



30 June 2004

Share Price	164.50
NAV per Share (diluted)	194.04
NAV per Share (undiluted)	208.65
Discount (calculated on diluted NAV)	-15.2
Net Yield	N/A
Warrant Price*	64.50
Gross Total Assets	£345.8m
Management Fee	1.0% p.a.
	plus performance fee

Established December 1996

Source: HSBC / Polar Capital Partners

*Warrants may be exercised on 30 September each year until 2005 at a price of 100p per share

Performance Over:	1yr(%)	3yrs(%)
Share Price	21.85	-28.01
NAV Diluted	26.08	-13.48
NAV Undiluted	28.10	-15.66
FT/S&P World Index	11.20	-23.49
Warrant Price	76.71	-52.40

All figures capital performance only; Source HSBC

PCTT Share Price & Market Indices Over Past 12 Months



Portfolio Analysis – Gearing 114.9%

The gearing figure is calculated by dividing the Trust's gross assets by its net assets. This calculation ignores the effect of any cash or fixed interest holdings.

Manager Comment

Many Western markets prematurely adopted an air of summer somnolence during June. Equity trading volumes declined markedly while volatility both in the USA and in Europe dropped to twelve month lows. Share prices for the most part moved higher over the month with the technology sector modestly out-performing the overall market. The exception was Asia where, in Japan, electronics shares underperformed an impressively strong overall market; and outside Japan, both markets and technology shares fell sharply.

Much of the torpor in markets may have been the result of inertia ahead of the FOMC's meeting on 30th June and the handover of power in Iraq. Both these events passed relatively quietly with the Fed raising rates by 0.25%, a move well flagged to markets. Economic news has been a little more mixed this month with some evidence of a softening in the pace of economic growth in the US. The same pattern is evident in China where the authorities' efforts to slow the economy seem to be meeting with some success. In spite of the slow-down in China which has up to now been a major driver for Japanese exporters, the Japanese economy continues to appear robust with an encouraging pick-up in domestic demand.

Within the technology sector, the news flow has been modest. There have been some concerns about inventory accumulation with the most likely culprit being the handset industry. Outside of the computing market, demand seems to be gradually improving with some encouraging trends evident in the networking and communications markets. The pre-announcement season has largely passed by with an unusually low number of disappointments. Second quarter earnings should be good but it is unlikely that companies will feel the need dramatically to raise guidance for the balance of the year.

Our main area of activity during the month has been Asia. Following a very sharp correction in Asian (ex Japan) markets, we took advantage of the price weakness by raising our weightings. We also added to our Japanese portfolio following a period in which Japanese technology shares had markedly underperformed the local market. As a consequence, our liquidity levels have been reduced over the month.

Brian Ashford-Russell, 1st July 2004

