RM ROBUST METHODS

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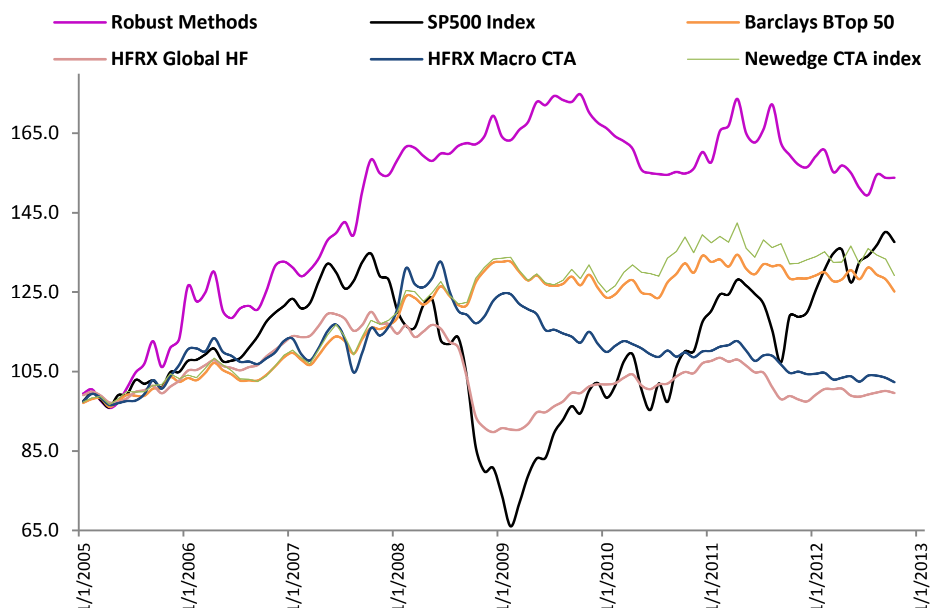
Robust Methods is a seasoned money manager and pioneer of Robust Portfolio Management. The firm's mission is to generate solid investment returns to a global and sophisticated investor base. Emphasizing research and quantitative decision making, transactions are made on the financials and commodities 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
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%	3.76%	-5.62%	-1.87%	-1.51%	-0.40%	**-2.36%**
2012	1.76%	0.98%	-3.45%	1.06%	-1.15%	-2.51%	-1.12%	3.40%	-0.51%	0.01%			**-1.72%**



Bloomberg	**ROBMETH US**

Statistics

Annualized Returns	6.2%
Annualized Volatility	9.9%
Annualized Dn Volatility	5.7%
Sharpe Ratio (0%)	0.6
Sortino Ratio (0%)	1.1
Omega (0%)	1.0
Maximum Run-up	19.2%
Maximum Drawdown	13.5%

	Dwn. Corr.
SP500	-0.06
Newedge CTA Index	0.29
Newedge STTI	-0.02
HFRX Global HF	0.01
HFRX Macro CTA	0.19

Commentary

The month of October started with some fair gains that came from the drop in the price of oil as well as some risk-aversion trades. The portfolio did not hold on to these gains nevertheless and as the markets reversed and turned turbulent later on. We finished at +0.01%.

October was a peculiar month to trade overall, and in which most discretionary and systematic strategies experienced difficulties. The HFRX Macro/CTA and the Newedge CTA indexes returned -1.06% and -3.05% respectively.

On the macro-economic front, the big picture remains the one of extraordinarily high debt and notional levels in the banking and financial sectors. We seriously doubt that the QE series, unconventional debt purchases and indirect monetization will be successful in making up for a credit contraction that requires running its course. Asset values hence, such as real estate in major US and European cities, could very well retest their 2008 lows and possibly go much lower - at least in real terms. This process would also accelerate if the central banks lose control on interest rates, and/or if banks are forced into asset sales to raise capital and meet new requirements.

On a positive development, the IMF seems to be aiming at some credible reforms within the banking system. The key points of its recent proposal hold a good potential at first sight.