

May 30, 2008

Program Description

The trading program covers the major global markets using a quantitative and systematic approach. It was developed following a rigorous methodology with emphasis on research and statistical decision making. Transactions are made on currencies, interest rates, equities, energies, precious metals, and commodities with the goal of capturing developing trends. Positions are taken with the premise that price movement often leads fundamental information.

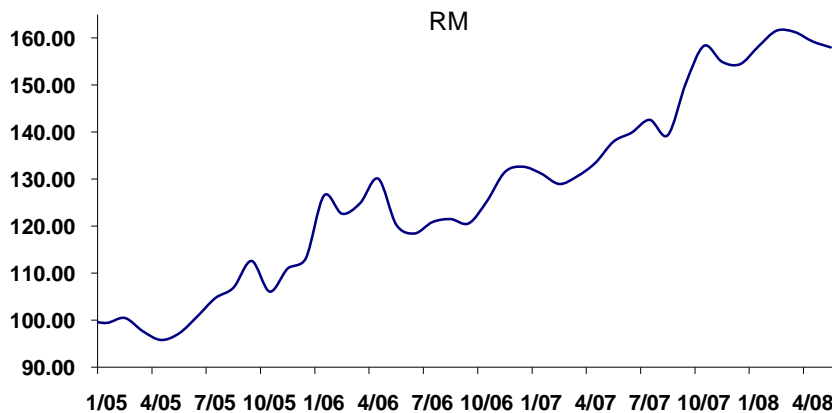
Risk Management

Risk is managed using a strict and disciplined approach. Portfolio risk is allocated and spread within and across asset classes, sectors, individual markets, and geographic blocs.

Returns (Net of 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%								2.30%

Cumulative Returns (VAMI)



Statistics

Annualized Return	14.3%
Annualized Dwn. Vol.	6.9%
Sortino Ratio (0%)	2.1
Maximum Runup	19.2%
Maximum Drawdown	9.1%
Months to Recovery	5

Terms

Management Fee	2%
Incentive Fee	20%
High Watermark	Yes
Liquidity	Monthly
Lock-up	No

Commentary

Results were -0.79% for the month of May as the program took a series of small losses in several markets. We locked in gains in our earlier emerging equities positions as the rally started to fade and established small new positions on the short side.

The column chart to the right shows a graphical tails analysis of the program.

