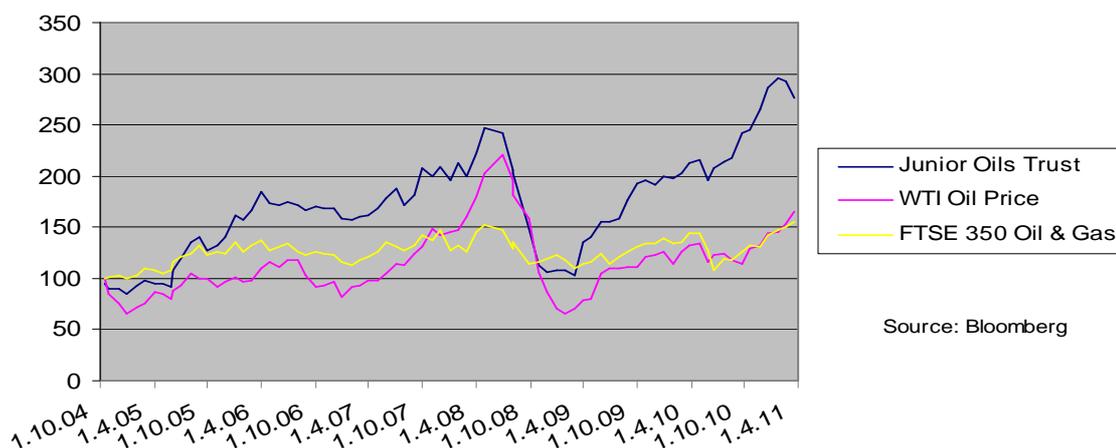


# JUNIOR OILS TRUST

Investing in the oil giants of tomorrow

Performance Update as at 18 May 2011 (all data as at 30 April 2011)

## PERFORMANCE CHART



## KEY FACTS

**Fund Category:** Energy Specialist  
**Charges:** 5.25% Initial, 1.75 % Annual  
**Manager:** Capita Financial Managers Ltd  
**Fund Adviser:** Angelos Damaskos  
**Minimum Investment:** £1,000 or £100 per month  
**Eligible for PEPs and ISAs**  
**Benchmark:** FTSE 350 Oil & Gas Index  
**Net asset value at 30 April 2011:** £66.0 million

## FUND OBJECTIVE

- JOT invests in smaller Oil & Gas exploration and production companies
- Authorised Unit Trust
- Provides exposure to the Energy Super-Cycle

## HOW TO INVEST

Call Capita Financial Managers: **0845 601 7637**  
[www.junioroils.com](http://www.junioroils.com) or  
[www.sectorinvestments.com](http://www.sectorinvestments.com)

## TOP 10 HOLDINGS

Company	%Fund
1. Cooper Energy	5.0%
2. Norse Energy 6.5% 2011	4.9%
3. Soco International	4.7%
4. Caza Oil & Gas	4.2%
5. Encore Oil	3.5%
6. Dragon Oil	3.4%
7. Rocksource	3.2%
8. Oillex Ltd	3.1%
9. Premier Oil	3.0%
10. Amerisur Resources	3.0%

As at 30 April 2011

**Risk Warning:** This material is directed only at persons in the UK and is not an offer or invitation to buy or sell securities. The fund invests in smaller companies some of which are listed on the Alternative Investment Market which may carry a higher degree of risk. The shares of smaller companies may be less liquid and more volatile over shorter term periods. Changes in exchange rates between currencies may cause the value of investments to diminish or increase. Opinion expressed whether in general or both on the performance of individual securities and in a wider economic context represents the views of Sector Investment Managers Ltd at the time of preparation based on SIM's internal analysis which may have not been verified by independent sources. They are subject to change and should not be interpreted as investment advice. Before making an investment in the fund, it is important that you read the Simplified Prospectus which is available free by visiting the websites above. Sector Investment Managers Ltd and Capita Financial Managers Ltd are authorised and regulated by the Financial Services Authority

Dear Investor,

April and early May have been very difficult for commodities investors. Concerns over a slowing Chinese economy, rising inflation and the possible withdrawal of monetary stimuli programmes first caused base metal prices to drop. Early in May, an increase in the margin requirements on silver and oil trading derivatives resulted in the largest one-day drop in prices of these two commodities since the financial crisis of 2008.

We have been positioning the Junior Oils Trust defensively since the beginning of the year expecting increased volatility in both the oil price and the equity markets. With hindsight, this strategy has served the fund well and has provided a cushion to weak share prices. The portfolio of bonds has held its value well and the bias towards companies with large cash reserves and growing production has avoided the excessive volatility of earlier stage situations.

Looking forward, we believe that investors are becoming more risk averse and taking profits in those oil companies that have performed the best recently. Oil prices have declined as speculative traders changed their positions but remain supported by the geo-political unrest in North Africa and the Middle-East even though demand in the developed economies is still weak. We expect increased volatility through the summer with possible stability in the last quarter this year. In a price range of \$85-105/barrel, producing oil companies are making attractive profits. We have taken advantage of recent market weakness to build positions in undervalued opportunities and intend to continue to mobilise the fund's cash reserves as we see compelling opportunities emerge.

Angelos Damaskos  
Chief Executive Officer

***For dealing/inquiries on Junior Oils Trust call  
Capita Financial Managers Ltd tel: 0845 601 7637***

Junior Oils Trust qualifies for PEPs and ISAs  
Further information on JOT at [www.junioroils.com](http://www.junioroils.com)

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