

Fund	<b>Income</b>	Investment Geographic	<b>International</b>
Size (net)	<b>\$3,327,127.76</b>	Minimum Investment	<b>\$5,000; \$200 Month</b>
Fund Manager	<b>Socrates Fund Management</b>	Management Fees	<b>0.50%</b>
Fund Administrator	<b>MMC</b>	Performance Fees	<b>NIL</b>
Portfolio Manager	<b>Charles Drace</b>	Entry Fees	<b>2%</b>
Fund Type	<b>P.I.E. Unit Trust</b>	Investments	<b>Monthly</b>
Investment Strategy	<b>Commodity Bias International</b>	Redemptions	<b>Monthly; notify by the 15th</b>

The Income Unit Trust lost .66% for the month in face of the New Zealand dollar going up by over 1%, so without the rise in the dollar the Income fund would have been in positive territory. Most of the gains came from our oil related income stocks.

During the month we tightened up our stops as the sideways movement in most markets meant that the markets were either going to break up or down and we wanted the protection from the down part.

We also believe there's a much more positive attitude towards gold, silver and oil so we took the opportunity to increase our exposure to all three. We continued to hold more than the normal amount of cash.

In March we bought Ultra [double] positions in gold and silver twice, on dips in the prices of gold and silver. We also bought income paying Silver Wheaton which earns royalties from many silver mining companies and some more silver bullion through the Swiss Silver ETF [bullion stored in the main Swiss gold vault under the Zurich airport.

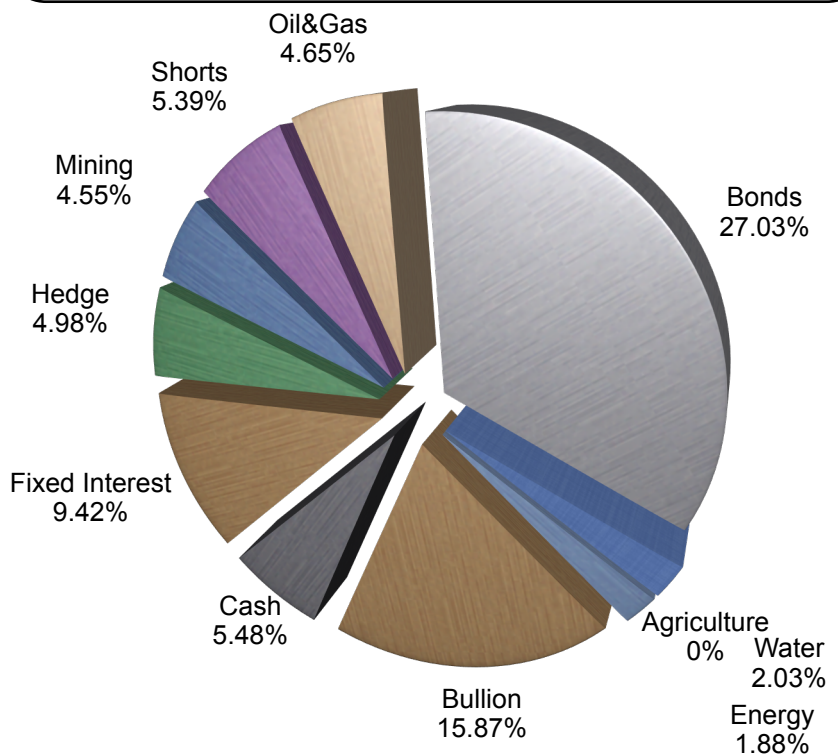
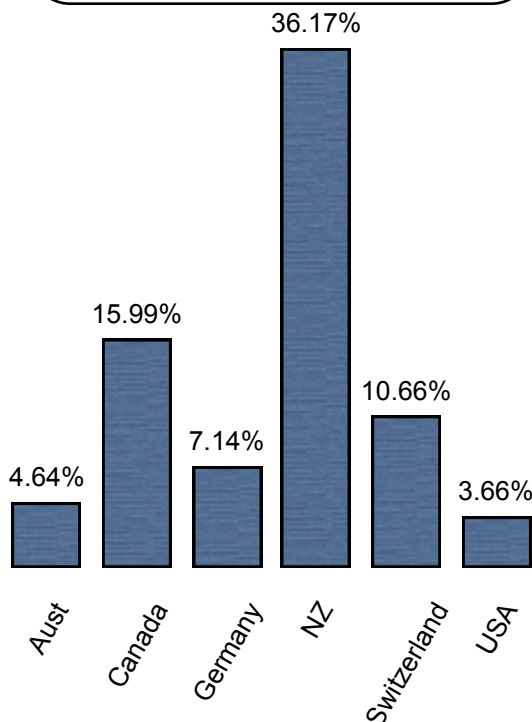
We also bought oil and gas related Total SA [France], Penn Virginia and Enterprise Products Partners which all pay good dividends. Plus the Powershares DB Oil ETF which rises and falls with the price of oil.

**Performance to March 2011**  
*After Fees and Taxes*

Month to Date	<b>-0.66%</b>
Quarter to date	<b>0.58%</b>
Year to Date	<b>-1.02%</b>
12 Month Return	<b>-1.02%</b>
3 Year Return	<b>-21.66%</b>
Since Inception (Annualised)	<b>-3.56%</b>

**Ten Largest Positions held in the fund**

NZ Post	iShares eb.rexxi Government Ge
ETFs Trust Physical Swiss Gold	Craigs Cash
Sprott Physical Gold Trust	Equitable Debentures
Pure Capital	Aust Govt Bond 15/04/2012
Prometheus	WestShore Stapled Units



Mar 2011	Feb 2011	Jan 2011	Dec 2010	Nov 2010	Oct 2010	Sep 2010	Aug 2010	Jul 2010	Jun 2010	May 2010	Apr 2010
\$0.8152	\$0.8206	\$0.7875	\$0.8105	\$0.8269	\$0.8008	\$0.8103	\$0.8094	\$0.7974	\$0.8323	\$0.8455	\$0.8258