

# Global Equity Portfolio as of March 31, 2001

Ticker: HLMGX

NAV (3/31/01): \$16.76

Net Assets: \$21.6 million Expense Ratio: 1.25% Minimum Investment: \$100,000

## Performance (for Periods Ended March 31, 2001)

	Total Return <sup>1,3</sup>					Volatility <sup>2,3</sup>
	Latest Quarter	Last 12 Months	Last 3 Years (annualized)	Last 5 Years (annualized)	Since Inception (annualized)	Since Inception
<b>Global Equity Portfolio</b>	<b>(14.10%)</b>	<b>(18.14%)</b>	<b>2.92%</b>	<b>7.54%</b>	<b>10.08%</b>	<b>13.43%</b>
MSCI All Country World <sup>4</sup>	(12.36%)	(25.55%)	0.88%	7.80%	9.46%	13.57%
Lipper Global Fund <sup>5</sup>	(12.34%)	(23.32%)	2.71%	9.03%	10.30%	13.36%

- 1) Time-weighted returns after fees. Time-weighted return is that of the same dollar invested continuously over a time period.
- 2) Variations of monthly returns from the average, annualized.
- 3) The Portfolio commenced operations on December 1, 1996, following a tax-free merger with Harding Loevner Global Equity LP ("GELP"). Returns shown for prior periods refer to GELP, which commenced on September 27, 1991. GELP's results are *unaudited* and have been restated to reflect the Portfolio's current expense ratio of 1.25%. GELP, a limited partnership, was not subject to the diversification requirements, specific tax restrictions and investment limitations found in the Investment Company Act of 1940, or Subchapter M of the Internal Revenue Code. Had GELP been managed as a registered investment company pursuant to these restrictions, its results could have been different.
- 4) MSCI All Country World Index includes all developed and emerging markets in the MSCI universe of 48 countries. Gross dividends reinvested.
- 5) Lipper Global Fund Index, an unmanaged index published by Lipper Analytical Services Inc., includes 30 funds that are generally similar to the Fund, although some funds in the index may have somewhat difference investment policies or objectives. This fund invests at least 25% of its total assets in securities traded outside the US and may own US securities.

Performance data quoted represents past performance, which is not a guarantee of future performance. Investment return and principal value of an investment will fluctuate with market conditions. An investor's shares may be worth more or less than their original cost. Currently, the investment adviser of the Portfolio is waiving a portion of its fees. Absent such waiver, the expense ratio of the Portfolio would be higher and the Portfolio's performance lower. Indices are not available for direct investment and do not incur expenses.

## Portfolio Holdings as of March 31, 2001

Geographic Distribution		Ten Largest Positions	
	% of Portfolio	Company	% of Portfolio
Denmark	1.3	Baxter International, Inc.	4.1
Sweden	2.4	United States	
Switzerland	2.0	Wrigley (WM.) Jr.	3.6
United Kingdom	5.3	United States	
<b>Europe non-EMU</b>	<b>11.0</b>	Suez Lyonnaise des Eaux SA	3.0
Finland	1.6	France	
France	9.7	BellSouth Corp	2.8
Germany	1.6	United States	
Ireland	2.5	Tyco International	2.8
Italy	1.1	United States	
Netherlands	3.7	American International Group	2.8
<b>Europe EMU Total</b>	<b>20.2</b>	United States	
Australia	2.2	Enron Corp	2.7
Hong Kong	2.8	United States	
Singapore	0.9	Royal Dutch Petroleum Co.	2.6
<b>Pacific ex-Japan Total</b>	<b>5.9</b>	Netherlands	
<b>Emerging Markets</b>	<b>6.1</b>	Allied Capital Corp.	2.6
<b>Japan</b>	<b>4.8</b>	United States	
<b>United States</b>	<b>50.2</b>	Investor AB	2.4
<b>TOTAL EQUITIES</b>	<b>98.2</b>	Sweden	
<b>CASH</b>	<b>1.8</b>		
	<b>100.0</b>		

**Risks:** Securities issued by foreign governments, foreign corporations, international agencies, and obligations of foreign banks involve risks not associated with securities issued by US entities. With respect to certain foreign countries, there is the possibility of expropriation of assets, confiscatory taxation, and political or social instability or diplomatic developments that could affect investment in those countries. In addition, there may be less publicly available information about such securities, and foreign accounting, auditing and financial standards may not be comparable with those of the US. Changes in foreign currency exchange rates may affect the value and performance of the Portfolio.

## Investment Program

The Global Equity Portfolio comprises companies based in the US and other developed markets as well as established companies in emerging markets. The Portfolio is managed by Dan Harding.