

Monthly market comment

A new year and new challenges for the stock markets!

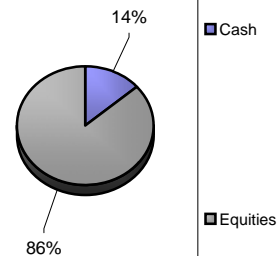
The big question mark of the day is China. The Chinese authorities are aggressively mopping up liquidity. The Chinese equity market has stagnated since July last year, raising the question of whether the boom is about to turn into bust. The Chinese authorities have been getting increasingly aggressive in raising bank reserve requirements lately. Chinese property prices have recovered from their brief downturn and have now surpassed their previous highs. Do we see a market bubble here?

Without raising interest rates or allowing the RMB to appreciate at a faster pace, the effectiveness of the central bank's tightening campaign will be reduced. With the Chinese RMB pegged at an undervalued level, China's current-account surplus will grow anew and capital will continue to be invited into the economy, creating an overflow of domestic liquidity. Although, the intensifying campaign within China to tighten policy and money supply means that Chinese stocks will continue to lag.

Most of the global equity markets are overbought and have been looking for an excuse to correct, with China being a good example at the moment. One should keep in mind that the S & P 500 is up around 70 % since lows in March 2009.

New positions in the fund: Novartis and Stora Enso

Asset breakdown

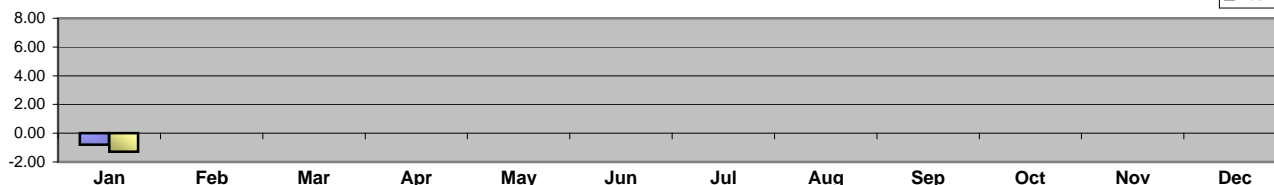


Monthly performance (%)

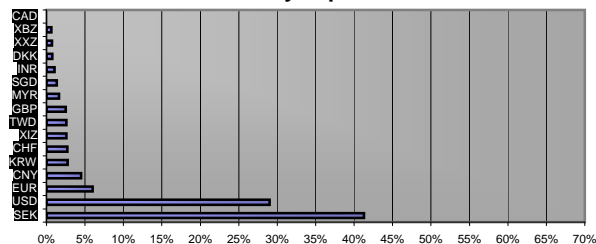
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Tot
Fund	-0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.80
Index	-1.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1.29

The comparison index consist of: 70% MSCI World Free Index and 30% MSCI Sweden Index

Performance 2010



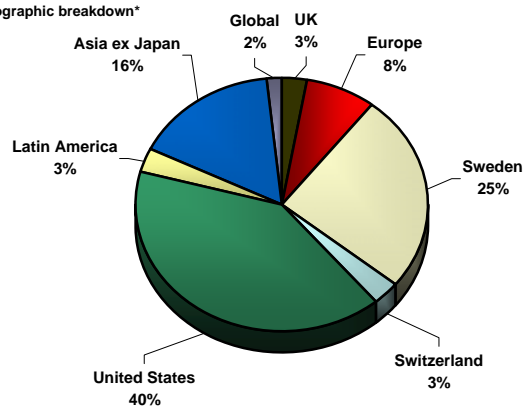
Currency exposure



Five biggest holdings

Ishares Ftse/Xinhua China	4.20%
Ishares MSCI South Korea Index	2.77%
Ishares DJ US Index Fund	2.61%
Ishares S&P Latin America	2.60%
Ishares MSCI Taiwan Index Fund	2.57%

Geographic breakdown*



Sectors*

