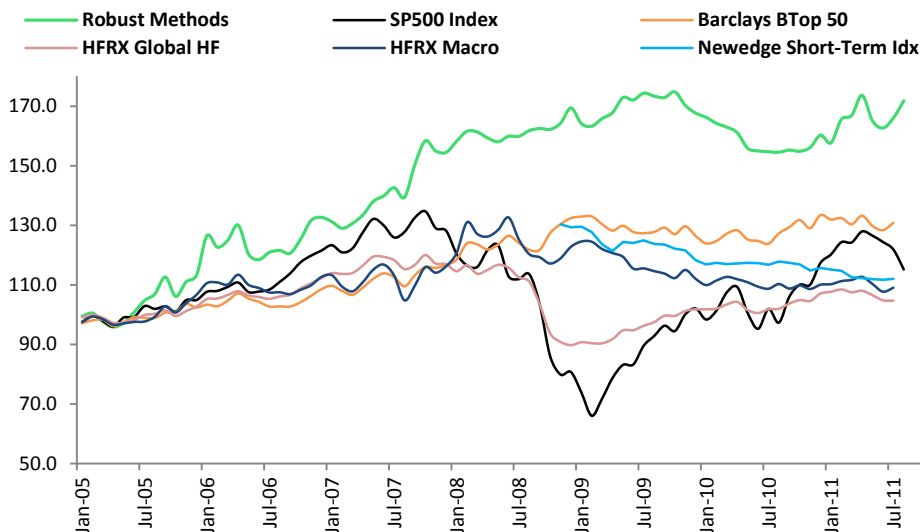


Aug 31, 2011

Robust Methods is a seasoned money manager and pioneer of Robust Portfolio Management. The firm's mission is to generate solid investment returns to a global and sophisticated investor base. Emphasizing research and quantitative decision making, transactions are made on the financial and commodities markets. An advanced risk management heuristic lies at the core of the methodology which aims at optimising the portfolio's exposure while maintaining its balance.

Returns Net of Fees (2/20)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005	-0.53%	1.06%	-2.82%	-1.88%	1.47%	3.68%	3.88%	2.10%	5.32%	-5.78%	4.63%	1.95%	13.21%
2006	11.76%	-3.04%	1.83%	4.16%	-7.52%	-1.54%	2.06%	0.52%	-0.74%	3.87%	4.98%	0.85%	17.18%
2007	-1.09%	-1.69%	1.27%	2.18%	3.38%	1.38%	1.95%	-2.28%	7.94%	5.25%	-2.15%	-0.31%	16.44%
2008	2.41%	2.12%	-0.16%	-1.25%	-0.79%	1.17%	-0.02%	1.22%	0.42%	-0.17%	1.26%	3.14%	9.65%
2009	-3.09%	-0.57%	1.60%	1.18%	3.01%	-0.46%	1.34%	-0.58%	-0.28%	1.10%	-2.60%	-1.52%	-1.04%
2010	-0.84%	-1.23%	-0.76%	-1.17%	-3.22%	-0.56%	-0.18%	-0.11%	0.46%	-0.25%	0.81%	2.66%	-4.41%
2011	-1.62%	4.98%	0.83%	4.04%	-4.95%	-1.44%	2.04%	3.55%					7.25%



Statistics

Annualized Returns	9.0%
Annualized Volatility	10.1%
Annualized Dn Volatility	5.8%
Sharpe Ratio (0%)	0.9
Sortino Ratio (0%)	1.6
Omega (0%)	1.2
Calmar Ratio	0.8
Maximum Run-up	19.2%
Maximum Drawdown	10.8%

Bloomberg: ROBMETH US

Commentary

In August, the markets experienced the equivalent of a financial hurricane; it came on a short notice and spiked the volatility of the major markets. The volatility calmed down later on and prior to picking up steam again towards month end. Our risk models detected a regime change early on and adjusted the portfolio accordingly for net returns of 3.55% (*est.*).

The sharp selloff in precious metals in August reminded us of the crash in silver back in May; both were characterized by very heavy selling aided by untimely increases in exchange margin requirements.

Policy wise, Mr. Bernanke stated no intention for a 3rd round of money printing. Many would support such a stance given its questionable longer term effect.

Best Regards,
 Karim N. Taleb