

# LVD Gold & Resources Fund L.P.

## May 2010 update

Our fund closed the month down (7%) and is now down (3.14%) YTD – as advised last month we came into the gold & precious metals rally cautiously positioned given that (a) we are entering the traditionally weak summer season and (b) general equity markets look vulnerable to a major correction which could drag down mining & resource stocks. We have therefore moved from big cap shares / index to gold & silver bullion which is now 40% of portfolio. Major mining indices are trailing the underlying metal prices (see YTD performance below) which endorses our view that shares look vulnerable

- Gold +10.8%
- Silver +9%
- Platinum +5.3%
- Oil (4.9%)
- Copper (5.7%)
- Nickel +16.7%
- Uranium (8.4%)
- **HUI +5.6%**
- **XAU +3.6%**
- Dow (2.8%)
- FTSE (4.2%)
- US \$ Index +11.2%

As for the direction of precious and other metals I believe we will see new highs in the last quarter 2010 and this together with corporate events in a number of fund positions should allow the fund to return a respectable performance for the year

**Ron Mitchell**  
**Director, LVD Investment Advisers Limited**  
**3 June 2010**

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