GUINNESS ATKINSON FUNDS

Energy Brief
April 2007
Written by Tim Guinness, Lead Manager of the Global Energy Fund

Welcome to the April 2007 Guinness Atkinson Energy Brief.

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Market Background in March 2007

March saw two big moves in the price of crude oil (WTI). It opened at $61.79 and fell $5.20 (8.4%) over the first 3 weeks' trading to close at $56.59 on March 19th. It then rose over $10 in 10 days to a six-month high of $66.03 on March 29th, before ending the month at $65.87. It has since given back half of that increase, and closed yesterday (April 10th) at $61.89.

Oil price (WTI) 18 months from October 1, 2005 to March 31, 2007

Source:Bloomberg

The fall in the first half of the month was caused by:

- Concerns over global economic growth. The sell-off in world stock markets at the end of February continued into March and provoked fears of a U.S. recession.

- Speculation that OPEC would maintain production levels when it met on March 15th. "I think OPEC will decide not to do anything if prices stay between $50 and $60 a barrel," Qatari Oil Minister Abdullah bin Hamad al-Attiyah said on March 12th. This speculation was correct.

However, more striking was the rapid run-up in the last ten days of the month and this was brought about by:

- Tensions between Iran and the UK. Iranian forces seized 15 Royal Navy sailors and marines in the Gulf on March 23rd, alleging that they had crossed into its territorial waters while searching merchant vessels. WTI spiked on fears that transport of crude oil through the Straits of Hormuz, a narrow waterway between Iran and Oman at the mouth of the Persian Gulf through which a quarter of the world's crude passes, could be disrupted. The sailors were released on April 5th and the price of WTI fell nearly $3.

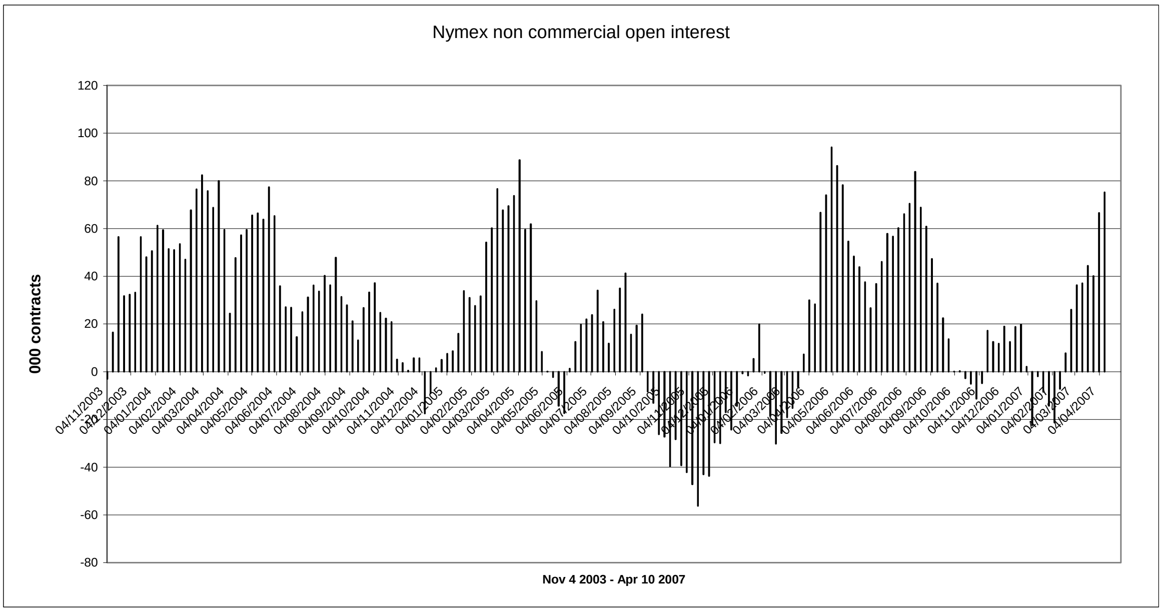
- Demand for gasoline. An Energy Department report on March 23rd showed U.S. gasoline demand at 9.24 million barrels per day, up 2.1% year-on-year. Gasoline supplies fell for a sixth straight week, caused by several refinery shut-ins and fires.

- The IEA report. Figures released on March 13th showed that oil inventories in OECD countries fell by more than 1.26 million barrels a day during the first two months of the year because of cold weather and OPEC cuts. The numbers released in April confirmed this.

Speculative positions

After a significant swing in February, March saw less activity in the Nymex non-commercial open positions. The open position moved from 26,000 to 40,000 contracts long over the month. However, I wrote last month that "it will be interesting to see whether this (open long position) is extended in the run-up to the US driving season" and the most recent data shows that it has been. The figures released on April 10th showed that the open position had moved to 75,000 contracts long. This is near the top end of the range in which it has fluctuated in recent years, and may be a symptom of the spread which has opened up between WTI and other benchmark crudes. Demand for WTI at Cushing has been dented by the shut-in at Valero's McKee refinery amongst others, and has held back the price of WTI artificially. If this long position unwinds there could be significant downward pressure on the oil price.

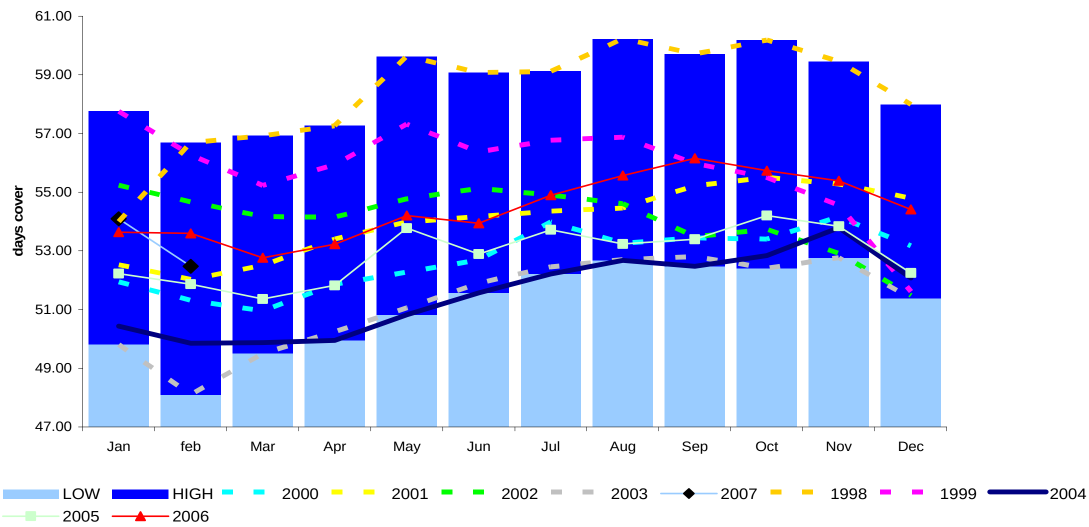
Non Commercial net futures – Nymex crude oil contracts
Nov 4, 2003 – March 31, 2007



Source: Bloomberg/Nymex

As far as broad inventory statistics are concerned (and hence "tightness" of the market) the February OECD total crude and product number published in April by the IEA showed a fall of 80.5 million barrels, following a small fall of 8.6 million barrels in January. When expressed as number of days of demand (52.5 days) we see that the market is well below last year's number (53.6 days) but around the mid-point of the tight/loose spread of the last 10 years. The OPEC cuts have clearly tightened the market and should continue to support the oil price in the short term.

OECD Total Product and Crude Inventories – Monthly 1998 to February 2007



Source: IEA Oil market report

Gas Price ($/mcf)

The gas price remained relatively strong in March, in the face of milder late winter weather. It opened at $7.23/Mcf and dipped down as low as $6.70 on March 19th on announcement of a unseasonal build in the gas storage before recovering to end the month at $7.50. I forecast in January that we were on course to end the winter withdrawal season with approximately 1,500 Bcf in storage and this looks quite accurate. Storage was at 1,511 Bcf on March 23rd and a build last week has taken it up to 1,569 Bcf with further injections forecast. However, as I have said, we must not lose sight of the fact that 1,511 Bcf, though well below April 2006 levels (1,695 Bcf), would still represent the second highest level since 1994.

With the end of the withdrawal period rapidly approaching, attention will soon turn to the storage injections. It will be interesting to see whether 2 Tcf will be replaced: last year, for example, the hot summer and subsequently small injections (gas was needed for air conditioning) meant that only 1,755 Bcf went into storage between April and November. Were that to happen again, we could start next winter with only 3.3 Tcf in storage, though this is, of course, very speculative and weather dependent.

Henry Hub Gas price 18 months October 1, 2005 to March 31, 2007

Source:Bloomberg

The weather is not the only factor which affects the gas price. It is also important to observe the interplay between the four moving parts which act on this commodity – extra demand from switching either oil to gas (heating) or coal and nuclear to gas (electricity generation) when the gas price is low; falling production in the Gulf of Mexico; rising production on shore U.S. driven by high levels of unconventional gas drilling; and LNG imports.

The chart of the U.S. natural gas price against heating oil (No2) , residual fuel oil (No5) and coal (Sandy Barge) (adjusted for transport and environmental costs) shows how coal and residual fuel oil switching provide a floor and heating oil a ceiling to the natural gas price:

Natural gas price (black) vs Heating Oil (dark blue) and Residual fuel oil (light blue) and Sandy Barge (adjusted) (magenta) 2000 – 2007

Source:Bloomberg

Oil & gas equities

The main index of oil and gas stocks, the MSCI World Energy Index, was up 5.67% over the month. This was a very welcome rise after a sharp decline at the beginning of the year and another at the end of February, and meant that the index was up 1.16% over the first quarter.

Fund Performance Review

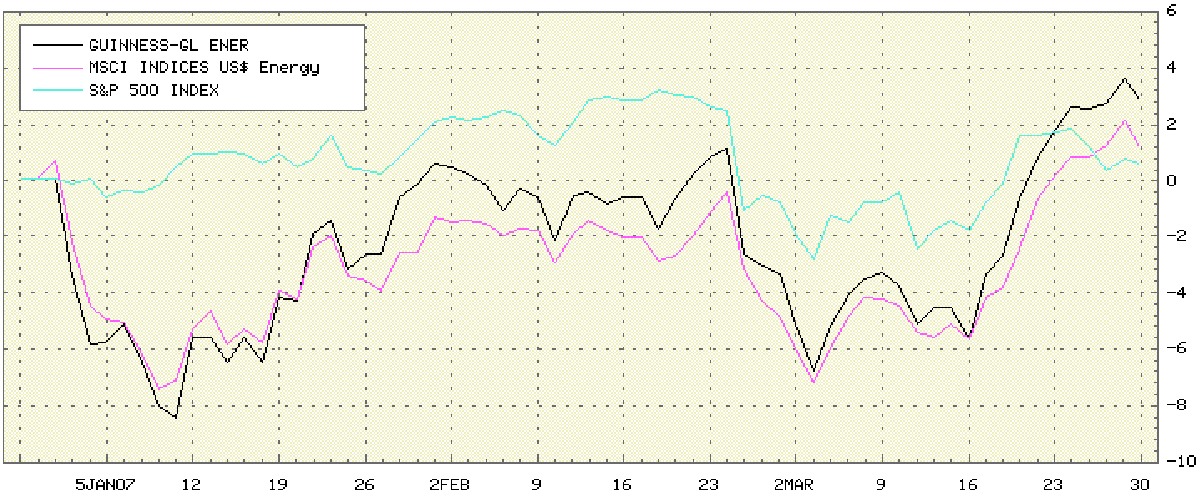
The Fund rose 6.06% in March and thus outperformed the Index by 0.39%. Over the first quarter the fund was up 2.86%, an outperformance of 1.70% versus the index. Within the Fund, March’s stronger performers were Todco, OMV, Helix, Tesoro and Pioneer Natural Resources. Poorer performers were Plains, Peabody, Patterson UTI, Whiting and Royal Dutch Shell.

Energy Fund vs S&P500 and MSCI Energy Index YTD to March 31, 2007

Range 12/29/06 - 3/30/07 Period D Daily 91 Day Period

	Securities	Crncy	Prc Appr	Total Ret	Difference	Annual Eq
1	GAGEX US Equity	USD	2.86 %	2.86 %	1.70 %	11.97 %
2	MSGUENR Index	USD	1.16 %	1.16 %*		4.75 %
3	SPX Index	USD	.18 %	.64 %	-.52 %	2.59 %

(* = No dividends or coupons)



Source: Bloomberg

Performance as of March 31, 2007

Inception date June 30 2004	**Q4 2006**	**Q1 2007**	**Last 2 years (annualised)**	**Full Year 2005**	**Full Year 2006**	**Inception to end 2006 (annualised)**	**Since Inception (annualised)**
Global Energy Fund	**8.92%**	**2.86%**	**27.66%**	**63.99%**	**9.80%**	**37.02%**	**34.53%**
MSCI Energy Index*	**8.50%**	**1.16%**	**15.69%**	**26.20%**	**15.80%**	**23.51%**	**21.68%**
S&P 500 Index	**6.70%**	**0.64%**	**11.74%**	**4.91%**	**15.79%**	**11.14%**	**10.34%**

Expense Ratio 1.38% gross; 1.45% net

Source: Bloomberg
*no dividends

Performance data quoted represent past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. For most recent month-end and quarter-end performance, visit www.gafunds.com/performance.asp or call (800) 915-6566.

As stated in the prospectus dated April 30, 2006, the advisor is contractually obligated to cap the Fund's total expenses at 1.45% through June 30, 2008.

The Fund imposes a 2% redemption fee on shares held for less than 30 days. For each Fund the total returns reflect a fee waiver in effect and in the absence of this waiver, the total returns would be lower.

Performance data does not reflect the redemption fee and, if deducted the fee would reduce the performance noted.

Buys/Sells

We made no changes to the portfolio in March.

The following table shows the asset allocation at various dates since end December 2004.

%s	31 Dec 2004	31 Dec 2005	31 Dec 2006	31 March 2007	Change 2007
Integrated	23.5	20.6	23.8	26.8	+3.0
E&P Refining	7.3	6.9	6.7	3.3	-3.4
Subtotal integrated	**30.8**	**27.5**	**30.5**	**30.1**	**-0.4**
Emerging Mkts	16.4	14.8	11.6	11.7	+0.1
Emerging Markets	**16.4**	**14.8**	**11.6**	**11.7**	**+0.1**
E&P Oil Sands	19.1	17.7	17.6	17.1	-0.5
E&P	25.2	27.3	17.4	17.4	-
Sub total E&P	**44.3**	**45.0**	**35.0**	**34.5**	**-0.5**
Oil Services & Eqt	4.0	2.3	13.0	13.5	+0.5
Refining	-	7.0	6.6	6.9	+0.3
Other	4.5	3.4	3.3	3.3	-
Total	100	100	100	100.0	-

Market Outlook

The future price of equities of companies involved in the energy business should continue to be determined by evolving perceptions of the likely medium term level of the oil and gas price and the valuation level of energy equities when measured against that.

Equity valuation
While it is hard to be precise, the current price of energy equities reflects a medium / long term oil price of around $50/bbl. You can make a rough calculation that takes the 2006 Price Earnings ratio of this Fund (10.9X) which reflected earnings when the oil price was $66 and works out what oil price would reduce earnings by 32% and so put the Fund on the same PER as the broad market currently (the S&P500 on 16.0X 2007). Today that is $51.

Oil price outlook

Supply and Demand Recent Past
Over the five years (2003 – 2007) adjusting for the distortion caused by Angola joining the call on OPEC has grown by 3.7m b/d (see Table), largely driven by strong Asian and U.S. demand. Supply growth has been disappointing due to slowing Russian production growth

and the decline of the mature basins, particularly the North Sea. The Caspian, W Africa, Brazil and the Canadian Oil Sands are not growing fast enough to make up the shortfall.

Estimated Annual World Oil Demand Growth 2000 – 2007

Million Barrels per Day	2000	2001	2002	2003	2004	2005	2006	2007
World demand	76.7	77.4	77.7	79.3	82.3	83.5	84.3	85.8
Non OPEC supply*	45.4	46.1	47.2	48.2	49.2	49.0	49.4	50.4
OPEC NGLs	3.1	3.4	3.7	3.7	4.2	4.5	4.7	4.9
Non-OPEC supply plus OPEC NGLs	48.5	49.5	50.9	51.9	53.4	53.5	54.1	55.3
Call on OPEC	28.2	27.9	26.8	27.4	28.9	30.0	30.2	30.5
Iraq Production	*2.6*	*2.4*	*2.0*	*1.3*	*2.0*	*1.8*	*1.9*	*1.9*
Angola Production	*0.7*	*0.7*	*0.9*	*0.9*	*1.0*	*1.2*	*1.4*	*1.5*
Call on OPEC ex Angola & Iraq	24.9	24.8	23.9	25.2	25.9	27.0	26.9	27.1
World demand growth	0.7	0.7	0.3	1.6	3.0	1.2	0.8	1.5
Non OPEC supply growth	1.2	1.0	1.4	1.0	1.5	0.1	0.6	1.2
Call on OPEC change*	-0.5	-0.3	-0.9	0.6	1.5	1.1	0.2	0.3

Source: IEA Oil Market Report
*Angola switched from non-OPEC to OPEC

OPEC

OPEC's response has been to grow supply in fact by rather more than this as shown below. Indeed from mid-2004 to mid-2006 it fluctuated around 1m b/d over the simple call on OPEC. Some 300 million of these 700-800 million barrels can be accounted for from global stock building and OECD strategic reserve building. The balance reflects either poor data or non OECD strategic reserve building and/or the impact of $10bn-$20bn of investment flows into energy holdings of passive commodity funds (166 million-333 million barrels at $60 per barrel).

As we continue to stress, OPEC is now in centre stage. The effect of the cuts at the end of last year can be seen in the graph below. The 1.2 million barrel a day cuts from November and the 500,000 barrel a day cuts from February have tightened the market, and appear to be supporting the oil price between $55 and $60. The cartel decided to maintain production at current levels at the March meeting in Vienna. The graph shows OPEC production to be below the call on OPEC for the first time since 2003 which might suggest that the market is undersupplied. However, it is important to realise that this data is at best unreliable and always subject to change. It will be interesting to see whether this gap widens in the coming months. OPEC meets next in September.

OPEC apparent production (ex Angola & Iraq) vs Call on OPEC 2000 – 2007

Source: Bloomberg/IEA Oil Market Report

Supply looking Forward

Non-OPEC supply growth trailed world demand growth for four consecutive years from 2003-2006, hence the increased reliance on OPEC supply. In 2007 the IEA estimates that non-OPEC supply growth will grow by 1.0 million barrels per day and that world demand growth will grow by 1.5 million barrels per day, pointing towards another increased call on OPEC. However, the combination of reasonably flat demand for OPEC oil (versus the jump in 2004 and 2005) and OPEC's increased spare capacity (from the cuts in production being made) will require disciplined management from the cartel to ensure its objectives are achieved. We believe the balance of probability is that they will be but we will be monitoring the situation closely like everyone else.

Demand looking forward

The effect on oil demand of a $50-75 oil price will continue to be surprisingly modest. The world can handle a doubled/trebled oil price without difficulty. At $25 it was cheap and its rise by 2X – 3X is neither comparable to the 8X increase in the 1970s nor enough to seriously dampen consumer demand. To this we can add the continuing strong upswing in China (and other emerging economies, notably the Middle East) oil demand driven significantly by growing car ownership. The IEA forecasts an increase in global demand in 2007 of 1.8% over 2006 (previous increases were 0.9% and 1.6% year on year), with Chinese and Middle Eastern demand forecast to increase 6.8% and 5.0% respectively.

Inventory Levels

The recent OPEC cuts have left inventory levels around the midway point of the tight/loose spread (the 10 year high-low range). At this level they ought to support the price around $55-$60, at least in the short term. However, larger inventories are needed as a precaution against disruption as oil supply capacity limits are neared: indeed, the threat of geopolitical interruptions to supply has never been greater, as demonstrated by events in Iran last month. This is to some extent mitigated by the better capacity position implied by OPEC's cuts.

Conclusions

At the beginning of the year I said: "Oil traded between $55 and $65 for the last three months of 2006, and appears to have found a natural trading range around $55-$65" and I think the events of March have shown this to be reasonably accurate. The Iranian situation played itself out and the short term price shock was comfortably absorbed by the market. With the winter coming to an end it should be less the weather and more the movement in the NYMEX non-commercial futures positions as well as the geopolitical situation which will need to be watched. The open position has gone significantly long in the early part of April and as such offers the threat of downwards price pressure if it unwinds. Short term predictions are notoriously dangerous but it would not be surprising to see the price of WTI reconverge with Brent and their prices to settle back towards $60 as the futures position unwinds at the same time as the market evaluates the effect of the OPEC cuts updates on Asian demand growth and non-OPEC production growth.

The oil price (WTI) averaged just over $66 in 2006. For 2007 I would now put the probabilities as very low for a price under $50, 70% $50-70, 30% $70 - 80, and very low over $80.

Current portfolio

The invested fund at March 31st 2007 was on a Price Earnings Ratio (2007) of 11.2X (10.9X 2006) with a median PER (2007) of stocks held of 10.9X. By comparison the S&P500 Index at 1420.86 was on a PER of 16.0X (2007) (*Based on S&P500 earnings per shares estimates of 88.60 (2007).* This is shown in the following table.

	2005	2006	2007
Fund PER	13.1X	10.9X	11.2X
S&P500 PER	20.3X	17.4X	16.0X
Premium +/Discount -	-35.5%	-37.3%	-30.0%
Fund 2005 vs S&P500 2006	-24.7%	Fund 2006 vs S&P500 2007	-31.9%
WTI average	$56.6/barrel	$66.1/barrel	$58.1/barrel (13 weeks)

Portfolio Holdings

Our integrated and similar stock exposure (c.30%) is comprised of a mix of midcap and large-cap stocks. Midcaps are Conoco-Phillips, Statoil, Occidental, OMV, Hess, and Petro Canada. Our three large caps are Royal Dutch Shell, BP and Chevron. The median P/E ratio of this group is 10.2x 2007 earnings, which looks cheap when you consider that Exxon is on 12.1x.

Our E&P and Oil Sands exposure (c.35%) gives us exposure most directly to a rising or sustained high oil price. The stocks with oil sands exposure are Imperial Oil, Encana, Canadian Oil Sands Trust, OPTI Canada, Nexen and Suncor. The pure E&P stocks are all now in the US (Anadarko, Apache, Pioneer Natural Resources, Plains Exploration and Whiting). The metrics behind the stocks held are low PERs (Anadarko & Apache) or low EV/Proven Reserves (Whiting, Plains and Pioneer). Whiting and Plains have above average oil exposure.

We have exposure to a diverse group of Emerging Markets stocks (c.11%). Two, CNOOC and Petrobras, are mainly E&P focused while SASOL is a leader in coal/gas to oil technology. Petrobras is on a very low PE ratio (7.4X 2006) given its growth potential. CNOOC has underperformed compared to Petrochina historically and has similar advantages as a national champion. Sasol is a unique growth stock with significant opportunities to grow from joint ventures, licensing, and using its know-how and experience arising from its pre-eminent position in coal and gas to liquids technology. This growth brings its projected June 2007 earnings multiple down to 9.9X.

We have useful exposure to North American oil service stocks having concluded in late 2005 that a sustained high oil price means the extraordinarily good trading environment for them outweighed concerns we have felt about valuation levels. On estimated 2006 earnings they are all trading between 5.5X and 16.9X. - Global Santafe (16.9X 2006), Patterson UTI (5.5X 2006), Helix (used to be Cal Dive) (12.7X 2006), Ensign (9.4X 2006), Unit Corp (7.5X 2006), and Todco (14.2X 2006).

Of other holdings Peabody gives exposure to steadily improving coal prices if and when higher oil prices drag them up. Their earnings are projected almost to double between 2006 and 2009 and their energy reserves (on a Btu basis) are far greater than Exxon's. Tesoro and Sunoco, our independent refining companies, both look cheap on 9.3X 2006 earnings.

Overall, the Fund continues to seek to be well placed to benefit from a sustained high oil price environment.

Tim Guinness
April 14, 2007

As of February 28th, 2007, the Fund did not hold any shares of EXXON. The Fund's holdings, industry sector weightings and geographic weightings may change at any time due to ongoing portfolio management. References to specific investments and weightings should not be construed as a recommendation by the Fund or Guinness Atkinson Asset Management, Inc. to buy or sell the securities.

Mutual fund investing involves risk and loss of principal is possible. The Fund invests in foreign securities which will involve greater volatility, political, economic and currency risks and differences in accounting methods. The Fund is non-diversified meaning it concentrates its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. The Fund also invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility.

The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The MSCI World Energy Index is an unmanaged index composed of more than 1,400 stocks listed on exchanges in the U.S., Europe, Canada, Australia, New Zealand and the Far East. They assume reinvestment of dividends, capital gains and excludes management fees and expenses. They are not available for investment.

Price to earnings ratio reflects the multiple of earnings at which a stock sells.

This information is authorized for use when preceded or accompanied by a prospectus for the Guinness Atkinson Global Energy Fund. The prospectus contains more complete information, including investment objectives, risks, charges and expenses related to an ongoing investment in the Fund. Please read the prospectus carefully before investing.

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Historical Context
Oil price (WTI) last 18 years. Source: Bloomberg

For the oil market, the period since the Iraq Kuwait war (1990/91) can be divided into two distinct periods: The first 8-year period was broadly characterised by decline. The oil price steadily weakened 1991 - 1993, rallied between 1994 –1996, and then sold off sharply, to test 20 year lows in late 1998. This latter decline was partly induced by a sharp contraction in demand growth from Asia, associated with the Asian crisis, partly by a rapid recovery in Iraq exports after the UN Oil for food deal, and partly by a perceived lack of discipline at OPEC in coping with these developments.

The last 7 1/2 years, by contrast, have seen a much stronger price and upward trend. There was a very strong rally between 1999 and 2000 as OPEC implemented 4 m b/d of production cuts. It was followed by a period of weakness caused by the roll back of these cuts, coinciding with the world economic slowdown, which reduced demand growth and a recovery in Russian exports from depressed levels in the mid 90s that increased supply. OPEC responded rapidly to this during 2001 and reintroduced production cuts that stabilised the market relatively quickly by the end of 2001

Then, in late 2002 early 2003, war in Iraq and a general strike in Venezuela caused the price to spike upward. This was quickly followed by a sharp sell off due to the swift capture of Iraq's Southern oil fields by Allied Forces and expectation that they would win easily. Then higher prices were generated when the anticipated recovery in Iraq production was slow to materialise. This was in mid to end 2003 followed by a much more normal phase with positive factors (china demand; Venezuelan production difficulties; strong world economy) balanced against negative ones (Iraq back to 2.5m b/d; 2Q seasonal demand weakness) with stock levels and speculative activity needing to be monitored closely. OPEC's management skills appeared likely to be the critical determinant in this environment.

By mid 2004 the market had become unsettled by the deteriorating security situation in Iraq and Saudi Arabia and increasingly impressed by the regular upgrades in IEA forecasts of near record world oil demand growth in 2004 caused by a triple demand shock from strong demand simultaneously from China; the developed world (esp USA) and asia ex China. Higher production by OPEC has been one response and there is now some worry that this, if not curbed, together with demand and supply responses to higher prices may cause an oil price sell off. Offsetting this has been an opposite worry that non OPEC production could be within a decade of peaking; a growing view that OPEC would defend $50 oil vigorously; upwards pressure on inventory levels from a move from JIT (just in time) to JIC (just in case); and pressure on futures markets from commodity fund investors.

N American Gas price last 16 years (Henry Hub) (Source: Bloomberg)

On the gas market, the price traded between $1.50 and $3/Mcf for the period 1991 - 1999. This was followed by two significant spikes up to $8-10/Mcf, one in late 2000 and one early in 2003. The spikes were caused by very tight supply situations because there is an underlying problem with supply in the rapid depletion of North American gas reserves. On both occasions, the price spike induced a spurt of drilling which brought the price back down. More recently we have seen another period of very firm (over $5/Mcf) gas prices followed by a hurricane induced spike. North American gas prices are important to many E&P companies. In the short-term, they do not necessarily move in line with the oil price, as the gas market is essentially a local one. (In theory 6 Mcf of gas is equivalent to 1 barrel of oil so $54 per barrel equals $9/Mcf gas). It is a regional market more than a global market because Liquid Natural Gas imports cannot rapidly respond to increased demand because of the high infrastructure spending needed to increase capacity but that is slowly becoming less true as LNG infrastructure is put in place.

Portfolio at March 31, 2007:

Global Energy Fund GAGEX 31st March 2007

Holding	Stock	Country	% of NAV	PER 2006 IBES Median	PER 2007 IBES Median	Sector	31.03.07 Mkt Cap
170,285	BP	UK	3.37	9.86	11.08	Integrated	209.6
54,971	ROYAL DUTCH SHELL	UK	3.45	7.95	9.26	Integrated	214.5
24,626	CHEVRON CORP	US	3.27	9.34	10.15	Integrated	159.6
26,328	CONOCOPHILLIPS	US	3.33	7.02	7.76	Integrated	112.4
37,608	OCCIDENTAL PETE CORP	US	3.36	9.81	11.26	Integrated	41.3
47,430	PETRO-CANADA	Canada	3.38	11.23	9.61	Integrated	19.5
29,133	OMV AG	Austria	3.13	9.98	10.22	Integrated	18.8
68,300	STATOIL	Norway	3.36	9.57	9.66	Integrated	58.9
32,443	HESS CORPORATION	US	3.33	9.89	10.79	E&P/Refining	17.5
21,115	PETROLEO BRASILEIRO	Brazil	3.33	7.41	6.73	Emerging Mkts	104.4
55,547	SASOL	S Africa	3.43	10.99	10.09	Emerging Mkts	20.7
2,116,000	CNOOC	China	3.28	9.65	11.01	Emerging Mkts	38.0
31,759	DRAGON OIL	FSU	0.20	4.52	4.16	Emerging Mkts	1.8
600	IMPERIAL ENERGY CO	FSU	0.02	nm	68.01	Emerging Mkts	1.5
99,000	AFREN	W Africa	0.22	nm	nm	Emerging Mkts	0.2
299,356	SHANDONG MOLONG PE	China	0.25	19.56	12.92	Emerging Mkts	0.3
12,399	SUNCOR ENERGY INC	Canada	1.70	16.44	19.95	E&P/Oil sands	35.0
35,936	ENCANA CORPORATION	Canada	3.37	14.88	13.67	E&P/Oil sands	39.1
48,908	IMPERIAL OIL LTD	Canada	3.37	15.04	14.94	E&P/Oil sands	35.4
37,158	CDN OIL SANDS TRUST	Canada	1.67	15.36	16.26	E&P/Oil sands	11.7
29,941	NEXEN INC	Canada	3.31	17.55	11.21	E&P/Oil sands	16.1
105,088	OPTI CANADA INC	Canada	3.40	nm	389.80	E&P/Oil sands	3.0
42,200	SYNENCO ENERGY	Canada	0.81	169.57	nm	E&P/Oil sands	0.5
26,009	APACHE CORP	US	3.45	9.35	9.83	E&P	23.4
42,770	ANADARKO PETE	US	3.33	7.38	11.39	E&P	19.9
308,000	ENCORE OIL	UK	0.21	nm	nm	E&P	0.1
45,120	PIONEER NATURAL RES	US	3.35	24.41	17.29	E&P	5.3
39,030	PLAINS EXPL & PRODTN	US	3.44	14.56	20.08	E&P	3.3
45,711	WHITING PETE CORP	US	3.42	10.16	19.80	E&P	1.5
364,358	COASTAL ENERGY COM	Canada	0.36	nm	nm	E&P	0.2
6,200	GREY WOLF EXPL	Canada	0.03	21.85	18.21	E&P	0.1
67,091	GRANBY OIL & GAS	UK	0.19	nm	nm	E&P	0.0
28,760	GLOBALSANTAFE CORP	US	3.20	16.95	8.70	Eqt & Services	14.2
77,370	PATTERSON UTI ENERGY	US	3.33	5.53	8.43	Eqt & Services	3.5
49,780	HELIX ENRGY SOLNS	US	3.23	12.73	9.55	Eqt & Services	3.4
35,682	ENSIGN ENERGY SERVCS	Canada	1.11	9.43	11.32	Eqt & Services	2.5
11,810	UNIT CORP	US	1.12	7.49	7.81	Eqt & Services	2.3
14,890	TODCO	US	0.98	14.15	8.80	Eqt & Services	2.3
25,830	SUNOCO INC	US	3.22	9.31	9.69	Refining	8.5
18,410	TESORO CORPORATION	US	3.24	9.31	9.77	Refining	6.9
44,330	PEABODY ENERGY CORP	US	3.46	18.63	15.59	Coal Mining	10.7
	STOCKS		99.00	10.94	11.34		10.7
	CASH		1.00	33.0	33.0		Median
	TOTAL		100	11.02	11.42		