



## Acorn Diversified Program – May 2011

The Acorn Diversified Program declined an estimated 2.95% for the month of May.

The month began with a series of strong reversals in energies, the U.S. dollar and Silver. Following these reversals, equity markets began to weaken through the middle of the month. Then, in the last few days, there was a small rebound in many of these reversing markets. Our low portfolio exposure coming into the month combined with our systematic approach to keeping losses small helped to mitigate the effect of these choppy markets.

The Silver market had the largest reversal of the month as it was down as much as 32% in the first two weeks. While it enjoyed a bit of a bounce at the end of the month, there is no doubt that there was damage done to the trend as clearly shown in the chart below. The 5.5% correction in Gold looked like a blip in comparison. Coming into the month, our exposure to Silver was low and then was eliminated entirely very quickly. The portfolio loss due to Silver in May was kept very small at -0.20%.

Silver - May 31, 2011



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Equity market exposure moved from long to short and back again with no success in each direction. While the exposure at the end of the month was long, the system has a number of short entries ready to go. Needless to say, direction in equities is currently uncertain.

Short positions in Heating Oil, London Gas Oil and WTI Crude helped to mitigate losses in the energy sector reversal. The chart of Crude Oil below shows a market that is on the verge of moving from an uptrend to a sideways, oscillating state.

Crude Oil - May 31, 2011



Reversals and corrections are often healthy in the short-term. But of course, they can also lead to longer-term changes in trend. Knowing the difference between the two is always a challenge. We find that an adaptable, unbiased approach and careful attention to liquidity often provides the best opportunities over time.

As a reminder, we have recently moved into new offices. Our new address information can be found below. Please make any adjustments to your records and feel free to come by for a visit.

As always, if you have any questions, feel free to contact us at 905-257-0773 or at [service@acorn.ca](mailto:service@acorn.ca).

Best regards,

Jason Russell, CFA  
President and Chief Investment Officer

**Objective and Strategy**

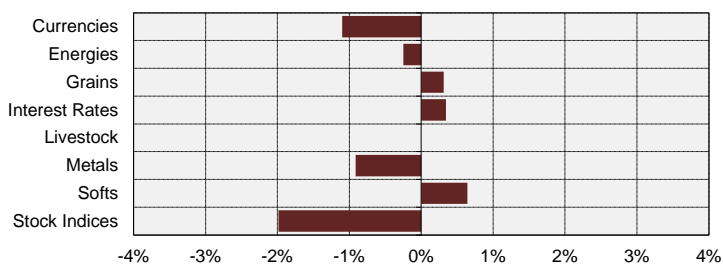
The investment objective of the program is to deliver annualized double digit returns over a three to five year period and a diversification benefit that provides low correlation to traditional equity, bond, and real estate investments. Acorn applies highly disciplined, adaptable and proven strategies to a large portfolio of liquid futures, equities and options as well as currencies.

**Monthly Performance**

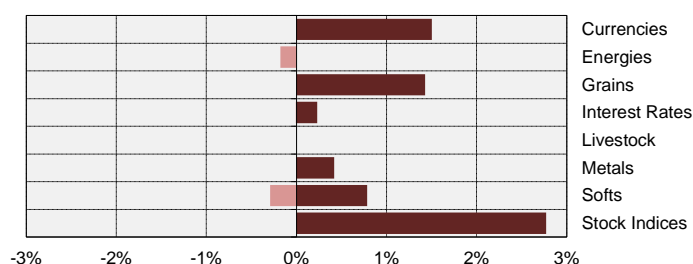
(July 2005 - November 2008 - see disclaimer)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2011	-2.18%	2.57%	-1.81%	6.18%	<b>-2.95% e</b>								1.51%
2010	-3.72%	-0.70%	2.65%	-2.82%	2.34%	2.02%	-1.25%	5.84%	2.93%	2.74%	-2.45%	7.48%	15.37%
2009	----	----	----	----	----	----	-4.32%	2.89%	1.00%	-2.08%	-5.50%	2.21%	-5.96%
2008	11.76%	12.10%	3.98%	-2.38%	-3.21%	7.08%	2.02%	-1.81%	-11.64%	5.25%	-0.38%	----	22.32%
2007	2.10%	-4.43%	-4.28%	4.21%	1.33%	2.50%	-4.35%	1.85%	12.07%	1.44%	6.73%	-0.44%	18.97%
2006	8.46%	0.27%	7.04%	3.78%	-5.78%	-4.32%	-13.80%	-0.86%	2.94%	4.80%	3.33%	3.03%	6.89%
2005							2.39%	4.17%	1.59%	-7.02%	6.98%	7.09%	15.42%

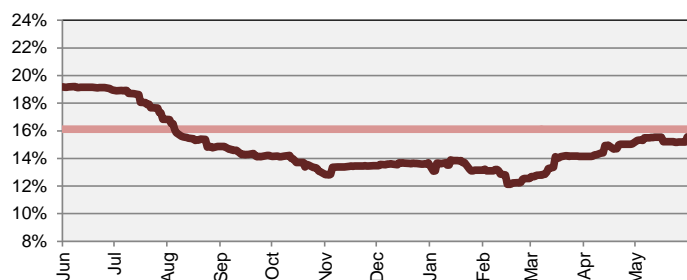
**Sector Returns**



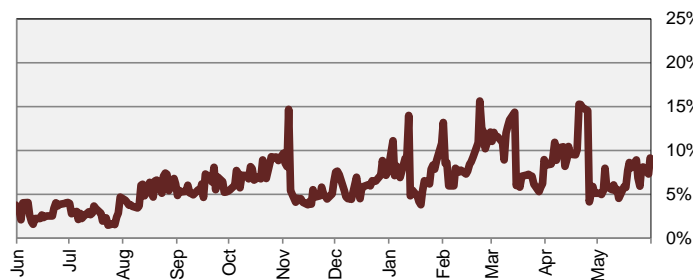
**Sector Exposures**



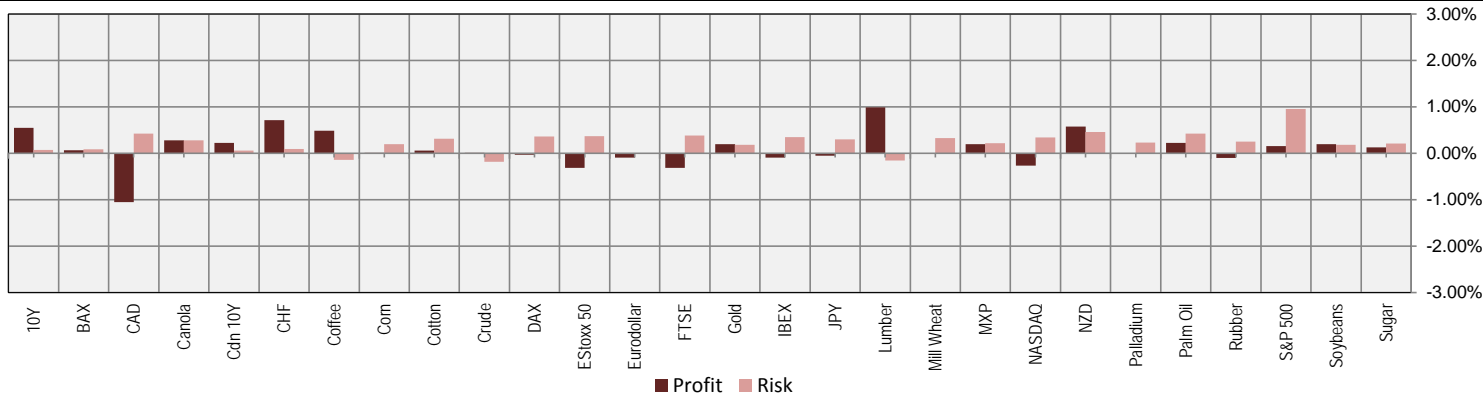
**Portfolio Volatility\***



**Portfolio Exposure\***



**Open Position P&L and Risk**



**Program Information**

Min Investment: \$10,000  
 Management Fee: 2%  
 Performance Fee: 20%  
 Current Assets: \$26M

**Manager Activity (90 Days)**

Subscriptions: Yes  
 Redemptions: No  
 Net Investment: Positive

**Service Providers:**

Admin: Commonwealth  
 Auditor: KPMG  
 Legal: Fasken Martineau  
 Brokers: Newedge, IB

**Contact Information:**

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## **Disclaimer**

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.** This information is produced by Acorn Global Investments Inc. ("Acorn"). The information we use are estimates obtained from sources we believe to be accurate, however, that is not always the case so we make no guarantees. The Acorn Diversified Program is managed by Acorn. The performance presented here accurately reflects the actual net performance of the Class A Master Series of the Acorn Diversified Trust from July 2009 and the BTR Global Macro Fund from July 2005 – November 2008. The BTR Global Macro Fund used the same investment decision maker, process, objective and strategy as the Acorn Diversified Program has since commencing operations in July 2009. During the transition period between December 2008 – June 2009, no trading took place. Shareholder records which document and support the performance of the past firm and the Acorn Diversified Program are available upon request. The returns above are net of management and performance fees but do not take into account other fees that may apply such as short-term trading deductions. All information contained here, is subject to change without notice and Acorn will not be held liable for any inaccuracies or misprints. Important information about the Acorn Diversified Trust including risks, objective, strategy and fees is contained in the offering memorandum. This is not and may not be used as a recommendation or a solicitation.

\*The portfolio volatility and portfolio exposure charts are generated by our trading system and include historical simulation values to provide context.

## **Relationship Disclosure Information**

To comply with National Instrument 31-103 – Registration Requirements and Exemptions (NI 31-103), we have posted our Relationship Disclosure document to the website. To review this document, please click here:

[www.acorn.ca/AcornRelationshipDisclosure.pdf](http://www.acorn.ca/AcornRelationshipDisclosure.pdf)

## **Address Change Notification**

Effective May 1, 2011, Acorn Global Investments has relocated to 1267 Cornwall Road, Suite 201, Oakville, Ontario L6J 7T5. Phone number (905-257-0773) and fax (1-888-582-7863) remain the same.