

WORLD MARKETS The past few weeks have seen a strong bull run with new highs being achieved by the Dow and S&P. There have been a couple of retreats from the highs whenever concerns over the European debt situation recur. Nevertheless, most investors who have a good spread of investments should be seeing better valuations now than at the turn of the year.

GOLD SINKS AND REBOUNDS It isn't long ago analysts were predicting that, with all the money-printing going on and the low interest environment, the price of gold could hit \$2,000 an ounce. At one point earlier this month it had sunk over 20% since its highs but it did partly rebound last week. Why the reversal? After the event there is no shortage of explanations. These include an expectation that monetary easing may be slowing down, the price of oil (which often moves in line with gold) is falling and fears that the announced sell-off of gold reserves by Cyprus to meet its debts could be copied by other European governments.

While such falls often lead to panic selling there are contrarian views that believe gold could rise sharply again. Among these are many Japanese who feel that gold is still a good hedge against a Yen which pays no interest and is at risk of falling due to their government's new economic policies. Other investors and the jewelry trade are taking advantage of the current low prices. For anyone who does not hold gold in any form in their portfolios this could be a good buying opportunity. However, there is still a risk the gold price might trend lower again. You can access gold via a bullion or mining fund or can buy coins / bars through dealers, including a facility in London which will also insure and store the gold.

LOW COST PENSION TRANSFERS Since the principle of pension transfers for expatriates was established by the British government in 2006 thousands of pensions have been transferred from the UK into QROPS. Benefits include:

- Passing on control so that the holder can choose how to manage the scheme.
- Choosing a different currency if preferred.
- Little or no income tax liability depending on the QROPS jurisdiction.
- Elimination of inheritance tax liability.

One of the issues has been that schemes have tended to be fairly expensive, since they need a trust arrangement in addition to an investment vehicle. However, relatively inexpensive schemes are now being offered that are suitable for pensions valued as low as £30,000. Details on request.

LATEST STATUS OF AXIOM AND LM In the case of Axiom, receivers Grant Thornton are well into the process of evaluating the state of the fund and the supposed 37,000 loans to law firms. They have cautioned that the process could be a slow one but have also indicated that they are looking at a wide range of options. They have also confirmed that as part of their remit they would be free to seek redress from third parties where appropriate. A first meeting of shareholders will be held in London in May to appoint an Investors Committee which will basically monitor the progress of the receivers.

LM Investment Management Limited abruptly announced recently that it was going into Voluntary Administration due to potential liquidity issues. They appointed FTI Consulting to take over the reins of all eight of its funds. Since then the Supreme Court of Queensland has transferred control of the largest fund, the Managed Performance Fund and its assets, to KordaMentha and Calibre Capital, a real estate funds management firm with offices in Brisbane, Sydney and Melbourne. We will continue to monitor both situations closely.

MEDICAL INSURANCE – BEWARE OF SHORT CUTS There is no question that international medical insurance is expensive. The companies themselves have been struggling with profit margins but recently offers have been circulating from new companies offering cut-price and fixed premiums. While they may be genuine, I would advise caution. It is very easy for insurance companies to collect premiums; what is critical is whether they have the financial strength to respond to claims. Buyer beware!

NEW ISSUE OF STANDARD BANK QUANTUM PLUS While no investment or even bank deposit is free of risk, there are some products that provide a high degree of protection with the potential also of an upside. The quid-pro-quo of such investments is a commitment to tie up your cash for a given time. However if you have idle cash, 50% of which you can lock up for one year and the remaining 50% for a further four and a half years then it is worth looking at Standard Bank's Quantum Plus Series 11. This pays 3% on USD and GBP or 10% on AUD in the first year and a payment on maturity linked to the respective stock market index on the second half of the deposit. Should the index fall over the period the capital is still protected. You also have the protection of the Isle of Man Depositors Compensation Scheme. If you already have an account with Standard it requires just a simple transfer. Otherwise it will be necessary to open an account.

HARWELL VENTURE CAPITAL ISSUES CLOSE SHORTLY While unforeseen risks have emerged in many investments and even bank accounts over the years, particularly since the 2008 financial meltdown, there is one investment offering which we can state up front has the potential to lose 100% of investors' money and it comes from Harwell Capital. This company promotes projects on behalf of Midven, a UK government chosen venture capital group, that invests in companies spun off from British Government research laboratories and top universities in the clean/green tech sector. Such investments are normally open only to institutional investors but Harwell Capital has made them available to retail investors. The targets that Harwell have to reach are usually achieved in eight to twelve weeks and a minimum investment of £10,000 per company is now available. Two of the current projects will close in early May but a company that specializes in a revolutionary and economic form of lighting, which has already been introduced at Manchester Airport, remains open until the end of June. Some of Midven's previous projects have returned in excess of ten times the investment over five years and they have had a total of eleven successful exits over twenty years. They also had one project fail and return zero. Not suitable for widows or orphans but an interesting diversion for risk-takers. Details on request.

BUTTONWOOD / CENTAUR - NEW RETAIL ISSUE LAUNCHED 22/04/13 The Centaur series of litigation funds have provided outstanding investment returns to clients over the past three years, with everyone receiving a minimum of 12% to 15% per annum in either USD, AUD or GBP. Some also received major uplifts to their original investment resulting in even higher returns and some have also received the odd win bonus or two. We understand there is a good prospect of the very large APPS case coming to a favourable settlement in the coming months which would lead to a win bonus for holders of the earlier Notes and Units.

The latest issue launched last week is called Centaur Accelerator Series III and will be for a three-year term with an annual interest rate of 12.95%. There could be a further "special" dividend payment on maturity reflecting any increase in the share price. Should the share price fall, the capital is still protected 100%. Minimum investment is AUD\$ 30,000 / £20,000 / US\$30,000. This is much lower than the US\$100,000 minimum with the previous series.

To ensure ample funds are raised to invest in a potential list of cases, this Issue will only be declared open subject to receiving pre-registered subscriptions equivalent to US\$10 million. Once the target is reached funds may then be transferred. All existing investors have received a notice from Buttonwood inviting them to pre-register their interest.

If you are not an existing investor and would like to pre-register you can do so via the following link:

<<http://www.buttonwoodlegalcapital.com/centaur/accelerator/preregistration>>
www.buttonwoodlegalcapital.com/centaur/accelerator/preregistration.

Alternatively we can do so for you based on an e-mailed instruction. You should read the full documentation as per the following links before pre-registration:

<http://www.buttonwoodlegalcapital.com/centaur/CENTAUR_LITIGATION_SPC_MASTER_MEMORANDUM_DATED_18TH_FEBRUARY_2013.pdf>
http://www.buttonwoodlegalcapital.com/centaur/CENTAUR_LITIGATION_SPC_MASTER_MEMORANDUM_DATED_18TH_FEBRUARY_2013.pdf

<http://www.buttonwoodlegalcapital.com/centaur/CENTAUR_INCOME_ACCELERATOR_SERIES_III_SUP_OFFERING_MEMORANDUM.pdf>
http://www.buttonwoodlegalcapital.com/centaur/CENTAUR_INCOME_ACCELERATOR_SERIES_III_SUP_OFFERING_MEMORANDUM.pdf

<http://www.buttonwoodlegalcapital.com/centaur/CENTAUR_INCOME_ACCELERATOR_SERIES_III_EXECUTIVE_SUMMARY.pdf>
http://www.buttonwoodlegalcapital.com/centaur/CENTAUR_INCOME_ACCELERATOR_SERIES_III_EXECUTIVE_SUMMARY.pdf

Investors in the Palladium Series II and Stratum Series IV maturing shortly, will have an opportunity to roll over into the new series without having to go through an encashment process.

Many clients ask me if the investment is risky. I have to say that all investments have risks, and generally speaking the higher the return the

higher the risk. I am personally comfortable with the risk /return element of this investment and continue to be invested personally. However, I do so with full acceptance of the risk factor. One should always bear in mind it is still important to diversify and not place all or most of your eggs in one basket.

Failing to invest and take risks is a risk in itself, as there is no long-term value in paper money!

Description: Eric Jordan