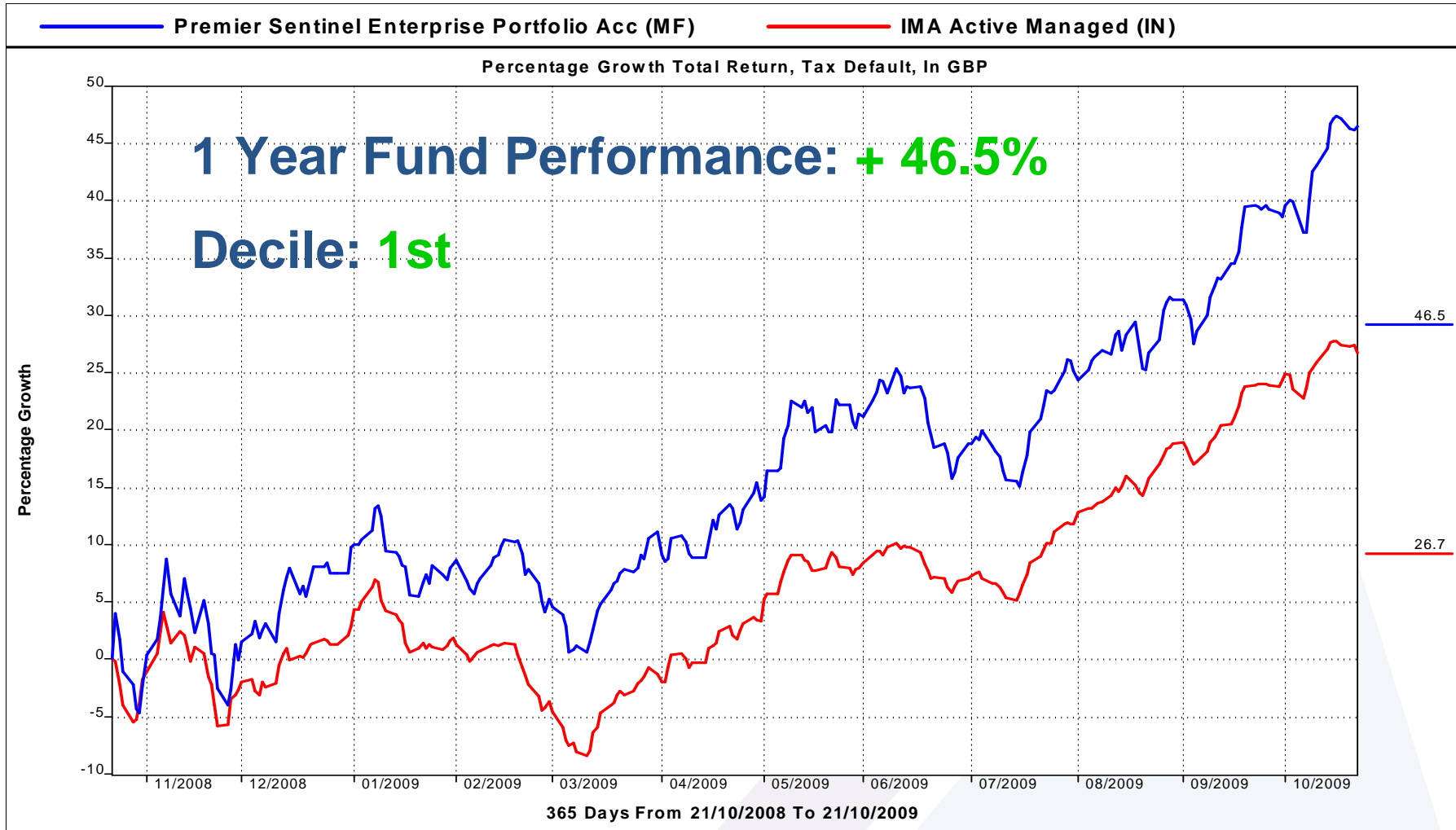




Sentinel Enterprise Fund

To watch over and guard

Objective: To provide long-term capital growth from a portfolio of investments

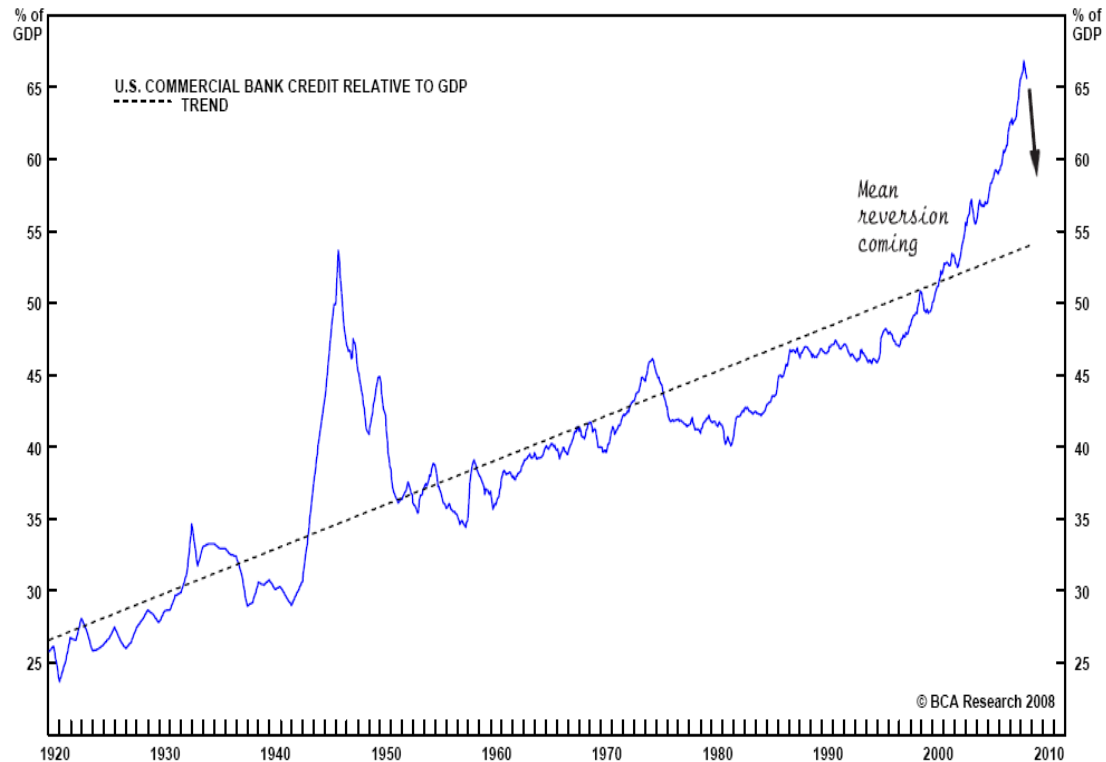


User may have modified the original chart and axis titles provided by Lipper.



Western Consumers Will Focus on Paying Down Debt

- By 2007, US consumers were consuming 20% of global GDP
- A credit fuelled anomaly



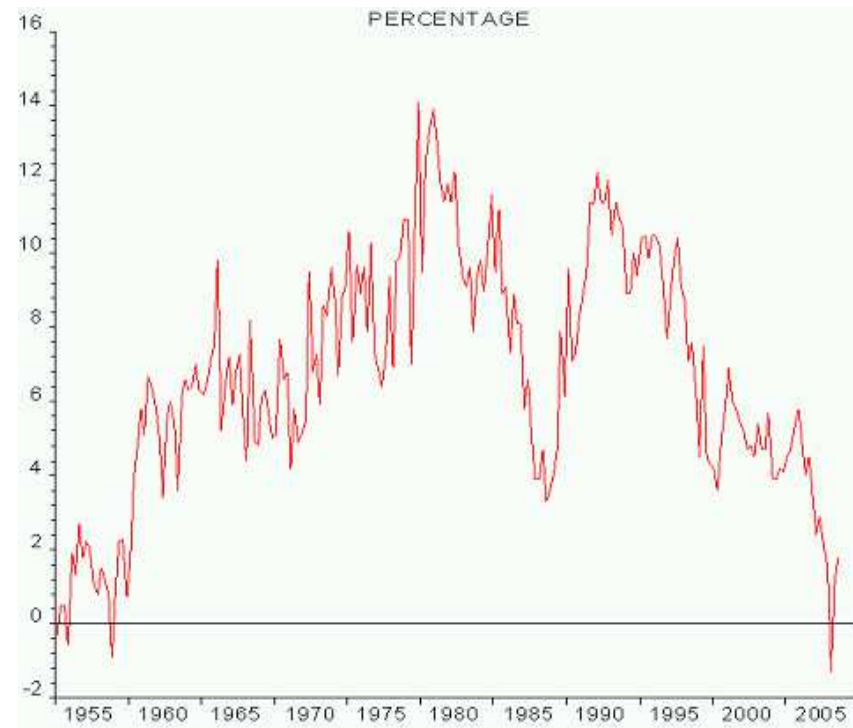
OECD growth outlook: muted by the debt burden

Source: BCA Research

Deleveraging in the UK

- Previous decade was all about cheap credit and high levels of debt
- Economy grew at an unsustainable rate
- Government stimuli helpful but not enough to fill the output gap
- Domestic recovery will take longer to come through

UK household savings ratio



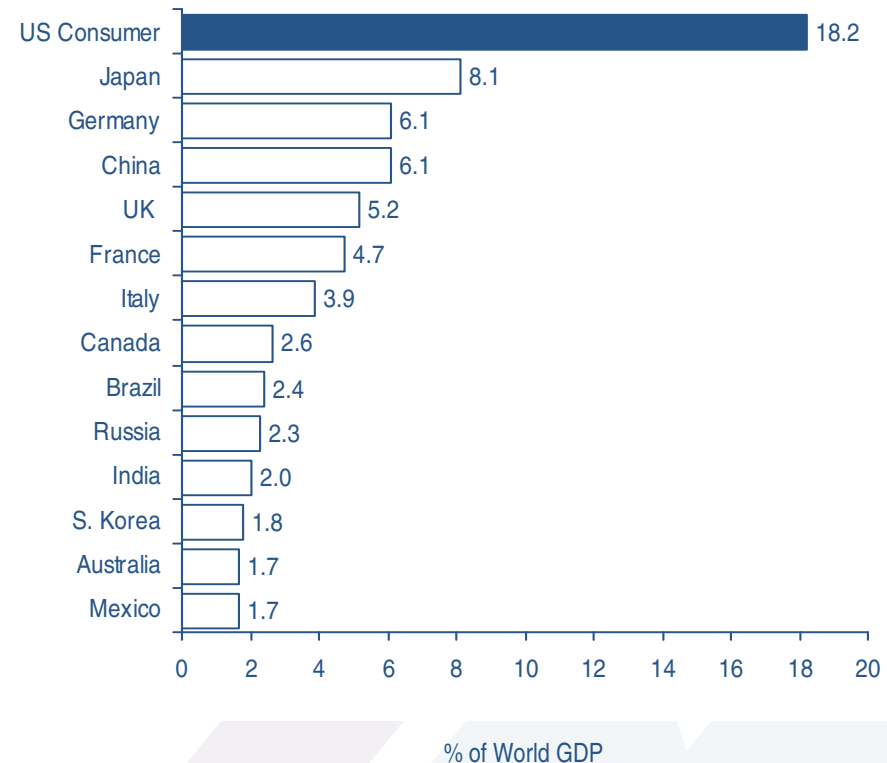
Savings ratio needs to return to 7%-8% to restore confidence to consumers

Source: Office for National Statistics

What Will Lead Us Out?

- The US consumer is the biggest economy in the world
- A US recovery is necessary for a global recovery
- But US consumption is structurally contracting. Personal consumption → personal saving
- Household balance sheets will need to move into surplus. This will take time

Contributions to World GDP



The US economy remains instrumental to the return of global growth

Source: OECD

Emerging Market Consumers Will Buy a Rising Share of What the World Produces

- The balance of global demand is shifting towards the emerging economies

Proportion of Global GDP*

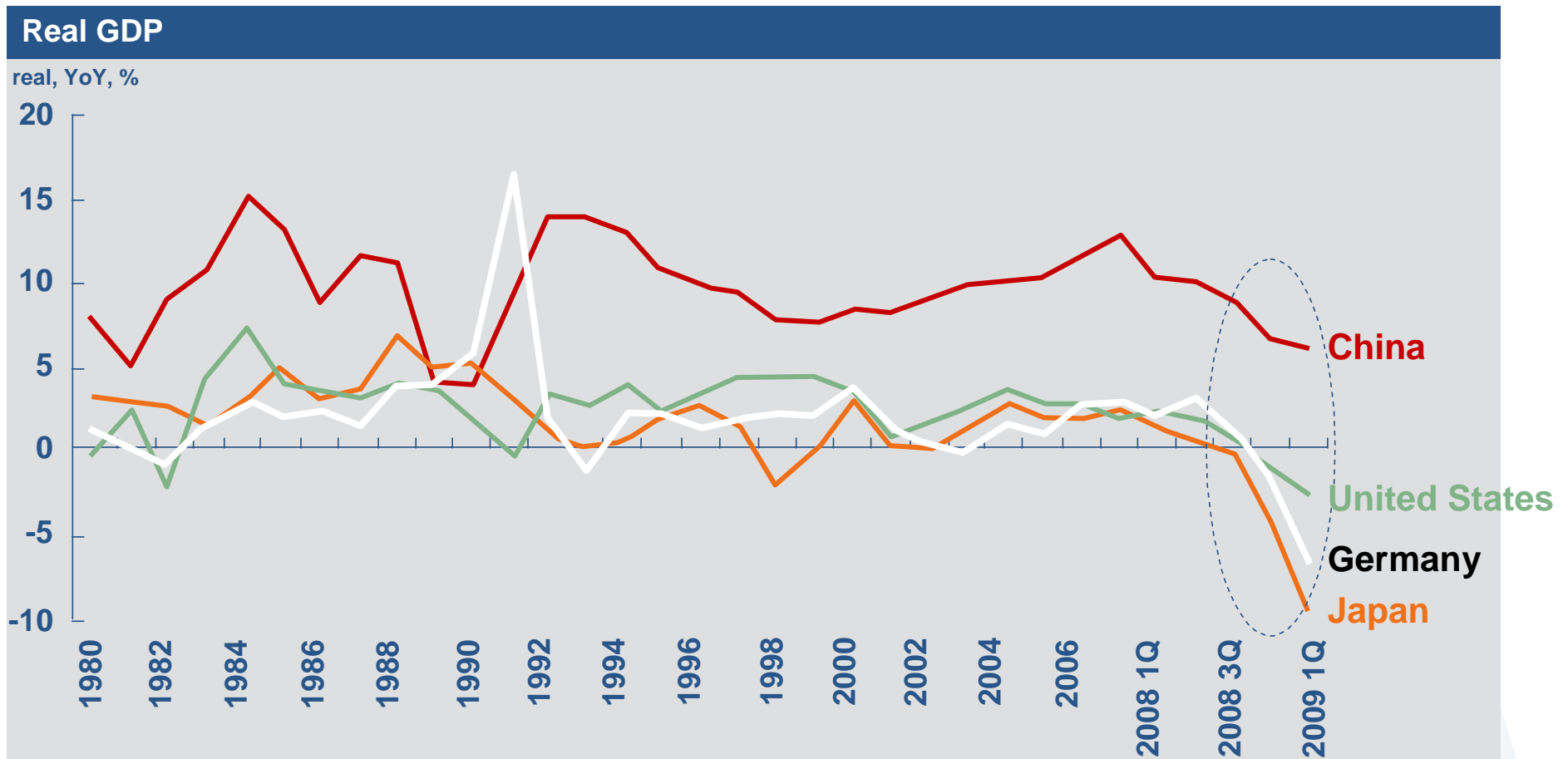
	1995	2008
Advanced economies	82%	69%
Emerging and developing economies	18%	31%
United States	25%	23%
BRICs	7%	14%

Rising emerging market consumption is based on wage growth not unsustainable credit growth

*At market exchange rates

Source: IMF

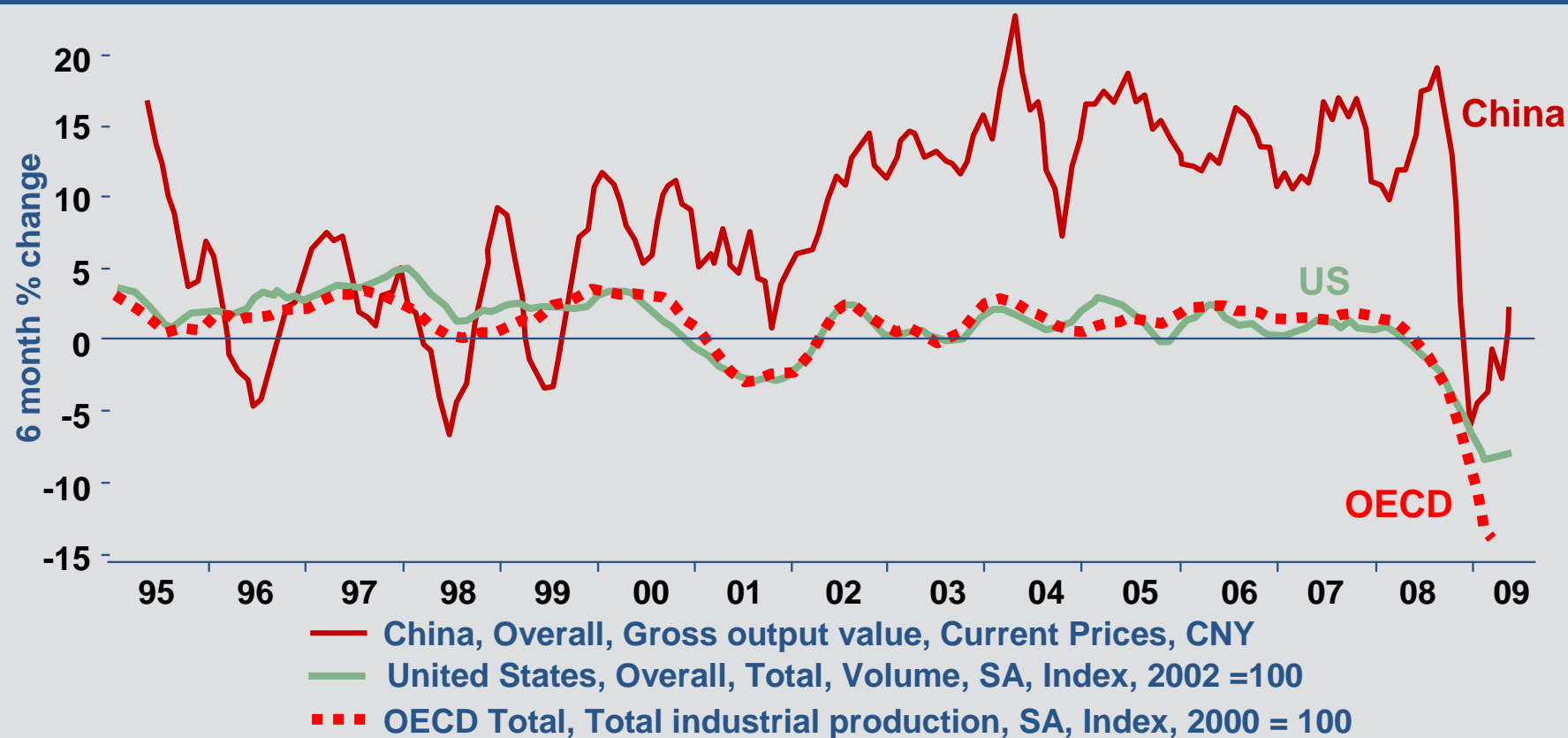
Economic growth gap between China and advanced economies has widened further



Source: CICC - 200908

The rebound in growth in the current cycle is driven by China, not the US

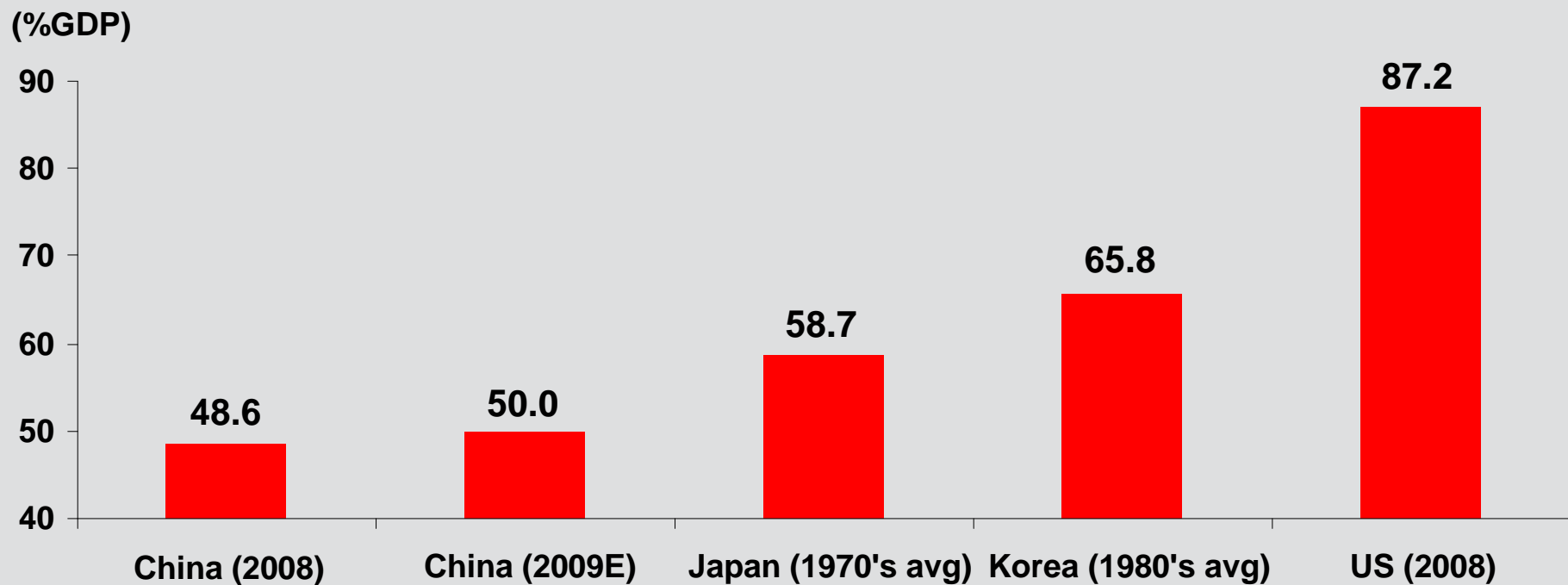
Industrial Production in China, USA & OECD



Source: www.gavekal.com - 20090710

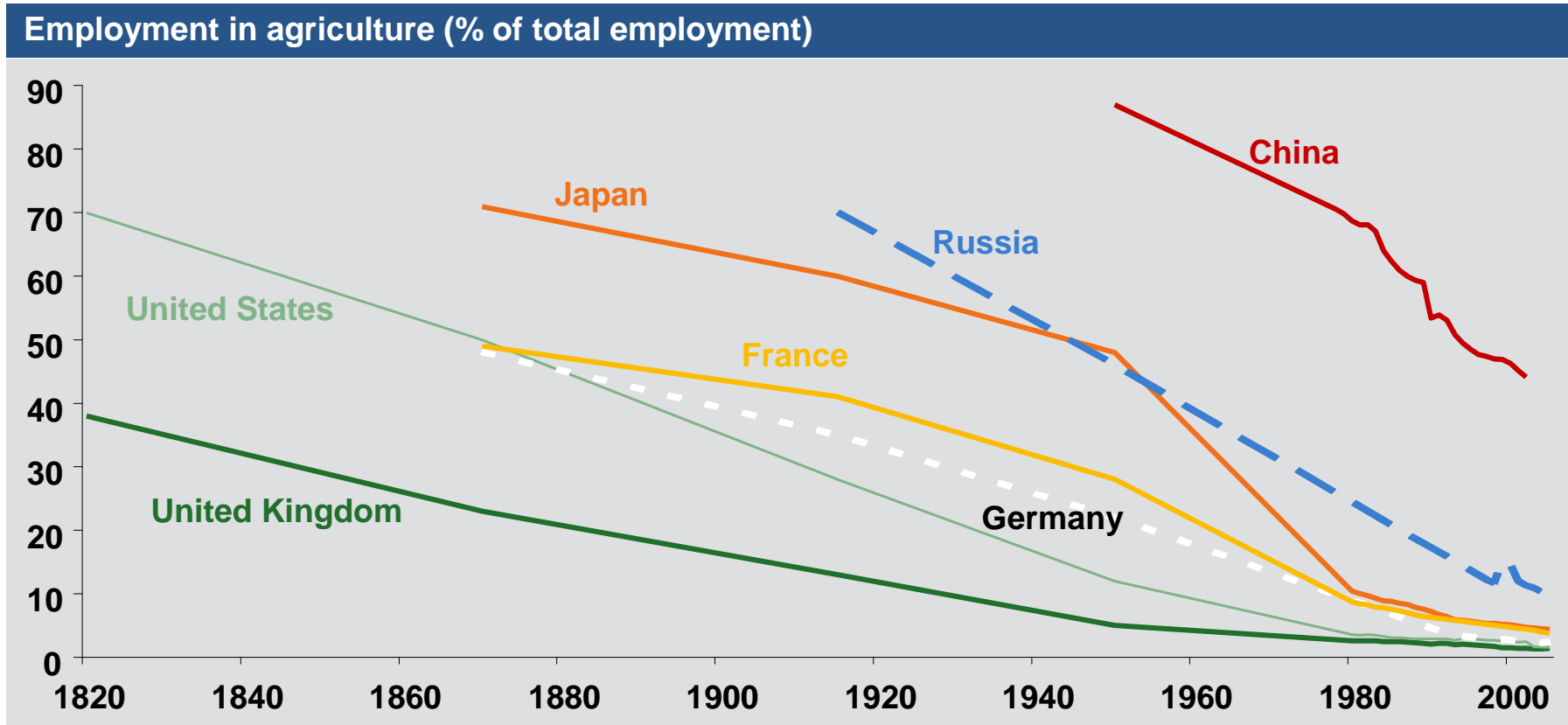
... domestic consumption in China has a lot of room to increase...

Domestic consumption as a % of nominal GDP (incl. public)



Source: CLSA - 20090811

... supported by rapid urbanization in China...

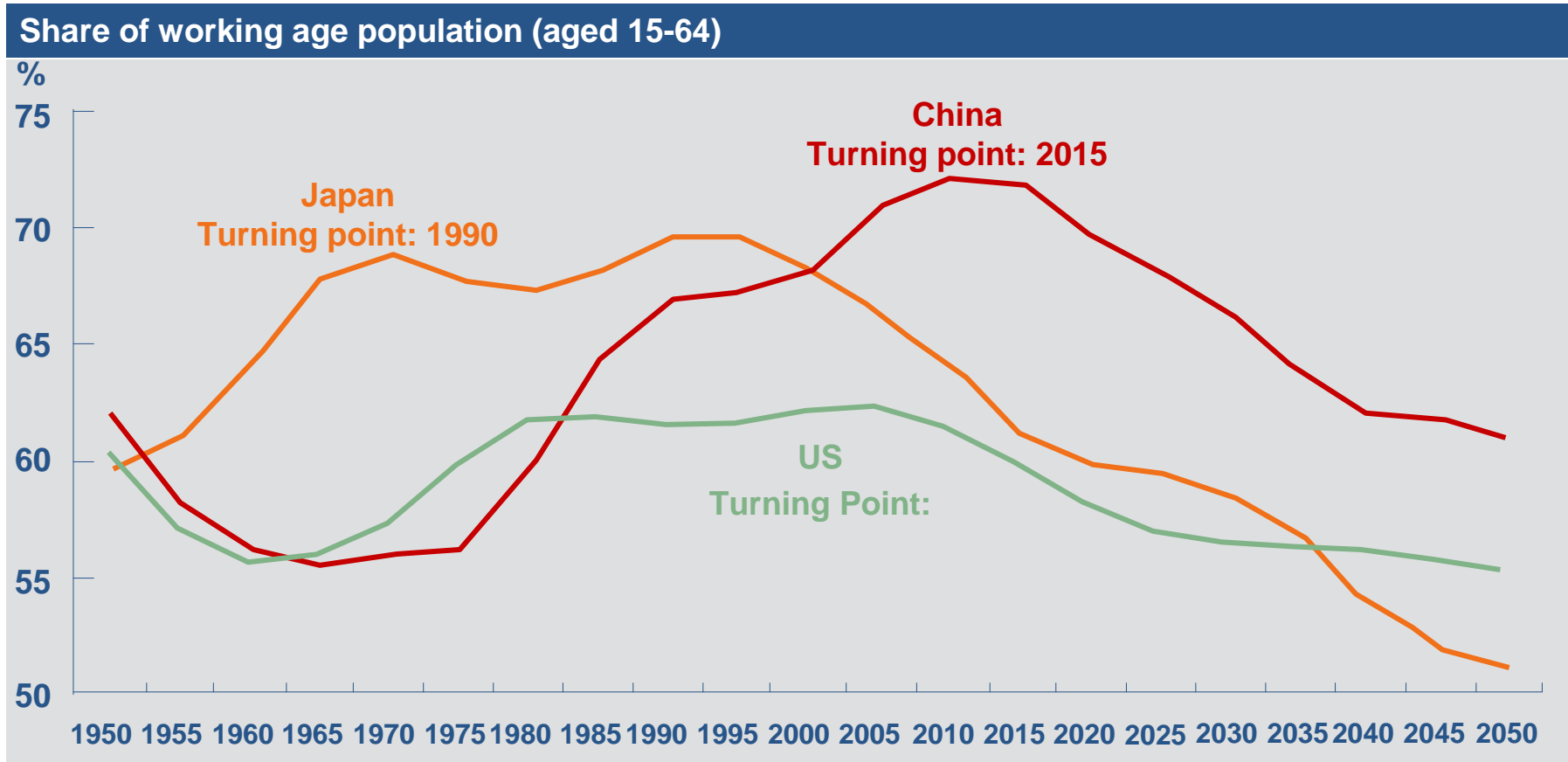


Source: Causal influences on productivity performance 1820-1992 by A Maddison, World Bank

Source: Maddison, A. (1997), Causal influences on productivity performance 1820-1992 : A global perspective, Journal of Productivity Analysis

Source : CLSA – 20090810

... positive demographic trends over the next five years ...



Source: CICC – 200908; CEIC, UN, WDI, CCIC Research

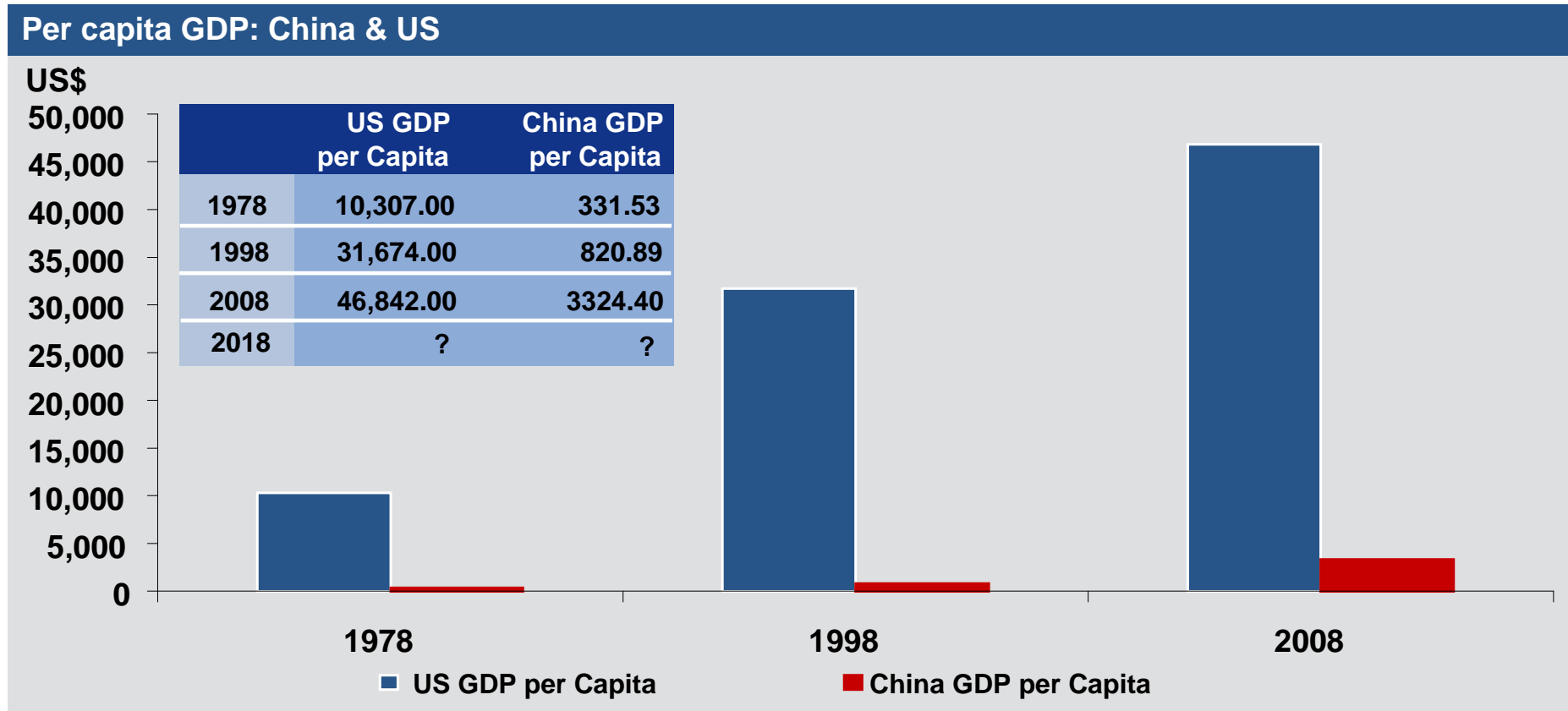
... with increasing education standards and ...

China's Education Goals

Objective	2001	2010	2020	2050
Population receiving 9-year compulsory education, %	85	95	99	—
Gross senior secondary school enrolment rate, %	54	73	85	100
Gross tertiary enrolment rate, %	13	23	40	55
Average years of education of working age population	8.0	9.6	10.0	13.5
Working-age people with higher education, %	4.7	10.5	19.3	44.0
Engineers and scientists per m population	NA	NA	1,500	3,000
Education expenditure as % of GDP	2.9	6.6	7.2	7.8

Source: WWW.GAVEKAL.COM - 20090710

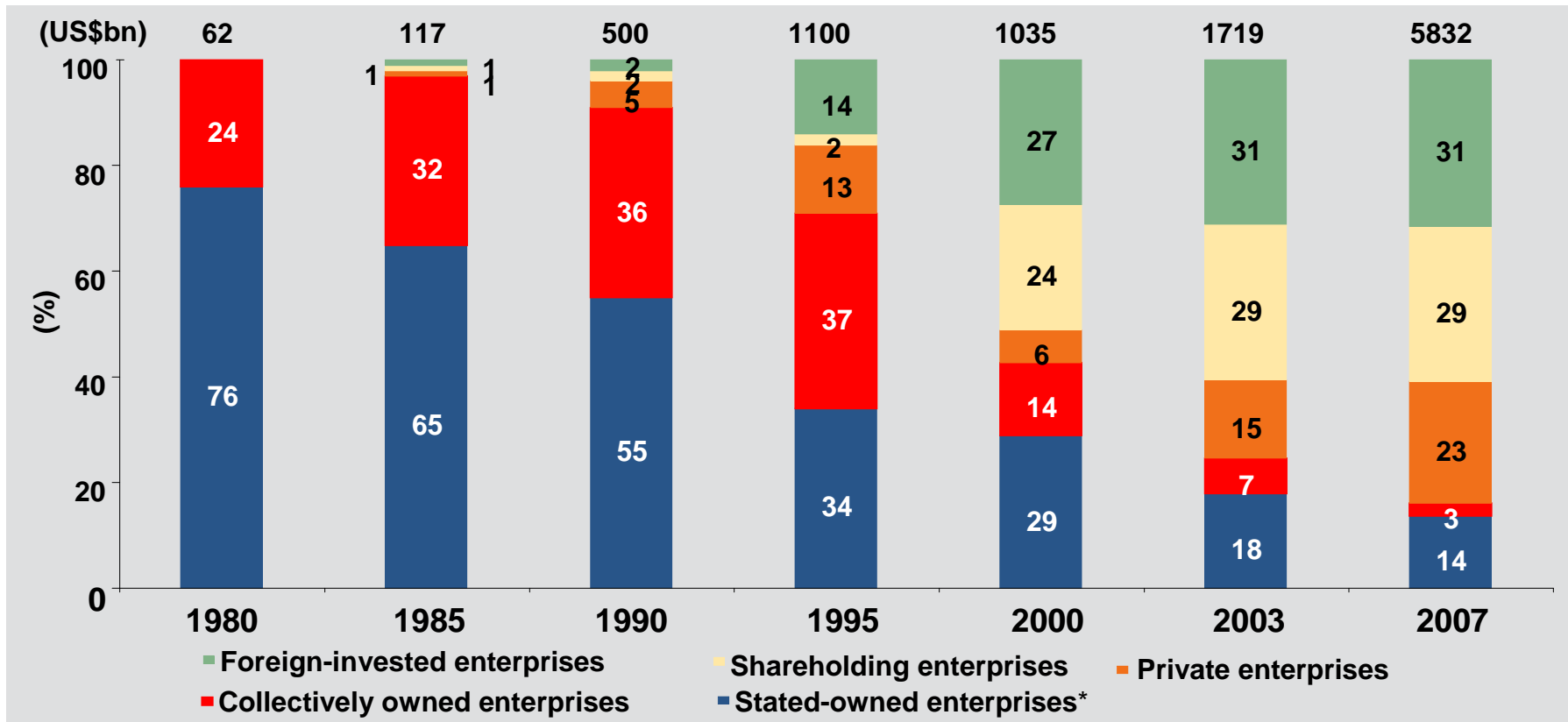
... rising affluency



▶ Per capita GDP increased by 4.5x in the US and 10x in China over the past 30 years

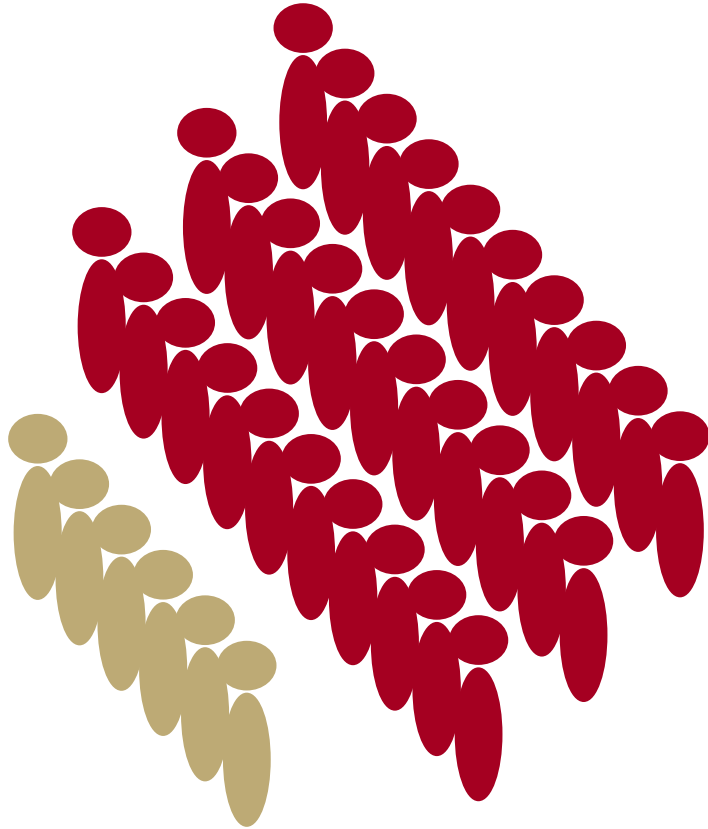
Source: Nomura, 200908

The open door policy has transformed the country from a socialist, planned economy into a capitalist, market economy

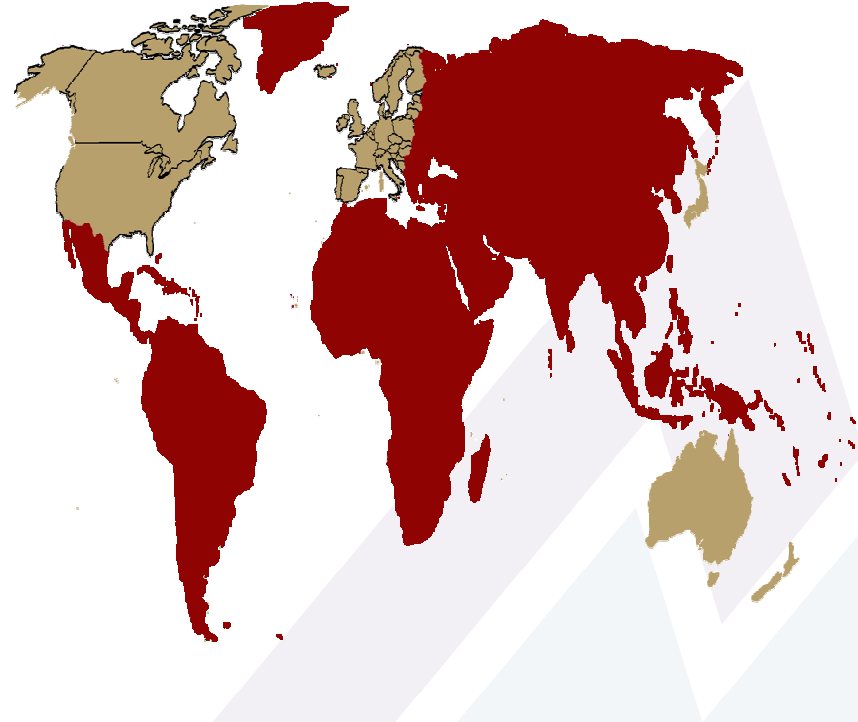


Source: CLSA- 20090810 China Statistical Yearbooks; China Industry Economy Statistical Yearbook

A Reality Check...



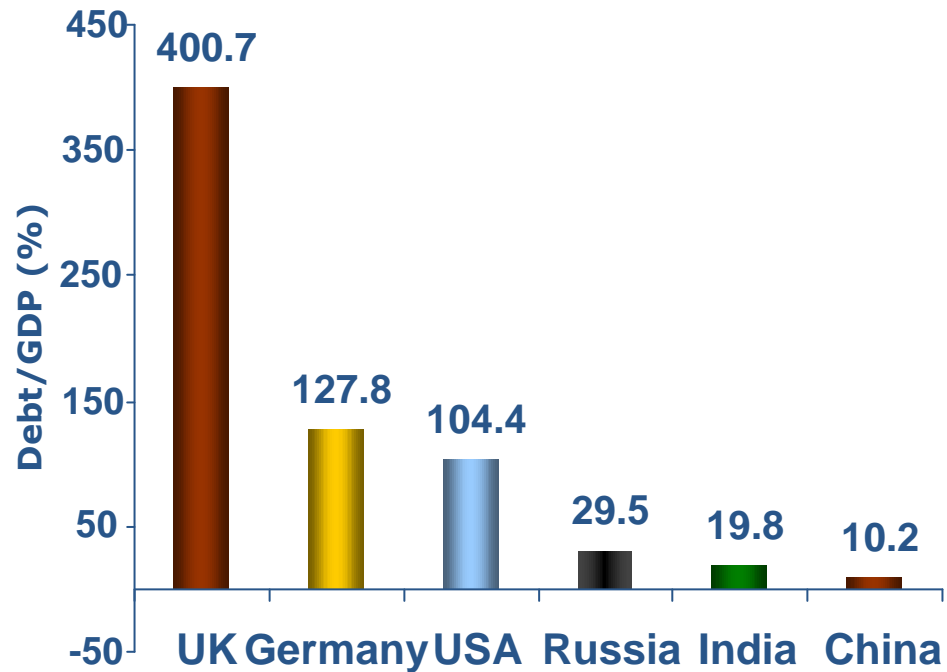
Emerging markets represent approximately **75%** of the world's land mass



More than **80%** of people live in emerging economies where population growth is five times as fast as in developed countries

Show me the money...

Significantly lower levels of debt in emerging markets



- **Sustainable growth** only from sustainable investment
- **Sustainable investment** only from savings
- **High** levels of **debt** in **developed** markets can not sustain growth
- **Low** levels of **debt** in **emerging** markets will support growth

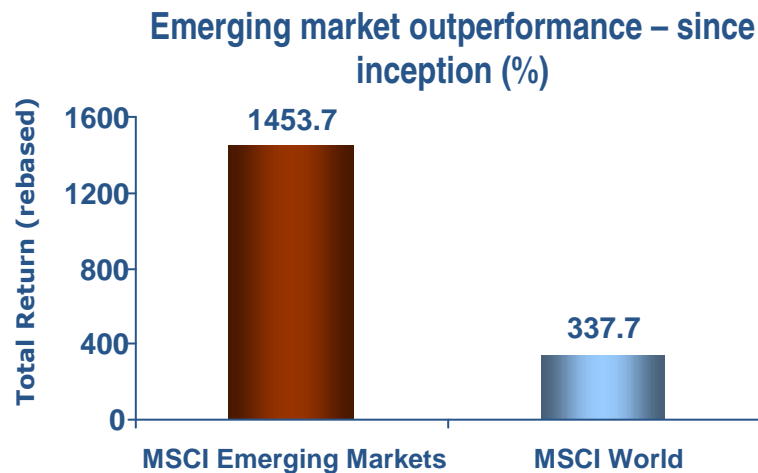
Source: Unicredito at May 09, %.

Challenging conventional views - performance

False: *The developed world has outperformed in the long term*

True: i) Emerging markets have outperformed the developed world by over 5% per annum on average since inception in 1987

ii) In the last 10 years EM have outperformed by approx 165%



From inception of MSCI EM Index in Dec 1987 to 29/05/09. Source: Lipper, total return in GBP



From 29/05/99 to 29/05/09. Source: Lipper, total return in GBP

Paradox that creates Opportunity



- EM = 80% of world population, 75% land mass, 75% FX reserves; 50% of GDP
- ...and just 10% of world equity market capitalisation

Aspiration is a human condition...

History repeats itself - 100 years ago the US was an emerging market

- By 2030 more than 1 billion people in emerging markets will join the rapidly growing emerging markets' consumer class, according to the World Bank
- Consumer spending accounts for just over 60% of GDP in Europe and over 70% of GDP in the US. In comparison, personal consumption in China, only accounts for 37% of GDP. This will change...
- The scope for growth is massive, especially if one considers the differences in the population between China and Europe/US. According to some estimates, by 2025 China will become the third-largest consumer market in the world.

Since 2002, *Chinese auto sales* have risen from 2m per annum to over 6m, making China the second largest auto market in the world.

Indian auto sales have doubled to 1.3m units per annum.

Brazilian auto sales have risen by more than 50% to 2.3m units.

China, India and Brazil alone are now 60% of the size of the US auto market and growing currently at circa 26% per annum.

Russia is expected to surpass Germany in 2009 as the largest European auto market

Shenzen fishing village 1978, population a few thousand



Shenzen 1985, population 25 thousand



Shenzen 2008, population 14 million, the worlds fastest urban growth yet witnessed



If you don't like your job...

***Just be glad that you are not an
electrician in China...***



Important Information

- The value of investments and the income derived from them may rise or fall against investors interests. Past performance is not a guide to the future. Investments in a currency other than your base currency may be adversely affected by changes in exchange rates and therefore may have a detrimental effect on the value of, or income from the investment. Any references to the impact of taxation are made in the context of current legislation and may not be valid should levels and/or bases of taxation change. Investments referred to in this document may not be suitable for all investors.
- Williams de Broë Assetmaster Fund plc is authorised and regulated by the Irish Financial Regulator. Williams de Broë Ltd is authorised and regulated by the Financial Services Authority and is a member of the London Stock Exchange. Williams de Broë Ltd is a subsidiary of the Evolution Group Plc.