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# I N V E S T M E N T V I E W S

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## Investment

- \* Currencies. "Carry trade" unwinding spurs the Yen and Swissie.
- \* Bonds. Yields fall as recession fears rise.
- \* Equities. Red, red everywhere.
- \* Oil/Commodities. Uncertainty helps gold but oil off the boil.

## News/Views

- \* Taxing Times!

## *GENERAL COMMENT*

### WHISTLING IN THE DARK

Confusion continues to overshadow markets. After a torrid beginning to January, one of the worst starts to a calendar year for equity markets in decades, at least in Europe, there was a sharp rally towards the end of the month, with rebounds of up to 8% in only a few days as reasonable economic statistics from the US seemed to dispel notions of imminent recession. This has proved short-lived and markets have once again slammed down as economic concerns have been re-kindled by news of significant weakness in service sector expectations. The best we can say of this is that it will take some time for the economic activity picture to clarify. This will probably be measured in months rather than days or weeks.

Such clarity will be absent in the credit markets for much longer. While there are, in the US at any rate, few obvious signs of any slowdown in lending, it is evident

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that banks' balance sheets are still taking hits as securitized loans are either coming back on board or prior commitments are proving impossible to re-finance. Moreover, there is evidence that the problems which first came to light in the sub-prime area are moving up the credit chain, through Alt-A up into prime loans. Already at least one rating agency has forecast that defaults on junk debt are likely to rise from less than 1% to 5% or more in the current year and the monoline insurers, who guarantee municipal bonds in the main, have been hit by big CDO losses and are struggling to get rescued. Furthermore, the problems in residential lending are spreading to commercial real estate lending, which could be a much bigger issue.

The path of equity markets over the next few months will be driven by sentiment as much as by any other factor, particularly while the underlying picture remains so murky. Valuations apparently improve as prices fall but there remains denial in the analyst community about the impaired outlook for profits going forward. The double-digit gains still being forecast look as unrealistic as those which were expected in the early part of 2000.

While corporate profits can be massaged, dividends cannot - dividend payments are real and never illusory. In current conditions, therefore, dividend yield is a much better valuation metric than any based on earnings. It has been fashionable over the last twenty or so years to use ratios between dividend yields and bond yields to evaluate the relative attractions of the two asset classes. Unfortunately, such analysis is flawed to the extent that it can only point to one or other of these classes becoming more or less attractive by comparison with the other. It says nothing about timing - reversion to mean historic levels can take years to be achieved - while degrees of relative over- or under-valuation can continue to move further and further away from the mean point over the short to medium term. It also says nothing about absolute valuation. Both classes can be cheap or dear, regardless of their attractions in relation to each other. It is certainly the case that equities look cheap by present comparison with bonds on this measure but they can quite easily become cheaper before snapping back and, in any case, most bonds hardly look cheap while doubts prevail about the present course of inflation.

Another real issue is the lack of long-term experience among the majority of market participants. Admittedly, history tends not to repeat itself but there are similarities which can be used as yardsticks. In this context, the fact that property problems were the trigger for this sharp downturn in equity markets might lead us to look back to the recessionary conditions of the early 1990s, although then it was only in the UK and parts of Europe that property was a big issue, leaving aside localized problems in the US such as in New York. However, we are tending to the view that the disruption in the credit markets which has been catalysed by the sub-prime lending problems is growing into something which could be much bigger. Indeed we fear that the model which has driven bank lending and profits over the last decade has been broken. Rather more seriously, we fear that there are significant elements of the financial sector which may be terminally damaged by this. Indeed, it is not ridiculous to suggest that we should be looking back to events in the early 70s, where there was wholesale collapse of the then-called "secondary banking sector", as a more

appropriate yardstick.

Before running for the tranquillisers, however, we should remember that the stock market collapse at that time happened because of a malign conjunction of several influences, of which the secondary banking crisis was only one element. It was fanned as much by double-digit inflation, massive rises in interest rates, both long and short, and a major spike in oil prices. While the first and last of all these issues are evident today, the big ones - inflation and escalating interest rates - are not. While inflation is pretty sticky and undoubtedly causing some concern to central bankers, in Europe if not in the US, the oil price rise (accompanied by surges in commodity prices) has not caused any problems which remotely compare with those of the 1970s. This is largely a result of more effective central bank action in the past but also because militant trade unions no longer have the whip-hand in the way they did thirty-five years ago. So the real culprits for the damage done to both equity and bond markets in the 1970s are absent. There is also the critical fact that global activity is no longer dominated by the developed economies.

Where does this leave us? Equities are clearly in bear mode and have already suffered retrenchments characteristic of a minor bear market. However, sentiment has been badly damaged and cannot be expected to reverse in short order. Moreover it is unrealistic to expect the problems that have built up as a result of ten years of credit excesses to dissipate in a matter of weeks or even months. At the very least we should accept that credit availability is likely to remain constrained for some time while banks rebuild their balance sheets and this can only begin once they know how badly they have been hit. This is bound, at the very least, to subdue economic growth. There has been rather less talk of de-coupling between the emerging economies and the developed regions in recent weeks and the growing inflation problem and slipping trade surplus in China is likely to add to those who treat this idea with a fair degree of skepticism.

The biggest problem for markets at present is the combination of inexperience amongst the majority of participants and the opacity enveloping the difficulties in credit markets. In such circumstances responses to unexpected data are likely to be exaggerated, leading to a continuation of high volatility in the near term and possibly for 2008 as a whole. It is too early to have any degree of confidence that all the dross in the credit markets has yet surfaced.

## **THEY SAID IT THIS MONTH**

Martin Wolf, columnist in the Financial Times, discussing the banking industry

"No industry has a comparable talent for privatising gains and socialising losses."

That is why regulatory changes are urgently needed.

TV Presenter Dermot Murnaghan, quoted in the Sunday Times

"If I was given a pound for every time someone said their property was their pension, I'd be a rich man. What are all these people going to do in their old age - live in a tent? What gets me is why we regard inflation as the devil's work in all areas of the economy, except for the housing market."

A nice letter from a lady published in the Daily Telegraph

"I have today purchased an electric shaver which has the following intriguing note in the instructions: 'For external use only'. Does this mean I should only shave my legs in the garden?"

Finally an amazing story from Sweden where gangland mobs are robbing long-distance coaches by sneaking dwarves into the luggage-holds hidden in sports bags. Once inside, they slip out from their hiding places and rifle through the bags of unsuspecting passengers. Then they take their loot back into the sports bags and wait to be collected by another gang member once the coach reaches its destination. Swedish police say 'we are looking at our records to identify criminals of limited stature'.

Absolutely brilliant.

Now to Nic's golfing corner, for which this month we are indebted to an anonymous client who has the uncanny knack of knowing when we are running out of material.

"Golf is a hard game to figure out. One day you'll go out and slice it and shank it, hit into all the bunkers and miss every green. The next day you go out again and play really badly."

"A 'gimme' can best be described as an agreement between two golfers ... neither of whom can putt very well."

"Golf can best be defined as an endless series of tragedies obscured by the occasional miracle, followed by a good bottle of beer."

"An interesting thing about golf is that no matter how badly you play, it is always possible to play worse."

## ***MARKET COMMENT***



### **CURRENCIES**

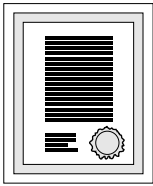
The picture for currencies in January was rather mixed although the dollar was weaker overall. The two "carry trade" currencies, the yen and the Swiss franc, rose the most, by 5.1% and 4.4% respectively, as investors unwound speculative positions in the face of severe turbulence in the

financial markets. Some way behind, but also stronger, were the euro (up 1.3%) and the Australian dollar (up 1.9%). The latter has seen yet another rate rise in early February taking the rate to 7% as the central bank continues to try to subdue inflation and rising house prices. Sterling eased by a mere 0.1% whilst the rise of the renminbi gathered pace as it gained 1.7% in the month.

In the US the main economic news was the preliminary estimate of Q4 growth at a mere 0.6% accompanied by a PCE deflator of 3.9%, sharply lower growth and higher inflation than in the quarter before. This plus some other soggy numbers has spooked the Federal Reserve into cutting rates twice during the month, the first of which moves had an emergency air about it, by a total of 1.25% which was the most rapid rate of easing since 1990. More cuts were expected by the market even before the announcement early this month of an astonishingly weak service sector survey suggesting that recession had arrived with a vengeance. If this is borne out by other data to come then rates will continue to fall sharply. Against this background perhaps the surprise is that the dollar did not fall by more, but there are two factors potentially working in the other direction. If one takes the view, as we do, that the US malaise will surely spread elsewhere with similar effects on non-US interest rates, then the fact that the US was first into the downturn implies that it may also be the first out so that in a few months its rates could be rising even as others are falling. Anticipation of this will provide support for the dollar although the timing is uncertain. Secondly, and with more immediate impact, US exports are currently very strong and the current account deficit is moving in the right direction. The dollar still has problems but then so do other currencies as well.

Sterling continues to reflect the rapidly deteriorating outlook for the UK economy and the expectation that a series of rate cuts are in the offing despite a level of actual and expected inflation which may make for slow progress. Europe too shows signs of slowing down, and there are undoubtedly some strains beginning to show up in the euro itself, evidenced by the fact that Italian bonds yield nearly 30 basis points more than German ones even when both have the same maturity and currency of issue. The ECB has to date ignored such things in its rate setting deliberations and we have seen no reductions yet as they continue to be more worried about headline inflation and excessive money supply growth. Sooner or later, though, rate cuts look inevitable as the icy recessionary blasts find their way across the Atlantic. The rise in the yen, driven by factors unrelated to the Japanese economy seems to have reached the point where it may be causing some difficulty to Japanese exporters who are already seeing more problematic trading conditions thanks to falling demand in the US. Much further appreciation from the yen looks unlikely in the short term.

We have commented before on the fact that the rise in Chinese inflation might mean that an acceleration in renminbi appreciation could now be tolerated. The monthly rise of 1.7% was even faster than the 1.3% gain in December and suggests that the Chinese authorities have indeed changed their stance and have begun to use the currency as a policy weapon in a quiet way. If so, Western consumers will have another inflationary influence to cope with.



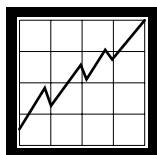
## BONDS

It was hardly a surprise to find that the bond market reacted well to the Fed's move to slash interest rates in January. When cash rates fall, the regular fixed income provided by a bond over the duration of its life becomes increasingly valuable. And interest rates on cash have fallen hard. It is not entirely unprecedented for the Fed to cut interest rates by 0.75%, nor is it unprecedented for them to alter interest rates outside one of their regular meetings. However, when they slash rates by 0.75% at an emergency meeting from the relatively low base of 4.25%, and eight days later, follow it up with a cut of 0.5% at the regular scheduled meeting, it is fair to conclude that the speed and magnitude of the Fed action is unprecedented. The fact that the markets were not greatly surprised by these moves, and indeed they might have been disappointed if action of this order of magnitude was not forthcoming, underlines how precarious the situation is in the banking sector and how the outlook for the economy is deteriorating. It should be borne in mind that these moves were made in conjunction with a stimulative fiscal package proposed by the Bush Administration amounting to around 1% of GDP. US Treasury and German Bund yields fell by 40 basis points, while in Australia and Japan yields decreased by 24 and 6 respectively.

What stands out in the bond market this month has been the relatively poor showing from gilts. Ten-year yields in the UK fell a very modest 4 basis points, while thirty-year yields actually climbed by the same amount. This is a marked contrast to bonds elsewhere, with the exception of Japan where nominal yields are so low it is not easy for them to fall much further. The British economy has many of the same problems currently plaguing the American economy. Housing is over-valued and prices are finally beginning to drop, the nation has a large current account deficit and the consumer is hugely indebted after a long consumption binge. The banking sector has not escaped the chilly draughts from the credit crisis and financial services account for a significant part of the economy. However, whereas the Federal Reserve has been quick to act, the Bank of England's steps are likely to be more modest and cautious. This comes down in part to the relevant monetary policy mandates. The Bank of England's sole role is to maintain low inflation, while the Fed's mandate is wider and it incorporates the need to maintain growth at its maximum sustainable rate. While inflationary concerns persist, the Bank of England is likely to be less keen to respond to the slowdown in the economy with cuts in interest rates. This is not to say that we are expecting no action from the Bank, for some interest rate cuts will be forthcoming, however, the speed and magnitude of the cuts will be nothing like those seen in the US.

These are not the only problems that the British economy faces. The UK economy has enjoyed an extended period of strong growth since the last recession in 1990/1, but the government's finances are not as strong as they should be at this stage of the cycle. The deficit, which already is some £10bn worse than at this stage last year, will deteriorate rapidly if the economy enters a recession during 2008. If Gordon Brown's golden rules are to be met, taxes will actually have to rise, and already the respected Institute of Fiscal Studies is calling for increases amounting

to £8bn to ensure that long term outlook for the deficit is no worse than the Chancellor thought prudent in October. However a tax hike of this order of magnitude would only depress demand further in a faltering economy and is pretty much out of court. It appears more likely that borrowing is set to soar and the gilt market may already be bracing itself for the wave of new paper which is about to hit it.



## EQUITIES

Global stock markets suffered a very rough beginning to the year although there was a 5% rally at the end of the month. Despite this the MSCI World Index fell by 7% in January. Among the majors, Europe suffered the most, falling by about 13% and Japan fell another 8% for a three-month decline of 17%. The UK behaved moderately better with a decline of 9% on the FTSE100 and, bucking its recent trend relative to the large-cap index, a somewhat lesser move of 7% in the mid-cap FT 250 index. The best major market was the US, which only fell by 6%. Emerging markets outside Latin America gave the lie to the recent de-coupling theory with falls in the mid teens and more. Hong Kong and Shanghai A both fell by about 16% but Hong Kong H shares dropped an extraordinary 23%. Eastern Europe fared little better with a 16% decline but Latin America performed much better, with Mexico declining by less than 3% and Brazil down 6%.

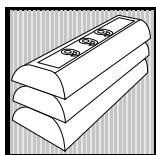
Most markets have now given back more than a quarter of prior bull market gains and it is unsurprising that a rally ensued at the end of January. It is no less unsurprising that this move was going to be fragile, as evidenced by the subsequent sharp falls after the release of a poor US service sector survey. Sentiment has reversed from optimism from pessimism - typical of a bear market environment - and a further volte-face is unlikely while the outlook remains so hazy.

It is possible that the low points reached in January will provide reasonable support in the short term. However, the probability of markets bouncing strongly from these levels is not high. At best we would expect them to mark time until the picture clarifies. Should things take another turn for the worse it is probable that there would be a further 15% or so of downside, unwinding a full half of prior gains.

The risk remains asymmetric towards the downside. Even if the eventual outcome turns out to be relatively benign, valuations are not sufficiently cheap as to permit re-rating and the outlook for profits is probably flat at best since margins are at record levels and the prospects for top line growth very subdued. The emerging markets will probably do best if global economic growth merely slows a little because their finance sectors are very well insulated from the travails elsewhere in the world and they are likely to continue to have good top line growth and margin improvement, particularly if they are big traders with China and India. However, if developments in America turn really sour, which they still may do if consumers decide to retrench, the emerging markets will not escape and, indeed, may turn out to be high-beta plays on the downside. Emerging Europe is particularly at risk here

because sovereign reserves are far less well-endowed than those in Asia. Latin America will be closely linked to the outcome in the US. The high market ratings in China and India leave little scope for disappointment.

Our view remains that the credit crisis is on-going. Banks have admitted to less than \$100 billion of potential defaults so far. This figure is likely to rise two-fold or more from sub-prime loan problems in the US alone. It takes no account of defaults rising up the credit chain, default potential in Europe on residential loans or problems in commercial property lending, which are thought to be at least equal in scale to those in the sub-prime space. The hit to bank balance sheets has barely begun. It is possible that financial sector share prices are now discounting much if not all of this. However, while equity analysts are still looking for double digit earnings growth in 2008 we have to say that at least one part of the financial community is firmly in denial. It is doubtful that much credibility is being afforded such forecasts but the scope for earnings disappointment is likely to be high, nevertheless, and stock markets are not in a forgiving mood.



## **GOLD/COMMODITIES**

In a month when economic news was decidedly downbeat, the fact that resource prices held up so well came as a slight surprise. Whilst there has been a noticeable divergence in fortunes within the sector, the overall feeling is that it could have been a lot worse.

The oil market welcomed the New Year in rather bizarre fashion when two American traders colluded to deal at a price above \$100/barrel and in doing so marked the first time the magical three figures had been breached. Whilst they revelled in their fifteen minutes of fame, the broader market regained some sense of reality with the price consolidating by 6% over the month to end slightly above \$90/barrel.

It is becoming increasingly clear that OPEC, the oil cartel, is caught between a rock and a hard place. On the one hand, there are growing calls for it to increase levels of production in the anticipation that this will feed through to lower energy bills for an increasingly desperate consumer. On the other side of the equation is the concern that as economic growth slows, energy demand and prices will follow suit, resulting in lower income for oil producing countries. Having presided over a 50% plunge in revenues between 1997 and 1998, when the Asian financial crisis was in full swing, it is little surprise that the organisation is keen to defend higher prices, even though such action will fuel the wrath of those who must import to satisfy their energy needs.

A near perfect storm helped the gold price to gain nearly 11% to finish the month at \$923/oz. A feeble US dollar, the Fed's slashing of interest rates and a strong bout of risk aversion combined to generate a powerful tailwind for gold, which charged past its previous nominal high of \$850/oz, recorded a full twenty-eight years ago. The most significant development, however, came on the supply side as mining

operations in both China and South Africa, the top two producers, came to a complete standstill. The extreme weather that caused the disruption in China will be transitory, but question marks are surfacing over a potential lack of high grade deposits, which would add to the expense of future extraction. Of greater concern are the series of power failures that have brought production in South Africa to its knees as mines spent much of the month operating at close to zero capacity. The authorities are working frantically to find a solution to what has been coined a "national emergency," but with some suggesting that inadequate infrastructure will hinder the industry for years to come, it is fair to question the assumption that output will rise inexorably in response to the recent price spike.

Commodity prices, in general, held steady over the month with the CRB Raw Industrials index nudging up by 0.5%. Base metals turned in a relatively robust performance, but in most cases this comes after months of pretty hefty declines. Whilst the bounce can be partly attributed to the same supply-side constraints that boosted the gold price, it may also be down to the fact that many metals markets seem to have already factored in a significant economic slowdown, if not recession, and now await more news on the state of global activity. All eyes will again turn towards the resilience of China, but based on current sentiment, this appears more in hope than expectation.

## POLICY SUMMARY MATRIX

The matrix set out below is a summary of our current policy stance on the various equity and bond markets which we monitor. It is not intended as anything other than a guide on where we stand and we will change the content as our views alter. Cash exposure is a residual and will tend to be high when negatives outweigh positives and vice versa.

There are no changes this month.

6-12 Month View	Strongly Negative	Negative	Neutral	Positive	Strongly Positive
<b>EQUITIES</b>					
US		■			
UK		■			
EUROPEAN		■			
JAPANESE		■			
AUSTRALIAN		■			
ASIAN		■			
RESOURCES				■	
GOLD				■	
<b>BONDS</b>					
US		■			
UK		■			
EUROPEAN		■			
JAPANESE		■			
AUSTRALIAN		■	■		
OTHER			■	■	

Written and edited by:  
Gavin Roberts and Martin Paling

## MARKET PERFORMANCE

31<sup>st</sup> January 2008

All performance numbers show % changes except for bond yields which show yield changes.

	Now	1 mth	3 mth	12 mth
<b>CURRENCIES (VS USD)</b>				
GBP	1.9880	-0.1	-4.3	+1.6
CHF	1.0845	+4.4	+6.9	+15.1
AUD	0.8920	+1.9	-3.8	+15.1
JPY	106.33	+5.1	+8.4	+13.8
EUR	1.4806	+1.3	+2.3	+13.9
<b>BOND YIELDS (10 yr)</b>				
US	3.64	-0.4	-0.8	-1.2
UK	4.53	-0.0	-0.5	-0.5
Germany	3.93	-0.4	-0.4	-0.2
Australia	6.09	-0.2	-0.2	+0.2
Japan	1.45	-0.1	-0.2	-0.3
<b>EQUITIES</b>				
UK. FTSE 100 (GBP)	5879.80	-8.9	-12.5	-5.2
US. Dow Jones (USD)	12650.36	-4.6	-9.2	+0.2
Japan. Nikkei Dow (JPY)	13592.47	-11.2	-18.8	-21.1
Australia. All Ords (AUD)	5697.00	-11.3	-16.0	-1.1
MSCI Pacific ex Japan (USD)	1344.54	-9.5	-17.8	+14.1
MSCI Europe ex UK (Local Currencies)	1176.09	-12.7	-16.6	-11.8
MSCI Latin America (Free) (USD)	4118.52	-6.4	-10.8	+35.4
MSCI World Index (USD)	1466.35	-7.7	-12.8	-2.3
MSCI World Index (GBP)	737.60	-7.9	-8.9	-3.4
MSCI World Index (AUD)	1643.89	-9.5	-9.4	-15.6
<b>COMMODITIES</b>				
Oil (WTI)	US\$ 90.46	-5.8	-4.3	+55.6
Gold	US\$923.05	+10.7	+16.9	+41.4

**BC FUND PRICES****31<sup>st</sup> January 2008**

	Bid	1 mth	3 mth	12 mth
<b>Friends Provident</b>				
£ Balanced Mirror Fund	£ 1.125	-5.2	-7.9	-4.2
<b>CF Bentley Capital Investment Funds</b>				
£ Balanced	£ 1.2545	-5.4	-7.7	-3.0
US\$ Balanced	US\$ 1.0609	-4.8	-7.0	-1.3
£ Income*	£ 0.9913	+0.2	+1.7	+3.4
*Returns incorporate payment of dividend on gross basis.				
<b>Royal Skandia</b>				
A\$ Balanced	A\$ 1.482	-5.8	-7.3	+0.6
£ Balanced	£ 1.276	-5.2	-7.9	-4.0
US\$ Growth	US\$ 1.036	-6.8	-11.8	-6.6
EUR Balanced	€ 0.900	-6.4	-9.5	-8.3

All performance numbers show % changes.

If you would like us to email you the BC Fund Prices each month please email us a request to [administrator@bentleyreid.co.uk](mailto:administrator@bentleyreid.co.uk)

### TAXING TIMES!

On 9 October 2007, the Chancellor issued his 2007 Pre-Budget Report proposing a number of major tax changes to take effect from 6 April 2008. Despite recent publication of the draft legislation, further changes are still likely.

Items of particular interest are those relating to residence and domicile.

- Days of arrival and departure will be included as days of presence for the 183 day and the 91 day average test. Previously, HMRC ignored such days.
- A non-domiciliary will benefit from the remittance basis if he has not been resident for 7 out of 9 preceding tax years or, if he has been so resident, on payment of an annual levy of £30,000. HM Treasury have suggested that individuals resident for 10 out of the past 12 years should pay a higher annual levy of £50,000 - this is subject to discussion. This does not affect an individual's domicile (e.g. for inheritance tax) - it merely means that a non-domiciliary who is either a short term resident or who pays the annual levy is entitled to the remittance basis. A decision not to claim remittance basis is not irrevocable - remittance basis can be claimed for one year and not for another (but there will be rules to prevent switches for tax avoidance purposes).
- A variety of measures to outlaw tax avoidance devices by non-domiciliaries such as "source cessation", remitting in kind rather than cash, gifts to third parties before remittance etc. The common practice of income segregation (separate capital and income accounts) outside the UK still appears safe.
- Gains on UK assets of non-domiciled trusts will be taxed on an arising basis with a remittance basis for foreign assets. This is retrospective - unrealised gains accruing over a long period of time will be caught if realised after 5 April 2008 or if capital distributions are made after 5 April 2008 and gains were realised before that date.
- Non-domiciliaries will have to declare the existence of offshore trusts.
- A relaxation for non-domiciliaries - Irish income may be taxed on remittances rather than on an arising basis as at present.

Capital gains tax - from 6 April 2008, there is a new rate of 18% coupled with the abolition of indexation relief and taper relief. Because current accelerated taper relief for business assets limits the maximum capital gains tax rate at 10%, there has been a public outcry. HM Treasury have therefore announced a new tax relief for

entrepreneurs whereby an individual will pay no more than 10% capital gains tax on the first £1 million of lifetime capital gains on business assets.

Individuals who may be affected should seek professional advice before 6 April 2008.

Ralph Davis CTA ACIB Dip PFS

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Our professional staff can help you to resolve an isolated problem or advise you on how best to structure the whole of your financial affairs. Bentley Reid seeks to ensure the tax efficient security and growth of your wealth and offers continuity of advice during your lifetime and for your family and heirs thereafter. Advice is offered on a multi-jurisdictional basis from our offices in London and Hong Kong.

INVESTMENT MANAGEMENT & ADVICE - [www.Bentley-Capital.com](http://www.Bentley-Capital.com)

Bentley Capital offers a comprehensive range of investment services, satisfying the requirements of regular savers and those with substantial capital. We have extensive experience managing individual portfolios, Trust and Charity monies and personal pension funds, focusing on achieving the clients stated aims with the agreed level of risk and volatility. Some of our more popular mandates have been replicated as larger pooled funds: for further details please see [www.bc-funds.com](http://www.bc-funds.com).

TRUST & COMPANY MANAGEMENT - [www.Bentley-Trust.com](http://www.Bentley-Trust.com)

Bentley Trust is a fully authorised Trust company, focusing on efficient, flexible, compliant service provision. If required in the overall structure of your financial affairs, our Executives can set up and administer trusts and companies, working with your chosen advisers to provide a robust, legitimate, enduring solution.

UK PROPERTY SERVICES - [www.BRProperty-Services.com](http://www.BRProperty-Services.com)

In conjunction with trusted third parties, we have extensive experience managing all aspects of private client residential and commercial property ownership. We can administer every aspect of physical property ownership including the initial search, purchase negotiations, renovations, sourcing a tenant and on-going rental management. In addition we can provide advice on both quoted and unquoted property investments and the most tax efficient way to hold any property interest.

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