



 TMI LIQUIDITY FUND PLC

31ST OCTOBER 2009

THOMAS  
MILLER  
INVESTMENT

# TMI STERLING LIQUIDITY SUB-FUND

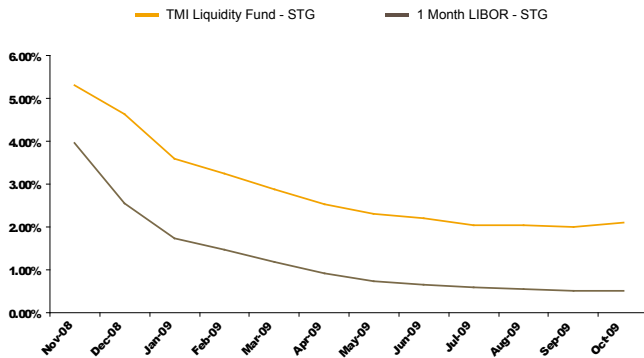
## COMMENTARY

- Money Markets continued to normalise throughout October.
- The Monetary Policy Committee (MPC) left policy rates unchanged at 0.50% and completed the £175bn asset purchase programme in October. Market expectations are for the MPC to announce a further £25bn - £50bn of QE in November.
- LIBOR spreads continued to narrow to the lowest levels of the credit crisis.
- The Weighted Average Maturity (WAM) finished the month at 82.54 days. We continue to look for opportunities to add duration through high quality bonds with a 12 -18 month maturity and in the 9 - 12 month area of the cash curve, targeting a WAM of 95 days.
- The fund once again outperformed its one-month LIBOR benchmark by 159bps, we are pleased that the fund has held up so well versus its falling benchmark and anticipate this elevated level of out performance will continue in the coming months.

## PERFORMANCE - % 1 MONTH RETURNS\*

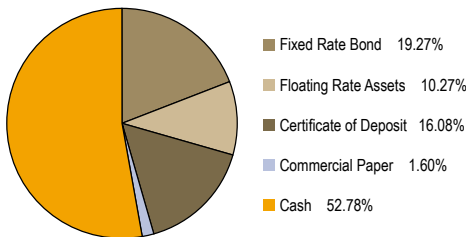
\*Performance is shown Annualised and Net of fees

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
Fund	5.95	5.31	4.63	3.89	3.24	2.87	2.53	2.30	2.20	2.05	2.05	1.99	2.10
1 Month Libor	5.94	3.96	2.56	1.74	1.47	1.18	0.92	0.74	0.66	0.60	0.55	0.51	0.51

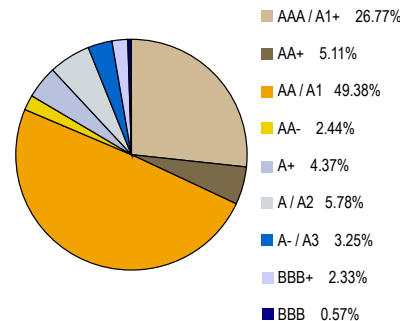


Annualised Net Return % October 2009	Annualised Gross Return % October 2009	12 Month Average (Net of fees) % Fund	12 Month Average (Net of fees) % 1 Month Libor
2.10	2.32	2.91	1.28

## PORTFOLIO BREAKDOWN



## S&P RATINGS



## WEIGHTED AVERAGE MATURITY IN DAYS

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
Fund	94.07	93.10	107.95	96.59	95.78	93.47	89.57	87.65	75.15	77.85	70.04	69.44	82.54

## FUND OBJECTIVE

To maximise current income consistent with the preservation of principal and liquidity by investing in a diversified portfolio of short term debt related instruments.

## FUND DETAILS

Valuation:	£192,406,524
Inception Date:	1st November 2006
Domicile:	Isle of Man
Fund Structure:	OEIC
Benchmark:	1 Month LIBOR
Rating*:	AAAf
Bloomberg:	TMISTLQ
ISIN:	IM00B1GR6141
SEDOL:	B1GR614

\*Standard & Poor's

## INVESTMENT

Price:	£1.00
Initial:	£100,000
Subsequent:	£25,000
Fees:	17.5bps
Valuation Frequency:	Daily
Dealing Deadline:	11.00am
Redemption:	5 business days

## ENQUIRIES

Tel: +44 (0) 1624 645200  
 Email: [info@tmiliquidity.com](mailto:info@tmiliquidity.com)  
 Website: [www.tmiliquidity.com](http://www.tmiliquidity.com)

# TMI US DOLLAR LIQUIDITY SUB-FUND

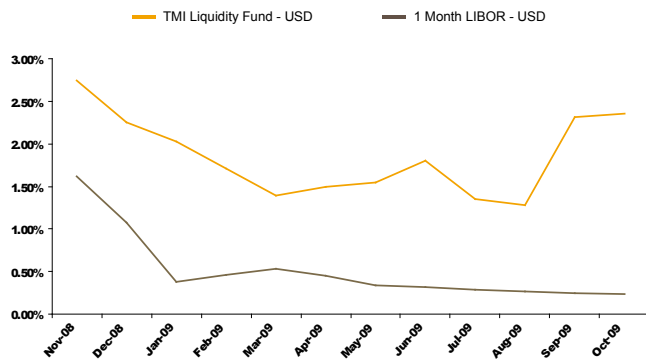
## COMMENTARY

- Money Markets continued to normalise throughout October.
- The Federal Open Market Committee (FOMC) did not meet in October, however the minutes from the September meeting were generally dovish on growth and inflation. Rates remain at the current range of 0.00% to 0.25%.
- LIBOR spreads continued to narrow to all time lows.
- The Weighted Average Maturity (WAM) finished the month at 71.08 days. We continue to look for opportunities to add duration through high quality bonds with a 12 -18 month maturity and in the 9 - 12 month area of the cash curve, targeting a WAM of 80 days.
- The fund once again outperformed its one-month LIBOR benchmark by 212bps, we are pleased that the fund has held up so well versus its falling benchmark and anticipate this elevated level of out performance will continue in the coming months.

## PERFORMANCE - % 1 MONTH RETURNS\*

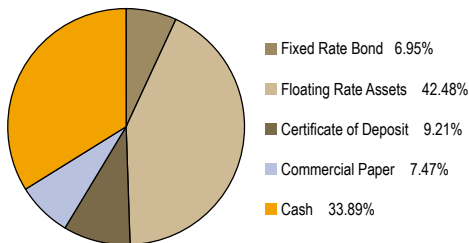
\*Performance is shown Annualised and Net of fees

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
Fund	2.55	2.74	2.25	2.03	1.71	1.39	1.50	1.55	1.80	1.35	1.28	2.31	2.36
1 Month Libor	3.87	1.62	1.08	0.38	0.46	0.53	0.45	0.34	0.32	0.29	0.27	0.25	0.24

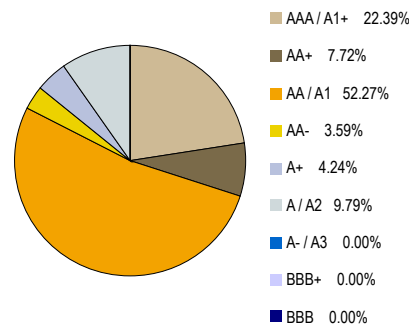


Annualised Net Return % October 2009	Annualised Gross Return % October 2009	12 Month Average (Net of fees) % Fund	12 Month Average (Net of fees) % 1 Month Libor
2.36	2.64	1.86	0.52

## PORTFOLIO BREAKDOWN



## S&P RATINGS



## WEIGHTED AVERAGE MATURITY IN DAYS

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
Fund	78.19	63.06	64.08	74.70	68.62	52.30	73.43	58.49	55.34	66.52	54.52	62.88	71.08

## FUND OBJECTIVE

To maximise current income consistent with the preservation of principal and liquidity by investing in a diversified portfolio of short term debt related instruments.

## FUND DETAILS

Valuation:	\$152,978,517
Inception Date:	1st November 2006
Domicile:	Isle of Man
Fund Structure:	OEIC
Benchmark:	1 Month LIBOR
Rating*:	AAAf
Bloomberg:	TMIUSLQ
ISIN:	IM00B1GR7P51
SEDOL:	B1GR67P5

\*Standard & Poor's

## INVESTMENT

Price:	\$1.00
Initial:	\$100,000
Subsequent:	\$25,000
Fees:	17.5bps
Valuation Frequency:	Daily
Dealing Deadline:	11.00am
Redemption:	5 business days

## ENQUIRIES

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 Email: [info@tmiliquidity.com](mailto:info@tmiliquidity.com)  
 Website: [www.tmiliquidity.com](http://www.tmiliquidity.com)

# TMI EURO LIQUIDITY SUB-FUND

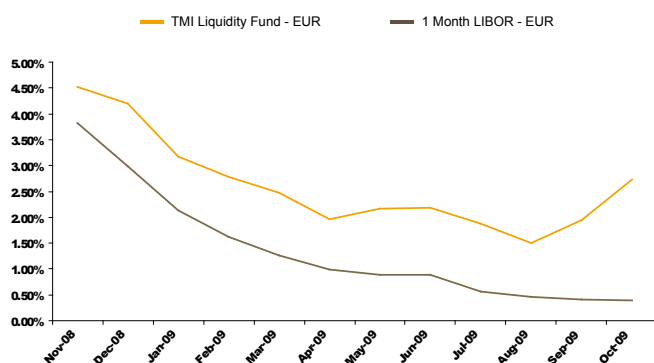
## COMMENTARY

- Money Markets continued to normalise throughout October.
- The European Central Bank (ECB) held rates at 1% as expected but with a more hawkish tone to the accompanying statement.
- LIBOR spreads continued to narrow to the lowest levels of the credit crisis.
- The Weighted Average Maturity (WAM) finished the month at 53.50 days. We continue to look for opportunities to add duration through high quality bonds with a 12 -18 month maturity and in the 9 - 12 month area of the cash curve, targeting a WAM of 75 days.
- The fund once again outperformed its one-month LIBOR benchmark by 234bps, we are pleased that the fund has held up so well versus its falling benchmark and anticipate this elevated level of out performance will continue in the coming months.

## PERFORMANCE - % 1 MONTH RETURNS\*

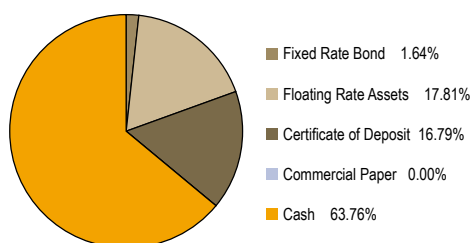
\*Performance is shown Annualised and Net of fees

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
Fund	4.37	4.53	4.19	3.18	2.79	2.47	1.96	2.16	2.19	1.88	1.50	1.94	2.73
1 Month Libor	4.83	3.82	2.98	2.13	1.62	1.26	0.99	0.88	0.89	0.57	0.46	0.41	0.39

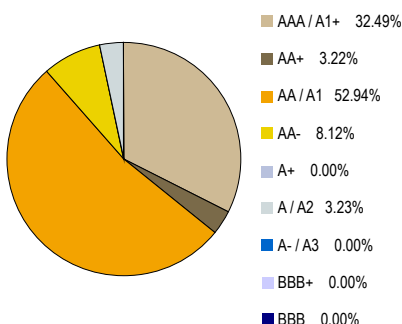


Annualised Net Return % October 2009	Annualised Gross Return % October 2009	12 Month Average (Net of fees) % Fund	12 Month Average (Net of fees) % 1 Month Libor
2.73	3.02	2.63	1.37

## PORTFOLIO BREAKDOWN



## S&P RATINGS



## WEIGHTED AVERAGE MATURITY IN DAYS

	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09
Fund	91.46	66.90	59.56	45.60	51.03	50.15	54.48	74.50	54.67	43.58	44.90	34.15	53.50

## FUND OBJECTIVE

To maximise current income consistent with the preservation of principal and liquidity by investing in a diversified portfolio of short term debt related instruments.

## FUND DETAILS

Valuation:	€31,020,961
Inception Date:	1st April 2008
Domicile:	Isle of Man
Fund Structure:	OEIC
Benchmark:	1 Month LIBOR
Rating*:	AAAf
Bloomberg:	TMIEULQ
ISIN:	IM00B3BJC882
SEDOL:	B3BJC88

\*Standard & Poor's

## INVESTMENT

Price:	€1.00
Initial:	€100,000
Subsequent:	€25,000
Fees:	17.5bps
Valuation Frequency:	Daily
Dealing Deadline:	11.00am
Redemption:	5 business days

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## TMI LIQUIDITY FUND PLC

### DISCLAIMER

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Standard & Poor's Fund Ratings represent an opinion only, not a recommendation to buy or sell.

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##### Christopher Smith

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