

Fund	Income	Investment Geographic	International
Size (net)	\$3,139,219.36	Minimum Investment	\$5,000; \$200 Month
Fund Manager	Socrates Fund Management	Management Fees	0.50%
Fund Administrator	MMc	Performance Fees	NIL
Portfolio Manager	Charles Drace	Entry Fees	2%
Fund Type	P.I.E. Unit Trust	Investments	Monthly
Investment Strategy	Commodity Bias International	Redemptions	Monthly; notify by the 15th

The Income Unit Trust lost 2.75% for the month of July and is down 5.93% for the year. It's interesting to see the more aggressive Performance and Gold & Metals funds outperforming the conservative Income fund during these volatile times. We take more risks managing the Performance and G&M funds and our risk taking seems to work better than playing it too safe. Things would have been worse without our gold, oil and short positions.

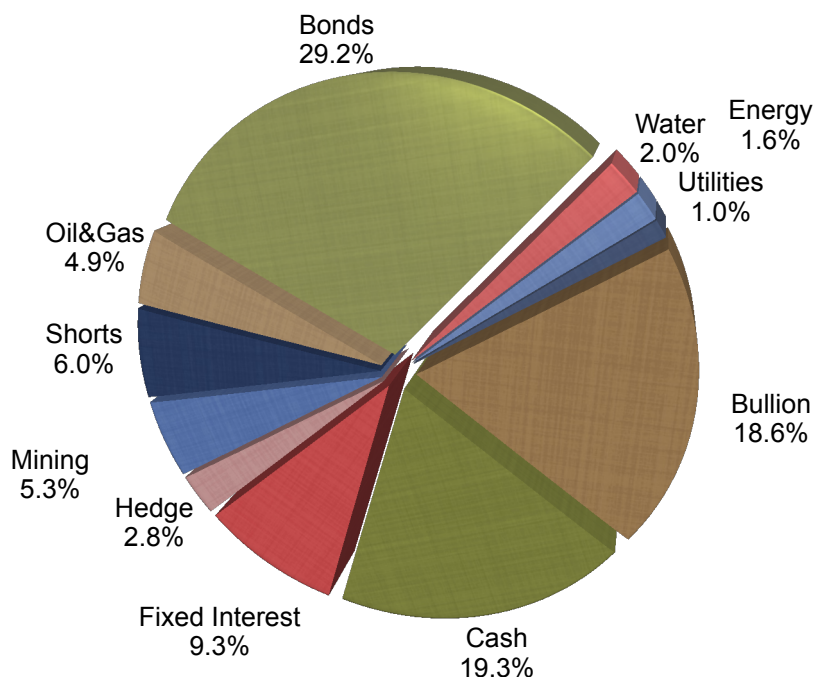
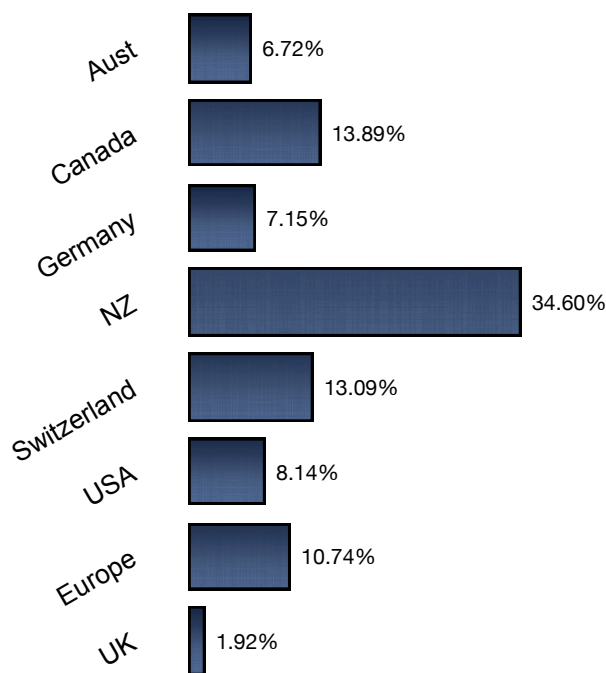
We added three short duration high yield Euro based corporate bonds to the portfolio and a short US gov't bond position during the month. We also added three mining company Exchange Traded Funds [ETFs] and a leveraged silver position. We were stopped out of the silver ETFs and oil in late July or early August when the market tumbled.

Performance to July 31st 2011
After Fees and Taxes

Month to Date	-2.75%
12 Month Return	-5.93%
Since Inception (Annualised)	-4.95%

Ten Largest Positions held in the fund

Jyske Cash	NZ Post
Craigs Cash	ETFs Gold Trust Physical Swiss
iShares eb.rexxi Government Ge	Sprott Physical Gold Trust
Equitable Debentures	Prometheus
Aust Govt Bond 15/04/2012	Auckland City Council



July 2011	June 2011	May 2011	Apr 2011	Mar 2011	Feb 2011	Jan 2011	Dec 2010	Nov 2010	Oct 2010	Sep 2010	Aug 2010
\$0.7793	\$0.7713	\$0.7824	\$0.8172	\$0.8152	\$0.8206	\$0.7875	\$0.8105	\$0.8269	\$0.8008	\$0.8103	\$0.8094