

Feb. 29, 2012

**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 financials 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 2/20 Fees)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2005</b>	-0.53%	1.06%	-2.82%	-1.88%	1.47%	3.68%	3.88%	2.10%	5.32%	-5.78%	4.63%	1.95%	<b>13.21%</b>
<b>2006</b>	11.76%	-3.04%	1.83%	4.16%	-7.52%	-1.54%	2.06%	0.52%	-0.74%	3.87%	4.98%	0.85%	<b>17.18%</b>
<b>2007</b>	-1.09%	-1.69%	1.27%	2.18%	3.38%	1.38%	1.95%	-2.28%	7.94%	5.25%	-2.15%	-0.31%	<b>16.44%</b>
<b>2008</b>	2.41%	2.12%	-0.16%	-1.25%	-0.79%	1.17%	-0.02%	1.22%	0.42%	-0.17%	1.26%	3.14%	<b>9.65%</b>
<b>2009</b>	-3.09%	-0.57%	1.60%	1.18%	3.01%	-0.46%	1.34%	-0.58%	-0.28%	1.10%	-2.60%	-1.52%	<b>-1.04%</b>
<b>2010</b>	-0.84%	-1.23%	-0.76%	-1.17%	-3.22%	-0.56%	-0.18%	-0.11%	0.46%	-0.25%	0.81%	2.66%	<b>-4.41%</b>
<b>2011</b>	-1.62%	4.98%	0.83%	4.04%	-4.95%	-1.44%	2.04%	3.76%	-5.62%	-1.87%	-1.51%	-0.40%	<b>-2.36%</b>
<b>2012</b>	1.76%	0.98%											<b>2.75%</b>

**Commentary**

February returned 0.98% net of all fees, with gains deriving from a balanced mix of equity, energy, commodities, and currency trades. Margin to equity remained under 10% over the entire period.

Last month, we highlighted the growing list of nations now trading outside the USD to both reduce their financial exposure and state dissent. Such decisions clearly further exacerbate the distressed situation of the dollar's foreign demand and supply equation.

With the Dollar Index hitting a new 50 days low on the 28th of February, the central banks colluded once again. On the 29th, they took cover behind a tame Bernanke speech, and savaged the precious metals in the paper market. While these operations mark ongoing assaults on free markets, they also are desperate actions that come at a dear price. Not only do they harm prudent investors seeking shelter in the metals, they allow competing nations to exchange paper currencies for physical metal. The bottom line is a net surrender of American and Western gold.

Venezuela made an early move by redeeming its gold on deposit last year. China clearly wishes to do same, yet its efforts seem to be so far in vain. We were surprised to learn in December of a legal action claiming Chinese gold in the US, with far reaching allegations and implications if proven true.

The other shocker came from the testimony of UK Parliament Member Lord James of Blackheath in the House of Lords, related to a colossal \$15 Trillion money laundering operation at major banks.

Added to a long list of recent resignations of senior banking officials, we see too many canaries in the mine and a major scandal in the pipeline.

Neither the bond market, nor the dollar, and certainly not the VIX seem to have taken note of these dramatic developments.

**Bloomberg**

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**Statistics**

Annualized Returns	7.4%
Annualized Volatility	10.1%
Annualized Dn Volatility	5.9%
Sharpe Ratio (0%)	0.7
Sortino Ratio (0%)	1.2
Omega (0%)	1.1
Maximum Run-up	19.2%
Maximum Drawdown	10.8%

**Dn. Corr.**

SP500	-0.06
CTA Index (Newedge)	0.26
STTI (Newedge)	-0.13
Global HF (HFRX)	0.05
Global Macro (HFRX)	0.20

