



J&O GLOBAL FORESTRY INVESTMENT FUND

MONTHLY REPORT FEBRUARY 2014

J&O Global Forestry Investment Fund is a diversified timber investment fund focusing its investments in three different forest regions representing different characteristics: South America, Europe and North America.

INVESTMENT MANAGER COMMENT

February was a fairly good month for global stock markets. S&P 500 and FTSE 100 climbing 4 % each and the Nikkei up close to 1%. However these changes only serve to enhance the increased volatility of the global stock markets. We know January was a disaster, we know February was up – but we also know March has been moving sideways with great volatility caused by the crisis in Crimea. Now, in this light, it is comforting to report a humble but stable + 0.62 % fund performance for February. The surrounding market turmoil does have an effect on us, primarily through the effect of volatile currencies. We have chosen the Swedish Krona, SEK, as base currency for the fund which, thus far, has proved successful. The SEK is nowadays considered a safe haven. It is perhaps surprising that the world’s 11th most-traded currency is the SEK, which holds a 1.8% share of total FX volume. In fact, for many years and up until 2012, SEK ranked 8th or 9th on this list. SEK remains a resilient currency and a viable safe haven that trades with stability and somewhat independently of EUR uncertainties.

Teak is a major species for the fund related holdings in Brazil. Currently there is an uncertainty in the teak market how Myanmar will enforce and handle the ban on teak log exports from April 1, 2014, which will effect the market as a whole. However, this does not seem to effect the prices of export logs from other markets, like Brazil, where prices in February were stable.

PERFORMANCE CLASS A EUR USD GBP SEK FEBRUARY +0.62 %

Net of fees

2013	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
	+2.15	-2.23	+0.56	+0.39	+1.45	+1.32	+1.48	+2.52	+2.20	+1.12	+0.98	+0.66	+13.1 %
2014	JAN	FEB											YTD
	+1.52	+ 0.62											+2.15 %



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