COMMENTARY

Over the past quarter returns were as follows (net income re-invested):

Adventurous Portfolio	**2.56%**	**Growth & Income Portfolio**	**5.54%**
Growth Portfolio	**5.92%**	**Higher Income Portfolio**	**3.86%**

Our Portfolios were launched on the 10th July 2007. The average Portfolio has out-performed its benchmark (Industry sector measure) by 1.94% per annum over the last 3 years.

The markets have continued to be dominated by concerns over the European financial markets and the effects on the worlds economy. However there has been some progress in negotiation and more importantly the US economy is increasingly showing signs of responding to all the financial stimulus that has been provided by the Federal Reserve. As a result all the Portfolios have shown positive returns over the period and still look very good long term value.

FUNDAMENTALS

The Portfolios comprise of seven Funds with those in which we have the largest conviction making up 20% each and the others 10%.

ADVENTUROUS PORTFOLIO – CHANGES

I have sold the holding in the Jupiter Fund of Investment Trusts as I feel investor nervousness will mean that discounts will remain large for sometime. I have also sold the holding in the AXA Framlington Health Fund which has performed relatively strongly due to its defensive qualities.

I have replaced these funds with ones that are at or near historically low valuations. The Aberdeen Emerging Markets Fund has an excellent track record and offers the opportunity to invest in companies operating in regions where economic growth is still robust. The Jupiter International Financials Fund is a cautiously managed fund holding a high level of cash which offers exposure to financial companies that are very lowly rated and offer potentially large returns when sentiment towards financial assets improves.

Aberdeen Emerging Markets managed by Global Emerging Markets Team

The Fund aims to provide long term capital growth from direct or indirect investment in emerging stockmarkets Worldwide or companies with significant activity in Emerging Markets.

Jupiter International Financials managed by Robert Mumby and Guy de Blonay

The fund aims to achieve long term capital growth through investment in equities and equity related securities of financial sector companies on an international basis, but with the power to invest in other asset types when the manager considers it appropriate for market conditions.

Asset Allocation	%
AXA Framlington Global Technology	20
Aberdeen Emerging Markets	20
Rathbone Global Opportunities	20
BlackRock Gold & General	10
Jupiter International Financials	10
Legg Mason Japan	10
Neptune Russia and Greater Russia	10

Over 1 year the Portfolio has returned -8.6% compared to the benchmark of -7.83%

GROWTH PORTFOLIO - CHANGES

I have increased the Emerging Market Exposure by reducing the weighting in M&G Global Basics. I believe in the current environment we will continue to see Emerging Markets expand but increasingly this growth will come from internal consumption and trade between Emerging Market countries rather than based on the export of cheap goods to developed markets.

Asset Allocation	%
Aberdeen World Equity	20
Cazenove UK Opportunities	20
First State Global Emerging Market Leaders	20
AXA Framlington UK Select Opportunities	10
BlackRock European Dynamic	10
M&G Global Basics	10
JPM Global Consumer Trends	10

Over 1 year the Portfolio has returned -6.29% compared to the benchmark of -6.94%

GROWTH & INCOME PORTFOLIO - NO CHANGES

This Portfolio continues to perform very well and offers a very attractive dividend yield. The Portfolio currently contains a number of defensively positioned funds investing in companies that have strong International Brands, ideal in the current market environment.

Asset Allocation	%
Invesco Perpetual High Income	20
M&G Global Dividend	20
Newton Global Higher Income	20
Artemis Income	10
BlackRock UK Income	10
Invesco Perpetual Global Equity Income	10
Newton Asian Income	10

Estimated Portfolio yield 4.35%

Over 1 year the Portfolio has returned 1.53% compared to the benchmark of -2.59%

HIGHER INCOME PORTFOLIO - CHANGES

I have removed the Portfolios exposure to the Commercial Property market as I have concerns about the lack of opportunity for growth and possibility of falls in value if economic growth stagnates. Furthermore with retailers struggling I see more vacancies appearing on high streets.

I have replaced this with Jupiter Strategic Bond Fund which has the ability to invest across the range of fixed interest assets.

Jupiter Strategic Bond managed by Ariel Bezalel

The fund aims to achieve a high income with the prospect of capital growth, by seeking out the best opportunities within the fixed interest universe globally. The fund invests in higher yielding assets including high yield bonds, investment grade bonds, government bonds, preference shares, convertible bonds and other bonds. The manager will only enter into derivative transactions for the purpose of efficient management of the Portfolios and not for investment.

Asset Allocation	%
Fidelity Enhanced Income	20
Invesco Perpetual Monthly Income Plus	20
Newton Higher Income	20
Artemis High Income	10
Jupiter Strategic Bond	10
M&G Optimal Income	10
Templeton Global Total Return Bond	10

Estimated Portfolio yield 5.87%

Over 1 year the Portfolio has returned 0.89% compared to the benchmark of -1.25%

Adventurous and Growth Portfolio

This Portfolio consists of 50% of the Adventurous and 50% of the Growth Portfolio holdings as detailed.

Growth and Growth & Income Portfolio

This Portfolio consists of 50% of the Growth and 50% of the Growth & Income Portfolio holdings as detailed. Dividend income cannot be paid out under this portfolio and must be re-invested back into the holding.

Growth & Income and Higher Income Portfolio

This Portfolio consists of 50% of the Growth & Income and 50% of the Higher Income Portfolio holdings as detailed above. Dividend income may be drawn from this Portfolio.

DATA SOURCE
Financial Express as at 9 January 2012.

CONFIRMATION OF SWITCHES
Investors in the Wise Designated Investment Portfolios will receive switching notices from either Cofunds or Skandia.

FURTHER INFORMATION
The key benefits of the Wise Investment Designated Investment Portfolios are available on request.