

TI Explicit Alpha Fund

Monthly Letter

April 2007

The TI Explicit Alpha Fund is a global equity fund that seeks to exceed unhedged global sharemarket returns, using stock-picking to establish investments and offsetting short sales in selected companies. Implementation is by way of a global equity index base combined with TechInvest's active market-neutral TI Intercept Capital Fund.

The Fund recorded a post-fee return of +1.07% for the month of April 2007. Since inception on 25 July 2006, the Fund has produced a post-fee return of +9.2% (not annualised) compared with the return from global shares in Australian dollars terms of +11.0% over the same period.

Performance and Structure

The Fund returned +1.07% (after fees) during the month of April 2007, compared with a +1.71% return for global shares (\$A terms). The following table summarises the Fund's holdings.

	% of Net Asset Value
Global Equity Index Securities	100.2%
Cash	-40.3%
TI Intercept Capital Fund	40.1%
Total	100.0%

Note: Cash includes the liability associated with investing in the TI Intercept Capital Fund.

Intercept Capital Fund Investment

Portfolio Composition

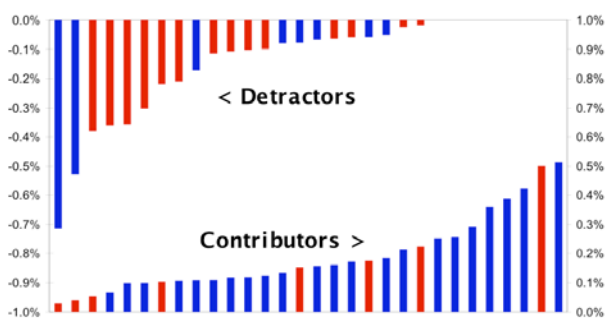
At end April, 79% of the Fund was invested in 29 companies the manager identified as being undervalued. The Fund also included short sales, on a beta adjusted basis, in 23 companies that the manager believed were overvalued which along with index securities, totalled 82% of the Fund.

Security Selection

Long investments were the major contributor to returns in the month; CryptoLogic Inc (long), a software and services provider to the Internet, LSI Corp (short) a provider of semiconductors and storage systems and Sepracor (long), a research-based pharmaceutical company engaged in providing products prescribed principally by primary care physicians. The main detractors for the month were ResMed Inc (long), a maker of medical equipment for dealing with respiratory disorders, Komag Inc (long), that designs, manufactures and markets thin-film media (disks) for disk drives and Vishay Intertechnology Inc (short), a provider of semiconductors and passive electronic components.

The graph below shows performance contributors and detractors on a % of NAV basis, excluding the impact of currency, with shorts shown in red and longs in blue.

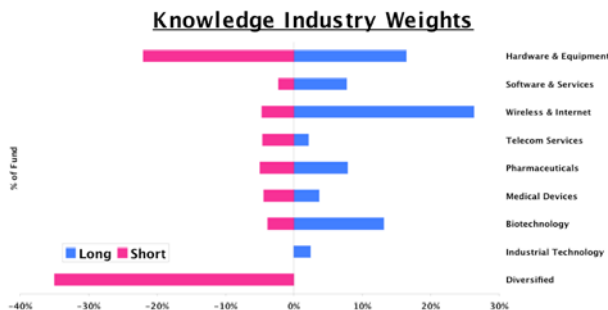
Contribution (% of NAV)



Note: 1. Not all holdings in chart held for entire month.
2. Excludes contribution from any index positions.

Industry Structure

In April, the portfolio favoured Wireless & Internet, with lesser exposure to Biotechnology, Software & Services, Pharmaceuticals and Industrial Technology. A sizable index short position was held during the month as well as net short positions in Hardware & Equipment, Telecom Services and Medical Devices. The following table summarises the structure as at 30 April 2007:



Outlook

Consumer spending continues to grow strongly in the US, despite a slowdown in housing. Sharemarkets have recovered from the sharp retracement in late February and the US dollar has declined against global currencies.

Among the knowledge industries, the biotechnology sector was strong in April, reversing the action of the previous month, while telecommunications and computing showed continued strength.

According to the Economist, broadband subscriptions rose 26% in 1996 to 197 million, with highest per capita penetration in western Europe. However, the US has fallen from first to seventh place in the World Economic Forum's "networked readiness index"; Denmark has the top spot with another four Nordic countries in the top 10.

Apple has sold its 100 millionth iPod since its introduction in November 2001. More than 70% of new cars in the US offer iPod connectivity.

Unit Prices

	Application Price	Net Tangible Assets	Redemption Price
30-Apr 2007	\$1.0950	\$1.0917	\$1.0884
31-Mar 2007	\$1.0834	\$1.0801	\$1.0769
31-Dec 2006	\$1.1088	\$1.1055	\$1.1021
30 Sep 2006	\$1.0593	\$1.0561	\$1.0529
25 Jul 2006	\$1.0030	\$1.0000	\$0.9970

Enquiries

A copy of the Fund's Product Disclosure Statement is available at www.techinvest.com.au or by contacting the Fund's Responsible Entity, Equity Trustees Limited, on (03) 8623 5000. Registry enquiries should be made to Computershare on 1300 553 481 or via email to TechInvest@computershare.com.au.

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