

GCA Greater China Fund – October 2007 -0.35%¹ (Month 23)

Monthly Summary of Net Returns (%)¹

GCAGC	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2.62	2.62
2006	3.61	3.72	6.25	1.96	-0.58	-2.56	-0.39	-0.20	2.13	3.10	3.22	2.31	24.69
2007	2.60	3.49	-0.98	2.28	1.83	5.86	8.22	1.54	5.98	-0.35			34.52

Performance Summary – October 2007

Return Data ¹ :	GCAGC	MSCI Golden Dragon	S&P 500
NAV per share (\$)	1,721.30	200.66	1,549.38
Monthly Return (%)	-0.35	11.73	1.48
YTD Return (%)	34.52	53.84	9.24
Best Month (%)	8.22	13.74	4.33
Worst Month (%)	-2.56	-6.51	-3.20
Since Inception Return (%)	72.13	116.37	24.00
Annualized Since Inception Return (%)	32.76	49.58	11.88
Risk/Return:			
Sharpe Ratio (x) ²	3.21	2.93	1.04
Ann. Std Deviation (%)	8.97	16.21	7.00
Max Drawdown (%)	-3.70	-7.91	-4.92
% Positive Months	73.91	78.26	78.26
Market Correlation	1.0	0.888	0.025
Exposure:	% NAV		
Long	81.96	n/a	n/a
Short	0	n/a	n/a
Gross	81.96	n/a	n/a
Net	81.96	n/a	n/a
Cash	22.95	n/a	n/a
Gross Assets	104.91	n/a	n/a
Risk Indicators:	% NAV		
1 day 95% VAR ³	1.02	n/a	n/a
1 day 99% VAR	1.44	n/a	n/a
30 day 95% VAR	5.59	n/a	n/a
30 day 99% VAR	7.91	n/a	n/a
Loss @ fire sale/avg. Days ⁴	-0.02/1day	n/a	n/a

Summary Statistics^{3,4} – October 2007

Allocation by Asset Class:	% NAV	Allocation by Region:	% NAV
Equity	73.19	China ⁸	70.24
FX	n/a	Hong Kong	6.45
Options	n/a	Taiwan	5.27
Cash	22.95	Other	n/a
Bonds	n/a	Cash	22.95
Derivatives	8.77		
Commodities	n/a		
Allocation by Sector:	% NAV	Attributables:	P&L % NAV
Cash	22.95	Cash	0.74
Oil & Gas	7.56	Oil & Gas	-0.04
Metals & Mining	10.59	Metals & Mining	-1.65
Banking & Finance	32.82	Banking & Finance	4.02
Consumer Cyclical	4.60	Consumer Cyclical	0.22
Telecom	n/a	Telecom	n/a
Technology	8.05	Technology	0.52
Other	9.57	Other	-0.78
Derivatives	8.77	Derivatives	-3.27
Allocation by Market Cap:	% NAV		
Small (<\$500m)	5.31		
Mid(\$500m-\$2bn)	5.01		
Large (>\$2bn)	62.87		
Derivatives	8.77		

Monthly Commentary

Market Environment: The Hong Kong market continued to climb in October, fueled by a healthy economic outlook from China and the belief that more liquidity will come into Hong Kong. HSI (Hang Seng Index) was up 15.5%, breaking 30,000 for the first time. HSCEI (Hang Seng China Enterprise Index) gained 18.0%, ending above 20,000.

The strong economic data and vibrant IPO markets in both Hong Kong and mainland China stimulated the Hong Kong stock market, especially for China affiliated stocks. The newest economic data showed that China is expecting 11.5% GDP growth yoy, making it the biggest contributor to global growth. Continuing expectation on QDII capital inflows dominated the first half the month and drove the market to new highs along with a rumor that arbitrage would be allowed between A and H-share markets. The Hong Kong market retreated after a public holiday for the second half of the month, but the strong momentum held up until the end of the month. PetroChina debuted in the Shanghai A-share market, making it the largest company in the world by market cap (> \$1 trillion), exceeding ExxonMobil. Alibaba, a B2B e-commerce company raised \$1.5B in the second biggest internet IPO after Google and the shares were 180 times oversubscribed.

In Taiwan, the rally continued in October with TAIEX (Taiwan Stock Exchange Index) gaining 2.5%. Trading volume increased 41% m/m to NT\$3,537B. The expansion in trading volume eased the market jitters to some degree as the trading volume during the rebound in September was anemic and disproportionate to the gain on the Index. Sector-wise, Plastics led the gainers with a 9.6% increase, followed by Transportation (+4.7%), Financials (+4.2%), Electronics (+2.8%), and Construction (+2.4%). Steel, Paper and Cement were the worst performers with losses of 6.5%, 3.9% and 1.2% respectively. All three sectors enjoyed substantial gains during the previous month as they were more closely linked to the China story, thus shielded from U.S. subprime woes.

Attribution: Our portfolio was 77% in HK/China and 5% in Taiwan by the end of October. Our conservative positioning at the beginning of the month hurt overall

performance. Sector-wise, Banking and Finance sector led the gain, while the derivative positions and the Metals and Mining sector detracted.

Top four position gains and losses as a % of NAV for the investment period were as follows:

Top 4 Gains	% NAV	Biggest 4 losses	% NAV
ICBC	2.00%	China Shenhua Energy	-1.09%
China Construction Bank	1.14%	Huaneng Power Intl	-0.40%
Bank of Communications	1.06%	Zhuzhou CSR Times Electric	-0.39%
Shenji Group Kunming Machine	0.93%	Bank of China	-0.37%

Outlook: We remain bullish about China in the medium to long-term expecting no change in our fundamental view. However, we also believe that China markets at prevailing valuations are susceptible to near-term correction; we have positioned our portfolio cautiously with constant hedging strategy. In Taiwan, two major companies, SPIL (Siliconware Precision Industry Co.) and MediaTek have forecast a weak Q4; this along with further subprime woes in the US have resulted in a dramatic market pullback in November; moreover, we see seasonal demand in danger of evaporating due to concern about economic slow-down. Therefore we have lowered our exposure and will remain cautious in the near-term.

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Fund Manager Profile

•Manager. Founded in 1989, Gerken Capital Associates (“GCA”) is a San Francisco based alternative asset fund manager. The firm is a recognized emerging market and emerging manager specialist. The firm has nine investment professionals with twenty plus years of investment experience each and long term affiliation. Lou Gerken, founder and chairman has been active in the emerging markets since the mid-70’s where he began his career as an analyst & portfolio manager with emerging markets pioneer GT Capital. Since inception, GCA and its Principals have managed/advised \$4.7 billion in AUM representing 22 managers. The Firm currently manages/advises \$1.5 billion in AUM. Funds are structured as separate share classes of BVI-domiciled GCA Funds Limited. GCA is a Registered Investment Advisor. For additional firm details please refer to www.gerkencapital.com. As part of its institutional grade manager approach, GCA has entered into a long-term and exclusive investment agreement with the Polaris Group. Taiwan based Polaris Group (“PG”) is a recognized Greater China’s listed financial services conglomerate offering financial services from banking, stock broking, futures, investment banking, mutual funds and asset management. PG employs over 2,000 employees, has presence through 48 branches in Taiwan and offices in Hong Kong and China. PG has a customer base of over one million with international partnerships with State Street Global Advisors, Merrill Lynch and Schroders. PG has managed AUM of USD\$3.8 billion. Since 2002, it has managed an in house proprietary hedge fund portfolio with current AUM of USD \$51 million. PG received Fund House of the Year Award from Asian Investor in 2004.

Institutional Grade Investment Team:

Chief Investment Officer	Lou Gerken*
Portfolio Manager	Sean Tseng*
Associate PM	Mary Lu*
Chief Strategist	Gary Tan*
Taiwan Investment Desk	Nancy Chen, Kenner Wang
China Investment Desk	Max Lee, Leo Zhang, Yanbo Tian, Michael Li
HK Investment Desk	Albert Lai, Dapin Liou, Changer Ho
Greater China Research	Prof. K.Y. Liang
Risk Management	Thomas Huang, Greg Madding*, Peter Britto
Finance & Accounting	Greg Madding, Peter Britto
Marketing & Client Services	Valerie Rios
Legal/Compliance	Greg Madding, Peter Britto, L. Jian,
Back Office/Administration	Angela Chen, Carla Boy

*Investment Committee

Differentiators

- Greater China footprint (China, HK & Taiwan)
- Emerging markets investment experience spanning five business cycles
- Multi-asset investment strategy and capability
- Four-dimensional strategy (capital preservation, alpha, beta and gamma)
- Actively managed on the ground by institutional grade investment team
- Established research, trading and risk management infrastructure
- Scalable operations with ample investment capacity
- Majority owned by principals with significant investment in fund
- Long term, exclusive JV with recognized regional investment partner
- Access to fasted growing GDP sector (SME)
- Part of GCA “BRIC” Master Fund providing flexibility and alpha

Manager Details

Fund:	GCA Funds Limited BVI International Business Company Regulated under the BVI MF Act 1996
B Share Class:	GCA Greater China Fund Limited
Fund Manager:	Gerken Capital Associates
San Francisco Address:	110 Tiburon Blvd., Suite 5 Mill Valley, CA 94941 415-383-1464
Hong Kong Address:	Room 1003-4 10F Tower 1 18 Harcourt Road

Investment Committee:	Admiralty Center, HK Room Lou Gerken, Gary Tan, Greg Madding, Sean Tseng, Mary Lu
Directors:	Lou Gerken, Dakshesh Patel
Contact Person:	Lou Gerken, Founder, CIO Lou@gerkencapital.com Valerie Rios, Client Services Valerie@gerkencapital.com +1 415 383 1464

Fee and Redemption Structure¹

Subscription Frequency:	Monthly
Redemption Frequency:	Monthly
Redemption Notification Period:	45 days
Management Fees:	2% p.a.
Performance Fees:	20% p.a.

Investment Objective & Approach

Investment objective is to achieve optimal, risk adjusted, absolute returns (ann. target return >15% and ann. target volatility <15%) while maintaining a public indice correlation <40%. Fund utilizes a four-dimensional trading strategy consisting of capital preservation, alpha, beta and gamma. Fund combines bottom-up sector/company analysis (alpha generation) and top-down macro derivatives overlay (beta risk management). Additional alpha derived from cross-BRIC trading emanating from GCA’s BRIC fund platform. Fund utilizes all asset classes (equities, fixed income, derivatives & options and foreign exchange) and assets are dynamically managed across Greater China markets (China, Hong Kong and Taiwan). Fund also invests in company securities listed on other international exchanges and accesses China’s fastest growing mid-cap sector by way of its on the ground investment team. Fund adheres to “best of breed” risk controls and fund governance practices.

Fund Details

Investment Style:	Absolute return, multi-asset/macro overlay
Investment Geography:	Greater China (Hong Kong, Taiwan, China)
Fund Size (\$mn):	Not disclosed
Fund Capacity (\$mn):	500
Firm’s Total Assets (\$bn):	\$1.4bn (managed/advised)
Inception Date:	December 1, 2005 (Actual)
Bloomberg Code:	GCAGRCH VI
Domicile:	BVI
Base Currency:	USD
Equalization/Share Class ⁶ :	Series shares; Master Feeder Structure
Dividend Policy:	None
Hurdle Rate:	No
High Water Mark:	Yes
Ann. Target Return:	>15%
Ann. Target Volatility:	<15%
Maximum Leverage:	2.5:1 (not currently utilized)
Long & Short Maximum:	150% & 100%
Listed on Exchange:	No
Minimum Investment Size:	US\$1,000,000 (unless waived)
Manager Investment:	Yes from inception; no withdrawals
Tax Reporting:	U.S. PFIC
AIMA Compliant:	Yes (Member)

Service Providers

Prime Broker:	Citigroup
Administrator:	Fortis Prime Fund Solutions (BVI) Limited
Paying Bank:	VP Bank BVI
Auditor:	Deloitte & Touche LLP
BVI Counsel:	Walkers BVI

11/21/2007

¹Annual results for the Fund and NAV calculations are net of management fee of 1.5% and performance fee of 15% and expenses; Manager and Advisor related and historical track records are available upon request; ²Risk free rate used for Sharpe-ratio is U.S. 90-day T-bills; ³Net Allocation by asset class and region represent portfolio net exposure; ⁴Exposure data represents Fund’s net exposure including adjustments for options delta. Note that Gross Assets=long+short+cash+gain/loss on derivatives; ⁵Value at Risk (VAR) defined as quantitative market or event risk estimate of potential loss to fund. ⁶Equalization refers to accounting method designed to insure alignment of incentive fees amongst investors. ⁷Percentage daily loss based on the trailing trading volume of the securities within the portfolio. ⁸The regions of China include H-shares and Red Chips.