masco Corporation	5.85	15/03/2017	2,989,926	0.45
937,000	Meritor Automotive Incorporated	6.80	15/02/2009	462,459	0.07
7,610,000	Merrill Lynch & Co. Incorporated	6.88	25/04/2018	3,628,219	0.54
500,000	MetLife Capital Trust	9.25	08/04/2068	283,524	0.04
2,110,000	Momentive Performance Materials Incorporated	9.75	01/12/2014	905,102	0.14
1,165,000	Motorola Incorporated	8.00	01/11/2011	596,875	0.09
11,915,000	Nextel Communications Incorporated	6.88	31/10/2013	5,051,262	0.75
2,640,000	ONEOK Partners LP	6.15	01/10/2016	1,305,212	0.20
3,655,000	Ono Finance II PLC	10.5	15/05/2014	2,070,659	0.31
10,675,000	Owens-Illinois Incorporated	7.50	15/05/2010	5,449,435	0.81
6,800,000	Pearson Dollar Finance Two PLC	6.25	06/05/2018	3,366,796	0.50

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
3,810,000	Pemex Project Funding Master Trust	6.63	15/06/2038	£1,878,048	0.28
3,650,000	Prudential Financial Incorporated	8.88	15/06/2038	1,812,631	0.27
4,140,000	Qwest Corporation	6.03	15/06/2013	1,983,594	0.30
5,000,000	R. R. Donnelley & Sons Company	5.63	15/01/2012	2,456,806	0.37
3,100,000	Rexam PLC	6.75	01/06/2013	1,549,424	0.23
1,035,000	Rhodia SA	7.50	15/10/2013	728,243	0.11
1,765,000	Russian Agricultural Bank	7.13	14/01/2014	873,291	0.13
1,825,000	Russian Agricultural Bank	7.75	29/05/2018	897,301	0.13
1,505,000	Ryerson Tull Incorporated	12.00	01/11/2015	749,404	0.11
1,874,000	Sara Lee Corporation	3.88	15/06/2013	869,459	0.13
1,830,000	SLM Corporation	4.50	26/07/2010	849,546	0.13
3,765,000	Sovereign Bank	8.75	30/05/2018	1,904,050	0.28
1,000,000	State Street Capital Trust IV	3.78	15/06/2037	385,179	0.06
599,000	Steel Dynamics Incorporated	7.75	15/04/2016	299,019	0.04
72,000	Steel Dynamics Incorporated	6.75	01/04/2015	34,588	0.01
811,000	Tenet Healthcare Corporation	6.38	01/12/2011	389,591	0.06
485,000	THL Buildco Incorporated (Nortek Holdings Incorporated)	10.00	01/12/2013	232,378	0.03
2,800,000	Toll Brothers Incorporated	8.25	01/02/2011	1,362,633	0.20
8,290,000	Tyson Foods Incorporated	8.25	01/10/2011	4,183,281	0.63
132,000	United Rentals NA Incorporated	6.50	15/02/2012	59,603	0.01
6,555,000	United States Steel Corporation	7.00	01/02/2018	3,281,450	0.49
1,390,000	United Technologies Corporation	6.13	15/07/2038	697,782	0.10
4,090,000	Viacom Incorporated	5.63	15/08/2012	2,035,906	0.30
4,950,000	Viacom Incorporated	6.63	15/05/2011	2,543,036	0.38
13,983,000	VTB Capital SA	6.88	29/05/2018	6,839,968	1.02
4,065,000	VTB Capital SA	6.61	31/10/2012	1,991,691	0.30
1,470,000	VTB Capital SA	6.32	04/02/2015	729,838	0.11
500,000	Wells Fargo & Company	7.70	29/12/2049	249,360	0.04
2,960,000	Xerox Corporation	9.75	15/01/2009	1,528,665	0.23
890,000	Yum! Brands Incorporated	6.25	15/03/2018	435,398	0.07
	Total Corporate Bonds & Notes			£149,181,952	22.28

FOREIGN GOVERNMENT BONDS & NOTES (1.98%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
3,126,000	Republic of Argentina	7.00	12/09/2013	£1,211,537	0.18
1,854,000	Republic of Argentina	7.00	03/10/2015	649,951	0.10
10,960,625	Republic of Argentina	3.09	03/08/2012	1,780,257	0.27

FOREIGN GOVERNMENT BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
1,147,200	Federal Republic of Brazil	10.00	01/01/2012	£3,316,258	0.50
295,000	Federal Republic of Brazil	6.00	17/01/2017	150,963	0.02
3,270,000	Republic of Indonesia	6.75	10/03/2014	1,642,629	0.25
4,310,000	Republic of Indonesia	7.75	17/01/2038	2,032,611	0.30
2,940,000	Republic of Venezuela	3.91	20/04/2011	1,327,514	0.20
2,355,000	Republic of Venezuela	5.38	07/08/2010	1,118,011	0.17
	Total Foreign Government Bonds & Notes			£13,229,731	1.98

MUTUAL FUNDS (0.64%)

Principal Amount		Coupon Rate %	Maturity Date	Value GBP	% of Fund
8,500,000	U.S. Liquid Assets Fund	20.06	31/12/2049	£4,264,499	0.64
	Total Mutual Funds			£4,264,499	0.64

SHORT-TERM INVESTMENTS (4.24%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
33,500,000	Old Line Funding Corporation	5.50	02/07/2008	£16,805,931	2.51
23,047,000	Thunder Bay Funding Incorporated	5.75	15/07/2008	11,551,302	1.73
	Total Short-Term Investments			£28,357,233	4.24

U.S. GOVERNMENT & AGENCY MORTGAGE OBLIGATIONS (178.86%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
380,000,000	Federal National* Mortgage Association (TBA)	5.50	01/08/2038	£187,393,782	27.99
1,479,000,000	Federal National* Mortgage Association (TBA)	5.50	01/07/2035	731,124,414	109.26
182,000,000	Federal National* Mortgage Association (TBA)	5.00	01/08/2038	71,951,671	10.75
403,000,000	Federal National* Mortgage Association (TBA)	5.00	01/07/2038	193,736,629	28.94
25,236,000	United States Treasury Bills	5.00	18/09/2008	12,622,710	1.89
	Total U.S. Government & Agency Mortgage Obligations			£1,196,829,206	178.86

REPURCHASE AGREEMENTS (0.38%)

Principal Amount		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
5,055,000	Repurchase Agreement – Bank of America	2.25	01/07/2008	£2,536,123	0.38
	Total Repurchase Agreements			£2,536,123	0.38
Total Value of Investments				**£1,844,194, 825**	**275.60**

* Please refer to note 12 Subsequent events for more detail.

INTEREST RATE SWAP CONTRACTS OUTSTANDING (–0.93%)

Swap counterparty	Notional Amount		Termination Date	Payments made by Fund per annum	Fixed payments received by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Bank of America, N.A.							
	£35,835,000		23/05/2010	3 month USD-LIBOR-BBA	3.155%	£(112,187)	(0.02)
	28,514,000		15/05/2018	4.48%	3 month USD-LIBOR-BBA	215,300	0.03
Credit Suisse International							
	2,830,000		13/03/2018	6 month CHF-LIBOR-BBA	3.3175%	(51,783)	(0.01)
	12,500,000		15/03/2010	2.59%	6 month CHF-LIBOR-BBA	74,181	0.01
	12,500,000		15/03/2010	2.6625%	6 month CHF-LIBOR-BBA	66,880	0.01
	2,830,000		14/03/2018	6 month CHF-LIBOR-BBA	3.3%	(53,747)	(0.01)
Deutsche Bank AG							
	120,000,000		25/04/2013	3.7950%	3 month USD-LIBOR-BBA	1,166,165	0.17
	45,878,000		26/06/2010	6 month GBP-LIBOR-BBA	6.180%	(44,960)	(0.01)
	61,510,000		26/04/2038	6 month EUR-EURIBOR-Reuters	5.065%	637,163	0.10
	158,550,000		30/04/2012	6 month EUR-EURIBOR-Reuters	4.31%	(1,686,217)	(0.25)
	135,510,000		30/04/2015	4.475%	6 month EUR-EURIBOR-Reuters	1,976,538	0.30
	37,950,000		30/04/2020	6 month EUR-EURIBOR-Reuters	4.7975%	(462,379)	(0.07)
Goldman Sachs International							
	13,500,000		19/03/2012	3.015%	3 month USD-LIBOR-BBA	246,267	0.04
	1,340,000,000		16/04/2010	3 month USD-LIBOR-BBA	2.615%	(9,862,432)	(1.47)
	174,000,000		16/04/2038	4.715%	3 month USD-LIBOR-BBA	3,530,283	0.53
	212,330,000		21/04/2010	6 month GBP-LIBOR-BBA	5.34125%	(3,029,949)	(0.45)
	51,500,000		23/04/2018	5.20%	6 month GBP-LIBOR-BBA	1,746,365	0.26
	14,450,000		26/03/2010	6 month EUR-EURIBOR-Reuters	4.129%	(217,917)	(0.03)
	17,578,000		27/03/2018	4.125%	3 month USD-LIBOR-BBA	373,660	0.06
	12,040,000		29/03/2010	6 month GBP-LIBOR-BBA	5.25%	(189,028)	(0.03)
	2,910,000		27/03/2018	5.0675%	6 month GBP-LIBOR-BBA	128,622	0.02
	12,493,000		02/04/2018	4.076%	3 month USD-LIBOR-BBA	290,764	0.04
	19,120,000		05/04/2010	2.89%	6 month CHF-LIBOR-BBA	80,621	0.01
	4,360,000		03/04/2018	6 month CHF-LIBOR-BBA	3.42%	(63,133)	(0.01)
	6,090,000		01/04/2010	2.9%	6 month CHF-LIBOR-BBA	24,720	–
	1,380,000		02/04/2018	6 month CHF-LIBOR-BBA	3.44%	(18,876)	–
	12,236,000		23/04/2018	4.43%	3 month USD-LIBOR-BBA	116,086	0.02
	35,689,000		19/05/2018	4.525%	3 month USD-LIBOR-BBA	207,702	0.03
	130,876,000		30/05/2028	5.014%	3 month USD-LIBOR-BBA	(726,214)	(0.11)
	13,314,730,000		07/05/2010	6 month JPY-LIBOR-BBA	1.09125%	(96,394)	(0.01)
	2,929,240,000		07/05/2018	2.205%	6 month JPY-LIBOR-BBA	26,056	–
JPMorgan Chase Bank, N.A.							
	218,000,000		13/06/2013	4.47%	3 month USD-LIBOR-BBA	(1,044,501)	(0.16)
	18,000,000		27/06/2018	3 month USD-LIBOR-BBA	4.8305%	110,175	0.02
	184,616,000		08/04/2013	3 month USD-LIBOR-BBA	3.58406%	(2,589,737)	(0.39)
	152,277,000		07/05/2013	3.9325%	3 month USD-LIBOR-BBA	1,033,668	0.15
	59,725,000		23/05/2010	3 month USD-LIBOR-BBA	3.16%	(183,982)	(0.03)
Lehman Brothers Special Financing, Inc.*							
	50,205,000		10/06/2038	5.1275%	3 month USD-LIBOR-BBA	(606,530)	(0.09)
	5,930,000		11/06/2038	4.52%	6 month EUR-EURIBOR-Reuters	131,663	0.02
	8,890,000		11/06/2038	3 month USD-LIBOR-BBA	5.54%	86,616	0.01
	63,615,000		12/06/2038	4.7625%	6 month EUR-EURIBOR-Reuters	482,540	0.07
	95,420,000		12/06/2038	3 month USD-LIBOR-BBA	5.4175%	481,121	0.07
	49,233,000		12/06/2018	4.7225%	6 month EUR-EURIBOR-Reuters	292,534	0.04
	73,055,000		12/06/2018	3 month USD-LIBOR-BBA	5.1575%	(64,141)	(0.01)
	39,000,000		26/06/2013	3 month USD-LIBOR-BBA	4.465%	179,816	0.03
	28,000,000	(F)	30/06/2013	3 month USD-LIBOR-BBA	4.3620%	65,574	0.01
	55,942,000		07/03/2018	4.34%	3 month USD-LIBOR-BBA	698,854	0.10
	2,795,000		26/03/2038	5.05%	3 month USD-LIBOR-BBA	25,998	–
	5,590,000		22/03/2038	5.29%	3 month USD-LIBOR-BBA	(84)	–
	3,730,000		22/03/2038	6 month EUR-EURIBOR-Reuters	4.864%	(7,780)	–
	9,630,000		22/03/2010	6 month GBP-LIBOR-BBA	5.075%	(176,999)	(0.03)
	2,720,000		20/03/2018	4.99%	6 month GBP-LIBOR-BBA	135,728	0.02
	2,440,000		29/03/2038	6 month EUR-EURIBOR-Reuters	4.9625%	9,929	–
	159,240,000		12/04/2012	6 month EUR-EURIBOR-Reuters	4.10%	(2,161,610)	(0.32)
	135,510,000		13/04/2015	4.31%	6 month EUR-EURIBOR-Reuters	2,693,916	0.40
	37,840,000		13/04/2020	6 month EUR-EURIBOR-Reuters	4.6575%	(757,934)	(0.11)
	652,201,000		30/05/2010	3 month USD-LIBOR-BBA	3.4275%	(441,738)	(0.07)
	10,068,000		21/04/2038	4.945%	3 month USD-LIBOR-BBA	23,185	–
	92,265,000		26/04/2038	5.3325%	3 month USD-LIBOR-BBA	(158,774)	(0.02)
	49,233,000		03/06/2018	6 month EUR-EURIBOR-Reuters	4.912%	(40,457)	(0.01)
	73,055,000		03/06/2018	5.28%	3 month USD-LIBOR-BBA	(97,494)	(0.01)
	615,692,000		03/06/2010	3 month USD-LIBOR-BBA	3.41%	(602,348)	(0.09)
	94,568,000		03/06/2038	5.0975%	3 month USD-LIBOR-BBA	(919,490)	(0.14)
	1,865,000		26/03/2038	6 month EUR-EURIBOR-Reuters	4.74%	(17,889)	–
	14,450,000		29/03/2010	6 month EUR-EURIBOR-Reuters	4.25%	(199,235)	(0.03)
	3,660,000		29/03/2038	5.31%	3 month USD-LIBOR-BBA	(2,993)	–
Merrill Lynch Capital Services, Inc.							
	432,350,000		21/05/2013	3.86%	3 month USD-LIBOR-BBA	3,661,483	0.55
	169,855,000		21/05/2038	3 month USD-LIBOR-BBA	4.86%	(1,509,197)	(0.23)
	157,525,000		07/05/2038	4.87750%	3 month USD-LIBOR-BBA	1,195,742	0.18
	30,453,000		19/05/2010	3.2925%	3 month USD-LIBOR-BBA	57,018	0.01

INTEREST RATE SWAP CONTRACTS OUTSTANDING (Continued)

Swap counterparty	Notional Amount	Termination Date	Payments made by Fund per annum	Fixed payments received by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Morgan Stanley Capital Services, Inc.						
	£4,580,000	28/03/2018	5.065%	6 month GBP-LIBOR-BBA	£203,306	0.03
	19,030,000	29/03/2010	6 month GBP-LIBOR-BBA	5.21%	(311,140)	(0.05)
Net Unrealised Depreciation on Interest Rate Swap Contracts					£(6,033,030)	(0.93)

* Please refer to note 12 Subsequent events for more detail.

(F) Is valued at fair value following procedures approved by the Manager.

CREDIT DEFAULT CONTRACTS OUTSTANDING (0.72%)

Swap counterparty/ Referenced debt*	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Bank of America, N.A.					
Cigna Corp., 7 7/8%, 5/15/27	£(1,630,000)	20/06/2013	(52 bp)	£5,357	–
Computer Science Corp., 5%, 2/15/13	(3,330,000)	20/03/2018	(71 bp)	7,117	–
Cox Communications, Inc., 6.8%, 8/1/28	(3,265,000)	20/06/2013	(80 bp)	2,949	–
Cox Communications, Inc., 6.8%, 8/1/28	(3,245,000)	20/06/2013	(88 bp)	(2,865)	–
Embarq Corp., 7.082%, 6/1/16	(2,640,000)	20/06/2016	(265 bp)	(18,609)	–
Limited Brands, Inc., 6 1/8%, 12/1/12	(2,615,000)	20/12/2012	(252 bp)	10,338	–
Marriott International, 4 5/8%, 6/15/12	(1,315,000)	20/06/2012	(139 bp)	21,237	–
Merrill Lynch & Co., 5%, 1/15/15	(2,822,000)	20/06/2018	(136 bp)	70,352	0.01
Merrill Lynch & Co., 5%, 1/15/15	(142,000)	20/06/2013	(136 bp)	3,335	–
Oneok Partners, 7.1%, 3/15/11	(2,640,000)	20/12/2016	(102 bp)	5,749	–
Temple-Inland Inc., 6 5/8%, 1/15/18	(3,270,000)	20/09/2013	(400 bp)	(3,560)	–
Time Warner Cable Inc., 5.85%, 5/1/17	3,245,000	20/06/2013	166 bp	5,519	–
Time Warner Cable, Inc., 5.85%, 5/1/17	3,265,000	20/06/2013	139 bp	(13,645)	–
Time Warner Inc., 5 7/8%, 11/15/16	(16,945,000)	20/09/2013	(135 bp)	26,609	–
Tyson Foods, Inc., 6.6%, 4/1/16	(9,185,000)	20/09/2013	(240 bp)	106,126	0.02
Wellpoint, Inc., 6.8%, 8/1/12	1,630,000	20/06/2013	97 bp	(4,302)	–
Weyerhaeuser Co., 7 1/8%, 7/15/23	(3,230,000)	20/06/2013	(157 bp)	44,013	0.01
Citibank, N.A.					
American Axle & Manufacturing, Inc., 5 1/4%, 2/11/14	(5,050,000)	20/09/2013	(652 bp)	238,388	0.04
Countrywide Financial Corp., USLibor+14, 1/5/09	(2,040,000)	20/03/2009	(875 bp)	(35,464)	(0.01)
Darden Restaurants Inc., 6%, 8/15/35	(8,460,000)	20/09/2013	(175 bp)	(19,015)	–
Donnelley (R.R.) & Sons, 4.95%, 4/1/14	(5,000,000)	20/03/2012	(102 bp)	35,922	0.01
Hanson Plc, 7 7/8%, 9/27/10	(5,845,000)	20/09/2016	(71 bp)	(10,498)	–
International Lease Finance Corp., 4.15%, 1/20/15	(7,620,000)	20/09/2013	(105 bp)	302,628	0.05
Lear Corp., 5 3/4%, 8/1/14	5,050,000	20/09/2013	630 bp	(202,309)	(0.03)
Lexmark International, Inc., 5.9%, 6/1/13	(2,500,000)	20/06/2013	108.5 bp	3,561	–
Limited Brands, Inc., 6 1/8%, 12/1/12	(4,910,000)	20/12/2012	(275 bp)	(1,749)	–
Limited Brands, Inc., 6 1/8%, 12/1/12	(825,000)	20/06/2011	(250 bp)	(162)	–
Limited Brands, Inc., 6 1/8%, 12/1/12	(17,300,000)	20/09/2013	(265 bp)	72,214	0.01
Macy's Retail Holdings, Inc., 6 5/8%, 4/1/11	(1,830,000)	20/06/2011	(162 bp)	10,696	–
Masco Corp., 5 7/8%, 7/15/12	(6,575,000)	20/03/2017	(213 bp)	69,537	0.01
Qwest Capital Funding, 7 3/4%, 2/15/31	(4,140,000)	20/06/2013	(263 bp)	51,760	0.01
Rexam PLC, 4 3/8%, 3/15/13	(1,870,000)	20/06/2013	(145 bp)	3,931	–
UST Inc., 6 5/8%, 7/15/12	(14,280,000)	20/09/2018	(46 bp)	35,894	–
Credit Suisse International					
Arrow Electronics, Inc., 6 7/8%, 6/1/18	(3,920,000)	01/10/2010	(54.2 bp)	(554)	–
DJ ABX NA HE AAA Index	3,283,399	25/07/2045	18 bp	116,709	0.02
DJ ABX NA HE AAA Index	6,280,856	25/07/2045	18 bp	126,891	0.02
DJ ABX NA HE AAA Index	6,280,856	25/07/2045	18 bp	94,770	0.01
DJ CMB NA CMBX AAA Index	9,600,000 (F)	13/12/2049	8 bp	396,099	0.06
DJ CMB NA CMBX AAA Index	196,000 (F)	17/02/2051	35 bp	8,565	–
Republic of Italy, 6 7/8%, 9/27/23	(32,864,000)	20/09/2018	(48.75 bp)	6,430	–
Xerox Corp., 6 7/8%, 8/15/11	(2,960,000)	20/01/2009	(45 bp)	582	–
Deutsche Bank AG					
Anadarko Petroleum Corp., 5.95%, 9/15/16	(4,870,000)	20/06/2018	(59 bp)	34,964	–
CBS Corp, 4 5/8%, 5/15/18	(4,750,000)	20/06/2011	(102 bp)	12,141	–
CBS Corp., 4 5/8%, 5/15/18	(4,090,000)	20/09/2012	(87 bp)	37,461	0.01
Deutsche Telekom International Finance, 8 1/8%, 5/29/12	(4,935,000)	20/06/2013	(84 bp)	29,592	–
Diageo Capital PLC, 5 1/2%, 9/30/16	(16,380,000)	20/09/2013	(46 bp)	9,368	–
DJ ABX NA HE AAA Index	908,111	25/07/2045	18 bp	8,239	–
DJ ABX NA HE AAA Index	13,261,775	25/07/2045	18 bp	(61,821)	(0.01)
DJ CDX NA IG Series 10 Index	(1,275,000)	20/06/2013	(155 bp)	8,962	–
DJ iTraxx Europe Series 9 Version	1,117,000	20/12/2012	375 bp	2,757	–
DJ iTraxx Europe Series 9 Version	2,095,000	20/06/2013	650 bp	(78,794)	(0.01)
General Electric Capital Corp., 6%, 6/15/12	1,275,000	20/09/2013	109 bp	(15,851)	–
Genworth Financial	(6,505,000)	20/06/2018	99 bp	363,259	0.05
ITV PLC, 5 3/8%, 10/19/15	3,273,000	20/09/2013	(280 bp)	60,851	0.01

CREDIT DEFAULT CONTRACTS OUTSTANDING (Continued)

Swap counterparty/ Referenced debt*	Notional Amount		Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Malaysian Government, 6.844%, 10/1/09	£13,000,000		01/10/2009	90 bp	£29,285	–
Republic of Argentina, 8.28%, 12/31/33	(2,490,000)		20/04/2013	(565 bp)	39,439	0.01
Russian Federation, 7 1/2%, 3/31/30	(2,490,000)		20/04/2013	(112 bp)	(2,524)	–
Russian Federation, 7 1/2%, 3/31/30	(5,725,000)		20/06/2013	(87 bp)	27,143	–
Smurfit Kappa Funding, 10 1/8%, 10/1/12	1,180,000		20/06/2009	135 bp	(821)	–
Societe Telefon Francais 1, 4 3/8%, 11/12/10	(4,900,000)		20/09/2013	(55 bp)	(39)	–
Unity Media GmbH, 8 3/4%, 2/15/15	1,690,000		20/06/2013	460 bp	(39,940)	(0.01)
Virgin Media Finance PLC, 8 3/4%, 4/15/14	1,680,000		20/09/2013	477 bp	(24,544)	–
Weyerhaeuser Co., 7 1/8%, 7/15/23	(3,230,000)		20/06/2013	(157 bp)	44,512	0.01
XTO Energy, Inc., 4.9%, 2/1/14	4,870,000		20/06/2018	82 bp	(64,235)	(0.01)
Goldman Sachs International						
British Airways, 7 1/4%, 8/23/16	(12,850,000)		20/09/2013	(374 bp)	323,184	0.05
Cigna Corp., 7 7/8%, 5/15/27	(3,260,000)		20/06/2013	(58 bp)	6,346	–
CSC Holdings, Inc., 7 5/8%, 7/15/18	3,060,000		20/09/2013	495 bp	(5,952)	–
DJ ABX NA HE AAA Index	6,409,036		25/07/2045	18 bp	(11,867)	–
DJ CDX NA HY Series 9 Index	(10,500,000)		20/12/2017	(80 bp)	57,965	(0.01)
DJ CDX NA HY Series 9 Index 35–100% tranche	15,898,461	(F)	20/12/2010	153.5 bp	74,930	0.01
DJ CDX NA IG Series 10 Index	(134,520,000)		20/06/2018	(150 bp)	1,749,042	0.26
General Mills, Inc., 5.7%, 2/15/17	(1,420,000)		20/06/2013	(54.9 bp)	328	–
General Mills, Inc., 5.7%, 2/15/17	(18,060,000)		20/09/2013	(57.9 bp)	(16,534)	–
ITV PLC, 5 3/8%, 10/19/15	(1,637,000)		20/09/2013	(281 bp)	31,527	–
Lighthouse International Co, SA, 8%, 4/30/14	260,000		20/03/2013	680 bp	(9,219)	–
Lowe's Companies, Inc., 8 1/4%, 6/1/10	(355,000)		20/06/2013	(104 bp)	(2,973)	–
Nordstrom, Inc., 6.95%, 3/15/28	(355,000)		20/06/2013	(130 bp)	(1,532)	–
ONO Finance II, 8%, 5/16/14	(3,655,000)		20/06/2013	(955 bp)	100,703	0.02
Pernod Ricard, 4 5/8%, 12/6/13	(740,000)	(F)	20/06/2013	(350 bp)	(14,167)	–
Radioshack Corp., 7 3/8%, 5/15/2011	(5,610,000)		20/09/2013	(205 bp)	18,489	–
Reynolds America, Inc., 7 5/8%, 6/1/16	10,155,000		20/09/2013	98.5 bp	(26,646)	–
Rhodia SA, Euribor+275, 10/15/13	(565,000)		20/09/2013	(367 bp)	10,285	–
Rhodia SA, Euribor+275, 10/15/13	(470,000)		20/09/2013	(387 bp)	5,593	–
Southern California Edison Co., 7 5/8%, 1/15/10	3,250,000		20/06/2013	88.1 bp	(12,790)	–
Wellpoint, Inc., 6.8%, 8/1/12	3,260,000		20/06/2013	93 bp	(11,449)	–
Wind Acquisition 9 3/4%, 12/1/15	260,000		20/03/2013	597 bp	10,379	–
JPMorgan Chase Bank, N.A.						
Cardinal Health Inc., 5.85%, 12/15/17	(1,370,000)		20/06/2012	(40 bp)	103	–
CenturyTel. Inc., 6%, 4/1/17	(2,000,000)		20/06/2013	(95 bp)	34,718	–
Codere Finance (Luxembourg) S.A., 8.25%, 6/15/15	260,000		20/03/2013	795 bp	12,649	–
Cox Communications, Inc., 6.8%, 8/1/28	(6,590,000)		20/03/2010	(45 bp)	(2,447)	–
Darden Restaurants, Inc., 6%, 8/15/35	(4,140,000)		20/12/2017	(155.3 bp)	13,688	–
DJ iTraxx Europe Crossover Series 8 Version 1	(410,000)		20/12/2012	(375 bp)	(13,148)	–
DJ iTraxx Europe Series 9 Version 1	2,420,000		20/06/2013	650 bp	(37,389)	(0.01)
Freeport-McMoRan Copper & Gold, Inc., 8 3/8%, 4/1/17	(3,760,000)		20/06/2012	(145 bp)	(3,924)	–
Illinois Tool Works, 5 3/4%, 3/1/09	(1,640,000)		20/06/2013	(35 bp)	3,233	–
iStar Financial, Inc., 6%, 12/15/10	465,000	(F)	20/03/2009	500 bp	8,994	–
Lexmark International, Inc., 5.9%, 6/1/13	(2,280,000)		20/06/2013	(113 bp)	(252)	–
Merrill Lynch & Co., 5%, 1/15/15	(4,179,000)		20/06/2018	(125 bp)	119,445	0.02
Merrill Lynch & Co., 5%, 1/15/15	(618,000)		20/06/2013	(135 bp)	14,641	–
Nextel Communications, 7 3/8%, 8/1/15	(4,705,000)		20/09/2013	(540 bp)	(93,028)	(0.01)
Qwest Corp., 7.2%, 11/10/26	3,775,000		20/09/2013	330 bp	171	–
UST Inc., 6 5/8%, 7/15/12	(20,310,000)		20/09/2013	(36.5 bp)	28,531	–
Viacom, 129%, 9/20/13	(18,240,000)		20/09/2013	(129 bp)	66,529	0.01
Lehman Brothers Special Financing, Inc.**						
Anadarko Petroleum Corp., 5.95%, 9/15/16	(2,245,000)		20/06/2013	(58 bp)	4,483	–
Arcelormittal Finance, 5 1/8%, 9/24/10	6,525,000		20/06/2013	130 bp	(68,157)	(0.01)
Centex Corp., 5 1/4%, 6/15/15	(3,270,000)		20/06/2013	(405 bp)	32,615	–
CNA Financial Corp., 5.85%, 12/15/14	(1,530,000)		20/09/2011	(174 bp)	(14,946)	–
DirecTV Holdings/Financing, 8 3/8%, 3/15/13	3,795,000		20/06/2013	280 bp	(12,262)	–
DJ ABX HE PEN AAA Index	1,106,000	(F)	25/05/2046	11 bp	(41,638)	(0.01)
DJ ABX HE PEN AAA Index	1,110,655	(F)	25/05/2046	11 bp	(41,107)	(0.01)
DJ ABX NA HE AAA Index	20,538,496	(F)	25/07/2045	18 bp	(64,153)	(0.01)
DJ ABX NA HE AAA Index	4,122,489	(F)	25/07/2045	18 bp	(9,135)	–
DJ CDX NA HY Series 9 Index 25–35% tranche	18,000,000		20/12/2010	390.4 bp	230,644	0.03
DJ CDX NA HY Series 9 Index 25–35% tranche	30,000,000		20/12/2010	335 bp	187,839	0.03
DJ CDX NA IG Series 10 Index	(2,550,000)		20/06/2013	(155 bp)	15,325	–
DJ iTraxx Europe Series 9 Version	4,480,000		20/06/2013	650 bp	(151,555)	0.02
Echostar DBS Corp., 6 5/8%, 10/1/14	(3,795,000)		20/06/2013	(241.5 bp)	43,506	0.01
Embarq Corp., 7.082%, 6/1/16	(7,125,000)		20/09/2013	(243.8 bp)	(14,120)	–
Energy Future Holdings, 5.55%, 11/15/14	(8,150,000)		20/09/2013	(589 bp)	63,950	0.01
Felcor Lodging LP, 8 1/2%, 6/1/11	(2,280,000)		20/06/2011	(334 bp)	35,518	–
First Data Corp., 5 5/8%, 11/1/11	(3,800,000)		20/09/2013	(643 bp)	54,316	0.01
General Electric Capital Corp., 6%, 6/15/12	2,550,000		20/09/2013	115 bp	(28,299)	–
GMAC, LLC, 6 7/8%, 8/28/12	785,000		20/03/2009	500 bp	(3,177)	–
Hanson Plc, 7 7/8%, 9/27/10	(895,000)		20/09/2016	(140 bp)	(22,487)	–
International Lease Finance Corp., 4.15%, 1/20/15	(2,285,000)		20/12/2013	(165 bp)	63,327	0.01
Lafarge SA, 5.448%, 12/4/13	(595,000)		20/06/2013	(185 bp)	(3,839)	–
Lennar Corp., 5.95%, 3/1/13	(4,110,000)		20/06/2013	(555 bp)	83,697	0.01
MediaCom LLC/ Cap Corp., 9 1/2%, 1/15/13	2,150,000		20/09/2013	820 bp	237	–

CREDIT DEFAULT CONTRACTS OUTSTANDING (Continued)

Swap counterparty/ Referenced debt*	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Motorola, Inc., 6 1/2%, 9/1/25	£(1,165,000)	20/11/2011	(335 bp)	£(13,712)	–
Owens-Illinois, Inc., 7.8%, 5/15/18	(6,335,000)	20/06/2010	(128 bp)	4,545	–
Owens-Illinois, Inc., 7.8%, 5/15/18	(2,170,000)	20/06/2010	(130 bp)	1,143	–
Owens-Illinois, Inc., 7.8%, 5/15/18	(2,170,000)	20/06/2010	(140 bp)	(915)	–
Pearson PLC, 7%, 10/27/14	(4,100,000)	20/06/2018	(69 bp)	29,230	–
Progress Energy, Inc., 5 5/8%, 1/15/16	(1,390,000)	20/06/2013	(79 bp)	(9,415)	–
Republic of Argentina, 8.28%, 12/31/33	(2,490,000)	20/04/2013	(565 bp)	39,439	0.01
Russian Federation, 7 1/2%, 3/31/30	(2,490,000)	20/04/2013	(112 bp)	(2,524)	–
Safeway, Inc., 5.8%, 8/15/12	(355,000)	20/06/2013	(65 bp)	(135)	–
Sprint Nextel Corp., 6%, 12/1/16	(5,050,000)	20/06/2013	(390 bp)	(93,186)	(0.01)
Telus Corp., 8%, 6/1/11	(9,760,000)	20/09/2013	(80 bp)	(11,507)	–
Thomson (EX-TMM), 5 3/4%, 9/25/15	(1,902,000)	20/06/2013	(405 bp)	119,596	0.02
TXU Energy, LLC, 7%, 3/15/13	8,150,000	20/09/2013	559 bp	(63,950)	(0.01)
US Steel Corp., 6.65%, 6/1/37	(6,555,000)	20/03/2018	(141 bp)	56,883	0.01
US Steel Corp., 6.65%, 6/1/37	(6,525,000)	20/06/2013	(130 bp)	(2,455)	–
XTO Energy, Inc., 4.9%, 2/1/14	2,245,000	20/06/2013	88 bp	(5,913)	–
Yum! Brands, Inc., 8 7/8%, 4/15/11	(890,000)	20/03/2018	(130 bp)	(2,130)	–
Merrill Lynch International					
AmerisourceBergen Corp., 5 7/8%, 9/15/15	(5,902,000)	20/09/2012	(65 bp)	24,518	–
Block Financial LLC. 5 1/8%, 10/30/14	(5,920,000)	20/12/2014	(69 bp)	27,652	–
Cargill Inc., 7 3/8%, 10/1/25	(16,675,000)	20/09/2013	(84 bp)	22,923	–
Diageo Capital PLC, 5 1/2%, 9/30/16	(3,690,000)	20/09/2013	(43 bp)	4,721	–
Eaton Corp., 7.65%, 11/15/29	3,280,000	20/06/2013	65 bp	1,020	–
Electronic Data Systems Corp., 6%, 8/1/13	(2,285,000)	20/09/2013	(100 bp)	(20,899)	–
Felcor Lodging LP, 8 1/2%, 6/1/11	(2,145,000)	20/06/2011	(316 bp)	38,451	0.01
Goodrich Corp., 7 5/8%, 12/15/12	(1,640,000)	20/06/2013	(30 bp)	4,460	–
Liberty Media LLC., 5.7%, 5/15/13	(4,135,000)	20/06/2009	(203 bp)	(14,398)	–
Marriott International, 4 5/8%, 6/15/12	(6,490,000)	20/06/2012	(119 bp)	127,671	0.02
Pearson PLC, 7%, 10/27/14	(2,700,000)	20/06/2018	(65 bp)	23,421	–
Rogers Communications, 6 3/8%, 3/1/14	1,415,000	20/09/2013	161 bp	(909)	–
Sara Lee Corp., 6 1/8%, 11/1/32	(1,874,000)	20/06/2013	55.5 bp	3,601	–
Temple-Inland Inc., 6 5/8%, 1/15/18	(3,265,000)	20/09/2013	(395 bp)	(180)	–
Tyson Foods, Inc., 6.6%, 4/1/16	(4,145,000)	20/12/2011	(141 bp)	75,530	0.01
Tyson Foods, Inc., 6.6%, 4/1/16	(4,145,000)	20/10/2011	(152.50 bp)	62,512	0.01
Yum! Brands, Inc., 8 7/8%, 4/15/11	(17,005,000)	20/09/2013	(94 bp)	61,768	0.01
Morgan Stanley Capital Services, Inc.					
Bundesrepublic of Deutschland, 6%, 6/20/16	7,337,000	20/06/2018	8 bp	(2,577)	–
DJ CMB NA CMBX AAA Index	1,894,000 (F)	17/02/2051	35 bp	52,360	0.01
DJ CMB NA CMBX AAA Index	1,894,000 (F)	13/12/2049	8 bp	48,875	0.01
DJ CMB NA CMBX AAA Index	(8,582,500) (F)	17/02/2051	(35 bp)	(388,886)	(0.06)
Embarq Corp., 7.082%, 6/1/16	(5,985,000)	20/09/2013	(242 bp)	4,606	–
Republic of Austria, 5 1/4%, 1/4/11	(7,337,000)	20/06/2018	(17 bp)	(9,129)	–
Rogers Communications, 6 3/8%, 3/1/14	8,345,000	20/09/2013	165 bp	2,051	–
Net Unrealised Appreciation on Credit Default Contracts Outstanding				£4,837,094	0.72

* Payments related to the reference debt are made upon a credit default event.

** Please refer to note 12 Subsequent events for more detail.

(F) Is valued at fair value following procedures approved by the Manager.

TOTAL RETURN SWAP CONTRACTS OUTSTANDING (–0.06%)

Swap counterparty	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Total return received by or paid by Fund	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
Goldman Sachs International						
	£11,904,000 (F)	26/03/2009	(2.27%)	Eurostat Eurozone HICP excluding tobacco	£74,305	0.01
	(40,680,000)	30/04/2013	2.375%	French Consumer Price Index excluding tobacco	(705,855)	(0.11)
	40,680,000 (F)	30/04/2013	(2.41%)	Eurostat Eurozone HICP excluding tobacco	970,711	0.15
	(40,680,000)	06/05/2013	2.34%	French Consumer Price Index excluding tobacco	(742,498)	(0.11)
	40,680,000	06/05/2013	(2.385%)	Eurostat Eurozone HICP excluding tobacco	824,140	0.12
	(24,408,000)	09/05/2013	3.10%	GBP Non-revised Retail Price Index	(821,085)	(0.12)
Net Unrealised Depreciation on Total Return Swap Contracts					£(400,282)	(0.06)

(F) Is valued at fair value following procedures approved by the Manager.

FUTURES CONTRACTS (–0.30%)

Number of Contracts Long/(Short)		Counterparty	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
3,772	U.S. Long Bond Sept 2008	Lehman Brothers*	£2,229,323	0.33
205	U.S. 5 yr Note Sept 2008	Lehman Brothers*	78,666	0.01
1,009	Euro-Bond Sept 2008	Goldman Sachs International, Lehman Brothers*	(390,066)	(0.06)
922	Euro-Schatz Sept 2008	Lehman Brothers*	(69,921)	(0.01)
138	90 Day GBP Libor Dec 2008	Lehman Brothers*	(87,936)	(0.01)
599	90 Day GBP Libor June 2009	Lehman Brothers*	(432,014)	(0.06)
583	90 Day GBP Libor Sept 2009	Lehman Brothers*	(391,211)	(0.06)
140	90 Day GBP Libor March 2009	Lehman Brothers*	(102,882)	(0.02)
(13,249)	U.S. 2 yr Note Sept 2008	Lehman Brothers*	(2,602,814)	(0.39)
4,495	U.S. 10 yr Note Sept 2008	Lehman Brothers*	(976,892)	(0.14)
	Net Unrealised Depreciation on Futures Contracts		£(2,745,747)	(0.41)
	Variation margin settlement to date		£714,278	0.11
	Cumulate unrealised less variation margin settlement to date		£(2,031,469)	(0.30)

* Please refer to note 12 Subsequent events for more detail.

TBA SALE COMMITMENTS OUTSTANDING (–81.37%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value GBP	% of Fund
£906,000,000	Federal National Mortgage Association*	5.50	01/07/2038	£(447,869,318)	(66.93)
201,000,000	Federal National Mortgage Association*	5.50	01/07/2038	(96,627,947)	(14.44)
	Total TBA Sale Commitments			£(544,497,265)	(81.37)

* Please refer to note 12 Subsequent events for more detail.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (2.19%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
16/07/2008	AUD	3,887,400	USD	3,681,008	Bank of America Securities	£(18,850)	–
16/07/2008	CAD	6,771,700	USD	6,675,049	Citibank NA	10,227	–
16/07/2008	AUD	3,431,300	USD	3,269,823	Citibank NA	(6,289)	–
16/07/2008	USD	29,248,860	AUD	32,276,000	Credit Suisse First Boston	815,843	0.12
16/07/2008	CAD	9,213,800	USD	9,057,974	Credit Suisse First Boston	1,714	–
16/07/2008	USD	3,313,830	AUD	3,516,000	Goldman Sachs International	24,861	–
16/07/2008	AUD	2,903,660	USD	2,735,294	JP Morgan Chase Bank	(20,919)	–
16/07/2008	CAD	169,100	USD	166,649	JP Morgan Chase Bank	237	–
16/07/2008	AUD	3,474,700	USD	3,175,705	Lehman Brothers*	(74,339)	(0.01)
16/07/2008	CAD	6,842,400	USD	6,695,461	Lehman Brothers*	(14,390)	0.01
16/07/2008	USD	3,310,178	AUD	3,512,200	Merrill Lynch	24,869	–
16/07/2008	USD	2,758,531	AUD	2,927,000	State Street Bank & Trust	20,769	–
16/07/2008	CAD	6,739,300	USD	6,591,131	UBS AG	(15,901)	–
16/07/2008	AUD	2,763,488	USD	3,010,500	UBS AG	58,366	0.01
16/07/2008	CAD	3,359,300	USD	3,336,301	Westpac Banking Group	17,589	–
16/07/2008	USD	18,117,332	AUD	19,961,800	Westpac Banking Group	490,662	0.07
17/09/2008	CHF	8,545,500	USD	8,166,707	Bank of America Securities	(110,266)	(0.02)
17/09/2008	SEK	40,204,200	USD	6,628,374	Bank of America Securities	(11,824)	–
17/09/2008	EUR	2,129,400	USD	3,315,625	Bank of America Securities	(12,320)	–
17/09/2008	USD	4,061,005	EUR	2,635,500	Citibank NA	36,515	–
17/09/2008	NOK	9,865,100	USD	1,913,621	Citibank NA	(5,410)	–
17/09/2008	SEK	39,558,400	USD	6,537,452	Citibank NA	(3,866)	–
17/09/2008	USD	203,904,214	GBP	104,958,500	Citibank NA	2,022,380	0.30
17/09/2008	USD	3,254,413	CHF	3,392,400	Citibank NA	37,563	0.01
17/09/2008	EUR	1,454,900	USD	2,258,921	Credit Suisse First Boston	(11,658)	–
17/09/2008	USD	22,466,976	NOK	116,266,600	Credit Suisse First Boston	107,054	0.02
17/09/2008	CHF	3,370,500	USD	3,306,714	Credit Suisse First Boston	(541)	–
17/09/2008	SEK	19,825,000	USD	3,299,992	Credit Suisse First Boston	9,962	–
17/09/2008	USD	210,563,285	GBP	108,339,700	Credit Suisse First Boston	2,052,548	0.12
17/09/2008	USD	135,908,500	GBP	70,000,000	Goldman Sachs International	1,396,312	0.21
17/09/2008	NOK	15,071,400	USD	2,926,372	HSBC Bank USA	(6,841)	–
17/09/2008	SEK	19,954,700	USD	3,290,737	HSBC Bank USA	(5,447)	–
17/09/2008	USD	152,377,129	GBP	78,358,800	HSBC Bank USA	1,142,839	0.22
17/09/2008	EUR	2,122,000	USD	3,312,124	HSBC Bank USA	(8,254)	–
17/09/2008	SEK	39,845,800	USD	6,557,274	JP Morgan Chase Bank	(17,753)	–
17/09/2008	USD	4,892,471	CHF	5,083,300	JP Morgan Chase Bank	48,291	0.01
17/09/2008	USD	2,426,576	EUR	1,564,700	JP Morgan Chase Bank	13,955	–
17/09/2008	USD	207,663,600	GBP	106,847,700	JP Morgan Chase Bank	2,024,237	0.30
17/09/2008	USD	225,471,228	GBP	116,217,000	Lehman Brothers*	2,403,451	0.36
17/09/2008	USD	41,151,125	NOK	212,311,000	Lehman Brothers*	132,856	0.02
17/09/2008	SEK	19,916,200	USD	3,292,043	Lehman Brothers*	(1,596)	–
17/09/2008	CHF	7,144,400	USD	6,843,295	Lehman Brothers*	(84,377)	(0.01)
17/09/2008	EUR	2,140,400	USD	3,291,614	Lehman Brothers*	(33,023)	–
17/09/2008	EUR	1,329,600	USD	2,059,550	Merrill Lynch	(13,076)	–
17/09/2008	USD	495,635	NOK	2,555,100	Merrill Lynch	1,401	–
17/09/2008	USD	4,449,553	CHF	4,611,000	Merrill Lynch	37,958	–
17/09/2008	USD	26,331	GBP	13,500	Merrill Lynch	209	–

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (Continued)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) GBP	% of Fund
17/09/2008	EUR	2,094,500	USD	3,243,878	State Street Bank & Trust	£(20,850)	–
17/09/2008	GBP	2,532,900	USD	4,920,222	Westpac Banking Group	(49,286)	(0.01)
17/09/2008	EUR	33,375,400	USD	51,666,748	UBS AG	(344,156)	(0.05)
17/09/2008	USD	206,729,756	GBP	106,532,900	UBS AG	2,179,831	0.33
17/09/2008	CHF	5,405,800	USD	5,208,859	UBS AG	(48,346)	(0.01)
17/09/2008	USD	3,169,323	NOK	16,387,300	UBS AG	13,737	–
17/09/2008	SEK	19,954,700	USD	3,292,436	UBS AG	(4,594)	–
17/09/2008	USD	16,304,980	GBP	8,404,000	Westpac Banking Group	163,527	0.02
20/08/2008	USD	4,996,926	JPY	527,350,000	Citibank NA	(4,477)	–
20/08/2008	USD	3,321,128	JPY	356,553,000	Credit Suisse First Boston	25,765	–
20/08/2008	USD	4,044,126	JPY	424,239,100	Goldman Sachs International	(15,776)	–
20/08/2008	USD	1,642,709	JPY	169,377,400	UBS AG	(20,393)	–
Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts						£14,630,710	2.19
Total Financial Assets at Fair Value through Profit or Loss						**£1,863,662,629**	**278.51**
Total Financial Liabilities at Fair Value through Profit or Loss						**£(552,962,046)**	**(82.64)**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	71.98
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market	0.10
(d) Collective Investment Schemes	0.17
(e) OTC financial derivative instruments	1.25
(f) Exchange traded financial derivative instruments	0.09
(g) Other assets	26.41
Total Investments	100.00

Schedule of Investments
30 June 2008

U.S. EQUITIES (46.60%)

Number of Shares		Value USD	% of Fund
3,985	Adobe Systems Incorporated	$156,690	1.09
1,300	Affiliated Computer Services Incorporated	69,524	0.48
718	AGCO Corporation	37,551	0.26
1,645	Akamai Technologies Incorporated	57,230	0.40
1,130	American Tower Corporation (Class A)	47,460	0.33
550	Amphenol Corporation	24,750	0.17
1,376	Amtrust Financial Services Incorporated	17,888	0.12
714	Apple Computer Incorporated	119,238	0.83
1,316	Arrow Electronics Incorporated	40,796	0.28
1,338	Assurant Incorporated	88,308	0.61
8,250	Atmel Corporation	24,750	0.20
1,334	Bank Mutual Corporation	13,340	0.09
1,200	Bank of New York Mellon Corporation	45,600	0.32
2,220	Baxter International Incorporated	142,080	0.99
1,133	Becton, Dickinson and Company	91,773	0.64
18	Berkshire Hathaway Incorporated	72,198	0.50
410	BJ's Wholesale Club Incorporated	15,990	0.11
2,070	Boeing Company	136,620	0.95
310	Cabot Oil & Gas Corporation	21,080	0.15
550	CACI International Incorporated	25,300	0.17
290	Cameron International Corporation	15,950	0.11
250	Carpenter Technology Corporation	11,000	0.08
700	Cash America International Incorporated	21,700	0.15
2,850	Celanese Corporation	131,100	0.90
598	Cephalon Incorporated	40,066	0.28
400	Ceradyne Incorporated	13,600	0.10
300	Charles River Laboratories International Incorporated	19,200	0.13
4,769	Cisco Systems Incorporated	109,687	0.77
3,021	Citizens Incorporated	18,126	0.13
500	Cleveland-Cliffs Incorporated	59,500	0.42
815	CMS Energy Corporation	12,225	0.08
650	Columbus McKinnon Corporation	15,600	0.11
1,050	Complete Production Services Incorporated	37,800	0.27
800	Comstock Resources Incorporated	67,200	0.47
500	Comtech Telecommunications Corporation	24,500	0.17
1,767	Conmed Corporation	47,709	0.33
300	CONSOL Energy Incorporated	33,600	0.24
800	Corvel Corporation	27,200	0.19
1,300	Cubist Pharmaceuticals Incorporated	23,400	0.16
275	Cullen/Frost Bankers Incorporated	13,750	0.10
2,073	Danaher Corporation	159,621	1.11
654	Darden Restaurants Incorporated	20,928	0.15
500	DaVita Incorporated	26,500	0.18
570	Denbury Resources Incorporated	20,520	0.14
1,500	DirecTV Group Incorporated	39,000	0.27
1,570	Dr. Pepper Snapple Group Incorporated	32,970	0.23
1,827	Energizer Holdings Incorporated	133,535	0.93
400	ENSCO International Incorporated	32,400	0.22
445	Entergy Corporation	53,400	0.37
550	Esterline Technologies Corporation	26,950	0.19
748	Exelon Corporation	67,320	0.47
4,050	Exxon Mobil Corporation	356,400	2.47
80	First Solar Incorporated	21,840	0.15
536	Fluor Corporation	99,696	0.69
260	FMC Technologies Incorporated	20,020	0.14

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
650	Frontier Oil Corporation	$15,600	0.11
700	Genzyme Corporation	50,400	0.35
180	Google Incorporated (Class A)	94,860	0.66
1,450	GrafTech International Limited	39,150	0.27
3,650	Grey Wolf Incorporated	32,850	0.23
400	Grief Incorporated Class A	25,600	0.18
800	Gymboree Corporation	32,000	0.22
6,158	Health Management Associates Incorporated	43,106	0.30
400	Henry Schein Incorporated	20,400	0.14
1,748	Hess Corporation	220,248	1.53
2,710	Hewlett-Packard Company	119,240	0.83
2,034	IBM Corporation	240,012	1.67
550	Interactive Brokers Group Incorporated	17,600	0.12
800	Interactive Data Corporation	20,000	0.14
600	Invitrogen Corporation	23,400	0.16
1,050	Jakks Pacific Incorporated	23,100	0.16
1,821	JDA Software Group Incorporated	32,778	0.23
2,033	Johnson & Johnson	130,112	0.91
300	Kinetic Concepts Incorporated	12,000	0.08
4,778	Kroger Company	138,562	0.96
650	Lam Research Corporation	23,400	0.16
500	Layne Christensen Company	22,000	0.15
700	Lexmark International Incorporated	23,100	0.16
372	Lockheed Martin Corporation	36,828	0.25
550	Manitowoc Company Incorporated	17,600	0.12
650	Maximus Incorporated	22,750	0.16
1,050	McDonald's Corporation	58,800	0.41
2,130	Medco Health Solutions Incorporated	100,110	0.70
1,000	MEMC Electronic Materials Incorporated	62,000	0.43
900	Meridian Bioscience Incorporated	24,300	0.17
344	Mettler-Toledo International Incorporated	32,680	0.23
4,825	Microsoft Corporation	135,100	0.94
1,050	Mitcham Industries Incorporated	17,850	0.12
648	Monsanto Company	81,648	0.57
700	Mueller Industries Incorporated	22,400	0.16
500	Nash Finch Company	17,000	0.12
800	NBTY Incorporated	25,600	0.18
700	Netflix Incorporated	18,200	0.13
900	Nordstrom Incorporated	27,000	0.19
440	Northeast Utilities	11,440	0.08
2,284	Northern Trust Corporation	157,596	1.09
1,165	Omnicom Group Incorporated	52,425	0.36
1,050	Papa John's International Incorporated	28,350	0.19
2,461	Parametric Technology Corporation	41,837	0.29
950	Patterson-UTI Energy Incorporated	34,200	0.24
1,120	Penson Worldwide Incorporated	13,440	0.09
1,350	Petroquest Energy Incorporated	36,450	0.25
3,018	PG&E Corporation	120,720	0.83
347	Priceline.com Incorporated	39,905	0.28
700	Pride International Incorporated	32,900	0.23
2,077	Procter & Gamble Company	126,697	0.88
370	Questar Corporation	26,270	0.18
5,245	Raymond James Financial Incorporated	136,370	0.96
400	Salesforce.com Incorporated	27,200	0.19
491	SBA Communications Corporation	17,676	0.12
1,050	Sepracor Incorporated	21,000	0.15

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
2,180	Sierra Pacific Resources	$28,340	0.19
800	Steel Dynamics Incorporated	31,200	0.22
400	Sunoco Incorporated	16,400	0.11
150	Sunpower Corporation	10,800	0.08
700	Superior Energy Services	38,500	0.27
567	Target Corporation	26,082	0.18
2,740	Teradyne Incorporated	30,140	0.21
498	Terex Corporation	25,398	0.18
400	Terra Industries Incorporated	19,600	0.14
550	Timken Company	18,150	0.13
375	Transocean Incorporated	57,000	0.40
800	Tupperware Brands Corporation	27,200	0.19
250	United States Cellular Corporation	14,000	0.10
265	United States Steel Corporation	49,025	0.34
610	United Technologies Corporation	37,820	0.26
1,750	Varian Medical Systems Incorporated	90,738	0.63
500	Watson Wyatt Worldwide Incorporated	26,500	0.18
1,200	Wolverine World Wide Incorporated	32,400	0.23
	Total U.S. Equities	$6,703,563	46.60

NON-U.S. EQUITIES (53.98%)

Number of Shares		Value USD	% of Fund
874	Actelion NV	$46,322	0.32
1,757	Aggreko PLC	26,355	0.18
30,747	Air Arabia	15,320	0.11
649	Allianz SE	114,224	0.79
597	Alstom	137,907	0.96
1,090	ArcelorMittal	107,910	0.75
410	Arch Capital Group Limited	27,060	0.19
2,100	Astellas Pharma Incorporated	88,200	0.61
510	Astral Media Incorporated	16,056	0.11
3,003	Axa SA	90,090	0.63
5,046	BAE Systems PLC	45,414	0.32
2,810	Balfour Beatty PLC	22,480	0.16
4,801	Banco Santander Central Hispano SA	86,418	0.60
6,242	Bank of Cyprus PCL	74,904	0.52
2,080	Barrick Gold Corporation	95,680	0.67
85	Barry Callebaut AG	55,420	0.39
176	Basilea Pharmaceutical AG	28,512	0.20
1,615	BAT Industries PLC	56,525	0.39
434	Bayer AG	36,456	0.25
9,998	Beazley Group PLC	19,996	0.14
607	Beiersdorf AG	44,918	0.31
4,354	BG Group PLC	113,204	0.79
3,167	BHP Billiton PLC	120,346	0.84
1,014	BHP Billiton Limited	42,588	0.30
570	BioMerieux	64,980	0.45
900	Black Earth Farming Ltd.	6,794	0.05
700	BML Incorporated	13,300	0.09
824	BNP Paribas SA	74,984	0.52
4,792	BP PLC	57,504	0.40
8,104	Britvic PLC	48,624	0.34
219	Burckhardt Compression Holding AG	66,576	0.46
900	Capcom Company Limited	26,100	0.18
7,887	Centennial Coal Company Limited	39,435	0.27
42,000	Chartered Semiconductor Manufacturing Limited	42,000	0.29

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
884	Clarkson PLC	$16,796	0.12
1,400	Commerzbank AG	42,000	0.29
2,840	Cookson Group PLC	34,080	0.24
1,700	Daiichi Sankyo Company Limited	45,900	0.32
300	Disco Corporation	12,600	0.09
11,965	Domino's Pizza UK & IRL PLC	47,860	0.33
43,457	DP World Limited	37,373	0.26
5,706	Enel SpA	57,060	0.40
4,500	Esprit Holdings Limited	45,000	0.31
2,932	Gemalto NV	105,552	0.73
355	Gerresheimer AG	19,880	0.14
4,074	Gildan Activewear Incorporated	104,953	0.73
2,204	GlaxoSmithKline PLC	48,488	0.34
1,400	Glory Limited	32,947	0.23
2,290	Goals Soccer Centres PLC	11,450	0.08
1,160	Grontmij NV	48,720	0.34
8,862	Hansen Transmissions International NV	44,310	0.31
3,548	Hargreaves Lansdown PLC	10,644	0.07
4,200	Hemisphere GPS Incorporated	17,999	0.13
3,000	Hitachi Metals Limited	48,000	0.33
700	Hogy Medical Company Limited	35,700	0.25
170	Honam Petrochemical, Corporation	12,070	0.08
690	Hyundai Department Store Company Limited	55,890	0.39
6,398	ICAP PLC	70,378	0.49
6,695	IG Group Holdings PLC	46,865	0.33
583	IMS-International Metal Service	19,822	0.14
66,000	Industrial & Commercial Bank of China	66,000	0.46
2,220	Industrial & Financial Systems	19,980	0.14
3,534	ING Canada Incorporated	123,485	0.86
8,268	ING Industrial Fund	8,268	0.06
1,004	Ingenico	35,140	0.24
1,345	JC Decaux SA	33,625	0.23
1,900	Komatsu Limited	53,200	0.37
826	Konecranes OYJ	33,866	0.24
797	Lanxess AG	32,677	0.23
891	Leoni AG	38,313	0.27
327	LG Chemical Limited	31,392	0.22
25,500	Link REIT	51,000	0.36
600	Lukoil	58,200	0.41
1,800	Lupatech SA	66,600	0.46
4,632	MacArthur Coal Limited	74,112	0.52
1,562	Medion AG	24,992	0.17
2,000	Mitsubishi Estate Company Limited	46,000	0.32
2,000	Mitsui & Company Limited	44,000	0.31
4,000	Mitsui O.S.K. Lines Limited	56,000	0.39
22	NET One Systems Company Limited	24,486	0.17
650	New Oriental Education & Technology Group ADR	37,700	0.26
677	Nexans SA	83,271	0.58
1,501	Nexen Incorporated	60,040	0.42
300	Nihon Dempa Kogyo Co Limited	6,300	0.04
300	Nissha Printing Company Limited	17,400	0.12
1,100	NOK Corporation	17,600	0.12
869	Novartis AG	47,795	0.33
2,200	Novo Nordisk A/S	143,000	0.99
6,000	NSK Limited	54,000	0.38
372	Nutreco Holding NV	24,924	0.17

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
62,295	NZ Farming Systems Uruguay Limited	$82,552	0.57
1,600	Oilexco Incorporated	30,604	0.21
14,000	Olam International Limited	28,000	0.20
1,650	Petroleum Geo-Services ASA	41,250	0.29
6,516	Prudential PLC	71,676	0.50
1,260	PVA TePla AG	13,860	0.10
42,000	Raffles Education Corporation Limited	42,000	0.29
8,566	Raven Russia Limited	17,132	0.12
2,714	Reckitt Benckiser PLC	138,414	0.96
5,470	Redes Energeticas Nacionais SA	21,880	0.15
308	Rio Tinto Limited	40,040	0.28
243	Roche Holding AG	43,740	0.30
2,159	Rogers Communications	83,949	0.58
1,334	Rotork PLC	29,348	0.20
1,487	Royal Dutch Shell PLC	60,967	0.42
255	Salzgitter AG	46,410	0.32
16	Samantha Thavasa Japan Limited	18,110	0.13
198	Samsung Electronics Company Limited	118,404	0.82
1,600	Sanei-International Company Limited	25,600	0.18
8,000	SembCorp Industries Limited	24,000	0.17
27	Seven Bank Limited	59,859	0.42
3,000	Sharp Corporation	48,000	0.33
400	Shima Seiki Manufacturing Limited	10,904	0.08
5,000	Snow Brand Milk Products Company Limited	20,000	0.14
620	Sonova Holdings AG	50,840	0.35
20	Sony Financial Holdings Incorporated	80,360	0.56
262	Stallergenes	22,532	0.16
4,279	Standard Chartered PLC	119,812	0.83
34,000	StarHub Limited	66,000	0.46
4,002	Statoil ASA	148,074	1.03
1,488	Suez SA	101,184	0.70
6	Sumitomo Mitsui Financial Group Incorporated	45,048	0.31
2,000	Sumitomo Realty & Development Company Limited	40,000	0.28
1,200	Suncor Energy Incorporated	69,600	0.48
700	Suzuken Company Limited	25,900	0.18
1,798	Swissquote Group Holding SA	79,112	0.55
4,000	Tanabe Seiyaku Company Limited	52,000	0.36
10,885	Taylor Nelson Sofres PLC	54,425	0.38
812	Technicas Reunidas SA	67,396	0.47
3,134	Telefonica SA	84,618	0.59
895	Teva Pharmaceutical Industries Limited ADR	41,170	0.29
4,561	TGS Nopec Geophysical Company ASA	63,854	0.44
1,011	Tognum AG	27,297	0.19
20,347	Torex Retail PLC	4	—
8,000	Toshiba Corporation	56,000	0.39
2,290	Total SA	194,650	1.35
1,000	Toyo Suisan Kaisha Limited	23,000	0.16
5,208	Troy Resources NL	10,416	0.07
1,900	Tsumura & Company	49,400	0.34
6,000	Ube Industries Limited	24,000	0.17
2,957	United Internet AG	59,140	0.41
154	Vallourec SA	54,054	0.38
350	Vestas Wind Systems A/S	45,850	0.32
26	Vetropack Holding AG	58,656	0.41
1,308	Victrex PLC	19,620	0.14

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
132	Vilmorin & Cie	$24,948	0.17
3,356	Vivendi SA	127,528	0.89
6,000	VTech Holdings Limited	36,000	0.25
130	Wereldhave NV	13,650	0.10
4,500	Western Goldfields Incorporated	10,350	0.07
1,700	Westjet Airlines Limited	22,842	0.16
1,000	Wing Hang Bank Limited	13,000	0.09
794	Xstrata PLC	63,520	0.44
222	Zurich Financial Services AG	56,832	0.40
	Total Non-U.S. Equities	$7,757,686	53.98
Total Value of Investments		**$14,461,249**	**100.58**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (0.01%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
16/07/2008	AUD	478,200	USD	433,933	Bank of America Securities	$(24,109)	(0.17)
16/07/2008	USD	14,571	CAD	14,800	Citibank NA	(27)	–
16/07/2008	AUD	38,200	USD	36,402	Citibank NA	(140)	–
16/07/2008	USD	42,919	AUD	45,400	Credit Suisse First Boston	510	–
16/07/2008	USD	2,972	CAD	3,000	Credit Suisse First Boston	(24)	–
16/07/2008	USD	58,522	AUD	64,900	Deutsche Bank, London	3,561	(0.03)
16/07/2008	CAD	14,100	USD	14,041	Deutsche Bank, London	185	–
16/07/2008	USD	39,208	AUD	41,600	Goldman Sachs International	586	–
16/07/2008	USD	463,189	AUD	515,800	HSBC Bank USA	30,223	0.21
16/07/2008	AUD	63,000	USD	56,743	JP Morgan Chase Bank	(3,522)	(0.02)
16/07/2008	CAD	99.300	USD	97,653	JP Morgan Chase Bank	70	–
16/07/2008	USD	317,897	AUD	354,600	Lehman Brothers*	21,319	0.15
16/07/2008	CAD	14,800	USD	14,480	Lehman Brothers*	(64)	–
16/07/2008	USD	39,207	AUD	41,600	Merrill Lynch	587	–
16/07/2008	AUD	52,000	USD	46,805	State Street Bank & Trust	(2,938)	(0.02)
16/07/2008	CAD	79,200	USD	77,699	UBS AG	(132)	–
16/07/2008	USD	112,500	AUD	123,700	UBS AG	6,305	(0.04)
16/07/2008	CAD	40,700	USD	40,669	Westpac Banking Group	672	–
16/07/2008	USD	152,719	AUD	170,200	Westpac Banking Group	10.093	0.07
17/09/2008	CHF	4,800	USD	4,587	Bank of America Securities	(123)	–
17/09/2008	USD	61,380	SEK	372,300	Bank of America Securities	219	–
17/09/2008	USD	39,781	GBP	20,500	Bank of America Securities	836	0.01
17/09/2008	USD	169,033	NOK	871,400	Citibank NA	952	0.01
17/09/2008	USD	50,782	GBP	26,100	Citibank NA	931	0.01
17/09/2008	EUR	210,100	USD	325,275	Citibank NA	(4,290)	(0.03)
17/09/2008	EUR	200	USD	310	Credit Suisse First Boston	(4)	–
17/09/2008	USD	24,792	NOK	128,300	Credit Suisse First Boston	236	–
17/09/2008	USD	76,618	GBP	39,200	Credit Suisse First Boston	1,050	0.01
17/09/2008	EUR	24,400	USD	37,789	Deutsche Bank, London	(484)	–
17/09/2008	USD	49,665	GBP	25,000	Goldman Sachs International	1,057	0.01
17/09/2008	USD	202,710	NOK	1,044,000	HSBC Bank USA	945	0.01
17/09/2008	USD	84,978	GBP	43,400	HSBC Bank USA	1,010	0.01
17/09/2008	EUR	23,600	USD	36,858	HSBC Bank USA	(161)	–
17/09/2008	USD	84,914	CHF	88,600	JP Morgan Chase Bank	2,038	–
17/09/2008	NOK	1,377,500	USD	267,078	Lehman Brothers*	(1,634)	(0.01)
17/09/2008	CHF	66,100	USD	63,314	Lehman Brothers*	(1,556)	(0.01)
17/09/2008	USD	108,982	EUR	70,300	Lehman Brothers*	1,291	0.01
17/09/2008	USD	236,596	NOK	1,219,700	Merrill Lynch	1,333	0.01
17/09/2008	USD	38,229	GBP	19,600	Merrill Lynch	603	–
17/09/2008	USD	48,324	EUR	31,200	Merrill Lynch	611	(0.02)
17/09/2008	CHF	512,500	USD	491,159	Merrill Lynch	(11,806)	(0.08)
17/09/2008	EUR	24,800	USD	38,409	State Street Bank & Trust	(492)	–
17/09/2008	USD	206,166	CHF	214,100	UBS AG	3,950	0.03
17/09/2008	EUR	355,100	USD	550,085	UBS AG	(6925)	(0.05)
17/09/2008	USD	108,762	GBP	55,600	UBS AG	1,399	0.01
17/09/2008	USD	103,102	NOK	533,100	UBS AG	891	0.01

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (Continued)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	USD	176,545	GBP	90,900	Westpac Banking Group	$3,556	0.03
20/08/2008	JPY	8,199,900	USD	78,162	Bank of America Securities	603	–
20/08/2008	JPY	1,786,100	USD	17,005	Citibank NA	111	–
20/08/2008	USD	474,729	JPY	49,777,600	Goldman Sachs International	(3.905)	(0.03)
20/08/2008	JPY	16,770,100	USD	159,941	UBS AG	1,263	0.01
	Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts					$36,660	0.01
Total Financial Assets at Fair Value through Profit or Loss						**$14,497,909**	**100.79**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	80.47
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market	–
(d) Collective Investment Schemes	–
(e) OTC financial derivative instruments	0.69
(f) Exchange traded financial derivative instruments	18.84
(g) Other assets	–
Total Investments	100.00

Schedule of Investments
30 June 2008

CORPORATE BONDS & NOTES (88.85%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$925,000	Accellent Incorporated	10.50	01/12/2013	$846,375	0.30
825,000	Activant Solutions Incorporated	9.50	01/05/2016	651,750	0.23
1,174,000	Advanced Micro Devices Incorporated	7.75	01/11/2012	1,012,575	0.36
16,000	AES Corporation	8.75	15/05/2013	16,620	0.01
220,000	AES Corporation	8.00	01/06/2020	212,300	0.08
110,000	AES Corporation	8.00	15/10/2017	107,800	0.04
645,000	Affinion Group Incorporated	10.13	15/10/2013	646,613	0.23
290,000	Affinion Group Incorporated	11.50	15/10/2015	289,275	0.10
415,000	Affinity Group Incorporated	9.00	15/02/2012	365,200	0.13
735,000	Airgas Incorporated	7.13	01/10/2018	740,513	0.26
1,150,000	AK Steel Corporation	7.75	15/06/2012	1,152,875	0.41
35,000	Aleris International Incorporated	10.00	15/12/2016	25,638	0.01
1,555,000	Aleris International Incorporated	9.00	15/12/2014	1,238,169	0.44
70,000	Algoma Acquisition Corporation	9.88	15/06/2015	66,500	0.02
510,000	Allegheny Energy Supply	8.25	15/04/2012	531,675	0.19
370,000	Alliant Techsystems Incorporated	6.75	01/04/2016	358,900	0.13
1,755,000	Allied Waste North America Incorporated	6.50	15/11/2010	1,755,000	0.63
1,295,000	Allison Transmission	11.00	01/11/2015	1,159,025	0.41
1,085,000	AMC Entertainment Incorporated	11.00	01/02/2016	1,074,150	0.38
5,000	AMC Entertainment Incorporated	8.00	01/03/2014	4,438	—
175,000	American Media Incorporated	8.88	15/01/2011	140,000	0.05
925,000	American Media Incorporated	10.25	01/05/2009	744,625	0.27
6,363	American Media Incorporated	8.88	15/01/2011	5,186	—
15,453	American Media Incorporated	10.25	01/05/2009	12,440	—
1,220,000	American Tower Corporation	7.00	15/10/2017	1,207,800	0.43
570,000	Amkor Technologies Incorporated	7.75	15/05/2013	528,675	0.19
35,000	AMR Holding Company Incorporated	10.00	15/02/2015	37,100	0.01
1,110,000	Arch Western Finance	6.75	01/07/2013	1,087,800	0.39
5,787	Archibald Candy Corporation	10.00	01/11/2008	85	—
1,695,000	Ardagh Glass Finance PLC	7.13	15/06/2017	2,188,954	0.78
2,055,012	Asset Repackaging Trust BV	12.27	21/12/2011	3,139,346	1.12
1,345,000	Associated Materials Incorporated	9.75	15/04/2012	1,331,550	0.48
100,000	Atlantic Broadband Finance	9.38	15/01/2014	92,000	0.03
545,000	Avago Technologies Finance	10.13	01/12/2013	577,700	0.21
40,000	Avis Budget Car Rental LLC	7.75	15/05/2016	30,700	0.01

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$840,000	Avis Budget Car Rental LLC	7.63	15/05/2014	$672,000	0.24
255,000	Baldor Electric Company	8.63	15/02/2017	255,638	0.09
125,000	Barry Callebaut Services NV	6.00	13/07/2017	175,540	0.06
570,000	BBC Holding Corporation	8.88	15/09/2014	493,050	0.18
410,000	Berry Plastics Corporation	7.57	15/02/2015	392,575	0.14
1,000,000	Blount Incorporated	8.88	01/08/2012	1,000,000	0.36
323,109	Boats Investments BV	12.23	15/12/2015	330,762	0.12
150,000	Bombardier Incorporated	7.25	15/11/2016	223,715	0.08
710,000	Bombardier Incorporated	7.98	15/11/2013	1,116,837	0.40
410,000	Bon-Ton Stores Incorporated	10.25	15/03/2014	269,063	0.10
65,000	Boyd Gaming Corporation	6.75	15/04/2014	50,050	0.02
560,000	Boyd Gaming Corporation	7.13	01/02/2016	413,000	0.15
150,000	Buffets Incorporated	12.50	01/11/2014	2,250	—
335,000	Builders FirstSource Incorporated	6.93	15/02/2012	227,800	0.08
450,000	Cablecom SCA	8.00	01/11/2016	619,408	0.22
940,000	Cablevision Systems Corporation	8.00	15/04/2012	888,300	0.32
445,000	CanWest Media Incorporated	8.00	15/09/2012	396,050	0.14
1,654,000	CCH I Holdings LLC	11.00	01/10/2015	1,226,028	0.44
1,111,000	CCH II Holdings LLC	10.25	15/09/2010	1,074,893	0.38
1,490,000	CCH II Holdings LLC	10.25	15/09/2010	1,437,850	0.51
700,000	Celestica Incorporated	7.63	01/07/2013	672,000	0.24
115,000	Celestica Incorporated	7.88	01/07/2011	115,000	0.04
950,000	Centennial Cellular Operating Company LLC	10.13	15/06/2013	978,500	0.35
884,000	Central European Distribution Corporation	8.00	25/07/2012	1,352,534	0.48
745,000	Ceva Group PLC	8.50	01/12/2014	840,670	0.30
1,296,000	Chaparral Energy Incorporated	8.50	01/12/2015	1,124,280	0.40
25,000	Chaparral Energy Incorporated	8.88	01/02/2017	21,688	0.01
200,000	CHC Helicopter Corporation	7.38	01/05/2014	207,500	0.07
1,905,000	Chesapeake Energy Corporation	7.50	15/09/2013	1,905,000	0.68
400,000	Chesapeake Energy Corporation	7.00	15/08/2014	392,000	0.14
1,510,000	Chiquita Brands International Incorporated	7.50	01/11/2014	1,230,650	0.44
10,000	Chiquita Brands International Incorporated	8.88	01/12/2015	8,750	—
40,000	Church & Dwight Company Incorporated	6.00	15/12/2012	38,400	0.01
610,000	Cinemark Incorporated	0.00	15/03/2014	579,500	0.21

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$660,000	Citizens Communications Company	9.25	15/05/2011	$683,100	0.24
510,000	Clondalkin Industries BV	8.00	15/03/2014	641,756	0.23
1,095,000	Codere Finance Luxembourg SA	8.25	15/06/2015	1,471,012	0.52
123,000	Colorado Interstate Gas Company	6.80	15/11/2015	125,639	0.04
1,455,000	Community Health Systems Incorporated	8.88	15/07/2015	1,464,094	0.52
1,670,000	Complete Production Services Incorporated	8.00	15/12/2016	1,667,913	0.60
1,185,000	Compton Petroleum Corporation	7.63	01/12/2013	1,164,263	0.42
175,000	Compucom Systems Incorporated	12.50	01/10/2015	160,125	0.06
90,000	Comstock Resources Incorporated	6.88	01/03/2012	88,425	0.03
1,285,000	Connacher Oil and Gas Limited	10.25	15/12/2015	1,355,675	0.48
1,320,000	Cricket Communications Incorporated	9.38	01/11/2014	1,270,500	0.45
775,000	Crown Americas LLC	7.63	15/11/2013	773,063	0.28
1,370,000	CSC Holdings Incorporated	7.63	01/04/2011	1,342,600	0.48
60,000	D.R. Horton Incorporated	8.00	01/02/2009	59,850	0.02
765,000	D.R. Horton Incorporated	5.00	15/01/2009	750,656	0.27
690,000	DaVita Incorporated	6.63	15/03/2013	662,400	0.24
645,000	Dean Foods Company	7.00	01/06/2016	559,538	0.20
85,000	Del Monte Corporation	6.75	15/02/2015	80,963	0.03
1,235,000	Del Monte Corporation	8.63	15/12/2012	1,253,525	0.45
85,000	Denbury Resources Incorporated	7.50	01/04/2013	84,788	0.03
565,000	Denbury Resources Incorporated	7.50	15/12/2015	562,175	0.20
95,000	Dex Media Incorporated	0.00	15/11/2013	67,925	0.02
260,000	Digicel Group Limited	8.88	15/01/2015	245,375	0.09
375,000	Digicel Limited	9.25	01/09/2012	385,781	0.14
215,000	DirecTV Holdings LLC	7.63	15/05/2016	211,775	0.08
1,350,000	DirecTV Holdings LLC	6.38	15/06/2015	1,265,625	0.45
109,000	Dresser-Rand Group Incorporated	7.38	01/11/2014	107,638	0.04
1,130,000	Dynegy Holdings Incorporated	7.50	01/06/2015	1,042,425	0.37
285,000	Dynegy Holdings Incorporated	8.38	01/05/2016	276,450	0.10
125,000	E*Trade Financial Corporation	8.00	15/06/2011	115,000	0.04
320,000	Echostar DBS Corporation	7.00	01/10/2013	304,800	0.11
1,530,000	Echostar DBS Corporation	6.38	01/10/2011	1,476,450	0.53
1,730,000	Edison Mission Energy	7.75	15/06/2016	1,721,350	0.61
110,000	Edison Mission Energy	7.20	15/05/2019	102,575	0.04
95,000	Edison Mission Energy	7.00	15/05/2017	88,825	0.03
300,000	El Paso Corporation	7.75	15/01/2032	300,535	0.11
270,000	El Paso Corporation	7.80	01/08/2031	272,025	0.10

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$545,000	El Paso Corporation	7.00	15/06/2017	$533,385	0.19
150,000	El Paso Natural Gas Company	8.63	15/01/2022	166,449	0.06
1,140,000	Elan Finance PLC/Elan Finance Corporation	7.75	15/11/2011	1,121,475	0.40
315,000	Elizabeth Arden Incorporated	7.75	15/01/2014	295,313	0.11
675,000	Encore Acquisition Company	6.00	15/07/2015	634,500	0.23
420,000	Escada AG	7.50	01/04/2012	508,661	0.18
675,000	EXCO Resources Incorporated	7.25	15/01/2011	663,188	0.24
1,340,000	Ferrellgas LP/Finance	6.75	01/05/2014	1,222,750	0.44
635,000	Ford Motor Credit Company	7.88	15/06/2010	548,105	0.20
3,735,000	Ford Motor Credit Company	9.88	10/08/2011	3,137,719	1.12
920,000	Ford Motor Credit Corporation	7.25	25/10/2011	712,964	0.25
1,335,000	Forest Oil Corporation	8.00	15/12/2011	1,375,050	0.49
390,000	Freeport-McMoRan Copper & Gold Incorporated	8.25	01/04/2015	402,675	0.14
2,625,000	Freeport-McMoRan Copper & Gold Incorporated	8.38	01/04/2017	2,775,938	0.99
115,000	Freeport-McMoRan Copper & Gold Incorporated	5.88	01/04/2015	115,027	0.04
2,440,000	Freescale Semiconductor Incorporated	8.88	15/12/2014	1,982,500	0.71
260,000	Freescale Semiconductor Incorporated	9.13	15/12/2014	202,150	0.07
440,000	Freescale Semiconductor Incorporated	10.13	15/12/2016	335,500	0.12
375,000	General Cable Corporation	5.07	01/04/2015	332,813	0.12
1,935,000	General Motors Corporation	7.20	15/01/2011	1,489,950	0.53
1,310,000	Georgia-Pacific Corporation	9.50	01/12/2011	1,331,288	0.47
455,000	Gerdau Ameristeel Corporation	10.38	15/07/2011	472,631	0.17
189,000	Gerresheimer Holdings GmbH	7.88	01/03/2015	294,382	0.11
315,000	Global Crossing UK Finance PLC	11.75	15/12/2014	617,812	0.22
530,000	GMAC LLC	6.88	15/09/2011	380,843	0.14
1,460,000	GMAC LLC	6.75	01/12/2014	964,250	0.34
530,000	GMAC LLC	6.88	28/08/2012	362,932	0.13
2,955,000	GMAC LLC	7.75	19/01/2010	2,526,912	0.90
70,000	GMAC LLC	4.88	01/12/2014	46,014	0.02
1,015,000	Goodyear Tire & Rubber Company	9.00	01/07/2015	1,012,463	0.36
410,000	Greenbrier Cos. Incorporated	8.38	15/05/2015	390,525	0.14
1,320,000	Hanesbrands Incorporated	6.51	15/12/2014	1,227,600	0.44
1,665,000	Harrah's Operating Company Incorporated	10.75	01/02/2016	1,381,950	0.49
10,000	Harry & David Holdings Incorporated	9.00	01/03/2013	8,800	—

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$10,000	Harry & David Holdings Incorporated	7.68	01/03/2012	$8,400	—
85,000	Harvest Operations Corporation	7.88	15/10/2011	80,750	0.03
785,000	Hawker Beechcraft Acquisition Company LLC	9.75	01/04/2017	785,000	0.28
100,000	Hawker Beechcraft Acquisition Company LLC	8.88	01/04/2015	100,500	0.04
2,850,000	HCA Incorporated	9.13	15/11/2014	2,914,125	1.04
45,000	HCA Incorporated	9.63	15/11/2016	46,350	0.02
1,850,000	HCA Incorporated	9.25	15/11/2016	1,905,500	0.68
80,000	HCA Incorporated	6.38	15/01/2015	66,400	0.02
200,000	HCA Incorporated	7.88	01/02/2011	197,000	0.07
1,440,000	Health Management Associates Incorporated	6.13	15/04/2016	1,260,000	0.45
1,410,000	Helix Energy Solutions Group Incorporated	9.50	15/01/2016	1,445,250	0.52
220,000	Hellas Telecommunications Luxembourg III	8.50	15/10/2013	293,120	0.10
855,000	Hellas Telecommunications Luxembourg V	8.25	15/10/2012	1,242,183	0.44
1,310,000	Hercules Incorporated	6.75	15/10/2029	1,270,700	0.45
1,670,000	Hertz Corporation	8.88	01/01/2014	1,528,050	0.55
1,340,000	Hexcel Corporation	6.75	01/02/2015	1,303,150	0.46
510,000	Hexion U.S. Finance Corporation/Hexion Nova Scotia Finance ULC	9.75	15/11/2014	461,550	0.16
1,160,000	Host Marriott LP	7.00	15/08/2012	1,096,200	0.39
50,000	HUB International Holdings Incorporated	10.25	15/06/2015	41,000	0.01
200,000	HUB International Holdings Incorporated	9.00	15/12/2014	181,000	0.06
115,000	HUB International Holdings Incorporated	9.00	15/12/2014	104,075	0.04
80,000	HUB International Holdings Incorporated	10.25	15/06/2015	65,600	0.02
50,000	Huntsman International LLC	6.88	15/11/2013	67,406	0.02
590,000	Huntsman International LLC	7.88	15/11/2014	539,850	0.19
1,000	Huntsman LLC	11.63	15/10/2010	1,033	—
1,340,000	IASIS Healthcare/ IASIS Capital Corporation	8.75	15/06/2014	1,353,400	0.48
2,130,000	Idearc Incorporated	8.00	15/11/2016	1,339,238	0.48
510,000	Iesy Hessen GmbH & Company	7.72	15/04/2013	762,878	0.27
435,000	Iesy Repository GmbH	8.75	15/02/2015	617,601	0.22
1,335,000	Inergy LP/Inergy Finance Corporation	6.88	15/12/2014	1,241,550	0.44
1,010,000	Inmarsat Finance PLC	0.00	15/11/2012	1,020,100	0.36
1,436,000	Intelsat Bermuda Limited	11.25	15/06/2016	1,455,745	0.52
15,000	Intelsat Intermediate Holding Company Limited	0.00	01/02/2015	12,075	—

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$515,000	International Paper Company	7.40	15/06/2014	$515,181	0.18
35,000	Ion Media Networks Incorporated	8.96	15/01/2013	22,575	0.01
530,000	Ipalco Enterprises Incorporated	7.25	01/04/2016	522,050	0.19
40,000	iPCS Incorporated	5.00	01/05/2013	36,000	0.01
85,000	Iron Mountain Incorporated	8.75	15/07/2018	87,550	0.03
1,620,000	Iron Mountain Incorporated	8.63	01/04/2013	1,630,125	0.58
290,000	Iron Mountain Incorporated	8.00	15/06/2020	285,288	0.10
1,075,000	Jarden Corporation	7.50	01/05/2017	935,250	0.33
85,000	Jefferson Smurfit Corporation	8.25	01/10/2012	74,163	0.03
761,000	Jostens IH Corporation	7.63	01/10/2012	747,683	0.27
300,000	K. Hovnanian Enterprises Incorporated	11.50	01/05/2013	311,250	0.11
615,000	Kabel Deutscheland GmbH	10.75	01/07/2014	960,331	0.34
1,270,000	Key Energy Services Incorporated	8.38	01/12/2014	1,295,400	0.46
1,000,000	L–3 Communications Corporation	6.13	15/01/2014	937,500	0.33
235,000	Lamar Media Corporation	7.25	01/01/2013	225,894	0.08
130,000	Lamar Media Corporation	6.63	15/08/2015	118,300	0.04
690,000	Lamar Media Corporation	6.63	15/08/2015	627,900	0.22
1,305,000	Lear Corporation	8.50	01/12/2013	1,078,256	0.38
210,000	Legrand SA	8.50	15/02/2025	236,117	0.08
580,000	Lender Processing Services Incorporated	8.13	01/07/2016	580,725	0.21
736,000	Leucadia National Corporation	8.13	15/09/2015	739,680	0.26
325,000	Level 3 Financing Incorporated	8.75	15/02/2017	279,500	0.10
1,695,000	Level 3 Financing Incorporated	9.25	01/11/2014	1,542,450	0.55
335,000	Levi Strauss & Company	8.88	01/04/2016	325,788	0.12
1,665,000	Levi Strauss & Company	9.75	15/01/2015	1,673,325	0.60
120,000	Liberty Media LLC	5.70	15/05/2013	107,541	0.04
145,000	Liberty Media LLC	7.88	15/07/2009	146,411	0.05
310,000	Liberty Mutual Group	10.75	15/06/2058	302,373	0.11
980,000	Lottomatica SpA	8.25	31/03/2066	1,398,183	0.50
15,000	Lucent Technologies Incorporated	5.50	15/11/2008	14,963	0.01
490,000	Lucent Technologies Incorporated	6.45	15/03/2029	374,850	0.13
540,000	Manitowoc Company Incorporated	7.13	01/11/2013	513,000	0.18
315,000	Marquee Holdings Incorporated	12.00	15/08/2014	247,275	0.09
1,150,000	Mashantucket Western Pequot Tribe	8.50	15/11/2015	1,014,875	0.36
1,560,000	Massey Energy Company	6.63	15/11/2010	1,560,000	0.56
15,000	Meritage Homes Corporation	7.00	01/05/2014	12,150	—
225,000	Meritage Homes Corporation	6.25	15/03/2015	180,563	0.06

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$135,000	Meritor Automotive Incorporated	6.80	15/02/2009	$132,806	0.05
1,305,000	Metals USA Incorporated	11.13	01/12/2015	1,357,200	0.48
670,000	MetroPCS Wireless Incorporated	9.25	01/11/2014	644,875	0.23
285,000	MGM Mirage Incorporated	6.00	01/10/2009	280,369	0.10
1,415,000	MGM Mirage Incorporated	8.50	15/09/2010	1,397,313	0.50
350,000	Michaels Stores Incorporated	10.00	01/11/2014	303,188	0.11
955,000	Michaels Stores Incorporated	11.38	01/11/2016	759,225	0.27
805,000	Mirant Americas Generation Incorporated	8.30	01/05/2011	833,175	0.30
335,000	Mirant North America LLC	7.38	31/12/2013	332,069	0.12
1,065,000	Momentive Performance Materials Incorporated	9.75	01/12/2014	910,575	0.32
145,000	Moog Incorporated	7.25	15/06/2018	143,550	0.05
1,030,000	Mosaic Company	7.63	01/12/2016	1,096,950	0.39
85,000	Nalco Company	9.00	15/11/2013	132,662	0.05
1,610,000	Neiman-Marcus Group Incorporated	9.00	15/10/2015	1,589,875	0.57
370,000	Newfield Exploration Company	7.13	15/05/2018	351,500	0.13
1,340,000	Newfield Exploration Company	6.63	01/09/2014	1,259,600	0.45
1,230,000	NewPage Corporation	10.00	01/05/2012	1,245,375	0.44
85,960	NewPage Holding Corporation	9.99	01/11/2013	82,951	0.03
1,495,000	Nielsen Finance LLC/ Nielsen Finance Company	10.00	01/08/2014	1,541,719	0.55
15,000	Nielsen Finance LLC/ Nielsen Finance Company	10.00	01/08/2014	15,113	0.01
425,000	Nielsen Finance LLC/ Nielsen Finance Company	0.00	01/08/2016	292,188	0.10
800,000	Nordic Telephone Company Holdings	8.25	01/05/2016	1,136,448	0.41
75,000	Nordic Telephone Company Holdings	8.88	01/05/2016	73,500	0.03
670,000	Norske Skog Canada Limited	8.63	15/06/2011	569,500	0.20
295,000	Nortel Networks Limited	10.75	15/07/2016	292,050	0.10
180,000	Nortel Networks Limited	10.75	15/07/2016	178,200	0.06
595,000	Nortel Networks Limited	6.96	15/07/2011	562,275	0.20
955,000	Novelis Incorporated	7.25	15/02/2015	902,475	0.32
335,000	NRG Energy Incorporated	7.25	01/02/2014	319,925	0.11
525,000	NRG Energy Incorporated	7.38	15/01/2017	496,125	0.18
2,140,000	NRG Energy Incorporated	7.38	01/02/2016	2,014,275	0.72
390,000	NTK Holdings Incorporated	0.00	01/03/2014	177,450	0.06
930,000	Nuveen Investments Incorporated	10.50	15/11/2015	857,925	0.31

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$2,085,000	NXP BV/ NXP Funding LLC	7.88	15/10/2014	$1,918,200	0.68
910,000	Omnicare Incorporated	6.13	01/06/2013	832,650	0.30
800,000	Ono Finance II PLC	8.00	16/05/2014	857,376	0.31
1,230,000	Open Solutions Incorporated	9.75	01/02/2015	1,002,450	0.36
15,000	Open Solutions Incorporated	9.75	01/02/2015	12,225	—
735,000	Orion Power Holdings Incorporated	12.00	01/05/2010	793,800	0.28
40,000	Outback Steakhouse Incorporated	10.00	15/06/2015	25,900	0.01
600,000	Owens Brockway Glass Container Incorporated	6.75	01/12/2014	600,000	0.21
65,000	Owens-Brockway Glass Container Incorporated	6.75	01/12/2014	93,974	0.03
1,105,000	PAETEC Holding Corporation	9.50	15/07/2015	1,019,363	0.36
340,000	Peabody Energy Corporation	7.38	01/11/2016	339,150	0.12
2,040,000	Peabody Energy Corporation	6.88	15/03/2013	2,045,100	0.73
640,000	PetroHawk Energy Corporation	9.13	15/07/2013	656,000	0.23
1,055,000	Petroleum Development Corporation	12.00	15/02/2018	1,115,663	0.40
1,330,000	Petroplus Finance Limited	7.00	01/05/2017	1,173,725	0.42
100,000	Pinnacle Entertainment Incorporated	7.50	15/06/2015	76,500	0.03
1,185,000	Pinnacle Entertainment Incorporated	8.25	15/03/2012	1,164,263	0.42
250,000	Pinnacle Foods Finance LLC	9.25	01/04/2015	220,000	0.08
50,000	Pinnacle Foods Finance LLC	10.63	01/04/2017	40,000	0.01
80,000	Plains Exploration & Production Company	7.75	15/06/2015	80,600	0.03
1,665,000	Plains Exploration & Production Company	7.00	15/03/2017	1,598,400	0.57
1,110,000	PNM Resources Incorporated	9.25	15/05/2015	1,146,075	0.41
987,000	Prestige Brands Incorporated	9.25	15/04/2012	987,000	0.35
1,080,000	Pride International Incorporated	7.38	15/07/2014	1,077,300	0.38
1,335,000	Psychiatric Solutions Incorporated	7.75	15/07/2015	1,321,650	0.47
335,000	Public Service Company of New Mexico	7.95	15/05/2018	344,673	0.12
110,000	Quebecor Media Incorporated	7.75	15/03/2016	102,300	0.04
2,435,000	Qwest Communications International Incorporated	7.50	15/02/2014	2,313,250	0.83
85,000	Qwest Corporation	7.25	15/09/2025	75,225	0.03
95,000	Qwest Corporation	8.88	15/03/2012	96,900	0.03
5,000	R.H. Donnelley Corporation	6.88	15/01/2013	2,975	—
770,000	R.H. Donnelley Incorporated	11.75	15/05/2015	700,700	0.25

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$220,000	Range Resources Corporation	7.25	01/05/2018	$217,800	0.08
1,155,000	RBS Global Incorporated/Rexnord Corporation	9.50	01/08/2014	1,114,575	0.40
175,000	Reader's Digest Association Incorporated	9.00	15/02/2017	127,750	0.05
245,000	Reader's Digest Association Incorporated	9.00	15/02/2017	178,850	0.06
1,335,000	Realogy Corporation	10.50	15/04/2014	927,825	0.33
720,000	Reliant Resources Incorporated	6.75	15/12/2014	734,400	0.26
335,000	Reliant Resources Incorporated	7.63	15/06/2014	326,625	0.12
110,000	Rexam PLC	6.75	29/06/2067	134,226	0.05
205,000	Reynolds American Incorporated	7.25	01/06/2013	211,915	0.08
1,130,000	Rhodia SA	7.50	15/10/2013	1,584,767	0.57
75,000	Rite Aid Corporation	9.38	15/12/2015	50,250	0.02
290,000	Rite Aid Corporation	7.50	01/03/2017	234,175	0.08
580,000	Rite Aid Corporation	8.13	01/05/2010	585,800	0.21
215,000	Rockwood Specialties Group Incorporated	7.63	14/11/2014	307,791	0.11
60,000	Rouse Co LP/ TRC Co-Issuer Incorporated	6.75	01/05/2013	54,062	0.02
125,000	Rural Cellular Corporation	9.88	01/02/2010	127,188	0.05
55,000	Rural Cellular Corporation	5.68	01/06/2013	55,688	0.02
1,285,000	Ryerson Tull Incorporated	12.00	01/11/2015	1,275,363	0.46
345,000	Sabine Pass LNG	7.25	30/11/2013	313,950	0.11
470,000	SandRidge Energy Incorporated	8.00	01/06/2018	472,350	0.17
70,000	Sealy Mattress Company	8.25	15/06/2014	57,400	0.02
1,070,000	Seat Pagine Gialle SpA	8.00	30/04/2014	1,262,172	0.45
1,450,000	Select Medical Corporation	7.63	01/02/2015	1,272,375	0.45
1,175,000	Seminole Hard Rock Entertainment Incorporated	5.28	15/03/2014	994,344	0.35
50,000	Service Corporation International	6.75	01/04/2016	47,375	0.02
1,185,000	Sierra Pacific Resources	8.63	15/03/2014	1,242,253	0.44
490,000	Sirius Satellite Radio Incorporated	9.63	01/08/2013	396,900	0.14
65,000	Smurfit Kappa Funding PLC	7.75	01/04/2015	90,750	0.03
415,000	Smurfit-Stone Container Enterprises Incorporated	8.00	15/03/2017	332,000	0.12
50,000	SPCM SA	8.25	15/06/2013	73,115	0.03
1,120,000	Spectrum Brands Incorporated	7.38	01/02/2015	705,600	0.25
225,000	Spectrum Brands Incorporated	12.00	02/10/2013	184,500	0.07
1,565,000	Sprint Capital Corporation	8.75	15/03/2032	1,490,663	0.53
1,685,000	Sprint Nextel Corporation	6.00	01/12/2016	1,449,100	0.52
1,275,000	Stallion Oilfield Finance Corporation	9.75	01/02/2015	1,090,125	0.39

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$900,000	Station Casinos Incorporated	6.00	01/04/2012	$715,500	0.26
955,000	Steel Dynamics Incorporated	7.38	01/11/2012	955,000	0.34
395,000	Steel Dynamics Incorporated	6.75	01/04/2015	378,213	0.13
305,000	Stewart Enterprises Incorporated	6.25	15/02/2013	289,750	0.10
610,000	Stichting Participate I Regs	17.00	29/09/2049	883,834	0.32
675,000	Stone Container Corporation	8.38	01/07/2012	592,313	0.21
885,000	Sun Healthcare Group Incorporated	9.13	15/04/2015	885,000	0.32
560,000	SunGard Data Systems Incorporated	10.25	15/08/2015	562,800	0.20
1,370,000	SunGard Data Systems Incorporated	9.13	15/08/2013	1,383,700	0.49
115,000	Surgical Care Affiliates Incorporated	10.00	15/07/2017	89,700	0.03
1,050,000	Surgical Care Affiliates Incorporated	8.88	15/07/2015	918,750	0.33
30,000	Surgical Care Affiliates Incorporated	10.00	15/07/2017	23,400	0.01
30,000	Surgical Care Affiliates Incorporated	8.88	15/07/2015	26,250	0.01
520,000	Syniverse Technologies Incorporated	7.75	15/08/2013	488,800	0.17
1,360,000	Targa Resources Incorporated	8.50	01/11/2013	1,332,800	0.48
1,290,000	TD Funding Corporation	7.75	15/07/2014	1,273,875	0.45
125,000	Teco Finance Incorporated	7.00	01/05/2012	130,348	0.05
440,000	Tenet Healthcare Corporation	7.38	01/02/2013	413,600	0.15
325,000	Tenet Healthcare Corporation	6.50	01/06/2012	306,313	0.11
2,100,000	Tenet Healthcare Corporation	6.38	01/12/2011	2,010,750	0.72
195,000	Tenneco Automotive Incorporated	8.63	15/11/2014	172,088	0.06
98,000	Tenneco Automotive Incorporated	10.25	15/07/2013	102,533	0.04
150,000	Tenneco Incorporated	8.13	15/11/2015	135,750	0.05
15,000	Tennessee Gas Pipeline Company	7.00	15/10/2028	14,629	0.01
1,345,000	Tennessee Gas Pipeline Company	7.50	01/04/2017	1,417,136	0.51
145,000	Tereos Europe	6.38	15/04/2014	176,180	0.06
1,405,000	Terex Corporation	7.38	15/01/2014	1,383,925	0.49
800,000	Texas Competitive Electric Holdings Company LLC	10.25	01/11/2015	784,000	0.28
2,020,000	Texas Competitive Electric Holdings Company LLC	10.25	01/11/2015	1,979,570	0.71
145,000	THL Buildco Incorporated	10.00	01/12/2013	138,475	0.05
1,215,000	THL Buildco Incorporated	8.50	01/09/2014	777,600	0.28
630,000	Time Warner Telecom Incorporated	9.25	15/02/2014	644,175	0.23
1,215,000	Titan International Incorporated	8.00	15/01/2012	1,190,700	0.43
385,000	Toll Brothers Incorporated	8.25	01/02/2011	373,450	0.13

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$125,000	Transcontinental Gas Pipeline Corporation	7.25	01/12/2026	$127,813	0.05
500,000	Travelport LLC	10.88	01/09/2016	637,047	0.23
1,425,000	Trump Entertainment Resorts Incorporated	8.50	01/06/2015	887,063	0.32
275,000	TRW Automotive Incorporated	7.25	15/03/2017	231,000	0.08
315,000	TVN Finance Corporation PLC	9.50	15/12/2013	522,386	0.19
30,000	TXU Corporation	5.55	15/11/2014	23,486	0.01
75,000	United Auto Group Incorporated	7.75	15/12/2016	65,625	0.02
335,000	United Rentals NA Incorporated	6.50	15/02/2012	301,500	0.11
60,000	Universal City Florida Holding Company	8.38	01/05/2010	59,400	0.02
1,105,000	Universal City Florida Holding Company	7.62	01/05/2010	1,066,325	0.38
200,000	UPC Holdings BV	8.63	15/01/2014	279,702	0.10
47,000	US Oncology Holdings Incorporated	7.95	15/03/2012	38,305	0.01
540,000	US Oncology Incorporated	9.00	15/08/2012	535,950	0.19
15,000	USI Holdings Corporation	6.55	15/11/2014	12,525	—
1,465,000	Vanguard Health Holding Company II	9.00	01/10/2014	1,450,350	0.52
30,000	Ventas Realty LP/ Capital Corporation	6.75	01/06/2010	29,850	0.01
1,320,000	Ventas Realty LP/ Capital Corporation	9.00	01/05/2012	1,382,700	0.49
80,000	Ventas Realty LP/ Capital Corporation	6.50	01/06/2016	76,400	0.03
95,000	Ventas Realty LP/ Capital Corporation	6.75	01/04/2017	91,200	0.03
25,000	Ventas Realty LP/ Capital Corporation	6.63	15/10/2014	24,000	0.01
250,000	Verso Paper Holdings LLC	11.38	01/08/2016	236,875	0.09
100,000	Verso Paper Holdings LLC	9.13	01/08/2014	97,750	0.04
1,640,000	Vertis Incorporated	10.88	15/06/2009	721,600	0.26
615,000	WCA Waste Corporation	9.25	15/06/2014	616,538	0.22
100,000	West Corporation	11.00	15/10/2016	84,500	0.03
1,055,000	West Corporation	9.50	15/10/2014	949,500	0.34
840,000	Whiting Petroleum Corporation	7.25	01/05/2013	833,700	0.30
325,000	Williams Cos. Incorporated	7.63	15/07/2019	341,250	0.12
120,000	Williams Partners LP	7.25	01/02/2017	120,000	0.04
75,000	Wind Aquisition Financial SA	9.75	01/12/2015	118,708	0.04
400,000	Windstream Corporation	8.13	01/08/2013	399,000	0.14
630,000	Windstream Corporation	8.63	01/08/2016	628,425	0.23
1,065,000	Wynn Las Vegas LLC	6.63	01/12/2014	974,475	0.35
975,000	Xerox Capital Trust I	8.00	01/02/2027	951,659	0.34
1,240,000	Yankee Acquisition Corporation	8.50	15/02/2015	967,200	0.35
	Total Corporate Bonds & Notes			$249,033,554	88.85

CONVERTIBLE BONDS & NOTES (2.14%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$490,000	Alliant Techsystems Incorporated	2.75	15/02/2024	$650,475	0.23
210,000	Chiquita Brands International	4.25	15/08/2016	194,513	0.07
485,000	Countrywide Financial Corporation	0.76	15/04/2037	467,419	0.17
395,000	General Growth Properties Incorporated	3.98	15/04/2027	309,581	0.11
350,000	Intel Corporation	2.95	15/12/2035	340,813	0.12
630,000	L-3 Communications Corporation	3.00	01/08/2035	696,938	0.25
665,000	Level 3 Communications Incorporated	3.50	15/06/2012	539,481	0.19
385,000	NII Holdings Incorporated	3.13	15/06/2012	324,363	0.11
810,000	Pantry Incorporated	3.00	15/11/2012	558,900	0.20
645,000	Sinclair Broadcast Group Incorporated	4.88	15/07/2018	579,694	0.21
375,000	Transocean Incorporated	1.50	15/12/2037	426,563	0.15
345,000	Trinity Industries Incorporated	3.88	01/06/2036	329,475	0.12
560,000	Virgin Media Incorporated	6.50	15/11/2016	578,200	0.21
	Total Convertible Bonds & Notes			$5,996,415	2.14

U.S. EQUITIES (1.24%)

Number of Shares		Value USD	% of Fund
8,480	Chesapeake Energy Corporation	$559,341	0.20
24,500	Cinemark Holdings Incorporated	319,970	0.12
20,640	El Paso Corporation	448,714	0.15
10,820	Elizabeth Arden Incorporated	164,248	0.06
11,120	Jarden Corporation	202,829	0.07
10,475	NRG Energy Incorporated	449,378	0.16
14,725	Pinnacle Entertainment Incorporated	154,465	0.06
50,625	Qwest Communications International Incorporated	198,956	0.07
40,640	Service Corporation International	400,710	0.14
3,715	Titan International Incorporated	132,328	0.05
95,329	VFB LLC	1,972	—
11,264	Williams Cos. Incorporated	454,052	0.16
	Total U.S. Equities	$3,486,963	1.24

NON-U.S. EQUITIES (0.04%)

Number of Shares		Value USD	% of Fund
39,805	Titan Europe PLC	$116,535	0.04
	Total Non-U.S. Equities	$116,535	0.04

CONVERTIBLE PREFERRED STOCKS (0.91%)

Number of Shares		Value USD	% of Fund
9,900	Crown Castle International Corporation	$568,013	0.20
12,640	Digital Realty Trust Incorporated	290,720	0.11
5,780	Emmis Communications Corporation	141,610	0.05
3,403	Freeport-McMoRan Copper & Gold Incorporated	570,428	0.20
545	Interpublic Group of Companies Incorporated	446,734	0.16
669	Lehman Brothers Holdings Incorporated*	538,164	0.19
	Total Convertible Preferred Stocks	$2,555,669	0.91

FOREIGN GOVERNMENT BONDS & NOTES (0.01%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$65,000	Republic of Argentina	0.00	30/04/2013	$30,940	0.01
	Total Foreign Government Bonds & Notes			$30,940	0.01

MUTUAL FUNDS (1.96%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$5,500,000	U.S. Liquid Assets Fund	20.06	31/12/2049	$5,500,000	1.96
	Total Mutual Funds			$5,500,000	1.96

REPURCHASE AGREEMENTS (3.50%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$9,797,000	Repurchase Agreement – Bank of America	2.25	01/07/2008	$9,797,000	3.50
	Total Repurchase Agreements			$9,797,000	3.50
Total Value of Investments				**$276,517,076**	**98.65**

* Please refer to note 12 Subsequent events for more detail.

CREDIT DEFAULT CONTRACTS OUTSTANDING (–0.06%)

Swap counterparty/ Referenced debt*	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) USD	% of Fund
Bank of America, N.A.					
Abitibibowater Inc., 6 1/2%, 6/15/13	$75,000	20/12/2008	550 bp	$(2,379)	–
Nalco, Co. 7.75%,11/15/11	25,000	20/09/2012	350 bp	(484)	–
Citibank, N.A.					
Abitibibowater Inc., 6 1/2%, 6/15/13	75,000	20/12/2008	725 bp	(1,775)	–
Abitibibowater Inc., 6 1/2%, 6/15/13	75,000	20/12/2008	800 bp	(1,516)	–
Abitibibowater Inc., 6 1/2%, 6/15/13	75,000	20/12/2008	825 bp	(1,430)	–
Amkor Technologies, Inc., 7 3/4%, 5/15/13	260,000	20/06/2013	450 bp	(15,018)	(0.01)
Wind Acquisition 9 3/4%, 12/1/15	(45,000)	20/03/2013	(495 bp)	(933)	–
Credit Suisse International					
Advanced Micro Devices, 7 3/4%, 11/1/12	55,000	20/06/2009	165 bp	(2,166)	–
Dynegy Holdings Inc., 6 7/8%, 4/1/11	40,000	20/06/2017	297 bp	(4,420)	–
Echostar DBS Corp., 6 5/8%, 10/1/14	(320,000)	20/06/2013	(225 bp)	10,481	–
Deutsche Bank AG					
Grohe Holding GmbH, 8 5/8%, 10/1/14	500,000	20/06/2009	400 bp	4,584	–
Kabel Deutsch GmbH, 10.75%, 7/1/14	(200,000)	20/03/2013	490 bp	6,693	–
Smurfit Kappa Funding, 10 1/8%, 10/1/12	125,000	20/06/2009	135 bp	(173)	–
Nalco, Co. 7.75%, 11/15/11	15,000	20/12/2012	363 bp	(297)	–
Ono Finance II, 8%, 5/16/14	200,000	20/03/2013	635 bp	(40,264)	(0.01)
Goldman Sachs International					
Kabel Deutsch GmbH, 10.75%, 7/1/14	(205,000)	20/03/2013	457 bp	10,657	–
Ono Finance II, 8%, 5/16/14	205,000	20/03/2013	600 bp	(42,231)	(0.02)
Rhodia SA, Euribor +275, 10/15/13	(65,000)	20/09/2013	387 bp	1,542	–
Rhodia SA, Euribor +275, 10/15/13	(80,000)	20/09/2013	367 bp	2,903	–
UPC Holding BV 7.75%, 1/15/14	495,000	20/09/2013	496 bp	(5,774)	–
JPMorgan Chase Bank, N.A.					
Kabel Deutsch GmbH, 10.75%, 7/1/14	(100,000)	20/03/2013	515 bp	1,943	–
Kabel Deutsch GmbH, 10.75%, 7/1/14	(105,000)	20/03/2013	515 bp	2,041	–
Ono Finance II, 8%, 5/16/14	100,000	20/03/2013	655 bp	(19,189)	(0.01)
Ono Finance II, 8%, 5/16/14	105,000	20/03/2013	655 bp	(20,148)	(0.01)
Smurfit-Stone Container Enterprises, 7 1/2%, 6/1/13	130,000 (F)	20/03/2013	685 bp	(7,275)	–
Lehman Brothers Special Financing, Inc.**					
Community Health Systems, 8 7/8%, 7/15/15	$313,000	20/12/2012	360 bp	$(11,471)	–
Jefferson Smurfit Corp., 7 1/2%, 6/1/13	205,000 (F)	20/03/2013	645 bp	(14,167)	–
Mediacom LLC Cap Corp, 9 1/2%, 1/15/13	580,000	20/06/2013	740 bp	(14,430)	–
Sungard Data Systems, Inc., 9 1/8%, 8/15/13	50,000	20/09/2012	395 bp	(779)	–
Merrill Lynch International					
Dynegy Holdings Inc., 6 7/8%, 4/1/11	40,000	20/06/2017	295 bp	(4,465)	–
Morgan Stanley Capital Services, Inc.					
Aramark Services, Inc., 8.5%, 2/1/15	115,000	20/12/2012	355 bp	(5,444)	–
Dynegy Holdings Inc., 6 7/8%, 4/1/11	40,000	20/06/2012	225 bp	(2,667)	–
Nalco Co. 7.75%, 11/15/11	25,000	20/09/2012	330 bp	(669)	–
Nalco Co. 7.75%, 11/15/11	215,000	20/03/2013	460 bp	2,735	–
Net Unrealised Depreciation on Credit Default Contracts				$(175,985)	(0.06)

* Payments related to the reference debt are made upon a credit default event.

** Please refer to note 12 Subsequent events for more detail.

(F) Is valued at fair value following procedures approved by the Manager.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

INTEREST RATE SWAP CONTRACTS OUTSTANDING (–0.01%)

Swap counterparty	Notional Amount	Termination Date	Payments made by Fund per annum	Payments received by Fund per annum	Unrealised (Depreciation) USD	% of Fund
JPMorgan Chase Bank, N.A.	$16,000,000	09/06/2013	3 month USD–LIBOR–BBA	4.21875%	$(22,240)	(0.01)
Net Unrealised Depreciation on Interest Rate Swap Contracts					$(22,240)	(0.01)

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (–0.10%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	USD	729,734	EUR	462,400	JP Morgan Chase Bank	$588	–
17/09/2008	GBP	327,800	USD	636,760	Westpac Banking Group	(12,713)	(0.01)
17/09/2008	EUR	8,097,500	USD	12,544,109	UBS AG	(157,645)	(0.06)
17/09/2008	USD	654,600	EUR	422,781	UBS AG	8,609	–
17/09/2008	EUR	594,800	USD	921,345	Merrill Lynch	(11,659)	(0.01)
17/09/2008	EUR	307,000	USD	475,700	Credit Suisse First Boston	(5,861)	(0.01)
17/09/2008	EUR	564,400	USD	878,601	Lehman Brothers*	(6,718)	(0.01)
17/09/2008	EUR	8,136,400	USD	12,601,087	Deutsche Bank, London	(161,686)	(0.07)
17/09/2008	EUR	84,200	USD	130,502	Citibank NA	(1,574)	–
17/09/2008	USD	47,300	EUR	30,645	Westpac Banking Group	773	–
17/09/2008	USD	157,600	EUR	101,875	Merrill Lynch	2,209	–
17/09/2008	USD	68,300	EUR	44,164	Citibank NA	980	–
17/09/2008	USD	5,000	EUR	3,228	HSBC Bank USA	64	–
17/09/2008	USD	38,700	GBP	19,952	Deutsche Bank, London	837	–
17/09/2008	USD	635,100	GBP	327,127	Westpac Banking Group	13,117	0.01
Net Unrealised Depreciation on Forward Foreign Exchange Currency Contracts						$(330,679)	(0.10)
Total Financial Assets at Fair Value through Profit or Loss						**$276,517,076**	**98.65**
Total Financial Liabilities at Fair Value through Profit or Loss						**$(528,904)**	**(0.23)**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	90.93
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market – repurchase agreement	3.41
(d) Collective Investment Schemes – mutual funds	1.91
(e) OTC financial derivative instruments – forwards/swaps	0.03
(f) Exchange traded financial derivative instruments – futures/options	–
(g) Other assets	3.72
Total Investments	100.00

Schedule of Investments
30 June 2008

U.S. EQUITIES (91.38%)

Number of Shares		Value USD	% of Fund
1,200	3M Company	$83,412	0.47
1,750	Abbott Laboratories	92,505	0.52
3,000	Allstate Corporation	136,530	0.77
8,100	American International Group Incorporated	213,678	1.21
2,250	AmerisourceBergen Corporation	89,933	0.51
2,800	Amgen Incorporated	132,048	0.75
250	Ambac Financial Group Incorporated	4,413	0.02
1,400	Apache Corporation	194,502	1.10
12,650	AT&T Incorporated	424,914	2.40
950	Avnet Incorporated	25,850	0.15
9,200	Bank of America Corporation	218,684	1.24
1,050	Baxter International Incorporated	67,053	0.38
38	Berkshire Hathaway Incorporated (Class B)	152,418	0.86
700	Best Buy Company Incorporated	27,664	0.16
1,250	Big Lots Incorporated	38,975	0.22
1,600	Boeing Company	105,136	0.59
10,100	Boston Scientific Corporation	123,927	0.70
5,600	Brunswick Corporation	59,304	0.34
7,050	Capital One Financial Corporation	267,689	1.51
1,610	Cardinal Health Incorporated	82,915	0.47
1,700	Career Education Corporation	24,837	0.14
550	Carnival Corporation	18,106	0.10
1,850	Caterpillar Incorporated	136,382	0.77
2,250	Celanese Corporation	102,713	0.58
2,700	Chevron Corporation	267,354	1.51
1,350	Chubb Corporation	66,164	0.37
3,800	Cisco Systems Incorporated	88,388	0.50
7,839	Citigroup Incorporated	130,833	0.74
4,650	Clorox Company	242,730	1.37
1,150	Colgate–Palmolive Company	79,373	0.45
950	ConocoPhillips	89,471	0.51
1,900	Corning Incorporated	43,795	0.25
5,668	Countrywide Financial Corporation	24,089	0.14
3,777	Covidien Limited	180,843	1.02
850	Crown Holdings Incorporated	22,041	0.12
1,200	Devon Energy Corporation	144,036	0.81
5,600	E.I. du Pont de Nemours & Company	240,016	1.36
6,400	Edison International	328,448	1.86
600	Eli Lilly & Company	27,654	0.16
400	Embarq Corporation	18,908	0.11
4,550	EMC Corporation	66,749	0.38
2,050	Emerson Electric Company	101,270	0.57
600	Energizer Holdings Incorporated	43,854	0.25
1,210	Entergy Corporation	145,527	0.82
1,800	Exelon Corporation	161,784	0.91
7,800	Exxon Mobil Corporation	685,152	3.87
810	Fannie Mae*	15,795	0.09
1,500	FirstEnergy Corporation	123,375	0.70
17,624	Ford Motor Company	84,771	0.48
7,500	Freddie Mac*	122,700	0.69
1,500	Freeport–McMoRan Copper & Gold Incorporated (Class B)	175,770	0.99
4,150	General Electric Company	110,307	0.62
12,815	Genworth Financial Incorporated (Class A)	227,466	1.29
4,050	Global Industries Limited	72,617	0.41
1,655	Goldman Sachs Group Incorporated	288,665	1.63

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
900	Harley–Davidson Incorporated	$32,598	0.18
17,900	Health Management Associates Incorporated (Class A)	116,529	0.66
2,240	Hewlett–Packard Company	98,829	0.56
6,530	Home Depot Incorporated	152,541	0.86
2,050	Honeywell International Incorporated	102,951	0.58
2,450	Hospira Incorporated	98,245	0.56
780	Huntsman Corporation	8,876	0.05
1,750	IBM Corporation	207,043	1.17
8,385	Idearc Incorporated	19,537	0.11
7,550	Intel Corporation	162,174	0.92
2,450	JC Penney Company Incorporated	88,886	0.50
4,550	Johnson & Johnson	292,474	1.65
10,145	JPMorgan Chase & Company	348,075	1.97
5,957	Kraft Foods Incorporated (Class A)	169,477	0.96
650	L–3 Communications Holdings Incorporated	59,066	0.33
4,550	Lehman Brothers Holdings Incorporated*	89,408	0.51
3,800	Lennar Corporation	46,550	0.26
1,900	Lockheed Martin Corporation	187,264	1.06
3,050	Loews Corporation	143,015	0.81
400	iShares Russell 2000 Growth Index Fund	27,588	0.16
8,850	Marathon Oil Corporation	458,784	2.59
7,850	Masco Corporation	123,402	0.70
1,300	Mattel Incorporated	22,256	0.13
1,850	Medtronic Incorporated	95,571	0.54
1,400	Merck & Company Incorporated	52,710	0.30
3,150	MGIC Investment Corporation	19,026	0.11
5,600	Microsoft Corporation	154,168	0.87
2,350	Molson Coors Brewing Company (Class B)	127,676	0.72
3,707	Morgan Stanley	133,526	0.75
2,088	Newell Rubbermaid Incorporated	35,016	0.20
450	Norfolk Southern Corporation	28,170	0.16
1,150	Northrop Grumman Corporation	76,935	0.43
700	Nucor Corporation	52,269	0.30
2,600	Occidental Petroleum Corporation	233,428	1.32
1,750	Omnicom Group Incorporated	78,295	0.44
4,412	Parametric Technology Corporation	73,548	0.42
1,680	Parker–Hannifin Corporation	119,633	0.68
4,850	Pepsi Bottling Group Incorporated	135,267	0.76
23,980	Pfizer Incorporated	418,451	2.37
7,560	PG&E Corporation	299,754	1.69
450	Philip Morris International Incorporated	22,190	0.13
1,900	PMI Group Incorporated	3,686	0.02
500	PNC Financial Services Group	28,505	0.16
8,450	Procter & Gamble Company	513,000	2.90
1,550	Quest Diagnostics Incorporated	75,020	0.42
12,595	Qwest Communications International Incorporated	49,246	0.28
3,750	Radian Group Incorporated	5,400	0.03
2,450	Rohm & Haas Company	113,778	0.64
3,080	Service Corporation International	30,307	0.17
2,410	Sierra Pacific Resources	30,583	0.17
12,800	Sprint Nextel Corporation	121,344	0.69
7,100	Staples Incorporated	168,554	0.95
1,030	Supervalu Incorporated	31,765	0.18
8,250	Symantec Corporation	159,638	0.90

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,600	Textron Incorporated	$76,688	0.43
3,850	TJX Cos. Incorporated	121,083	0.68
2,100	Toll Brothers Incorporated	39,333	0.22
650	Transocean Incorporated	98,917	0.56
14,200	U.S. Bancorp	394,760	2.23
2,100	United Technologies Corporation	129,465	0.73
1,000	UnitedHealth Group Incorporated	26,250	0.15
2,100	Valero Energy Corporation	86,415	0.49
15,850	Verizon Communications Incorporated	559,981	3.17
2,030	Wal-Mart Stores Incorporated	113,883	0.64
7,250	Walt Disney Company	225,983	1.28
3,950	Waste Management Incorporated	148,797	0.84
800	Watson Pharmaceuticals Incorporated	21,704	0.12
450	WellPoint Incorporated	21,402	0.12
6,170	Wells Fargo & Company	146,044	0.83
1,050	WESCO International Incorporated	41,937	0.24
1,200	Wisconsin Energy Corporation	54,253	0.31
3,606	Wyndham Worldwide Corporation	64,475	0.36
700	Xerox Corporation	9,478	0.05
	Total U.S. Equities	$16,166,408	91.38

NON-U.S. EQUITIES (7.68%)

Number of Shares		Value USD	% of Fund
5,910	ACE Limited	$325,110	1.84
4,700	BP PLC	326,650	1.85
1,401	Everest Reinsurance Group Limited	111,660	0.63
4,700	Nexen Incorporated	186,496	1.05
3,450	Total SA	293,871	1.66
877	Tyco Electronics Limited	31,414	0.18
2,077	Tyco International Limited	83,163	0.47
	Total Non-U.S. Equities	$1,358,364	7.68

REPURCHASE AGREEMENTS (0.78%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$138,000	Repurchase Agreement – Goldman Sachs	2.33	01/07/2008	$138,000	0.78
	Total Repurchase Agreements			$138,000	0.78
Total Value of Investments				**$17,662,772**	**99.83**

* Please refer to note 12 Subsequent events for more detail.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (0.03%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	GBP	3,100	EUR	3,912	HSBC Bank USA	$(6)	–
17/09/2008	USD	31,800	EUR	20,551	Lehman Brothers*	439	–
17/09/2008	USD	210,350	EUR	135,856	UBS AG	2,766	0.02
17/09/2008	EUR	2,717	USD	4,200	Bank of America Securities	(62)	–
17/09/2008	USD	104,100	EUR	68,584	Merrill Lynch	1,488	0.01
17/09/2008	EUR	8,014	USD	12,400	Credit Suisse First Boston	(172)	–
17/09/2008	EUR	38,348	USD	59,300	Citibank NA	(857)	–
17/09/2008	USD	13,500	EUR	8,721	JP Morgan Chase Bank	182	–
17/09/2008	USD	7,000	EUR	4,519	HSBC Bank USA	90	–
	Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts					$3,868	0.03
Total Financial Assets at Fair Value through Profit or Loss						**$17,666,640**	**99.89**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	95.76
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market – repurchase agreement	0.75
(d) Collective Investment Schemes – mutual funds	–
(e) OTC financial derivative instruments – forwards/swaps	0.03
(f) Exchange traded financial derivative instruments – futures/options	–
(g) Other assets	3.46
Total Investments	100.00

Schedule of Investments
30 June 2008

NON-U.S. EQUITIES (99.71%)

Number of Shares		Value USD	% of Fund
29,000	Acer Incorporated	$57,142	0.31
296	Adidas-Salomon AG	18,707	0.10
1,400	Aeon Company Limited	17,233	0.09
4,632	Air France-KLM	111,175	0.61
2,216	Akzo Nobel NV	152,372	0.83
1,501	Alcatel SA	9,113	0.05
28,028	Aldar Properties PJSC	95,708	0.52
2,251	Allianz SE	397,016	2.17
15,540	Allied Irish Banks PLC	239,600	1.31
41	Alstom	9,471	0.05
2,876	Arcelor Mittal	284,402	1.56
731	ASML Holding NV	17,983	0.10
6,600	Astellas Pharma Incorporated	279,513	1.53
1,555	Australia & New Zealand Banking Group Limited	27,875	0.15
847	Axa SA	25,158	0.14
31,314	BAE Systems PLC	276,030	1.51
19,931	Banco Santander Central Hispano SA	365,999	2.00
5,374	BASF AG	370,787	2.03
2,223	BAT Industries PLC	77,009	0.42
2,566	Bayerische Motoren Werke (BMW) AG	123,257	0.67
163	Beiersdorf AG	12,017	0.07
11,764	BHP Billiton PLC	449,967	2.46
1,174	BHP Billiton Limited	48,966	0.27
4,374	BNP Paribas SA	396,371	2.17
84,500	BOC Hong Kong Holdings Limited	223,257	1.22
167	Bouygues SA	11,086	0.06
47,992	BP PLC	557,686	3.05
900	Bridgestone Corporation	13,735	0.08
4,418	Britvic PLC	25,471	0.14
600	Canon Incorporated	30,617	0.17
155,000	Chartered Semiconductor Manufacturing Limited	87,777	0.48
108,000	China Petroleum & Chemical Corporation	100,980	0.55
900	China Petroleum & Chemical Corporation ADR	83,520	0.46
2,000	China Shenhua Energy Company Limited	7,824	0.04
471	Commerzbank AG	13,975	0.08
4,300	Credit Saison Company Limited	90,445	0.49
2,716	Credit Suisse Group	124,919	0.68
3,900	Daito Trust Construction Company Limited	189,077	1.03
1,540	Davis Service Group PLC	13,713	0.08
11,000	DBS Group Holdings Limited	152,589	0.83
4,419	Deutsche Post AG	115,179	0.63
18,800	DnB Holdings ASA	239,514	1.31
1,000	Dowa Mining Company Limited	7,291	0.04
11,317	DP World Limited	9,733	0.05
201	E.On AG	40,592	0.22
38	East Japan Railway Company	309,319	1.69
5,439	EFG Eurobank Ergasias	129,345	0.71
153	Electricite de France	14,530	0.08
34,982	Enel SpA	332,763	1.82
1,500	Esprit Holdings Limited	15,573	0.09
200	Fanuc Limited	19,562	0.11
3,661	Finmeccanica SpA	96,230	0.53
2,200	Focus Media Holding Limited ADR	60,874	0.33
517	France Telecom SA	15,234	0.08

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
300	Fuji Photo Film Cos. Limited	$10,272	0.06
8	Fuji Television Network Incorporated	11,998	0.07
3,787	GKN PLC	16,814	0.09
10,420	GlaxoSmithKline PLC	231,057	1.26
7,054	Hellenic Telecommunication Organization SA	177,750	0.97
1,100	Honda Motor Company Limited	37,248	0.20
2,000	Hutchison Whampoa Limited	20,136	0.11
1,600	Iberdrola SA	20,713	0.11
286	InBev NV	19,855	0.11
221	Industria de Diseno Textil SA	10,184	0.06
99,000	Industrial & Commercial Bank of China	67,676	0.37
6,757	ING Groep NV	215,492	1.18
4,126	Intesa Sanpaolo SpA	23,491	0.13
3,200	IShares MSCI Eafe Index Fund	219,584	1.20
37	Japan Tobacco Incorporated	156,697	0.86
400	JFE Holdings Incorporated	20,072	0.11
172	Julius Baer Holding Limited (Class B)	11,630	0.06
24	KDDI Corporation	148,274	0.81
700	Komatsu Limited	19,510	0.11
14,589	Koninklijke KPN NV	250,441	1.37
14,362	Koninklijke Ahold NV	193,163	1.06
103	Lafarge SA	15,796	0.09
400	Lawson Incorporated	19,430	0.11
410	LG Chemical Limited	39,201	0.21
3,889	Lloyds TSB Group PLC	24,069	0.13
2,094	Lukoil ADR (Russia)	206,783	1.13
4,127	Macquarie Airports	8,150	0.04
12,000	Matsushita Electric Industrial Company Limited	258,065	1.41
1,033	Merck KGaA	146,532	0.80
5,600	Mitsubishi Corporation	183,814	1.01
3,100	Mitsubishi UFJ Financial Group Incorporated	27,368	0.15
6,000	Mitsui & Company Limited	131,862	0.72
1,000	Mitsui Fudosan Company Limited	21,270	0.12
15,000	Mitsui O.S.K. Lines Limited	213,639	1.17
235	Modern Times Group AB (Class B)	13,823	0.08
449	National Australia Bank Limited	11,393	0.06
2,498	National Bank of Greece SA	112,594	0.62
11,550	Nestle SA	522,621	2.86
11	NET One Systems Company Limited	12,243	0.07
300	Nintendo Company Limited	169,496	0.93
5,500	Nippon Electric Glass Company Limited	95,039	0.52
265	Nobel Biocare Holding AG	8,664	0.05
14,001	Nokia OYJ	341,337	1.87
7,825	Novartis AG	431,653	2.36
25,000	NSK Limited	218,828	1.20
6	NTT DoCoMo Incorporated	8,772	0.05
385	OAO Gazprom ADR	22,330	0.12
920	ORIX Corporation	131,553	0.72
542	Petroleum Geo-Services ASA	13,320	0.07
101	Pinault-Printemps-Redoute SA	11,240	0.06
2,467	Praktiker Bau- und Heimwerkermaerkte AG	52,063	0.28
15,256	Premier Foods PLC	28,887	0.16
21,681	Prudential PLC	230,118	1.26
563	QBE Insurance Group Limited	12,014	0.07
5,755	Reckitt Benckiser PLC	291,819	1.60
794	Reed Elsevier PLC	9,108	0.05

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,156	Renault SA	$94,834	0.52
2,871	Rio Tinto PLC	343,807	1.88
144	Rio Tinto Limited	18,659	0.10
2,906	Roche Holding AG	524,089	2.87
3,615	Royal Bank of Scotland Group PLC	15,474	0.08
1,422	RWE AG	179,564	0.98
574	Salzgitter AG	104,257	0.57
251	Samsung Electronics Company Limited	149,990	0.82
300	Sankyo Company Limited	19,553	0.11
207	Sanofi-Aventis	13,829	0.08
7,927	Saras SpA	45,037	0.25
1,251	Shinhan Financial Group Company Limited	56,336	0.31
211	Siemens AG	23,301	0.13
19,140	Singapore Airlines Limited	206,942	1.13
162	Societe Generale	14,088	0.08
200	Sony Corporation	8,734	0.05
669	Standard Chartered PLC	19,055	0.10
10,279	Statoil ASA	383,773	2.10
4,037	Suez SA	274,914	1.50
2,400	Sumitomo Electric Industries Limited	30,447	0.17
5	Sumitomo Mitsui Financial Group Incorporated	37,540	0.21
225	Suncor Energy Incorporated	13,068	0.07
1,788	Suncorp-Metway Limited	22,282	0.12
2,000	Suruga Bank Limited	25,995	0.14
700	Suzuken Company Limited	25,816	0.14
4,000	Suzuki Motor Corporation	94,322	0.52
2,500	Swire Pacific Limited	25,571	0.14
743	Swisscom AG	248,286	1.36
31	Syngenta AG	10,093	0.06
332	Teck Cominco Limited (Class B)	16,045	0.09
838	Telefonaktiebolaget LM Ericsson AB (Class B)	8,745	0.05
1,223	Telefonica SA	32,493	0.18
4,700	Tenaga Nasional Berhad	11,732	0.06
2,300	Terumo Corporation	117,582	0.64
300	Teva Pharmaceutical Industries Limited ADR	13,743	0.08
964	Tognum AG	25,931	0.14
48,000	Tokyo Gas Company Limited	193,320	1.06
6,743	Total SA	575,367	3.15
3,000	Toyo Suisan Kaisha Limited	67,770	0.37
900	Toyota Boshoku Corporation	24,151	0.13
400	Toyota Motor Corporation	18,864	0.10
26,286	UniCredito Italiano SpA	160,831	0.88
391	Unilever PLC	11,129	0.06
6,000	United Overseas Bank Limited	82,171	0.45
136	Vinci SA	8,351	0.04
9,260	Vivendi SA	351,318	1.92
11,042	Vodafone Group PLC	32,816	0.18
7,375	Wharf Holdings Limited	30,884	0.17
2,190	WM Morrison Supermarkets PLC	11,611	0.06
845	WPP Group PLC	8,152	0.04
1,950	Xstrata PLC	156,363	0.86
1,208	Zurich Financial Services AG	309,788	1.70
	Total Non-U.S. Equities	$18,221,045	99.71
Total Value of Investments		**$18,221,045**	**99.71**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (0.61%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
16/07/2008	USD	648,878	AUD	716,300	Bank of America Securities	$36,329	0.20
16/07/2008	CAD	172,600	USD	169,907	Bank of America Securities	290	–
16/07/2008	USD	9,735	AUD	10,700	Citibank NA	501	–
16/07/2008	CAD	172,000	USD	169,805	Citibank NA	188	–
16/07/2008	AUD	97,400	USD	91,790	Credit Suisse First Boston	(1,382)	(0.01)
16/07/2008	USD	471,422	AUD	522,800	Deutsche Bank, London	28,685	0.16
16/07/2008	USD	88,312	AUD	93,700	Goldman Sachs International	1,321	0.01
16/07/2008	USD	135,778	AUD	151,200	HSBC Bank USA	8,859	0.05
16/07/2008	AUD	127,800	USD	115,108	JP Morgan Chase Bank	(7,145)	(0.04)
16/07/2008	CAD	10,000	USD	9,855	JP Morgan Chase Bank	28	–
16/07/2008	USD	152,319	AUD	162,200	Lehman Brothers*	2,840	0.02
16/07/2008	USD	88,310	AUD	93,700	Merrill Lynch	1,323	0.01
16/07/2008	USD	110,364	AUD	118,200	State Street Bank & Trust	2,705	0.02
16/07/2008	USD	527,674	AUD	586,800	UBS AG	33,655	0.19
16/07/2008	AUD	359,200	USD	338,785	Westpac Banking Group	(4,823)	(0.03)
16/07/2008	CAD	172,600	USD	169,905	Westpac Banking Group	288	–
20/08/2008	JPY	5,628,800	USD	53,679	Bank of America Securities	439	–
20/08/2008	JPY	3,161,800	USD	30,065	Citibank NA	159	–
20/08/2008	JPY	45,829	USD	4,920,200	Credit Suisse First Boston	709	–
20/08/2008	USD	10,159,100	JPY	97,019	Deutsche Bank, London	929	0.01
20/08/2008	USD	449,739	JPY	48,302,800	Goldman Sachs International	7,134	0.04
20/08/2008	HKD	1,915,400	USD	246,244	JP Morgan Chase Bank	324	–
20/08/2008	USD	51,304	JPY	5,421,500	Lehman Brothers*	(25)	–
20/08/2008	HKD	245,000	USD	31,498	Lehman Brothers*	42	–
20/08/2008	JPY	11,168,400	USD	106,978	Merrill Lynch	1,343	0.01
20/08/2008	JPY	9,817,400	USD	91,317	UBS AG	(1,541)	(0.01)
20/08/2008	USD	5,045,800	JPY	47,115	Westpac Banking Group	(611)	–
17/09/2008	USD	240,821	GBP	124,100	Bank of America Securities	5,059	0.03
17/09/2008	USD	107,148	SEK	649,900	Bank of America Securities	381	–
17/09/2008	EUR	32,500	USD	50,605	Bank of America Securities	(375)	–
17/09/2008	NOK	480,900	USD	92,588	Bank of America Securities	(1,222)	(0.01)
17/09/2008	CHF	30,800	USD	29,435	Bank of America Securities	(792)	–
17/09/2008	USD	61,597	GBP	31,400	Citibank NA	616	–
17/09/2008	USD	16,372	NOK	84,400	Citibank NA	92	–
17/09/2008	EUR	169,900	USD	263,330	Citibank NA	(3,175)	(0.02)
17/09/2008	CHF	97,200	USD	94,071	Citibank NA	(1,321)	(0.01)
17/09/2008	USD	125,403	GBP	64,200	Credit Suisse First Boston	1,797	0.01
17/09/2008	USD	83,858	EUR	53,400	Credit Suisse First Boston	(95)	–
17/09/2008	USD	139,169	NOK	720,200	Credit Suisse First Boston	1,322	0.01
17/09/2008	SEK	276,100	USD	45,959	Credit Suisse First Boston	277	–
17/09/2008	CHF	47,000	USD	46,111	Credit Suisse First Boston	(15)	–
17/09/2008	EUR	236,200	USD	365,810	Deutsche Bank, London	(4,694)	(0.03)
17/09/2008	SEK	219,500	USD	36,188	Deutsche Bank, London	(129)	–
17/09/2008	USD	170,982	EUR	110,600	HSBC Bank USA	2,505	0.02
17/09/2008	USD	95,317	NOK	490,900	HSBC Bank USA	444	–
17/09/2008	USD	4,698	GBP	2,400	HSBC Bank USA	57	–

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (Continued)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	SEK	277,800	USD	45,812	HSBC Bank USA	$(151)	–
17/09/2008	USD	122,867	GBP	62,900	JP Morgan Chase Bank	1,757	0.01
17/09/2008	USD	45,594	EUR	29,400	JP Morgan Chase Bank	523	–
17/09/2008	CHF	78,900	USD	75,617	JP Morgan Chase Bank	(1,815)	(0.01)
17/09/2008	EUR	33,600	USD	51,643	Lehman Brothers*	(1,062)	(0.01)
17/09/2008	NOK	458,600	USD	88,888	Lehman Brothers*	(572)	–
17/09/2008	CHF	46,700	USD	44,732	Lehman Brothers*	(1,099)	(0.01)
17/09/2008	USD	167,210	NOK	862,000	Merrill Lynch	942	(0.01)
17/09/2008	USD	40,149	CHF	41,800	Merrill Lynch	873	0.01
17/09/2008	USD	29,257	GBP	15,000	Merrill Lynch	463	–
17/09/2008	EUR	243,100	USD	376,375	Merrill Lynch	(4,952)	(0.03)
17/09/2008	EUR	55,900	USD	86,576	State Street Bank & Trust	(1,109)	(0.01)
17/09/2008	USD	75,590	GBP	38,700	UBS AG	1,087	0.01
17/09/2008	USD	154,856	NOK	800,700	UBS AG	1,338	0.01
17/09/2008	EUR	221,700	USD	343,374	UBS AG	(4,385)	(0.02)
17/09/2008	SEK	277,800	USD	45,836	UBS AG	(127)	–
17/09/2008	CHF	758,000	USD	726,475	UBS AG	(17,422)	(0.09)
17/09/2008	USD	1,211,987	GBP	623,700	Westpac Banking Group	23,755	0.13
Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts						$111,340	0.61
Total Financial Assets at Fair Value through Profit or Loss						**$18,332,385**	**100.31**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	89.08
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market – repurchase agreement	–
(d) Collective Investment Schemes – mutual funds	–
(e) OTC financial derivative instruments – forwards/swaps	0.84
(f) Exchange traded financial derivative instruments – futures/options	–
(g) Other assets	10.08
Total Investments	100.00

Schedule of Investments
30 June 2008

U.S. EQUITIES (95.83%)

Number of Shares		Value USD	% of Fund
2,450	Adobe Systems Incorporated	$96,334	0.85
4,274	Aetna Incorporated	173,182	1.53
2,550	Akamai Technologies Incorporated	88,715	0.79
1,250	Alliance Data Systems Corporation	70,600	0.63
250	Alliant Techsystems Incorporated	25,420	0.23
4,858	American International Group Incorporated	128,154	1.14
2,300	Amphenol Corporation (Class A)	103,155	0.91
1,075	Apache Corporation	149,350	1.32
1,748	Apple Computer Incorporated	292,685	2.59
7,433	AT&T Incorporated	249,674	2.21
350	AutoZone Incorporated	42,329	0.38
7,901	Bank of America Corporation	187,807	1.66
2,600	Bank of New York Mellon Corporation	98,306	0.87
2,600	Best Buy Company Incorporated	102,752	0.91
1,300	Boeing Company	85,423	0.76
2,700	Burger King Holdings Incorporated	72,171	0.64
970	Burlington Northern Santa Fe Corporation	96,748	0.86
4,409	Capital One Financial Corporation	167,410	1.48
1,900	Carnival Corporation	62,548	0.55
1,020	Caterpillar Incorporated	75,194	0.67
14,100	Cisco Systems Incorporated	327,966	2.91
800	Citrix Systems Incorporated	23,472	0.21
302	CME Group Incorporated	115,717	1.03
3,600	Cognizant Technology Solutions Corporation	117,000	1.04
1,438	ConocoPhillips	135,431	1.20
1,100	Costco Wholesale Corporation	77,198	0.68
4,970	CVS Caremark Corporation	196,414	1.74
1,500	Danaher Corporation	115,875	1.03
2,300	Dell Incorporated	50,347	0.45
1,050	Devon Energy Corporation	126,032	1.12
800	DirecTV Group Incorporated	20,720	0.18
1,308	Dun & Bradstreet Corporation	114,502	1.01
1,936	eBay Incorporated	52,872	0.47
4,300	EMC Corporation	63,081	0.56
634	Energizer Holdings Incorporated	46,339	0.41
1,550	Expedia Incorporated	28,489	0.25
1,350	Expeditors International of Washington Incorporated	58,064	0.51
1,570	Express Scripts Incorporated	98,486	0.87
4,366	Fannie Mae*	85,137	0.75
1,475	Franklin Resources Incorporated	135,184	1.20
6,662	Freddie Mac*	108,990	0.97
957	Freeport-McMoRan Copper & Gold Incorporated (Class B)	112,141	0.99
1,450	GameStop Corporation	58,493	0.52
1,150	General Dynamics Corporation	96,830	0.86
3,050	General Growth Properties Incorporated	106,689	0.95
7,389	Genworth Financial Incorporated (Class A)	131,155	1.16
1,997	Goldman Sachs Group Incorporated	348,320	3.09
434	Google Incorporated (Class A)	228,544	2.02
1,000	Halliburton Company	53,040	0.47

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,925	Harley-Davidson Incorporated	$69,724	0.62
813	Hess Corporation	102,584	0.91
6,210	Hewlett-Packard Company	273,985	2.43
2,600	Iron Mountain Incorporated	68,978	0.61
2,200	ITT Corporation	139,194	1.23
750	ITT Educational Services Incorporated	61,965	0.55
800	Jacobs Engineering Group Incorporated	64,456	0.57
1,000	John Deere & Company	72,130	0.64
3,350	Johnson & Johnson	215,338	1.91
3,850	Johnson Controls Incorporated	110,187	0.98
350	L-3 Communications Holdings Incorporated	31,805	0.28
5,602	Lehman Brothers Holdings Incorporated*	110,079	0.98
450	Lockheed Martin Corporation	44,352	0.39
1,390	M&T Bank Corporation	98,051	0.87
1,900	Marathon Oil Corporation	98,496	0.87
2,350	McDonald's Corporation	131,976	1.17
2,892	Medco Health Solutions Incorporated	136,416	1.21
3,597	Medtronic Incorporated	185,821	1.65
2,950	Merck & Company Incorporated	111,068	0.98
3,650	Merrill Lynch & Company Incorporated	115,559	1.02
996	Mettler-Toledo International Incorporated	94,471	0.84
10,150	Microsoft Corporation	279,430	2.49
1,154	Monsanto Company	145,554	1.29
1,400	National-Oilwell Varco Incorporated	124,208	1.10
1,750	Occidental Petroleum Corporation	157,115	1.39
2,320	Omnicom Group Incorporated	103,797	0.92
8,450	Oracle Corporation	177,450	1.57
2,400	PepsiCo Incorporated	152,592	1.35
250	Priceline.com Incorporated	28,858	0.26
900	Procter & Gamble Company	54,639	0.48
1,850	Quest Diagnostics Incorporated	89,540	0.79
950	Roper Industries Incorporated	62,349	0.55
2,000	Royal Caribbean Cruises Limited	44,820	0.40
2,700	Safeway Incorporated	77,085	0.68
4,350	Staples Incorporated	103,269	0.91
2,100	State Street Corporation	134,148	1.19
600	Stericycle Incorporated	31,020	0.27
2,500	Stryker Corporation	157,175	1.39
1,500	Terex Corporation	76,980	0.68
250	TJX Cos. Incorporated	7,863	0.07
3,900	U.S. Bancorp	108,420	0.96
2,317	United Technologies Corporation	142,843	1.27
5,130	UnitedHealth Group Incorporated	134,663	1.19
1,600	Verizon Communications Incorporated	56,528	0.50
500	Wal-Mart Stores Incorporated	28,050	0.25
3,900	Walt Disney Company	121,560	1.08
750	Waters Corporation	48,375	0.43
4,500	Wells Fargo & Company	106,515	0.94
800	Wiley (John) & Sons Incorporated (Class A)	36,024	0.32
1,275	XTO Energy Incorporated	87,261	0.77
	Total U.S. Equities	$10,815,251	95.83

NON-U.S. EQUITIES (3.70%)

Number of Shares		Value USD	% of Fund
2,761	Accenture Limited	$112,317	1.00
2,500	Nokia Oyj	61,250	0.54
504	Potash Corporation	115,199	1.02
2,216	Suncor Energy Incorporated	128,550	1.14
	Total Non-U.S. Equities	$417,316	3.70

REPURCHASE AGREEMENTS (1.30%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$147,000	Repurchase Agreement – Bank of America	2.33	01/07/2008	$147,000	1.30
	Total Repurchase Agreements			$147,000	1.30
Total Value of Investments				**$11,379,567**	**100.83**

* Please refer to note 12 Subsequent events for more detail.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (0.04%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
16/07/2008	CAD	3,800	EUR	2,410	JP Morgan Chase Bank	$58	–
16/07/2008	CAD	4,000	EUR	2,494	UBS AG	(5)	–
17/09/2008	USD	7,800	EUR	5,044	Citibank NA	112	–
17/09/2008	EUR	22,750	USD	35,200	Credit Suisse First Boston	(488)	–
17/09/2008	USD	9,500	EUR	6,142	Deutsche Bank, London	135	–
17/09/2008	EUR	15,755	USD	24,400	HSBC Bank USA	(314)	–
17/09/2008	USD	1,300	EUR	840	JP Morgan Chase Bank	18	–
17/09/2008	USD	600	EUR	388	Lehman Brothers*	9	–
17/09/2008	USD	60,000	EUR	38,785	Merrill Lynch	841	0.01
17/09/2008	USD	245,400	EUR	158,494	UBS AG	3,228	0.03
17/09/2008	USD	12,000	EUR	7,775	Westpac Banking Group	196	–
	Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts					$3,790	0.04
Total Financial Assets at Fair Value through Profit or Loss						**$11,383,357**	**100.87**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	97.83
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market – repurchase agreement	1.28
(d) Collective Investment Schemes – mutual funds	–
(e) OTC financial derivative instruments – forwards/swaps	0.05
(f) Exchange traded financial derivative instruments – futures/options	–
(g) Other assets	0.84
Total Investments	100.00

Schedule of Investments
30 June 2008

U.S. EQUITIES (93.31%)

Number of Shares		Value USD	% of Fund
3,400	Abbott Laboratories	$179,724	0.46
5,400	Activision Incorporated	184,032	0.47
8,100	Actuant Corporation (Class A)	253,935	0.65
6,100	Acxiom Corporation	70,089	0.18
11,700	Adobe Systems Incorporated	460,044	1.18
6,380	Aeropostale Incorporated	199,694	0.51
1,500	Affiliated Computer Services Incorporated (Class A)	80,220	0.21
2,800	AGCO Corporation	146,440	0.38
1,000	Airgas Incorporated	58,220	0.15
2,300	AK Steel Holding Corporation	158,585	0.41
3,100	Alliance Data Systems Corporation	175,088	0.45
15,700	Altera Corporation	324,990	0.84
1,300	Amedisys Incorporated	65,546	0.17
8,493	Amerigroup Corporation	176,654	0.45
2,500	Amgen Incorporated	117,900	0.30
1,153	Amtrust Financial Services Incorporated	13,293	0.03
5,300	Analog Devices Incorporated	168,275	0.43
1,800	ANSYS Incorporated	84,834	0.22
3,100	Apollo Group Incorporated (Class A)	137,206	0.35
4,790	Apple Computer Incorporated	802,038	2.06
2,160	Applera Corporation – Applied Biosystems Group	72,036	0.19
2,500	Assurant Incorporated	164,875	0.43
380	Atlas Air Worldwide Holdings Incorporated	18,802	0.05
15,000	Atmel Corporation	52,200	0.13
1,796	AutoZone Incorporated	217,208	0.56
2,800	Basic Energy Services Incorporated	88,200	0.23
7,600	Baxter International Incorporated	485,336	1.25
3,780	Becton Dickinson and Company	307,201	0.79
2,620	Big Lots Incorporated	81,692	0.21
5,100	BJ's Wholesale Club Incorporated	196,401	0.51
980	Black & Decker Manufacturing Company	56,360	0.14
4,614	BMC Software Incorporated	165,735	0.43
7,920	Boeing Company	520,423	1.34
3,325	Brinker International Incorporated	62,843	0.16
2,500	Burlington Northern Santa Fe Corporation	249,350	0.64
7,960	Cameron International Corporation	440,586	1.13
4,100	Caterpillar Incorporated	302,252	0.78
1,970	CBRL Group Incorporated	48,285	0.13
5,900	Celanese Corporation	269,335	0.69
3,600	Centene Corporation	60,444	0.16
990	Cephalon Incorporated	65,904	0.17
1,500	CF Industries Holdings Incorporated	228,870	0.59
1,170	Charles River Laboratories International Incorporated	74,576	0.19
1,500	Chart Industries Incorporated	73,050	0.19
300	Chemed Corporation	10,983	0.03
900	Church & Dwight Company Incorporated	50,715	0.13
28,000	Cisco Systems Incorporated	651,280	1.67
734	Cleveland-Cliffs Incorporated	87,478	0.22
14,300	Coeur d'Alene Mines Corporation	41,470	0.11
4,600	Colgate-Palmolive Company	317,492	0.82
1,800	Comstock Resources Incorporated	151,974	0.39
13,000	Corning Incorporated	299,650	0.77
1,500	Credit Acceptance Corporation	38,370	0.10
2,130	Darden Restaurants Incorporated	68,032	0.17

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
6,400	Del Monte Foods Company	$45,120	0.12
3,800	DENTSPLY International Incorporated	139,840	0.36
1,000	Devon Energy Corporation	120,030	0.31
6,100	DirecTV Group Incorporated	157,990	0.41
3,100	DPL Incorporated	81,530	0.21
5,930	Dress Barn Incorporated	79,343	0.20
7,400	eBay Incorporated	202,094	0.52
4,800	Edison International	246,336	0.63
1,910	Edwards Lifesciences Corporation	118,477	0.30
9,900	EMC Corporation	145,233	0.37
7,100	Emerson Electric Company	350,740	0.90
2,800	ENSCO International Incorporated	225,960	0.58
3,722	eResearch Technology Incorporated	64,912	0.17
3,100	Exelon Corporation	278,628	0.72
1,800	Express Scripts Incorporated	112,914	0.29
3,010	Exxon Mobil Corporation	264,398	0.68
3,470	EZCORP Incorporated (Class A)	44,243	0.11
7,100	F5 Networks Incorporated	201,711	0.52
1,990	Fluor Corporation	369,702	0.95
1,000	FMC Corporation	77,440	0.20
2,500	FMC Technologies Incorporated	191,925	0.49
2,000	Foster Wheeler Limited	145,820	0.37
3,940	Freeport-McMoRan Copper & Gold Incorporated (Class B)	461,689	1.19
1,300	Fuel Systems Solutions Incorporated	50,050	0.13
1,500	GameStop Corporation	60,510	0.16
1,300	Genentech Incorporated	98,605	0.25
3,370	Genzyme Corporation	242,236	0.62
600	GeoEye Incorporated	10,626	0.03
8,100	Gilead Sciences Incorporated	428,571	1.10
1,050	Goldman Sachs Group Incorporated	183,141	0.47
450	Google Incorporated (Class A)	236,970	0.61
10,680	Grey Wolf Incorporated	96,654	0.25
6,900	Halliburton Company	365,976	0.94
1,000	Harris Corporation	50,400	0.13
3,800	Hasbro Incorporated	135,736	0.35
2,300	Henry Schein Incorporated	118,404	0.30
11,300	Hewlett-Packard Company	498,556	1.28
1,500	Holly Corporation	55,290	0.14
5,600	Honeywell International Incorporated	281,232	0.72
4,915	Hooper Holmes Incorporated	4,620	0.01
2,697	IBM Corporation	319,082	0.82
3,800	Illinois Tool Works Incorporated	180,538	0.46
800	Illumina Incorporated	69,680	0.18
3,600	Informatica Corporation	54,144	0.14
4,130	Ingram Micro Incorporated (Class A)	73,142	0.19
2,800	Insteel Industries Incorporated	51,240	0.13
1,000	Integral Systems Incorporated	38,700	0.10
26,900	Intel Corporation	577,812	1.48
2,660	InterDigital Incorporated	64,691	0.17
1,460	Invitrogen Corporation	57,232	0.15
10,800	iShares Russell Midcap Growth Index Fund	1,138,212	2.92
2,460	Jack in the Box Incorporated	55,104	0.14
960	Jacobs Engineering Group Incorporated	77,347	0.20
2,500	JDA Software Group Incorporated	45,250	0.12
6,100	Johnson & Johnson	392,108	1.01

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
2,000	Joy Global Incorporated	$151,640	0.39
2,690	JPMorgan Chase & Company	92,294	0.24
10,700	Juniper Networks Incorporated	236,898	0.61
1,490	Kinetic Concepts Incorporated	59,347	0.15
5,600	King Pharmaceuticals Incorporated	58,632	0.15
4,300	Kirby Corporation	206,400	0.53
3,300	Korn/Ferry International	51,909	0.13
5,300	Kroger Company	152,852	0.39
3,100	Laboratory Corporation of America Holdings	215,822	0.55
2,150	Lam Research Corporation	77,637	0.20
4,600	Linear Technology Corporation	149,730	0.38
3,300	Lockheed Martin Corporation	325,248	0.84
2,500	Lorillard Incorporated	172,575	0.44
2,500	Manitowoc Company Incorporated	81,200	0.21
3,100	Marvel Entertainment Incorporated	99,603	0.26
3,100	Massey Energy Company	290,315	0.75
2,300	Maximus Incorporated	80,086	0.21
8,100	McDonald's Corporation	454,896	1.17
9,900	Medtronic Incorporated	511,434	1.31
970	Mettler-Toledo International Incorporated	92,005	0.24
24,610	Microsoft Corporation	677,513	1.74
980	Millipore Corporation	66,493	0.17
5,300	Molex Incorporated	129,373	0.33
3,833	Monsanto Company	483,456	1.24
2,800	Mosaic Company	405,132	1.04
2,300	Multi-Fineline Electronix Incorporated	63,687	0.16
3,470	National-Oilwell Varco Incorporated	307,858	0.79
4,100	Navigant Consulting Incorporated	80,196	0.21
2,470	NBTY Incorporated	79,164	0.20
4,600	NeuStar Incorporated (Class A)	99,130	0.25
2,000	Newmont Mining Corporation	104,220	0.27
1,670	NII Holdings Incorporated	79,258	0.20
7,400	NIKE Incorporated (Class B)	441,040	1.13
3,800	Noble Corporation	246,278	0.63
2,300	Noble Energy Incorporated	230,851	0.59
800	Nordson Corporation	58,312	0.15
3,600	Northern Trust Corporation	246,600	0.63
4,800	Novatel Wireless Incorporated	53,424	0.14
4,600	Nuance Communications Incorporated	71,944	0.18
3,200	Nucor Corporation	238,944	0.61
7,900	NVIDIA Corporation	147,414	0.38
156	NVR Incorporated	78,011	0.20
3,600	Occidental Petroleum Corporation	323,208	0.83
3,800	Omnicom Group Incorporated	170,012	0.44
10,800	Oracle Corporation	226,800	0.58
2,500	Patterson Co.s Incorporated	73,300	0.19
1,700	Peabody Energy Corporation	149,617	0.38
5,860	PepsiCo Incorporated	372,579	0.96
2,800	Perry Ellis International Incorporated	59,472	0.15
2,000	PharMerica Corporation	45,180	0.12
7,000	Philip Morris International Incorporated	345,170	0.89
3,100	Pioneer Drilling Company	58,404	0.15
1,500	Precision Castparts Corporation	144,555	0.37
6,100	Premiere Global Services Incorporated	88,938	0.23
1,750	Priceline.com Incorporated	202,003	0.52
1,840	Pride International Incorporated	86,866	0.22

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
7,200	Procter & Gamble Company	$437,112	1.12
6,100	Qualcomm Incorporated	270,657	0.70
800	Questar Corporation	56,760	0.15
3,440	Raytheon Company	193,294	0.50
1,500	Rex Energy Corporation	39,585	0.10
1,660	Rowan Cos. Incorporated	77,539	0.20
6,919	S1 Corporation	54,300	0.14
800	Salesforce.com Incorporated	54,472	0.14
10,900	Sapient Corporation	69,978	0.18
4,300	Schlumberger Limited	461,562	1.19
3,100	Sigma-Adrich Corporation	166,842	0.43
2,300	Simon Property Group Incorporated	206,747	0.53
1,500	Stanley Works	67,230	0.17
7,100	Staples Incorporated	168,554	0.43
3,600	Sun Healthcare Group Incorporated	48,204	0.12
1,650	Superior Energy Services	90,965	0.23
2,000	Supervalu Incorporated	61,680	0.16
2,500	Sybase Incorporated	73,550	0.19
7,000	Synopsys Incorporated	167,230	0.43
2,900	T. Rowe Price Group Incorporated	163,589	0.42
6,600	TD Ameritrade Holding Corporation	119,658	0.31
980	Techne Corporation	75,842	0.19
5,870	Teradata Corporation	135,597	0.35
1,130	Terex Corporation	57,992	0.15
1,620	Terra Industries Incorporated	79,850	0.21
3,400	Thermo Electron Corporation	189,380	0.49
2,940	Timken Company	96,608	0.25
9,700	TJX Incorporated	305,065	0.78
1,000	Umpqua Holdings Corporation	12,140	0.03
1,170	Unit Corporation	97,075	0.25
600	United States Steel Corporation	110,862	0.28
2,800	Varian Medical Systems Incorporated	145,180	0.37
2,000	VeriSign Incorporated	75,600	0.19
3,200	Verizon Communications Incorporated	113,056	0.29
2,100	Viacom Incorporated (Class B)	64,071	0.16
1,700	Wal-Mart Stores Incorporated	95,370	0.25
1,500	Walter Industries Incorporated	162,885	0.42
4,880	Waters Corporation	314,760	0.81
6,100	Watson Pharmaceuticals Incorporated	165,493	0.43
370	WellCare Health Plans Incorporated	13,376	0.03
764	Western Refining Incorporated	9,015	0.02
500	Whiting Petroleum Corporation	52,945	0.14
3,275	XTO Energy Incorporated	224,141	0.58
6,100	Yum! Brands Incorporated	213,927	0.55
1,800	Zoll Medical Corporation	60,624	0.16
	Total U.S. Equities	$36,329,436	93.31

NON-U.S. EQUITIES (6.79%)

Number of Shares		Value USD	% of Fund
12,500	Accenture Limited (Class A)	$508,500	1.31
1,160	Agnico-Eagle Mines Limited	86,258	0.22
8,900	American Oriental Bioengineering Incorporated	87,843	0.23
8,889	ARM Holdings PLC ADR	45,245	0.12
2,000	Barrick Gold Corporation	91,000	0.23
6,900	Celestica Incorporated	58,029	0.15
1,800	China Medical Technologies Incorporated ADR	88,938	0.23

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,000	Frontline Limited	$69,780	0.18
6,590	JA Solar Holdings Company	111,042	0.29
660	Lazard Limited (Class A)	22,532	0.06
5,100	Marvell Technology Group Limited	89,913	0.23
2,300	Net 1 UEPS Technologies Incorporated	55,890	0.14
3,600	NetEase.com ADR	78,444	0.20
800	New Oriental Education & Technology Group ADR	46,608	0.12
2,170	Penn West Energy Trust	73,346	0.19
4,500	Petroleo Brasileiro SA	318,375	0.82
900	Potash Corporation of Saskatchewan	205,713	0.53
16,973	Seagate Technology	324,015	0.83
2,000	Shanda Interactive Entertainment Limited	54,300	0.14
800	Sohu.com Incorporated	56,320	0.14
3,100	Solarfun Power Holdings Company Limited	54,126	0.14
1,000	Suntech Power Holdings Company Limited	37,380	0.10
600	Tsingtao Brewery Company Limited	12,570	0.03
400	Vestas Wind Systems A/S	52,216	0.13
700	Xyratex Limited	11,627	0.03
	Total Non-U.S. Equities	$2,640,010	6.79

REPURCHASE AGREEMENTS (9.84%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$3,829,000	Repurchase Agreement – Bank of America	2.25	01/07/2008	$3,829,000	9.84
	Total Repurchase Agreements			$3,829,000	9.84
Total Value of Investments				**$42,798,446**	**109.94**

WRITTEN OPTIONS OUTSTANDING (—%)

	Expiration date/ strike price	Contract value	Value USD	% of Fund
Big Lots, Inc. (Call) UBS	Jul-08/30.89	$120	$(208)	(0.00)
Walter Industries, Inc. (Call) Deutsche Bank	Jul-08/103.07	40	(408)	(0.00)
	Total Written Options Outstanding		$(616)	(0.00)

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (0.00%)

Settlement Date	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation USD	% of Fund
17/09/2008	USD	920,500	EUR	586,904	JP Morgan Chase Bank	$119	—
	Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts					$119	—
Total Financial Assets at Fair Value through Profit or Loss						**$42,798,565**	**109.94**
Total Financial Liabilities at Fair Value through Profit or Loss						**$(616)**	**—**

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	58.40
(b) Transferable securities dealt in on another regulated market	—
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market – repurchase agreement	5.74
(d) Collective Investment Schemes – mutual funds	—
(e) OTC financial derivative instruments – forwards/swaps	—
(f) Exchange traded financial derivative instruments – futures/options	—
(g) Other assets	35.86
Total Investments	100.00

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Schedule of Investments
30 June 2008

U.S. EQUITIES (34.08%)

Number of Shares		Value USD	% of Fund
1,275	3M Company	$88,625	0.07
553	Aaron Rents Incorporated	12,348	0.01
2,075	Acadia Realty Trust	48,036	0.04
1,269	Accuride Corporation	5,393	0.00
4,795	Acme Packet Incorporated	37,209	0.03
8,779	Actuate Corporation	34,326	0.03
1,956	Acuity Brands Incorporated	94,044	0.08
5,030	Acxiom Corporation	57,795	0.05
442	Administaff Incorporated	12,327	0.01
141	Advanced Analogic Technologies Incorporated	582	0.00
9,081	Advanced Energy Industries Incorporated	124,410	0.10
7,169	Advanta Corporation (Class B)	45,093	0.04
3,146	Advent Software Incorporated	113,634	0.09
834	Aecom Technology Corporation	27,130	0.02
3,121	Aeropostale Incorporated	97,687	0.08
1,332	Aetna Incorporated	53,973	0.04
3,518	AGCO Corporation	183,991	0.15
1,667	Agree Realty Corporation	36,724	0.03
80	Alaska Air Group Incorporated	1,227	0.00
2,691	Albany Molecular Research Incorporated	35,710	0.03
5,412	Alberto-Culver Company	141,903	0.12
613	Alexandria Real Estate Equities Incorporated	59,669	0.05
78	Align Technology Incorporated	818	0.00
8,032	Alliance Imaging Incorporated	69,637	0.06
4,771	Alliance One International Incorporated	24,380	0.02
1,365	Alliance Resource Partners	75,744	0.06
958	Alliant Energy Corporation	32,764	0.03
2,193	Allstate Corporation	99,803	0.08
1,337	Alnylam Pharmaceuticals Incorporated	35,738	0.03
1,139	Alpha Natural Resources Incorporated	118,786	0.10
2,155	Alpharma Incorporated (Class A)	48,552	0.04
4,394	Altria Group Incorporated	90,165	0.07
911	Amazon.com Incorporated	66,740	0.05
1,767	AMB Property Corporation	88,898	0.07
3,095	Amedisys Incorporated	156,050	0.13
1,318	American Campus Communities Incorporated	36,680	0.03
2,169	American Ecology Corporation	64,051	0.05
1,700	American Financial Group Incorporated	45,475	0.04
910	American Science & Engineering Incorporated	46,892	0.04
365	American States Water Company	12,749	0.01
1,033	American Woodmark Corporation	21,858	0.02
4,026	AMERIGROUP Corporation	83,741	0.07
1,616	Ameriprise Financial Incorporated	65,723	0.05
3,735	Amerisafe Incorporated	59,536	0.05
137	Ameron International Corporation	16,437	0.01
877	Ametek Incorporated	41,412	0.03
1,857	Amgen Incorporated	87,576	0.07
5,078	AMN Healthcare Services Incorporated	85,920	0.07
2,391	Andersons Incorporated	97,338	0.08
1,003	Anixter International Incorporated	59,668	0.05
4,463	Annaly Capital Management Incorporated	69,221	0.06
895	Ansoft Corporation	32,596	0.03
5,446	ANSYS Incorporated	256,670	0.21
1,052	Apartment Investment & Management Company (Class A)	35,821	0.03
1,017	Apple Computer Incorporated	170,286	0.14

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
124	Applera Corporation - Applied Biosystems Group	$4,135	0.00
4,271	Applied Industrial Technologies Incorporated	103,230	0.08
1,550	Applied Materials Incorporated	29,590	0.02
1,128	Aqua America Incorporated	18,003	0.02
2,951	Arbor Realty Trust Incorporated	26,382	0.02
1,981	Arch Chemicals Incorporated	65,670	0.05
174	Arch Coal Incorporated	13,029	0.01
597	Arkansas Best Corporation	21,874	0.02
15,033	Arris Group Incorporated	127,179	0.10
2,203	Asta Funding Incorporated	19,981	0.02
181	Astec Industries Incorporated	5,817	0.01
5,841	AT&T Incorporated	196,199	0.16
1,711	Atheros Communications	51,330	0.04
1,984	Atlantic Tele-Network Incorporated	54,580	0.05
3,943	AuthenTec Incorporated	41,165	0.03
3,020	Autodesk Incorporated	101,985	0.08
1,456	AvalonBay Communities Incorporated	129,817	0.11
2,371	Aventine Renewable Energy Holdings Incorporated	10,409	0.01
749	Avnet Incorporated	20,380	0.02
2,604	Avocent Corporation	48,434	0.04
305	Badger Meter Incorporated	15,409	0.01
716	Bally Technologies Incorporated	24,194	0.02
2,937	Bank of America Corporation	69,812	0.06
1,896	Bank of the Ozarks Incorporated	28,175	0.02
3,035	Basic Energy Services Incorporated	95,603	0.08
998	Becton, Dickinson and Company	81,107	0.07
1,427	Biogen Idec Incorporated	79,655	0.07
2,329	BioMed Realty Trust Incorporated	57,107	0.05
548	Bio-Rad Laboratories Incorporated (Class A)	44,366	0.04
2,059	BJ's Wholesale Club Incorporated	79,292	0.07
94	Black Hills Corporation	3,013	0.00
1,998	Blackbaud Incorporated	42,757	0.04
1,360	Blackboard Incorporated	51,993	0.04
846	Blue Coat Systems Incorporated	11,937	0.01
483	Blyth Industries Incorporated	5,810	0.01
5,003	BMC Software Incorporated	179,708	0.15
2,310	Boeing Company	151,790	0.12
1,650	Boston Beer Company Incorporated (Class A)	67,122	0.06
2,198	Boston Properties Incorporated	198,062	0.16
867	BRE Properties	37,524	0.03
1,083	Brinker International Incorporated	20,469	0.02
1,614	Bristol-Myers Squibb Company	33,119	0.03
2,812	Brocade Communications Systems Incorporated	23,171	0.02
6,321	Buckeye Technologies Incorporated	53,412	0.04
4,192	Buckle Incorporated	191,323	0.16
128	Bucyrus International Incorporated (Class A)	9,339	0.01
698	Builders FirstSource Incorporated	3,699	0.00
1,002	CACI International Incorporated (Class A)	45,862	0.04
853	Calamos Asset Management Incorporated (Class A)	14,527	0.01
767	Calgon Carbon Corporation	11,850	0.01
371	California Water Service Group	12,154	0.01
500	Callaway Golf Company	5,915	0.01
2,870	Cal-Maine Foods Incorporated	94,681	0.08
394	Campbell Soup Company	13,167	0.01

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,165	Capital Trust Incorporated (Class A)	$22,321	0.02
4,960	Capstone Turbine Corporation	20,882	0.02
2,440	Carpenter Technology Corporation	106,286	0.09
281	Casey's General Stores Incorporated	6,511	0.01
1,508	Cash America International Incorporated	46,748	0.04
1,793	Cathay General Bancorp	19,490	0.02
2,862	CB Richard Ellis Group Incorporated (Class A)	54,922	0.04
3,994	CBL & Associates Properties	91,023	0.07
996	CBRL Group Incorporated	24,412	0.02
937	CEC Entertainment Incorporated	26,236	0.02
197	Celanese Corporation Series A	8,993	0.01
10,734	Centennial Communications Corporation	75,138	0.06
2,310	Center Financial Corporation	19,566	0.02
1,220	Central European Distribution Corporation	90,475	0.07
863	Cephalon Incorporated	57,450	0.05
1,214	Ceradyne Incorporated	41,628	0.03
1,809	CF Industries Holdings Incorporated	276,017	0.23
5,047	Charlotte Russe Holding Incorporated	89,433	0.07
1,489	Chattem Incorporated	96,859	0.08
2,493	Checkpoint Systems Incorporated	52,054	0.04
3,323	Chevron Corporation	329,043	0.27
472	Childrens Place Retail Stores Incorporated	17,020	0.01
1,300	Chordiant Software Incorporated	6,500	0.01
1,541	Chubb Corporation	75,524	0.06
1,446	CIGNA Corporation	51,116	0.04
10,965	Cisco Systems Incorporated	255,046	0.21
2,730	Citigroup Incorporated	45,564	0.04
1,972	City Bank	16,959	0.01
1,345	City Holding Company	54,836	0.04
1,499	Clean Harbors Incorporated	106,519	0.09
2,181	Cleco Corporation	50,883	0.04
3,947	Cleveland-Cliffs Incorporated	470,403	0.38
2,467	Coach Incorporated	71,124	0.06
534	Coca-Cola Company	27,693	0.02
4,200	Coeur d'Alene Mines Corporation	12,180	0.01
1,138	Colgate-Palmolive Company	78,545	0.06
3,186	Colonial Properties Trust	63,688	0.05
2,714	Columbus McKinnon Corporation	65,353	0.05
1,737	Comcast Corporation (Class A)	32,899	0.03
109	Comerica Incorporated	2,793	0.00
2,599	CommScope Incorporated	136,655	0.11
2,382	Complete Production Services Incorporated	86,752	0.07
2,634	Compuware Corporation	25,128	0.02
1,887	Comstock Resources Incorporated	159,319	0.13
1,487	Comtech Telecommunications Corporation	72,863	0.06
1,852	ConocoPhillips	174,421	0.14
142	CONSOL Energy Incorporated	15,940	0.01
1,441	Consolidated Graphics Incorporated	70,998	0.06
516	Constellation Energy Group Incorporated	42,286	0.03
1,084	Corporate Office Properties Trust	37,138	0.03
673	Corvel Corporation	22,788	0.02
6,287	Credence Systems Corporation	8,173	0.01
1,541	CSG Systems International Incorporated	16,982	0.01
230	Cubic Corporation	5,134	0.00
2,001	Cubist Pharmaceuticals Incorporated	35,678	0.03
2,069	Cummins Incorporated	135,313	0.11

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,176	Curtiss-Wright Corporation	$52,602	0.04
732	Cutera Incorporated	6,581	0.01
3,833	Cybersource Corporation	64,126	0.05
840	Cynosure Incorporated (Class A)	16,649	0.01
1,523	Cypress Bioscience Incorporated	10,859	0.01
658	Darling International Incorporated	10,870	0.01
1,166	Deckers Outdoor Corporation	162,319	0.13
452	Delek US Holdings Incorporated	4,163	0.00
3,285	Deluxe Corporation	58,539	0.05
16,476	Denny's Corporation	46,792	0.04
1,284	Developers Diversified Realty Corporation	44,478	0.04
147	Devon Energy Corporation	17,644	0.01
166	DeVry Incorporated	8,893	0.01
4,595	DiamondRock Hospitality Company	49,948	0.04
2,692	DirecTV Group Incorporated	69,723	0.06
1,229	Discover Financial Services	16,161	0.01
830	DISH Network Corporation (Class A)	24,253	0.02
678	Dolby Laboratories Incorporated (Class A)	27,269	0.02
1,589	Dollar Tree Incorporated	51,960	0.04
2,952	Domino's Pizza Incorporated	33,918	0.03
1,043	Dow Chemical Company	36,369	0.03
118	Dress Barn Incorporated	1,579	0.00
1,832	Dresser-Rand Group Incorporated	71,466	0.06
2,849	DSW Incorporated (Class A)	33,561	0.03
22,652	E*Trade Financial Corporation	70,674	0.06
891	Eastgroup Properties Incorporated	38,162	0.03
1,678	eBay Incorporated	45,826	0.04
2,622	Eclipsys Corporation	48,061	0.04
2,720	Edison International	139,590	0.11
1,365	eHealth Incorporated	24,106	0.02
4,364	Electronic Data Systems Corporation	107,529	0.09
1,117	Eli Lilly & Company	51,483	0.04
397	Embarq Corporation	18,766	0.02
5,822	EMC Corporation	85,409	0.07
3,819	Emergent Biosolutions Incorporated	37,923	0.03
2,121	Emerson Electric Company	104,777	0.09
3,739	Emulex Corporation	43,559	0.04
3,444	Energen Corporation	268,288	0.22
282	Energizer Holdings Incorporated	20,611	0.02
2,353	Energy Conversion Devices Incorporated	173,181	0.14
1,268	EnergySolutions Incorporated	28,340	0.02
671	EnerSys	22,948	0.02
769	EnPro Industries Incorporated	28,714	0.02
677	ENSCO International Incorporated	54,634	0.04
2,305	Entertainment Properties Trust	113,959	0.09
6,278	Enzon Pharmaceuticals Incorporated	44,762	0.04
872	Equity Lifestyle Properties Incorporated	38,368	0.03
3,525	Equity Residential Properties Trust	134,831	0.11
5,926	eResearch Technology Incorporated	103,349	0.08
443	Essex Property Trust Incorporated	47,180	0.04
1,185	Estee Lauder Cos. Incorporated (Class A)	55,008	0.04
874	Evercore Partners Incorporated	8,303	0.01
717	Evergreen Solar Incorporated	6,933	0.01
1,119	Exide Technologies	18,754	0.02
1,351	Expedia Incorporated	24,831	0.02
1,178	Extra Space Storage Incorporated	18,071	0.01

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
5,720	Exxon Mobil Corporation	$502,445	0.41
8,555	EZCORP Incorporated (Class A)	109,076	0.09
2,147	F5 Networks Incorporated	60,996	0.05
1,598	Factset Research Systems Incorporated	90,063	0.07
97	Fairpoint Communications Incorporated	699	0.00
1,130	Family Dollar Stores Incorporated	22,532	0.02
2,263	FBL Financial Group Incorporated (Class A)	44,988	0.04
1,293	FCStone Group Incorporated	36,113	0.03
520	Federal Realty Investment Trust	35,880	0.03
1,151	Federated Investors Incorporated	39,617	0.03
924	FEI Company	21,058	0.02
99	First Industrial Realty Trust	2,720	0.00
2,754	First Mercury Financial Corporation	48,581	0.04
408	First Midwest Bancorp Incorporated	7,609	0.01
1,754	First Niagara Financial Group Incorporated	22,556	0.02
1,313	First Regional Bancorp	7,418	0.01
204	First Solar Incorporated	55,631	0.05
896	FirstEnergy Corporation	73,696	0.06
937	FirstMerit Corporation	15,292	0.01
2,482	Flowers Foods Incorporated	70,340	0.06
1,688	FMC Corporation	130,719	0.11
1,171	Forest Laboratories Incorporated	40,681	0.03
937	Fossil Incorporated	27,239	0.02
719	Foster Wheeler Limited	52,422	0.04
109	Foundation Coal Holdings Incorporated	9,647	0.01
417	Franklin Electric Company Incorporated	16,171	0.01
3,685	Franklin Street Properties Corporation	46,689	0.04
1,270	Freightcar America Incorporated	45,110	0.04
5,545	Frontier Oil Corporation	132,581	0.11
1,045	Fuel Systems Solutions Incorporated	40,233	0.03
887	Fuel Tech Incorporated	15,647	0.01
3,421	FuelCell Energy Incorporated	24,289	0.02
1,165	GameStop Corporation	46,996	0.04
2,289	Gardner Denver Incorporated	130,015	0.11
1,084	General Cable Corporation	65,907	0.05
4,640	General Electric Company	123,331	0.10
3,049	General Growth Properties Incorporated	106,654	0.09
2,260	Genesco Incorporated	69,585	0.06
1,864	Genoptix Incorporated	58,455	0.05
701	Gen-Probe Incorporated	33,290	0.03
2,023	GFI Group Incorporated	18,227	0.01
363	Global Industries Limited	6,509	0.01
3,616	GLG Partners Incorporated	28,205	0.02
3,000	Golden Star Resources Limited	7,950	0.01
924	Goldman Sachs Group Incorporated	161,164	0.13
396	Gorman-Rupp Company	15,808	0.01
1,295	GrafTech International Limited	34,745	0.03
719	Gramercy Capital Corporation	8,333	0.01
614	Greatbatch Incorporated	10,616	0.01
3,090	Green Bankshares Incorporated	43,353	0.04
997	Greenhill & Company Incorporated	52,961	0.04
1,082	Grief Incorporated (Class A)	69,280	0.06
2,392	Gymboree Corporation	95,847	0.08
2,239	H.B. Fuller Company	50,243	0.04
801	Haemonetics Corporation	44,415	0.04
218	Halliburton Company	11,563	0.01

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
348	Hancock Holding Company	$13,673	0.01
1,295	Hansen Natural Corporation	37,322	0.03
886	Harris & Harris Group Incorporated	5,316	0.00
925	Hasbro Incorporated	33,041	0.03
1,900	HCP Incorporated	60,325	0.05
2,466	Headwaters Incorporated	29,025	0.02
865	Health Care REIT Incorporated	38,493	0.03
1,959	Healthcare Services Group Incorporated	29,796	0.02
3,860	Healthsouth Corporation	64,192	0.05
2,776	Healthspring Incorporated	46,859	0.04
1,130	Hecla Mining Company	10,464	0.01
1,048	Heico Corporation	34,102	0.03
924	Heidrick & Struggles International Incorporated	25,539	0.02
2,073	Helmerich & Payne Incorporated	149,297	0.12
1,997	Herman Miller Incorporated	49,705	0.04
3,644	Hewlett-Packard Company	160,773	0.13
2,750	Hillenbrand Incorporated	58,438	0.05
1,534	Holly Corporation	56,543	0.05
1,385	Home Properties of NY Incorporated	66,563	0.05
1,973	Honeywell International Incorporated	99,084	0.08
2,238	Hooker Furniture Corporation	38,762	0.03
9,481	Host Marriott Corporation	129,321	0.11
5,545	HRPT Properties Trust	37,540	0.03
1,080	Humana Incorporated	42,930	0.04
884	Hutchinson Technology Incorporated	11,881	0.01
2,382	IBM Corporation	281,814	0.23
2,023	ICF International Incorporated	33,582	0.03
369	IHS Incorporated (Class A)	25,682	0.02
1,530	II-VI Incorporated	53,443	0.04
812	Illinois Tool Works Incorporated	38,578	0.03
1,476	Illumina Incorporated	128,560	0.10
1,784	Immucor Incorporated	46,170	0.04
1,175	Imperial Sugar Company	18,248	0.01
5,511	Informatica Corporation	82,885	0.07
5,790	Inland Real Estate Corporation	83,376	0.07
719	Insituform Technologies Incorporated	10,950	0.01
3,673	Integra Bank Corporation	28,796	0.02
8,286	Intel Corporation	177,983	0.15
2,197	Interactive Brokers Group Incorporated (Class A)	70,590	0.06
2,491	Interactive Data Corporation	62,599	0.05
3,621	InterDigital Incorporated	88,063	0.07
5,836	International Coal Group Incorporated	76,160	0.06
694	Intervest Bancshares Corporation	3,359	0.00
890	Interwoven Incorporated	10,689	0.01
774	Intevac Incorporated	8,731	0.01
969	Intuit Incorporated	26,677	0.02
268	Intuitive Surgical Incorporated	72,127	0.06
2,285	Investment Technology Group Incorporated	76,456	0.06
4,185	Investors Real Estate Trust	39,925	0.03
1,185	Invitrogen Corporation	46,452	0.04
8,033	ION Geophysical Corporation	140,176	0.11
2,317	iShares Dow Jones U.S. Real Estate Index Fund	214,138	0.17
15,546	iShares MSCI EAFE Index Fund	1,066,767	0.87
1,650	iShares Russell 2000 Growth Index Fund	125,615	0.10
2,239	iShares Russell 2000 Index Fund	154,558	0.13
1,520	iShares Russell 2000 Value Index Fund	96,748	0.08

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
704	Itron Incorporated	$69,231	0.06
1,210	ITT Educational Services Incorporated	99,970	0.08
423	J Crew Group Incorporated	13,959	0.01
2,743	j2 Global Communications Incorporated	63,089	0.05
3,743	Jack Henry & Associates Incorporated	80,999	0.07
2,278	Jack in the Box Incorporated	51,027	0.04
3,947	Jakks Pacific Incorporated	86,242	0.07
181	James River Coal Company	10,612	0.01
2,159	Janus Capital Group Incorporated	57,062	0.05
5,234	JDA Software Group Incorporated	94,735	0.08
2,283	Johnson & Johnson	146,751	0.12
1,262	Jones Lang LaSalle Incorporated	75,947	0.06
1,946	Jos. A. Bank Clothiers Incorporated	52,017	0.04
125	Joy Global Incorporated	9,478	0.01
2,908	JPMorgan Chase & Company	99,773	0.08
1,340	Kaiser Aluminum Corporation	71,730	0.06
2,943	Kimco Realty Corporation	101,504	0.08
1,318	Kinetic Concepts Incorporated	52,496	0.04
2,012	King Pharmaceuticals Incorporated	21,066	0.02
431	Kirby Corporation	20,688	0.02
3,020	Knight Capital Group Incorporated (Class A)	54,300	0.04
4,330	Koppers Holdings Incorporated	181,297	0.15
1,154	Korn/Ferry International	18,152	0.01
2,406	Kroger Company	69,389	0.06
1,537	Landauer Incorporated	86,441	0.07
760	Layne Christensen Company	33,280	0.03
789	Lear Corporation	11,180	0.01
2,000	Lennox International Incorporated	57,920	0.05
4,578	Lexington Corporate Properties Trust	62,398	0.05
1,710	Liberty Global Incorporated (Class A)	53,728	0.04
1,387	Liberty Property Trust	45,979	0.04
194	Lindsay Corporation	16,484	0.01
1,710	Lockheed Martin Corporation	168,538	0.14
875	Loews Corporation	41,029	0.03
5,164	Longs Drug Stores Corporation	217,456	0.18
846	LSB Industries Incorporated	16,818	0.01
5,570	LTC Properties Incorporated	142,369	0.12
4,094	LTX Corporation	9,007	0.01
829	Lufkin Industries Incorporated	69,039	0.06
3,770	Luminex Corporation	77,436	0.06
633	Macerich Company	39,328	0.03
1,977	Mack-Cali Realty Corporation	67,534	0.06
3,037	Magellan Health Services Incorporated	112,460	0.09
3,344	Maidenform Brands Incorporated	45,144	0.04
306	Manitowoc Company Incorporated	9,939	0.01
1,561	Mannatech Incorporated	8,492	0.01
285	Manpower Incorporated	16,561	0.01
3,501	Marathon Oil Corporation	181,492	0.15
3,755	Mariner Energy Incorporated	138,785	0.11
8,050	Martek Biosciences Corporation	271,366	0.22
2,889	Marvel Entertainment Incorporated	92,824	0.08
1,022	Massey Energy Company	95,710	0.08
203	Mastercard Incorporated (Class A)	53,901	0.04
2,703	Mattel Incorporated	46,275	0.04
1,885	Matthews International Corporation	85,315	0.07
377	Maximus Incorporated	13,127	0.01

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
432	McDermott International Incorporated	$26,732	0.02
1,088	McDonald's Corporation	61,102	0.05
2,842	McMoRan Exploration Company	77,984	0.06
836	Medcath Corporation	15,031	0.01
5,116	Medical Properties Trust Incorporated	51,723	0.04
3,584	Medicines Company	71,035	0.06
394	Medicis Pharmaceutical Corporation (Class A)	8,183	0.01
1,152	MEMC Electronic Materials Incorporated	70,871	0.06
621	Men's Wearhouse Incorporated	10,116	0.01
3,094	Mentor Corporation	86,044	0.07
5,169	Merck & Company Incorporated	194,613	0.16
1,824	Meridian Bioscience Incorporated	49,102	0.04
5,628	Merit Medical Systems Incorporated	82,732	0.07
1,046	Methode Electronics Incorporated (Class A)	10,931	0.01
227	Met-Pro Corporation	3,028	0.00
7,164	Micrel Incorporated	65,551	0.05
11,638	Microsoft Corporation	320,394	0.26
965	MicroStrategy Incorporated	62,484	0.05
747	Mid-America Apartment Communities Incorporated	38,127	0.03
25	Minerals Technologies Incorporated	1,590	0.00
147	Mirant Corporation	5,743	0.00
3,531	Mission West Properties	38,700	0.03
3,070	Monro Muffler Incorporated	47,278	0.04
938	Monsanto Company	118,310	0.10
4,067	Moog Incorporated	151,455	0.12
1,669	Morgan Stanley	60,117	0.05
1,417	Morningstar Incorporated	102,067	0.08
1,787	Mueller Water Products Incorporated (Class A)	14,421	0.01
1,560	MWI Veterinary Supply Incorporated	51,652	0.04
1,360	Myriad Genetics Incorporated	61,880	0.05
1,089	Nalco Holding Company	23,032	0.02
3,220	Nara Bancorp Incorporated	34,454	0.03
1,295	Nasdaq OMX Group Incorporated	34,395	0.03
4,334	Nash Finch Company	148,526	0.12
3,720	National Health Investors Incorporated	106,020	0.09
2,520	National Instruments Corporation	71,543	0.06
5,640	National Retail Properties Incorporated	117,876	0.10
3,294	National Semiconductor Corporation	67,659	0.06
412	Nationwide Financial Services Incorporated (Class A)	19,780	0.02
1,871	Nationwide Health Properties Incorporated	58,918	0.05
1,653	Navigators Group Incorporated	89,245	0.07
855	NBTY Incorporated	27,403	0.02
1,416	NetApp Incorporated	30,628	0.02
2,489	Netflix Incorporated	64,764	0.05
2,021	Neurocrine Biosciences Incorporated	8,468	0.01
1,041	NewMarket Corporation	68,935	0.06
650	Newmont Mining Corporation	33,872	0.03
746	NIKE Incorporated (Class B)	44,462	0.04
498	Noble Corporation	32,275	0.03
290	Nordson Corporation	21,138	0.02
737	Northern Trust Corporation	50,485	0.04
276	Northrop Grumman Corporation	18,464	0.02
5,350	NorthStar Realty Finance Corporation	44,512	0.04
524	Northwest Natural Gas Company	24,240	0.02
256	Northwest Pipe Company	14,287	0.01

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
2,201	Northwestern Corporation	$55,949	0.05
3,084	Novatel Wireless Incorporated	34,325	0.03
2,003	NTELOS Holdings Corporation	49,534	0.04
6,033	Nuance Communications Incorporated	94,356	0.08
34	Nucor Corporation	2,539	0.00
837	NVIDIA Corporation	15,618	0.01
5,620	Obagi Medical Products Incorporated	48,051	0.04
944	Occidental Petroleum Corporation	84,752	0.07
1,111	Odyssey Re Holdings Corporation	39,441	0.03
369	OGE Energy Corporation	11,646	0.01
1,117	Oil States International Incorporated	70,740	0.06
483	Olin Corporation	12,645	0.01
1,584	Olympic Steel Incorporated	120,257	0.10
3,238	OM Group Incorporated	106,077	0.09
7,658	Omega Healthcare Investors Incorporated	127,199	0.10
374	Omnicell Incorporated	4,929	0.00
1,077	Onyx Pharmaceuticals Incorporated	38,341	0.03
2,130	optionsXpress Holdings Incorporated	47,584	0.04
6,299	Oracle Corporation	132,279	0.11
3,091	Orbital Sciences Corporation	72,824	0.06
1,863	Ormat Technologies Incorporated	91,622	0.07
2,088	OSI Pharmaceuticals Incorporated	86,276	0.07
1,306	Overseas Shipholding Group	103,618	0.08
1,197	Owens & Minor Incorporated	54,691	0.04
3,269	Pacific Capital BanCorporation	45,080	0.04
462	Packaging Corporation of America	9,928	0.01
709	Pall Corporation	28,069	0.02
267	Palm Incorporated	1,439	0.00
652	Papa John's International Incorporated	17,343	0.01
1,000	Par Pharmaceutical Cos. Incorporated	16,220	0.01
8,204	Parametric Technology Corporation	136,761	0.11
1,313	Park Electrochemical Corporation	31,919	0.03
214	Parker-Hannifin Corporation	15,239	0.01
95	Patriot Coal Corporation	14,516	0.01
3,043	PC Mall Incorporated	42,746	0.03
1,427	PDL BioPharma Incorporated	15,126	0.01
197	Peabody Energy Corporation	17,338	0.01
722	Pentair Incorporated	25,277	0.02
1,474	Pepsi Bottling Group Incorporated	41,110	0.03
828	PepsiCo Incorporated	52,644	0.04
706	Perini Corporation	23,333	0.02
3,160	Perry Ellis International Incorporated	67,118	0.05
5,267	Pfizer Incorporated	91,909	0.08
2,533	PG&E Corporation	100,433	0.08
2,310	Philadelphia Consolidated Holding Corporation	78,471	0.06
1,997	Philip Morris International Incorporated	98,472	0.08
4,831	Phillips-Van Heusen Corporation	176,911	0.14
2,513	Photronics Incorporated	17,692	0.01
377	Pico Holdings Incorporated	16,392	0.01
1,919	Plantronics Incorporated	42,832	0.03
1,072	Polycom Incorporated	26,114	0.02
3,206	Portland General Electric Company	72,199	0.06
378	Potlatch Corporation	17,055	0.01
6,460	Premiere Global Services Incorporated	94,187	0.08
9,039	Prestige Brands Holdings Incorporated	96,356	0.08
1,076	Priceline.com Incorporated	124,203	0.10

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,489	Procter & Gamble Company	$90,397	0.07
1,649	Progress Software Corporation	42,165	0.03
4,471	ProLogis Trust	242,596	0.20
3,352	PROS Holdings Incorporated	37,643	0.03
2,369	PS Business Parks Incorporated	122,288	0.10
181	Public Service Enterprise Group Incorporated	8,313	0.01
1,659	Public Storage Incorporated	134,014	0.11
1,209	Qualcomm Incorporated	53,643	0.04
621	Quanex Building Products Corporation	9,228	0.01
1,445	Questar Corporation	102,523	0.08
8,394	Questcor Pharmaceuticals Incorporated	38,948	0.03
4,016	Quidel Corporation	65,782	0.05
1,112	RadioShack Corporation	13,644	0.01
341	Ralcorp Holdings Incorporated	16,815	0.01
2,626	Ramco-Gershenson Properties	53,912	0.04
1,898	Rayonier Incorporated	80,589	0.07
2,310	Raytheon Company	129,799	0.11
1,875	Realty Income Corporation	42,656	0.03
594	Regency Centers Corporation	35,111	0.03
2,235	Regeneron Pharmaceuticals Incorporated	32,273	0.03
2,860	Rent-A-Center Incorporated	58,802	0.05
2,527	Reynolds American Incorporated	117,885	0.10
992	Robert Half International Incorporated	23,768	0.02
484	Roper Industries Incorporated	31,765	0.03
434	Rosetta Resources Incorporated	12,369	0.01
380	Royal Gold Incorporated	11,913	0.01
8,660	Ruby Tuesday Incorporated	46,764	0.04
863	Ryder System Incorporated	59,323	0.05
3,126	S&P 500 Index Depository Receipts	400,378	0.33
282	S&P Midcap 400 Index Depository Receipts	42,046	0.03
1,962	S&T Bancorp Incorporated	57,016	0.05
1,151	Safety Insurance Group Incorporated	41,033	0.03
3,078	Safeway Incorporated	87,877	0.07
762	SAIC Incorporated	15,857	0.01
133	Sanderson Farms Incorporated	4,591	0.00
3,573	Sara Lee Corporation	43,698	0.04
892	Saul Centers Incorporated	41,701	0.03
1,681	Schering-Plough Corporation	33,065	0.03
235	Schnitzer Steel Industries Incorporated (Class A)	26,908	0.02
1,863	Scholastic Corporation	53,394	0.04
4,947	Sciele Pharma Incorporated	95,823	0.08
4,472	SeaBright Insurance Holdings Incorporated	64,576	0.05
2,016	Selective Insurance Group	37,820	0.03
4,551	Senior Housing Properties Trust	88,881	0.07
2,694	Sepracor Incorporated	53,557	0.04
2,420	Silgan Holdings Incorporated	122,791	0.10
8,968	Silicon Image Incorporated	65,018	0.05
1,838	Silicon Storage Technology Incorporated	5,091	0.00
3,310	Simon Property Group Incorporated	297,536	0.24
8,247	Sinclair Broadcast Group Incorporated (Class A)	62,677	0.05
402	SJW Corporation	10,613	0.01
94	Skechers U.S.A. Incorporated (Class A)	1,853	0.00
1,717	SkyWest Incorporated	21,720	0.02
636	SL Green Realty Corporation	52,597	0.04
884	Sonic Corporation	13,083	0.01
17,572	SonicWall Incorporated	113,339	0.09

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,464	Southern Copper Corporation	$156,106	0.13
2,310	Southwest Bancorp Incorporated	26,565	0.02
540	Southwest Water Company	5,411	0.00
419	Sovran Self Storage Incorporated	17,372	0.01
3,398	Spartan Stores Incorporated	77,508	0.06
2,418	SPSS Incorporated	87,967	0.07
2,681	Standard Parking Corporation	48,741	0.04
1,295	State Street Corporation	82,725	0.07
2,716	Steel Dynamics Incorporated	106,114	0.09
3,431	Steelcase Incorporated	34,207	0.03
3,401	Steris Corporation	97,507	0.08
1,262	Sterling Bancshares Incorporated	11,472	0.01
672	Sterling Financial Corporation	2,782	0.00
5,320	Steven Madden Limited	97,888	0.08
1,860	Stifel Financial Corporation	63,965	0.05
2,331	Stone Energy Corporation	153,636	0.13
1,738	Suffolk Bancorp	51,062	0.04
79	Sun Hydraulics Corporation	2,549	0.00
2,040	Sunoco Incorporated	82,885	0.07
156	Sunpower Corporation (Class A)	11,191	0.01
2,179	Sunstone Hotel Investors Incorporated	36,084	0.03
177	Superior Essex Incorporated	7,898	0.01
447	SVB Financial Group	21,501	0.02
1,487	Swift Energy Company	98,231	0.08
5,612	SWS Group Incorporated	93,159	0.08
5,969	Sybase Incorporated	175,608	0.14
5,534	Sykes Enterprises Incorporated	104,482	0.09
565	Synaptics Incorporated	21,317	0.02
3,419	Syniverse Holdings Incorporated	55,319	0.05
1,614	Tanger Factory Outlet Centers	57,991	0.05
505	Target Corporation	23,472	0.02
1,247	Taubman Centers Incorporated	60,604	0.05
1,184	Techne Corporation	91,630	0.07
1,900	Teledyne Technologies Incorporated	92,701	0.08
247	Telephone and Data Systems Incorporated	11,646	0.01
1,004	Tenneco Automotive Incorporated	13,584	0.01
128	Terex Corporation	6,569	0.01
4,469	Terra Industries Incorporated	220,277	0.18
1,295	Tesoro Corporation	25,550	0.02
842	Tetra Tech Incorporated	18,953	0.02
394	Texas Instruments Incorporated	11,079	0.01
846	TIBCO Software Incorporated	6,472	0.01
1,875	Tidewater Incorporated	121,669	0.10
6,759	Time Warner Incorporated	99,695	0.08
727	TJX Cos. Incorporated	22,864	0.02
3,125	Toro Company	103,969	0.08
4,690	Town Sports International Holdings Incorporated	43,805	0.04
633	Travelers Cos. Incorporated	27,428	0.02
1,315	Trico Marine Services Incorporated	47,919	0.04
1,111	Trizetto Group	23,742	0.02
2,135	True Religion Apparel Incorporated	56,962	0.05
1,701	TrueBlue Incorporated	22,470	0.02
9,828	TTM Technologies Incorporated	129,828	0.11
863	Tupperware Brands Corporation	29,532	0.02
4,482	U.S. Bancorp	124,600	0.10
373	Ultralife Batteries Incorporated	3,987	0.00

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,399	Unit Corporation	$116,075	0.09
5,967	United Online Incorporated	59,551	0.05
847	United Technologies Corporation	52,218	0.04
951	United Therapeutics Corporation	92,960	0.08
766	UnitedHealth Group Incorporated	20,108	0.02
338	Universal Corporation	15,284	0.01
1,619	Universal Health Realty Income Trust	48,473	0.04
1,331	Urban Outfitters Incorporated	41,461	0.03
5,724	Urstadt Biddle Properties Incorporated (Class A)	83,914	0.07
1,193	USA Mobility Incorporated	9,019	0.01
1,558	USEC Incorporated	9,457	0.01
6,670	Vaalco Energy Incorporated	56,495	0.05
1,007	Valero Energy Corporation	41,438	0.03
1,272	Varian Medical Systems Incorporated	65,953	0.05
1,633	Varian Semiconductor Equipment	56,861	0.05
762	Varian Incorporated	38,908	0.03
1,039	Veeco Instruments Incorporated	16,718	0.01
2,022	Ventas Incorporated	86,077	0.07
3,534	VeraSun Energy Corporation	14,560	0.01
5,229	Verizon Communications Incorporated	184,741	0.15
4,821	Virginia Commerce BanCorporation	25,021	0.02
1,910	Vornado Realty Trust	168,080	0.14
4,375	W.R. Berkley Corporation	105,350	0.09
1,733	Wabtec Corporation	84,258	0.07
1,099	Waddell & Reed Financial Incorporated (Class A)	38,476	0.03
1,108	Wal-Mart Stores Incorporated	62,159	0.05
1,609	Walt Disney Company	50,153	0.04
443	Walter Industries Incorporated	48,105	0.04
5,152	Warnaco Group Incorporated	226,997	0.19
969	Waters Corporation	62,501	0.05
2,768	Watson Wyatt Worldwide Incorporated (Class A)	146,400	0.12
550	Watts Water Technologies Incorporated (Class A)	13,695	0.01
1,148	Weingarten Realty Investors	34,807	0.03
1,175	WellCare Health Plans Incorporated	42,476	0.03
1,219	WellPoint Incorporated	57,976	0.05
2,415	WESCO International Incorporated	96,455	0.08
247	Westar Energy Incorporated	5,313	0.00
364	WGL Holdings Incorporated	12,645	0.01
571	Wiley & Sons Incorporated (Class A)	25,712	0.02
65	WMS Industries Incorporated	1,935	0.00
4,241	Wolverine World Wide Incorporated	113,107	0.09
2,260	World Acceptance Corporation	76,072	0.06
2,645	Wyeth	126,748	0.10
461	Xilinx Incorporated	11,617	0.01
1,200	Yahoo! Incorporated	24,792	0.02
1,707	Yum! Brands Incorporated	59,864	0.05
778	Zenith National Insurance Corporation	27,354	0.02
1,723	Zoll Medical Corporation	58,031	0.05
	Total U.S. Equities	$41,749,355	34.08

NON-U.S. EQUITIES (20.16%)

Number of Shares		Value USD	% of Fund
19,608	3i Group PLC	$322,159	0.26
53,792	A2A SpA	196,879	0.16
1,247	ABB Limited	35,540	0.03

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
1,314	Abengoa SA	$41,102	0.03
97	Accenture Limited	3,946	0.00
173	Acciona SA	41,004	0.03
233	Adidas-Salomon AG	14,726	0.01
356	Agnico-Eagle Mines Limited	26,472	0.02
2,200	Aisin Seiki Company Limited	71,808	0.06
400	Alfresa Holdings Corporation	28,524	0.02
307	Allianz SE	54,146	0.04
3,657	Allied Irish Banks PLC	56,391	0.05
1,078	Allied World Assurance Company Holdings Limited	42,700	0.04
5,600	ALPS Electric Company Limited	57,904	0.05
12,508	American Oriental Bioengineering Incorporated	123,454	0.10
2,194	Andritz AG	131,026	0.11
631	AngloGold Ashanti Limited ADR	21,366	0.02
5,673	Ansell Limited	49,866	0.04
19,619	Antofagasta PLC	257,205	0.21
461	Apex Silver Mines Limited	2,277	0.00
4,879	Arcelor Mittal	482,484	0.39
708	Arch Capital Group Limited	46,955	0.04
3,092	Aspen Insurance Holdings Limited	73,188	0.06
14,246	AstraZeneca PLC	607,877	0.50
455	Aurizon Mines Limited	2,170	0.00
716	Autoliv Incorporated	33,301	0.03
800	Axfood AB	26,520	0.02
4,075	Balfour Beatty PLC	34,515	0.03
949	Ballard Power Systems Incorporated	3,986	0.00
3,232	Banco Latinoamericano de Exportaciones SA (Class E)	52,294	0.04
77,422	Barclays PLC	411,982	0.33
900	Barrick Gold Corporation	40,950	0.03
2,664	BASF AG	183,816	0.15
744	Belgacom SA	32,089	0.03
16,535	BHP Billiton Limited	689,675	0.56
1,900	Bilfinger Berger AG	165,680	0.14
98	BKW FMB Energie AG	12,974	0.01
21,146	BlueScope Steel Limited	224,993	0.18
4,145	BNP Paribas SA	375,620	0.31
91,634	Boart Longyear Group	196,097	0.16
4,730	Bouygues SA	313,977	0.26
20,096	BP PLC	233,516	0.19
74,848	British Airways PLC	321,098	0.26
4,500	BYD Company Limited	5,715	0.01
189	Canadian Solar Incorporated	7,579	0.01
4,000	Canon Incorporated	204,120	0.17
1,273	Centennial Coal Company Limited	6,785	0.01
25	Central Japan Railway Company	273,533	0.22
5,142	Charter PLC	89,059	0.07
8,000	China Coal Energy Company	14,000	0.01
4,258	China Medical Technologies Incorporated	210,388	0.17
5,000	China Shenhua Energy Company Limited	19,550	0.02
567	China Sunergy Company Limited	4,695	0.00
343	Cia de Minas Buenaventura SA	22,422	0.02
628	Cia de Saneamento Basico do Estado de Sao Paulo	32,128	0.03
1,189	Colruyt SA	314,062	0.26
586	Commerzbank AG	17,387	0.01
225	Conergy AG	4,653	0.00

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
356	Consolidated Water Company Incorporated	$7,020	0.01
4,424	Cookson Group PLC	55,300	0.05
1,154	Core Laboratories NV	164,053	0.13
32,533	Corporacion Mapfre SA	155,833	0.13
2,753	Cosan Limited (Class A)	34,743	0.03
600	Credit Saison Company Limited	12,618	0.01
2,900	Crystallex International Corporation	3,074	0.00
895	CTC Media Incorporated	22,071	0.02
1,000	Daiichi Sankyo Company Limited	27,490	0.02
3,964	Daily Mail and General Trust (Class A)	24,775	0.02
3,727	Davis Service Group PLC	33,170	0.03
37,000	DBS Group Holdings Limited	513,190	0.42
306	Deutsche Bank AG	26,481	0.02
3,300	Diamond Lease Company Limited	143,187	0.12
333	EDF Energies Nouvelles SA	22,274	0.02
2,100	Eldorado Gold Corporation	17,955	0.02
10,071	Enel SpA	95,775	0.08
10,256	Energias de Portugal SA	53,536	0.04
10,527	ENI SpA	392,131	0.32
72	Ersol Solar Energy AG	11,452	0.01
1,093	European Aeronautic Defense and Space Company	20,712	0.02
3,549	Experian Group Limited	26,405	0.02
414	Felix Resources Limited	6,628	0.01
21,204	Fiat SpA	347,322	0.28
14,058	Fletcher Building Limited	67,987	0.06
13,418	France Telecom SA	395,428	0.32
63,000	Fujitsu Limited	466,200	0.38
8,000	Fushan International Energy Group Limited	6,080	0.01
1,245	Gammon Gold Incorporated	13,259	0.01
8,755	GlaxoSmithKline PLC	194,098	0.16
2,363	Global Sources Limited	35,870	0.03
417	Gloucester Coal Limited	5,112	0.00
1,649	Gold Fields Limited	20,827	0.02
880	Goldcorp Incorporated	40,630	0.03
700	Great Basin Gold Limited	2,345	0.00
6,000	GS Yuasa Corporation	28,740	0.02
1,518	Harmony Gold Mining Company Limited	18,550	0.02
12,854	HBOS PLC	51,272	0.04
1,769	Heineken NV	90,325	0.07
94	Helen of Troy Limited	1,515	0.00
906	Herbalife Limited	35,108	0.03
4,000	Hidili Industry International Development Limited	6,920	0.01
33,000	Hitachi Limited	237,600	0.19
3,210	Home Retail Group	13,931	0.01
16,000	Huaneng Power International Incorporated	11,040	0.01
6,000	Hyflux Limited	13,140	0.01
2,200	Iamgold Corporation	13,222	0.01
2,613	Iaws Group PLC	65,194	0.05
4,123	IMI PLC	35,870	0.03
23,077	Immofinanz Immobilien Anlagen AG	226,385	0.18
6,095	InBev NV	423,115	0.35
23,202	Inchcape PLC	147,565	0.12
5,190	ING Groep NV	165,509	0.14
3,641	Innospec Incorporated	68,451	0.06
5,215	International Power PLC	44,901	0.04
14,169	Investor AB (Class B)	298,966	0.24

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
18,000	Itochu Corporation	$191,340	0.16
4,957	JA Solar Holdings Company Limited	83,525	0.07
4,000	Jardine Cycle & Carriage Limited	49,880	0.04
1,000	JFE Holdings Incorporated	50,180	0.04
5,000	KAO Corporation	130,650	0.11
3,891	KBC Groupe SA	432,212	0.35
70	KDDI Corporation	432,466	0.35
7,969	Kerry Group PLC (Class A)	235,962	0.19
1,260	Kinross Gold Corporation	29,749	0.02
1,373	Koninklijke Ahold NV	18,467	0.02
1,206	Koninklijke DSM NV	70,973	0.06
71	Kuoni Reisen Holding AG	34,205	0.03
314	LDK Solar Company Limited	11,860	0.01
1,151	Lloyds TSB Group PLC	28,395	0.02
428	MacArthur Coal Limited	6,921	0.01
547	Macquarie Bank Limited	25,490	0.02
108	MAN AG	11,962	0.01
9,000	Marubeni Corporation	74,880	0.06
28,000	Matsushita Electric Industrial Company Limited	602,280	0.49
3,000	Matsushita Electric Works Limited	30,630	0.02
2,389	Mediaset SpA	15,744	0.01
950	Metallica Resources Incorporated	6,480	0.01
550	Minefinders Corporation	5,665	0.00
4,800	Mitsubishi Corporation	157,536	0.13
7,000	Mitsubishi Electric Corporation	75,320	0.06
1,000	Mitsui Mining Company Limited	3,410	0.00
103	Muenchener Rueckversicherungs-Gesellschaft AG	18,050	0.01
2,442	National Express Group PLC	46,325	0.04
2,848	National Grid PLC	37,480	0.03
1,351	Nationale A Portefeuille	101,325	0.08
34,000	Neptune Orient Lines Limited	80,920	0.07
730	New Oriental Education & Technology Group	42,530	0.03
5,129	Next PLC	99,041	0.08
4,107	Nice Systems Limited	121,239	0.10
33	Nippon Telegraph & Telephone Corporation	160,611	0.13
3,700	Nokia OYJ	90,206	0.07
34,533	Nordea AB	476,901	0.39
3,200	Northgate Minerals Corporation	8,800	0.01
3,087	Novartis AG	170,279	0.14
31	NTT Data Corporation	120,760	0.10
5,820	OCE NV	71,702	0.06
71,206	Old Mutual PLC	131,731	0.11
5,000	Olympus Corporation	168,850	0.14
880	ORIX Corporation	125,831	0.10
37,000	Osaka Gas Company Limited	135,050	0.11
451	PAN American Silver Corporation	15,596	0.01
2,390	Platinum Underwriters Holdings Limited	77,938	0.06
18,549	Prysmian SpA	471,701	0.38
9,980	Public Power Corporation SA	351,096	0.29
2,455	PV Crystalox Solar PLC	9,722	0.01
120	Q-Cells AG	12,167	0.01
1,473	Queensland Gas Company Limited	7,571	0.01
360	Rangold Resources Limited	16,592	0.01
425	Renewable Energy Corporation AS	11,029	0.01
1,776	Repsol YPF SA	70,010	0.06
112	Rieter Holding AG	36,603	0.03

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
603	Riversdale Mining Limited	$6,820	0.01
23	Roth & Rau AG	5,281	0.00
18,087	Royal Bank of Scotland Group PLC	77,412	0.06
2,864	Royal Dutch Shell PLC (Class A)	117,710	0.10
11,185	Royal Dutch Shell PLC (Class B)	450,084	0.37
92	S.A. D'leteren NV	25,399	0.02
179	Saft Groupe SA	7,808	0.01
3,450	Sai-Soc Assicuratrice Industriale SpA	114,437	0.09
11,000	Sanyo Electric Company Limited	25,630	0.02
277	Sasol Limited ADR	16,326	0.01
300	Seabridge Gold Incorporated	6,567	0.01
490	Silver Standard Resources Incorporated	14,039	0.01
1,170	Silver Wheaton Corporation	17,141	0.01
5,200	Skanska AB (Class B)	74,724	0.06
367	Sohu.com Incorporated	25,837	0.02
118	Solar Millennium AG	5,059	0.00
489	Solarfun Power Holdings Company Limited	8,538	0.01
431	Solaria Energia y Medio Ambiente SA	6,202	0.01
214	Solarworld AG	10,191	0.01
77	Solon AG Fuer Solartechnik	7,176	0.01
2,820	Solvay SA	368,969	0.30
2,600	Sony Corporation	113,542	0.09
526	Stantec Incorporated	13,540	0.01
13,891	Statoil ASA	518,690	0.42
4,280	Suedzucker AG	77,596	0.06
921	Suez SA	62,720	0.05
245	Suntech Power Holdings Company Limited	9,158	0.01
3,600	Suzuken Company Limited	132,768	0.11
34,000	Swire Pacific Limited	347,820	0.28
5,000	Taisho Pharmaceutical Company Limited	92,850	0.08
6,944	Tanfield Group PLC	4,375	0.00
3,796	Telefonica SA	100,860	0.08
890	Telekom Austria AG	18,414	0.02
26,930	Terna SPA	113,914	0.09
495	Theolia SA	13,083	0.01
44,888	Thomas Cook Group PLC	209,178	0.17
4,800	Tokyo Electric Power Company	123,360	0.10
6,208	Tomkins PLC	18,624	0.02
8,000	Toyo Suisan Kaisha Limited	180,720	0.15
500	Toyota Motor Corporation	23,580	0.02
130	TransAlta Corporation	4,706	0.00
156	Trina Solar Limited	4,778	0.00
9,175	TUI Travel PLC	37,434	0.03
509	UK Coal PLC	5,655	0.00
1,113	Unilever NV	31,598	0.03
2,834	Valeo SA	91,056	0.07
2,116	Validus Holdings Limited	44,753	0.04
14,882	Vector Limited	21,762	0.02
662	Veolia Environnement	37,138	0.03
4,588	Vivendi SA	174,069	0.14
7,272	Voestalpine AG	596,586	0.49
99	Volkswagen AG	14,357	0.01
102	Volkswagon AG	29,487	0.02
5,800	Volvo AB (Class A)	68,208	0.06
9,947	Westpac Banking Corporation	190,684	0.16
4,930	William Hill PLC	31,453	0.03

NON-U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
8,747	Wolseley PLC	$65,603	0.05
14,666	Woolworths Limited	343,184	0.28
1,600	Yamana Gold Incorporated	26,400	0.02
8,000	Yanzhou Coal Mining Company Limited	14,880	0.01
471	Yingli Green Energy Holding Company Limited	7,475	0.01
5,300	Yucheng Technologies Limited	59,307	0.05
1,138	Zurich Financial Services AG	291,840	0.24
	Total Non-U.S. Equities	$24,695,071	20.16

U.S. GOVERNMENT & AGENCY MORTGAGE OBLIGATIONS (15.19%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$1,000,000	Federal National* Mortgage Association (TBA)	5.50	01/08/2038	$982,930	0.80
14,000,000	Federal National* Mortgage Association (TBA)	5.50	01/07/2035	13,794,375	11.26
4,000,000	Federal National* Mortgage Association (TBA)	5.00	01/07/2038	3,832,812	3.13
	Total U.S. Government & Agency Mortgage Obligations			$18,610,117	15.19

COMMERCIAL PAPER (8.03%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$887,999	Enterprise Funding Company LLC	0.00	14/07/2008	$887,166	0.73
2,500,000	Gemini Securitization Corporation LLC	0.00	03/07/2008	2,499,639	2.04
2,000,000	Three Pillars Funding Corporation	0.00	10/07/2008	1,998,670	1.63
2,000,000	Thunder Bay Funding Incorporated	0.00	16/07/2008	1,997,792	1.63
2,449,999	Tulip Funding Corporation	0.00	09/07/2008	2,448,584	2.00
	Total Commercial Paper			$9,831,851	8.03

COLLATERALISED MORTGAGE OBLIGATIONS (4.23%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$73,000	Banc of America Alternative Loan Trust	5.71	25/10/2036	$68,876	0.06
200,000	Banc of America Commercial Mortgage Incorporated	6.12	10/08/2014	199,898	0.16
102,783	Banc of America Funding Corporation	5.99	20/05/2036	81,713	0.07
76,173	Bear Stearns* Alternative A Trust	6.25	25/08/2036	58,891	0.05
68,859	Bear Stearns* Alternative A Trust	5.69	25/09/2035	52,870	0.04
45,000	Citigroup Commercial Mortgage Trust	6.03	10/10/2012	45,240	0.04
75,000	Citigroup Commercial Mortgage Trust	6.30	10/11/2014	76,169	0.06
104,070	Citigroup Mortgage Loan Trust Incorporated	5.66	25/11/2036	78,312	0.06
98,558	Countrywide Alternative Loan Trust (Class 2A2)	6.00	25/02/2037	80,217	0.06

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$79,257	Countrywide Alternative Loan Trust (Class A4)	6.00	25/02/2037	$64,594	0.05
56,098	Countrywide Alternative Loan Trust	5.54	25/03/2047	50,651	0.04
159,506	Countrywide Alternative Loan Trust	5.12	25/03/2034	8,349	0.01
119,793	Countrywide Home Loans	5.71	20/11/2035	93,439	0.08
71,333	Federal National* Mortgage Association	28.63	25/02/2037	80,599	0.07
76,309	Federal National* Mortgage Association	17.24	25/04/2035	86,109	0.07
1,293,669	Federal National* Mortgage Association	6.50	01/07/2036	343,761	0.28
100,000	Federal National* Mortgage Association	6.00	25/10/2038	21,730	0.02
140,000	Federal National* Mortgage Association	6.00	25/05/2038	32,339	0.03
100,000	Federal National* Mortgage Association	6.00	25/04/2038	20,879	0.02
186,371	Federal National* Mortgage Association	5.22	25/07/2034	21,076	0.02
213,805	Federal National* Mortgage Association	5.12	25/04/2034	26,766	0.02
116,059	Federal National* Mortgage Association	4.72	25/07/2036	12,110	0.01
155,832	Federal National* Mortgage Association	4.57	25/12/2033	15,082	0.01
150,427	Federal National* Mortgage Association	4.52	25/10/2029	13,046	0.01
81,182	Federal National* Mortgage Association	4.26	25/01/2037	7,581	0.01
127,068	Federal National* Mortgage Association	4.22	25/03/2037	11,684	0.01
99,858	Federal National* Mortgage Association	4.22	25/04/2035	8,927	0.01
196,776	Federal National* Mortgage Association	4.22	25/08/2034	16,450	0.01
81,524	Federal National* Mortgage Association	4.21	25/11/2036	7,129	0.01
326,066	Federal National* Mortgage Association	4.17	25/12/2036	28,969	0.02
81,966	Federal National* Mortgage Association	4.17	25/05/2034	7,813	0.01
1,215,376	Federal National* Mortgage Association	4.14	25/11/2036	113,950	0.09
346,372	Federal National* Mortgage Association	3.97	25/08/2036	30,940	0.02
615,031	Federal National* Mortgage Association	3.74	25/03/2038	44,033	0.04
400,133	Federal Home Loan Mortgage Corporation	4.73	15/08/2036	34,762	0.03
357,464	Federal Home Loan Mortgage Corporation	4.20	15/10/2037	27,354	0.02
146,961	Federal Home Loan Mortgage Corporation	4.18	15/09/2035	12,803	0.01
129,670	Federal Home Loan Mortgage Corporation	4.10	15/05/2036	11,382	0.01
89,716	Federal Home Loan Mortgage Corporation	3.94	15/05/2037	8,439	0.01
526,595	Federal Home Loan Mortgage Corporation	3.93	15/10/2037	40,599	0.03
55,296	Federal Home Loan Mortgage Corporation	0.00	15/03/2036	52,938	0.04

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$646,394	Government National Mortgage Association	5.30	20/03/2038	$61,458	0.05
209,407	Government National Mortgage Association	4.90	20/11/2036	16,263	0.01
103,069	Government National Mortgage Association	4.73	16/04/2034	6,624	0.00
92,273	Government National Mortgage Association	4.63	16/08/2036	9,110	0.01
197,000	Government National Mortgage Association	4.43	16/10/2035	15,690	0.01
392,757	Government National Mortgage Association	4.32	20/03/2037	32,163	0.03
275,514	Government National Mortgage Association	4.32	20/11/2035	22,848	0.02
157,543	Government National Mortgage Association	4.27	20/07/2037	11,685	0.01
193,649	Government National Mortgage Association	4.25	20/09/2037	17,997	0.01
121,582	Government National Mortgage Association	4.22	20/04/2032	7,409	0.01
142,864	Government National Mortgage Association	4.10	16/05/2037	10,536	0.01
344,697	Government National Mortgage Association	4.03	16/01/2038	24,749	0.02
747,661	Government National Mortgage Association	4.02	20/06/2036	59,033	0.05
218,406	Government National Mortgage Association	4.00	20/02/2038	17,427	0.01
920,873	Government National Mortgage Association	3.99	20/06/2037	66,076	0.05
2,318,942	Government National Mortgage Association (Class SG)	3.99	20/06/2037	165,225	0.13
612,868	Government National Mortgage Association	3.93	16/05/2038	44,093	0.04
358,154	Government National Mortgage Association	3.89	16/09/2035	25,648	0.02
261,589	Government National Mortgage Association	3.81	20/03/2036	18,849	0.01
116,706	Government National Mortgage Association	3.77	20/01/2035	8,156	0.01
92,646	Government National Mortgage Association	3.73	16/05/2037	7,080	0.01
132,980	Government National Mortgage Association	3.70	20/02/2035	9,392	0.01
161,803	Government National Mortgage Association	3.68	16/10/2037	9,961	0.01
375,115	Government National Mortgage Association	3.62	20/01/2035	23,723	0.02
377,513	Government National Mortgage Association	3.52	20/03/2034	15,360	0.01
102,978	Government National Mortgage Association	0.00	20/06/2037	91,820	0.07
99,625	Government National Mortgage Association	0.00	20/02/2037	89,149	0.07
111,127	HSI Asset Loan Obligation	6.14	25/01/2037	91,679	0.07
32,182	IndyMac Index Mortgage Loan Trust	6.33	25/09/2036	25,681	0.02
101,710	IndyMac Index Mortgage Loan Trust	6.08	25/04/2037	80,351	0.06
101,599	IndyMac Index Mortgage	6.25	25/08/2037	80,263	0.07
28,879	IndyMac Index Mortgage Loan Trust	5.65	25/06/2037	19,364	0.02
128,635	IndyMac MBS Incorporated	5.64	25/01/2036	96,497	0.08

COLLATERALISED MORTGAGE OBLIGATIONS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$84,133	IndyMac MBS Incorporated	5.46	25/05/2035	$71,546	0.06
45,199	JPMorgan Alternative Loan Trust	6.07	25/07/2036	34,808	0.03
71,317	JPMorgan Alternative Loan Trust	5.89	25/03/2036	57,054	0.05
3,925,318	JPMorgan Chase Commercial Mortgage Securities Corporation	0.65	12/02/2051	107,026	0.09
63,268	MASTER Alternative Loans Trust	6.25	25/07/2036	47,451	0.04
901,000	Permanent Master Issuer PLC	2.79	15/10/2033	867,213	0.71
88,884	Residential Asset Securitization Trust	6.00	25/05/2037	79,551	0.06
34,821	Structured Adjustable Rate Mortgage Loan Trust	5.69	25/10/2036	27,345	0.02
529,000	Wachovia Bank Commercial Mortgage Trust	5.25	15/12/2043	516,529	0.42
	Total Collateralised Mortgage Obligations			$5,188,351	4.23

CORPORATE BONDS (3.57%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$45,000	Arrow Electronics Incorporated	9.15	01/10/2010	$48,426	0.04
5,000	Associated Materials Incorporated	9.75	15/04/2012	4,950	0.00
60,000	AT&T Incorporated	5.60	15/05/2018	58,616	0.05
20,000	BankAmerica Capital III	3.28	15/01/2027	15,802	0.01
10,000	Berry Plastics Corporation	7.57	15/02/2015	9,575	0.01
85,000	Cadbury Schweppes US Finance LLC	5.13	01/10/2013	81,346	0.07
10,000	Capital One Financial Corporation	2.98	10/09/2009	9,334	0.01
15,000	Cardinal Health Incorporated	5.65	15/06/2012	15,122	0.01
125,000	Cardinal Health Incorporated	5.50	15/06/2013	124,404	0.10
25,000	CCH II LLC	10.25	15/09/2010	24,125	0.02
10,000	Cenevo Corporation	10.50	15/08/2016	9,900	0.01
110,000	CNA Financial Corporation	6.50	15/08/2016	106,026	0.09
15,000	CNA Financial Corporation	6.00	15/08/2011	15,066	0.01
25,000	Countrywide Financial Corporation	2.87	05/01/2009	24,511	0.02
75,000	Cox Communications Incorporated	4.63	15/01/2010	74,586	0.06
10,000	Cricket Communications Incorporated	10.00	15/07/2015	9,800	0.01
10,000	D.R. Horton Incorporated	8.00	01/02/2009	9,975	0.01
13,000	D.R. Horton Incorporated	5.00	15/01/2009	12,756	0.01
45,000	Darden Restaurants Incorporated	6.20	15/10/2017	41,755	0.03
27,000	DirecTV Holdings LLC	6.38	15/06/2015	25,313	0.02
30,000	Electronic Data Systems Corporation	6.50	01/08/2013	30,778	0.03

CORPORATE BONDS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$35,000	Embarq Corporation	7.08	01/06/2016	$33,241	0.03
160,000	Embarq Corporation	6.74	01/06/2013	154,381	0.13
50,000	FelCor Lodging LP	8.50	01/01/2011	48,875	0.04
30,000	Fleet Capital Trust	3.76	18/12/2028	24,660	0.02
25,000	Freeport-McMoRan Copper & Gold Incorporated	8.38	01/04/2017	26,438	0.02
80,000	Genworth Financial Incorporated	6.52	22/05/2018	75,085	0.06
80,000	Hanson PLC	6.13	15/08/2016	79,374	0.06
205,000	Hartford Financial Services Group Incorporated	5.50	15/10/2016	195,576	0.16
4,000	Huntsman International LLC	7.88	15/11/2014	3,660	0.00
15,000	International Lease Finance Corporation	6.38	25/03/2013	13,838	0.01
75,000	International Lease Finance Corporation	5.63	20/09/2013	66,376	0.05
10,000	International Paper Company	7.40	15/06/2014	10,004	0.01
25,000	International Paper Company	7.95	15/06/2018	24,861	0.02
15,000	Iron Mountain Incorporated	8.00	15/06/2020	14,756	0.01
5,000	iStar Financial Incorporated	4.88	15/01/2009	4,800	0.00
55,000	Liberty Media LLC	7.88	15/07/2009	55,535	0.05
105,000	Limited Brands Incorporated	6.13	01/12/2012	100,220	0.08
110,000	Marriott International Incorporated	4.63	15/06/2012	101,965	0.08
90,000	Masco Corporation	5.85	15/03/2017	81,575	0.07
125,000	Mattel Incorporated	5.63	15/03/2013	122,494	0.10
15,000	Meritor Automotive Incorporated	6.80	15/02/2009	14,756	0.01
85,000	Mohawk Industries Incorporated	6.13	15/01/2016	81,261	0.07
15,000	Motorola Incorporated	8.00	01/11/2011	15,318	0.01
10,000	Newell Rubbermaid Incorporated	5.50	15/04/2013	9,838	0.01
55,000	Nextel Communications Incorporated	6.88	31/10/2013	46,475	0.04
5,000	Nortek Incorporated	10.00	01/12/2013	4,775	0.00
5,000	Nortel Networks Limited	10.75	15/07/2016	4,950	0.00
35,000	ONEOK Partners LP	6.15	01/10/2016	34,490	0.03
125,000	Owens-Illinois Incorporated	7.50	15/05/2010	127,188	0.10
135,000	Packaging Corporation of America	5.75	01/08/2013	131,897	0.11
45,000	Pitney Bowes Incorporated	5.60	15/03/2018	44,236	0.04
29,000	PNM Resources Incorporated	9.25	15/05/2015	29,943	0.02
70,000	PPG Industries Incorporated	6.65	15/03/2018	71,137	0.06
45,000	Prudential Financial Incorporated	8.88	15/06/2038	44,543	0.04
255,000	Reynolds American Incorporated	7.25	01/06/2013	263,601	0.22
95,000	Rhodia SA	7.50	15/10/2013	132,410	0.11
125,000	Ryder System Incorporated	6.00	01/03/2013	125,137	0.10

CORPORATE BONDS (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$15,000	SandRidge Energy Incorporated	8.00	01/06/2018	$15,075	0.01
12,000	Sanmina Corporation	6.75	01/03/2013	10,770	0.01
21,000	Sanmina Corporation	8.13	01/03/2016	18,900	0.01
25,000	Sara Lee Corporation	3.88	15/06/2013	23,119	0.02
25,000	SLM Corporation	4.50	26/07/2010	23,133	0.02
125,000	Spectra Energy Capital LLC	5.67	15/08/2014	122,121	0.10
260,000	Starwood Hotels & Resorts Worldwide Incorporated	7.88	01/05/2012	264,563	0.22
10,000	State Street Capital Trust	3.78	15/06/2037	7,677	0.01
195,000	Supervalu Incorporated	7.88	01/08/2009	197,925	0.16
10,000	Tenet Healthcare Corporation	6.38	01/12/2011	9,575	0.01
40,000	Toll Brothers Incorporated	8.25	01/02/2011	38,800	0.03
90,000	Tyson Foods Incorporated	8.25	01/10/2011	90,522	0.07
10,000	Unisys Corporation	12.50	15/01/2016	10,000	0.01
2,000	United Rentals NA Incorporated	6.50	15/02/2012	1,800	0.00
50,000	Viacom Incorporated	5.63	15/08/2012	49,608	0.04
65,000	Viacom Incorporated	6.63	15/05/2011	66,560	0.05
245,000	Xerox Corporation	5.50	15/05/2012	242,168	0.20
10,000	Yum! Brands Incorporated	6.25	15/03/2018	9,751	0.01
	Total Corporate Bonds			$4,373,902	3.57

ASSET-BACKED SECURITIES (2.33%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$24,518	Ace Securities Corporation 144A	6.50	15/08/2030	$21,514	0.02
37,000	BankAmerica Manufactured Housing Contract Trust Ser. 97-2, Class M	6.90	10/04/2028	46,690	0.04
157,447	Bombardier Capital Mortgage Securitization Corporation	8.29	15/06/2030	102,262	0.08
36,518	Bombardier Capital Mortgage Securitization Corporation	7.58	15/06/2030	21,480	0.02
65,757	Green Tree Financial Corporation	8.60	15/07/2019	41,328	0.03
9,422	Green Tree Financial Corporation	6.85	15/10/2018	8,477	0.01
124,042	Greenpoint Manufactured Housing	8.45	20/06/2031	105,436	0.08
22,000	Oakwood Mortgage Investors Incorporated	6.83	15/05/2028	16,427	0.01
2,500,000	Victory Receivables Corporation	0.00	11/07/2008	2,498,021	2.04
	Total Asset-Backed Securities			$2,861,635	2.33

U.S. GOVERNMENT & AGENCY OBLIGATIONS (5.19%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$6,384,000	U.S. Treasury Bill#	0.00	18/09/2008	$6,364,669	5.19
	Total U.S. Government & Agency Obligations			$6,364,669	5.19

CONVERTIBLE PREFERRED STOCKS (0.02%)

Number of Shares		Coupon Rate %	Maturity Date	Value USD	% of Fund
23	Lehman Brothers* Holdings Incorporated	7.25	01/04/2013	$18,502	0.02
	Total Convertible Preferred Stocks			$18,502	0.02

MUTUAL FUNDS (4.69%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$5,750,000	U.S. Liquid Assets Fund	20.06	31/12/2049	$5,750,000	4.69
	Total Mutual Funds			$5,750,000	4.69

REPURCHASE AGREEMENTS (14.61%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$17,904,000	Repurchase Agreement – Bank of America	2.25	01/07/2008	$17,904,000	14.61
	Total Repurchase Agreements			$17,904,000	14.61
Total Value of Investments				$137,347,453	112.06

TBA SALE COMMITMENTS OUTSTANDING (–6.43%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$8,000,000	Federal National* Mortgage Association	5.00	01/07/2038	$(7,882,500)	(6.43)
	Total TBA Sale Commitments			$(7,882,500)	(6.43)

WRITTEN OPTIONS OUTSTANDING (–0.02%)

	Expiration date/ strike price	Contract value USD	Value USD	% of Fund
Option on an interest rate swap with Lehman Brothers* Special Financing, Inc. for the obligation to receive a fixed rate of 4.54% versus the three month USD–LIBOR–BBA maturing on 17 March 2009.	Mar–09/4.545	350,000	$(15,743)	(0.01)
Option on an interest rate swap with Lehman Brothers* Special Financing, Inc. for the obligation to pay a fixed rate of 4.54% versus the three month USD–LIBOR–BBA maturing on 17 March 2009.	Mar–09/4.545	350,000	(7,045)	(0.01)
Total Written Options Outstanding			$(22,788)	(0.02)

* Please refer to note 12 Subsequent events for more detail.

At 30 June 2008, securities in part or in entirety have been designated as collateral for open futures contracts.

INTEREST RATE SWAP CONTRACTS OUTSTANDING (0.61%)

Swap counterparty	Notional Amount	Termination Date	Payments made by Fund per annum	Fixed payments received by Fund per annum	Unrealised Appreciation/ (Depreciation) USD	% of Fund
Bank of America, N.A.						
	$2,700,000	21/05/2018	4.3975%	3 month USD-LIBOR-BBA	$58,509	0.05
	1,426,000	23/05/2010	3 month USD-LIBOR-BBA	3.155%	(8,898)	(0.01)
	287,000	15/05/2018	4.48%	3 month USD-LIBOR-BBA	4,319	—
Citibank, N.A.						
	3,400,000	04/06/2038	6 month JPY-LIBOR-BBA	2.625%	846	—
Credit Suisse International						
	210,000	13/03/2018	6 month CHF-LIBOR-BBA	3.3175%	(7,669)	(0.01)
	930,000	15/03/2010	2.59%	6 month CHF-LIBOR-BBA	11,015	0.01
	930,000	15/03/2010	2.6625%	6 month CHF-LIBOR-BBA	9,931	0.01
	210,000	14/03/2018	6 month CHF-LIBOR-BBA	3.3%	(7,960)	(0.01)
Deutsche Bank AG						
	556,000	26/06/2010	6 month GBP-LIBOR-BBA	6.180%	(1,086)	—
	240,000	26/04/2038	6 month EUR-EURIBOR-Reuters	5.065%	4,955	—
	1,920,000	30/04/2012	6 month EUR-EURIBOR-Reuters	4.31%	(40,713)	(0.03)
	1,650,000	30/04/2015	4.475%	6 month EUR-EURIBOR-Reuters	47,985	0.04
	460,000	30/04/2020	6 month EUR-EURIBOR-Reuters	4.7975%	(11,174)	(0.01)
Goldman Sachs International						
	5,110,000	10/06/2013	4.139%	3 month USD-LIBOR-BBA	25,448	0.02
	4,100,000	12/06/2018	3 month USD-LIBOR-BBA	4.84%	53,669	0.04
	22,500,000	12/06/2013	4.497%	3 month USD-LIBOR-BBA	(242,325)	(0.20)
	1,070,000	26/03/2010	6 month EUR-EURIBOR-Reuters	4.129%	(32,173)	(0.03)
	548,000	27/03/2018	4.125%	3 month USD-LIBOR-BBA	23,219	0.02
	890,000	29/03/2010	6 month GBP-LIBOR-BBA	5.25%	(27,804)	(0.02)
	220,000	27/03/2018	5.0675%	6 month GBP-LIBOR-BBA	19,350	0.02
	192,000	02/04/2018	4.076%	3 month USD-LIBOR-BBA	8,907	0.01
	1,420,000	05/04/2010	2.89%	6 month CHF-LIBOR-BBA	11,950	0.01
	320,000	03/04/2018	6 month CHF-LIBOR-BBA	3.42%	(9,248)	(0.01)
	540,000	08/04/2010	3 month USD-LIBOR-BBA	2.64%	(7,528)	(0.01)
	450,000	01/04/2010	2.9%	6 month CHF-LIBOR-BBA	3,646	—
	100,000	02/04/2018	6 month CHF-LIBOR-BBA	3.44%	(2,730)	—
	306,000	23/04/2018	4.43%	3 month USD-LIBOR-BBA	5,786	—
	99,000	19/05/2018	4.525%	3 month USD-LIBOR-BBA	1,148	—
	1,326,000	30/05/2028	5.014%	3 month USD-LIBOR-BBA	(14,666)	(0.01)
	486,000	11/04/2012	3.1825%	3 month USD-LIBOR-BBA	15,275	0.01
	162,600,000	07/05/2010	6 month JPY-LIBOR-BBA	1.09125%	(2,346)	—
	35,770,000	07/05/2018	2.205%	6 month JPY-LIBOR-BBA	634	—
	1,870,000	18/06/2017	3 month USD-LIBOR-BBA	5.809%	164,018	0.13
	4,000,000	16/11/2017	3 month USD-LIBOR-BBA	4.9875%	105,040	0.09
	1,160,000	10/04/2017	3 month USD-LIBOR-BBA	5.186%	48,859	0.04
	1,390,000	10/04/2012	3 month USD-LIBOR-BBA	5.008%	44,925	0.04
JPMorgan Chase Bank, N.A.						
	3,300,000	20/03/2018	3 month USD-LIBOR-BBA	4.087%	(149,193)	(0.12)
	6,300,000	20/03/2013	3 month USD-LIBOR-BBA	3.228%	(268,632)	(0.22)
	727,000	16/05/2018	4.53%	3 month USD-LIBOR-BBA	8,099	0.01
	3,500,000	21/05/2010	3.175%	3 month USD-LIBOR-BBA	20,510	0.02
	4,000,000	30/01/2018	3 month USD-LIBOR-BBA	4.190%	(145,160)	(0.12)
	8,000,000	30/01/2013	3.50%	3 month USD-LIBOR-BBA	239,200	0.20
	1,104,000	26/03/2010	3 month USD-LIBOR-BBA	2.33375%	(20,501)	(0.02)
	1,042,000	07/05/2013	3.9325%	3 month USD-LIBOR-BBA	14,098	0.01
	4,000,000	28/09/2011	3 month USD-LIBOR-BBA	5.034%	128,640	0.10
	2,376,000	23/05/2010	3 month USD-LIBOR-BBA	3.16%	(14,589)	(0.01)
Lehman Brothers Special Financing, Inc.*						
	430,000	11/06/2038	4.52%	6 month EUR-EURIBOR-Reuters	19,036	0.02
	650,000	11/06/2038	3 month USD-LIBOR-BBA	5.54%	12,623	0.01
	395,000	12/06/2038	4.7625%	6 month EUR-EURIBOR-Reuters	5,972	—
	595,000	12/06/2038	3 month USD-LIBOR-BBA	5.4175%	5,980	—
	594,000	12/06/2018	4.7225%	6 month EUR-EURIBOR-Reuters	7,035	0.01
	881,000	12/06/2018	3 month USD-LIBOR-BBA	5.1575%	(1,542)	—
	1,000,000	26/06/2013	3 month USD-LIBOR-BBA	4.465%	9,190	0.01
	965,000	20/05/2013	3.85%	3 month USD-LIBOR-BBA	16,714	0.01
	3,000,000	09/05/2018	3 month USD-LIBOR-BBA	4.470%	(47,520)	(0.04)
	2,950,000	16/05/2012	3 month USD-LIBOR-BBA	5.088%	104,548	0.09
	3,971,000	07/03/2018	4.34%	3 month USD-LIBOR-BBA	98,878	0.08
	2,849,000	20/03/2013	3 month USD-LIBOR-BBA	3.13666%	(132,592)	(0.11)
	2,300,000	26/03/2010	3 month USD-LIBOR-BBA	2.3525%	(41,998)	(0.03)
	2,300,000	26/03/2010	3 month USD-LIBOR-BBA	2.395%	(40,365)	(0.03)
	205,000	26/03/2038	5.05%	3 month USD-LIBOR-BBA	3,801	—
	410,000	22/03/2038	5.29%	3 month USD-LIBOR-BBA	(12)	—
	270,000	22/03/2038	6 month EUR-EURIBOR-Reuters	4.864%	(1,123)	—
	720,000	22/03/2010	6 month GBP-LIBOR-BBA	5.075%	(26,333)	(0.02)
	200,000	20/03/2018	4.99%	6 month GBP-LIBOR-BBA	19,859	0.02
	180,000	29/03/2038	6 month EUR-EURIBOR-Reuters	4.9625%	1,460	—
	1,930,000	12/04/2012	6 month EUR-EURIBOR-Reuters	4.10%	(52,236)	(0.04)
	1,650,000	13/04/2015	4.31%	6 month EUR-EURIBOR-Reuters	65,403	0.05
	460,000	13/04/2020	6 month EUR-EURIBOR-Reuters	4.6575%	(18,370)	(0.01)
	9,822,000	30/05/2010	3 month USD-LIBOR-BBA	3.4275%	(13,260)	(0.01)
	360,000	26/04/2038	5.3325%	3 month USD-LIBOR-BBA	(1,235)	—
	4,970,000	16/05/2017	3 month USD-LIBOR-BBA	5.2315%	225,887	0.18

INTEREST RATE SWAP CONTRACTS OUTSTANDING (Continued)

Swap counterparty	Notional Amount	Termination Date	Payments made by Fund per annum	Fixed payments received by Fund per annum	Unrealised Appreciation/ (Depreciation) USD	% of Fund
	$1,230,000	16/05/2012	5.088%	3 month USD-LIBOR-BBA	$(43,591)	(0.04)
	594,000	03/06/2018	6 month EUR-EURIBOR-Reuters	4.912%	(973)	—
	881,000	03/06/2018	5.28%	3 month USD-LIBOR-BBA	(2,343)	—
	6,358,000	03/06/2010	3 month USD-LIBOR-BBA	3.41%	(12,398)	(0.01)
	977,000	03/06/2038	5.0975%	3 month USD-LIBOR-BBA	(18,934)	(0.02)
	900,000	19/06/2012	3 month USD-LIBOR-BBA	5.619%	49,311	0.04
	6,000,000	05/07/2016	3 month USD-LIBOR-BBA	5.73%	476,700	0.39
	1,000,000	28/09/2016	3 month USD-LIBOR-BBA	5.12375%	37,980	0.03
	250,000	06/02/2012	3 month USD-LIBOR-BBA	5.235%	9,880	0.01
	1,600,000	06/02/2017	3 month USD-LIBOR-BBA	5.324%	83,040	0.07
	500,000	06/02/2012	3 month USD-LIBOR-BBA	5.2385%	19,820	0.02
	1,500,000	13/02/2012	3 month USD-LIBOR-BBA	5.204%	58,005	0.05
	1,500,000	13/02/2017	5.3015%	3 month USD-LIBOR-BBA	(75,630)	(0.06)
	2,200,000	23/11/2017	4.87%	3 month USD-LIBOR-BBA	(38,258)	(0.03)
	135,000	26/03/2038	6 month EUR-EURIBOR-Reuters	4.74%	(2,581)	—
	2,300,000	26/03/2010	3 month USD-LIBOR-BBA	2.325%	(43,056)	(0.04)
	1,070,000	29/03/2010	6 month EUR-EURIBOR-Reuters	4.25%	(29,415)	(0.02)
	270,000	29/03/2038	5.31%	3 month USD-LIBOR-BBA	(440)	—
Merrill Lynch International						
	623,000	07/05/2038	4.8775%	3 month USD-LIBOR-BBA	9,426	0.01
Morgan Stanley Capital Services, Inc.						
	350,000	28/03/2018	5.065%	6 month GBP-LIBOR-BBA	30,916	0.02
	1,420,000	29/03/2010	6 month GBP-LIBOR-BBA	5.21%	(46,199)	(0.04)
Net Unrealised Appreciation on Interest Rate Swap Contracts					$746,646	0.61

* Please refer to note 12 Subsequent events for more detail.

CREDIT DEFAULT CONTRACTS OUTSTANDING (–0.29%)

Swap counterparty/ Referenced debt*	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) USD	% of Fund
Bank of America, N.A.					
DJ ABX NA HE AAA Index	$23,664 (F)	25/07/2045	18 bp	$809	—
DJ CDX NA HY Series 10	5,000,000	20/06/2013	500 bp	(2,100)	—
DJ CDX NA HY Series 10	1,900,000	20/06/2013	500 bp	(62,548)	(0.05)
DJ CDX NA HY Series 9	2,970,000	20/12/2012	375 bp	92,783	0.08
Embarq Corp., 7.082%, 6/1/16	(35,000)	20/06/2016	(265 bp)	(492)	—
Limited Brands, Inc., 6 1/8%, 12/1/12	(30,000)	20/12/2012	(252 bp)	236	—
Marriott International, 4 5/8%, 6/15/12	(20,000)	20/06/2012	(139 bp)	644	—
Mattel, Inc., 7 1/4%, 7/9/12	(125,000)	20/03/2013	(157.2 bp)	(4,558)	—
Oneok Partners, 7.1%, 3/15/11	(35,000)	20/12/2016	(102 bp)	152	—
Ryder System Inc., 6.95%, 12/1/25	(125,000)	20/03/2013	(135 bp)	(1,639)	—
Spectra Energy Capital, 6 1/4%, 2/15/13	(125,000)	20/09/2014	(115 bp)	(1,651)	—
Citibank, N.A.					
Countrywide Financial Corp., USLibor+14, 1/5/09	(25,000)	20/03/2009	(875 bp)	(866)	—
DJ ABX NA HE AAA Index	45,356	25/07/2045	18 bp	1,076	—
DJ ABX NA HE AAA Index	78,880	25/07/2045	18 bp	45	—
DJ ABX NA HE AAA Index	78,880	25/07/2045	18 bp	(154)	—
DJ CDX EM Series 9	30,000	20/06/2013	265 bp	(328)	—
Electronic Data Systems Corp., 6.5%, 8/1/13	(5,000)	20/09/2013	(155 bp)	(220)	—
Hanson Plc, 7 7/8%, 9/27/10	(15,000)	20/09/2016	(71 bp)	(54)	—
Hartford Financial Services Group, 4 3/4%, 3/1/14	(185,000)	20/12/2016	(75 bp)	5,870	—
International Lease Finance Corp., 4.15%, 1/20/15	(15,000)	20/06/2013	(222.50 bp)	502	—
International Lease Finance Corp., 4.15%, 1/20/15	(75,000)	20/09/2013	(105 bp)	5,937	—
Limited Brands, Inc., 6 1/8%, 12/1/12	(60,000)	20/12/2012	(275 bp)	(43)	—
Limited Brands, Inc., 6 1/8%, 12/1/12	(10,000)	20/06/2011	(250 bp)	(4)	—
Masco Corp., 5 7/8%, 7/15/12	(90,000)	20/03/2017	(213 bp)	1,897	—
Mohawk Industries, Inc., 7.2%, 4/15/12	(85,000)	20/03/2016	(140 bp)	1,424	—
Newell Rubbermaid, Inc., 6.35%, 7/15/28	(10,000)	20/06/2013	(85 bp)	(41)	—
Sanmina-Sci Corp., 8 1/8%, 3/1/16	15,000	20/06/2013	585 bp	(578)	—
Seat Pagine Gialle S.P.A., 8%, 4/30/14	10,000	20/03/2017	815 bp	(103)	—
Credit Suisse International					
Arrow Electronics, Inc., 6 7/8%, 6/1/18	(45,000)	01/10/2010	(54.2 bp)	(13)	—
Bundesrepublic of Deutschland, 6%, 6/20/16	583,000	20/09/2018	9 bp	—	—
DJ ABX NA HE AAA Index	98,601	25/07/2045	18 bp	6,901	0.01
DJ ABX NA HE AAA Index	187,341	25/07/2045	18 bp	7,415	0.01
DJ ABX NA HE AAA Index	187,341	25/07/2045	18 bp	5,516	—
DJ CMB NA CMBX AAA Index	950,000 (F)	13/12/2049	8 bp	80,288	0.07
DJ CMB NA CMBX AAA Index	486,000 (F)	17/02/2051	35 bp	43,373	0.04
Republic of Italy, 6 7/8%, 9/27/23	(583,000)	20/09/2018	(48.75 bp)	227	—
Xerox Corp., 6 7/8%, 8/15/11	(245,000)	20/06/2012	(86.5 bp)	2,573	—

CREDIT DEFAULT CONTRACTS OUTSTANDING (Continued)

Swap counterparty/ Referenced debt*	Notional Amount		Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) USD	% of Fund
Deutsche Bank AG						
CBS Corp, 4 5/8%, 5/15/18	$(65,000)		20/06/2011	(102 bp)	$331	—
CBS Corp., 4 5/8%, 5/15/18	(50,000)		20/09/2012	(87 bp)	913	—
CNA Financial Corp., 5.85%, 12/15/14	(110,000)		20/09/2016	(155 bp)	(1,143)	—
DJ ABX NA HE AAA Index	20,706		25/07/2045	18 bp	383	—
DJ ABX NA HE AAA Index	49,300		25/07/2045	18 bp	(456)	—
DJ CDX NA EM Series 8	1,400,000		20/12/2012	175 bp	7,112	0.01
DJ CDX NA EM Series 8 Index	3,800,000		20/12/2012	175 bp	(91,048)	(0.07)
DJ CDX NA IG Series 10 Index	(15,000)		20/06/2013	(155 bp)	204	—
DJ iTraxx Europe Series 8 Version 1	(10,000)		20/12/2012	(375 bp)	(269)	—
General Electric Capital Corp., 6%, 6/15/12	15,000		20/09/2013	109 bp	(372)	—
Genworth Financial Inc., 5 3/4%, 6/15/14	(80,000)		20/06/2018	(143 bp)	6,545	0.01
Grohe Holding GmbH, 8 5/8%, 10/1/14	5,000		20/06/2009	400 bp	46	—
Korea Monetary STAB Bond, 5%, 2/14/09	105,000	(F)	23/02/2009	105 bp	34	—
Korea Monetary STAB Bond, 5.15%, 2/12/10	105,000	(F)	19/02/2010	115 bp	251	—
Malaysian Government, 6.844%, 10/1/09	130,000		01/10/2009	90 bp	584	—
Packaging Corporation of America, 5 3/4%, 8/1/13	(135,000)		20/09/2013	(129 bp)	(930)	—
Pitney Bowes, Inc., 4 5/8%, 10/1/12	(45,000)		20/03/2018	(95 bp)	(632)	—
PPG Industries, Inc., 7.05%, 8/15/09	(70,000)		20/03/2018	(154 bp)	(3,259)	—
Republic of China, zero coupon, 12/5/08	175,000	(F)	12/12/2008	115 bp	(3)	—
Reynolds American, Inc., 7 5/8%, 6/1/16	(255,000)		20/06/2013	(105 bp)	477	—
Smurfit Kappa Funding, 10 1/8%, 10/1/12	15,000		20/06/2009	135 bp	(21)	—
Unity Media GmbH, 8 3/4%, 2/15/15	20,000		20/06/2013	460 bp	(942)	—
Virgin Media Finance PLC, 8 3/4%, 4/15/14	20,000		20/09/2013	477 bp	(582)	—
Goldman Sachs International						
Bonos Y Oblig Del Estado, 5 1/2%, 7/30/17	(915,000)		20/06/2018	(42 bp)	3,093	—
Bundesrepublic of Deutschland, 6%, 6/20/16	915,000		20/06/2018	9.5 bp	476	—
CSC Holdings, Inc., 7 5/8%, 7/15/18	40,000		20/09/2013	495 bp	(155)	—
DJ ABX NA HE AAA Index	29,580		25/07/2045	18 bp	(106)	—
DJ CDX NA HY Series 10 Index	420,000		20/06/2013	500 bp	(176)	—
DJ CDX NA HY Series 10 Index	10,230,000		20/06/2013	500 bp	(247,259)	(0.21)
DJ CDX NA HY Series 9 Index	(600,000)		20/12/2017	(80 bp)	(6,545)	(0.01)
DJ CDX NA HY Series 9 Index	811,800		20/12/2012	375 bp	(3,560)	—
DJ CDX NA HY Series 9 Index 25-35% tranche	3,510,000		20/12/2010	417.1 bp	111,758	0.09
DJ CDX NA IG Series 10 Index	170,000		20/06/2013	155 bp	(1,872)	—
DJ CDX NA IG Series 10 Index	650,000		20/06/2013	155 bp	(7,248)	—
DJ CDX NA IG Series 10 Index	(1,270,000)		20/06/2018	(150 bp)	32,407	0.03
DJ CDX NA IG Series 10 Index	150,000		20/06/2013	155 bp	(131)	—
Rhodia SA, Euribor+275, 10/15/13	(95,000)		20/09/2013	(387 bp)	2,253	—
JPMorgan Chase Bank, N.A.						
Cardinal Health Inc., 5.85%, 12/15/17	(15,000)		20/06/2012	(40 bp)	2	—
Cox Communications, Inc., 6.8%, 8/1/28	(75,000)		20/03/2010	(45 bp)	(56)	—
Darden Restaurants, Inc., 6%, 8/15/35	(45,000)		20/12/2017	(155.3 bp)	297	—
DJ CDX EM Series 9	1,000,000		20/06/2013	265 bp	(16,150)	(0.01)
DJ CDX NA EM Series 8	2,000,000		20/12/2012	175 bp	(14,840)	(0.01)
DJ CDX NA HY Series 9 Index	2,277,000		20/12/2012	375 bp	(106,757)	(0.09)
DJ CDX NA IG Series 10 Index	170,000		20/06/2013	155 bp	169	—
iStar Financial, Inc., 6%, 12/15/10	5,000	(F)	20/03/2009	500 bp	198	—
Nextel Communications, 7 3/8%, 8/1/15	(55,000)		20/09/2013	(540 bp)	(2,168)	—
Sanmina-Sci Corp., 8 1/8%, 3/1/16	15,000		20/06/2013	595 bp	(524)	—
Lehman Brothers Special Financing, Inc.**						
Cadbury Scheppes US Finance, 5 1/8%, 10/1/13	(85,000)		20/10/2013	(70 bp)	570	—
CNA Financial Corp., 5.85%, 12/15/14	(15,000)		20/09/2011	(174 bp)	(292)	—
DJ ABX HE PEN AAA Index	10,241	(F)	25/05/2046	11 bp	(778)	—
DJ ABX HE PEN AAA Index	10,241	(F)	25/05/2046	11 bp	(765)	—
DJ ABX NA HE AAA Index	78,880	(F)	25/07/2045	18 bp	(488)	—
DJ ABX NA HE AAA Index	33,524	(F)	25/07/2045	18 bp	(165)	—
DJ CDX EM Series 7	2,000,000		20/06/2012	125 bp	(84,320)	(0.07)
DJ CDX NA EM Series 7 Index	2,950,000		20/06/2012	125 bp	(128,797)	(0.11)
DJ CDX NA EM Series 7 Index	750,000		20/06/2012	125 bp	(35,205)	(0.03)
DJ CDX NA IG Series 10 Index	(30,000)		20/06/2013	155 bp	350	—
DJ CDX NA IG Series 10 Index	600,000		20/06/2013	(155 bp)	(6,748)	(0.01)
DJ CMB NA CMBX AAA Index	753,000	(F)	17/02/2051	35 bp	38,317	0.03
Embarq Corp., 7.082%, 6/1/16	(155,000)		20/06/2013	(237 bp)	(312)	(0.00)
Felcor Lodging LP, 8 1/2%, 6/1/11	(25,000)		20/06/2011	(334 bp)	776	—
General Electric Capital Corp., 6%, 6/15/12	30,000		20/09/2013	115 bp	(664)	(0.00)
Hanson Plc, 7 7/8%, 9/27/10	(65,000)		20/09/2016	(140 bp)	(3,255)	(0.00)
MediaCom LLC/ Cap Corp., 9 1/2%, 1/15/13	25,000		20/09/2013	820 bp	6	—
Motorola, Inc., 6 1/2%, 9/1/25	(15,000)		20/11/2011	(335 bp)	(352)	(0.00)
Owens-Illinois, Inc., 7.8%, 5/15/18	(75,000)		20/06/2010	(128 bp)	107	—
Owens-Illinois, Inc., 7.8%, 5/15/18	(25,000)		20/06/2010	(130 bp)	26	—
Owens-Illinois, Inc., 7.8%, 5/15/18	(25,000)		20/06/2010	(140 bp)	(21)	(0.00)
Yum! Brands, Inc., 8 7/8%, 4/15/11	(10,000)		20/03/2018	(130 bp)	(48)	(0.00)

CREDIT DEFAULT CONTRACTS OUTSTANDING (Continued)

Swap counterparty/ Referenced debt*	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Unrealised Appreciation/ (Depreciation) USD	% of Fund
Merrill Lynch International					
Electronic Data Systems Corp., 6%, 8/1/13	$(25,000)	20/09/2013	(100 bp)	$(456)	—
Felcor Lodging LP, 8 1/2%, 6/1/11	(25,000)	20/06/2011	(316 bp)	893	—
Liberty Media LLC., 5.7%, 5/15/13	(55,000)	20/06/2009	(203 bp)	(382)	—
Marriott International, 4 5/8%, 6/15/12	(90,000)	20/06/2012	(119 bp)	3,529	—
Sara Lee Corp., 6 1/8%, 11/1/32	(25,000)	20/06/2013	55.5 bp	96	—
Supervalu, Inc., 7 1/2%, 5/15/12	(195,000)	01/08/2009	(90 bp)	626	—
Tyson Foods, Inc., 6.6%, 4/1/16	(45,000)	20/12/2011	(141 bp)	1,634	—
Tyson Foods, Inc., 6.6%, 4/1/16	(45,000)	20/10/2011	(152.50 bp)	1,353	—
Morgan Stanley Capital Services, Inc.					
Bundesrepublic of Deutschland, 6%, 6/20/16	88,000	20/06/2018	8 bp	(62)	—
DJ CDX NA HY Series 10 Index	1,400,000	20/06/2013	500 bp	(9,338)	(0.01)
DJ CMB NA CMBX AAA Index	274,000 (F)	17/02/2051	35 bp	15,036	0.01
DJ CMB NA CMBX AAA Index	274,000 (F)	13/12/2049	8 bp	14,025	0.01
Republic of Austria, 5 1/4%, 1/4/11	(88,000)	20/06/2018	(17 bp)	(218)	(0.00)
UBS, AG					
Cardinal Health Inc., 5.85%, 12/15/17	(125,000)	20/06/2013	(49 bp)	216	—
Starwood Hotels & Resort, 7 7/8%, 5/1/12	(260,000)	20/06/2012	(195 bp)	2,703	—
Net Unrealised Depreciation on Credit Default Contracts Outstanding				$(349,798)	(0.29)

* Payments related to the reference debt are made upon a credit default event.

** Please refer to note 12 Subsequent events for more detail.

(F) Is valued at fair value following procedures approved by the Manager.

TOTAL RETURN SWAP CONTRACTS OUTSTANDING (0.88%)

Swap counterparty	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Total return received by or paid by Fund	Unrealised Appreciation/ (Depreciation) USD	% of Fund
Citibank, N.A.						
	$723	04/03/2009	(1 month USD-LIBOR-BBA minus 1.25 percent)	iShares MSCI Emerging Markets Index	$(10,649)	—
	13,045	04/03/2009	(1 month USD-LIBOR-BBA minus 1.25 percent)	iShares MSCI Emerging Markets Index	(203,242)	0.17
Credit Suisse International						
	4,773	30/04/2009	(3 month USD-LIBOR-BBA minus x percent)	iShares MSCI Emerging Markets Index	(52,359)	(0.04)
Goldman Sachs International						
	880,000 (F)	26/03/2009	(2.27%)	Eurostat Eurozone HICP excluding tobacco	24,677	0.02
	2,000,000	26/03/2018	(2.795%)	USA Non Revised Consumer Price Index- Urban (CPI-U)	36,600	0.03
	(490,000)	30/04/2013	2.375%	French Consumer Price Index excluding tobacco	(22,239)	(0.02)
	490,000 (F)	30/04/2013	(2.41%)	Eurostat Eurozone HICP excluding tobacco	28,597	0.02
	(490,000)	06/05/2013	2.34%	French Consumer Price Index excluding tobacco	(34,780)	(0.03)
	490,000	06/05/2013	(2.385%)	Eurostat Eurozone HICP excluding tobacco	36,740	0.03
	(294,000)	09/05/2013	3.10%	GBP Non-revised Retail Price Index	(33,561)	(0.03)
	4,100,000	12/06/2018	(3.045%)	USA Non Revised Consumer Price Index- Urban (CPI-U)	(21,279)	(0.02)
	1,160,000 (F)	10/04/2017	(2.76%)	USA Non Revised Consumer Price Index- Urban (CPI-U)	30,972	0.03
JPMorgan Chase Bank, N.A.						
	1,168	15/04/2009	(3 month USD-LIBOR-BBA plus 25 bp)	A basket of common stock	(225,094)	(0.22)
	(1,168)	15/04/2009	(3 month USD-LIBOR-BBA minus 40 bp)	A basket of common stock	278,026	0.23
	14,854	02/02/2009	(3 month USD-LIBOR-BBA minus 150 bp)	iShares MSCI Emerging Markets Index	(157,007)	(0.13)
	200,000 (F)	30/01/2018	(2.66%)	USA Non Revised Consumer Price Index- Urban (CPI-U)	6,300	0.01

TOTAL RETURN SWAP CONTRACTS OUTSTANDING (Continued)

Swap counterparty	Notional Amount	Termination Date	Fixed payments received (paid) by Fund per annum	Total return received by or paid by Fund	Unrealised Appreciation USD	% of Fund
Lehman Brothers Special Financing, Inc.*						
	$4,970,000 (F)	16/05/2017	2.72125%	USA Non Revised Consumer Price Index- Urban (CPI-U)	$127,232	0.10
	5,000,000	09/05/2018	(2.805%)	USA Non Revised Consumer Price Index- Urban (CPI-U)	78,750	0.06
	1,870,000	18/06/2017	(2.88%)	USA Non Revised Consumer Price Index- Urban (CPI-U)	22,328	0.02
	6,000,000 (F)	05/07/2016	3.06%	USA Non Revised Consumer Price Index- Urban (CPI-U)	6,000	—
	1,100,000	06/02/2017	(2.72%)	USA Non Revised Consumer Price Index- Urban (CPI-U)	46,717	0.04
	700,000 (F)	16/11/2017	(2.89%)	US Consumer Price Index – Urban Consumers NSA	12,250	0.01
	87,629	01/02/2009	(US Treasury H15 Treasury Bill 3 Month Auction Investment Rate plus 25 bp)	Lehman Brothers Commodity* Total Return Index Value	1,098,193	0.90
Net Unrealised Appreciation on Total Return Swap Contracts Outstanding					$1,073,172	0.88

* Please refer to note 12 Subsequent events for more detail.

(F) Is valued at fair value following procedures approved by the Manager.

FUTURES CONTRACTS (0.30%)

Number of Contracts Long/(Short)		Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
2	Sterling Interest Rate 90 Day Dec 08	Lehman Brothers*	$(5,063)	—
7	Sterling Interest Rate 90 Day March 09	Lehman Brothers*	(20,537)	(0.02)
2	Sterling Interest Rate 90 Day March 09	Lehman Brothers*	(5,848)	—
7	Sterling Interest Rate 90 Day Sept 09	Lehman Brothers*	(18,719)	(0.02)
5	Amsterdam Index July 08	Merrill Lynch	(51,365)	(0.04)
61	Australian Government Bond 10yr. Sept 08	Lehman Brothers*	129,112	0.10
19	Australian Government Bond 3yr. Sept 08	Lehman Brothers*	14,425	0.01
11	CAC 40 Euro Index July 08	Merrill Lynch	(38,849)	(0.03)
(27)	Canadian Government Bond 10yr. Sept 08	Lehman Brothers*	18,458	0.02
(12)	DAX Index Sept 08	Merrill Lynch	155,632	0.13
(181)	Dow Jones Euro Stoxx 50 Index Sept 08	Goldman Sachs & Co	622,097	0.51
6	Euro-Bobl Sept 08	Lehman Brothers*	(14,507)	(0.01)
80	Euro-Bund Sept 08	Lehman Brothers*	(189,364)	(0.15)
(19)	Euro-Bund Sept 08	Lehman Brothers*	58,295	0.05
3	Euro-Buxl 30yr, Bond Sept 08	Lehman Brothers*	(3,128)	—
19	Euro-Schatz Sept 08	Lehman Brothers*	(18,143)	(0.01)
97	FTSE 100 Index Sept 08	JP Morgan Securities Inc.	(331,996)	(0.27)
(14)	FTSE 100 Index Sept 08	JP Morgan Securities Inc.	50,320	0.04
(9)	Goldman Sachs Index July 08	Goldman Sachs & Co	(68,409)	(0.06)
36	Hang Seng Index July 08	Merrill Lynch	(144,428)	(0.12)
1,000	Japanese Government Bond 10yr. Mini Sept 08	Lehman Brothers*	8,064	0.01
(800)	Japanese Government Bond 10yr. Mini Sept 08	Lehman Brothers*	(7,350)	(0.01)
300	Japanese Government Bond 10yr. Sept 08	Lehman Brothers*	29,321	0.02
1	U.K. Gilt Long Bond Sept 08	Lehman Brothers*	(4,009)	—
(9)	U.K. Gilt Long Bond Sept 08	Lehman Brothers*	35,674	0.03
(62)	MSCI EAFE E-Mini Sept 08	Citigroup Global Markets	221,096	0.18
(1)	MSCI SING Index July 08	Citigroup Global Markets	1,070	—
(127)	OMXS 30 Index July 08	Merrill Lynch	174,563	0.14
2	Russell 2000 Index Mini Sept 08	Citigroup Global Markets	(7,694)	(0.01)
(349)	Russell 2000 Index Mini Sept 08	Citigroup Global Markets	1,350,225	1.10
1	S&P / MIB Index Sept 08	Merrill Lynch	(9,563)	(0.01)

FUTURES CONTRACTS (Continued)

Number of Contracts Long/(Short)		Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
46	S&P 500 Index E-Mini Sept 08	Citigroup Global Markets	$(167,712)	(0.14)
(58)	S&P 500 Index E-Mini Sept 08	Citigroup Global Markets	164,894	0.13
4	S&P Mid 400 E-Mini Sept 08	Deutsche Bank Securities	(13,328)	(0.01)
(34)	S&P Mid 400 E-Mini Sept 08	Deutsche Bank Securities	113,152	0.09
4	S&P TSE 60 Index Sept 08	Goldman Sachs & Co	(14,832)	(0.01)
(18)	SPI 200 Sept 08	Goldman Sachs & Co	78,001	0.06
(40)	Tokyo Price Index Sept 08	Merrill Lynch	314,691	0.27
60	U.S. Government Long Bond Sept 08	Lehman Brothers*	62,103	0.05
(71)	U.S. Treasury Note 10yr. Sept 08	Lehman Brothers*	(11,016)	(0.01)
75	U.S. Treasury Note 2yr. Sept 08	Lehman Brothers*	29,859	0.02
(147)	U.S. Treasury Note 2yr. Sept 08	Lehman Brothers*	(87,839)	(0.07)
(34)	U.S. Treasury Note 5yr. Sept 08	Lehman Brothers*	7,218	0.01
94	U.S. Treasury Note 10yr. Sept 08	Lehman Brothers*	101,229	0.08
	Net Unrealised Appreciation on Futures Contracts		$2,505,800	2.05
	Variation margin settlement to date		$2,133,339	1.74
	Cumulate unrealised less variation margin settlement to date		$372,461	0.30

* Please refer to note 12 Subsequent events for more detail.

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (1.09%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	TRY	146,200	USD	112,992	ABN AMRO Bank	$(2,782)	–
17/09/2008	USD	68,973	PLN	152,300	ABN AMRO Bank	2,155	–
17/09/2008	HUF	14,942,300	USD	94,362	ABN AMRO Bank	(4,522)	–
17/09/2008	USD	2,548	CZK	39,500	ABN AMRO Bank	52	–
17/09/2008	USD	407,355	NOK	2,115,800	Bank of America Securities	5,378	–
17/09/2008	CHF	1,014,900	USD	969,915	Bank of America Securities	(26,103)	(0.02)
17/09/2008	SEK	8,194,400	USD	1,351,273	Bank of America Securities	(4,527)	–
17/09/2008	USD	391,795	GBP	201,900	Bank of America Securities	8,231	0.01
17/09/2008	USD	1,825	CZK	29,200	Bank of America Securities	97	–
17/09/2008	EUR	340,500	USD	530,182	Bank of America Securities	(3,927)	–
16/07/2008	USD	956,024	AUD	1,041,700	Bank of America Securities	40,459	0.03
20/08/2008	TWD	5,288,700	USD	172,695	Bank of America Securities	(2,300)	–
16/07/2008	USD	138,190	BRL	240,000	Bank of America Securities	12,180	0.01
16/07/2008	USD	217,727	MXN	2,282,900	Bank of America Securities	3,193	–
17/09/2008	EUR	146,392	USD	224,800	Citibank NA	(4,850)	–
17/09/2008	USD	2,143,500	EUR	1,386,033	Citibank NA	30,757	0.03
20/08/2008	USD	878,927	JPY	92,778,300	Citibank NA	(1,381)	–
20/08/2008	JPY	75,666,700	USD	722,049	Citibank NA	6,353	0.01
20/08/2008	SGD	267,500	USD	195,553	Citibank NA	(1,667)	–
16/07/2008	USD	110,682	BRL	194,800	Citibank NA	10,962	0.01
16/07/2008	CAD	854,400	USD	842,169	Citibank NA	2,536	–
16/07/2008	USD	128,127	ZAR	1,008,600	Citibank NA	643	–
16/07/2008	AUD	624,100	USD	594,730	Citibank NA	(2,280)	–
17/09/2008	USD	1,303,616	NOK	6,720,400	Citibank NA	7,346	0.01
17/09/2008	USD	534,440	CHF	557,100	Citibank NA	12,295	0.01
17/09/2008	USD	2,103,243	GBP	1,080,300	Citibank NA	37,166	0.03
17/09/2008	PLN	238,500	USD	108,696	Citibank NA	(2,689)	–
17/09/2008	USD	1,358,699	EUR	884,800	Citibank NA	29,200	0.02
17/09/2008	EUR	482,600	USD	743,661	Citibank NA	(13,347)	(0.01)
17/09/2008	SEK	6,340,300	USD	1,047,641	Citibank NA	(1,389)	–
17/09/2008	SEK	3,654,000	USD	608,231	Credit Suisse First Boston	3,661	–
17/09/2008	EUR	926,600	USD	1,436,410	Credit Suisse First Boston	(17,057)	(0.01)
17/09/2008	USD	4,445,800	EUR	2,874,810	Credit Suisse First Boston	63,888	0.05
17/09/2008	USD	2,109,758	NOK	10,918,000	Credit Suisse First Boston	20,038	0.01
17/09/2008	NOK	270,900	USD	52,348	Credit Suisse First Boston	(497)	–
17/09/2008	CHF	617,100	USD	605,421	Credit Suisse First Boston	(198)	–
17/09/2008	USD	1,126,113	GBP	574,000	Credit Suisse First Boston	11,158	0.01
20/08/2008	USD	590,774	JPY	63,424,900	Credit Suisse First Boston	9,132	0.01
16/07/2008	USD	87,139	ZAR	688,700	Credit Suisse First Boston	788	–
17/09/2008	USD	133,666	TRY	171,200	Credit Suisse First Boston	1,905	–
16/07/2008	USD	930,087	AUD	991,600	Credit Suisse First Boston	18,470	0.01
16/07/2008	CAD	1,281,000	USD	1,257,532	Credit Suisse First Boston	(1,329)	–
17/09/2008	USD	52,394	SEK	317,800	Deutsche Bank, London	187	–
17/09/2008	SEK	4,325,800	USD	713,169	Deutsche Bank, London	(2,553)	–
17/09/2008	USD	30,298	PLN	67,000	Deutsche Bank, London	993	–
17/09/2008	USD	27,200	GBP	14,023	Deutsche Bank, London	589	–
20/08/2008	USD	133,419	MYR	425,700	Deutsche Bank, London	(2,999)	–
16/07/2008	USD	348,246	AUD	386,200	Deutsche Bank, London	21,190	0.02
16/07/2008	AUD	251,500	USD	226,784	Deutsche Bank, London	(13,799)	(0.01)
16/07/2008	USD	52,547	MXN	560,200	Deutsche Bank, London	1,665	–

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (Continued)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
16/07/2008	USD	179,427	CAD	181,900	Deutsche Bank, London	(671)	–
17/09/2008	USD	4,173,363	EUR	2,694,700	Deutsche Bank, London	53,549	0.04
17/09/2008	EUR	2,174,400	USD	3,367,559	Deutsche Bank, London	(43,209)	(0.03)
17/09/2008	USD	382,772	GBP	197,300	Goldman Sachs International	8,140	0.01
20/08/2008	USD	1,970,448	JPY	207,298,600	Goldman Sachs International	(9,708)	(0.01)
20/08/2008	JPY	170,397,300	USD	1,623,653	Goldman Sachs International	11,945	0.01
16/07/2008	USD	447,688	AUD	475,000	Goldman Sachs International	6,694	0.01
17/07/2008	CLP	112,835,700	USD	237,339	Goldman Sachs International	22,437	0.02
17/09/2008	EUR	2,647	USD	4,100	HSBC Bank USA	(53)	–
17/09/2008	USD	9,836,500	EUR	6,351,313	HSBC Bank USA	126,688	0.10
17/09/2008	USD	879,167	NOK	4,550,300	HSBC Bank USA	8,469	0.01
17/09/2008	USD	1,132,365	GBP	578,000	HSBC Bank USA	12,832	0.01
17/09/2008	SEK	3,549,300	USD	585,316	HSBC Bank USA	(1,931)	–
16/07/2008	USD	530,089	AUD	590,300	HSBC Bank USA	34,588	0.03
16/07/2008	AUD	327,400	USD	294,005	HSBC Bank USA	(19,184)	(0.02)
17/09/2008	EUR	352,000	USD	549,419	HSBC Bank USA	(2,729)	–
20/08/2008	TWD	3,338,700	USD	110,663	HSBC Bank USA	190	–
20/08/2008	SGD	532,000	USD	388,321	HSBC Bank USA	(3,907)	–
16/07/2008	USD	61,372	NZD	79,300	HSBC Bank USA	(1,134)	–
16/07/2008	NZD	345,400	USD	261,304	HSBC Bank USA	(1,068)	–
17/09/2008	SEK	6,437,900	USD	1,059,472	JP Morgan Chase Bank	(5,706)	(0.01)
17/09/2008	USD	587,965	NOK	3,027,900	JP Morgan Chase Bank	2,694	–
17/09/2008	USD	539,777	CHF	560,500	JP Morgan Chase Bank	10,295	0.01
17/09/2008	USD	1,121,878	EUR	725,500	JP Morgan Chase Bank	16,143	0.01
17/09/2008	EUR	45,400	USD	71,157	JP Morgan Chase Bank	(58)	–
17/09/2008	USD	1,246,300	EUR	805,171	JP Morgan Chase Bank	16,760	0.01
17/09/2008	USD	77,637	TRY	99,600	JP Morgan Chase Bank	1,235	–
20/08/2008	SGD	499,300	USD	365,582	JP Morgan Chase Bank	(2,537)	–
20/08/2008	HKD	677,000	USD	87,035	JP Morgan Chase Bank	115	–
17/09/2008	USD	16,461	HUF	2,623,000	JP Morgan Chase Bank	897	–
16/07/2008	USD	879,581	AUD	963,400	JP Morgan Chase Bank	42,000	0.03
16/07/2008	AUD	234,600	USD	211,301	JP Morgan Chase Bank	(13,116)	–
16/07/2008	CAD	713,700	USD	703,354	JP Morgan Chase Bank	1,989	–
16/07/2008	USD	64,811	ZAR	517,400	JP Morgan Chase Bank	1,246	–
16/07/2008	USD	347,207	MXN	3,634,400	JP Morgan Chase Bank	4,500	–
20/08/2008	KRW	347,177,400	USD	333,120	JP Morgan Chase Bank	1,333	–
17/09/2008	USD	1,048,701	GBP	538,400	Lehman Brothers*	18,035	0.01
17/09/2008	USD	16,590,400	EUR	10,722,162	Lehman Brothers*	229,321	0.19
17/09/2008	USD	3,591,476	NOK	18,529,500	Lehman Brothers*	23,110	0.02
17/09/2008	NOK	737,900	USD	143,023	Lehman Brothers*	(921)	–
17/09/2008	SEK	3,392,500	USD	560,762	Lehman Brothers*	(542)	–
17/09/2008	CHF	1,159,600	USD	1,110,728	Lehman Brothers*	(27,297)	(0.02)
17/09/2008	EUR	341,800	USD	525,637	Lehman Brothers*	(10,511)	(0.01)
17/09/2008	USD	106,729	TRY	137,200	Lehman Brothers*	1,918	–
17/09/2008	HUF	3,273,400	USD	21,450	Lehman Brothers*	(212)	–
17/09/2008	USD	45	PLN	100	Lehman Brothers*	2	–
16/07/2008	USD	864,321	AUD	916,700	Lehman Brothers*	12,587	0.01
16/07/2008	CAD	1,524,700	USD	1,504,084	Lehman Brothers*	5,736	–
20/08/2008	TWD	739,900	USD	23,930	Lehman Brothers*	(552)	–
16/07/2008	USD	249,079	BRL	435,300	Lehman Brothers*	22,745	0.02

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (Continued)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
20/08/2008	KRW	112,222,400	USD	107,812	Lehman Brothers *	564	–
17/09/2008	USD	930,400	NOK	4,796,400	Merrill Lynch	5,243	–
17/09/2008	GBP	14,100	USD	27,546	Merrill Lynch	(390)	–
17/09/2008	EUR	2,236,000	USD	3,463,047	Merrill Lynch	(44,347)	(0.04)
17/09/2008	EUR	9,244	USD	14,300	Merrill Lynch	(201)	–
17/09/2008	USD	12,874,100	EUR	8,321,978	Merrill Lynch	180,493	0.15
17/09/2008	USD	808,359	CHF	837,700	Merrill Lynch	13,755	0.01
17/09/2008	CHF	104,600	USD	100,244	Merrill Lynch	(2,410)	–
08/01/2009	USD	78,589	MYR	253,800	Merrill Lynch	(855)	–
08/01/2009	CNY	563,100	USD	84,357	Merrill Lynch	(527)	–
16/07/2008	USD	447,113	AUD	474,400	Merrill Lynch	6,695	0.01
16/07/2008	AUD	70,800	USD	67,189	Merrill Lynch	(538)	–
16/07/2008	USD	448,359	MXN	4,734,400	Merrill Lynch	9,797	0.01
17/09/2008	EUR	282,900	USD	438,143	State Street Bank & Trust	(5,614)	(0.01)
16/07/2008	USD	540,983	AUD	578,700	State Street Bank & Trust	12,597	0.01
20/08/2008	JPY	14,690,800	USD	138,987	State Street Bank & Trust	34	–
16/07/2008	CAD	1,289,500	USD	1,263,852	UBS AG	(3,361)	–
17/09/2008	CHF	738,600	USD	712,632	UBS AG	(12,226)	(0.01)
17/09/2008	USD	1,782,848	EUR	1,151,100	UBS AG	22,770	0.02
17/09/2008	EUR	2,733,900	USD	4,230,985	UBS AG	(57,416)	(0.05)
17/09/2008	USD	14,048,200	EUR	9,073,183	UBS AG	184,752	0.14
17/09/2008	GBP	300	USD	593	UBS AG	(1)	–
17/09/2008	USD	1,413,855	NOK	7,308,200	UBS AG	11,770	0.01
17/09/2008	SEK	3,549,300	USD	585,619	UBS AG	(1,628)	–
20/08/2008	USD	215,459	JPY	22,215,500	UBS AG	(5,333)	–
16/07/2008	USD	1,173,056	AUD	1,269,100	UBS AG	40,956	0.03
16/07/2008	USD	321,021	MXN	3,383,000	UBS AG	6,358	0.01
16/07/2008	NZD	73,200	USD	55,770	UBS AG	166	–
16/07/2008	USD	80,941	ZAR	649,000	UBS AG	1,917	–
17/09/2008	USD	6,194,800	EUR	4,003,477	Westpac Banking Group	85,405	0.07
16/07/2008	CAD	761,700	USD	754,053	Westpac Banking Group	5,518	–
17/09/2008	USD	2,160,245	GBP	1,112,100	Westpac Banking Group	43,169	0.03
17/09/2008	GBP	1,191,000	USD	2,313,547	Westpac Banking Group	(46,192)	(0.04)
17/09/2008	USD	541,200	EUR	278,761	Westpac Banking Group	11,178	–
16/07/2008	USD	1,543,900	AUD	1,678,900	Westpac Banking Group	62,123	0.05
16/07/2008	AUD	97,200	USD	90,426	Westpac Banking Group	(2,555)	–
16/07/2008	NZD	475,700	USD	368,846	Westpac Banking Group	7,494	0.01
Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts						$1,334,777	1.09
Total Financial Assets at Fair Value through Profit or Loss						**$140,874,509**	**114.98**
Total Financial Liabilities at Fair Value through Profit or Loss						**$(8,255,086)**	**(6.73)**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	67.26
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market – repurchase agreement	10.61
(d) Collective Investment Schemes – mutual funds	3.40
(e) OTC financial derivative instruments – forwards/swaps	2.91
(f) Exchange traded financial derivative instruments – futures/options	2.21
(g) Other assets	13.61
Total Investments	100.00

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Schedule of Investments
30 June 2008

COMMERCIAL PAPER (62.07%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$400,000	Atlantis One Funding Corporation	0.00	05/09/2008	$397,873	0.78
300,000	Atlantis One Funding Corporation	0.00	12/09/2008	298,285	0.58
300,000	Atlantis One Funding Corporation	0.00	11/09/2008	298,320	0.58
300,000	Atlantis One Funding Corporation	0.00	01/08/2008	299,284	0.58
250,000	Atlantis One Funding Corporation	0.00	03/07/2008	249,964	0.49
500,000	Barclays U.S. Funding Corporation	0.00	19/08/2008	498,026	0.97
500,000	Beagle Funding LLC	0.00	21/08/2008	498,052	0.97
1,000,000	Beagle Funding LLC	0.00	17/07/2008	998,811	1.95
400,000	BNP Paribas	0.00	14/07/2008	399,610	0.78
850,000	BNP Paribas	0.00	08/07/2008	849,580	1.66
317,000	Bryant Park Funding LLC	0.00	12/08/2008	316,001	0.62
500,000	Bryant Park Funding LLC	0.00	07/08/2008	498,638	0.97
288,000	Bryant Park Funding LLC	0.00	07/07/2008	287,868	0.56
400,000	Bryant Park Funding LLC	0.00	15/09/2008	397,627	0.77
300,000	Bryant Park Funding LLC	0.00	09/09/2008	298,367	0.58
325,000	Caisse Nationale des Caisses d'Epargne et de Prevoyance	0.00	20/08/2008	323,727	0.63
400,000	Citibank Credit Card Issuance Trust Dakota Notes	0.00	10/09/2008	397,752	0.78
320,000	Citigroup	0.00	21/08/2008	318,740	0.62
300,000	Citigroup Funding	0.00	25/09/2008	297,886	0.58
500,000	Danske Bank Corporation	0.00	11/07/2008	499,625	0.97
300,000	Danske Bank Corporation	0.00	04/08/2008	299,244	0.58
300,000	Danske Corporation	0.00	01/08/2008	299,290	0.58
400,000	Danske Corporation	0.00	14/07/2008	399,624	0.78
500,000	Dexia Delaware LLC	0.00	06/08/2008	498,700	0.97
400,000	Dexia Delaware LLC	0.00	10/07/2008	399,729	0.78
250,000	DnB NOR Bank ASA	0.00	29/12/2008	246,279	0.48
500,000	DnB NOR Bank ASA	0.00	27/10/2008	495,157	0.96
373,000	Enterprise Funding Co. LLC	0.00	25/07/2008	372,324	0.73
400,000	Enterprise Funding Co. LLC	0.00	03/07/2008	399,932	0.78
400,000	Gemini Securitization Corporation LLC	0.00	08/08/2008	398,860	0.78
250,000	Gemini Securitization Corporation LLC	0.00	07/08/2008	249,301	0.49
500,000	Gemini Securitization Corporation LLC	0.00	01/08/2008	498,859	0.97
400,000	Gemini Securitization Corporation LLC	0.00	23/09/2008	397,312	0.77
355,000	Gotham Funding	0.00	25/07/2008	354,285	0.69
400,000	Greenwich Capital Holdings	0.00	22/12/2008	394,181	0.77
350,000	ICICI Bank Limited	0.00	30/09/2008	347,302	0.68
200,000	ICICI Bank Limited	0.00	24/09/2008	198,583	0.39
433,000	ING (US) Funding LLC	0.00	01/07/2008	433,000	0.84

COMMERCIAL PAPER (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$500,000	International Lease Finance	0.00	08/07/2008	$499,703	0.97
300,000	LMA Americas LLC	0.00	07/08/2008	299,084	0.58
400,000	Old Line Funding	0.00	05/08/2008	398,946	0.78
320,000	Old Line Funding	0.00	10/07/2008	319,772	0.62
500,000	Old Line Funding	0.00	02/07/2008	499,964	0.97
400,000	Ranger Funding Co. LLC	0.00	11/07/2008	399,700	0.78
300,000	Royal Bank of Scotland Group	0.00	08/09/2008	298,373	0.58
500,000	Royal Bank of Scotland Group	0.00	21/07/2008	499,194	0.97
400,000	Royal Bank of Scotland Group	0.00	20/10/2008	396,460	0.77
400,000	Sheffield Receivables	0.00	31/07/2008	399,067	0.78
400,000	Sheffield Receivables	0.00	07/07/2008	399,818	0.78
400,000	Societe Generale	0.00	22/07/2008	399,253	0.78
500,000	Societe Generale	0.00	22/12/2008	500,000	0.97
500,000	Societe Generale	0.00	20/10/2008	495,298	0.97
400,000	Starbird Funding	0.00	14/08/2008	398,656	0.78
400,000	Starbird Funding	0.00	24/07/2008	399,246	0.78
500,000	Starbird Funding	0.00	23/07/2008	499,041	0.97
300,000	Starbird Funding	0.00	07/07/2008	299,843	0.58
400,000	Starbird Funding Corporation	0.00	29/09/2008	397,000	0.77
400,000	Swedbank Hypotek	0.00	10/07/2008	399,730	0.78
400,000	Swedbank Mortgage	0.00	16/07/2008	399,525	0.78
400,000	Three Pillars Funding	0.00	09/07/2008	399,760	0.78
375,000	Three Pillars Funding Corporation	0.00	15/09/2008	372,744	0.73
400,000	Three Pillars Funding Corporation	0.00	20/08/2008	398,544	0.78
400,000	Thunder Bay Funding	0.00	19/09/2008	397,458	0.77
500,000	Thunder Bay Funding	0.00	16/07/2008	499,448	0.97
500,000	Thunder Bay Funding	0.00	15/07/2008	499,502	0.97
400,000	Thunder Bay Funding Incorporated	0.00	21/07/2008	399,371	0.78
500,000	Tulip Funding	0.00	15/07/2008	499,465	0.97
500,000	UniCredito Italiano	0.00	21/08/2008	498,003	0.97
500,000	UniCredito Italiano	0.00	06/08/2008	498,585	0.97
400,000	Variable Funding Capital Co. LLC	0.00	14/07/2008	399,588	0.78
400,000	Victory Receivables Corporation	0.00	28/08/2008	398,273	0.78
400,000	Victory Receivables Corporation	0.00	11/07/2008	399,683	0.78
300,000	Westpac Banking	0.00	06/10/2008	297,818	0.58
500,000	Westpac Banking	0.00	08/10/2008	496,205	0.97
400,000	Windmill Funding	0.00	24/07/2008	399,343	0.78
500,000	Working Capital Management Co.	0.00	15/07/2008	499,456	0.97
799,000	Yorktown Capital LLC	0.00	02/07/2008	798,941	1.56
	Total Commercial Paper			$31.855,858	62.07

CORPORATE BONDS & NOTES (13.48%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$500,000	Allstate Life Global Funding Trusts	3.06	20/03/2009	$500,000	0.98
700,000	Bank of America Corporation	2.72	11/08/2008	700,000	1.36

CORPORATE BONDS & NOTES (Continued)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$700,000	Citigroup Funding Incorporated	2.69	13/08/2008	$700,000	1.36
300,000	General Electric Capital Corporation	2.88	15/06/2009	300,148	0.59
310,000	ING USA Global Funding Trust	3.14	19/06/2009	310,000	0.60
600,000	Lehman Brothers* Holdings Incorporated	2.81	27/08/2008	600,000	1.17
1,150,000	Merrill Lynch & Co. Incorporated	2.64	15/08/2008	1,149,971	2.24
500,000	Principal Life Income Funding Trusts	3.04	09/04/2009	500,000	0.97
200,000	Royal Bank of Canada	2.52	09/10/2008	200,016	0.39
250,000	Toyota Motor Credit Corporation	2.49	19/06/2009	250,000	0.49
400,000	Toyota Motor Credit Corporation	2.21	18/03/2009	400,000	0.78
300,000	Toyota Motor Credit Corporation	2.36	26/06/2009	300,000	0.59
500,000	Wachovia Bank	2.91	04/02/2009	500,000	0.97
200,000	Wells Fargo & Company	2.51	02/10/2008	200,002	0.39
310,000	Wells Fargo Bank	2.63	28/05/2009	310,000	0.60
	Total Corporate Bonds & Notes			$6,920,137	13.48

CERTIFICATES OF DEPOSIT (12.86%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$250,000	Abbey National Treasury Services	2.72	13/02/2009	$250,000	0.49
200,000	ABN Amro Bank	2.84	05/09/2008	200,050	0.39
500,000	Banco Santander	3.06	22/10/2008	500,015	0.97
500,000	Barclays Bank Plc	2.88	23/02/2009	500,000	0.97
300,000	Barclays Bank Plc	3.00	02/12/2008	300,006	0.58
300,000	Calyon	2.80	17/11/2008	300,000	0.59
500,000	Deutsche Bank	3.01	21/01/2009	500,000	0.97
500,000	Dexia Credit Local	2.95	18/07/2008	500,002	0.97
500,000	Natixis	3.10	22/07/2008	500,000	0.97
750,000	Nordea Bank Finland	2.42	29/07/2008	749,883	1.46
400,000	Royal Bank of Canada/ New York	2.81	26/09/2008	400,010	0.78
500,000	Societe Generale North America	2.84	30/09/2008	500,000	0.98
400,000	Swedbank	2.42	08/09/2008	399,840	0.78
400,000	UniCredito Italiano	3.01	21/10/2008	400,012	0.78
300,000	UniCredito Italiano	3.26	24/12/2008	300,014	0.59
300,000	Wachovia Bank	2.69	27/01/2009	300,000	0.59
	Total Certificates of Deposit			$6,599,832	12.86

MUNICIPAL BONDS & NOTES (2.48%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$885,000	Colorado Housing & Finance Authority & Co	3.15	01/11/2033	$885,000	1.73
385,000	Colorado Housing & Finance Authority & Co (Class I)	3.15	01/11/2032	385,000	0.75
	Total Municipal Bonds & Notes			$1,270,000	2.48

U.S. GOVERNMENT AGENCY OBLIGATIONS (1.36%)

Principal Amounts		Coupon Rate %	Maturity Dates	Value USD	% of Fund
$400,000	Fannie Mae* FRN 07/09	2.75	28/07/2009	$399,878	0.78
300,000	Freddie Mac* FHLMCF FRN 09/09	2.46	21/09/2009	300,000	0.58
	Total U.S. Government Agency Obligations			$699,878	1.36

REPURCHASE AGREEMENTS (8.29%)

Principal Amount		Coupon Rate %	Maturity Date	Value USD	% of Fund
$4,253,000	Repurchase Agreement – Bank of America	2.25	01/07/2008	$4,253,000	8.29
	Total Repurchase Agreements			$4,253,000	8.29
Total Financial Assets at Fair Value through Profit or Loss				**$51,598,705**	**100.54**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	–
(b) Transferable securities dealt in on another regulated market	91.64
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market – repurchase agreement	8.23
(d) Collective Investment Schemes – mutual funds	–
(e) OTC financial derivative instruments – forwards/swaps	–
(f) Exchange traded financial derivative instruments – futures/options	–
(g) Other assets	0.13
Total Investments	100.00

Schedule of Investments
30 June 2008

U.S. EQUITIES (98.77%)

Number of Shares		Value USD	% of Fund
2,600	Advance America Cash Advance Centers Incorporated	$13,182	0.09
13,100	Advanta Corporation (Class B)	82,399	0.54
2,300	Airgas Incorporated	133,906	0.88
5,500	Alon USA Energy Incorporated	65,615	0.43
5,000	American Axle & Manufacturing Holdings Incorporated	39,950	0.26
22,000	American Equity Investment Life Holding	179,300	1.17
1,800	Amerigroup Corporation	37,440	0.24
9,000	AMN Healthcare Services Incorporated	152,280	1.00
2,200	Andersons Incorporated	89,562	0.59
3,100	Applied Industrial Technologies Incorporated	74,927	0.49
6,400	Arbor Realty Trust Incorporated	57,216	0.37
10,600	Arctic Cat Incorporated	83,316	0.54
3,800	Arkansas Best Corporation	139,232	0.91
17,878	Arris Group Incorporated	151,248	0.99
8,500	ArvinMeritor Incorporated	105,655	0.69
3,485	Avnet Incorporated	94,827	0.62
3,800	Belden Incorporated	128,744	0.84
7,907	Benchmark Electronics Incorporated	129,200	0.84
3,000	Black Hills Corporation	96,150	0.63
11,635	Brightpoint Incorporated	84,936	0.56
7,100	Brown Shoe Co. Incorporated	96,205	0.63
2,400	Cabot Oil & Gas Corporation	162,264	1.06
4,360	Cache Incorporated	46,652	0.30
2,600	CACI International Incorporated	119,002	0.78
3,100	Capital Trust Incorporated	59,396	0.39
20,800	Centennial Communications Corporation	145,600	0.95
2,700	Chart Industries Incorporated	131,490	0.86
6,000	Chiquita Brands International Incorporated	90,960	0.59
21,200	Chordiant Software Incorporated	106,000	0.69
3,300	City Holding Company	134,541	0.88
5,300	Cohu Incorporated	77,804	0.51
8,820	Colonial Bancgroup Incorporated	38,896	0.25
3,700	Columbia Banking Systems Incorporated	71,521	0.47
8,720	Cutera Incorporated	78,393	0.51
1,700	Datascope Corporation	79,900	0.52
4,800	Delek US Holdings Incorporated	44,208	0.29
5,100	Deluxe Corporation	90,882	0.59
6,970	DiamondRock Hospitality Company	75,764	0.50
12,541	Earthlink Incorporated	108,480	0.71
3,800	East West Bancorp Incorporated	26,828	0.18
6,600	Emulex Corporation	76,890	0.50
2,600	Energen Corporation	202,540	1.32
11,200	Energy Partners Limited	167,104	1.09
3,700	EnerSys	126,540	0.83
7,300	Ennis Incorporated	113,807	0.74
2,200	EnPro Industries Incorporated	82,148	0.54
2,900	Entertainment Properties Trust	143,376	0.94
11,159	EZCORP Incorporated	142,277	0.93
3,913	FBL Financial Group Incorporated	77,790	0.51
3,900	Financial Federal Corporation	85,644	0.56
14,590	GateHouse Media Incorporated	35,891	0.23
2,083	General Cable Corporation	126,646	0.83
6,000	Getty Realty Corporation	86,340	0.56
18,385	Gevity HR Incorporated	98,911	0.65
5,300	Gramercy Capital Corporation	61,427	0.40

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
2,400	Grief Incorporated	$153,672	1.00
2,900	GulfMark Offshore Incorporated	168,374	1.10
10,900	Hanmi Financial Corporation	56,789	0.37
1,700	Hanover Insurance Group Incorporated	72,250	0.47
9,400	Haverty Furniture Companies Incorporated	94,376	0.62
1,700	Haynes International Incorporated	97,835	0.64
11,960	Healthspring Incorporated	201,885	1.32
11,014	Hercules Technology Growth Capital Incorporated	98,575	0.64
10,900	Hersha Hospitality Trust	82,295	0.54
36,445	Hooper Holmes Incorporated	34,258	0.22
5,700	Iconix Brand Group Incorporated	68,742	0.45
4,300	Imation Corporation	98,427	0.64
2,800	Infinity Property & Casualty	116,088	0.76
8,930	Innovative Solutions & Support Incorporated	57,688	0.38
8,100	Interface Incorporated (Class A)	101,493	0.66
5,500	Jos. A. Bank Clothiers Incorporated	147,015	0.96
10,899	Journal Communications Incorporated	52,533	0.34
8,600	Knoll Incorporated	104,490	0.68
2,900	Laclede Group Incorporated	117,073	0.77
2,100	Landamerica Financial Group Incorporated	46,599	0.30
12,100	MCG Capital Corporation	48,158	0.32
3,700	M/I Schottenstein Homes Incorporated	58,201	0.38
19,670	MFA Mortgage Investments Incorporated	128,248	0.84
1,300	Middleby Corporation	57,044	0.37
8,880	Monotype Imaging Holdings Incorporated	108,158	0.71
3,700	Mueller Industries Incorporated	119,140	0.78
19,423	Nautilus Incorporated	98,475	0.64
2,200	Navigators Group Incorporated	118,778	0.78
6,900	Netgear Incorporated	95,634	0.62
7,994	NorthStar Realty Finance Corporation	66,510	0.43
13,300	Novatel Wireless Incorporated	148,029	0.97
2,800	OfficeMax Incorporated	38,920	0.25
6,200	Olin Corporation	162,316	1.06
20,400	Omnova Solutions Incorporated	56,508	0.37
9,600	Oplink Communications Incorporated	90,912	0.59
1,980	Owens & Minor Incorporated	90,466	0.59
4,900	Parametric Technology Corporation	81,683	0.53
4,794	Park Electrochemical Corporation	116,542	0.76
4,700	Pennsylvania Real Estate Investment Trust	108,711	0.71
4,800	Perry Ellis International Incorporated	101,952	0.67
2,700	Phillips-Van Heusen Corporation	98,874	0.65
11,300	Phoenix Companies Incorporated	85,993	0.56
25,000	Pier 1 Imports Incorporated	86,000	0.56
7,960	Presidential Life Corporation	122,743	0.80
10,341	Prestige Brands Holdings Incorporated	110,235	0.72
7,500	Provident Bankshares Corporation	47,850	0.31
5,600	PSS World Medical Incorporated	91,280	0.60
3,900	Quanex Building Products Corporation	57,954	0.38
6,126	Renasant Corporation	89,378	0.58
4,800	RPM Incorporated	98,880	0.65
15,200	Ruby Tuesday Incorporated	82,080	0.54
5,100	Ruddick Corporation	174,930	1.15
4,500	Safety Insurance Group Incorporated	160,425	1.05
7,400	Sciele Pharma Incorporated	143,338	0.94
7,730	Selective Insurance Group	145,015	0.95

U.S. EQUITIES (Continued)

Number of Shares		Value USD	% of Fund
5,700	Skechers U.S.A. Incorporated (Class A)	$112,347	0.73
7,800	SkyWest Incorporated	98,670	0.64
22,500	Smart Modular Technologies WWH Incorporated	86,175	0.56
2,000	Snap-On Incorporated	104,000	0.68
5,800	Sonic Automotive Incorporated	74,762	0.49
5,300	Southwest Gas Corporation	157,569	1.03
9,477	Spartan Stores Incorporated	216,170	1.41
8,400	Spartech Corporation	79,212	0.52
4,500	St. Mary Land & Exploration Company	290,295	1.90
6,825	Stage Stores Incorporated	79,648	0.52
9,900	Stamps.com Incorporated	123,552	0.81
3,000	Steel Dynamics Incorporated	117,210	0.77
11,150	Sterling Bancshares Incorporated	101,354	0.66
5,200	Steven Madden Limited	95,680	0.63
3,600	Swift Energy Company	237,816	1.55
7,603	SWS Group Incorporated	126,210	0.82
6,100	Technitrol Incorporated	103,578	0.68
2,400	Teledyne Technologies Incorporated	117,096	0.77
3,400	Tidewater Incorporated	220,626	1.44
14,100	TradeStation Group Incorporated	143,115	0.94
9,400	TTM Technologies Incorporated	124,174	0.81
2,800	UIL Holdings Corporation	82,348	0.54
8,900	Ultra Clean Holdings	70,399	0.46
3,900	UniSource Energy Corporation	120,939	0.79
13,600	United Online Incorporated	135,728	0.89
3,300	Universal Forest Products Incorporated	98,868	0.65
16,920	USEC Incorporated	102,704	0.67
2,520	Vital Signs Incorporated	143,086	0.94
13,500	Wausau Paper Corporation	104,085	0.68
3,399	Webster Financial Corporation	63,221	0.41
3,400	Weiss Markets Incorporated	110,058	0.72
3,400	WESCO International Incorporated	135,796	0.89
5,900	Westar Energy Incorporated	126,909	0.83
2,500	Zenith National Insurance Corporation	87,900	0.57
9,500	Zoran Corporation	111,150	0.73
	Total U.S. Equities	$15,113,469	98.77

NON-U.S. EQUITIES (1.71%)

Number of Shares		Value USD	% of Fund
6,000	Assured Guaranty Limited	$107,940	0.70
11,145	GSI Group Incorporated	86,485	0.57
5,000	Mellanox Technologies Limited	67,552	0.44
	Total Non-U.S. Equities	$261,977	1.71
Total Value of Investments		$15,375,446	100.48

FORWARD FOREIGN EXCHANGE CURRENCY CONTRACTS (0.14%)

Settlement Dates	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) USD	% of Fund
17/09/2008	EUR	41,168	USD	63,700	Lehman Brothers*	$(880)	(0.01)
17/09/2008	USD	555,300	EUR	358,647	UBS AG	7,302	0.05
17/09/2008	USD	1,439,800	EUR	930,705	Merrill Lynch	20,186	0.14
17/09/2008	USD	87,700	EUR	56,681	Credit Suisse First Boston	1,215	–
17/09/2008	EUR	63,558	USD	97,600	Citibank NA	(2,106)	(0.01)
17/09/2008	USD	27,800	EUR	17,960	JP Morgan Chase Bank	373	–
17/09/2008	USD	232,600	EUR	359,400	HSBC Bank USA	(4,629)	(0.03)
Net Unrealised Appreciation on Forward Foreign Exchange Currency Contracts						$21,461	0.14
Total Financial Assets at Fair Value through Profit or Loss						**$15,396,907**	**100.48**

* Please refer to note 12 Subsequent events for more detail.

Analysis of Investments (Unaudited)	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	97.90
(b) Transferable securities dealt in on another regulated market	–
(c) Transferable securities other than those admitted to official stock exchange listing or dealt in on another regulated market – repurchase agreement	–
(d) Collective Investment Schemes – mutual funds	–
(e) OTC financial derivative instruments – forwards/swaps	0.06
(f) Exchange traded financial derivative instruments – futures/options	–
(g) Other assets	2.04
Total Investments	100.00

Profit and Loss Account

	Putnam American Government Bond Fund* Year ended 30 June 2008 USD	Putnam American Government Bond Fund* Year ended 30 June 2007 USD	Putnam Emerging Information Sciences Fund Year ended 30 June 2008 USD	Putnam Emerging Information Sciences Fund Year ended 30 June 2007 USD
Operating Income				
Interest Income	$ 235,573	$ 431,515	$ 17,149	$ 39,865
Dividend Income	–	–	34,386	49,572
Net Realised and Unrealised Gains/(Losses) on Financial Assets and Liabilities at Fair Value through profit or loss	395,064	175,780	(5,151,691)	9,317,915
	$ 630,637	**$ 607,295**	**$ (5,100,156)**	**$ 9,407,352**
Operating Expenses				
Management Fees (Note 7)	82,694	155,969	626,294	997,636
Custody and Trustee Fees	4,437	11,224	12,059	62,927
Administrator and Transfer Agent Fees (Note 7)	12,969	32,210	122,939	143,784
Auditors' Fees	17,501	10,264	4,974	33,892
Professional Fees (Note 9)	1,239	9,494	19,398	47,167
Other Expenses	28,671	37,643	104,004	152,498
	$ 147,511	**$ 256,804**	**$ 889,668**	**$ 1,437,904**
Operating Profit/(Loss)	**$ 483,126**	**$ 350,491**	**$ (5,989,824)**	**$ 7,969,448**
Finance Costs				
Distributions to holders of redeemable Units	(129,629)	(234,354)	–	–
Interest expenses	(1,064)	(1,587)	(120)	(9)
Profit/(Loss) for the Financial Year	**$ 352,433**	**$ 114,550**	**$ (5,989,944)**	**$ 7,969,439**
Non-reclaimable withholding tax	–	–	(17,352)	(15,784)
Adjustment from bid market price to last traded market price	–	–	(75,910)	9,688
Increase/(Decrease) in net assets attributable to redeemable participating Unitholders	**$ 352,433**	**$ 114,550**	**$ (6,083,206)**	**$ 7,963,343**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

* Putnam American Government Bond Fund terminated on 20 February 2008.

Profit and Loss Account (Continued)

	Putnam Emerging Markets Debt Fund Year ended 30 June 2008 USD	Putnam Emerging Markets Debt Fund Year ended 30 June 2007 USD	Putnam Europe Equity Fund Year ended 30 June 2008 USD	Putnam Europe Equity Fund Year ended 30 June 2007 USD
Operating Income				
Interest Income	$ 149,585	$ 185,339	$ 9,410	$ 18,893
Dividend Income	–	–	474,832	482,497
Net Realised and Unrealised Gains/(Losses) on Financial Assets and Liabilities at Fair Value through profit or loss	1,841	83,065	(2,507,721)	4,546,391
	$ 151,426	**$ 268,404**	**$ (2,023,479)**	**$ 5,047,781**
Operating Expenses				
Management Fees (Note 7)	10,608	36,023	299,685	345,568
Custody and Trustee Fees	2,058	1,989	52,770	138,354
Administrator and Transfer Agent Fees (Note 7)	16,622	10,170	55,807	42,794
Auditors' Fees	1,941	1,684	9,974	11,621
Professional Fees (Note 9)	1,717	2,409	11,127	14,813
Other Expenses	13,460	9,648	45,219	62,849
Expense Waiver (Note 7)	(3,079)	(7,192)	(33,296)	(53,512)
	$ 43,327	**$ 54,731**	**$ 441,286**	**$ 562,487**
Operating Profit/(Loss)	**$ 108,099**	**$ 213,673**	**$ (2,464,765)**	**$ 4,485,294**
Finance Costs				
Distributions to holders of redeemable Units	(113,601)	(84,942)	(111)	(16,925)
Interest expenses	–	–	(165)	(142)
(Loss)/Profit for the Financial Year	**$ (5,502)**	**$ 128,731**	**$ (2,465,041)**	**$ 4,468,227**
Non-reclaimable withholding tax	–	–	(77,572)	(100,330)
Adjustment from bid market price to last traded market price	–	(94)	(3,936)	(19,983)
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders	**$ (5,502)**	**$ 128,637**	**$ (2,546,549)**	**$ 4,347,914**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

Profit and Loss Account (Continued)

	The George Putnam (U.S. Equity and Bond) Fund* Year ended 30 June 2008 USD	The George Putnam (U.S. Equity and Bond) Fund* Year ended 30 June 2007 USD	Putnam Global Equity Multi–Alpha Fund Year ended 30 June 2008 USD	Putnam Global Equity Multi–Alpha Fund Year ended 30 June 2007 USD
Operating Income				
Interest Income	$ 197,901	$ 281,375	$ –	$ 9,571
Dividend Income	97,312	166,630	573,882	449,529
Net Realised and Unrealised (Losses)/Gains on Financial Assets and Liabilities at Fair Value through profit or loss	(1,007,541)	1,657,151	(3,802,410)	4,491,644
	$ (712,328)	**$ 2,105,156**	**$ (3,228,528)**	**$ 4,950,744**
Operating Expenses				
Management Fees (Note 7)	171,006	314,825	221,657	290,353
Custody and Trustee Fees	12,646	76,084	28,736	38,396
Administrator and Transfer Agent Fees (Note 7)	20,816	45,319	60,021	34,502
Auditors' Fees	25,714	13,035	21,806	13,484
Professional Fees (Note 9)	1,744	14,924	28,728	10,111
Other Expenses	39,865	61,038	85,495	162,217
Expense Waiver (Note 7)	(20,051)	(39,257)	–	(113,427)
	$ 251,740	**$ 485,968**	**$ 446,443**	**$ 435,636**
Operating (Loss)/Profit	**$ (964,068)**	**$ 1,619,188**	**$ (3,674,971)**	**$ 4,515,108**
Finance Costs				
Distributions to holders of redeemable Units	(8,395)	(14,331)	–	–
Interest expenses	–	(3)	–	(11,823)
(Loss)/Profit for the Financial Year	**$ (972,463)**	**$ 1,604,854**	**$ (3,674,971)**	**$ 4,503,285**
Non–reclaimable withholding tax	(28,962)	(49,037)	(108,062)	(91,105)
Adjustment from bid market price to last traded market price	(6,158)	1,467	(21,792)	26,669
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders	**$ (1,007,583)**	**$ 1,557,284**	**$ (3,804,825)**	**$ 4,438,849**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

* The George Putnam (U.S. Equity and Bond) Fund terminated on 20 February 2008.

Profit and Loss Account (Continued)

	Putnam Global Fixed Income Alpha Fund S1* Year ended 30 June 2008 GBP	Putnam Global Fixed Income Alpha Fund S2** Year ended 30 June 2008 GBP
Operating Income		
Interest Income	£ 6,149,471	£ 10,742,978
Dividend Income	–	–
Net Realised and Unrealised (Losses) on Financial Assets and Liabilities at Fair Value through profit or loss	(85,620)	(10,209,406)
	£ 6,063,851	**£ 533,572**
Operating Expenses		
Management Fees (Note 7)	283,545	353,933
Custody and Trustee Fees	42,135	41,469
Administrator and Transfer Agent Fees (Note 7)	187,873	201,719
Auditors' Fees	106,719	112,664
Professional Fees (Note 9)	26,878	16,536
Other Expenses	69,309	56,908
	£ 716,459	**£ 783,229**
Operating Profit/(Loss)	**£ 5,347,392**	**£ (249,657)**
Finance Costs		
Distributions to holders of redeemable Units	–	–
Interest expenses	–	(550)
Profit/(Loss) for the Financial Year	**£ 5,347,392**	**£ (250,207)**
Non-reclaimable withholding tax	–	–
Adjustment from bid market price to last traded market price	–	–
Increase/(Decrease) in net assets attributable to redeemable participating Unitholders	**£ 5,347,392**	**£ (250,207)**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial Period, all amounts above relate to continuing operations.

* Putnam Global Fixed Income Alpha Fund S1 launched on 21 February 2008.

** Putnam Global Fixed Income Alpha Fund S2 launched on 25 February 2008.

Profit and Loss Account (Continued)

	Putnam Global Growth Fund Year ended 30 June 2008 USD	Putnam Global Growth Fund Year ended 30 June 2007 USD	Putnam Global High Yield Bond Fund Year ended 30 June 2008 USD	Putnam Global High Yield Bond Fund Year ended 30 June 2007 USD
Operating Income				
Interest Income	$ 12,462	$ 14,245	$ 14,411,863	$ 2,151,323
Dividend Income	334,455	425,008	131,181	47,397
Net Realised and Unrealised (Losses)/Gains on Financial Assets and Liabilities at Fair Value through profit or loss	(2,357,016)	5,637,804	(15,140,924)	547,675
	$ (2,010,099)	**$ 6,077,057**	**$ (597,880)**	**$ 2,746,395**
Operating Expenses				
Management Fees (Note 7)	450,357	549,301	2,363,252	443,269
Custody and Trustee Fees	63,163	110,764	47,862	67,410
Administrator and Transfer Agent Fees (Note 7)	79,403	71,997	364,585	73,024
Auditors' Fees	13,420	19,494	150,958	25,368
Professional Fees (Note 9)	14,639	24,373	101,054	26,189
Other Expenses	60,206	98,603	683,573	128,286
Expense Waiver (Note 7)	–	(11,286)	(370,110)	(61,714)
	$ 681,188	**$ 863,246**	**$ 3,341,174**	**$ 701,832**
Operating (Loss)/Profit	**$ (2,691,287)**	**$ 5,213,811**	**$ (3,939,054)**	**$ 2,044,563**
Finance Costs				
Distributions to holders of redeemable Units	–	–	(1,295,417)	(1,088,148)
Interest expenses	(1,284)	(1,637)	(2,083)	(311)
(Loss)/Profit for the Financial Year	**$ (2,692,571)**	**$ 5,212,174**	**$ (5,236,554)**	**$ 956,104**
Non-reclaimable withholding tax	(59,445)	(88,761)	(67,553)	(11,123)
Adjustment from bid market price to last traded market price	(15,206)	(16,781)	(15,083)	14,280
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders	**$ (2,767,222)**	**$ 5,106,632**	**$ (5,319,190)**	**$ 959,261**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

Profit and Loss Account (Continued)

	Putnam Growth and Income (U.S. Value Equity) Fund Year ended 30 June 2008 USD	Putnam Growth and Income (U.S. Value Equity) Fund Year ended 30 June 2007 USD	Putnam International (Non U.S. Core) Equity Fund Year ended 30 June 2008 USD	Putnam International (Non U.S. Core) Equity Fund Year ended 30 June 2007 USD
Operating Income				
Interest Income	$ 20,009	$ 20,938	$ 12,854	$ 26,465
Dividend Income	618,612	723,615	758,552	791,721
Net Realised and Unrealised (Losses)/Gains on Financial Assets and Liabilities at Fair Value through profit or loss	(8,180,333)	6,879,423	(3,812,502)	7,788,128
	$ (7,541,712)	**$ 7,623,976**	**$ (3,041,096)**	**$ 8,606,314**
Operating Expenses				
Management Fees (Note 7)	605,193	891,602	563,608	733,694
Custody and Trustee Fees	15,250	76,993	46,276	202,917
Administrator and Transfer Agent Fees (Note 7)	104,084	115,114	93,999	93,306
Auditors' Fees	7,335	36,816	13,069	28,854
Professional Fees (Note 9)	19,202	40,468	16,791	32,431
Other Expenses	76,384	148,908	73,631	110,666
	$ 827,448	**$ 1,309,901**	**$ 807,374**	**$ 1,201,868**
Operating (Loss)/Profit	**$ (8,369,160)**	**$ 6,314,075**	**$ (3,848,470)**	**$ 7,404,446**
Finance Costs				
Distributions to holders of redeemable Units	(7,593)	–	(193,423)	–
Interest expenses	(120)	(8)	–	(12)
(Loss)/Profit for the Financial Year	**$ (8,376,873)**	**$ 6,314,067**	**$ (4,041,893)**	**$ 7,404,434**
Non-reclaimable withholding tax	(174,894)	(207,047)	(109,516)	(145,681)
Adjustment from bid market price to last traded market price	(3,275)	8,384	(37,748)	(20,216)
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders	**$ (8,555,042)**	**$ 6,115,404**	**$ (4,189,157)**	**$ 7,238,537**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

Profit and Loss Account (Continued)

	Putnam Investors (U.S. Core Equity) Fund Year ended 30 June 2008 USD	Putnam Investors (U.S. Core Equity) Fund Year ended 30 June 2007 USD	Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund Year ended 30 June 2008 USD	Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund Year ended 30 June 2007 USD
Operating Income				
Interest Income	$ 8,295	$ 8,687	$ 10,231	$ 13,533
Dividend Income	197,743	282,879	170,756	307,218
Net Realised and Unrealised (Losses)/Gains on Financial Assets and Liabilities at Fair Value through profit or loss	(4,535,133)	4,665,780	(5,423,991)	4,316,176
	$ (4,329,095)	**$ 4,957,346**	**$ (5,243,004)**	**$ 4,636,927**
Operating Expenses				
Management Fees (Note 7)	388,752	617,034	474,589	656,863
Custody and Trustee Fees	14,176	57,715	17,512	57,148
Administrator and Transfer Agent Fees (Note 7)	84,449	89,976	88,189	110,842
Auditors' Fees	3,568	25,144	5,206	26,382
Professional Fees (Note 9)	11,556	28,799	13,215	30,816
Other Expenses	57,719	100,551	66,454	93,848
Expense Waiver (Note 7)	(109,513)	(171,690)	(16,138)	(22,319)
	$ 450,707	**$ 747,529**	**$ 649,027**	**$ 953,580**
Operating (Loss)/Profit	**$ (4,779,802)**	**$ 4,209,817**	**$ (5,892,031)**	**$ 3,683,347**
Finance Costs				
Distributions to holders of redeemable Units	(6,716)	–	–	–
Interest expenses	(150)	(6)	(155)	(6)
(Loss)/Profit for the Financial Year	**$ (4,786,668)**	**$ 4,209,811**	**$ (5,892,186)**	**$ 3,683,341**
Non-reclaimable withholding tax	(60,886)	(81,973)	(39,071)	(87,412)
Adjustment from bid market price to last traded market price	(2,206)	13,774	16,061	(53,113)
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders	**$ (4,849,760)**	**$ 4,141,612**	**$ (5,915,196)**	**$ 3,542,816**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

Profit and Loss Account (Continued)

	Putnam Opportunistic Value Fund* Year ended 30 June 2008 USD	Putnam Opportunistic Value Fund* Year ended 30 June 2007 USD	Putnam Total Return Fund Year ended 30 June 2008 USD	Putnam Total Return Fund Year ended 30 June 2007 USD
Operating Income				
Interest Income	$ 2,457	$ 23,902	$ 1,100,832	$ 523,574
Dividend Income	38,500	822,583	1,154,535	285,991
Net Realised and Unrealised (Losses)/Gains on Financial Assets and Liabilities at Fair Value through profit or loss	(560,922)	7,416,244	8,843,844	1,792,011
	$ (519,965)	**$ 8,262,729**	**$ 11,099,211**	**$ 2,601,576**
Operating Expenses				
Management Fees (Note 7)	28,096	623,869	637,652	357,981
Custody and Trustee Fees	3,447	38,185	73,870	179,159
Administrator and Transfer Agent Fees (Note 7)	27,402	68,842	151,560	41,782
Auditors' Fees	–	23,414	55,972	16,807
Professional Fees (Note 9)	3,461	35,914	53,955	12,761
Other Expenses	5,495	135,470	264,943	159,709
Expense Waiver (Note 7)	(1,985)	(57,159)	(210)	(356,494)
	$ 65,916	**$ 868,535**	**$ 1,237,747**	**$ 411,705**
Operating (Loss)/Profit	**$ (585,881)**	**$ 7,394,194**	**$ 9,861,464**	**$ 2,189,871**
Finance Costs				
Distributions to holders of redeemable Units	(18,179)	–	–	–
Interest expenses	–	–	(3,380)	(4,895)
(Loss)/Profit for the Financial Year	**$ (604,060)**	**$ 7,394,194**	**$ 9,858,084**	**$ 2,184,976**
Non-reclaimable withholding tax	(11,237)	(236,644)	(232,224)	(59,330)
Adjustment from bid market price to last traded market price	(3,533)	(13,642)	(130,341)	82,526
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders	**$ (618,830)**	**$ 7,143,908**	**$ 9,495,519**	**$ 2,208,172**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

* Putnam Opportunistic Value Fund terminated on 20 February 2008.

Profit and Loss Account (Continued)

	Putnam U.S. Liquid Assets Fund Year ended 30 June 2008 USD	Putnam U.S. Liquid Assets Fund Year ended 30 June 2007 USD	Putnam U.S. Small–Cap Value Equity Fund Year ended 30 June 2008 USD	Putnam U.S. Small–Cap Value Equity Fund Year ended 30 June 2007 USD
Operating Income				
Interest Income	$ 1,987,202	$ 1,139,359	$ 12,676	$ 64,681
Dividend Income	—	—	1,452,963	2,097,593
Net Realised and Unrealised Gains/(Losses) on Financial Assets and Liabilities at Fair Value through profit or loss	26,034	3,262	(27,077,890)	19,590,439
	$ 2,013,236	**$ 1,142,621**	**$(25,612,251)**	**$ 21,752,713**
Operating Expenses				
Management Fees (Note 7)	260,532	57,271	923,360	1,664,837
Custody and Trustee Fees	19,380	17,141	37,840	159,046
Administrator and Transfer Agent Fees (Note 7)	97,955	62,406	209,252	221,578
Auditors' Fees	25,753	18,815	18,483	95,001
Professional Fees (Note 9)	29,485	14,860	48,345	97,128
Other Expenses	154,413	104,134	143,623	465,049
Expense Waiver (Note 7)	(264,323)	(99,447)	(175,633)	(359,724)
	$ 323,195	**$ 175,180**	**$ 1,205,270**	**$ 2,342,915**
Operating Profit/(Loss)	**$ 1,690,041**	**$ 967,441**	**$ (26,817,521)**	**$ 19,409,798**
Finance Costs				
Distributions to holders of redeemable Units	(1,675,755)	(952,799)	(30,246)	—
Interest expenses	—	—	(184)	(955)
Profit/(Loss) for the Financial Year	**$ 14,286**	**$ 14,642**	**$ (26,847,951)**	**$ 19,408,843**
Non–reclaimable withholding tax	—	(11,380)	(425,848)	(626,673)
Adjustment from bid market price to last traded market price	(424)	(3,262)	(143,323)	(256,927)
Increase/(Decrease) in net assets attributable to redeemable participating Unitholders	**$ 13,862**	**$ —**	**$ (27,417,122)**	**$ 18,525,243**

There are no recognised gains or losses arising in the year other than the increase in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

Profit and Loss Account (Continued)

	Putnam Vista (U.S. Mid–Cap Equity) Fund* Year ended 30 June 2008 USD	30 June 2007 USD
Operating Income		
Interest Income	$ 22,335	$ 17,984
Dividend Income	217,566	368,653
Net Realised and Unrealised (Losses)/Gains on Financial Assets and Liabilities at Fair Value through profit or loss	(2,861,849)	4,981,377
	$ (2,621,948)	**$ 5,368,014**
Operating Expenses		
Management Fees (Note 7)	555,706	1,091,620
Custody and Trustee Fees	6,042	60,643
Administrator and Transfer Agent Fees (Note 7)	122,331	135,136
Auditors' Fees	16,362	44,219
Professional Fees (Note 9)	59,371	53,100
Other Expenses	150,380	200,577
	$ 910,192	**$ 1,585,295**
Operating (Loss)/Profit	**$ (3,532,140)**	**$ 3,782,719**
Finance Costs		
Distributions to holders of redeemable Units	(7,220)	—
Interest expenses	—	(11)
(Loss)/Profit for the Financial Year	**$ (3,539,360)**	**$ 3,782,708**
Non–reclaimable withholding tax	(59,142)	(96,388)
Adjustment from bid market price to last traded market price	(35,218)	(110,495)
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders	**$ (3,633,720)**	**$ 3,575,825**

There are no recognised gains or losses arising in the year other than the increase/(decrease) in Net Assets attributable to unitholders of the Trust. In arriving at the results for the financial year, all amounts above relate to continuing operations.

* Putnam Vista (U.S. Mid–Cap Equity) Fund merged with Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund on 27 June 2008.

Balance Sheet

	Putnam American Government Bond Fund*		Putnam Emerging Information Sciences Fund	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Current Assets				
Financial Assets at Fair Value through Profit or Loss	$ —	$ 8,501,630	$ 20,596,218	$ 34,832,141
Cash at Bank	27,963	74,360	27,835	85,678
Sales of Investments Awaiting Settlement	—	8,932	225,489	349,193
Subscription of Units Awaiting Settlement	—	1,826	—	17,145
Dividend Income Receivable	—	—	1,838	154
Interest Income Receivable	—	30,441	10	93
Other Debtors	—	—	811	21,414
Total Assets	**$ 27,963**	**$ 8,617,189**	**$ 20,852,201**	**$ 35,305,818**
Creditors (amounts falling due within one Year)				
Purchase of Investments Awaiting Settlement	—	593,770	—	428,150
Financial Liabilities at Fair Value through Profit and Loss	—	192,598	—	2,635
Redemption of Units Awaiting Settlement	—	—	33,530	22,625
Expenses Payable	27,963	56,384	127,052	290,764
Total Current Liabilities excluding net assets attributable to participating Unitholders	**$ 27,963**	**$ 842,752**	**$ 160,582**	**$ 744,174**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ —**	**$ 7,774,437**	**$ 20,691,619**	**$ 34,561,644**
Adjustments from bid market value to last traded market value	**$ —**	**$ —**	**$ (6,448)**	**$ 69,462**
Net Assets attributable to redeemable participating Unitholders	**$ —**	**$ 7,774,437**	**$ 20,685,171**	**$ 34,631,106**
Class A				
Units in Issue	—	376,688	974,915	621,560
Net Assets	—	3,263,246	10,238,903	8,135,339
Net Asset Value per Unit	—	8.66	10.50	13.09
Class B				
Units in Issue	—	524,405	648,283	848,150
Net Assets	—	4,476,854	7,950,460	13,028,376
Net Asset Value per Unit	—	8.54	12.26	15.36
Class C				
Units in Issue	—	3,478	9,758	8,813
Net Assets	—	27,321	84,784	95,668
Net Asset Value per Unit	—	7.86	8.69	10.85
Class E				
Units in Issue	—	—	106,883	396,575
Net Assets	—	—	1,045,855	4,151,261
Net Asset Value per Unit	—	—	€ 6.21	€ 7.74
Class I				
Units in Issue	—	721	125,922	685,042
Net Assets	—	7,016	1,365,169	9,220,462
Net Asset Value per Unit	—	9.73	10.84	13.46

* Putnam American Government Bond Fund terminated on 20 February 2008.

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Balance Sheet (Continued)

	Putnam Emerging Markets Debt Fund		Putnam Europe Equity Fund	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Current Assets				
Financial Assets at Fair Value through Profit or Loss	$ 2,795,249	$ 2,695,683	$ 11,033,261	$ 16,294,931
Cash at Bank	28,126	—	359,386	87,388
Sales of Investments Awaiting Settlement	4,740	—	101,375	—
Subscription of Units Awaiting Settlement	—	—	—	—
Dividend Income Receivable	—	—	58,146	9,724
Interest Income Receivable	32,446	39,902	—	255
Other Debtors	12,994	1,834	—	14,218
Total Assets	**$ 2,873,555**	**$ 2,737,419**	**$ 11,552,168**	**$ 16,406,516**
Creditors (amounts falling due within one Year)				
Purchase of Investments Awaiting Settlement	—	—	179,486	33,911
Financial Liabilities at Fair Value through Profit and Loss	32,568	1,145	—	—
Redemption of Units Awaiting Settlement	8	—	99	25,000
Distributions Payable	—	—	—	—
Expenses Payable	—	13,664	61,702	127,444
Bank Overdraft	—	2,345	—	—
Total Current Liabilities	**$ 32,576**	**$ 17,154**	**$ 241,287**	**$ 186,355**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ 2,840,979**	**$ 2,720,265**	**$ 11,310,881**	**$ 16,220,161**
Adjustments from bid market value to last traded market value	**$ —**	**$ —**	**$ (17,679)**	**$ (13,743)**
Net Assets attributable to redeemable participating Unitholders	**$ 2,840,979**	**$ 2,720,265**	**$ 11,293,202**	**$ 16,206,418**
Class A				
Units in Issue	41,078	37,513	341,950	372,573
Net Assets	371,965	341,114	5,605,571	7,350,794
Net Asset Value per Unit	9.06	9.09	16.39	19.73
Class B				
Units in Issue	1,474	1,957	230,464	339,152
Net Assets	13,338	17,774	3,585,977	6,382,433
Net Asset Value per Unit	9.05	9.08	15.56	18.82
Class C				
Units in Issue	336	323	924	4,520
Net Assets	3,038	2,935	10,443	61,760
Net Asset Value per Unit	9.05	9.10	11.30	13.66
Class E				
Units in Issue	—	—	174,364	174,763
Net Assets	—	—	2,066,724	2,359,699
Net Asset Value per Unit	—	—	€ 7.53	€ 9.98
Class I				
Units in Issue	255,910	245,488	1,515	2,670
Net Assets	2,452,638	2,358,442	24,487	51,732
Net Asset Value per Unit	9.58	9.61	16.16	19.38

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Balance Sheet (Continued)

	The George Putnam (U.S. Equity and Bond) Fund*		Putnam Global Equity Multi-Alpha Fund	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Current Assets				
Financial Assets at Fair Value through Profit or Loss	$ —	$ 13,111,661	$ 15,812,689	$ 27,148,947
Cash at Bank	51,177	10,773	360,533	581,029
Sales of Investments Awaiting Settlement	—	579,953	10,136	402,900
Subscription of Units Awaiting Settlement	—	—	—	—
Dividend Income Receivable	—	7,446	44,981	17,591
Interest Income Receivable	—	20,222	518	—
Other Debtors	—	10,228	118,682	35,406
Total Assets	**$ 51,177**	**$ 13,740,283**	**$ 16,347,539**	**$ 28,185,873**
Creditors (amounts falling due within one Year)				
Purchase of Investments Awaiting Settlement	—	1,176,553	—	391,507
Financial Liabilities at Fair Value through Profit and Loss	—	80,604	—	56,913
Redemption of Units Awaiting Settlement	—	10,197	—	—
Expenses Payable	51,177	117,118	35,558	153,807
Total Current Liabilities excluding net assets attributable to participating Unitholders	**$ 51,177**	**$ 1,384,472**	**$ 35,558**	**$ 602,227**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ —**	**$ 12,355,811**	**$ 16,311,981**	**$ 27,583,646**
Adjustments from bid market value to last traded market value	**$ —**	**$ 6,158**	**$ 4,877**	**$ 26,669**
Net Assets attributable to redeemable participating Unitholders	**$ —**	**$ 12,361,969**	**$ 16,316,858**	**$ 27,610,315**
Class A**				
Units in Issue	—	350,377	1,550,295	1,705,751
Net Assets	—	4,657,333	14,527,493	18,328,287
Net Asset Value per Unit	—	13.29	9.37	10.74
Class B				
Units in Issue	—	579,316	99,716	—
Net Assets	—	7,628,087	715,596	—
Net Asset Value per Unit	—	13.17	7.18	—
Class C				
Units in Issue	—	7,716	793	—
Net Assets	—	76,477	5,705	—
Net Asset Value per Unit	—	9.91	7.19	—
Class I				
Units in Issue	—	15	—	—
Net Assets	—	72	—	—
Net Asset Value per Unit	—	4.72	—	—
Class J				
Units in Issue	—	—	294	294
Net Assets	—	—	2,811	3,173
Net Asset Value per Unit	—	—	9.56	10.79
Class M				
Units in Issue	—	—	113,576	866,344
Net Assets	—	—	1,062,761	9,276,023
Net Asset Value per Unit	—	—	€ 5.94	€ 7.92
Class Q				
Units in Issue	—	—	294	294
Net Assets	—	—	2,492	2,832
Net Asset Value per Unit	—	—	8.47	9.63

* The George Putnam (U.S. Equity and Bond) Fund terminated on 20 February 2008.

** Putnam Global Equity Multi-Alpha Fund Class I Units were redesignated as Class A Units on 11 July 2007.

Balance Sheet (Continued)

	Putnam Global Fixed Income Alpha Fund S1* 30 June 2008 GBP	Putnam Global Fixed Income Alpha Fund S2** 30 June 2008 GBP
Current Assets		
Financial Assets at Fair Value through Profit or Loss	£ 732,484,493	£ 1,863,662,629
Cash at Bank	4,289,467	9,254,773
Sales of Investments Awaiting Settlement	147,097,100	542,189,133
Subscription of Units Awaiting Settlement	—	1,120,000
Premium paid on swap contracts	486,285	—
Other Debtors	—	49,286
Interest Income Receivable	3,163,961	6,305,996
Total Assets	**£ 887,521,306**	**£ 2,422,581,817**
Creditors (amounts falling due within one Year)		
Purchase of Investments Awaiting Settlement	277,785,879	1,193,689,761
Financial Liabilities at Fair Value through Profit or Loss	150,758,475	552,962,046
Premium received on swap contracts	3,114,075	4,964,537
Redemption of Units Awaiting Settlement	—	1,120,000
Expenses Payable	490,934	686,400
Total Current Liabilities	**£ 432,149,363**	**£ 1,753,422,744**
Net Assets attributable to redeemable participating Unitholders at bid value	**£ 455,371,943**	**£ 669,159,073**
Adjustments from bid market value to last traded market value	**£ —**	**£ —**
Net Assets attributable to redeemable participating Unitholders	**£ 455,371,943**	**£ 669,159,073**
Class I		
Units in Issue	—	500,000
Net Assets	—	2,464,986
Net Asset Value per Unit	—	£ 4.93
Class S		
Units in Issue	45,002,431	66,661,983
Net Assets	455,371,943	666,694,087
Net Asset Value per Unit	£ 10.12	£ 10.00

* Class S Units of Putnam Global Fixed Income Alpha Fund S1 launched on 21 February 2008.

** Class S Units of Putnam Global Fixed Income Alpha Fund S2 launched on 25 February 2008, Class I Units launched on 1 May 2008.

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Balance Sheet (Continued)

	Putnam Global Growth Fund		Putnam Global High Yield Bond Fund	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Current Assets				
Financial Assets at Fair Value through Profit or Loss	$ 14,497,909	$ 24,980,370	$ 276,517,076	$ 41,846,715
Cash at Bank	19,982	1,411	352,762	—
Sales of Investments Awaiting Settlement	138,184	100,060	404,128	217,310
Subscription of Units Awaiting Settlement	3,321	—	102,825	—
Dividend Income Receivable	19,064	15,881	10,771	1,671
Interest Income Receivable	—	—	5,251,087	777,307
Other Debtors	—	5,038	4,160	23,640
Total Assets	**$ 14,678,460**	**$ 25,102,760**	**$ 282,642,809**	**$ 42,866,643**
Creditors (amounts falling due within one Year)				
Purchase of Investments Awaiting Settlement	219,336	80,626	858,879	—
Financial Liabilities at Fair Value through Profit and Loss	—	—	528,904	—
Redemption of Units Awaiting Settlement	3,000	191,908	227,219	—
Expenses Payable	79,978	199,208	739,567	258,780
Bank Overdraft	—	—	—	82,962
Total Current Liabilities excluding net assets attributable to participating Unitholders	**$ 302,314**	**$ 471,742**	**$ 2,354,569**	**$ 341,742**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ 14,376,146**	**$ 24,631,018**	**$ 280,288,240**	**$ 42,524,901**
Adjustments from bid market value to last traded market value	**$ 8,742**	**$ 23,948**	**$ —**	**$ 15,083**
Net Assets attributable to redeemable participating Unitholders	**$ 14,384,888**	**$ 24,654,966**	**$ 280,288,240**	**$ 42,539,984**
Class A				
Units in Issue	393,593	681,071	540,356	653,258
Net Assets	6,984,553	13,727,530	3,595,445	4,819,190
Net Asset Value per Unit	17.75	20.16	6.65	7.38
Class B				
Units in Issue	450,940	585,395	1,003,663	1,417,602
Net Assets	7,348,272	10,887,966	6,602,635	10,345,118
Net Asset Value per Unit	16.30	18.60	6.58	7.30
Class C				
Units in Issue	—	—	59,172	80,127
Net Assets	—	—	467,486	715,850
Net Asset Value per Unit	—	—	7.90	8.93
Class E				
Units in Issue	—	—	76,706	74,157
Net Assets	—	—	919,489	855,901
Net Asset Value per Unit	—	—	€ 7.61	€ 8.53
Class I				
Units in Issue	2,840	1,903	103,430,646	9,252,282
Net Assets	52,063	39,470	268,013,558	25,035,608
Net Asset Value per Unit	18.33	20.74	2.59	2.71
Class S				
Units in Issue	—	—	73,994	70,387
Net Assets	—	—	689,131	768,317
Net Asset Value per Unit	—	—	£ 4.67	£ 5.44
Class T				
Units in Issue	—	—	72	—
Net Assets	—	—	496	—
Net Asset Value per Unit	—	—	6.90	—

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Balance Sheet (Continued)

	Putnam Growth and Income (U.S. Value Equity) Fund		Putnam International (Non U.S. Core) Equity Fund	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Current Assets				
Financial Assets at Fair Value through Profit or Loss	$ 17,666,640	$ 35,833,897	$ 18,332,385	$ 30,789,925
Cash at Bank	23,185	9,819	–	17,189
Sales of Investments Awaiting Settlement	499,326	76,389	172,125	–
Subscription of Units Awaiting Settlement	–	255	12,931	–
Dividend Income Receivable	16,450	18,029	76,134	18,551
Interest Income Receivable	68	8	–	–
Other Debtors	55	3,730	–	9,326
Total Assets	**$ 18,205,724**	**$ 35,942,127**	**$ 18,593,575**	**$ 30,834,991**
Creditors (amounts falling due within one Year)				
Purchase of Investments Awaiting Settlement	247,977	16,330	122,170	212,970
Financial Liabilities at Fair Value through Profit and Loss	–	–	–	–
Redemption of Units Awaiting Settlement	201,883	–	16,106	40,439
Expenses Payable	89,786	299,355	53,547	288,526
Bank Overdraft	–	–	117,580	–
Total Current Liabilities excluding net assets attributable to participating Unitholders	**$ 539,646**	**$ 315,685**	**$ 309,403**	**$ 541,935**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ 17,666,078**	**$ 35,626,442**	**$ 18,284,172**	**$ 30,293,056**
Adjustments from bid market value to last traded market value	**$ 24,926**	**$ 28,201**	**$ (9,110)**	**$ 28,638**
Net Assets attributable to redeemable participating Unitholders	**$ 17,691,004**	**$ 35,654,643**	**$ 18,275,062**	**$ 30,321,694**
Class A				
Units in Issue	420,461	674,314	325,278	495,840
Net Assets	5,070,890	11,345,780	5,871,198	10,565,104
Net Asset Value per Unit	12.06	16.83	18.05	21.31
Class B				
Units in Issue	1,028,010	1,421,253	685,739	948,564
Net Assets	11,640,763	22,560,598	11,727,900	19,173,723
Net Asset Value per Unit	11.32	15.87	17.10	20.21
Class C				
Units in Issue	5,255	9,643	48,543	34,239
Net Assets	40,604	104,301	546,147	452,755
Net Asset Value per Unit	7.73	10.82	11.25	13.22
Class E				
Units in Issue	26,549	29,200	–	–
Net Assets	310,702	419,291	–	–
Net Asset Value per Unit	€ 7.43	€ 10.62	–	–
Class I				
Units in Issue	50,658	71,126	7,039	5,994
Net Assets	628,045	1,224,673	129,817	130,112
Net Asset Value per Unit	12.40	17.22	18.44	21.71

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Balance Sheet (Continued)

	Putnam Investors (U.S. Core Equity) Fund		Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Current Assets				
Financial Assets at Fair Value through Profit or Loss	$ 11,383,357	$ 22,626,533	$ 42,798,565	$ 23,487,864
Cash at Bank	–	7,588	–	–
Sales of Investments Awaiting Settlement	–	233,735	187,251	913,018
Subscription of Units Awaiting Settlement	–	–	23,686,987	–
Dividend Income Receivable	8,215	7,834	13,893	10,108
Interest Income Receivable	1,416	6	4,324	–
Other Debtors	5,969	63,453	8,756	24,502
Total Assets	**$ 11,398,957**	**$ 22,939,149**	**$ 66,699,776**	**$ 24,435,492**
Creditors (amounts falling due within one Year)				
Purchase of Investments Awaiting Settlement	–	44,970	1,002,253	550,820
Financial Liabilities at Fair Value through Profit and Loss	–	625	616	–
Redemption of Units Awaiting Settlement	23,484	522,055	–	19,134
Expenses Payable	99,128	199,366	91,083	211,665
Bank Overdraft	2,619	–	26,721,608	196,334
Total Current Liabilities excluding net assets attributable to participating Unitholders	**$ 125,231**	**$ 767,016**	**$ 27,815,560**	**$ 977,953**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ 11,273,726**	**$ 22,172,133**	**$ 38,884,216**	**$ 23,457,539**
Adjustments from bid market value to last traded market value	**$ 12,656**	**$ 14,862**	**$ 35,537**	**$ 19,476**
Net Assets attributable to redeemable participating Unitholders	**$ 11,286,382**	**$ 22,186,995**	**$ 38,919,753**	**$ 23,477,015**
Class A				
Units in Issue	389,943	574,395	1,107,373	516,088
Net Assets	3,612,743	7,089,318	13,180,742	6,901,071
Net Asset Value per Unit	9.26	12.34	11.90	13.37
Class B				
Units in Issue	801,650	1,217,031	2,207,034	1,313,328
Net Assets	7,044,079	14,331,045	24,666,430	16,568,602
Net Asset Value per Unit	8.79	11.78	11.18	12.62
Class C				
Units in Issue	19,903	19,509	12,030	294
Net Assets	166,899	218,536	115,194	3,171
Net Asset Value per Unit	8.39	11.20	9.58	10.78
Class E*				
Units in Issue	31,094	29,404	60,597	–
Net Assets	287,244	316,281	953,603	–
Net Asset Value per Unit	€ 5.87	€ 7.96	€ 10.00	–
Class I				
Units in Issue	18,004	17,976	312	307
Net Assets	173,274	229,002	3,784	4,171
Net Asset Value per Unit	9.62	12.74	12.14	13.58
Class M				
Units in Issue	294	294	–	–
Net Assets	2,143	2,813	–	–
Net Asset Value per Unit	7.29	9.56	–	–

* Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund launched Class E Units on 30 June 2008.

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Balance Sheet (Continued)

	Putnam Opportunistic Value Fund*		Putnam Total Return Fund	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Current Assets				
Financial Assets at Fair Value through Profit or Loss	$ —	$ 4,068,397	$ 140,874,509	$ 40,349,699
Cash at Bank	(1,677)	52,989	1,043,608	590,918
Sales of Investments Awaiting Settlement	—	2,275	8,092,699	1,086,339
Subscription of Units Awaiting Settlement	—	—	2,839,525	891,232
Dividend Income Receivable	—	2,703	133,170	23,703
Interest Income Receivable	—	—	551,787	188,727
Other Debtors	—	16,775	322,835	102,645
Total Assets	**$ (1,677)**	**$ 4,143,139**	**$153,858,133**	**$ 43,233,263**
Creditors (amounts falling due within one Year)				
Purchase of Investments Awaiting Settlement	—	—	19,295,264	4,738,147
Financial Liabilities at Fair Value through Profit or Loss	—	—	8,255,086	296,926
Premium received on swap contracts	—	—	1,828,164	—
Redemption of Units Awaiting Settlement	—	2,480	1,685,823	—
Distributions Payable	—	—	—	—
Expenses Payable	(1,677)	94,768	224,425	257,815
Total Current Liabilities	**$ (1,677)**	**$ 97,248**	**$ 31,288,762**	**$ 5,292,888**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ —**	**$ 4,045,891**	**$122,569,371**	**$ 37,940,375**
Adjustments from bid market value to last traded market value	**$ —**	**$ 3,533**	**$ (47,815)**	**$ 82,526**
Net Assets attributable to redeemable participating Unitholders	**$ —**	**$ 4,049,424**	**$122,521,556**	**$ 38,022,901**
Class A**				
Units in Issue	—	114,352	4,717,394	2,267,866
Net Assets	—	1,375,816	47,552,606	21,222,288
Net Asset Value per Unit	—	12.03	10.08	9.36
Class B***				
Units in Issue	—	28,025	54,906	—
Net Assets	—	332,121	495,147	—
Net Asset Value per Unit	—	11.85	9.02	—
Class C***				
Units in Issue	—	2,202	311,282	—
Net Assets	—	26,286	2,814,968	—
Net Asset Value per Unit	—	11.94	9.04	—
Class E				
Units in Issue	—	81,810	600,927	58,779
Net Assets	—	1,020,463	6,722,697	524,697
Net Asset Value per Unit	—	€ 9.22	€ 7.10	€ 6.60
Class I				
Units in Issue	—	107,505	—	—
Net Assets	—	1,294,738	—	—
Net Asset Value per Unit	—	12.04	—	—
Class J				
Units in Issue	—	—	294	294
Net Assets	—	—	3,000	2,785
Net Asset Value per Unit	—	—	10.20	9.47
Class M				
Units in Issue	—	—	5,325,787	1,626,227
Net Assets	—	—	64,351,762	15,741,209
Net Asset Value per Unit	—	—	€ 7.67	€ 7.16
Class Q				
Units in Issue	—	—	294	294
Net Assets	—	—	2,819	2,596
Net Asset Value per Unit	—	—	9.58	8.83
Class S				
Units in Issue	—	—	58,880	58,880
Net Assets	—	—	578,557	529,326
Net Asset Value per Unit	—	—	£ 4.93	£ 4.48

* Putnam Opportunistic Value Fund terminated on 20 February 2008.

** Putnam Total Return Fund Class I Units were redesignated as Class A Units on 11 July 2007.

*** Putnam Total Return Fund launched Class B and Class C Units on 10 July 2007.

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Balance Sheet (Continued)

	Putnam U.S. Liquid Assets Fund		Putnam U.S. Small-Cap Value Equity Fund	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Current Assets				
Financial Assets at Fair Value through Profit or Loss	$ 51,598,705	$ 68,017,421	$ 15,396,907	$119,967,874
Cash at Bank	—	—	—	103,427
Sales of Investments Awaiting Settlement	—	—	38,207	629,931
Subscription of Units Awaiting Settlement	—	—	450	28,378
Dividend Income Receivable	—	5,080	21,755	121,636
Interest Income Receivable	65,811	116,550	841	104
Other Debtors	49,466	76,811	1,448	88,005
Total Assets	**$ 51,713,982**	**$ 68,215,862**	**$ 15,459,608**	**$120,939,355**
Creditors (amounts falling due within one Year)				
Purchase of Investments Awaiting Settlement	299,083	—	16,752	458,010
Redemption of Units Awaiting Settlement	—	—	12,218	7,623
Distributions Payable	29,716	51,409	—	—
Expenses Payable	—	135,173	119,139	686,060
Bank Overdraft	64,512	4,578	23,128	—
Total Current Liabilities	**$ 393,311**	**$ 191,160**	**$ 171,237**	**$ 1,151,693**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ 51,320,671**	**$ 68,024,702**	**$ 15,288,371**	**$ 119,787,662**
Adjustments from bid market value to last traded market value	**$ —**	**$ 424**	**$ 14,337**	**$ 157,660**
Net Assets attributable to redeemable participating Unitholders	**$ 51,320,671**	**$ 68,025,126**	**$ 15,302,708**	**$ 119,945,322**
Class A				
Units in Issue	4,268,711	3,249,362	817,661	1,548,593
Net Assets	4,271,556	3,249,362	9,918,033	27,673,582
Net Asset Value per Unit	1.00	1.00	12.13	17.87
Class B				
Units in Issue	2,993,119	3,522,521	171,643	332,225
Net Assets	2,994,572	3,522,521	2,008,732	5,756,460
Net Asset Value per Unit	1.00	1.00	11.70	17.33
Class C				
Units in Issue	3,294	3,189	65,697	50,811
Net Assets	3,297	3,189	549,506	628,138
Net Asset Value per Unit	1.00	1.00	8.36	12.36
Class E				
Units in Issue	—	—	96,551	118,965
Net Assets	—	—	1,604,988	2,548,743
Net Asset Value per Unit	—	—	€ 10.56	€ 15.84
Class I				
Units in Issue	44,041,684	61,250,054	97,751	317,510
Net Assets	44,051,246	61,250,054	1,219,535	5,813,455
Net Asset Value per Unit	1.00	1.00	12.48	18.31
Class M				
Units in Issue	—	—	294	8,205,502
Net Assets	—	—	1,914	77,524,944
Net Asset Value per Unit	—	—	6.51	9.45

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Balance Sheet (Continued)

	Putnam Vista (U.S. Mid-Cap Equity) Fund* 30 June 2008 USD	30 June 2007 USD
Current Assets		
Financial Assets at Fair Value through Profit or Loss	$ —	$ 41,069,106
Cash at Bank	185,763	—
Sales of Investments Awaiting Settlement	—	1,843,436
Dividend Income Receivable	—	12,534
Other Debtors	—	14,327
Total Assets	**$ 185,763**	**$ 42,939,403**
Creditors (amounts falling due within one Year)		
Purchase of Investments Awaiting Settlement	—	1,484,544
Redemption of Units Awaiting Settlement	—	205,726
Expenses Payable	185,763	344,646
Bank Overdraft	—	415,578
Total Current Liabilities	**$ 185,763**	**$ 2,450,494**
Net Assets attributable to redeemable participating Unitholders at bid value	**$ —**	**$ 40,488,909**
Adjustments from bid market value to last traded market value	**$ —**	**$ 35,218**
Net Assets attributable to redeemable participating Unitholders	**$ —**	**$ 40,524,127**
Class A		
Units in Issue	—	665,590
Net Assets	—	16,974,434
Net Asset Value per Unit	—	25.50
Class B		
Units in Issue	—	952,863
Net Assets	—	22,451,513
Net Asset Value per Unit	—	23.56
Class C		
Units in Issue	—	14,371
Net Assets	—	161,791
Net Asset Value per Unit	—	11.26
Class E		
Units in Issue	—	69,979
Net Assets	—	936,328
Net Asset Value per Unit	—	€ 9.89
Class I		
Units in Issue	—	2
Net Assets	—	61
Net Asset Value per Unit	—	30.50

* Putnam Vista (U.S. Mid-Cap Equity) Fund merged with Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund on 27 June 2008.

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders

	Putnam American Government Bond Fund* Year ended 30 June 2008 USD	Putnam American Government Bond Fund* Year ended 30 June 2007 USD	Putnam Emerging Information Sciences Fund Year ended 30 June 2008 USD	Putnam Emerging Information Sciences Fund Year ended 30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 7,774,437**	**$ 9,073,006**	**$ 34,631,106**	**$ 48,596,147**
Increase/(Decrease) in net assets attributable to redeemable participating Unitholders from operations	352,433	114,550	(6,083,206)	7,963,343
Net (Decrease) in Net Assets resulting from Unit Transactions	(8,126,870)	(1,413,119)	(7,862,729)	(21,928,384)
(Decrease) in Net Assets	(7,774,437)	(1,298,569)	(13,945,935)	(13,965,041)
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ —**	**$ 7,774,437**	**$ 20,685,171**	**$ 34,631,106**

* Putnam American Government Bond Fund terminated on 20 February 2008.

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	Putnam Emerging Markets Debt Fund Year ended 30 June 2008 USD	Putnam Emerging Markets Debt Fund Year ended 30 June 2007 USD	Putnam Europe Equity Fund Year ended 30 June 2008 USD	Putnam Europe Equity Fund Year ended 30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 2,720,265**	**$ 2,479,753**	**$ 16,206,418**	**$ 13,754,175**
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders from operations	(5,502)	128,637	(2,546,549)	4,347,914
Net Increase/(Decrease) in Net Assets resulting from Unit Transactions	126,216	111,875	(2,366,667)	(1,895,671)
Increase/(Decrease) in Net Assets	120,714	240,512	(4,913,216)	2,452,243
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ 2,840,979**	**$ 2,720,265**	**$ 11,293,202**	**$ 16,206,418**

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	The George Putnam (U.S. Equity and Bond) Fund* Year ended		Putnam Global Equity Multi-Alpha Fund Year ended	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 12,361,969**	**$ 14,477,567**	**$ 27,610,315**	**$ —**
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders from operations	(1,007,583)	1,557,284	(3,804,825)	4,438,849
Net (Decrease)/Increase in Net Assets resulting from Unit Transactions	(11,354,386)	(3,672,882)	(7,488,632)	23,171,466
(Decrease)/Increase in Net Assets	(12,361,969)	(2,115,598)	(11,293,457)	27,610,315
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ —**	**$ 12,361,969**	**$ 16,316,858**	**$ 27,610,315**

* The George Putnam (U.S. Equity and Bond) Fund terminated on 20 February 2008.

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	Putnam Global Fixed Income Alpha Fund S1* Year ended 30 June 2008 GBP	Putnam Global Fixed Income Alpha Fund S2** Year ended 30 June 2008 GBP
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**£ —**	**£ —**
Increase/(Decrease) in net assets attributable to redeemable participating Unitholders from operations	5,347,392	(250,207)
Net Increase in Net Assets resulting from Unit Transactions	450,024,551	669,409,280
Increase in Net Assets	455,371,943	669,159,073
Net Assets attributable to redeemable participating Unitholders at end of Year	**£ 455,371,943**	**£ 669,159,073**

* Putnam Global Fixed Income Alpha Fund S1 launched on 21 February 2008.

** Putnam Global Fixed Income Alpha Fund S2 launched on 25 February 2008.

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	Putnam Global Growth Fund Year ended 30 June 2008 USD	Putnam Global Growth Fund Year ended 30 June 2007 USD	Putnam Global High Yield Bond Fund Year ended 30 June 2008 USD	Putnam Global High Yield Bond Fund Year ended 30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 24,654,966**	**$ 24,481,742**	**$ 42,539,984**	**$ 23,766,314**
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders from operations	(2,767,222)	5,106,632	(5,319,190)	959,261
Net (Decrease)/Increase in Net Assets resulting from Unit Transactions	(7,502,856)	(4,933,408)	243,067,446	17,814,409
(Decrease)/Increase in Net Assets	(10,270,078)	173,224	237,748,256	18,773,670
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ 14,384,888**	**$ 24,654,966**	**$ 280,288,240**	**$ 42,539,984**

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	Putnam Growth and Income (U.S. Value Equity) Fund Year ended		Putnam International (Non U.S. Core) Equity Fund Year ended	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 35,654,643**	**$ 41,113,346**	**$ 30,321,694**	**$ 32,677,903**
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders from operations	(8,555,042)	6,115,404	(4,189,157)	7,238,537
Net (Decrease) in Net Assets resulting from Unit Transactions	(9,408,597)	(11,574,107)	(7,857,475)	(9,594,746)
(Decrease) in Net Assets	(17,963,639)	(5,458,703)	(12,046,632)	(2,356,209)
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ 17,691,004**	**$ 35,654,643**	**$ 18,275,062**	**$ 30,321,694**

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	Putnam Investors (U.S. Core Equity) Fund Year ended		Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund Year ended	
	30 June 2008 USD	30 June 2007 USD	30 June 2008 USD	30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 22,186,995**	**$ 30,521,137**	**$ 23,477,015**	**$ 32,606,942**
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders from operations	(4,849,760)	4,141,612	(5,915,196)	3,542,816
Net (Decrease)/Increase in Net Assets resulting from Unit Transactions	(6,050,853)	(12,475,754)	21,357,934	(12,672,743)
(Decrease)/Increase in Net Assets	(10,900,613)	(8,334,142)	15,442,738	(9,129,927)
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ 11,286,382**	**$ 22,186,995**	**$ 38,919,753**	**$ 23,477,015**

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	Putnam Opportunistic Value Fund* Year ended 30 June 2008 USD	Putnam Opportunistic Value Fund* Year ended 30 June 2007 USD	Putnam Total Return Fund Year ended 30 June 2008 USD	Putnam Total Return Fund Year ended 30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 4,049,424**	**$ 34,926,182**	**$ 38,022,901**	**$ —**
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders from operations	(618,830)	7,143,908	9,495,519	2,208,172
Net (Decrease)/Increase in Net Assets resulting from Unit Transactions	(3,430,594)	(38,020,666)	75,003,136	35,814,729
(Decrease)/Increase in Net Assets	(4,049,424)	(30,876,758)	84,498,655	38,022,901
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ —**	**$ 4,049,424**	**$ 122,521,556**	**$ 38,022,901**

* Putnam Opportunistic Value Fund terminated on 20 February 2008.

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	Putnam U.S. Liquid Assets Fund Year ended 30 June 2008 USD	Putnam U.S. Liquid Assets Fund Year ended 30 June 2007 USD	Putnam U.S. Small-Cap Value Equity Fund Year ended 30 June 2008 USD	Putnam U.S. Small-Cap Value Equity Fund Year ended 30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 68,025,126**	**$ 7,824,369**	**$ 119,945,322**	**$ 117,114,407**
Increase/(Decrease) in net assets attributable to redeemable participating Unitholders from operations	13,862	—	(27,417,122)	18,525,243
Net (Decrease)/Increase in Net Assets resulting from Unit Transactions	(16,718,317)	60,200,757	(77,225,492)	(15,694,328)
(Decrease)/Increase in Net Assets	(16,704,455)	60,200,757	(104,642,614)	2,830,915
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ 51,320,671**	**$ 68,025,126**	**$ 15,302,708**	**$ 119,945,322**

Statement of Changes in Net Assets Attributable to Redeemable Participating Unitholders (Continued)

	Putnam Vista (U.S. Mid-Cap Equity) Fund* Year ended 30 June 2008 USD	30 June 2007 USD
Net Assets attributable to redeemable participating Unitholders at the beginning of Year	**$ 40,524,127**	**$ 56,738,075**
(Decrease)/Increase in net assets attributable to redeemable participating Unitholders from operations	(3,633,720)	3,575,825
Net (Decrease) in Net Assets resulting from Unit Transactions	(36,890,407)	(19,789,773)
(Decrease) in Net Assets	(40,524,127)	(16,213,948)
Net Assets attributable to redeemable participating Unitholders at end of Year	**$ —**	**$ 40,524,127**

* Putnam Vista (U.S. Mid-Cap Equity) Fund merged with Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund on 27 June 2008.

Notes to the Financial Statements as at 30 June 2008

1. BASIS OF PRESENTATION

i) Basis of accounting

The financial statements have been prepared under the historical cost convention as modified to include investments at valuation by the revaluation of financial assets and financial liabilities held at fair value through profit or loss. The financial statements of any Funds which terminated during the year or after the year end have been prepared on a termination basis.

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2003, (as amended). Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

The Accounting Standards Board ("ASB") has issued FRS 29 – Financial instruments; Disclosures ("FRS 29"). The objective of FRS 29 is to provide information about the Company's exposure to material risks and how the Company manages those risks. There is no impact on the classification and valuation of a Fund's financial instruments. FRS 29 is effective for accounting periods beginning on or after 1 January 2007.

The Fund has availed of the exemption available to open-ended investment funds under Financial Reporting Standard No. 1 (Revised) "Cash Flow Statement" not to prepare a cash flow statement.

ii) Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of derivative financial instruments

The Trust may, from time to time, hold financial instruments that are not quoted in active markets, such as over-the-counter derivatives. Fair values of such instruments are determined by using valuation techniques. Where valuation techniques are used to determine fair value and they are validated and periodically reviewed by experienced personnel at Putnam Investments (Ireland) Limited, or its affiliates, independent of the party that created them. The prices used at the year end which have been sourced from a single broker source are the best estimates of fair value as at the year end date. However, there is a degree of uncertainty in respect of these prices. It may not always be possible to close out the positions at the stated mark with the given counterparty. The Directors believe that the values arrived at are reasonable and prudent, however actual results may differ from these estimates and the differences could be material.

All the Trust's financial assets and financial liabilities are held for the purpose of being traded.

2. ACCOUNTING POLICIES

Significant accounting policies adopted by the Trust are as follows:

A) Investments

i) Valuation of Investments

Investments are reported at fair value. The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted bid prices for long positions and offer prices for short positions at the balance sheet date. Where any of the investments are not listed on Recognised Stock Exchanges such securities shall be valued at their probable realisation value as determined by the Manager or its delegate, each of them being approved by the Trustee as a competent person for such purpose.

Classification

The Trust classifies its investments in debt and equity securities, and related derivatives, as financial assets or financial liabilities at the fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading or designated by the Trust's Manager at fair value through profit or loss at inception.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Trust's documented investment strategy. The Trust's policy is for the Investment Advisor and the Board of Directors of the Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Fair value estimation

The fair value of financial instruments traded in active markets is based upon market prices at the balance sheet date. The quoted market price used for financial assets held by the Trust is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Trust holds derivatives with offsetting market risks, it uses mid market prices as a basis for establishing fair values for the offsetting risk positions and applies this mid price to the net open position, as appropriate.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Certain securities may be valued on the basis of a price provided by a single broker. Some Funds may invest in securities with contractual cash flows, such as asset backed securities, collateralised mortgage obligations and commercial mortgage backed securities, including securities backed by sub-prime mortgage loans. The value, liquidity and related income of these securities are sensitive to changes in economic conditions, including real estate values, delinquencies and/or defaults, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

Futures

Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade. The Fund and the broker agree to exchange an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are known as "variation margin". For open futures, changes in the value of the contract are recognised as unrealised profits or losses by "marking-to-market" the value of the contract at the Balance Sheet date. Gains or losses on open futures contracts are shown in the Schedule of

Notes to the Financial Statements as at 30 June 2008 (Continued)

2. ACCOUNTING POLICIES (Continued)

A) Investments (Continued)

i) Valuation of Investments (Continued)

Futures (Continued)

Investments of each relevant Fund and as appropriate, on the Balance Sheet as part of Financial Assets at Fair Value through Profit or Loss.

Swaptions

When the Funds enter into a swaption the amount of the premium paid or received is recorded as interest income/expense in the Profit and Loss Account. Swaption agreements are fair valued on the date of valuation based upon the underlying market value of the reference asset. Swaptions outstanding at the year end, if any, are listed in the Fund's Schedule of Investments.

When the Funds write a swaption, a premium is received by the Funds and the swaption is initially recognised as the amount of the premium. The swaption is subsequently marked-to-market to reflect the fair value of the swaption written, which is reported as a liability on the Fund's Balance Sheet. The difference between the premium received and the fair value reported on the Balance Sheet gives rise to an unrealised gain/(loss). When a swaption which the Fund has written is exercised, the amount of the premium originally received will offset the cost of the swap upon exercise of the option in arriving at the movement in unrealised gain or loss to be included in the Profit and Loss Account. Premiums received on swaptions written which expire unexercised are treated as realised gains.

When the Funds purchase a swaption, a premium is paid by the Funds and the swaption is initially recognised as the amount of the premium. The swaption is subsequently marked-to-market to reflect the fair value of the swaption purchased, which is reported as an asset on the Fund's Balance Sheet. When a swaption which the Fund holds is exercised, the amount of the premium originally paid will offset the cost of the swap upon exercise of the option in arriving at the movement in unrealised gain or loss to be included in the Profit and Loss Account. Premiums paid from the purchase of swaptions which expire unexercised are treated as realised losses.

Options

The Funds may purchase and sell (write) call and put options on securities, securities indices and foreign currencies traded on a national securities exchange or in an over-the-counter market.

When the Funds write a covered call or a put option a premium is received by the Funds. An amount equal to the premium is subsequently marked-to-market to reflect the fair value of the option written, which is reported as a liability on the Balance Sheet for each relevant Fund. The difference between the premium amount and the fair value reported on the Balance Sheet gives rise to an unrealised gain/(loss). When Funds purchases a call or a put option a premium is paid by the Funds. The premium on purchased put options exercised is subtracted from the proceeds of the sale of the underlying security or foreign currency in determining the realised gain or loss. The premium on purchased call options exercised is included in determining initial fair value of the securities or foreign currency purchased. Premiums paid from the purchase of options which expire unexercised are treated as realised losses. The option is subsequently marked-to-market to reflect the fair value of the option purchased, which is reported as an asset on the Balance Sheet for each relevant Fund.

The options are valued at close of business on the dealing day at the settlement price as provided by the counterparty/broker and the values are independently verified, at a minimum, weekly. In the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules,

2. ACCOUNTING POLICIES (Continued)

A) Investments (Continued)

i) Valuation of Investments (Continued)

Options (Continued)

or if such valuation is not representative of a security's fair market value, the Directors are entitled to use other generally recognised valuation methods in order to reach a proper valuation of that specific instrument, provided that such method of valuation has been approved by the Custodian and Trustee.

If an option which a Fund has written either expires on its stipulated expiration date or a Fund enters into a closing purchase transaction, a Fund realises a gain (or loss, if the cost of a closing purchase transaction exceeds the premium received when the option was sold) without regard to any unrealised gain or loss on the underlying security, and the liability related to such option is extinguished. If a call option which a Fund has written is exercised, a Fund realises a capital gain or loss from the sale of the underlying security, and the proceeds from such sale are increased by the premium originally received. When a put option which a Fund has written is exercised, the amount of the premium originally received will reduce the cost of the security which a Fund purchases upon exercise of the option.

Total Return Swap Contracts

The Funds may enter into total return swap contracts, which are arrangements to exchange a market linked return for a yearly payment, both based on a notional principal amount. To the extent that the total return of the security, index or other financial measure underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Fund will receive a payment from or make a payment to the counterparty respectively. Total return swap contracts are marked to market daily based upon quotations from market makers and the change, if any, is recorded as unrealised gain or loss. Payments received or made at the end of the measurement year are recorded as realised gains or losses.

The Funds could be exposed to credit or market risk due to unfavourable changes in the fluctuation of interest rates or in the price of the underlying security or index, the possibility that there is no liquid market for these agreements or that the counterparty may default on its obligation to perform. Total return swap contracts outstanding at year end, if any, are listed in the Fund's Schedule of Investments.

Interest Rate Swap Contracts

The Funds may enter into interest rate swap contracts, which are arrangements between two parties to exchange cash flows based on a notional principal amount, to manage the Fund's exposure to interest rates. Interest rate swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers and the change, if any, is recorded as unrealised gain or loss. Payments made or received are recorded as part of realised gains or losses. The Funds could be exposed to credit or market risk due to unfavourable changes in the fluctuation of interest rates or if the counterparty defaults on its obligation to perform. Interest rate swap contracts outstanding at year end, if any, are listed in the Fund's Schedule of Investments.

Credit Default Swap Contracts

The Funds may enter into credit default contracts where one party, the protection buyer, makes an upfront or yearly payment to a counter party, the protection seller, in exchange for the right to receive a contingent payment. The maximum amount of the payment may equal the notional amount, at par, of the underlying index or security as a result of a related credit event. Payments are made upon a credit default event of the disclosed

Notes to the Financial Statements as at 30 June 2008 (Continued)

2. ACCOUNTING POLICIES (Continued)

A) Investments (Continued)

i) Valuation of Investments (Continued)

Credit Default Swap Contracts (Continued)

primary referenced obligation or all other equally ranked obligations of the reference entity. An upfront payment received by the Funds, as the protection seller, is recorded as a liability on the Funds' books. An upfront payment made by the Funds, as the protection buyer, is recorded as an asset on the Funds' books. Yearly payments received or paid by the Fund are recorded as realised gains or losses. The credit default contracts are marked to market daily based upon quotations from an independent pricing service or market makers and the change, if any, is recorded as unrealised gain or loss. Payments received or made as a result of a credit event or termination of the contract are recognised, net of a proportional amount of the upfront payment, as realised gains or losses. In addition to bearing the risk that the credit event will occur, the Funds could be exposed to market risk due to unfavourable changes in interest rates or in the price of the underlying security or index, the possibility that the Fund may be unable to close out its position at the same time or at the same price as if it had purchased comparable publicly traded securities or that the counterparty may default on its obligation to perform. Risks of loss may exceed amounts recognised on the Balance Sheet. Credit default contracts outstanding at year end, if any, are listed in the Funds' Schedule of Investments.

TBA Purchase Commitments (to be announced)

Certain Funds may enter into "TBA" (To Be Announced) purchase commitments to purchase securities for a fixed unit price at a future date beyond customary settlement time. Although the unit price has been established, the principal value has not been finalised.

The Funds hold, and maintain until settlement date, cash or high-grade debt obligations in an amount sufficient to meet the purchase price, or the Funds may enter into offsetting contracts for the forward sale of other securities they own.

Income on the securities will not be earned until settlement date. TBA purchase commitments may be considered securities in themselves, and involve a risk of loss if the value of the security to be purchased declines prior to settlement date, which risk is in addition to the risk of decline in the value of the Funds' other assets.

Unsettled TBA purchase commitments are valued at the current market value of the underlying securities, according to the procedures described under "Valuation of Investments" above.

Although the Funds may enter into TBA purchase commitments with the intention of acquiring securities for their portfolios or for delivery pursuant to options contracts they have entered into, the Funds may dispose of a commitment prior to settlement if the Investment Advisor deems it appropriate to do so.

The TBA is accounted for in line with the accounting policy for the underlying instruments.

TBA Sales Commitments

Certain Funds may enter into TBA sale commitments to hedge their portfolio positions or to sell mortgage-backed securities they own under delayed delivery arrangements. Proceeds of TBA sale commitments are not received until the contractual settlement date.

Notes to the Financial Statements as at 30 June 2008 (Continued)

2. ACCOUNTING POLICIES (Continued)

A) Investments (Continued)

i) Valuation of Investments (Continued)

TBA Sales Commitments (Continued)

During the time a TBA sale commitment is outstanding, equivalent deliverable securities, or an offsetting TBA purchase commitment deliverable on or before the sale commitment date, are held as "cover" for the transaction.

Unsettled TBA sale commitments are valued at the current market value of the underlying securities, generally according to the procedures described under the "Valuation of Investments" above. The contract is marked to market daily and the change in market value is recorded by the Fund as an unrealised gain or loss. If the TBA sale commitment is closed through the acquisition of an offsetting purchase commitment, the Funds realise a gain or loss. If the Funds deliver securities under the commitment, the Funds realise a gain or loss from the sale of the securities based upon the unit price established at the date the commitment was entered into.

Repurchase Agreements

Securities purchased under the agreements to resell are valued at Fair Value. Interest rates vary for each repurchase agreement and are set at the initiation of the agreement. Interest earned under such agreements is accounted for on an accruals basis. It is the Fund's policy to take custody of securities on a daily basis to protect the Funds in the event the securities are not repurchased by the counterparty. The Funds will generally obtain additional collateral if the market value of the underlying securities is less than the obligation to repurchase agreement plus any accrued interest. In the event of default on the obligation to repurchase, the Funds have the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. In the event of default or bankruptcy by the counterparty to the agreement, realisation and or retention of the collateral or proceeds may be subject to legal proceedings.

Counterparty	Value US$	Value GBP
Goldman Sachs & Co.	610,000	15,065,535
Bank of America	35,783,000	21,130,027

Cash and Other Liquid Assets

Cash and other liquid assets will be valued at their face value with interest accrued, where applicable, at the close of the regular trading session of the New York Stock Exchange ("NYSE").

Accounting for Investments

Recognition/derecognition

Purchases and sales of investments are recognised on the day after the transaction takes place. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Trust has transferred substantially all risks and rewards of ownership.

Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the profit and loss account. Subsequent to initial recognition, all financial assets and financial liabilities at fair value though profit or loss are measured at fair value in accordance with the policies above. Gains and losses arising from changes in the fair value of the financial assets of liabilities at fair value through profit or loss category are presented in the profit and loss account in the period in which they arise.

Notes to the Financial Statements as at 30 June 2008 (Continued)

2. ACCOUNTING POLICIES (Continued)

A) Investments (Continued)

i) Valuation of Investments (Continued)

Net gains/(losses) on Investment Activities

In respect of each instrument type classified as financial instruments at fair value through profit or loss, the movement in unrealised gains/(losses) since the prior year end and realised gains/(losses) are included in net realised and unrealised gains/(losses) on Financial Assets and Liabilities at fair value through profit or loss.

Realised gains and losses on investment transactions are calculated using the average cost method.

B) Income from Investments

i) Dividend Income

Dividend Income arising on the underlying equity investments of the Trust is recognised as income of the Trust on the ex-dividend date.

ii) Bond Interest

Bond Interest is recognised as income of the Trust on an effective interest basis. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses.

iii) Interest Income/Expense

Income arising on the underlying investments of the Trust is recognised as income of the Trust on an effective interest basis.

Bank interest is recognised on an accruals basis.

Dividend and interest income are reported gross of non-reclaimable withholding tax and net of any tax credits.

C) Foreign Exchange Translation

i) Functional and Presentation Currency

Items included in the Trust's financial statements are measured and reported using the currency of the primary economic environment in which it operates ("the functional currency"). The Board of Directors of the Manager considers U.S. Dollars as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The U.S. Dollar is the currency in which the Trust measures its performance and reports its results, as well as the currency in which it receives subscriptions from its investors.

Assets and liabilities, including net assets attributable to holders of redeemable participating units, are translated at the closing rate at each balance sheet date. Exchange differences arising between the rate of translation of subscriptions and redemptions are also attributed to the holders of redeemable participating units.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such

Notes to the Financial Statements as at 30 June 2008 (Continued)

2. ACCOUNTING POLICIES (Continued)

C) Foreign Exchange Translation (Continued)

i) Functional and Presentation Currency (Continued)

transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account.

ii) Forward Foreign Exchange Contracts

The Trust may enter into various types of forward currency contracts including Euro and Sterling Class level hedging, foreign security hedging and security transaction level hedging. The unrealised gain or loss on open forward foreign exchange contracts is calculated by reference to the difference between the contracted rate and the rate to close out the contract. Realised gains or losses include net gains on contracts, which have been settled or offset by other contracts. For foreign security hedges and security transaction level hedges, realised and unrealised gains and losses are allocated at the Fund level. For Euro and Sterling Class level hedges, these realised and unrealised gains and losses are allocated solely to the Euro and Sterling Unit Classes. While the Trust will attempt to hedge against the U.S. Dollar to Euro and Sterling currency exposure, there can be no guarantee that the value of the Euro and Sterling Classes will not be affected by the value of the Euro and Sterling relative to the U.S. Dollar.

D) Redeemable Participating Units

i) Redeemable participating units are redeemable at the Unitholder's option and are classified as financial liabilities.

The participating unit can be put back to the Trust at any time for cash equal to a proportionate unit of the Fund's net asset value. The participating unit is carried at the redemption amount that is payable at the Balance Sheet date if the Unitholder exercised its right to put the unit back to the Trust.

ii) Distributions payable to holders of redeemable units

Proposed distributions to holders of redeemable units are recognised in the profit and loss account when the Trust incurs a legal or constructive obligation to pay such a distribution. The distribution on these redeemable shares is recognised in the profit and loss account as a finance cost. During the year, the Trust was granted UK distributor status by HM Revenue & Customs for the year ending 30 June 2007. A similar application will be made for the current year ended. There was no change in the nature of the Trust's business during the year.

E) Other Receivables and Payables

i) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition origination. They are subsequently measured at amortised cost.

ii) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost.

iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS

Each of the units entitles the holder to participate equally on a pro rata basis in the profits and dividends of the Funds attributable to such units and to attend and vote at meetings of the Manager of the Trust represented by those units. No class of units confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other class of units or any voting rights in relation to matters relating solely to any other class of units. Each unit represents an undivided beneficial interest in the Funds. The return on an investment in the Funds will depend solely upon the investment performance of the assets in the Funds and the increase or decrease (as the case may be) in the net asset value of the units. The amount payable to a unitholder in respect of each unit upon liquidation of the Funds will equal the net asset value per unit.

In accordance with the provisions of the Trust's Trust Deed listed investments and investments with prices quoted in over-the-counter markets or by market makers are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit for subscriptions and redemptions and for various fee calculation. However, as stated in Note 2A(1), the accounting policy of the Funds for the purpose of compliance with FRS 26 and for reporting purpose is to value its investments at the relevant bid or offer market prices on the Balance Sheet date.

As at 30 June 2008, the difference between the valuation stated in the financial statements of investments and the valuation methodology indicated in the Trust's Trust Deed, results in an increase in value of investments of US$20,023 (2007: US$498,115). Net assets attributable to unitholders represent a liability on the Balance Sheet, carried at the redemption amount that would be payable at the Balance Sheet date if the unitholder exercised the right to redeem its units to the Trust. Consequently, the differences described above adjust the carrying amount of the net assets attributable to unitholders and are recognised in the Profit and Loss Account. The amount expensed in the year ended 30 June 2008 was US$633,767 (2007: US$445,723). The cumulative differences are included as "Adjustments from bid market prices to last traded market prices"on the Balance Sheet.

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid)

	PUTNAM AMERICAN GOVERNMENT BOND FUND*		PUTNAM EMERGING INFORMATION SCIENCES FUND	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class A Units				
Balance at beginning of year	376,688	324,722	621,560	765,584
Issued during year	145,846	240,787	1,485,921	141,588
Reinvested during year	5,187	9,151	–	–
Redeemed during year	(527,721)	(197,972)	(1,132,566)	(285,612)
Balance at end of year	–	376,688	974,915	621,560
Class B Units				
Balance at beginning of year	524,405	740,736	848,150	1,264,537
Issued during year	75,977	40,637	7,848	25,817
Reinvested during year	6,688	12,679	–	–
Redeemed during year	(607,070)	(269,647)	(207,715)	(442,204)
Balance at end of year	–	524,405	648,283	848,150
Class C Units				
Balance at beginning of year	3,478	3,367	8,813	9,263
Issued during year	12,391	–	945	1,020
Reinvested during year	320	111	–	–
Redeemed during year	(16,189)	–	–	(1,470)
Balance at end of year	–	3,478	9,758	8,813
Class E Units				
Balance at beginning of year	–	–	396,575	681,166
Issued during year	–	–	49,672	1,919,740
Reinvested during year	–	–	–	–
Redeemed during year	–	–	(339,364)	(2,204,331)
Balance at end of year	–	–	106,883	396,575
Class I Units				
Balance at beginning of year	721	735	685,042	1,704,074
Issued during year	–	–	228	707,611
Reinvested during year	–	–	–	–
Redeemed during year	(721)	(14)	(559,348)	(1,726,643)
Balance at end of year	–	721	125,922	685,042
Class T Units				
Balance at beginning of year	–	–	–	–
Issued during year	–	–	636,326	–
Reinvested during year	–	–	–	–
Redeemed during year	–	–	(636,326)	–
Balance at end of year	–	–	–	–

* Putnam American Government Bond Fund terminated on 20 February 2008.

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	PUTNAM EMERGING MARKETS DEBT FUND		PUTNAM EUROPE EQUITY FUND	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class A Units				
Balance at beginning of year	37,513	34,697	372,573	269,554
Issued during year	3,594	1,282	52,451	172,889
Reinvested during year	1,665	1,534	–	–
Redeemed during year	(1,694)	–	(83,074)	(69,870)
Balance at end of year	41,078	37,513	341,950	372,573
Class B Units				
Balance at beginning of year	1,957	311	339,152	475,105
Issued during year	–	1,610	9,351	62,760
Reinvested during year	67	36	–	
Redeemed during year	(550)	–	(118,039)	(198,713)
Balance at end of year	1,474	1,957	230,464	339,152
Class C Units				
Balance at beginning of year	323	311	4,520	323
Issued during year	–	–	600	4,197
Reinvested during year	13	12	4	–
Redeemed during year	–	–	(4,200)	–
Balance at end of year	336	323	924	4,520
Class E Units				
Balance at beginning of year	–	–	174,763	268,870
Issued during year	–	–	101,476	399
Reinvested during year	–	–	–	1,040
Redeemed during year	–	–	(101,875)	(95,546)
Balance at end of year	–	–	174,364	174,763
Class I Units				
Balance at beginning of year	245,488	238,020	2,670	2,569
Issued during year	5	–	–	101
Reinvested during year	10,417	7,468	–	–
Redeemed during year	–	–	(1,155)	–
Balance at end of year	255,910	245,488	1,515	2,670

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	THE GEORGE PUTNAM (U.S. EQUITY AND BOND) FUND*		PUTNAM GLOBAL EQUITY MULTI-ALPHA FUND	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class A Units**				
Balance at beginning of year	350,377	368,688	–	–
Issued during year	30,986	65,460	1,742,132	294
Reinvested during year	560	541	–	–
Redeemed during year	(381,923)	(84,312)	(191,837)	(294)
Balance at end of year	–	350,377	1,550,295	–
Class B Units				
Balance at beginning of year	579,316	853,021	–	–
Issued during year	16,746	46,696	99,716	294
Reinvested during year	819	161	–	–
Redeemed during year	(596,881)	(320,562)	–	(294)
Balance at end of year	–	579,316	99,716	–
Class C Units				
Balance at beginning of year	7,716	5,022	–	–
Issued during year	4,758	5,203	793	294
Reinvested during year	32	22	–	–
Redeemed during year	(12,506)	(2,531)	–	(294)
Balance at end of year	–	7,716	793	–
Class E Units				
Balance at beginning of year	–	–	–	–
Issued during year	–	–	–	58,866
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	(58,866)
Balance at end of year	–	–	–	–
Class I Units				
Balance at beginning of year	15	621	1,705,751	–
Issued during year	755	15	–	1,706,304
Reinvested during year	3	10	–	–
Redeemed during year	(733)	(631)	(1,705,751)	(553)
Balance at end of year	–	15	–	1,705,751
Class J Units				
Balance at beginning of year	–	–	294	–
Issued during year	–	–	–	294
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	–
Balance at end of year	–	–	294	294

* The George Putnam (U.S. Equity and Bond) Fund terminated on 20 February 2008.

** Putnam Global Equity Multi-Alpha Fund Class I Units were redesignated as Class A Units on 11 July 2007.

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	THE GEORGE PUTNAM (U.S. EQUITY AND BOND) FUND* (Continued)		PUTNAM GLOBAL EQUITY MULTI-ALPHA FUND (Continued)	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class M Units				
Balance at beginning of year	–	–	866,344	–
Issued during year	–	–	627,057	866,344
Reinvested during year	–	–	–	–
Redeemed during year	–	–	(1,379,825)	–
Balance at end of year	–	–	113,576	866,344
Class Q Units				
Balance at beginning of year	–	–	294	–
Issued during year	–	–	–	294
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	–
Balance at end of year	–	–	294	294
Class S Units				
Balance at beginning of year	–	–	–	–
Issued during year	–	–	–	58,824
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	(58,824)
Balance at end of year	–	–	–	–

* The George Putnam (U.S. Equtiy and Bond) Fund terminated on 20 February 2008.

	PUTNAM GLOBAL FIXED INCOME ALPHA FUND S1*	PUTNAM GLOBAL FIXED INCOME ALPHA FUND S2**
	30 JUNE 2008	30 JUNE 2008
Class I Units		
Balance at beginning of year	–	–
Issued during year	–	500,000
Reinvested during year	–	–
Redeemed during year	–	–
Balance at end of year	–	500,000
Class S Units		
Balance at beginning of year	–	–
Issued during year	45,002,431	66,661,983
Reinvested during year	–	–
Redeemed during year	–	–
Balance at end of year	45,002,431	66,661,983

* Class S Units of Putnam Global Fixed Income Alpha Fund S1 launched on 21 February 2008.

** Class S Units of Putnam Global Fixed Income Alpha Fund S2 launched on 25 February 2008. Class I Units launched on 1 May 2008.

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	PUTNAM GLOBAL GROWTH FUND		PUTNAM GLOBAL HIGH YIELD BOND FUND	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class A Units				
Balance at beginning of year	681,071	752,291	653,258	960,427
Issued during year	229,462	34,842	141,730	129,648
Reinvested during year	–	–	24,556	28,842
Redeemed during year	(516,940)	(106,062)	(279,188)	(465,659)
Balance at end of year	393,593	681,071	540,356	653,258
Class B Units				
Balance at beginning of year	585,395	796,822	1,417,602	2,149,414
Issued during year	17,022	26,058	51,030	40,341
Reinvested during year	–	–	41,455	49,470
Redeemed during year	(151,477)	(237,485)	(506,424)	(821,623)
Balance at end of year	450,940	585,395	1,003,663	1,417,602
Class C Units				
Balance at beginning of year	–	–	80,127	48,762
Issued during year	–	–	5,212	30,538
Reinvested during year	–	–	4,454	2,183
Redeemed during year	–	–	(30,621)	(1,356)
Balance at end of year	–	–	59,172	80,127
Class E Units				
Balance at beginning of year	–	–	74,157	68,669
Issued during year	–	–	1,037	2,849
Reinvested during year	–	–	5,312	2,890
Redeemed during year	–	–	(3,800)	(251)
Balance at end of year	–	–	76,706	74,157
Class I Units				
Balance at beginning of year	1,903	5,899	9,252,282	18,578
Issued during year	957	519	94,065,544	9,229,547
Reinvested during year	–	–	138,875	7,347
Redeemed during year	(20)	(4,515)	(26,055)	(3,190)
Balance at end of year	2,840	1,903	103,430,646	9,252,282
Class S Units				
Balance at beginning of year	–	–	70,387	62,559
Issued during year	–	–	–	11,660
Reinvested during year	–	–	8,837	2,598
Redeemed during year	–	–	(5,230)	(6,430)
Balance at end of year	–	–	73,994	70,387
Class T Units*				
Balance at beginning of year	–	–	–	–
Issued during year	–	–	72	–
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	–
Balance at end of year	–	–	72	–

* Putnam Global High Yield Bond Fund launched Class T Units on 26 November 2007.

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	PUTNAM GROWTH AND INCOME (U.S. VALUE EQUITY) FUND		PUTNAM INTERNATIONAL (NON U.S. CORE) EQUITY FUND	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class A Units				
Balance at beginning of year	674,314	853,211	495,840	666,026
Issued during year	22,258	53,426	51,355	89,420
Reinvested during year	–	–	4,095	–
Redeemed during year	(276,111)	(232,323)	(226,012)	(259,606)
Balance at end of year	420,461	674,314	325,278	495,840
Class B Units				
Balance at beginning of year	1,421,253	2,016,691	948,564	1,322,675
Issued during year	17,271	46,408	42,817	135,369
Reinvested during year	–	–	3,774	–
Redeemed during year	(410,454)	(641,846)	(309,416)	(509,480)
Balance at end of year	1,028,010	1,421,253	685,739	948,564
Class C Units				
Balance at beginning of year	9,643	294	34,239	323
Issued during year	–	9,349	21,507	33,916
Reinvested during year	–	–	117	–
Redeemed during year	(4,388)	–	(7,320)	–
Balance at end of year	5,255	9,643	48,543	34,239
Class E Units				
Balance at beginning of year	29,200	19,587	–	–
Issued during year	5,533	13,002	–	–
Reinvested during year	142	–	–	–
Redeemed during year	(8,326)	(3,389)	–	–
Balance at end of year	26,549	29,200	–	–
Class I Units				
Balance at beginning of year	71,126	81,653	5,994	7,024
Issued during year	7,011	32,926	2,185	26
Reinvested during year	–	–	71	–
Redeemed during year	(27,479)	(43,453)	(1,211)	(1,056)
Balance at end of year	50,658	71,126	7,039	5,994

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	PUTNAM INVESTORS (U.S. CORE EQUITY) FUND		PUTNAM NEW OPPORTUNITIES (U.S. AGGRESSIVE GROWTH EQUITY) FUND	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class A Units				
Balance at beginning of year	574,395	982,335	516,088	861,914
Issued during year	130,217	107,753	807,078	97,310
Reinvested during year	–	–	–	–
Redeemed during year	(314,669)	(515,693)	(215,793)	(443,136)
Balance at end of year	389,943	574,395	1,107,373	516,088
Class B Units				
Balance at beginning of year	1,217,031	1,939,412	1,313,328	2,018,948
Issued during year	76,986	116,767	1,242,250	14,297
Reinvested during year	–	–	–	–
Redeemed during year	(492,367)	(839,148)	(348,544)	(719,917)
Balance at end of year	801,650	1,217,031	2,207,034	1,313,328
Class C Units				
Balance at beginning of year	19,509	31,232	294	1,560
Issued during year	2,859	1,581	11,736	–
Reinvested during year	–	–	–	–
Redeemed during year	(2,465)	(13,304)	–	(1,266)
Balance at end of year	19,903	19,509	12,030	294
Class E Units				
Balance at beginning of year	29,404	–	–	–
Issued during year	–	29,404	60,597	–
Reinvested during year	1,690	–	–	–
Redeemed during year	–	–	–	–
Balance at end of year	31,094	29,404	60,597	–
Class I Units				
Balance at beginning of year	17,976	17,976	307	301
Issued during year	512	40,420	5	6
Reinvested during year	–	–	–	–
Redeemed during year	(484)	(40,420)	–	–
Balance at end of year	18,004	17,976	312	307
Class M Units				
Balance at beginning of year	294	294	–	–
Issued during year	–	–	–	–
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	–
Balance at end of year	294	294	–	–

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	PUTNAM OPPORTUNISTIC VALUE FUND*		PUTNAM TOTAL RETURN FUND	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class A Units**				
Balance at beginning of year	114,352	95,845	–	–
Issued during year	10,231	51,037	4,960,316	294
Reinvested during year	–	–	–	–
Redeemed during year	(124,583)	(32,530)	(242,922)	(294)
Balance at end of year	–	114,352	4,717,394	–
Class B Units***				
Balance at beginning of year	28,025	19,969	–	–
Issued during year	465	10,720	67,455	294
Reinvested during year	–	–	–	–
Redeemed during year	(28,490)	(2,664)	(12,549)	(294)
Balance at end of year	–	28,025	54,906	–
Class C Units***				
Balance at beginning of year	2,202	2,911	–	–
Issued during year	935	466	407,750	294
Reinvested during year	–	–	–	–
Redeemed during year	(3,137)	(1,175)	(96,468)	(294)
Balance at end of year	–	2,202	311,282	–
Class E Units				
Balance at beginning of year	81,810	34,306	58,779	–
Issued during year	–	49,508	542,148	117,645
Reinvested during year	1,591	–	–	–
Redeemed during year	(83,401)	(2,004)	–	(58,866)
Balance at end of year	–	81,810	600,927	58,779
Class I Units				
Balance at beginning of year	107,505	3,275,411	2,267,866	–
Issued during year	–	2,246,181	–	2,616,856
Reinvested during year	–	–	–	–
Redeemed during year	(107,505)	(5,414,087)	(2,267,866)	(348,990)
Balance at end of year	–	107,505	–	2,267,866
Class J Units				
Balance at beginning of year	–	–	294	–
Issued during year	–	–	–	294
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	–
Balance at end of year	–	–	294	294

* Putnam Opportunistic Value Fund terminated on 20 February 2008.

** Putnam Total Return Fund Class I Units were redesignated as Class A Units on 11 July 2007.

*** Putnam Total Return Fund Class B Units and Class C Units were launched on 10 July 2007.

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	PUTNAM OPPORTUNISTIC VALUE FUND* (Continued)		PUTNAM TOTAL RETURN FUND (Continued)	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class M Units				
Balance at beginning of year	–	–	1,626,227	–
Issued during year	–	–	6,794,264	1,780,966
Reinvested during year	–	–	–	–
Redeemed during year	–	–	(3,094,704)	(154,739)
Balance at end of year	–	–	5,325,787	1,626,227
Class Q Units				
Balance at beginning of year	–	–	294	–
Issued during year	–	–	–	294
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	–
Balance at end of year	–	–	294	294
Class S Units				
Balance at beginning of year	–	–	58,880	–
Issued during year	–	–	–	117,704
Reinvested during year	–	–	–	–
Redeemed during year	–	–	–	(58,824)
Balance at end of year	–	–	58,880	58,880

* Putnam Opportunistic Value Fund terminated on 20 February 2008.

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	PUTNAM U.S. LIQUID ASSETS FUND		PUTNAM U.S. SMALL-CAP VALUE EQUITY FUND	
	30 JUNE 2008	30 JUNE 2007	30 JUNE 2008	30 JUNE 2007
Class A Units				
Balance at beginning of year	3,249,362	3,580,636	1,548,593	1,869,682
Issued during year	6,338,848	12,451,000	74,558	512,703
Reinvested during year	142,498	180,851	–	–
Redeemed during year	(5,461,997)	(12,963,125)	(805,490)	(833,792)
Balance at end of year	4,268,711	3,249,362	817,661	1,548,593
Class B Units				
Balance at beginning of year	3,522,521	4,236,789	332,225	510,092
Issued during year	973,350	2,990,924	6,292	41,967
Reinvested during year	72,766	114,575	–	–
Redeemed during year	(1,575,518)	(3,819,767)	(166,874)	(219,834)
Balance at end of year	2,993,119	3,522,521	171,643	332,225
Class C Units				
Balance at beginning of year	3,189	3,062	50,811	3,072
Issued during year	–	–	18,454	47,739
Reinvested during year	105	127	–	–
Redeemed during year	–	–	(3,568)	–
Balance at end of year	3,294	3,189	65,697	50,811
Class E Units				
Balance at beginning of year	–	–	118,965	335,828
Issued during year	–	–	14,297	110,821
Reinvested during year	–	–	987	–
Redeemed during year	–	–	(37,698)	(327,684)
Balance at end of year	–	–	96,551	118,965
Class I Units				
Balance at beginning of year	61,250,054	3,882	317,510	292,145
Issued during year	34,050,000	61,250,000	9,136	143,500
Reinvested during year	300,698	77	–	–
Redeemed during year	(51,559,068)	(3,905)	(228,895)	(118,135)
Balance at end of year	44,041,684	61,250,054	97,751	317,510
Class M Units				
Balance at beginning of year	–	–	8,205,502	8,547,830
Issued during year	–	–	–	951,197
Reinvested during year	–	–	–	–
Redeemed during year	–	–	(8,205,208)	(1,293,525)
Balance at end of year	–	–	294	8,205,502

Notes to the Financial Statements as at 30 June 2008 (Continued)

3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING UNITHOLDERS (Continued)

Number of Units (Issued and Fully Paid) (Continued)

	PUTNAM VISTA (U.S. MID-CAP EQUITY) FUND*	
	30 JUNE 2008	30 JUNE 2007
Class A Units		
Balance at beginning of year	665,590	996,224
Issued during year	22,004	36,320
Reinvested during year	–	–
Redeemed during year	(687,594)	(366,954)
Balance at end of year	–	665,590
Class B Units		
Balance at beginning of year	952,863	1,476,301
Issued during year	13,070	34,002
Reinvested during year	–	–
Redeemed during year	(965,933)	(557,440)
Balance at end of year	–	952,863
Class C Units		
Balance at beginning of year	14,371	8,296
Issued during year	2,097	11,020
Reinvested during year	–	–
Redeemed during year	(16,468)	(4,945)
Balance at end of year	–	14,371
Class E Units		
Balance at beginning of year	69,979	87,897
Issued during year	115	3,633
Reinvested during year	530	–
Redeemed during year	(70,624)	(21,551)
Balance at end of year	–	69,979
Class I Units		
Balance at beginning of year	2	7
Issued during year	–	–
Reinvested during year	–	–
Redeemed during year	(2)	(5)
Balance at end of year	–	2

* Putnam Vista (U.S. Mid-Cap Equity) Fund merged with Putnam New Opportunities (U.S. Aggressive Growth) Fund on 27 June 2008.

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS

	PUTNAM AMERICAN GOVERNMENT BOND FUND*		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ —	$ 7,774,437	$ 9,073,006
Class A			
Units in Issue	—	376,688	324,722
Net Asset Value per Unit	—	8.66	8.57
Class B			
Units in Issue	—	524,405	740,736
Net Asset Value per Unit	—	8.54	8.45
Class C			
Units in Issue	—	3,478	3,367
Net Asset Value per Unit	—	7.86	7.81
Class I			
Units in Issue	—	721	735
Net Asset Value per Unit	—	9.73	9.57

* Putnam American Government Bond Fund terminated 20 February 2008.

	PUTNAM EMERGING INFORMATION SCIENCES FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 20,685,171	$ 34,631,106	$ 48,596,147
Class A			
Units in Issue	974,915	621,560	765,584
Net Asset Value per Unit	10.50	13.09	10.72
Class B			
Units in Issue	648,283	848,150	1,264,537
Net Asset Value per Unit	12.26	15.36	12.64
Class C			
Units in Issue	9,758	8,813	9,263
Net Asset Value per Unit	8.69	10.85	8.91
Class E			
Units in Issue	106,883	396,575	681,166
Net Asset Value per Unit	€ 6.21	€ 7.74	€ 6.45
Class I			
Units in Issue	125,922	685,042	1,704,074
Net Asset Value per Unit	10.84	13.46	10.98

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM EMERGING MARKETS DEBT FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 2,840,979	$ 2,720,265	$ 2,479,753
Class A			
Units in Issue	41,078	37,513	34,697
Net Asset Value per Unit	9.06	9.09	8.74
Class B			
Units in Issue	1,474	1,957	311
Net Asset Value per Unit	9.05	9.08	8.73
Class C			
Units in Issue	336	323	311
Net Asset Value per Unit	9.05	9.10	8.74
Class I			
Units in Issue	255,910	245,488	238,020
Net Asset Value per Unit	9.58	9.61	9.12

	PUTNAM EUROPE EQUITY FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 11,293,202	$ 16,206,418	$ 13,754,175
Class A			
Units in Issue	341,950	372,573	269,554
Net Asset Value per Unit	16.39	19.73	15.08
Class B			
Units in Issue	230,464	339,152	475,105
Net Asset Value per Unit	15.56	18.82	14.45
Class C			
Units in Issue	924	4,520	323
Net Asset Value per Unit	11.30	13.66	10.46
Class E			
Units in Issue	174,364	174,763	268,870
Net Asset Value per Unit	€ 7.53	€ 9.98	€ 8.08
Class I			
Units in Issue	1,514	2,670	2,569
Net Asset Value per Unit	16.16	19.38	15.31

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	THE GEORGE PUTNAM (U.S. EQUITY AND BOND) FUND*		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ –	$ 12,361,969	$ 14,477,567
Class A			
Units in Issue	–	350,377	368,688
Net Asset Value per Unit	–	13.29	11.86
Class B			
Units in Issue	–	579,316	853,021
Net Asset Value per Unit	–	13.17	11.78
Class C			
Units in Issue	–	7,716	5,022
Net Asset Value per Unit	–	9.91	8.87
Class I			
Units in Issue	–	15	621
Net Asset Value per Unit	–	4.72	11.96

* The George Putnam (U.S. Equity and Bond) Fund terminated on 20 February 2008.

	PUTNAM GLOBAL EQUITY MULTI-ALPHA FUND	
	30 JUNE 2008 USD	30 JUNE 2007 USD
Total Net Asset Value	$ 16,316,858	$ 27,610,315
Class A*		
Units in Issue	1,550,295	1,705,751
Net Asset Value per Unit	9.37	10.74
Class B**		
Units in Issue	99,716	–
Net Asset Value per Unit	7.18	–
Class C**		
Units in Issue	793	–
Net Asset Value per Unit	7.19	–
Class I		
Units in Issue	–	–
Net Asset Value per Unit	–	–
Class J		
Units in Issue	294	294
Net Asset Value per Unit	9.56	10.79
Class M		
Units in Issue	113,576	866,344
Net Asset Value per Unit	€ 5.94	€ 7.92
Class Q		
Units in Issue	294	294
Net Asset Value per Unit	8.47	9.63

* Class I Units were redesignated as Class A Units on 11 July 2007.

** Class B Units and Class C Units were launched on 10 July 2007.

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM GLOBAL FIXED INCOME ALPHA FUND S1* 30 JUNE 2008 GBP
Total Net Asset Value	£ 455,371,943
Class S	
Units in Issue	45,002,431
Net Asset Value per Unit	10.12

* Putnam Global Fixed Income Alpha Fund S1 launched on 21 February 2008.

	PUTNAM GLOBAL FIXED INCOME ALPHA FUND S2* 30 JUNE 2008 GBP
Total Net Asset Value	£ 669,159,073
Class I	
Units in Issue	500,000
Net Asset Value per Unit	4.93
Class S	
Units in Issue	66,661,983
Net Asset Value per Unit	10.00

* Putnam Global Fixed Income Alpha Fund S2 launched on 25 February 2008.

	PUTNAM GLOBAL GROWTH FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 14,384,888	$ 24,654,966	$ 24,481,742
Class A			
Units in Issue	393,593	681,071	752,291
Net Asset Value per Unit	17.75	20.16	16.35
Class B			
Units in Issue	450,940	585,395	796,822
Net Asset Value per Unit	16.30	18.60	15.16
Class I			
Units in Issue	2,840	1,903	5,899
Net Asset Value per Unit	18.33	20.74	16.75

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM GLOBAL HIGH YIELD BOND FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 280,288,240	$ 42,539,984	$ 23,766,314
Class A			
Units in Issue	540,356	653,258	960,427
Net Asset Value per Unit	6.65	7.38	7.11
Class B			
Units in Issue	1,003,663	1,417,602	2,149,414
Net Asset Value per Unit	6.58	7.30	7.04
Class C			
Units in Issue	59,172	80,127	48,762
Net Asset Value per Unit	7.90	8.93	8.51
Class E			
Units in Issue	76,706	74,157	68,669
Net Asset Value per Unit	€ 7.61	€ 8.53	€ 8.23
Class I			
Units in Issue	103,430,646	9,252,282	18,578
Net Asset Value per Unit	2.59	2.71	3.40
Class S			
Units in Issue	73,994	70,387	62,559
Net Asset Value per Unit	£ 4.67	£ 5.44	£ 5.17
Class T*			
Units in Issue	72	–	–
Net Asset Value per Unit	6.90	–	–

* Class T Units were launched on 26 November 2007.

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM GROWTH AND INCOME (U.S. VALUE EQUITY) FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 17,691,004	$ 35,654,643	$ 41,113,346
Class A			
Units in Issue	420,461	674,314	853,211
Net Asset Value per Unit	12.06	16.83	14.35
Class B			
Units in Issue	1,028,010	1,421,253	2,016,691
Net Asset Value per Unit	11.32	15.87	13.61
Class C			
Units in Issue	5,255	9,643	294
Net Asset Value per Unit	7.73	10.82	9.25
Class E			
Units in Issue	26,549	29,200	19,587
Net Asset Value per Unit	€ 7.43	€ 10.62	€ 9.22
Class I			
Units in Issue	50,658	71,126	81,653
Net Asset Value per Unit	12.40	17.22	14.63

	PUTNAM INTERNATIONAL (NON U.S. CORE) EQUITY FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 18,275,062	$ 30,321,694	$ 32,677,903
Class A			
Units in Issue	325,278	495,840	666,026
Net Asset Value per Unit	18.05	21.31	16.89
Class B			
Units in Issue	685,739	948,564	1,322,675
Net Asset Value per Unit	17.10	20.21	16.11
Class C			
Units in Issue	48,543	34,239	323
Net Asset Value per Unit	11.25	13.22	10.51
Class I			
Units in Issue	7,039	5,994	7,024
Net Asset Value per Unit	18.44	21.71	17.14

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM INVESTORS (U.S. CORE EQUITY) FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 11,286,382	$ 22,186,995	$ 30,521,137
Class A			
Units in Issue	389,943	574,395	982,335
Net Asset Value per Unit	9.26	12.34	10.56
Class B			
Units in Issue	801,650	1,217,031	1,939,412
Net Asset Value per Unit	8.79	11.78	10.13
Class C			
Units in Issue	19,903	19,509	31,232
Net Asset Value per Unit	8.39	11.20	9.61
Class E*			
Units in Issue	31,094	29,404	–
Net Asset Value per Unit	€ 5.87	€ 7.96	–
Class I			
Units in Issue	18,004	17,976	17,976
Net Asset Value per Unit	9.62	12.74	10.86
Class M			
Units in Issue	294	294	294
Net Asset Value per Unit	7.29	9.56	8.09

* Class E Units were launched on 14 August 2008.

	PUTNAM NEW OPPORTUNITIES (U.S. AGGRESSIVE GROWTH EQUITY) FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 38,919,753	$ 23,477,015	$ 32,606,942
Class A			
Units in Issue	1,107,373	516,088	861,914
Net Asset Value per Unit	11.90	13.37	11.74
Class B			
Units in Issue	2,207,034	1,313,328	2,018,948
Net Asset Value per Unit	11.18	12.62	11.13
Class C			
Units in Issue	12,030	294	1,560
Net Asset Value per Unit	9.58	10.78	9.49
Class E*			
Units in Issue	60,597	–	–
Net Asset Value per Unit	€ 10.00	–	–
Class I			
Units in Issue	312	307	301
Net Asset Value per Unit	12.14	13.58	11.88

* Class E Units were launched on 30 June 2008.

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM OPPORTUNISTIC VALUE FUND*		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ —	$ 4,049,424	$ 34,926,182
Class A			
Units in Issue	—	114,352	95,845
Net Asset Value per Unit	—	12.03	10.18
Class B			
Units in Issue	—	28,025	19,969
Net Asset Value per Unit	—	11.85	10.08
Class C			
Units in Issue	—	2,202	2,911
Net Asset Value per Unit	—	11.94	10.13
Class E			
Units in Issue	—	81,810	34,306
Net Asset Value per Unit	—	€ 9.22	€ 7.98
Class I			
Units in Issue	—	107,505	3,275,411
Net Asset Value per Unit	—	12.04	10.19

* Putnam Opportunistic Value Fund terminated on 20 February 2008.

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM TOTAL RETURN FUND	
	30 JUNE 2008 USD	30 JUNE 2007 USD
Total Net Asset Value	$122,521,556	$ 38,022,901
Class A*		
Units in Issue	4,717,394	2,667,866
Net Asset Value per Unit	10.08	9.36
Class B**		
Units in Issue	54,906	–
Net Asset Value per Unit	9.02	–
Class C**		
Units in Issue	311,282	–
Net Asset Value per Unit	9.04	–
Class E		
Units in Issue	600,927	58,779
Net Asset Value per Unit	€ 7.10	€ 6.60
Class J		
Units in Issue	294	294
Net Asset Value per Unit	10.20	9.47
Class M		
Units in Issue	5,325,787	1,626,227
Net Asset Value per Unit	€ 7.67	€ 7.16
Class Q		
Units in Issue	294	294
Net Asset Value per Unit	9.58	8.83
Class S		
Units in Issue	58,880	58,880
Net Asset Value per Unit	£ 4.93	£ 4.48

* Class I Units were redesignated as Class A Units on 11 July 2007.

** Class B Units and Class C Units were launched on 10 July 2007.

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM U.S. LIQUID ASSETS FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 51,320,671	$ 68,025,126	$ 7,824,369
Class A			
Units in Issue	4,268,711	3,249,362	3,580,636
Net Asset Value per Unit	1.00	1.00	1.00
Class B			
Units in Issue	2,993,119	3,522,521	4,236,789
Net Asset Value per Unit	1.00	1.00	1.00
Class C			
Units in Issue	3,294	3,189	3,062
Net Asset Value per Unit	1.00	1.00	1.00
Class I			
Units in Issue	44,041,684	61,250,054	3,882
Net Asset Value per Unit	1.00	1.00	1.00

	PUTNAM U.S. SMALL-CAP VALUE EQUITY FUND		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ 15,302,708	$ 119,945,322	$ 117,114,407
Class A			
Units in Issue	817,661	1,548,593	1,869,682
Net Asset Value per Unit	12.13	17.87	15.60
Class B			
Units in Issue	171,643	332,225	510,092
Net Asset Value per Unit	11.70	17.33	15.20
Class C			
Units in Issue	65,697	50,811	3,072
Net Asset Value per Unit	8.36	12.36	10.81
Class E			
Units in Issue	96,551	118,965	335,828
Net Asset Value per Unit	€ 10.56	€ 15.84	€ 14.03
Class I			
Units in Issue	97,751	317,510	292,145
Net Asset Value per Unit	12.48	18.31	15.91
Class M			
Units in Issue	294	8,205,502	8,547,830
Net Asset Value per Unit	6.51	9.45	8.13

Notes to the Financial Statements as at 30 June 2008 (Continued)

4. CURRENT AND PRIOR YEAR NAV DETAILS (Continued)

	PUTNAM VISTA (U.S. MID-CAP EQUITY) FUND*		
	30 JUNE 2008 USD	30 JUNE 2007 USD	30 JUNE 2006 USD
Total Net Asset Value	$ –	$ 40,524,127	$ 56,738,075
Class A			
Units in Issue	–	665,590	996,224
Net Asset Value per Unit	–	25.50	23.49
Class B			
Units in Issue	–	952,863	1,476,301
Net Asset Value per Unit	–	23.56	21.82
Class C			
Units in Issue	–	14,371	8,296
Net Asset Value per Unit	–	11.26	10.40
Class E			
Units in Issue	–	69,979	87,897
Net Asset Value per Unit	–	€ 9.89	€ 9.25
Class I			
Units in Issue	–	2	7
Net Asset Value per Unit	–	30.50	24.39

* Putnam Vista (U.S. Mid-Cap Equity) Fund merged with Putnam New Opportunities (U.S. Aggressive Growth) Fund on 27 June 2008.

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

As defined in FRS 29 (IFRS 7) Financial Instruments, the reporting standard, risk can be separated into the following components: market risk (which includes market price risk, foreign currency risk, interest rate risk), liquidity risk and credit or default risk. The Trust's risk management process consists of a multi-layered and cross functional review that provides a system of checks and balances. The Investment Advisor performs monthly reviews and agrees on policies for managing each of these risks and they are summarised below. The Board of Directors of the Manager of the Trust receives monthly reporting on risk matters and reviews the risk management process on an annual basis. These policies have remained substantially unchanged since the beginning of the period to which these financial statements relate.

(a) Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Trust might suffer through holding market positions in the face of price movements caused by factors specific to the individual investment or factors affecting all instruments traded in the market. The Investment Advisor considers the asset allocation of the portfolios in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Trust's investment objectives. The market risk exposure for each Fund as at 30 June 2008 is equivalent to the fair values of investments held, as reflected in the Schedule of Investments on pages 25-116.

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(a) Market price risk (Continued)

The Investment Advisor measures both the Fund's total risk as well as its risk of underperformance versus its stated benchmark (also referred to as active risk or tracking error "TE").

Aggregate Value at risk

The Manager considers the asset allocation of the portfolios in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Trust's investment objectives. The Value at Risk (VaR) risk measure estimates the potential loss in pre-taxation profit over a given holding period for a specified confidence level. The VaR methodology is a statistically defined, probability-based approach that takes into account market volatilities as well as risk diversification by recognising offsetting positions and correlations between products and markets. Risks can be measured consistently across all markets and products, and risk measures can be aggregated to arrive at a single risk number.

Given the interdependencies between market variables, the Trust also estimates the VaR or threshold loss that is not expected to be exceeded at the 99th percentile confidence level over a 1-day horizon. Putnam uses a proprietary multi-factor model to estimate the active risk (also referred to as tracking error) from which VaR estimates can be analytically derived. The VaR estimates presented below are point-in-time and vary over time as a function of market and portfolio composition changes.

Given its reliance on historical data, VaR is most effective in estimating risk exposures in markets in which there are no sudden fundamental changes or sudden shifts in market conditions. An inherent limitation of VaR is that the distribution of past changes in market risk factors may not produce accurate predictions of future risk. Different VaR methodologies and distributional assumptions could produce a materially different VaR. Moreover, VaR calculated for a one-day time horizon does not fully capture the market risk of positions that cannot be liquidated or offset with hedges within one day. Changes in VaR between reporting periods are generally due to changes in levels of exposure, volatilities and/or correlations among asset classes.

The table below shows the VaR of the Funds, its stated benchmark as well as the ratio between the two measures (also referred to as relative VaR) for both start and end of the review period.

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(a) Market price risk (Continued)

Fund	VaR	Portfolio	Benchmark	Ratio
Putnam Emerging Information Sciences Fund	30-June-08	2.91	3.33	0.87
	30-June-07	2.98	2.84	1.05
Putnam Emerging Markets Debt Fund	30-June-08	1.00	1.21	0.82
	30-June-07	0.68	0.96	0.71
Putnam Europe Equity Fund	30-June-08	2.24	2.28	0.98
	30-June-07	1.93	1.94	1.00
Putnam Global Fixed Income Alpha Fund S1	30-June-08	1.20	1.29	0.93
	30-June-07	N/A	N/A	N/A
Putnam Global Fixed Income Alpha Fund S2	30-June-08	1.31	1.29	1.02
	30-June-07	N/A	N/A	N/A
Putnam Global Equity Multi-Alpha Fund	30-June-08	N/A	N/A	3.10
	30-June-07	N/A	N/A	1.07
Putnam Global Growth Fund	30-June-08	2.31	2.12	1.09
	30-June-07	2.17	1.81	1.20
Putnam Global High Yield Bond Fund	30-June-08	1.24	1.40	0.88
	30-June-07	0.75	0.70	1.07
Putnam Growth and Income (U.S. Value Equity) Fund	30-June-08	1.99	2.08	0.96
	30-June-07	1.58	1.53	1.03
Putnam International (Non U.S. Core) Equity Fund	30-June-08	2.03	1.98	1.02
	30-June-07	2.07	1.98	1.05
Putnam Investors (U.S. Core Equity) Fund	30-June-08	2.24	1.96	1.14
	30-June-07	1.69	1.54	1.10
Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund	30-June-08	2.08	2.06	1.01
	30-June-07	1.89	1.76	1.08
Putnam Total Return Fund	30-June-08	0.89	0.01	83.82
	30-June-07	0.94	0.01	95.35
Putnam U.S. Small-Cap Value Equity Fund	30-June-08	2.72	2.67	1.02
	30-June-07	1.96	1.94	1.01

(b) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. A substantial proportion of each Fund's assets are held in currencies other than the base currency with the result that the Funds' Balance Sheets can be significantly affected by currency movements.

Currency	Non-Monetary Assets	Monetary Assets	Total
Putnam Emerging Information Sciences Fund	USD	USD	USD
Canadian Dollar	1,482	–	1,482
Euro	–	26,883	26,883
Total	**1,482**	**26,883**	**28,365**
Putnam Emerging Markets Debt Fund	USD	USD	USD
Argentine Peso	–	5,707	5,707
Brazilian Cruzeiro	101,408	–	101,408
Egyptian Pound	63,993	21,855	85,848
Total	**165,401**	**27,562**	**192,963**
Putnam Europe Equity Fund	USD	USD	USD
British Pound	4,320,286	7,553	4,327,839
Swiss Franc	1,063,763	–	1,063,763
Norwegian Krone	858,947	–	858,947
Swedish Krona	78,081	–	78,081
Euro	4,862,050	191,948	5,053,998
Total	**11,183,127**	**199,501**	**11,382,628**

Currency	Non-Monetary Assets	Monetary Assets	Total
Putnam Global Equity Multi-Alpha Fund	USD	USD	USD
Australian Dollar	281,099	(22,902)	258,197
British Pound	1,258,979	(21,944)	1,237,035
Canadian Dollar	719,187	(8,234)	710,953
Danish Krone	54,448	–	54,448
Euro	2,302,171	47,292	2,349,463
Hong Kong Dollar	208,849	(28,275)	180,574
Indonesian Rupiah	53,275	–	53,275
Israeli Shekel	27,267	–	27,267
Japanese Yen	1,342,623	(11,040)	1,331,583
Malaysian Ringgit	72,904	–	72,904
Norwegian Krone	102,873	(33,451)	69,422
Singapore Dollar	342,369	20,692	363,061
South African Rand	145,346	–	145,346
Swedish Krona	306,586	86,606	393,192
Swiss Franc	303,741	48,397	352,138
Taiwan Dollar	290,854	4,117	294,971
Total	**7,812,571**	**81,258**	**7,893,829**

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(b) Foreign currency risk (Continued)

Currency	Non-Monetary Assets	Monetary Assets	Total
Putnam Global Fixed Income Alpha Fund S1	**GBP**	**GBP**	**GBP**
Brazilian Cruzeiro	225,477	–	225,477
Euro	21,485,982	(200,795)	21,285,187
US Dollar	453,591,195	1,125,572	454,716,767
Total	**475,302,655**	**924,777**	**476,227,432**
Putnam Global Fixed Income Alpha Fund S2	**GBP**	**GBP**	**GBP**
Brazilian Cruzeiro	3,316,257	–	3,316,257
Euro	13,963,171	932,026	14,895,197
US Dollar	663,515,116	4,384,605	667,899,721
Total	**680,794,544**	**5,316,631**	**686,111,175**
Putnam Global Growth Fund	**USD**	**USD**	**USD**
Australian Dollar	917,578	–	917,578
Brazilian Cruzeiro	67,656	–	67,656
British Pound	1,977,903	1,314	1,979,217
Canadian Dollar	409,928	289	410,217
Danish Krone	190,708	–	190,708
Euro	1,504,447	(464)	1,503,983
Hong Kong Dollar	199,369	2,787	202,156
Hungarian Forint	36,175	–	36,175
Japanese Yen	1,420,454	1,317	1,421,771
New Zealand Dollar	82,552	–	82,552
Norwegian Krone	725,165	–	725,165
Singapore Dollar	179,619	–	179,619
South Korean Won	217,656	71	217,727
Swedish Krona	89,656	–	89,656
Swiss Franc	263,566	(779)	262,787
Taiwan Dollar	–	60	60
UAE Dirham	15,320	–	15,320
Total	**8,297,752**	**4,595**	**8,302,347**
Putnam Global High Yield Bond Fund	**USD**	**USD**	**USD**
British Pound	88,153	(119,491)	(31,338)
Euro	(184,752)	61,200	(123,552)
Total	**(96,599)**	**(58,291)**	**(154,890)**
Putnam Growth and Income (U.S. Value Equity) Fund	**USD**	**USD**	**USD**
Canadian Dollar	–	(127)	(127)
Euro	–	22,456	22,456
Total	**–**	**22,329**	**22,329**
Putnam International (Non U.S. Core) Equity Fund	**USD**	**USD**	**USD**
Australian Dollar	1,941,893	71	1,941,964
British Pound	4,745,943	2,928	4,748,871
Canadian Dollar	(489,410)	–	(489,410)
Euro	5,492,783	67,200	5,559,983
Hong Kong Dollar	216,798	–	216,798
Japanese Yen	3,657,126	14,458	3,671,584
Malaysian Ringgit	11,732	23	11,755
Norwegian Krone	1,029,976	–	1,029,976
Singapore Dollar	530,055	–	530,055
South Korean Won	307,854	(61,814)	246,040
Swedish Krona	(43,957)	–	(43,957)
Swiss Franc	1,186,132	–	1,186,132
Taiwan Dollar	57,142	15,984	73,126
Total	**18,644,067**	**38,850**	**18,682,917**

Currency	Non-Monetary Assets	Monetary Assets	Total
Putnam Investors (U.S. Core Equity) Fund	**USD**	**USD**	**USD**
Canadian Dollar	–	(306)	(306)
Total	**–**	**(306)**	**(306)**
Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund	**USD**	**USD**	**USD**
Canadian Dollar	–	(647)	(647)
Danish Krone	52,216	–	52,216
Euro	–	17,253	17,253
Total	**52,216**	**16,606**	**68,822**
Putnam Total Return Fund	**USD**	**USD**	**USD**
Australian Dollar	9,199,503	3,611	9,203,114
Brazilian Cruzeiro	543,836	–	543,836
British Pound	9,696,328	(7,662)	9,688,666
Canadian Dollar	(6,110,444)	(39)	(6,110,483)
Chilean Peso	(214,902)	–	(214,902)
Chinese Yuan	(84,884)	–	(84,884)
Czech Koruna	4,522	–	4,522
Euro	3,351,285	965,309	4,316,594
Hong Kong Dollar	340,278	155,304	495,582
Hungarian Forint	(103,188)	–	(103,188)
Japanese Yen	5,906,917	5,145	5,912,062
Malaysian Ringgit	208,153	–	208,153
Mexican Peso	1,412,373	–	1,412,373
New Zealand Dollar	(529,339)	–	(529,339)
Norwegian Krone	11,641,129	20	11,641,149
Polish Zloty	(8,920)	–	(8,920)
Singapore Dollar	(299,388)	–	(299,388)
South African Rand	365,610	–	365,610
South Korean Won	(439,035)	–	(439,035)
Swedish Krona	(5,533,853)	–	(5,533,853)
Swiss Franc	(1,068,352)	–	(1,068,352)
Taiwan Dollar	(309,950)	–	(309,950)
Turkish Lira	207,316	–	207,316
Total	**28,174,995**	**1,121,688**	**29,296,683**
Putnam U.S. Liquid Assets Fund	**USD**	**USD**	**USD**
Total	**–**	**–**	**–**
Putnam U.S. Small-Cap Value Equity Fund	**USD**	**USD**	**USD**
Euro	–	33,885	33,885
Total	**–**	**33,885**	**33,885**

Certain Class level hedges as included in the analysis of the Portfolio of Investments are entered into in order to hedge the value of the Euro, Pound Sterling, and U.S. Dollar Unit Classes and are not included in the above analysis.

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk

Interest rate risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk arises on financial instruments whose fair value or future cash flows are affected by changes in interest rates. Short-term securities are less sensitive to interest rate changes than longer-term securities, but they also usually offer lower yields. Funds invest in both fixed rate and floating rate securities.

The interest rate profile of each Fund's financial assets at 30 June 2008 are presented below:

Putnam Emerging Information Sciences Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	158,000	–	–	20,424,185	20,582,185
Financial Derivative Instruments	–	–	–	14,033	14,033
Other assets	–	–	–	228,148	228,148
Cash and bank balances	27,835	–	–	–	27,835
Total assets	**185,835**	**–**	**–**	**20,666,366**	**20,852,201**
Other Liabilities	–	–	–	(160,582)	(160,582)
Total Liabilities	**–**	**–**	**–**	**(160,582)**	**(160,582)**
Total					**20,691,619**

Putnam Emerging Markets Debt Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	760,202	672,117	1,362,930	–	2,795,249
Other assets	–	–	–	50,180	50,180
Cash and bank balances	28,126	–	–	–	28,126
Total assets	**788,328**	**672,117**	**1,362,930**	**50,180**	**2,873,555**
Financial Derivative Instruments	–	–	–	(32,568)	(32,568)
Other Liabilities	–	–	–	(8)	(8)
Total Liabilities	**–**	**–**	**–**	**(32,576)**	**(32,576)**
Total					**2,840,979**

Putnam Europe Equity Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	9,970	–	–	10,985,118	10,995,088
Financial Derivative Instruments	–	–	–	38,173	38,173
Cash and bank balances	359,386	–	–	–	359,386
Other assets	–	–	–	159,521	159,521
Total assets	**369,356**	**–**	**–**	**11,182,812**	**11,552,168**
Other Liabilities	–	–	–	(241,287)	(241,287)
Total Liabilities	**–**	**–**	**–**	**(241,287)**	**(241,287)**
Total					**11,310,881**

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

Putnam Global Equity Multi-Alpha Fund

	Up to 1 year	1-5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	996,969	–	–	14,778,045	15,775,014
Financial Derivatives Investments	–	–	–	37,675	37,675
Other assets	–	–	–	174,317	174,317
Cash and bank balances	360,533	–	–	–	360,533
Total assets	**1,357,502**	**–**	**–**	**14,990,037**	**16,347,539**
Other Liabilities	–	–	–	(35,558)	(35,558)
Total Liabilities	**–**	**–**	**–**	**(35,558)**	**(35,558)**
Total					**16,311,981**

Putnam Global Fixed Income Alpha Fund S1

	Up to 1 year	1-5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	198,414,688	46,571,757	475,836,604	–	720,823,049
Financial Derivative Instruments	–	–	–	11,661,444	11,661,444
Other assets	–	–	–	150,747,346	150,747,346
Cash and bank balances	4,289,467	–	–	–	4,289,467
Total assets	**202,704,155**	**46,571,757**	**475,836,604**	**162,408,790**	**887,521,306**
Financial Derivative Instruments	–	–	–	(150,758,475)	(150,758,475)
Other Liabilities	–	–	–	(281,390,888)	(281,390,888)
Total Liabilities	**–**	**–**	**–**	**(432,149,363)**	**(432,149,363)**
Total					**455,371,943**

Putnam Global Fixed Income Alpha Fund S2

	Up to 1 year	1-5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	47,452,760	72,211,269	1,724,530,796	–	1,844,194,825
Financial Derivative Instruments	–	–	–	19,467,804	19,467,804
Other assets	–	–	–	549,664,415	549,664,415
Cash and bank balances	9,254,773	–	–	–	9,254,773
Total assets	**56,707,533**	**72,211,269**	**1,724,530,796**	**569,132,219**	**2,422,581,817**
Financial Derivative Instruments	–	–	–	(552,962,046)	(552,962,046)
Other Liabilities	–	–	–	(1,200,460,698)	(1,200,460,698)
Total Liabilities	**–**	**–**	**–**	**(1,753,422,744)**	**(1,753,422,744)**
Total					**669,159,073**

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

Putnam Global High Yield Bond Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Cash and bank balances	352,762	–	–	–	352,762
Transferable Securities	12,234,025	72,088,403	186,035,481	6,159,167	276,517,076
Financial Derivative Instruments	–	–	–	–	–
Other assets	–	–	–	5,813,196	5,772,971
Total assets	**17,099,806**	**72,088,403**	**186,035,481**	**11,972,363**	**282,642,809**
Financial Derivative Instruments	–	–	–	(528,904)	(528,904)
Other Liabilities	–	–	–	(1,825,665)	(1,825,665)
Total Liabilities	**–**	**–**	**–**	**(2,354,569)**	**(2,354,569)**
Total					**280,288,240**

Putnam Growth and Income (U.S. Value Equity) Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	138,000	–	–	17,524,772	17,662,772
Financial Derivative Instruments	–	–	–	3,868	3,868
Other assets	–	–	–	515,899	515,899
Cash and bank balances	23,185	–	–	–	23,185
Total assets	**161,185**	**–**	**–**	**18,044,539**	**18,205,724**
Other Liabilities	–	–	–	(539,646)	(539,646)
Total Liabilities	**–**	**–**	**–**	**(539,646)**	**(539,646)**
Total					**17,666,078**

Putnam Investors (U.S. Core Equity) Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	147,000	–	–	11,232,567	11,379,567
Financial Derivative Instruments	–	–	–	3,790	3,790
Other assets	–	–	–	15,600	15,600
Total assets	**229,173**	**–**	**–**	**11,398,957**	**11,398,957**
Other Liabilities	–	–	–	(122,612)	(122,612)
Cash and bank balances	(2,619)	–	–	–	(2,619)
Total Liabilities	**(2,619)**	**–**	**–**	**(122,612)**	**(125,231)**
Total					**11,273,726**

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	3,829,000	–	–	38,969,446	42,798,446
Financial Derivative Instruments	–	–	–	119	119
Other assets	–	–	–	23,901,211	23,901,211
Total assets	**3,829,000**	**–**	**–**	**62,870,776**	**66,699,776**
Financial Derivative Instruments	–	–	–	(616)	(616)
Other Liabilities	–	–	–	(1,093,336)	(1,093,336)
Cash and bank balances	(26,721,608)	–	–	–	(26,721,608)
Total Liabilities	**(26,721,608)**	**–**	**–**	**(1,105,346)**	**(27,815,560)**
Total					**38,884,216**

Putnam Total Return Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	30,255,097	2,536,688	23,818,500	80,737,171	137,347,453
Financial Derivative Instruments	–	–	–	3,527,056	3,527,056
Other assets	–	–	–	11,940,016	11,940,016
Cash and bank balances	1,043,608	–	–	–	1,043,608
Total assets	**37,341,757**	**2,536,688**	**23,818,500**	**96,204,243**	**153,858,133**
Financial Derivative Instruments	–	–	–	(8,255,086)	(8,255,086)
Other Liabilities	–	–	–	(23,033,676)	(23,033,676)
Total Liabilities	**–**	**–**	**–**	**(31,288,762)**	**(31,288,762)**
Total					**122,569,371**

Putnam U.S. Liquid Assets Fund

	Up to 1 year	1–5 years	Over 5 years	Non-Interest bearing	Total
Transferable Securities	49,628,827	699,878	1,270,000	–	51,598,705
Other assets	–	–	–	115,277	115,277
Total assets	**49,628,827**	**699,878**	**1,270,000**	**115,277**	**51,713,982**
Other Liabilities	–	–	–	(328,799)	(328,799)
Cash and bank balances	(64,512)	–	–	–	(64,512)
Total Liabilities	**(64,512)**	**–**	**–**	**(328,799)**	**(393,311)**
Total					**51,320,671**

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

The interest rate profile of each of the Fund's financial assets at 30 June 2007 are presented below:

The following Funds, Putnam Global Growth Fund, Putnam International (Non U.S. Core) Equity Fund and Putnam U.S. Small-Cap Value Equity Fund have no or very limited exposure to interest rate risk since the majority of each Funds financial assets and liabilities are non-interest bearing. As a result, these Funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Putnam American Government Bond Fund

	Currency	Total Assets USD	Floating interest rate assets USD	Fixed interest rate assets USD	Fixed interest rate weighted average interest rate %	Fixed interest rate weighted average year for which rate is fixed Years
Long-Term Investments	USD	5,690,273	507,587	5,182,686	4.72	22.84
Short-Term Investments	USD	51,656	–	51,656	4.15	0.15
Total		5,741,929	507,587	5,234,342	8.87	22.99

Putnam Emerging Markets Debt Fund

	Currency	Total Assets USD	Floating interest rate assets USD	Fixed interest rate assets USD	Fixed interest rate weighted average interest rate %	Fixed interest rate weighted average year for which rate is fixed Years
Long-Term Investments	USD	2,083,461	290,438	1,793,023	6.64	–
Short-Term Investments	USD	–	–	–	–	–
Total		2,083,461	290,438	1,793,023	6.64	–

The George Putnam (U.S. Equity and Bond) Fund

	Currency	Total Assets USD	Floating interest rate assets USD	Fixed interest rate assets USD	Fixed interest rate weighted average interest rate %	Fixed interest rate weighted average year for which rate is fixed Years
Long-Term Investments	USD	3,846,088	565,862	3,280,226	5.88	21.23
Short-Term Investments	USD	10,000	10,000	–	6.31	0.05
Total		3,856,088	575,862	3,280,226	12.19	21.28

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

Putnam Global High Yield Bond Fund

	Currency	Total Assets USD	Floating interest rate assets USD	Fixed interest rate assets USD	Fixed interest rate weighted average interest rate %	Fixed interest rate weighted average year for which rate is fixed Years
Long-Term Investments	USD	33,646,494	2,727,712	30,918,782	8.07	7.55
Short-Term Investments	USD	–	–	–	–	–
Total		33,646,494	2,727,712	30,918,782	8.07	7.55

Putnam U.S. Liquid Assets Fund

	Currency	Total Assets USD	Floating interest rate assets USD	Fixed interest rate assets USD	Fixed interest rate weighted average interest rate %	Fixed interest rate weighted average year for which rate is fixed Years
Long-Term Investments	USD	3,130,000	3,130,000	–	–	–
Short-Term Investments	USD	64,887,774	12,428,232	52,459,542	4.86	0.15
Total		68,017,774	15,558,232	52,459,542	4.86	0.15

(d) Liquidity risk

This is the risk that the Trust will encounter difficulty in meeting obligations associated with financial liabilities. The Trust's assets comprise mainly readily realisable securities. The main liability of the Trust is the redemption of any units that investors wish to sell.

The Trust's financial instruments that include investments in OTC derivative contracts, which are not traded in an organised public market, may be illiquid. As a result, the Trust may not be able to promptly liquidate some of its investments in these instruments at an amount close to its fair value in order to meet its liquidity requirements or to respond to specific events such as deterioration in the credit worthiness of any particular issuer. Market Value amounts are presented in the Schedule of Investments to indicate the extent of the Trust's involvement in such instruments.

The trading volumes of stocks and fixed income securities held by each Fund are generally sufficient to satisfy liquidity requirements when necessary. However, to minimise or mitigate the effect of liquidity risk where deemed necessary, the Manager would either reposition the portfolio or adjust the allocation to obtain a higher concentration of more liquid securities.

The table below analyses the Trust's financial liabilities into relevant maturity groupings based on the remaining period of the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Liquidity risk (Continued)

Putnam American Government Bond Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	–	86,424	106,174
Bank Overdraft	–	–	–	–	–	–
Accrued Expenses	27,963	–	–	56,384	–	–
Other Liabilities	–	–	–	593,770	–	–
Redeemable participating units	–	–	–	7,774,437	–	–
Total	27,963	–	–	8,424,591	86,424	106,174

Putnam Emerging Information Sciences Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	2,635	–	–
Accrued Expenses	127,052	–	–	290,764	–	–
Other Liabilities	32,530	–	–	450,775	–	–
Redeemable participating units	20,691,619	–	–	34,561,644	–	–
Total	20,851,201	–	–	35,305,818	–	–

Putnam Emerging Markets Debt Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	1,399	–	31,169	–	–	1,145
Bank Overdraft	–	–	–	2,345	–	–
Accrued Expenses	–	–	–	13,664	–	–
Other Liabilities	8	–	–	–	–	–
Redeemable participating units	2,840,979	–	–	2,720,265	–	–
Total	2,842,386	–	31,169	2,736,274	–	1,145

Putnam Europe Equity Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Accrued Expenses	61,702	–	–	127,444	–	–
Other Liabilities	179,585	–	–	58,911	–	–
Redeemable participating units	11,310,881	–	–	16,220,161	–	–
Total	11,552,168	–	–	16,406,516	–	–

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Liquidity risk (Continued)

The George Putnam (U.S. Equity and Bond) Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	11,685	5,752	63,167
Bank Overdraft	–	–	–	–	–	–
Accrued Expenses	51,177	–	–	117,118	–	–
Other Liabilities	–	–	–	1,186,750	–	–
Redeemable participating units	–	–	–	12,355,811	–	–
Total	51,177	–	–	13,671,364	5,752	63,167

Putnam Global Equity Multi–Alpha Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	56,913	–	–
Accrued Expenses	35,558	–	–	153,807	–	–
Other Liabilities	–	–	–	391,507	–	–
Redeemable participating units	16,316,858	–	–	27,583,646	–	–
Total	16,352,416	–	–	28,185,873	–	–

Putnam Global Fixed Income Alpha Fund S1*

	As at 30 June 2008 GBP		
	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	147,918,477	73,378	2,766,620
Accrued Expenses	490,934	–	–
Other Liabilities	280,899,954	–	–
Redeemable participating units	455,371,943	–	–
Total	884,681,308	73,378	2,766,620

* Putnam Global Fixed Income Alpha Fund S1 launched on 21 February 2008.

Putnam Global Fixed Income Alpha Fund S2*

	As at 30 June 2008 GBP		
	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	532,693,844	629,945	19,638,257
Accrued Expenses	686,400	–	–
Other Liabilities	1,199,774,298	–	–
Redeemable participating units	669,159,073	–	–
Total	2,402,313,615	629,945	19,638,257

* Putnam Global Fixed Income Alpha Fund S2 launched on 25 February 2008.

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Liquidity risk (Continued)

Putnam Global Growth Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Accrued Expenses	79,978	–	–	272,534	–	–
Other Liabilities	222,336	–	–	199,208	–	–
Redeemable participating units	14,376,146	–	–	24,631,018	–	–
Total	14,678,460	–	–	25,102,760	–	–

Putnam Global High Yield Bond Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	330,679	9,439	188,786	–	–	–
Bank Overdraft	–	–	–	82,962	–	–
Accrued Expenses	739,567	–	–	258,780	–	–
Other Liabilities	1,086,098	–	–	–	–	–
Redeemable participating units	280,288,240	–	–	42,524,901	–	–
Total	282,444,584	9,439	188,786	42,866,643	–	–

Putnam Growth and Income (U.S. Value Equity) Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Accrued Expenses	89,786	–	–	299,355	–	–
Other Liabilities	449,860	–	–	16,330	–	–
Redeemable participating units	17,666,078	–	–	35,626,442	–	–
Total	18,205,724	–	–	35,942,127	–	–

Putnam International (Non U.S. Core) Equity Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Bank Overdraft	117,580	–	–	–	–	–
Accrued Expenses	53,547	–	–	288,526	–	–
Other Liabilities	138,276	–	–	253,409	–	–
Redeemable participating units	18,284,172	–	–	30,293,056	–	–
Total	18,593,575	–	–	30,834,991	–	–

Putnam Investors (U.S. Core Equity) Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	625	–	–
Bank Overdraft	2,619	–	–	–	–	–
Accrued Expenses	99,128	–	–	199,366	–	–
Other Liabilities	23,484	–	–	567,025	–	–
Redeemable participating units	11,273,726	–	–	22,172,133	–	–
Total	11,398,957	–	–	22,939,149	–	–

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Liquidity risk (Continued)

Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	616	–	–	–	–	–
Bank Overdraft	26,721,608	–	–	196,334	–	–
Accrued Expenses	91,083	–	–	211,665	–	–
Other Liabilities	1,002,253	–	–	569,954	–	–
Redeemable participating units	38,884,216	–	–	23,457,539	–	–
Total	66,699,776	–	–	24,435,492	–	–

Putnam Opportunistic Value Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	–	–	–
Bank Overdraft	–	–	–	–	–	–
Accrued Expenses	(1,677)	–	–	94,768	–	–
Other Liabilities	–	–	–	2,480	–	–
Redeemable participating units	–	–	–	4,045,891	–	–
Total	(1,677)	–	–	4,143,139	–	–

Putnam Total Return Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	7,260,907	801,988	192,191	–	136,676	160,250
Accrued Expenses	224,425	–	–	257,815	–	–
Other Liabilities	22,809,251	–	–	4,738,147	–	–
Redeemable participating units	122,569,371	–	–	37,940,375	–	–
Total	152,863,954	801,988	192,191	42,936,337	136,676	160,250

Putnam U.S. Liquid Assets Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3–12 months	>12 months	<3 months	3–12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	–	–	–
Bank Overdraft	64,512	–	–	4,578	–	–
Accrued Expenses	–	–	–	135,173	–	–
Other Liabilities	328,799	–	–	51,409	–	–
Redeemable participating units	51,320,671	–	–	68,024,702	–	–
Total	51,713,982	–	–	68,215,862	–	–

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(d) Liquidity risk (Continued)

Putnam U.S. Small-Cap Value Equity Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3-12 months	>12 months	<3 months	3-12 months	>12 months
Bank Overdraft	23,128	–	–	–	–	–
Accrued Expenses	119,139	–	–	686,060	–	–
Other Liabilities	28,970	–	–	465,633	–	–
Redeemable participating units	15,288,371	–	–	119,787,662	–	–
Total	15,459,608	–	–	120,939,355	–	–

Putnam Vista (U.S. Mid-Cap Equity) Fund

	As at 30 June 2008 USD			As at 30 June 2007 USD		
	<3 months	3-12 months	>12 months	<3 months	3-12 months	>12 months
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	–	–	–
Bank Overdraft	–	–	–	415,578	–	–
Accrued Expenses	185,763	–	–	344,646	–	–
Other Liabilities	–	–	–	1,690,270	–	–
Redeemable participating units	–	–	–	40,488,909	–	–
Total	185,763	–	–	42,939,403	–	–

(e) Credit risk

The Trust will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default. The Trust minimises concentration of credit risk by undertaking transactions with a large number of customers and counterparties on recognised and reputable exchanges and over the counter.

Risks associated with derivative contracts involve the possibility that the counterparty to the contract may default on its obligation to perform. Market Value amounts are presented in the Schedule of Investments to indicate the extent of the Trust's involvement in such instruments.

AS OF DATE	RATING	Putnam Emerging Markets Debt Fund	Putnam Global Fixed Income Alpha Fund S1	Putnam Global Fixed Income Alpha Fund S2	Putnam Global High Yield Bond Fund	Putnam Total Return Fund	Putnam U.S. Liquid Assets Fund
30 June 2008	A-1+	–	–	–	–	–	70.04%
30 June 2008	A-1	–	–	–	–	–	26.56%
30 June 2008	AAA	33.83%	73.04%	71.77%	5.16%	30.74%	–
30 June 2008	AA	–	0.61%	1.14%	–	0.29%	–
30 June 2008	A	13.93%	4.09%	4.46%	0.31%	3.92%	–
30 June 2008	BBB	16.97%	14.85%	12.10%	5.21%	17.42%	–
30 June 2008	BB	16.66%	6.18%	9.97%	31.82%	3.17%	–
30 June 2008	B	18.61%	–	–	45.54%	2.84%	–
30 June 2008	CCC and below	–	–	–	9.11%	–	–
30 June 2008	NR	–	1.23%	0.56%	2.85%	–	3.40%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes to the Financial Statements as at 30 June 2008 (Continued)

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued)

(e) Credit risk (Continued)

AS OF DATE	RATING	Putnam Emerging Markets Debt Fund	Putnam Global High Yield Bond Fund	Putnam U.S. Liquid Assets Fund
29 June 2007	A-1+	—	—	76.89%
29 June 2007	A-1	—	—	23.11%
29 June 2007	AAA	26.65%	3.80%	—
29 June 2007	AA	—	0.18%	—
29 June 2007	A	7.37%	0.11%	—
29 June 2007	BBB	22.91%	3.51%	—
29 June 2007	BB	22.55%	23.84%	—
29 June 2007	B	20.52%	53.91%	—
29 June 2007	CCC and below	—	11.82%	—
29 June 2007	NR	—	2.83%	—
	Total	100.00%	100.00%	100.00%

6. TAXATION

Under current law and practice Putnam World Trust qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or capital gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to unitholders or any encashment, redemption or transfer of units. No tax will arise on the Trust in respect of chargeable events in respect of:

(a) a unitholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes at the time of the chargeable event provided appropriate valid declarations, in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Trust; and

(b) certain exempted Irish tax resident unitholders who have provided the Trust with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Trust may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Trust or its unitholders.

7. FEES

The fees of the Manager, the Administrator and the Trustee are borne individually by each of the Funds.

MANAGEMENT FEES

At 30 June 2008 the Manager was entitled to receive an annual fee out of the assets of each Fund, the annual fee set with respect to each Fund and class below (active and non-active), out of which the Manager will reimburse the Investment Advisor its fee for the investment advisory services provided by the Investment Advisor. Such fees shall accrue daily and be payable monthly in arrears for these Funds and classes which are active. Subsequent to the period-end, certain changes were made to the unit classes and management fees for the Funds.

Notes to the Financial Statements as at 30 June 2008 (Continued)

7. FEES (Continued)

MANAGEMENT FEES (Continued)

	Management fee as of 30 June 2008 (as a % of net assets) Unit Classes										
Fund	A	B	C	E	I	J	M	Q	S	T	Y
Putnam Emerging Information Sciences Fund	2.25%	2.75%	2.50%	1.85%	1.85%	1.85%	1.85%	N/A	N/A	2.25%	N/A
Putnam Emerging Markets Debt Fund	1.35%#	1.85%#	1.75%#	1.35%	1.35%#	1.50%	1.50%	N/A	N/A	N/A	N/A
Putnam Europe Equity Fund	2.00%	2.50%	2.25%	1.60%	1.60%	1.60%	1.60%	N/A	N/A	N/A	N/A
Putnam Global Equity Multi-Alpha Fund	1.50%#	2.00%#	1.75%#	N/A	N/A	0.00%#	1.50%#	0.80%#	N/A	N/A	N/A
Putnam Global Fixed Income Alpha Fund S1+	N/A	N/A	N/A	N/A	0.20%#	N/A	0.20%#	N/A	0.20%#	N/A	0.20%#
Putnam Global Fixed Income Alpha Fund S2+	N/A	N/A	N/A	N/A	0.25%	N/A	0.25%	0.25%	0.25%	N/A	0.25%
Putnam Global Growth Fund	2.00%	2.50%	2.25%	1.60%	1.60%	1.60%	1.60%	N/A	N/A	N/A	N/A
Putnam Global High Yield Bond Fund	1.35%	1.85%	1.75%	1.35%	1.35%	1.35%	1.35%	N/A	1.35%	1.35%	N/A
Putnam Growth and Income (U.S. Value Equity) Fund	2.00%	2.50%	2.25%	1.60%	1.60%	1.60%	1.60%	N/A	N/A	N/A	N/A
Putnam International (Non U.S. Core) Equity Fund	2.00%	2.50%	2.25%	1.60%	1.60%	1.60%	1.60%	N/A	N/A	N/A	N/A
Putnam Investors (U.S. Core Equity) Fund	2.00%#	2.50%#	2.25%#	1.60%#	1.60%#	1.60%	0.75%#	N/A	N/A	N/A	N/A
Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund	2.00%	2.50%	2.25%	1.60%	1.60%	1.60%	1.60%	N/A	N/A	N/A	N/A
Putnam Total Return Fund	1.50%#	2.00%#	1.75%#	0.80%#	N/A	0.00%#	1.50%#	0.80%#	0.80%#	N/A	N/A
Putnam U.S. Liquid Assets Fund	0.50%#	1.00%#	1.00%#	N/A#	0.50%#	0.50%	0.50%	N/A	N/A	N/A	N/A
Putnam U.S. Small-Cap Value Equity Fund	2.00%	2.50%	2.25%	1.60%	1.60%	1.60%	1.00%*#	N/A	N/A	N/A	N/A

* The total expense ratio for Class M Units of Putnam U.S. Small-Cap Value Equity Fund was capped at 1.30% of net assets.
# Each of these Unit classes waived Management Fees during the period ended 30 June 2008.

+ A periodic performance fee will be payable to the Manager (the "Performance Fee") in respect of each Class of Unit equal to 20% of the "Net Overperformance" (as defined below), if any, achieved by the respective Class of Units. If the respective Class of Units experiences net under performance in relation to the "Hurdle", which shall be defined for all classes of Units as LIBOR return in the currency of the Class of Units in question, following payment of the Performance Fee in any previous period, the Manager will retain all Performance Fees previously paid for that Class of Units but no further Performance Fee will be charged until additional Net Overperformance is achieved by the relevant Class of Units. The calculation of the Performance Fee, if any, payable to the Manager in any period, shall be subject to the verification of the Trustee. The Performance Fee shall accrue on each Dealing Day and accordingly the Net Asset Value will be adjusted to reflect such fee. Notwithstanding the foregoing, any accrued Performance Fee referable to Units repurchased prior to the end of the relevant period shall be retained by the Manager following such repurchase. No performance fees were earned during the year.

During the year ended 30 June 2008 the Investment Advisor waived the following of their Investment Advisor fee:

	30/06/2008	30/06/2007
Putnam American Government Bond Fund	$–	$–
Putnam Emerging Information Sciences Fund	–	–
Putnam Emerging Markets Debt Fund	3,079	7,192
Putnam Europe Equity Fund	33,296	54,332
The George Putnam (U.S. Equity and Bond) Fund	20,050	39,257
Putnam Global Equity Multi-Alpha Fund	–	113,427
Putnam Global Fixed Income Alpha Fund S1	–	–
Putnam Global Fixed Income Alpha Fund S2	–	–
Putnam Global Growth Fund	–	11,286
Putnam Global High Yield Bond Fund	370,110	61,714
Putnam International (Non U.S. Core) Equity Fund	–	–
Putnam Investors (U.S. Core Equity) Fund	109,514	171,690
Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund	16,138	22,319
Putnam Opportunistic Value Fund	1,986	79,465
Putnam Total Return Fund	210	264,426
Putnam U.S. Liquid Assets Fund	264,323	99,447
Putnam U.S. Small-Cap Value Equity Fund	175,633	446,240

Notes to the Financial Statements as at 30 June 2008 (Continued)

7. FEES (Continued)

MANAGEMENT FEES (Continued)

Please refer to page 193 for details of fees waived of Unit class level during the period ended 30 June 2008.

TRUSTEE, TRANSFER AGENT AND ADMINISTRATOR FEES

The Administrator and the Trustee together are entitled to receive, out of the assets of each Fund, an annual administration fee not to exceed 0.40% of the average Net Asset Value of each Fund calculated on the last Dealing Day of each month, (plus VAT if any thereon), subject to a minimum annual fee of US$70,000 per Fund. The Trustee shall be entitled to receive out of the assets of each Fund an annual safekeeping fee not to exceed 0.50% of the average Net Asset Value of each Fund. The Administrator and the Trustee shall also be entitled to be paid any transaction charges and expenses and the Sub-Custodian fees which shall be at normal commercial rates.

The Administrator shall also be entitled to an annual fee of US$10,000 out of the assets of the Trust for general administration services. This shall be apportioned pro rata among the Funds. The "Average Net Asset Value" shall refer to the average monthly Net Asset Value of each Fund.

The Administrator shall pay the fees of the Transfer Agent, Citi Fund Services (Ireland) Limited, out of its own fee and the Transfer Agent shall not receive a fee out of the assets of the Trust.

SUB-INVESTMENT ADVISOR

The Investment Advisor has entered into a sub-investment Advisory agreement with Putnam Investments Limited, an affiliate of The Putnam Advisory Company, LLC. Putnam Investments Limited has its principal office at Cassini House, 57-59 St. James's Street, London SW1A 1WLD and is a company organized under the laws of England and Wales (the "Sub-investment advisor"). The Sub-investment advisor is licensed as an investment manager by the Financial Services Authority of the United Kingdom and is registered under the United States Investment Advisers Act of 1940, as amended. The Sub-investment advisor is currently acting as sub-investment advisor for Putnam Europe Equity Fund, Putnam Global High Yield Bond Fund and Putnam International (Non U.S. Core) Equity Fund. The fees of the Sub-investment advisor are being paid out of the fees of the Investment Advisor. PanAgora Asset Management, Inc., also an affiliate of the Investment Advisor, is currently acting as sub-investment advisor for Putnam Global Equity Multi-Alpha Fund and is paid out of the fees of the Investment Advisor.

8. SOFT COMMISSION ARRANGEMENTS

During the year there were soft dollar transactions in the Funds. Soft dollar transactions occurred when the Investment Advisor used certain investment research services which assisted in the management of the Funds' portfolio investments, which were paid for by certain brokers.

These services could include, for example, research and analysis of the relative merits of individual units or markets or the use of computer and other information facilities. In return, the Investment Advisor placed a proportion of business with these brokers including transactions relating to the Fund's investments. The Investment Advisor has satisfied itself that it obtained best execution on behalf of the Funds and that these arrangements were to the benefit of the Funds.

9. RELATED PARTY TRANSACTIONS

In the opinion of the Trustee, the Manager and the Investment Advisor are related parties under FRS 8 "Related Party Transactions". The Investment Advisor is paid by the Manager. Fees charged by these parties and the amount due at the year end are shown in the Profit and Loss Account and the Balance Sheet, respectively.

Notes to the Financial Statements as at 30 June 2008 (Continued)

9. RELATED PARTY TRANSACTIONS (Continued)

During the year the Trust incurred a fee of US$163,993 relating to legal fees provided by Dillon Eustace (2007: US$84,750). David Dillon as a director of the Manager had an interest in this fee in his capacity as a partner of Dillon Eustace. The Manager is not aware of any other transactions with connected persons during the year, other than those disclosed in these financial statements.

10. FOREIGN EXCHANGE

The exchange rates ruling at 30 June 2008 were:

Currency	Vs. USD Rate	Vs. EUR Rate	Vs. GBP Rate
Australian Dollar	1.04319	1.64292	2.07928
British Pound	0.50171	0.79014	1.00000
Canadian Dollar	1.01740	1.60230	2.02788
Euro	0.63496	1.00000	1.26560
Hong Kong Dollar	7.79690	12.27934	15.54078
Indian Rupee	43.02000	67.75220	85.74746
Japanese Yen	106.02000	166.97090	211.31906
Korean Won	1,045.90000	1,647.18791	2,084.68788
New Zealand Dollar	1.31303	2.06788	2.61712
Norwegian Krone	5.08630	8.01041	10.13801
Singapore Dollar	1.35960	2.14123	2.70995
Swedish Krona	6.01820	9.47806	11.99548
Swiss Franc	1.01970	1.60593	2.03247
Taiwan Dollar	30.34900	47.79664	60.49163
United States Dollar	1.00000	1.57490	1.99320

The exchange rates ruling at 30 June 2007 were:

Currency	Vs. USD Rate	Vs. EUR Rate
Australian Dollar	1.17869	1.59188
British Pound	0.49842	0.67314
Canadian Dollar	1.06375	1.43665
Euro	0.74044	1.00000
Hong Kong Dollar	7.81790	10.55847
Indian Rupee	40.72750	55.00453
Japanese Yen	123.49500	166.78619
Korean Won	923.90000	1,247.77328
New Zealand Dollar	1.29441	1.74817
Norwegian Krone	5.90635	7.97682
Singapore Dollar	1.52945	2.06560
Swedish Krona	6.85720	9.26099
Swiss Franc	1.22560	1.65523
Taiwan Dollar	32.86600	44.38718
United States Dollar	1.00000	1.35055

11. SIGNIFICANT EVENTS DURING THE YEAR

The following significant events occurred during the year:

- Effective 30 June 2007 the Administrator of the Trust was changed from J.P. Morgan Administration Services (Ireland) Limited to State Street Fund Services (Ireland) Limited.
- Effective 30 June 2007 the Trustee of the Trust was changed from J.P. Morgan Bank (Ireland) plc to State Street Custodial Services (Ireland) Limited.
- Effective 21 February 2008 Putnam Global Fixed Income Alpha Fund S1 was launched.
- Effective 25 February 2008 Putnam Global Fixed Income Alpha Fund S2 was launched.
- Effective 20 February 2008 Putnam American Government Bond Fund, The George Putnam (U.S. Equity and Bond) Fund and Putnam Opportunistic Value Fund were liquidated.
- Effective 27 June 2008 Putnam Vista (U.S. Mid-Cap Equity) Fund merged into Putnam New Opportunities (U.S. Aggressive Growth Equity) Fund.

Notes to the Financial Statements as at 30 June 2008 (Continued)

12. SUBSEQUENT EVENTS

The following subsequent events occurred since the year end.

Effective 2 September 2008, a number of changes were made to the Trust's prospectus. Additional detail about these changes, which were communicated to all unitholders of the Trust, is available in the Trust's prospectus and will be included in the semi-annual accounts.

- The Trust's name changed from Putnam World Trust II to Putnam World Trust.
- The name of the Trust's manager changed from Putnam Investments Limited to Putnam Investments (Ireland) Limited.
- A number of revisions were made to the various sub-funds' distribution policies and classes of Units (including the investment minimums, management fees, class currencies, and sales charges for certain classes). In addition, the dealing days for some sub-funds were amended.
- Six additional sub-funds of the Trust, offering investment in a variety of asset classes, are expected to be launched during Autumn 2008.
- Putnam U.S. Liquid Assets Fund terminated on 19 September 2008.
- Recent events in the financial sector have resulted in an unusually high degree of volatility in the financial markets. The Funds' investments in the financial sector, as reflected in each Fund's schedule of investments, expose investors to the negative performance resulting from these events.

  Lehman Brothers Holdings, Inc. made a bankruptcy filing on 15 September 2008, subsequent to the reporting period. The reported values of each Fund's positions as of 30 June 2008 in securities of Lehman or its affiliates and in derivatives to which Lehman or its affiliates is a counterparty do not reflect these developments or portfolio transactions after 30 June 2008.

PUTNAM AMERICAN GOVERNMENT BOND FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
3,000,000	Federal National Mortgage Association (OTBA) 5.5% 01/03/2038	3,040,901
2,700,000	Federal National Mortgage Association (TBA) 5.5% 01/11/2037	2,613,925
2,632,000	Federal National Mortgage Association (TBA) 5.5% 01/11/2037	2,601,382
2,500,000	Federal National Mortgage Association (OTBA) 5.5% 01/12/2037	2,470,795
2,000,000	Federal National Mortgage Association (OTBA) 5.5% 01/03/2038	2,022,580
1,900,000	Federal National Mortgage Association (TBA) 6.5% 01/08/2037	1,920,788
1,600,000	Federal National Mortgage	1,599,004
1,400,000	Federal National Mortgage Association (TBA) 5.5% 01/09/2037	1,371,176
1,332,000	Federal National Mortgage Association (TBA) 5.5% 01/10/2037	1,309,476
1,200,000	Federal Home Loan Discount Note 0.00% 08/02/2008	1,198,453
1,200,000	Freddie Mac 0.00% 04/04/2008	1,194,979
1,000,000	Federal National Mortgage Association (OTBA) 5.5% 01/02/2038	1,009,493
1,000,000	Freddie Mac Discount Note 0.00% 26/12/2007	999,174
1,000,000	Federal Home Loan Banks 0.00% 02/01/2008	997,667
1,000,000	Freddie Mac 0.00% 23/01/2008	996,601
999,900	Federal National Mortgage Association 5.5% 01/12/2037	991,894
1,000,000	Federal National Mortgage Association (TBA) 5.5% 01/01/2038	984,705
999,999	Federal National Mortgage Association 5.5% 01/11/2037	984,336
936,207	Federal National Mortgage Association 6.5% 01/12/2036	946,450
889,291	Federal National Mortgage Association 6.5% 01/12/2036	899,021
900,000	Federal Home Loan Banks	897,635

Largest Sales

No. of Shares		Proceeds USD
2,700,000	Federal National Mortgage Association (TBA) 5.5% 01/08/2037	2,613,925
2,632,000	Federal National Mortgage Association (TBA) 5.5% 01/11/2037	2,601,382
2,500,000	Federal National Mortgage Association (OTBA) 5.5% 01/12/2037	2,470,936
1,900,000	Federal National Mortgage Association (TBA) 6.5% 01/08/2037	1,920,788
1,400,000	Federal National Mortgage Association (TBA) 5.5% 01/09/2037	1,371,176
332,000	Federal National Mortgage Association (TBA) 5.5% 01/10/2037	1,309,476
999,900	Federal National Mortgage Association 5.5% 01/12/2037	989,863
1,000,000	Federal National Mortgage Association (TBA) 5.5% 01/01/2038	984,705
936,207	Federal National Mortgage Association 6.5% 01/12/2036	946,597
889,251	Federal National Mortgage Association 6.5% 01/12/2036	900,328
800,000	Federal National Mortgage Association (TBA) 4.5% 01/09/2022	770,380
725,000	Treasury Bill 0.00% 27/09/2007	724,778
700,000	Federal National Mortgage Association (TBA) 6% 01/09/2037	698,775
689,615	Federal National Mortgage Association 5.5% 01/07/2037	665,286
671,024	Federal National Mortgage Association 5.5% 01/01/2037	659,567
601,380	Federal National Mortgage Association 5.5% 01/11/2037	586,656
600,000	Federal National Mortgage Association (OTBA) 4.5% 01/11/2022	583,725
600,000	Federal National Mortgage Association (TBA) 4.5% 01/10/2022	577,266
579,395	Federal National Mortgage Association 4.5% 01/09/2020	559,713
547,935	Federal National Mortgage Association 4.5% 02/01/2022	528,672

PUTNAM EMERGING INFORMATION SCIENCES FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
31,100	F5 Networks	1,016,601
27,000	BMC Software Incorporated	853,712
42,100	Red Hat Incorporated	838,579
21,500	Trimble Navigation Ltd.	793,906
15,900	Belden Incorporated	765,880
38,800	Nuance Communications Incorporated	699,693
14,800	Autodesk Incorporated	697,359
20,000	Nvidia Corporation	654,541
21,000	Sra International Incorporated	584,233
32,800	Quest Software	574,105
35,100	United Online Incorporated	572,799
2,900	First Solar Incorporated	568,221
16,900	Akamai Technologies	562,619
36,100	Mentor Graphics Corporation	559,302
11,500	Advent Software	549,679
19,900	Teradata Corporation	540,806
16,600	Neustar Incorporated	517,864
24,000	Electronics for Imaging Incorporated	516,214
21,200	Solera Holdings Incorporated	514,115
7,100	Flir Systems Incorporated	502,290

Largest Sales

No. of Shares		Proceeds USD
42,350	Microsemi Corporation	1,016,632
25,325	Diodes Incorporated	918,841
22,200	Si International Incorporated	689,319
39,200	Parametric Technology Corporated	687,056
50,150	Magma Design Automation	679,830
21,050	Heartland Payment Systems Incorporated	640,425
45,775	Ultra Clean Holdings	628,515
17,250	Standard Microsy	618,757
31,000	Ingram Micro Incorporated	614,725
13,950	Digital River	580,916
46,300	Chordiant Software Incorporated	549,141
43,900	C-Cor Incorported	540,542
38,400	Arris Group Incorporated	520,496
29,700	NCI Incorporated	512,118
25,850	Xyratex Limited	490,540
16,650	Polycom Incorporated	476,833
39,200	Global Cash Access Incorporated	465,929
33,073	Cybersource Corporation	462,657
71,150	RF Micro Devices	443,563
31,250	QLogic Corporation	434,886

PUTNAM EMERGING MARKETS DEBT FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
20	US 10YR NOTE FUT JUN08 TYM8 Total	2,337,625
20	US 10YR NOTE FUT MAR08 TYH8 Total	2,294,969
20	US 10YR NOTE FUT DEC07 TYZ7 Total	2,241,125
18	US LONG BOND(CBT) JUN08 USM8 Total	2,117,531
6	US 2YR NOTE (CBT) JUN08 TUM8 Total	1,278,172
9	US LONG BOND(CBT) SEP08 USU8 Total	1,041,743
500,000	Federal Home Loan Bank	498,163
450,000	Egypt Treasury Bill 0.00% 03/06/2008	434,174
2	US 2YR NOTE (CBT) MAR08 TUH8 Total	423,641
2	US 2YR NOTE (CBT) DEC07 TUZ7 Total	417,734
335,000	Old Line Funding Corporation 16/11/2007	334,602
300,000	Federal Home Loan Bank	299,962
300,000	Federal Home Loan Bank	299,950
300,000	Federal Home Loan Bank	299,706
300,000	Federal Home Loan Bank	299,298
300,000	Federal Home Loan Bank	298,818
299,000	Federal Home Loan Bank	298,294
250,000	Liquid Assets CL I- Dublin Fund	250,000
250,000	Federal Home Loan Bank	249,971
250,000	Federal Home Loan Bank	249,489

Largest Sales

No. of Shares		Proceeds USD
335,000	Old Line Funding Corporation 0.00% 16/11/2007	334,648
250,000	Federal Home Loan Bank	249,909
99,300	Russian Federation 5.00% 31/03/2030	111,332
100,000	Ukraine Ministry of Finance 6.58% 21/11/2016	104,154
80,000	United Mexican States 6.625% 03/03/2015	86,880
63,853	Argentina (Republic of) 8.28% 31/12/2033	56,949
55,000	Argentina (Republic of) 10.50% 12/06/2012	15,138

PUTNAM EUROPE EQUITY FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
8,675	Novartis AG	556,195
4,388	Petroleum Geo-Services	549,103
6,204	DNB Holding ASA	489,160
1,010	Modern Times Group-B	405,613
4,790	BNP Paribas	366,275
24,590	Banco Santander SA	348,937
41,675	Enel SPA	329,038
10,775	ING Groep	323,057
16,342	Telefonica SA	285,606
8,777	Vivendi SA	258,954
15,987	Koninklijke KPN NV	186,735
16,203	Glaxosmithkline	181,697
343	Nestle PLC	179,219
18,367	Koninklijke Ahold NV	177,291
2,893	Rio Tinto PLC	156,866
25,048	BP PLC	149,466
20,964	Pridential PLC	148,562
2,292	Total SA	131,348
2,459	AKZO Nobel	128,598
2,644	Voestalpine AG	128,148

Largest Sales

No. of Shares		Proceeds USD
399	MOL Hungarian Oil & Gas	11,445,556
3,392	Hennes & Mauri Corporation	1,316,056
7,200	UBS AG	396,953
3,353	Electromagnetic Geoservices Ltd.	391,713
3,681	Siemans AG	332,364
18,056	Banco Bilbao Vizcaya Argenta	307,071
970	Nobel Biocare Holding AG	304,589
2,773	Credit Suisse Group	225,821
2,296	Schneider Electric	219,524
1,281	Petroleum Geo-Services	206,359
2,270	Continental AG	202,666
3,365	Thyssenkrupp AG	126,624
673	Societe Generale PLC	124,787
2,061	Inbev NV	117,025
4,273	EFG Eurobank Ergasias	106,274
14,146	Northern Rock Ltd.	101,681
15,626	Barclays PLC	94,008
3,953	Hellencic Telcom	93,894
17,583	Experian Group Limited	92,271
6,270	BHP Billiton PLC	90,386

THE GEORGE PUTNAM (U.S. EQUITY AND BOND) FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
2,700,000	Federal Home Loan Discount Note 0.00% 20/02/2008	2,699,800
2,700,000	Federal National Mortgage	2,699,603
1,200,000	Federal National Mortgage Association (OTBA) 5.5% 01/12/2037	1,182,735
1,000,000	Federal National Mortgage Association (OTBA) 5.5% 01/03/2038	1,010,431
1,000,000	Federal National Mortgage Association (OTBA) 5.5% 01/02/2038	1,009,493
1,000,000	Federal National Mortgage Association (TBA) 5.5% 01/01/2038	984,705
750,000	Liquid Assets CII–Dublin Fund	750,000
751,212	Federal National Mortgage Association 5.5% 01/12/2037	739,446
700,000	Federal National Mortgage Association (TBA) 6.5% 01/08/2037	707,870
600,000	Federal National Mortgage Association (TBA) 6.5% 01/09/2037	609,363
598,409	Federal National Mortgage Association 6.5% 01/11/2036	607,747
598,605	Federal National Mortgage Association 6.5% 01/02/2037	605,154
560,348	Federal National Mortgage Association 5.5% 01/01/2038	551,742
448,000	Federal National Mortgage Association (TBA) 5.5% 01/11/2037	442,892
400,000	Federal National Mortgage Association (TBA) 5.5% 01/08/2037	386,451
400,000	Federal National Mortgage Association (TBA) 5.5% 01/11/2037	384,768
399,999	Federal National Mortgage Association 4.5% 01/07/2022	380,376
400,000	Federal National Mortgage Association 4.5% 01/08/2022	378,888
4,575	iShares S&P 500 Value Index Fund	348,875
300,000	General National Mortgage Association TBA 6.5% 01/09/2037	307,334

Largest Sales

No. of Shares		Proceeds USD
1,200,000	Federal National Mortgage Association (OTBA) 5.5% 01/12/2037	1,182,876
1,000,000	Federal National Mortgage Association (TBA) 5.5% 01/01/2038	984,705
751,212	Federal National Mortgage Association 5.5% 01/12/2037	739,739
700,000	Federal National Mortgage Association (TBA) 6.5% 01/08/2037	708,190
600,000	Federal National Mortgage Association (TBA) 6.5% 01/09/2037	609,363
598,605	Federal National Mortgage Association 6.5% 01/02/2037	608,006
448,000	Federal National Mortgage Association (TBA) 5.5% 01/11/2037	442,892
400,000	Federal National Mortgage Association (TBA) 5.5% 01/08/2037	386,451
400,000	Federal National Mortgage Association (TBA) 5% 01/11/2037	384,768
398,658	Federal National Mortgage Association 4.5% 01/07/2022	383,242
400,000	Federal National Mortgage Association (TBA) 4.5% 01/08/2022	380,024
400,000	Federal National Mortgage Association (TBA) 4.5% 01/07/2023	378,738
300,000	General National Mortgage Association 6.5% 01/09/2037	307,334
300,000	Federal National Mortgage Association (TBA) 4.5% 01/09/2022	288,126
273,000	Federal National Mortgage Association (TBA) 5.5% 01/10/2037	268,317
248,000	Federal National Mortgage Association 5.5% 01/11/2037	243,766
240,000	Federal National Mortgage Association (TBA) 5% 01/10/2037	229,899
200,000	Federal National Mortgage Association (TBA) 6.5% 01/11/2037	204,152
195,000	Federal National Mortgage Association (TBA) 6.5% 01/10/2037	199,366
200,001	Federal National Mortgage Association 6% 01/11/2036	199,071

PUTNAM GLOBAL EQUITY MULTI-ALPHA FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
29,500	Astra International Incorporated	829,862,468
44,000	Nippon Oil Corporation	44,595,503
4,000	Toyota Motor Corporation	21,970,980
5,400	Honda Motor Company	17,677,834
33	NTT CCorporation	17,211,048
8,000	Ricoh Company Limited	12,903,448
5,100	Yamaha Motor Company Limited	10,412,803
219,000	China Steel Corporation	9,975,586
2,600	Suzuken Company Limited	9,735,447
5,100	Canon Marketing Japan Incorporated	9,522,358
3,000	Seiko Epson Corporation	9,332,027
1,400	TDK Corporation	9,027,511
1,900	Mitsubishi Corporation	6,591,294
6,000	Dainippon Pharmaceutical	5,241,619
3,000	Itochu Corporation	4,372,185
2,700	Alpa Electric Company Limited	3,627,112
45,587	Nan Ya Plastic Corporation	3,459,341
36,111	Formosa Chemicals & Fibre Corporation	2,835,241
4,000	Shimizu Corporation	2,615,307
16,607	SPDR Trust Series 1	2,459,046

Largest Sales

No. of Shares		Proceeds USD
13,167	Nissan Motor Company	15,096,222
787	OTP Bank PLC	7,312,914
4,371	Uniden Corporation	4,177,934
809	Family Mart Company Ltd	2,400,888
2,412	Taisei Corporation	1,454,760
15,541	iShares MSCI Eafe Index Fund	1,371,743
8,515	SPDR Trust Series 1	1,354,862
7,545	China Mobile Limited	904,379
2,636	Goldman Sachs Corporation	526,394
15,107	Safeway Incorporated	505,996
9,017	Computer Science	478,878
1,037	Hennes & Mauri Corporation	399,609
94	Suzuki Motor	331,654
5,643	Morgan Stanley	308,867
156	Toyo Suisan Kaisha Limited	292,666
2,804	Alcan Incorporated	282,178
12,814	Mattel Incorporated	269,545
7,854	Westar Energy Incorporated	200,640
6,567	Brinker International	190,566
160	Topdanmark	143,680

PUTNAM GLOBAL FIXED INCOME ALPHA FUND S1

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
291,000,000	Federal Home Loan Banks	290,978,175
266,000,000	Federal Home Loan Banks	265,938,377
258,000,000	Federal National Mortgage Association (TBA) 5.5% 01/07/2038	256,694,565
248,000,000	Federal National Mortgage Association (TBA) 5.5% 01/06/2038	249,082,989
200,000,000	Federal Home Loan Banks	199,985,278
178,000,000	Freddie Mac 0.00% 14/03/2008	177,695,422
148,873,000	Federal Home Loan Discount Note 0.00% 27/02/2008	148,862,455
141,000,000	Federal Home Loan Discount Note 0.00% 05/03/2008	140,989,033
137,282,000	Federal Home Loan Banks	137,273,420
125,000,000	Federal National Mortgage	124,995,313
121,000,000	Federal National Mortgage Association (TBA) 5.5% 01/07/2038	114,679,566
110,000,000	Federal Home Loan Discount Note 0.00% 28/03/2008	109,996,792
100,000,000	Federal Home Loan Banks	99,842,333
86,000,000	Federal National Mortgage Association (TBA) 5.5% 01/05/2038	86,307,979
84,000,000	Federal Home Loan Banks	83,993,700
83,000,000	Federal Home Loan Banks	82,995,043
83,000,000	Federal Home Loan Discount Note 0.00% 31/03/2008	82,986,167
75,000,000	Federal Home Loan Banks	74,996,875
73,647,000	Federal Home Loan Banks	73,642,295
68,000,000	Federal Home Loan Banks	67,996,033

Largest Sales

No. of Shares		Proceeds USD
245,000,000	Federal National Mortgage Association (TBA) 5.5% 01/06/2038	245,996,795
90,000,000	Federal National Mortgage Association (TBA) 5.5% 01/05/2038	90,363,633
35,000,000	Atlantic Asset Securities Corporation 0.00% 08/04/2008	34,884,500
32,000,000	Federal National Mortgage Association (TBA) 5.5% 01/04/2038	32,347,931
3,775,000	CSX Corporation 6.25% 01/04/2015	3,821,398
2,587,072	Federal National Mortgage Association 5.5% 01/04/2037	2,567,166
2,527,425	Federal National Mortgage Association 5.5% 01/10/2037	2,547,298
2,185,754	Federal National Mortgage Association 5.5% 01/04/2037	2,162,788
2,076,380	Federal National Mortgage Association 5.5% 01/05/2037	2,060,404
2,038,005	Federal National Mortgage Association 5.5% 01/03/2037	2,016,592
1,999,999	Federal National Mortgage Association 5.5% 01/09/2037	1,998,750
2,000,000	Federal National Mortgage Association 5.5% 01/06/2038	1,997,993
1,999,998	Federal National Mortgage Association 5.5% 01/01/2038	1,997,031
2,000,000	Federal National Mortgage Association 5.5% 01/06/2038	1,982,597
1,952,278	Federal National Mortgage Association 5.5% 01/06/2037	1,964,551
1,974,439	Federal National Mortgage Association 5.5% 01/03/2037	1,959,246
1,970,829	Federal National Mortgage Association 5.5% 01/02/2037	1,955,665
1,937,121	Federal National Mortgage Association 5.5% 01/04/2037	1,935,912
1,946,730	Federal National Mortgage Association 5.5% 01/07/2037	1,926,275
7,654,352	FNS 6.00% 25/03/2038	1,893,316

PUTNAM GLOBAL FIXED INCOME ALPHA FUND S2

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
1,479,000,000	Federal National Mortgage Association (TBA) 5.5% 01/07/2038	1,471,122,771
999,000,000	Federal National Mortgage Association (TBA) 5.5% 01/06/2038	1,002,597,273
367,000,000	Federal National Mortgage Association (TBA) 5.5% 01/05/2038	368,115,021
356,000,000	Federal National Mortgage Association (TBA) 5.5% 01/07/2038	337,412,622
298,000,000	Federal National Mortgage Association (TBA) 5.5% 01/08/2038	291,865,240
200,000,000	Federal Home Loan Banks	199,964,167
200,000,000	Federal National Mortgage	199,552,444
156,000,000	Federal National Mortgage Association (TBA) 5% 01/08/2038	148,239,961
78,776,000	Federal Home Loan Banks	78,642,737
63,666,000	WBCMT 2007-C30 5.25% 15/12/2043	61,263,844
60,000,000	Federal Home Loan Banks	59,996,250
60,000,000	Federal Home Loan Banks	59,995,500
59,000,000	JPMCC 2007-LDPX A3S 5.3% 15/01/2049	56,033,911
55,000,000	Federal National Mortgage Association (TBA) 5.5% 01/04/2038	55,386,072
52,000,000	Federal Home Loan Discount Note 0.00% 27/02/2008	51,996,317
52,000,000	Park Ave Receivables 21/04/2008	51,954,933
50,000,000	Freddie Mac 0.00% 05/03/2008	49,965,375
50,000,000	Federal Home Loan Banks	49,921,167
50,000,000	Ranger Funding Company 06/05/2008	49,920,667
50,000,000	Federal Home Loan Banks 13/06/2008	49,913,028

Largest Sales

No. of Shares		Proceeds USD
1,000,000,000	Federal National Mortgage Association (TBA) 5.5% 01/06/2038	1,002,865,575
366,000,000	Federal National Mortgage Association (TBA) 5.5% 01/05/2038	367,688,539
73,400,000	Federal Home Loan Discount Note 0.00% 11/06/2008	73,339,144
55,000,000	Federal National Mortgage Association (TBA) 5.5% 01/04/2038	55,492,947
50,000,000	Three Pillars Funding 0.00% 12/06/2008	49,996,986
50,000,000	Federal Home Loan Bank System 0.00% 13/06/2008	49,955,000
40,000,000	Windmill Funding Corporation 0.00% 11/07/2008	39,945,789
35,571,000	Atlantic Asset Securities Corporation 0.00% 10/06/2008	35,557,246
25,500,000	Byrant Park Funding LLC 0.00% 13/06/2008	25,484,642
16,500,000	Old Line Funding Corporation 0.00% 02/07/2008	16,482,813
11,000,000	Thunder Bay Funding Incorporated 0.00% 15/07/2008	10,978,931
10,000,000	Windmill Funding Corporation 0.00% 17/07/2008	9,978,169
36,205,169	FNS 5.5% 25/05/2037	9,626,584
35,476,239	FNS 6.5% 01/07/2036	8,078,451
8,000,000	Byrant Park Funding LLC 0.00% 06/06/2008	7,996,080
6,505,000	Genworth Financial Incorporated 6.515% 22/05/2018	6,124,131
4,333,970	Federal National Mortgage Association 5.5% 01/02/2038	4,317,957
4,322,322	Federal National Mortgage Association 5.5% 01/05/2037	4,300,833
4,000,000	Federal National Mortgage Association 5.5% 01/02/2038	3,995,800
15,932,660	FNS 6% 25/03/2038	3,940,969

PUTNAM GLOBAL GROWTH FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
437	Samsung Electronics Company Limited	245,832,345
1,020	Hyundai Department Store Company Limited	110,182,963
420	Hyundai Mipo PLC	108,263,820
220	Posco Ltd.	104,241,480
3,220	Daewoo Securities Company	93,634,264
240	Honam Petrochemical Corporation	38,066,230
990	LG Petrochemical	35,796,569
3,800	Daiichi Sankyo Company Limited	12,716,355
24	Sony Financial Holdings Incorporated	9,943,170
400	Orix Corporation	9,872,132
2,800	Glory Limited	9,626,118
2,900	Micronics Japan Company Ltd	9,111,059
2,500	Komatsu Limited	8,855,310
1,700	Astellas Pharma Incorporated	8,673,335
7,000	NSK Limited	8,283,140
8,000	Toshiba Corporation	8,182,523
4,000	Sharp Corporation	7,712,388
3,000	Mitsui & Company Limited	7,234,338
5,000	Mitsui O.S.K Lines	6,998,143
800	Alfresa Holdings Corporation	6,821,922

Largest Sales

No. of Shares		Proceeds USD
840	Hyundai Mipo PLC	198,677,268
1,090	Hyundai Department Store Company Limited	116,601,730
2,380	Daewoo Securities Company	76,587,963
11,800	Daiichi Sankyo Company Limited	40,895,515
1,090	LG Petrochemical	40,499,234
5,000	Trend Micro Incorporated	22,982,948
3,400	Daito Trust	17,871,821
1,500	Alfresa Holdings Corporation	10,618,045
21	NTT Data Corporation	10,552,214
1,400	Ono Pharmaceutical	9,044,758
40	Posco Corporation	9,015,414
1,600	Sony Corporation	8,446,178
4,500	Nippon Electric Glass Co Ltd	8,128,751
1,700	Terumo Corporation	8,053,971
7,000	Amada Company Limited	7,259,295
1,500	Mitsumi Electric Company	6,445,696
6	Mitsubishi UFJ Financial Group	6,056,970
9	Mizuho Fianancial	5,741,192
850	Token Corporation	4,366,815
20	Honam Petrochem	3,189,760

PUTNAM GLOBAL HIGH YIELD BOND FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
13,000,000	Federal Home Loan Banks	12,998,357
5,000,000	Victory Receivables Corporation	4,990,986
5,000,000	Old Line Funding Corporation	4,982,625
4,500,000	Liquid Assets Fund Class I	4,500,000
3,373,000	Federal Home Loan Banks	3,372,410
3,235,000	Ford Motor Credit Company	3,255,624
2,850,000	HCA Incorporated	3,037,467
2,955,000	GMAC Mortgage LLC	2,851,708
2,400,000	Freeport-McMoran Copper & Gold Incorporated	2,621,235
2,500,000	Qwest Communications International Incorporated	2,541,002
2,620,000	General Motors Corporation	2,515,136
2,430,000	Trains HY-1-2006	2,429,538
2,255,000	Echostar DBS Corporation	2,258,142
2,040,000	Peabody Energy Corporation	2,088,138
2,270,000	Freescale Semiconductor Incorporated	2,061,268
2,020,000	TXU Energy Corporation	2,021,722
1,965,000	NRG Energy Incorporated	1,976,947
2,100,000	Tenet Healthcare Corporation	1,951,254
1,780,000	Chesapeake Corporation	1,857,507
1,915,000	CCH II LLC/Capital Corporation	1,802,681

Largest Sales

No. of Shares		Proceeds USD
1,495,000	Nielsan Finance Company	1,598,404
985,000	DRS technologhy	1,276,992
1,240,000	General Motors Corporation	1,077,257
995,000	Domtar Corporation	1,028,592
1,010,000	L-3 Communications Corporation	1,004,284
960,000	Echostar DBS Corporation	959,240
810,000	Hellas Telecommunication	639,377
580,000	Mediacom LLC	587,661
585,000	Nortek Incorporated	579,881
545,000	Standard Pacific Corporation	551,033
560,000	RBS Global & Rexford Corporation	549,226
530,000	Alliant Techsystems Incorporated	531,275
565,000	Greenbrier Companies Incorpoarted	530,557
540,000	Qwest Communications	526,613
11,700	Chesapeake Corporation	523,144
6,332	Northrop Grumman Corporation	499,094
510,000	Canwest Media Incorporated	495,918
500,000	Impress Holdings	490,944
510,000	Rental Service Corporation	472,016
445,000	JSG Funding PLC	423,612

PUTNAM GROWTH AND INCOME (U.S. VALUE EQUITY) FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
6,200	iShares Russell 2000 Growth Index Fund	518,652
7,850	Lehman Brothers Holding	468,977
10,800	JP Morgan Chase & Company	459,411
3,450	Exxon Mobil Corporation	306,101
10,100	Microsoft Corporation	292,918
3,450	Total SA ADR	277,826
2,700	Chevron Corporation	273,600
2,200	Occidental Petroleum Corporation	195,240
9,000	Intel Corporation	186,523
8,000	Staples Incorpotrated	177,302
5,450	Nexen Incorporation	170,194
7,700	Countrywide Financial Corporation	164,151
3,100	Allstate Corporation	155,938
1,500	Noble Drilling	154,350
2,900	JC Penny Company Incorporated	152,837
4,300	General Electric Company	146,567
6,000	Global Industries Limited	145,547
2,900	Wal-Mart Stores	137,513
1,700	Devon Energy Company	135,539
5,100	Cisco Systems Incorporated	127,615

Largest Sales

No. of Shares		Proceeds USD
5,800	iShares Russell 2000 Growth Index Fund	494,450
9,400	Commerce Bancorp Incorprated	360,621
2,100	Bear Stearns Companies Incorporated	306,352
2,500	Freeport – MC Company	237,901
3,100	Valero Energy Corporation	220,971
2,500	Dominion Resources Incorporated	213,774
3,000	Procter & Gamble	213,578
5,300	Macy's Incorporated	178,015
1,900	Medco Health Solutions Incorporated	165,443
1,850	Exxon Mobil Corporation	163,467
400	Bank of America Corporation	160,367
4,600	Cisco Systems Incorporated	158,428
7,700	Oracle Corpoartion	153,860
2,900	Noble Drilling	144,630
5,800	BJ Services	143,255
2,600	Express Scripts	139,260
1,250	L-3 Communications Holdings Incorporated	137,031
3,050	Wells Fargo & Company	135,576
1,250	International Business Machines	135,213
3,350	Pepsi Bottling	127,479

PUTNAM INTERNATIONAL (NON U.S. CORE) EQUITY FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
4,591	Shinhan Financial Corporation	251,473,519
409	Samsung Electronics Company Ltd.	247,972,445
4,170	Hyundai Steel Company	215,817,516
1,350	LG Chemistry Ltd.	106,967,237
44,000	Tokyo Gas Company	23,125,864
3,900	JFE Holdings Incorporated	22,484,856
300	Nintendo Company Ltd	17,676,946
5,400	Mitubishi Corporation	16,439,729
24	KDDI Corporation	16,372,489
60	Hyundai MIPO Corporation	15,466,260
14,000	NSK Ltd.	14,065,513
5,000	Mitsui & Company Ltd	12,657,814
2,200	Astellus Pharmaceuticals Incorporated	11,684,315
6,000	Chiyoda Corporation	11,038,709
8,000	Onward Holdings Corporation	11,030,709
3,300	Daiichi Sankyo Corporation	11,018,014
4,300	Credit Saison Company	10,015,289
10	East Japan Railway Company	8,803,917
4,000	Toyo Suisan Kaishsa Ltd	8,795,963
7	Mizuho Financial Corporation	5,805,196

Largest Sales

No. of Shares		Proceeds USD
7,760	Hyundai Steel Company	445,986,545
4,310	Shinhan Financial Corporation	235,690,446
13,800	Daiichi Sankyo Corporation	46,121,723
6,900	Fuji Photo Film Company Limited	37,064,163
6,300	Denso Corporation	29,724,444
120	Hyundai MIPO Corporation	29,388,139
59,000	Osaka Gas Company Limited	25,102,354
801	MOL Hungarian Oil & Gas PLC	22,977,168
3,300	ONO Pharmaceuticals	20,266,014
1,500	Trend Micro Incorporated	10,674,841
1,700	Lawson Incorporated	6,627,328
7	Japan Tobacco Incorporated	4,750,117
2,000	Sompo Japan Insurance Incorporated	2,882,597
400	Canon Incorporated	2,530,481
3,000	Sumitomo TR & BK	2,448,474
61,000	Compal Electronics	2,219,718
1,000	Toyo Suisan Kaishsa Ltd	2,024,052
1,000	Konica Minolta Holdings Incorporated	2,010,363
2,000	Asahi Kasei Corporation	1,697,884
100	SMC Corporation	1,535,700

PUTNAM INVESTORS (U.S. CORE EQUITY) FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
10,300	SPDR Trust Series 1	1,509,680
13,700	Microsoft Corporation	443,118
8,352	Lehman Brothers Holdings	440,729
10,583	AT&T Incorporated	425,093
13,307	Radian Group Incorporated	419,883
8,539	Ambac Financial Group	370,711
14,382	PMI Group Incorporated	361,424
5,000	Johnson & Johnson Company	330,905
10,000	Wells Fargo & Company	311,303
6,197	Medtronic Incorporated	301,400
8,412	Freddie Mac	281,837
4,600	Mc Graw – Hill Company	276,376
9,939	Genworth Financial Incorporated	272,129
6,066	Fannie Mae	248,640
5,800	Adobe Systems Incorporated	246,819
4,838	Moody Corporation	226,855
2,089	Suncor Energy	219,352
11,500	Countrywide Financial Corporation	219,298
4,870	Bank of America Corporation	209,658
4,400	American International Group Ltd	209,241

Largest Sales

No. of Shares		Proceeds USD
3,400	SPDR Trust Series 1	599,283
12,456	Commerce Bancorp Incorporated	440,385
15,350	Microsoft Corporation	427,187
3,642	American International Group Ltd.	301,193
9,800	Home Depot Incorporated	299,187
8,300	Wells Fargo & Company	298,073
2,656	Bear Stearns Company	290,771
4,850	Johnson & Johnson Company	289,694
4,550	Proctor & Gamble Corporated	284,311
4,869	Bank of America Corporation	252,767
4,200	Morgan Stanley	229,112
5,800	Walt Disney Company	199,138
3,300	Ace Ltd.	197,843
8,800	Applied Materials Incorporated	184,717
3,900	Trane Incorporated	178,706
2,750	Clorox Company	171,973
3,200	Cigna Corporation	170,301
6,100	Starbucks Corporation	163,747
11,500	E*Trade Financial Corporation	153,680
27	Radian Group Incorporated	144,680

PUTNAM NEW OPPORTUNITIES (U.S. AGGRESSIVE GROWTH EQUITY) FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
19,000	Cisco Systems Incorporated	588,264
15,600	Intel Corporation	395,099
12,000	Microsoft Corporation	377,340
4,400	Exxon Mobil Corporation	374,413
4,000	Proctor & Gamble Company	282,938
2,700	Schlumberger Ltd.	253,067
4,900	Aetna Incorporated	246,933
3,500	Altria Group Incorporated	239,728
4,600	Nvidia Corporation	212,827
3,100	CF Industries Holdings Incorporated	212,243
2,700	PepsiCo Incorporated	200,479
5,200	Gilead Sciences Corporation	194,152
3,900	Hewlett-Packard PLC	190,635
300	Google Incorporated	188,109
3,700	Omnicom Group	184,194
2,700	Johnson & Johnson Company	175,586
8,400	Symantec Corporation	160,993
5,400	CB Richard Ellis Group Incorporated	158,313
5,100	Terra Industries Ltd.	158,227
5,400	TJX Company Incorporated	156,201

Largest Sales

No. of Shares		Proceeds USD
5,100	Cleveland-Cliffs Incorporated	432,662
9,240	Qualcomm Incorporated	360,841
6,560	United Health Group Incorporated	322,674
4,500	Humana Incorporated	304,988
4,390	Colgate-Palmolive Company	293,303
3,200	CF Industries Holdings Incorporated	291,342
6,700	Nvidia Corporation	279,180
10,968	American Eagle Outfitters	278,032
1,900	Apple Incorporated	254,221
3,200	WellCare Health Plans Incorporated	251,173
4,400	Manitowoc Company Incorporated	245,507
4,300	Kla-Tencor Corporation	244,275
7,450	Dollar Tree Store	242,086
33,400	Brocade Communications System	239,392
4,300	Baxter International Incorporated	238,338
4,420	Coca-Cola Company	236,603
2,300	National Oilwell Varco Incorporated	236,301
2,900	Becton Dickinson & Company	232,411
3,800	Raytheon Company	229,863
1,300	Goldman Sachs Group Incorporated	228,506

PUTNAM OPPORTUNISTIC VALUE FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
1,413,000	Federal National Mortgage Association	1,412,460
435,000	Fed Home Loan Discount	434,948
1,189	Morgan Stanley	75,797
7,384	Ford Motor Company	62,530
943	Nocor Corporation	52,139
822	Clorox Company	50,695
1,342	Home Depot Incorporated	46,103
1,193	Ambac financial Group	44,919
738	United Health Group Ltd	38,948
1,554	Staples Incorporated	34,995
466	Merrill Lynch & Company Incorporated	34,693
757	Wesco International	34,252
683	Harley-Davidson Incorporated	33,656
1,999	Countrywide Financial Corporation	30,051
817	Fannie Mae	29,883
1,133	Radian Group Incorporated	29,441
842	Genworth Financial Incorporated	23,625
446	Allstate Corporation	22,878
224	Bear Stearns Companies Incorporated	21,629
363	Capone Final	21,114

Largest Sales

No. of Shares		Proceeds USD
48	Berkshire Hath Company	208,368
6,054	Intel Corporation	154,465
2,028	Du Pont EI	96,742
610	PNC Financial SE	45,434
1,476	Bank of America Corporation	84,771
840	Boeing Company	83,380
1,600	Hewlett-Packard Corporation	83,019
2,338	Kraft Foods Incorporated	76,609
1,920	Donnelley & Sons	72,821
606	International Business Machines	65,991
748	Textron Incorporated	64,998
4,032	Southwest Air	62,103
319	Freeport – MC Company	30,613
466	Merrill Lynch & Company Incorporated	30,369
862	Officemax Incorporated	29,487
302	Parker Hannifin	28,390
291	Freeport – MC Company	28,079
239	Molson Coors Brewing Company	27,315
352	PNC Financial SE	26,959
727	Officemax Incorporated	24,870

PUTNAM TOTAL RETURN FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
25,000	Matsus Electric Corporation	54,765,501
62,000	Fujitsu Limited	46,200,379
48	KDDI Corporation	36,329,259
5,000	Olympus Corporation	21,000,147
30	Japan Tobacco Incorporated	19,328,864
16	Central Japan Railway Company	18,034,632
23,000	Hitachi Limited	17,115,406
3,500	Mitsubishi UFJ Lease & Finan	16,134,181
5,000	KAO Corporation	15,806,845
4,800	Mitsubishi Corporation	14,608,031
2,600	Canon Incorporated	14,581,764
3,600	Suzuken Company Incorporated	14,120,545
11,000	Itochu Corporation	12,979,285
550	Orix Corporation	11,188,902
21	NTT Corporation	10,335,624
10,000,000	Federal National Mortgage Association (TBA) 5.5% 01/06/2038	10,063,485
5,000	Toyo Suisan Kaisha Limited	10,050,792
3,500	Tokyo Electric Power Company Incorporated	9,973,027
87,629	LBCITR R SW H15BIN3M P LEHMS 01/02/09	9,922,933
23,000	Osaka Gas Company Limited	9,652,438

Largest Sales

No. of Shares		Proceeds USD
1,100	Hitachi Capital	3,965,719
3,300,000	Federal National Mortgage Association (TBA) 5.5% 01/11/2037	3,243,659
3,300,000	Federal National Mortgage Association (TBA) 5.5% 01/09/2037	3,237,730
3,300,000	Federal National Mortgage Association (TBA) 5.5% 01/10/2037	3,236,979
3,300,000	Federal National Mortgage Association (TBA) 5.5% 01/08/2037	3,212,324
3,000,000	Federal National Mortgage Association (TBA) 5.5% 01/01/2038	2,954,115
2,400,000	Federal National Mortgage Association (OTBA) 5.5% 01/12/2037	2,372,779
1,231,029	Federal National Mortgage Association 5.5% 01/05/2037	1,220,382
1,000,000	Federal National Mortgage Association 5.5% 01/07/2037	966,251
1,000,000	Federal National Mortgage Association 5.5% 01/07/2037	966,251
931,740	Federal National Mortgage Association 5.5% 01/02/2037	915,948
1,000	Kaken Pharmaceuticals Company Limited	901,656
899,910	Federal National Mortgage Association 5.5% 01/12/2037	886,150
899,910	Federal National Mortgage Association 5.5% 01/02/2037	884,658
850,335	Federal National Mortgage Association 5.5% 01/04/2037	821,637
781,319	Federal National Mortgage Association 5.5% 01/07/2037	768,077
568,968	Federal National Mortgage Association 5.5% 01/06/2037	564,032
400,000	Federal National Mortgage Association 5.5% 01/07/2035	386,500
299,970	Federal National Mortgage Association 5.5% 01/01/2038	295,389
300,000	Federal National Mortgage Association 5.5% 01/07/2037	294,915

PUTNAM U.S. LIQUID ASSETS FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
1,519,000	Amstel Funding Corporation	1,500,619
1,490,000	Sheffield Received Corporation	1,485,753
1,463,000	Natixis Corporation	1,462,782
1,455,000	Charta LLC	1,454,783
1,400,000	Fortis Bank NY	1,401,308
1,300,000	Bank of Ireland PLC	1,285,542
1,250,000	Bank of America Corporation	1,240,487
1,165,000	Windmill Funding Corporation	1,164,442
1,028,000	Barton Capital Corporation	1,027,847
1,000,000	Stratford Recreation Company LLc	999,851
1,000,000	Sheffield Received Corporation	999,847
1,000,000	Federal Home Loan Banks	996,702
1,000,000	Beagle Funding LLc	995,807
900,000	CO HSG-ADJ-TXB-SFM-B1	913,456
900,000	Ba Credit Card Trust Emerald	888,593
850,000	BNP Paribas Finace Incorporated	846,927
805,000	Gotham Funding Corporation	804,779
800,000	Danske Corporation	795,678
799,000	Yorktown Capital LLC	794,984
800,000	Atlantic Asset Securities Corporation	794,703

Largest Sales

No. of Shares		Proceeds USD
1,300,000	Bank of Ireland PLC	1,295,135
900,000	CO HSG-ADJ-TXB-SFM-B1	918,980
800,000	Atlantic Asset Securities Corporation	797,530
700,000	Charta LLC	699,811
700,000	Barton Capital Corporation	699,480
658,000	Yorktown Capital LLC	656,934
650,000	Bank of America Corporation	649,336
600,000	Old Line Funding Corporation	599,919
600,000	Barton Capital Corporation	599,833
600,000	HBOS Treasury Services PLC	599,388
600,000	Aegon Funding Corporation	599,277
600,000	Unicredito International Bank	599,175
600,000	Westpac Banking Corporation	598,875
600,000	Swedbank Mortgage Corporation	598,693
600,000	UBS Finance Incorporated	598,675
600,000	Barclays U.S. Funding Corporation	598,663
600,000	CRC Funding LLC	598,240
600,000	Societe Generale	597,280
600,000	ICICI Bank Ltd	592,518
600,000	Grampian Funding LLC	588,110

PUTNAM U.S. SMALL-CAP VALUE EQUITY FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
36,920	Cutera Incorporated	808,071
86,300	Centennial Communications Ltd.	803,682
68,041	Prestige Brands Holdings Incorporated	748,956
26,800	Geoeye Incorporated	702,301
8,300	Haynes International Incorporated	692,385
23,800	Southwest Gas Corporation	683,108
31,100	Ennis Incorporated	656,734
23,900	Technitrol Incorporated	640,924
21,700	Amerigroup Incorporated	633,185
46,000	Phoenix Corporation	631,470
15,800	Enpro Industries Ltd.	624,303
11,700	DRS Technologies Ltd.	621,592
16,900	Drew Industrial Incorporated	613,730
39,400	Mentor Graphics Corporation	604,837
49,980	Monotype Imaging Holdings Incorporated	602,073
41,159	Ezcorp Incorporated	529,510
16,000	UIL Holdings Corpoartion	527,481
51,645	GSI Group Incorporated	517,042
8,700	Grief Incorporated	513,357
16,700	Unisource Energy	512,366

Largest Sales

No. of Shares		Proceeds USD
28,670	UAP Holding Corporation	990,941
39,900	Goodman Global Incorporated	964,720
21,522	Tennant Company	956,168
27,300	Commerce Group Incorporated	935,026
29,381	Lamson & Session Company	767,785
18,682	Gardner Denver Incorporated	709,305
13,652	Reliance Steel & Aluminium Company	687,372
41,717	Citizens Republic Bancorp Incorporated	673,206
30,600	Alpharma Incorporated	664,594
23,300	Landry S Restaurant Incorporated	648,253
36,700	Consolidated Communications Incorporated	638,989
99,115	RF Micro Devices Ltd.	608,215
50,315	IKON Office Solutions Incorporated	591,714
23,769	Sonic Automotive	585,905
14,600	Landstar System Company	582,699
48,170	Kforce Incorporated	567,926
14,800	Nash Finch Company	555,548
13,920	Unifirst Corporated	526,390
29,100	Midas Incorporated	523,157
11,200	Edwards Life	521,738

PUTNAM VISTA (U.S. MID-CAP EQUITY) FUND

Schedule of Portfolio Changes (Unaudited)
for the year ended 30 June 2008

Largest Purchases

Principal Amount		Cost USD
10,800	iShares Russell Midcap Growth	1,182,314
21,500	Nvidia Corporation	724,818
16,800	TJX Cos Incorporated	487,233
8,900	Mc Dermot International	478,201
12,300	Mirant Corporation	477,945
18,100	Seagate Technology	438,399
2,500	Apple Incorporated	437,601
14,500	CB Richards Ellis Group Incorporated-A	403,361
1,900	Blackrock Incorporated	395,739
3,700	Foster Wheeler Ltd.	386,361
14,500	NCR Corporation	370,233
6,100	Agco Corporation	366,594
2,900	Fluor Corporation	366,097
48,400	Novell Incorporated	365,726
4,800	Boeing Company	360,551
14,400	Cisco Systems	355,396
2,100	Intercontinental Exchange Incorporated	355,094
12,600	Microsoft Corporation	350,732
8,800	Darden Restaurants Incorporated	340,557
5,700	FMC Technologies	337,883

Largest Sales

No. of Shares		Proceeds USD
5,360	Unibanco-GDR	781,631
13,100	KLA-Tencor Corporation	758,969
29,800	American Eagle Outfitters	737,990
9,500	MEMC Electric Materials Incorporated	631,994
28,929	Mattel Incorporated	617,542
25,264	Amer Greetings PLC	615,159
83,070	Brocade Communications System	603,206
18,206	Tempur-Pedic International	582,391
18,780	Continental Air Corporation	573,238
25,120	Big Lots Incorporated	552,622
8,180	WellCare Health Plans Incorporated	538,430
42,060	Teradyne Incorporated	535,250
30,154	Emulex Corporation	533,756
11,741	Mentor Corporation	513,278
8,070	Lubrizol Corporation	501,060
12,300	Mirant Corporation	491,877
9,400	Taubman Centers	490,837
3,400	Carpenter Technology	475,101
17,892	Covanta Holding Corporation	469,550
12,428	Axis Capital Holdings Ltd.	453,967

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* The management regulations, the prospectus, the simplified prospectus, the unaudited semiannual reports, as well as the audited annual reports, can be obtained free of charge from the paying agent and information office in Germany and from the Representative in Switzerland. A copy of the list of changes in the portfolio during the reference period may be obtained free of charge at the custodian or paying agents, at the paying and information agent in Germany, and at the Representative in Switzerland.

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What makes Putnam different?

A time-honoured tradition in money management

A prudent approach to investing

Funds for every investment goal

A commitment to doing what's right for investors

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