

# Technology Investment Fund

## Monthly Letter

### September 2006



TIF posted an after-fee return of +4.3% for the month of September 2006 and +3.5% calendar year to date. The Net Tangible Asset Backing of the Fund as at 30 September 2006 was \$0.5574 per unit.

#### Performance

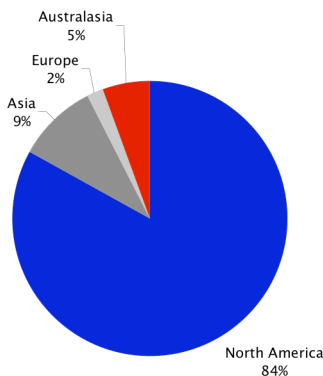
The Fund returned +4.32% (after fees) during the month of September 2006. This compares with a benchmark rate of return of +5.64% for the month (NASDAQ Composite in Australian dollar terms).

#### Portfolio Size and Holdings

The size of the Fund as at 30 September 2006 was \$13.9 million. The largest ten holdings in the TIF portfolio as at the end of September 2006 are shown below:

Company	Sector
America Movil S.A. de C.V.	Wireless & Internet
China Mobile Ltd	Wireless & Internet
Digital River Inc	Wireless & Internet
eBay Inc	Wireless & Internet
Gilead Sciences Inc	Biotechnology
Juniper Networks Inc	Hardware & Equipment
Komag Inc	Hardware & Equipment
OmniVision Technologies Inc	Hardware & Equipment
Pharmanet Development Group Inc	Pharmaceuticals
Salesforce.com Inc	Software & Services

#### Geographic Breakdown (% Equities)



#### Currency Breakdown

Currency	% of Portfolio
Australia dollar	1%
US dollar	99%
Total	100%

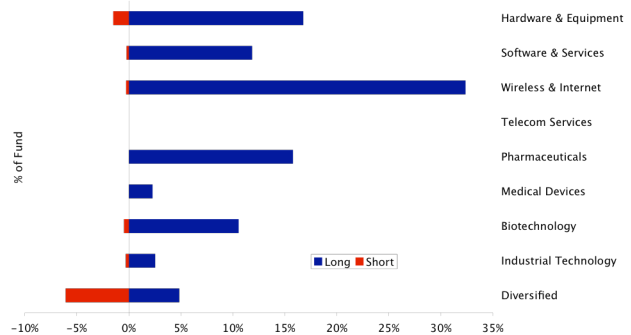
#### Enquiries

For enquiries relating to this communication or the Fund's investments please contact TechInvest on (02) 9223 1821 or via email, [info@techinvest.com.au](mailto:info@techinvest.com.au). For enquires relating to unitholdings and the processing of applications and redemptions please contact Computershare on 1300 553 481 or via email, [TechInvest@computershare.com.au](mailto:TechInvest@computershare.com.au)

#### Industry Breakdown

In September, the portfolio favoured Wireless & Internet, with lower weights in Pharmaceuticals, Hardware & Equipment, Software & Services and Biotechnology. A short index position was held for risk management purposes, as well as small short positions across a number of industries. The following table summarises the structure as at 30 September 2006:

#### Knowledge Industry Weights



#### Industry Overview

Slower global economic growth and an easing in Middle East tensions has seen oil prices soften and commodity prices generally come off their highs. The Fed has stopped raising rates for now and long term interest rates have fallen. This has provided a positive backdrop for equity markets which have risen strongly from their recent lows in July.

Apple has announced its new iPod range and its proposed iTV, the set top box that will retrieve music and video from any Mac over a wireless network and play it on your TV, for shipment in early 2007. Microsoft has responded with its Zune digital media player, pitched to compete with the iPod.

Continuing proof of Moore's Law, Intel has built a prototype processor with 80 floating-point cores that can exchange data at a terabyte per second.

#### Unit Prices

	Buy Price	Net Tangible Assets	Sell Price
30 September 2006	\$0.5591	\$0.5574	\$0.5558
30 June 2006	\$0.5472	\$0.5455	\$0.5439
31 March 2006	\$0.6113	\$0.6094	\$0.6076
30 December 2005	\$0.5402	\$0.5386	\$0.5370
30 September 2005	\$0.5335	\$0.5319	\$0.5303
1 August 2005	\$0.5512	\$0.5495	\$0.5479

Note: The first available unit prices of the Fund, following the transition to an unlisted structure, were dated 1 August 2005. Thereafter, this communication reports unit prices that relate to the last business day of the month.