





Insight Currency Quarterly Fund Factsheet

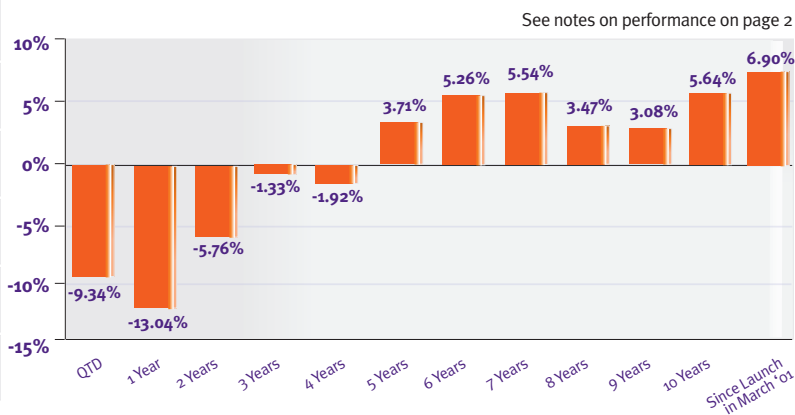
Quarter 1, 2012

Fund Snapshot

Size	€63.08M
Asset	 (Currency)
Currencies	8
Regions Covered	 5
Diversification	
Overall Risk rating	low  6 high

Fund Performance to end of Q1, 2012

Source: Friends First.



Month By Month Performance

See notes on Month by Month Performance on page 2

Source: Friends First

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2001			7.56%	-3.04%	-1.72%	2.55%	0.19%	3.93%	-7.28%	0.86%	-1.68%	13.39%	14.10%
2002	2.51%	-2.22%	-4.70%	-0.07%	8.27%	7.92%	-0.56%	-2.10%	-0.42%	-0.75%	1.25%	6.89%	16.15%
2003	6.83%	-2.93%	4.37%	3.61%	10.32%	-4.37%	-3.33%	-6.36%	-0.45%	-1.15%	-2.14%	7.88%	11.27%
2004	-6.86%	4.56%	-0.07%	0.01%	-2.34%	-10.80%	2.39%	-7.94%	0.15%	0.51%	7.89%	3.99%	-9.74%
2005	-9.98%	3.46%	4.28%	-3.39%	1.97%	4.86%	3.55%	-2.47%	-0.51%	5.67%	6.63%	-2.59%	10.66%
2006	4.18%	-2.72%	-7.12%	0.99%	1.84%	3.15%	-2.77%	7.67%	-6.41%	-1.98%	9.86%	5.43%	11.09%
2007	3.38%	-8.35%	1.37%	0.05%	3.92%	-0.40%	-0.11%	0.87%	4.65%	1.23%	2.02%	-1.18%	7.03%
2008	-0.39%	7.06%	8.35%	0.94%	-4.07%	0.03%	-6.08%	-6.45%	2.42%	2.78%	-0.55%	-0.44%	2.49%
2009	5.02%	1.63%	2.44%	3.01%	-0.01%	-4.32%	4.63%	-4.70%	-1.71%	0.59%	1.57%	3.95%	12.17%
2010	1.73%	1.24%	2.38%	-0.59%	-0.10%	1.08%	1.28%	-1.45%	0.94%	-0.49%	2.50%	-0.78%	7.91%
2011	-3.24%	4.41%	-1.22%	8.36%	-8.97%	-6.86%	8.93%	-4.20%	-3.54%	-3.70%	0.83%	6.82%	-4.28%
2012	1.31%	-2.77%	-7.96%										-9.34%

Since Inception (March 2001): **88.53%**

Market Commentary

The Insight Currency Fund started 2012 strongly as it made money buying Australian dollar against a basket of other currencies, the most profitable of which was buying AUD/USD. However, the fund made losses in February and March 2012 with the reversal of two longer-term trends that had been profitable in previous years. The first of these trend reversals occurred in USD/JPY where the long-term trend of Japanese yen strength was broken by a significant rally in the US dollar against the Japanese yen. The fund was positioned short of US dollar as it rallied against the Japanese yen. The second trend reversal was in EUR/AUD where the long-term trend of Euro weakness was broken when the Euro strengthened against the Australian dollar. The fund was positioned short of Euro as it strengthened against the Australian dollar.

All asset classes experience drawdowns related to the level of risk at which they operate from time to time and the Insight Currency Fund is no different in that regard; hence the need for portfolio diversification. In the past, the Insight Currency Fund has been shown to be an excellent diversifier of equities and managed funds as its returns have been shown to have a low level of correlation to equities and managed funds. As the Currency Fund has historically had a low level of correlation to equities and managed funds and therefore tended not to have its periods of good and bad performance at the same time as equities and managed funds, the return outcomes in Q1 2012 are not entirely unexpected. Similarly, in 2001, 2002 and 2008 when equity indices generally and the average managed fund posted losses, the Currency Fund posted positive returns providing strong portfolio diversification.



BRIAN MCCARTHY
Director,
Alder Capital

All figures quoted are as at 31st March 2012.

Insight Currency Quarterly Fund Factsheet

Quarter 1, 2012

Fund Brief

The Insight Currency fund which was launched on 01/03/2001, seeks to profit from movements and trends in exchange rates. The Fund is offered as a portfolio diversifier as it has tended to have its periods of positive and negative performance at different times to certain other investments.

About Alder Capital

Alder Capital was founded by Mark Caslin and Brian McCarthy in May 2000 and specialises in systematic currency fund management.

The firm is based in Merrion Square in Dublin and manages assets for a range of institutional clients, including international banks, pension funds, life assurance companies and asset management companies located in the United States, United Kingdom, Continental Europe, Canada, Australia and Ireland.

Alder Capital is the manager of Friends First's Insight Currency Fund. For almost a decade, using the Insight Currency Fund, authorised advisers have been able to provide their clients with a return stream that has historically tended to have its periods of positive and negative performance at different times to other major asset classes like equities and bonds. In so doing, authorised advisers have been able to offer their clients the potential to reduce the risk of their portfolios.

Why Invest in a Currency Fund?

In building any portfolio it is important to ensure that you hold diversified investments. That is, investments that have growth potential but don't have their ups and downs at the same time.

The Insight Currency fund may provide just that. Although it exhibits similar risk characteristics to equity funds, it has tended to have its periods of positive and negative performances at different times to equities.

Adding a portion of the Insight Currency Fund to an equity biased portfolio may produce a fund mix which exhibits higher return and lower risk than the equity biased portfolio on its own.

Currency Investment Strategy

Based on its research, Alder Capital believes it is possible to generate returns from highly liquid currency pairs or combinations of currency pairs that exhibit either predominately trending (going in the same direction) or predominately ranging (changing direction) behaviour and to capture trends arising from interest rate differentials between certain currency pairs.

Such returns can only be achieved by taking risk in the currency markets which will give rise to a risk of loss; see the Insight Currency Fund Month by Month Performance for details of the likely variation in return from month to month.

The decision making process of most active equity managers is judgemental. By contrast in the world of currency funds, the decision making process of the majority of active currency managers (including Alder Capital) is rule-based or systematic.

Why Insight Currency?

The Insight Currency fund is managed by a currency manager who uses a systematic investment approach.

Since February 2008 * the fund trades in the 8 most liquid currencies in the world : Euro, US dollar, Japanese yen, Canadian dollar, Australian dollar, Swiss franc, Swedish krona and British pound. Trading in this wide range of highly liquid currencies gives Alder Capital increased opportunities to enhance returns while continuing to manage the risk of the fund.

* Prior to this date the fund traded in the Euro, US dollar and the Japanese yen.

Note on Performance- Short and Long Term bar chart:

The Insight Currency fund is a fully-funded account and the returns shown include € - denominated interest income, are net of trading costs, management charges and performance fees and include the reinvestment of trading profits and losses. These returns have not been achieved without risk of loss; see the Insight Currency Fund Month By Month Performance for details of variation in return from month to month. Returns are not necessarily audited or independently verified.

Note on Month by Month Performance table:

The returns shown are based on the bid-to-bid performance of the fund and do not relate to the returns on a policy linked to the fund. The returns shown do not relate to the returns achieved by any particular investor. The Insight Currency fund is a fully-funded account and the returns shown include €-denominated interest income, are net of trading costs, management charges and performance fees and include the reinvestment of trading profits and losses. The returns on a policies linked to the Insight Currency fund will be lower than those shown because of the effects of various additional charges applied to policies and, where applicable, exit tax. These returns have not been achieved without risk of loss as evidenced by the variation in return from month to month. Income may fluctuate in accordance with market conditions and taxation arrangements. The returns shown are before taxation. Returns are not necessarily audited or independently verified.

Warning: Past performance is not a reliable guide to future performance.

Warning: The value of your investment may go down as well as up.

Warning: The returns of the Insight Currency fund will be affected by changes in currency exchange rates.

