



**GUARDIAN**  
**ASSET MANAGEMENT**

A Member of the Guardian Holdings Group

KNOWLEDGE. TRUST. RESULTS.

# Annual Report

30 April 2012



THE GUARDIAN  
ASSET MANAGEMENT  
SERIES OF MUTUAL FUNDS



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IMPORTANT INFORMATION CONCERNING THE INVESTMENT GOALS, RISKS, CHARGES AND EXPENSES IS CONTAINED IN THE PROSPECTUS, WHICH IS AVAILABLE AT ANY OF OUR GUARDIAN ASSET MANAGEMENT OFFICES, OR ON OUR WEBSITE AT [WWW.GUARDIANASSETMANAGEMENT.COM](http://WWW.GUARDIANASSETMANAGEMENT.COM). INVESTORS SHOULD CAREFULLY CONSIDER THIS INFORMATION BEFORE INVESTING. PERFORMANCE IS SUBJECT TO VARIATION AND IS LIKELY TO CHANGE OVER TIME. PAST PERFORMANCE SHOULD NOT BE TREATED AS AN INDICATOR OF FUTURE PERFORMANCE.

The Trinidad and Tobago Securities and Exchange Commission has not in any way evaluated the merits of the securities offered hereunder and any representation to the contrary is an offense.

## TRUSTEE'S REPORT

Dear Unit Holder,

We are pleased to report on the performance of the Guardian Asset Management Series of Mutual Funds and the Global Fund Solution. The following is an overview of the performance, portfolio information and financial statements of each fund.

### CARIBBEAN SERIES OF MUTUAL FUNDS

#### The TTD Monthly Income Fund

Historically low interest rates due to excess banking sector liquidity continued to be the central theme for the 12-month period ended April 30, 2012. Banking sector liquidity reached as high as TT\$5 billion in 2011 as consumer and business confidence continued to be depressed in the face of global economic uncertainty and reduced government spending on construction projects. A recent report from the Central Bank of Trinidad and Tobago showed that GDP growth has been stagnant for the past three years with construction and distribution being two of the hardest hit sectors.

However, reduced inflation has been one of the saving graces of the current environment as consumers have been getting a reprieve from the incessant double-digit percentage price increases. This has allowed the Central Bank to continue with its economic stimulation policy of keeping interest rates low to encourage business activity. The Repo rate currently stands at 3.00% and 3-month Treasury bill rates are currently 0.65% as at the time of writing.

In spite of the low interest rate environment, the TTD Monthly Income Fund has been able to maintain generally better than market rates due to tight cash management and robust risk analysis. The Fund manager continues to favour short-term investments over longer-term ones in order to have cash available to participate in higher-yielding securities when interest rates eventually rebound.

As at the time of writing, the Fund has a projected annualized rate of 1.85%.

#### The USD Monthly Income Fund

United States' (US) interest rates also continue to be at historic lows as the US Federal Reserve holds its benchmark rate at 0-0.25%. In addition, the increase in volatility in the international financial markets due particularly to the European Sovereign Debt Crisis has pushed US interest rates even lower than the Fed had expected as US Treasury securities are generally accepted to be the least risky investments in the world at this time. Investors are wary of the negative impact that the European situation is having on the export dependent emerging market economies. Indeed, monetary policies in these countries around the globe have switched from inflation-cooling to growth-stimulating over the past year. Fixed income investments are therefore now becoming polarized with the best quality investments offering

extremely low interest rates and riskier assets experiencing significant volatility.

Again, in this environment, the Fund Manager has favoured short to medium-term investments to avoid locking the Fund into low interest rate securities for an extended period and also to avoid some of the volatility that is inherent in long-term investments. The US Income Fund has been able to maintain a competitive payout rate averaging 1.76% over the period, well above comparable products in the market place, due to the benefits gained from older higher yielding securities and strict cash management.

At the time of writing, the Fund has a projected annualized rate of 1.50%.

#### The Pan Caribbean Balanced Fund

The TTSE Composite Index posted an attractive return of 12.19% for the fiscal year. The impressive rally was based on generally positive earnings but even more importantly, on an increase in investor risk appetite as local interest rates remained at historic lows. Some of the best performing stocks on the local exchange for the 12-month period boast historical dividend yields well in excess of the 1-year rate being offered by commercial banks.

During the period, there was some merger and acquisition activity, which is a positive sign for the local financial market – this included Prestige Holdings' purchase of the local Subway franchise. Toward the end of the period, the equity market lost some momentum as the Central Bank announced that the State of Emergency had a greater than expected negative impact on the local economy. Investors are now awaiting further information on the intended listings of First Citizens Bank and National Enterprises Limited which was announced to be the vehicle for the listing of Republic Bank shares that would allow CLICO policyholders another opportunity to recoup some of their funds.

In this environment, the Pan Caribbean Balanced Fund returned 6.23%. Due to the limited activity in the local stock market in general, the Fund maintained some investments in the North American and Latin American regions. The Fund remains an attractive investment option for individuals with TT dollars who are willing to take on a moderate amount of risk with the expectation of equivalent reward.

#### The Emerging Market Bond Fund

Emerging Market bonds exhibited some volatility over the past 12 months as the European sovereign debt crisis and Standard and Poor's downgrade of the United States credit rating weighed on these investments at times. In the case of the former, as flare ups emerged concerning the ability of the PIIGS nations (Portugal, Ireland, Italy, Greece and Spain) to meet their financial obligations, emerging market investments suffered disproportionately as investors viewed them as levered investments for the global economy. A similar reaction was seen in August 2011 in relation to the downgrade of the United States due to the inability of the US government to address the debt ceiling issue efficiently.

In the latter part of 2011, emerging market bonds recovered a bit as Europe strengthened its support of peripheral nations through various measures and as economic statistics out of the US improved. These bonds also benefited from a general switch of central bank policies from increasing rates to combat inflation to lowering rates to stimulate growth.

The value of the Fund fell by 1.33% over the one-year review as subscriptions partially offset the negative 12-month return of 2.03%.

## INTERNATIONAL SERIES OF MUTUAL FUNDS

### North American Equity Fund

The two themes dominating the headlines for the fiscal year were the European sovereign debt crisis and the US debt ceiling. In August 2011 there was a rapid decline in equity markets as uncertainty arose about whether or not there would be a positive resolution to the US debt ceiling situation. The US was in danger of defaulting on its debt, as it no longer had any additional room to access liquidity from the financial markets. In the 11th hour a deal was finally struck that ensured that default would be avoided. However, the demonstration of a lack of political will and the temporary measure put in place prompted the Standard and Poor's Ratings Agency to nevertheless downgrade the US to AA+. In addition, weak economic statistics, which notably included a decline in GDP growth from 3.0% in Q4-2011 to 1.9% in Q1-2012, resulted in the protracted decline in equity values.

The market recovered considerably in October on the back of the development of a credible plan to deal with the Greek sovereign debt crisis, better than expected US corporate earnings in general and encouraging growth by the US economy of 2.5% (annualized) in the quarter ended September 30, 2011. After a return of volatility in November and part of December, the rally resumed with the best January performance for US equities since 1997 with the S&P 500 gaining 4.4%. Positive employment and confidence data, coupled with the reassurance by the Fed that it will keep interest rates low through to 2014 allowed investors to put the problems in Europe on the back pages and focus on the positives in the US economy.

Based on the volatility described above the North America Equity Fund produced a flat return of -0.55% for the financial year. The Fund benefited from defensive positions in consumer staples and high dividend yield stocks at times and was aided by continuing efforts by the Fund manager to limit costs to the Fund.

The primary concern at this time continues to be Spain, who suffers from double-digit unemployment and negative economic growth and the contagion that a default could have on the US. Weak employment growth in the US itself and the impending fiscal cliff, which involves sweeping spending cuts, are also of major concern for the markets. However, in the medium term we still view US equities as attractively valued due to our positive earnings growth projections and expected improvement in investor sentiment via the P/E ratio.

### The European Equity Fund

The European Markets declined at the beginning of the period as concern mounted that Greece would have to restructure its outstanding debt. The country's debt position had become precarious with short-term debt payments consuming over 70% of GDP. Many European banks hold Greek bonds and therefore the member nations of the EU have a vested interest in supporting Greece. However, the member nations, facing their own declines in economic growth and their own high debt levels, have come under significant political pressure to withhold support. This has been the saga that has played out in the markets since April 2010. There was a significant sell-off of European equities as the US debt ceiling standoff reached a climax and as S&P downgraded the sovereign rating prompting investors to dump riskier assets.

In October, similar to the other markets, the MSCI Europe Index began to recover as the multitude of summits invoked some investor confidence that a solution would be reached but frustration with the lack of real progress culminated in another sell off in November. Ultimately, it was the ECB's action of pumping liquidity into the market via cheap threeyear loans to European commercial banks that resulted in some stability and a relatively sustained rally in European equities. Adding to the stability were firm measures being put in place, including a writedown of over 50% of Greek debt, and the announcement of an intended increase in the European Financial Stability Fund from 440 billion Euros to 1.0 trillion Euros.

As expected, the European Equity Fund was greatly affected by the market turmoil and declined 18.77% for the 12-month period. Still, this performance was better than that of the broad market due to the Fund Manager's efforts to protect investor value by investing in UK and Swiss stocks to avoid some euro currency exposure.

We continue to believe that some European equities are attractively valued due to the wide spread fear pervading the continent. Many European companies are global firms and therefore should not be as negatively affected by the continent's recession. Upside potential for the financial markets are the prospects of a full-fledged QE3 in the US or some comparative measure from Europe. The ECB may well take some action in this regard, as the recent reduction in interest rates is a signal of its intent to do what it can to ease pressure on the ailing sovereigns. QE3 would involve additional injections of liquidity into the financial markets which would likely have a positive effect on asset prices. Downside risks continue to be the severity of the European recession, geo-political risk in the Middle East and a more pronounced slowdown in Chinese growth.

### The Asia-Pacific Rim Equity Fund

Asia-Pacific equities endured a volatile 12 months due to the European sovereign debt crisis and Standard and Poor's downgrade of the United States credit rating. Asian markets are highly export dependent and so these equities suffered disproportionately to the developed markets in the prevailing environment. However, just as we saw significant declines at the height of these crises, we saw impressive rebounds once the market became satisfied with the

measures being put in place. Overall, consistent with the performance of the equity markets in the region, the Asia-Pacific Fund incurred a negative return of 12.44%.

Toward the end of the period, risk aversion returned as yet another flare-up of the European sovereign debt crisis occurred, this time involving political fallout from austerity measures. In addition, data out of China has been somewhat discouraging. China was a major contributor to the recovery seen in 2009 and 2010; however with growth seemingly slowing significantly in that country and Europe in an almost certain recession and the US in a weakened state investors are wondering which country if any can guide the globe out of the current growth doldrums. Nevertheless slower growth which is expected to be in the region of 7% for China is still considerably better than the developed economies so we are optimistic on the performance of these markets in coming months.

### **BRIC Equity Fund**

At the start of the period, returns from BRIC nations' (Brazil, Russia, India and China) equity markets were constrained by the inflation-cooling policies adopted by their central banks. However, subdued returns turned into a significant sell-off with the European sovereign debt crisis and Standard and Poor's downgrade of the United States credit rating. The emerging markets have historically been extremely export-dependent so a crisis of this scale concerning one of the traditional export consumers had a large impact on asset prices.

Similar to the other equity markets there was a recovery in October followed by another decline in November as the EU leaders failed to arrive at a credible solution after several summits on the issue. However, with improving statistics out of the US and action being taken by ECB in the form of the Long Term Refinancing Operation (LTRO), BRIC equities recovered impressively in the first two months of 2012.

Since February, there has been a steady slide in equity values caused most notably by evidence of slower economic growth in China. Indian equities suffered recently, pulling back after an extremely impressive start to the year due to proposed measures to increase taxes on investments by foreigners.

The Fund registered a return of negative 16.81% over the 12-month period ended April 2012 but nevertheless outperformed the MSCI BRIC Equity Index. Similar to the Asia-Pacific Rim space we are optimistic on the performance of these markets in coming months as they continue to demonstrate superior growth over the developed economies in general.

### **New Economy Equity Fund**

Given the declines in the international equity markets over the 12-month period the New Economy Equity Fund also incurred a negative return of 3.31%. The Fund's holdings in defensive sectors such as consumer staples allowed it to weather the environment relatively well. The Fund's strategy since the beginning of the calendar year continues to be one of risk minimization. It is an attractive entry fund for investors seeking to establish global equity exposure.

### **Global Bond Fund**

Given the significant volatility experienced over the past 12 months, the Global Bond space was a highly polarized one. The least risky, lowest returning investments such as US treasuries appreciated while other bonds declined in value as investors sought to avoid perceived risky assets. The Global Bond Fund, having invested in a diverse group of bonds, suffered at various points in the year and ended the period with a negative return of 6.84%. In an effort to improve the diversification benefits of our suite of mutual funds, at the turn of the year we sought to reposition the Global Bond Fund as a safe haven fund of sorts with higher weightings in US treasuries and similar low risk assets. This is an ongoing process but the Fund remains an attractive option at times of economic deterioration while still benefiting from modest income returns during all economic cycles.

### **THE GLOBAL FUND SOLUTION**

#### **Conservative Fund**

This Fund is tailored to the risk-averse investor; as such, the target asset mix of the Fund is focused mainly on investments in fixed income securities. Given the market environment throughout the period a neutral asset allocation strategy was adopted. During the review period, the Fund posted a negative return of 0.97%.

#### **Moderate Fund**

This Fund is tailored to the average investor who prefers a balanced approach to risk; as such, the target asset allocation of the Fund is a balanced mix of both fixed income and equity securities. Given the market environment, a neutral asset allocation strategy was used throughout the period. During the review period, the Fund posted a negative return of 3.06%.

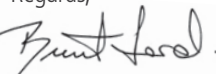
#### **Aggressive Fund**

This Fund is tailored to the risk-taker who prefers an above average approach to risk; as such, the target asset mix of the Fund is focused mainly on investments in equity securities. Given the market volatility throughout the period, a neutral asset allocation strategy was utilised. During the review period, the Fund posted a negative return of 3.96%.

Guardian Asset Management Limited is committed to offering innovative and profitable investment solutions with unparalleled service. With our market knowledge and your trust, we will deliver the results you expect.

We thank you for your participation in the Guardian Asset Management Series of Mutual Funds and Global Fund Solution and we look forward to serving you in the future.

Regards,



Brent Ford

Managing Director

Guardian Asset Management Limited

## SUMMARY OF FUNDS PERFORMANCE

Fund	Class	NAV per unit 30-Apr-11	NAV per unit 30-Apr-12	Holding Period Return	Fund Size
<b>CARIBBEAN SERIES OF MUTUAL FUNDS</b>					
TTD Monthly Income Fund	A	TT\$10.00	TT\$10.00	2.06%	TT\$616.2 M
USD Monthly Income Fund	A	US\$10.00	US\$10.00	1.76%	US\$113.5 M
Pan Caribbean Balanced Fund	C	TT\$9.31	TT\$9.99	7.30%	TT\$17.9 M
Emerging Market Bond Fund	C	US\$9.92	US\$9.82	-1.04%	US\$1.1 M
<b>INTERNATIONAL SERIES OF MUTUAL FUNDS</b>					
North American Equity Fund	C	US\$9.67	US\$9.71	0.45%	US\$2.5 M
European Equity Fund	C	US\$10.11	US\$8.30	-17.95%	US\$2.1 M
Asia-Pacific Rim Equity Fund	C	US\$10.43	US\$9.22	-11.56%	US\$2.6 M
BRIC Equity Fund	C	US\$12.27	US\$10.31	-15.97%	US\$5.7 M
New Economy Fund	C	US\$8.27	US\$8.07	-2.34%	US\$0.9 M
Global Bond Fund	C	US\$11.08	US\$10.43	-5.90%	US\$1.4 M
<b>GLOBAL FUND SOLUTION</b>					
Conservative Fund	A	US\$10.34	US\$10.24	-0.97%	US\$1.0 M
Moderate Fund	A	US\$10.29	US\$9.98	-3.06%	US\$1.1 M
Aggressive Fund	A	US\$9.93	US\$9.54	-3.96%	US\$3.5 M

## CARIBBEAN SERIES OF MUTUAL FUNDS THE TTD MONTHLY INCOME FUND

### INVESTMENT OBJECTIVE

The investment objectives of the Fund are to earn high income and provide capital preservation by investing in a range of investment and non-investment grade fixed income securities, which will be primarily denominated in TTD; however, other foreign currencies such as USD, Euros and Sterling may be included. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve-month period, the value of the TTD Monthly Income Fund increased by 3.01% to TT\$ 616.23 million.

## PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Return (Nominal)	As at April 30, 2012
12-Month Historical	2.06%

## PORTFOLIO SUMMARY

Asset Mix	Portfolio %
T&T Government Bonds	34.78%
Short-term Investments\ Money Market	32.45%
Corporate Bonds\Structured Products	16.23%
Cash	14.22%
Regional & International Bonds USD	2.32%
	<b>100.00%</b>
Country Mix	Portfolio %
Trinidad	96.50%
Aruba	1.72%
United States	1.19%
Jamaica	0.38%
Barbados	0.22%
	<b>100.00%</b>
Currency Mix	Portfolio %
TTD	88.99%
USD	11.01%
	<b>100.00%</b>

## THE USD MONTHLY INCOME FUND

### INVESTMENT OBJECTIVE

The investment objectives of the Fund are to earn high income and provide capital preservation by investing in a range of investment and non-investment grade fixed income securities, which will be primarily denominated in USD; however, other foreign currencies such as TTD, Euros and Sterling may be included. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve month-period, the fund value of the USD Monthly Income Fund grew by 2.33% to US\$ 113.49 million.

## PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Return (Nominal)	As at April 30, 2012
12-Month Historical	1.76%

## PORTFOLIO SUMMARY

Asset Mix	Portfolio %
Bonds	76.71%
Alternative Investments	16.90%
Cash\ Short Term	6.39%
	<b>100.00%</b>

Country Mix	Portfolio %
Trinidad	58.81%
Barbados	9.44%
Jamaica	8.64%
Aruba	5.80%
Dominican Republic	3.97%
United States	1.58%
El Salvador	1.20%
Other	10.56%
	<b>100.00%</b>

Currency Mix	Portfolio %
USD	99.86%
TTD	0.14%
	<b>100.00%</b>

## PAN CARIBBEAN BALANCED FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to achieve a balance between long term capital growth and income by investing at least 80% of the fund's assets in shares of companies located in Pan Caribbean countries, in a range of investment grade and/or non-investment grade fixed income securities of Pan Caribbean countries. For purposes of the fund's investments, Pan Caribbean countries include but are not limited to the following countries in the Caribbean, South America and Central America: Argentina, Aruba, Barbados, Belize, Brazil, Chile, Colombia, Costa Rica, countries in the Eastern Caribbean, Curacao, Dominican Republic, Jamaica, Mexico, Panama, Peru, Trinidad and Tobago and Venezuela. Unit holder approval is required before any changes can be made to this investment objective.

Over the review period ended April 2012, the fund value of the Pan Caribbean Balanced Fund increased by 9.39% to TT\$ 17.94 million.

### PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	9.15	9.72	6.23%
C	9.31	9.99	7.30%

Fund Inception: November 30, 2005.

### PORTFOLIO SUMMARY

Asset Mix	Portfolio %
Equities	56.88%
Cash	33.78%
Fixed Income	9.34%
	<b>100.00%</b>

Country Mix	Portfolio %
Trinidad	65.92%
United States	20.81%
Barbados	7.80%
Dutch Caribbean	3.73%
Belize	1.74%
Other	0.00%
	<b>100.00%</b>

Currency Mix	Portfolio %
TTD	75.45%
USD	24.55%
	<b>100.00%</b>

Top 5 Holdings	% of Portfolio Net Assets
Scotiabank Trinidad and Tobago	8.53%
First Caribbean International Bank	7.80%
National Enterprises Limited	7.21%
Republic Bank Limited	6.11%
ANSA McAL Limited	5.37%

## THE EMERGING MARKET BOND FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximize total return, consisting of a combination of interest income and capital appreciation. The Fund shall invest at least 80% of its assets in a range of investment grade and non-investment grade fixed income securities of issuers in emerging markets including cash, bonds, debentures, notes or similar instruments representing indebtedness, that have a remaining term to maturity of more than one year.

For the purpose of the Fund's investments, Emerging Market countries include but are not limited to countries in the Caribbean, South America, Central America, Asia- Pacific Rim and Emerging Europe. Unit holder approval is required before any changes can be made to this investment objective.

As at April 30, 2012, the fund value of the Emerging Market Bond Fund stood at US\$ 1.10 million, a decrease of 1.33% over the twelve-month period.

### PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	9.63	9.44	-2.03%
C9.92	9.82	-1.04%	

Fund Inception: December 3, 2007

## PORTFOLIO SUMMARY

Country Mix	Portfolio %
US	14.36%
Mexico	6.49%
Cash/Cash Equivalents	5.37%
Venezuela	4.50%
Brazil	3.91%
Turkey	3.41%
Russia	1.93%
Indonesia	1.82%
Malaysia	0.32%
Other	57.89%
	<b>100.00%</b>

Top 10 Holdings	Portfolio%
GAM USD Monthly Income Fund	9.57%
ProShares UltraShort 20+ Year Treasury (U.S)	4.91%
iPath S&P 500 VIX Short-Term Futures ETN	4.70%
Russia 5 04/29/20	1.36%
Petroleos de Venezuela 8.50 11/02/17	1.18%
Russia 7.50 03/31/30	1.15%
Mexico 3.625 03/15/22	0.76%
Venezuela 9.25 09/15/27	0.73%
Petroleos de Mexicanos 5.50 01/21/21	0.71%
Perusahaan Listrik Negara 7.75 01/20/20	0.70%

## INTERNATIONAL SERIES OF MUTUAL FUNDS THE NORTH AMERICAN EQUITY FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximize long-term capital growth by investing at least 80% of the Fund's assets in shares of US, Canadian and Mexican companies. For purposes of the Fund's investments, North American countries include but are not limited to the following countries: Canada, the United States of America and Mexico. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve month period ended April 2012, the fund value of the North American Equity Fund decreased by 1.85% to US\$2.54 million.



## PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	9.35	9.29	-0.55%
C	9.67	9.71	0.45%

Fund Inception: December 1, 2005

## PORTFOLIO SUMMARY

Country Mix	Portfolio %
-------------	-------------

US	82.47%
Cash	16.27%
Other	1.26%
	<b>100.00%</b>

Asset Mix	Portfolio %
-----------	-------------

Equities	84.79%
Cash	15.21%
	<b>100.00%</b>

Stock Style Mix	Portfolio %
-----------------	-------------

Large Value	24.85%
Large Core	23.65%
Large Growth	22.39%
Small/Mid-Cap Value	6.38%
Small/Mid-Cap Core	3.69%
Small/Mid-Cap Growth	2.76%
Other	16.27%
	<b>100.00%</b>

Sector Mix	Portfolio %
Energy	13.11%
Communication Services	11.73%
Industrials	9.03%
Technology	8.54%
Consumer Defensive	8.41%
Healthcare	8.06%
Consumer Cyclical	7.75%
Real Estate	5.11%
Basic Materials	3.09%
Utilities	2.44%
Financial Services	2.39%
Other	20.34%
	<b>100.00%</b>

Top 10 Holdings	% of Portfolio
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iPath S&P 500 VIX Short-Term Futures ETN	3.03%
Apple, Inc.	3.02%
Exxon Mobil Corporation	2.29%
Coca-Cola Co	1.64%
Procter & Gamble Co	1.59%
Philip Morris International, Inc.	1.41%
International Business Machines Corp	1.34%
Microsoft Corporation	1.33%
Chevron Corp	1.30%
General Electric Co	1.17%

## THE EUROPEAN EQUITY FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximize long-term capital growth by investing at least 80% of the Fund's assets in shares of companies located in European countries. For purposes of the Fund's investments, European countries include but are not limited to the following countries: Austria, Belgium, Croatia, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Russia, Spain, Sweden, Switzerland, Turkey and the United Kingdom. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve month period ended April 2012, the fund value of the European Equity Fund decreased by 28.98% to US\$2.14 million.

## PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	9.71	7.89	-18.77%
C	10.11	8.30	-17.95%

Fund Inception: December 1, 2005

## PORTFOLIO SUMMARY

Stock Style Mix	Portfolio %
Large Core	26.94%
Large Value	25.84%
Large Growth	24.13%
Small/Mid-Cap Core	3.35%
Small/Mid-Cap Value	3.31%
Small/Mid-Cap Growth	2.57%
Other	13.87%
	<b>100.00%</b>

Asset Mix	Portfolio
Equities	86.13%
Cash	13.87%
	<b>100.00%</b>

Sector Mix	Portfolio %
Energy	16.17%
Communication Services	14.95%
Industrials	14.50%
Consumer Defensive	11.42%
Technology	10.83%
Real Estate	6.26%
Healthcare	3.00%
Utilities	2.03%
Financial Services	1.56%
Basic Materials	1.07%
Consumer Cyclical	0.57%
Other	17.65%
	<b>100.00%</b>

Country Mix	Portfolio %
United Kingdom	26.18%
Switzerland	15.52%
Cash	13.87%
France	9.94%
Germany	9.63%
Netherlands	5.88%
US	3.03%
	<b>100.00%</b>

Top 10 Holdings	% of Portfolio
Nestle SA	3.47%
iPath S&P 500 VIX Short-Term Futures ETN	3.00%
Novartis AG	2.26%
Roche Holding AG	2.11%
Vodafone Group PLC	2.00%
HSBC Holdings PLC	1.97%
BP Plc	1.89%
GlaxoSmithKline PLC	1.65%
Royal Dutch Shell PLC B	1.42%
British American Tobacco PLC	1.34%

## THE ASIA-PACIFIC RIM EQUITY FUND

### INVESTMENT OBJECTIVE

The investment objective of the fund is to maximize long-term capital growth by investing at least 80% of the Fund's assets in shares of companies located in Asia and the Pacific Rim. For purposes of the Fund's investments, Asian and Pacific Rim countries include but are not limited to the following countries: Australia, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, the People's Republic of China, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan and Thailand. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve month period ended April 2012, the fund value of the Asia-Pacific Rim Equity Fund decreased by 17.27% to US\$2.56 million.

## PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	10.06	8.81	-12.44%
C	10.43	9.22	-11.56%

Fund Inception: December 1, 2005

## PORTFOLIO SUMMARY

Asset Mix	Portfolio %
Equities	83.26%
Cash	16.74%
	<b>100.00%</b>

Stock Style Mix	Portfolio %
Large Value	26.38%
Large Core	22.91%
Large Growth	21.52%
Small/Mid-Cap Value	5.82%
Small/Mid-Cap Core	4.35%
Small/Mid-Cap Growth	2.27%
Other	16.74%
	<b>100.00%</b>

Sector Mix	Portfolio %
Communication Services	24.56%
Energy	14.68%
Industrials	14.43%
Real Estate	5.29%
Consumer Cyclical	5.18%
Technology	4.32%
Utilities	3.96%
Healthcare	3.45%
Consumer Defensive	2.14%
Financial Services	1.79%
Basic Materials	1.52%
Other	18.69%
	<b>100.00%</b>

Country Mix	Portfolio %
Japan	33.56%
Cash	16.74%
China	8.49%
Australia	8.05%
Taiwan	4.83%
India	3.71%
South Korea	3.62%
Malaysia	1.39%
Hong Kong	1.14%
Other	18.47%
	<b>100.00%</b>

Top 10 Holdings	% of Portfolio
iPath S&P 500 VIX Short-Term Futures ETN	3.09%
Toyota Motor Corp	1.66%
Commonwealth Bank of Australia	1.09%
Sumitomo Mitsui Financial Group Inc	1.07%
China Construction Bank Corp	0.98%
Australia and New Zealand Banking Group Limited	0.92%
Samsung Electronics Co Ltd	0.87%
Nissan Motor	0.79%
Taiwan Semiconductor Manufacturing ADR	0.74%
K&S Hldg Ag Zuerich	0.71%

## THE BRIC EQUITY FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximize long-term capital growth by investing at least 80% of the Fund's assets in shares of companies located in **Brazil, Russia, India** and Greater **China** (including Hong Kong and Taiwan) (BRIC) as well as companies that derive a significant proportion of their revenues or profits from BRIC economies or have a significant portion of their assets there. Investments in emerging markets are subject to a higher degree of risk. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve-month period ended April 2012, the fund value of the BRIC Equity Fund decreased by 29.75% to US\$5.70 million.

## PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	11.78	9.80	-16.81%
C	12.27	10.31	-15.97%

Fund Inception: August 4, 2006

## PORTFOLIO SUMMARY

Asset Mix	Portfolio %
Equities	92.25%
Cash	7.75%
	<b>100.00%</b>

Country Mix	Portfolio %
Brazil	30.54%
China	22.26%
India	13.40%
Russia	9.78%
US	8.44%
Cash	7.75%
Hong Kong	7.69%
Other	0.14%
	<b>100.00%</b>

Sector Mix	Portfolio %
Communication Services	22.76%
Technology	20.27%
Industrials	14.77%
Energy	10.42%
Real Estate	9.47%
Basic Materials	3.28%
Healthcare	2.56%
Consumer Defensive	2.10%
Utilities	1.83%
Consumer Cyclical	1.01%
Financial Services	0.30%
Other	11.25%
	<b>100.00%</b>

Top 10 Holdings	% of Portfolio
iPath S&P 500 VIX Short-Term Futures ETN	3.11%
China Mobile Ltd.	2.71%
Gazprom OAO	2.49%
Vale S.A. Pfd Shs -A-	2.20%
China Construction Bank Corp	1.88%
Itau Unibanco Holding S.A.	1.81%
Petroleo Brasileiro SA Petrobras	1.74%
Industrial And Commercial Bank Of China Ltd.	1.63%
Ambev Cia De Bebid	1.58%
CNOOC, Ltd.	1.53%

Stock Style Mix	Portfolio %
Large Value	31.29%
Large Growth	29.02%
Large Core	22.94%
Small/Mid-Cap Value	3.53%
Small/Mid-Cap Growth	2.91%
Small/Mid-Cap Core	2.55%
Other	7.76%
	<b>100.00%</b>

## THE NEW ECONOMY FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide you with long-term growth of capital by investing at least 80% of the Fund's assets in shares of companies involved in the new economy. Companies in the new global economy include but not limited to, those involved in the fields of telecommunications, computer systems and software, the Internet, broadcasting and publishing, energy, health care, bio-technology, advertising, leisure, tourism, financial services, distribution and transportation, environment, recycling, new energy and instrumentation. Unit holder approval is required before any changes can be made to this investment objective.

As at April 30 2012, the value of the New Economy Fund stood at US\$ 0.92 million.

### PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	8.03	7.76	-3.31%
C	8.27	8.07	-2.34%

Fund Inception: December 3, 2007

## PORTFOLIO SUMMARY

Sector Mix	Portfolio %
Energy	35.45%
Healthcare	12.58%
Communication Services	9.05%
Industrials	5.78%
Technology	5.69%
Consumer Defensive	5.17%
Consumer Cyclical	4.03%
Real Estate	3.22%
Utilities	2.02%
Basic Materials	1.72%
Financial Services	1.52%
Other	13.77%
	<b>100.00%</b>

Country Mix	Portfolio %
North America	90.21%
Cash	9.20%
UK/ Western Europe	0.08%
Other	0.51%
	<b>100.00%</b>

Stock Style Mix	Portfolio %
Large Core	27.65%
Large Value	27.22%
Large Growth	16.79%
Small/Mid-Cap Value	11.46%
Small/Mid-Cap Core	5.71%
Small/Mid-Cap Growth	1.97%
Other	9.20%
	<b>100.00%</b>

Top 10 Holdings	Portfolio %
Cs130l Swaps	11.91%
Procter & Gamble Co	4.85%
Coca-Cola Co	4.60%
Philip Morris International, Inc.	4.22%
iPath S&P 500 VIX Short-Term Futures ETN	3.12%
Wal-Mart Stores Inc	2.86%
Altria Group Inc.	1.73%
Kraft Foods Inc	1.72%
CVS Caremark Corp	1.69%
PepsiCo Inc	1.61%

## THE GLOBAL BOND FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximize your total return, consisting of a combination of interest income and capital appreciation, by investing at least 80% of the Fund's assets in fixed income securities worldwide including cash, bonds, debentures, notes or similar instruments representing indebtedness, that have a remaining term to maturity of more than one year. Unit holder approval is required before any changes can be made to this investment objective.

As at April 30, 2012, the fund value of the Global Bond Fund stood at US\$1.38 million.

### PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	10.71	9.98	-6.84%
C	11.08	10.43	-5.90%

Fund Inception: December 3, 2007

### PORTFOLIO SUMMARY

Country Mix	Portfolio %
US	22.80%
Cash/Cash Equivalents	10.14%
South Korea	5.84%
Japan	4.74%
Malaysia	3.98%
Poland	3.86%
Germany	3.12%
U.K.	2.88%
Hungary	1.98%
Other	40.66%
	<b>100.00%</b>

Top 10 Holdings	% of Portfolio
GAM USD Monthly Income Fund	9.45%
GOLD TONNES	5.88%
iPath S&P VIX Short-Term Futures ETN	4.93%
Korea 4 06/10/12	1.71%
Korea 4.25 12/10/12	1.38%
Korea 3 12/10/13	1.19%
United States 3.625 02/15/21	1.11%
Sweden 5.50 10/08/12 #1	1.07%
Japan 1.1 06/20/21 #316	0.92%
Japan 1.7 06/20/33 #11	0.90%

## THE GLOBAL FUND SOLUTION CONSERVATIVE FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to preserve investment capital and generate income. The fund would invest in units of Guardian Asset Management's Mutual Funds, with an emphasis on a basket of mutual funds that seek to preserve capital and generate income. The fund may also invest directly in money market, fixed income, equity securities and other mutual funds. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve month period ended April 2012, the fund value of the Conservative Fund increased by 0.16% to US\$1.02 million.

### PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	10.34	10.24	-0.97%

Fund Inception: February 16, 2007

### PORTFOLIO SUMMARY

Asset Mix	Portfolio %
Fixed Income	79.69%
Equity	20.31%
	<b>100.00%</b>

Country Mix	Portfolio %
Trinidad	41.19%
Aruba	12.88%
United States	12.83%
Barbados	6.61%
Jamaica	6.05%
Dominican Republic	2.78%
United Kingdom	1.23%
Japan	1.21%
Cash	0.82%
Canada	0.69%
Australia	0.53%
Other	13.18%
	<b>100.00%</b>

Top 5 Holdings	% of Portfolio Net Assets
FATUM N.V 5.2% due 29June2016	12.64%
GOTT BOND DUE MAY 17 2027	10.14%
REP. OF T&T US\$ BOND - 2020	6.67%
Government of Barbados 7% due 8/4/2022	4.07%
NATIONAL GAS 6.05% DUE 2036	3.38%

## MODERATE FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to generate a reasonable rate of return while also providing the opportunity for capital growth. The Fund would invest in units of Guardian Asset Management's Mutual Funds, with an emphasis on mutual funds, which seek to generate a reasonable rate of return while also providing the opportunity for capital growth. The fund may also invest directly in money market, fixed income, equity securities and other mutual funds. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve-month period ended April 2012, the fund value of the Moderate Fund decreased 4.78% to US\$1.14 million.

### PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	10.29	9.98	-3.06%

Fund Inception: February 16, 2007

## PORTFOLIO SUMMARY

Asset Mix	Portfolio %
Fixed Income	53.16%
Equity	46.84%
	<b>100.00%</b>

Country Mix	Portfolio %
United States	28.06%
Trinidad	27.13%
Aruba	8.86%
Barbados	4.36%
Jamaica	3.99%
United Kingdom	2.79%
Japan	2.75%
Dominican Republic	1.83%
Canada	1.56%
Switzerland	1.23%
Australia	1.20%
Cash	0.84%
Other	15.40%
	<b>100.00%</b>

Top 5 Holdings	% of Portfolio Net Assets
FATUM N.V 5.2% due 29June2016	8.70%
GOTT BOND DUE MAY 17 2027	6.68%
REP. OF T & T US\$ BOND - 2020	4.39%
Government of Barbados 7% due 8/4/2022	2.68%
iPath S&P 500 VIX Short-Term Futures ETN	2.37%

## AGGRESSIVE FUND

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximize long-term capital growth. The Fund would invest in units of the Guardian Asset Management Mutual Funds, with an emphasis on mutual funds, which focus on equities for greater potential capital growth. The Fund may also invest directly in money market, fixed income, equity securities and other mutual funds. Unit holder approval is required before any changes can be made to this investment objective.

Over the twelve month period ended April 2012, the fund value of the Aggressive Fund decreased 8.23% to US\$3.46 million.

## PERFORMANCE SUMMARY

The information contained herein relates to the period April 30, 2011 to April 30, 2012.

Class	Net Asset Value April 30, 2011	Net Asset Value April 30, 2012	Holding Period Return
A/B	9.93	9.54	-3.96%

Fund Inception: February 16, 2007

## PORTFOLIO SUMMARY

Asset Mix	Portfolio %
Equity	77.11%
Fixed Income	22.89%
	<b>100.00%</b>

Country Mix	Portfolio %
United States	48.28%
Trinidad	11.20%
Aruba	4.29%
United Kingdom	4.16%
Japan	4.11%
Canada	2.32%
Switzerland	1.83%
Barbados	1.80%
Australia	1.79%
Jamaica	1.65%
Dominican Republic	0.76%
Cash	0.66%
Other	17.15%
	<b>100.00%</b>

Top 5 Holdings	% of Portfolio
FATUM N.V 5.2% due 29June2016	4.22%
GOTT BOND DUE MAY 17 2027	2.76%
Apple, Inc.	1.99%
REP. OF T&T US\$ BOND - 2020	1.81%
Exxon Mobil Corporation	1.50%