

Tradex Global Equity Fund

(Tradex Global Equity Fund is an open-end mutual fund that invests primarily in closed-end fund companies.)



CITY OF LONDON
Investment Management Company Limited

How Closed-End and Open-End Funds Differ

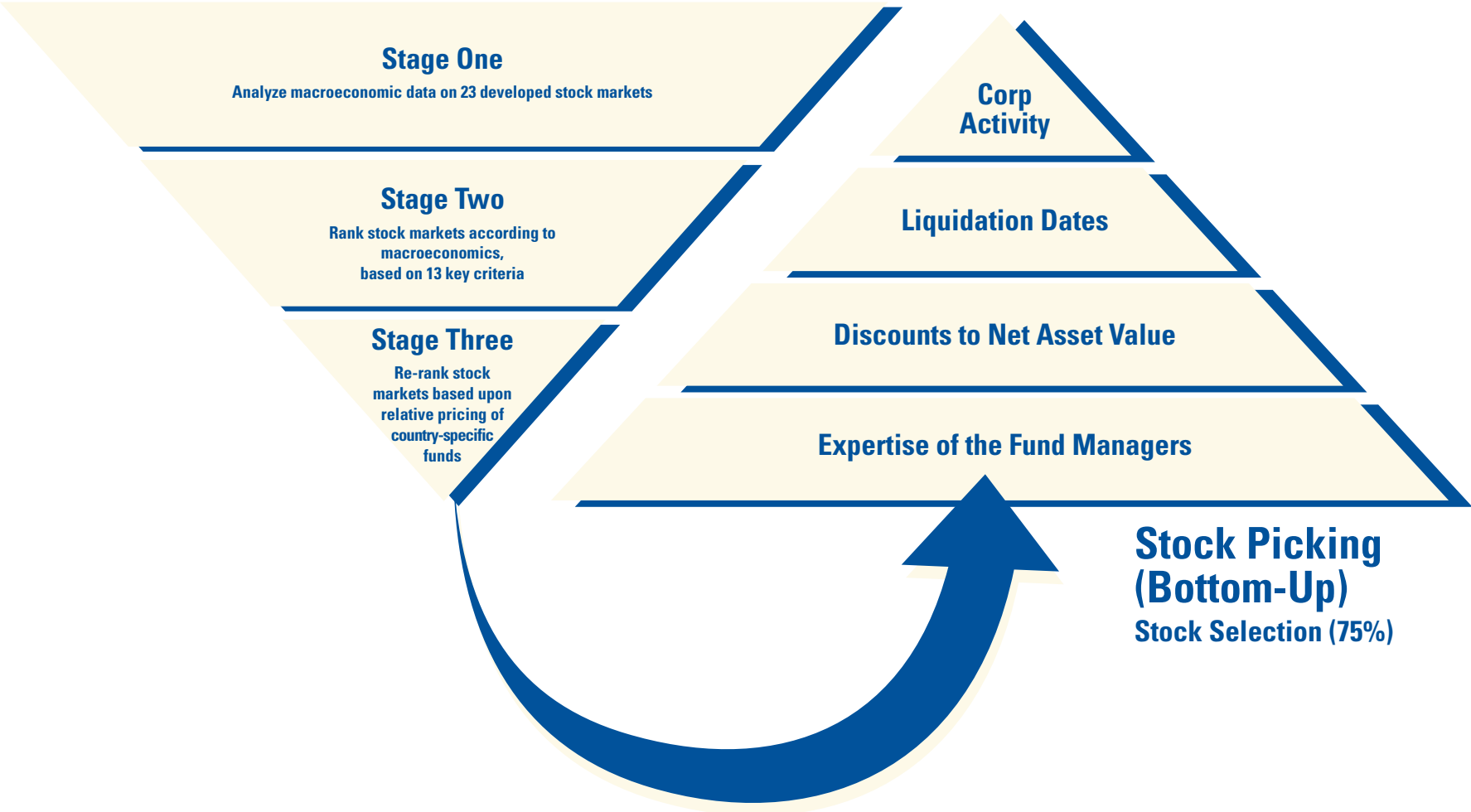
	Closed-End Fund	Open-End Fund
A participation is defined as	a share	a unit
The net asset value (NAV) of each participation is defined as	the total value of the portfolio divided by the number of shares	the total value of the portfolio divided by the number of units
Capital Structure, i.e., the number of shares or units in issue, is	fixed (thus “closed” end)	variable (thus “open” end)
Shares or units trade at	whatever value the stock market puts on them. This might be a premium or a discount to net asset value depending on demand because supply is fixed. Closed-end funds are listed on a stock exchange and traded via a stock broker	Net asset value with supply and demand being reflected in the number of units in issue. Open-end funds are not listed and are bought and sold through that fund’s manager

In effect, a **closed-end fund** trades at a price that reflects demand. Demand or the lack of it is reflected in shares trading at a premium or a discount to net asset value. Since the capital structure is fixed, as with any other stock, the stock market determines the share price based upon supply and demand.

In an **open-end fund**, all units trade at net asset value as the number of units is variable. The manager varies the number of units in issue to take account of supply and demand and enlarges or reduces the size of the portfolio accordingly.

The Investment Process

Macro Process (Top-Down) Country Allocation (25%)



Performance

Tradex Global Equity Fund

▶ Annual Returns†: Calendar Years

	1999	2000	2001	2002	2003	2004	2005**	Since Inception*
Tradex	+23.29%	-4.99%	-6.43%	-7.86%	+30.87%	+11.87%	+0.94%	+49.23%
MSCI World Index	+15.74%	-9.89%	-11.28%	-20.41%	+9.48%	+7.28%	-0.45%	-13.89%

▶ Outperformance

	1999	2000	2001	2002	2003	2004	2005**	Since Inception*
Tradex	+7.54%	+4.89%	+4.85%	+12.55%	+21.39%	+4.59%	+1.39%	+63.12%

▶ Annualized†**

	Inception*	5-year	4-year	3-year	2-year	1-year
Tradex	+7.00%	+2.36%	+7.14%	+9.29%	+27.39%	-2.25%
MSCI World Index	-2.49%	-5.95%	-2.52%	-2.49%	+14.98%	+2.57%

▶ Standard Deviation†**

	Inception*	5-year	4-year	3-year	2-year	1-year
Tradex	+14.70%	+14.21%	+14.35%	+13.71%	+11.51%	+9.41%
MSCI World Index	+13.51%	+13.22%	+13.74%	+13.96%	+10.44%	+9.42%

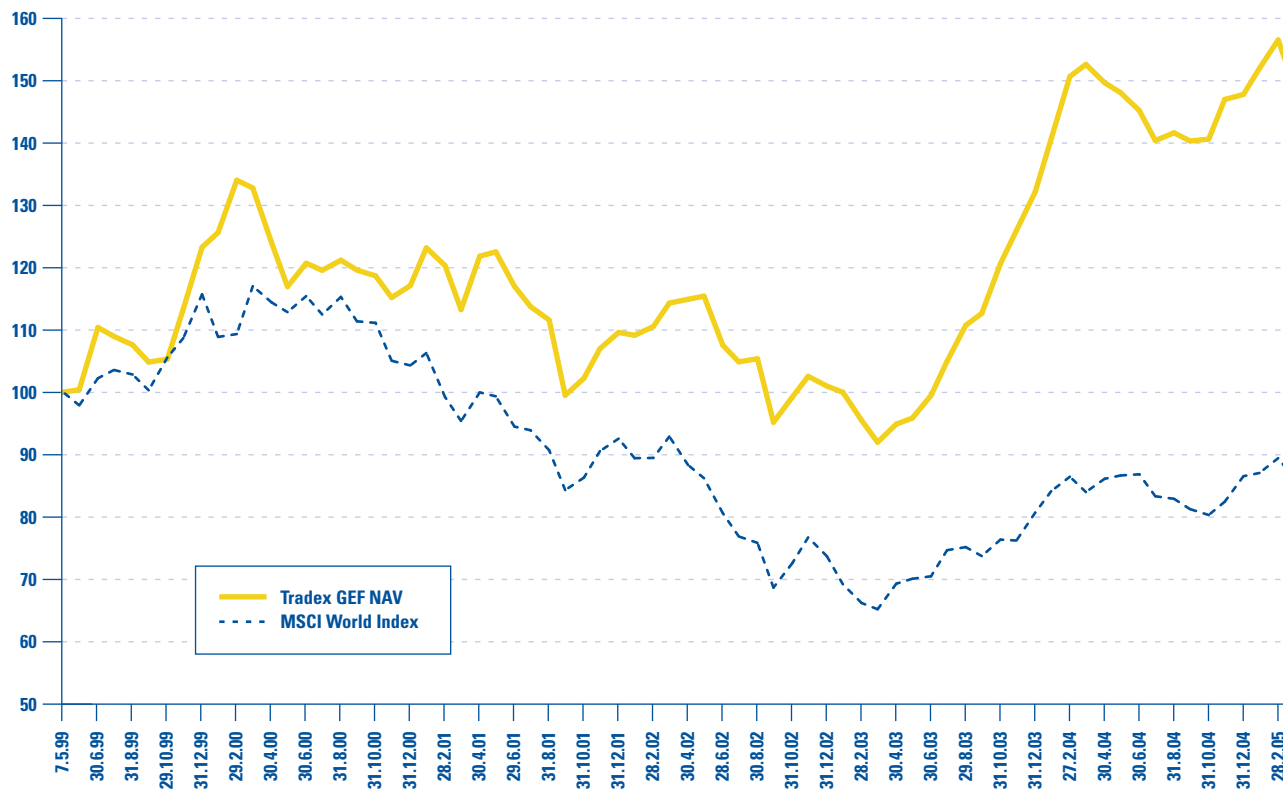
Returns are total return, time weighted and are net of fees on a trade date valuation basis. Returns are quoted in Canadian dollar terms.

*Inception May 1999
 **Value as at March 31, 2005
 †Net returns

Source: City of London Investment Management, MSCI

Tradex Global Equity Fund Performance Compared with the MSCI World Total Return Index (CAD)

Inception* to March 31, 2005

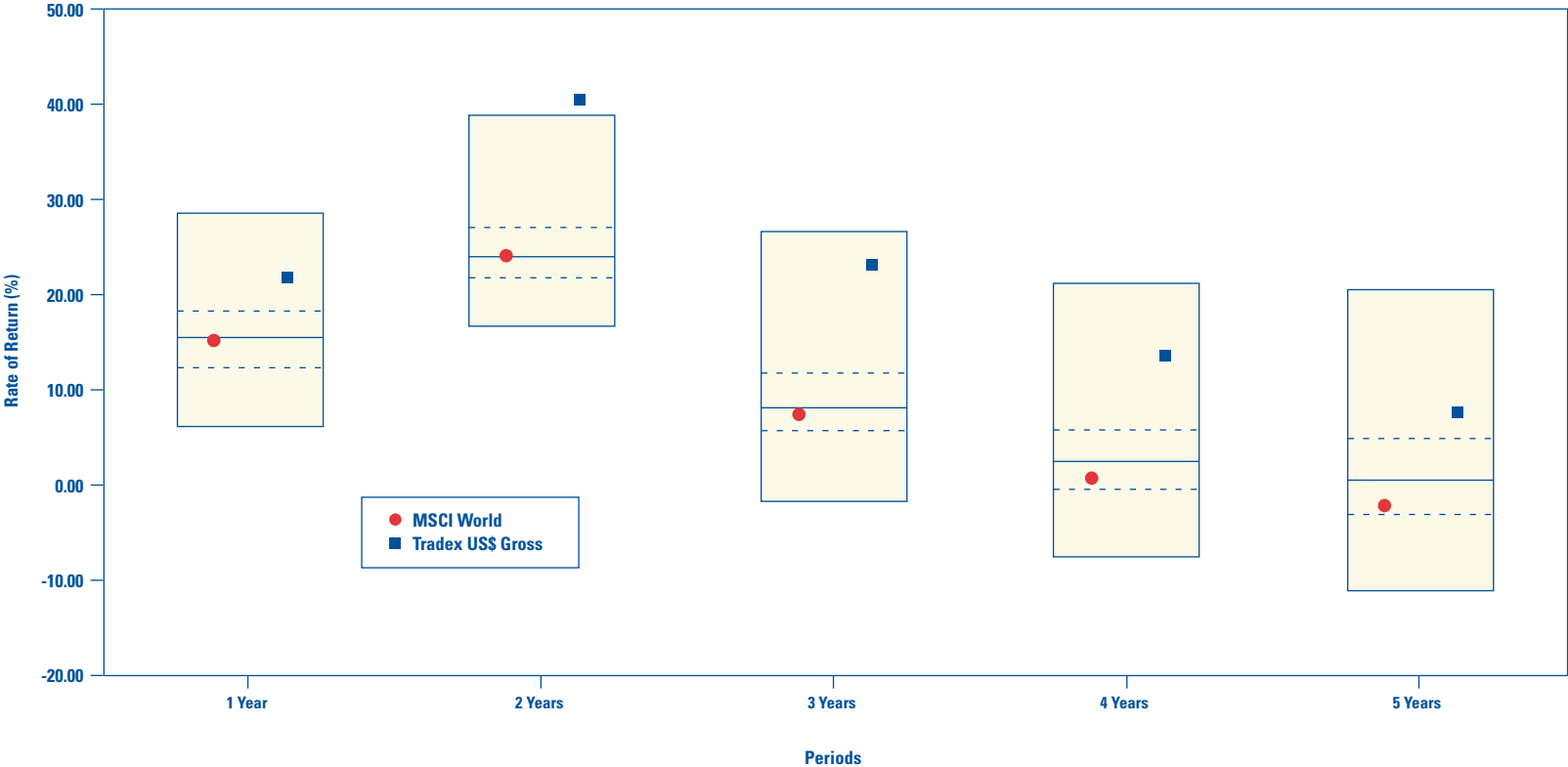


*Rebased from Inception (5.7.99)

Source: CIBC Mellon, MSCI

World Equity Portfolios

Ending December 31, 2004



Source: Frank Russell Company

Tradex Global Equity Fund Country Allocation Compared with the MSCI World Index

As at March 31, 2005

Country	Tradex	MSCI World Index	Country	Tradex	MSCI World Index
AUSTRIA	0.0	0.2	AUSTRALIA	3.7	2.4
BELGIUM	0.0	0.6	HONG KONG	4.5	0.7
DENMARK	0.0	0.4	JAPAN	30.0	9.6
FINLAND	0.0	0.6	NEW ZEALAND	0.0	0.1
FRANCE	0.2	4.3	SINGAPORE	0.2	0.4
GERMANY	0.0	3.1	INDIA	1.0	0.0
GREECE	0.0	0.3	INDONESIA	0.2	0.0
IRELAND	0.0	0.4	SRI LANKA	1.1	0.0
ITALY	0.0	1.8	THAILAND	0.1	0.0
NETHERLANDS	0.0	2.2	TOTAL ASIA	40.7	13.2
NORWAY	0.2	0.3	ISRAEL	0.1	0.0
PORTUGAL	0.0	0.2	SOUTH AFRICA	7.7	0.0
SPAIN	0.0	1.8	TOTAL ME&AF	7.8	0.0
SWEDEN	0.1	1.1	CANADA	2.3	3.0
SWITZERLAND	0.0	3.1	USA	16.9	52.1
UK	15.1	11.3	TOTAL N. AMERICA	19.1	55.1
TOTAL DEV. EUROPE	15.7	31.7	Other	8.9	0.0
POLAND	0.1	0.0	Net Receipts (including cash)	5.2	0.0
RUSSIA	0.6	0.0	Total	100.0	100.0
OTHER EUROPE	1.8	0.0			
TOTAL EM EUROPE	2.5	0.0			

Source: City of London Investment Management, S&P/IFC

Tradex Global Equity Fund

Portfolio Holdings

March 31, 2005

Fund	% Total Fund	Fund	% Total Fund
JP MORGAN FLEMING JAPANESE SMALLER INV	9.3	FOREIGN & COLONIAL IT	3.4
FLEMING JAPANESE INVESTMENT	9.0	JP MORGAN OVERSEAS INVESTMENT	2.5
INVESCO JAPAN DISCOVERY	8.7	LEUCADIA NATIONAL CORP	2.3
GOLDEN PROSPECT PLC	8.0	FLEMING AMERICAN INVESTMENT	2.3
CANADIAN WORLD FUND	7.8	SCOTTISH MORTGAGE	1.9
RESOURCES INVESTMENT TRUST	7.7	SCOTTISH INVESTMENT TRUST	1.9
ASA LIMITED	7.6	BAILLIE GIFFORD SHIN NIPPON	1.8
WHEELOCK	4.3	TEA PLANTATIONS INVESTMENT	1.5
JUBILEE INVESTMENT TRUST PLC	4.0	SALOMON BROTHERS FUND INC	1.4
VALUE & INCOME TRUST	3.8	DUNDEE PRECIOUS METALS INC	1.2
CENTRAL SECS CORP	3.6	SCUDDER GLOBAL COMMODITIES FD	0.8

Net Receipts (including cash)	5.2%
Total	100.0%

Numbers are rounded and may not equal 100

Investment Guidelines

- ▶ **We generally remain fully invested**
- ▶ **Maximum 25%** in cash
- ▶ **Benchmark** - MSCI World Total Return Index in CAD
- ▶ **Maximum 20%** of the portfolio in non-developed markets
- ▶ The US can represent no more than **1.5 times** index weight
- ▶ **Maximum 10%** in single fund based on book value
- ▶ Can hedge **foreign currency** when appropriate
- ▶ **No leverage**
- ▶ **No investment in unlisted funds**
- ▶ **No short selling**

Important Notice

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