



15/07/2010

<i>Unaudited results for 6 month period ending 30 Jun 2010</i>						
		USD	Other currency equivalent			
			EUR	GBP	BWP	ZAR
6 months	Net to investors	0.7%	17.9%	8.8%	6.9%	4.1%
	MSCI AC World Index	-10.4%				
13.0 years compounded (22 Apr 1997-30 Jun 2010)	Investment officer (full service track record - net to investors)	10.4%	10.1%	11.1%	15.8%	14.6%
	MSCI AC World Index	1.9%				
	NAV	\$166.37				

"You can get much farther with a kind word and a gun than you can with a kind word alone."- Al Capone

Letter to investors:

BP has been criticized, vilified, chastised and demonized to the point where it is actually getting boring. I find it hard to see how anyone in the western world cannot see themselves as part of the problem, when most of us play our part in fuelling the demand for energy. A quick calculation would suggest that I play a bigger than average role when it comes to oil consumption, so the blame game starts here; it is ironic that I am writing this while the temperature is hitting 45 degrees Celsius....outside.

BP, just like any other US citizen, corporate or private, should be put through the mill of due process and made to pay accordingly. The heavy handed approach by the US administration and skirting of legal and proper regulated channels is worrisome.

"I'm ashamed of what happened in the White House yesterday. I think it is a tragedy in the first proportion that a private corporation can be subjected to what I would characterize as a shakedown -- in this case a \$20 billion shakedown ... I apologize. I do not want to live in a county where anytime a citizen or a corporation does something that is legitimately wrong, [it is] subject to some sort of political pressure that, again, in my words, amounts to a shakedown."—Rep. Joe Barton

Something else that worries me is the possibility of a run on the dollar. Naturally, I want to dismiss the possibility, but a couple of articles recently caught my eye. Firstly, you will recall that China announced a \$586 billion stimulus package in 2008 and according to the Washington Post ([here](#)) on June 18, *"The result, 18 months after the stimulus was introduced, is an astonishing frenzy of building -- highways, subways, airports, bridges, high-speed rail lines and even new cities constructed, literally, in the middle of nowhere."* This sounds like the citizens of the Weimar Republic that rushed across the street as soon as they got paid to exchange their worthless cash for hard assets...anything...as long as it was for a hard asset. Secondly, it was reported in the FT ([here](#)) on July 8, *"China bought a record amount of Japanese government bonds in May, in an apparent move to shift more of its massive foreign exchange reserves into Japanese debt. Chinese net purchases of Japanese government bonds soared to Y735.2bn (\$8.3bn) in May, far outpacing the Y541bn in JGBs bought from January to April, according to*

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Japanese finance ministry figures. The increase in JGB purchases comes as China appears to be diversifying more of its \$2,400bn in foreign exchange reserves away from US Treasuries and, more recently, euro-denominated assets, because of sovereign debt problems in Europe."

It can be helpful to play around with the idea of a run on the dollar; in the words of Samuel Johnson,

"Depend upon it, sir, when a man knows he is to be hanged in a fortnight, it concentrates his mind wonderfully."

God Speed,

A handwritten signature in black ink, appearing to read 'M. van Blerk', written in a cursive style.

Martin van Blerk