

Charteris Portfolio manages top-performing Gilt Fund of 2007

London, 17 January 2008:

Charteris Treasury Portfolio Managers is pleased to announce that the City Financial Strategic Gilt Fund, managed by Charteris, has been ranked the best performing Gilt Fund in its sector for 2007*.

The City Financial Strategic Gilt Fund, managed by Charteris chief executive Ian Williams, was launched on 8 December 2006, with an innovative but tried and tested investment strategy. In order to enhance performance, the Fund uses options in addition to more traditional, some might say old-fashioned, investment techniques. This blend of old and new has proved hugely successful, producing a winning combination of better returns for investors, whilst reducing volatility. The Fund is suitable for institutional, private and retail investors.

(IMA) UK GILT SECTOR		
	1Y 29/12/2006 to 31/12/2007	
	Rank	%
City Financial Strategic Gilt A Acc	1	6.47
Scottish Widows Gilt A Acc	2	5.39
Schroder Institutional Sterling Bond I Acc	3	4.8
Insight Investment UK Gov All Maturities Bd S Acc	4	4.72
Allianz PIMCO Gilt Yield A	5	4.52
Credit Suisse UK Gilts I	6	4.37
Baillie Gifford Gilt A Inc	7	4.30 ^e
Merrill Lynch Fixed Income Tracker	8	4.13
Standard Life Inv UK Gilt Ret Inc	9	4.13
Scottish Widows UK Fixed Interest Tracker I Acc	10	4.08

Source: *Lipper, percentage growth total return (UK net tax), discrete annual performance, mid to mid, with no initial charges for the (IMA) UK Gilt Index, retail, class A shares. e -Denotes the percentage growth total return (UK net tax), calculated at an estimated price.*

Ian Williams, chief executive of Charteris Treasury Portfolio Managers said:

"This is a significant step in the development of this fund and we are both pleased and a little surprised by the level of interest in it. Through innovation and hard work we are delivering significant growth to our clients in an asset class that is in demand. Given the current economic chaos amongst some corporate bonds, moving into UK sovereign debt as part of an overall flight to quality can be of real benefit to investors. By investing solely in AAA UK Government Bonds the fund has returned 6.47% over the course of 2007."

Rob Hain, Chairman of City Financial commented:

“In quite a short period of time, Ian has demonstrated the valuable addition that his expertise makes to City Financial’s offering of innovative funds to UK investors and their advisers. Put simply, this fund aims to outperform the Gilt market under almost all scenarios.”

**** Based on 29 December 2006 to 31 December 2007 data published by Lipper and Morningstar.***

To find out more about how we manage this fund and achieve these returns please contact:

Douglas Lambourne
Charteris Treasury Portfolio Managers
0207 826 2646
mailto:dl@charteris.co.uk

Jonathan Shillington / Alistair Scott
Global Consulting Group
0207 220 9780
jshillington@hfgcg.com
Editor’s Notes:

Charteris Treasury Portfolio Managers are independent fund managers specialising in the gilt and equity markets managing funds on behalf of other asset management groups as well as providing fund management services to high-net worth independent individuals. City Financial is a London-based asset management group that provides active fund management to build wealth for its clients, through a number of innovative funds to UK investors and their advisers. Robert C. Hain is the Chairman of City Financial, and Andrew

Williams is Managing Director. City Financial’s other funds are : City Financial Strategic Global Bond Fund; City Financial Diversified Absolute Return Fund; City Financial UK Select Alpha Fund; City Financial MultiManager Growth Fund and City Financial MultiManager Income Fund.