November 2014

		Fund			S&P500 Index	
		Performance	*Inception to Date*		*Performance*	*Inception to Date*
2005		**+14.01%**	**+14.01%**		**+4.78%**	**+4.78%**
2006		**+16.91%**	**+33.29%**		**+13.62%**	**+19.05%**
2007		**+4.06%**	**+38.70%**		**+3.53%**	**+23.25%**
2008		**-47.99%**	**-27.86%**		**-38.49%**	**-24.18%**
2009		**+42.74%**	**+2.97%**		**+23.45%**	**-6.40%**
2010		**+24.94%**	**+28.65%**		**+12.78%**	**+5.57%**
2011		**+1.79%**	**+30.96%**		**0.00%**	**+5.56%**
2012		**+24.17%**	**+62.61%**		**+13.41%**	**+19.71%**
2013		**+42.96%**	**+132.46%**		**+29.60%**	**+55.15%**
	MTD	*YTD*		*MTD*	*YTD*	
Jan 2014	**-4.39%**	**-4.39%**	**+122.26%**	**-3.56%**	**-3.56%**	**+49.63%**
Feb 2014	**+1.05%**	**-3.39%**	**+124.60%**	**+4.31%**	**+0.60%**	**+56.08%**
Mar 2014	**+2.10%**	**-1.36%**	**+129.31%**	**+0.69%**	**+1.30%**	**+57.16%**
Apr 2014	**-2.73%**	**-4.05%**	**+123.05%**	**+0.62%**	**+1.93%**	**+58.14%**
May 2014	**-1.49%**	**-5.48%**	**+119.73%**	**+2.10%**	**+4.07%**	**+61.46%**
June 2014	**+3.07%**	**-2.58%**	**+126.47%**	**+1.91%**	**+6.05%**	**+64.54%**
July 2014	**-4.37%**	**-6.83%**	**+116.58%**	**-1.51%**	**+4.45%**	**+62.06%**
Aug 2014	**+3.28%**	**-3.77%**	**+123.68%**	**+3.77%**	**+8.39%**	**+68.16%**
Sep 2014	**-2.90%**	**-6.56%**	**+117.21%**	**-1.55%**	**+6.70%**	**+65.55%**
Oct 2014	**+7.86%**	**+0.78%**	**+134.28%**	**+2.32%**	**+9.18%**	**+69.39%**
Nov 2014	**-1.31%**	**-0.54%**	**+131.20%**	**+2.45%**	**+11.86%**	**+73.55%**

In November, the Fund fell by 1.31%, while the S&P500 rose by 2.45%. We were slightly worse than the smaller cap indices, which also fell. The dominant feature of the month was the collapse in energy prices. The market's interpretation has been to re-assert the relationships of the past year, whereby big is better. This is so extreme that the equal weighted S&P500 is nearly 2% behind the S&P500 year-to-date and a third of NASDAQ stocks are stuck in a bear market, at over 20% below their highs. Apple, at number one, has a market cap well beyond anything ever achieved before, at $698 billion, and rose by more than 10% in the month. We are not involved.

The rationalisation is that 10 million Americans' work is associated with energy (Source: Manhattan Institute), the oil fall means economic weakness, and therefore small stocks are unsafe. As a respector of momentum, I rarely go against the market's verdict but at this point I can say – this is unprecedented. All previous energy price collapses have helped consumers through wealth effects, regardless of whether America is self sufficient or not. The impecunity of the bottom 90% is the main conundrum of this century, so this wealth effect is good news. The news should be market bullish, just not especially for the big stocks that are actually rising. But we wait in hope.