



Dark Pools

by Michael Newallo



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Performance Summary			
	Jul 2008	Jun 2008	YTD
CHW HEDGE FUND INDICES (CHW-HF) %			
CHW-HF Composite Index	-5.99	1.08	-5.62
CHW-HF Equity Hedged Index	-7.33	1.22	-6.70
CHW-HF Notes Index	-1.07	0.47	-1.08
CHW-HF Fund of Funds Index	-1.33	0.40	-3.62
Scotia Capital Canadian Hedge Fund Index			
SC CDN HF Index Asset Weighted	-8.61	5.03	1.26
SC CDN HF Index Equal Weighted	-6.55	3.03	-1.62
CSFB/Tremont Hedge Indices			
CSFB/Tremont Hedge Fund Index	-2.61	0.00	-2.11
Convertible Arbitrage	-2.14	-0.36	-7.59
Dedicated Short Bias	2.98	9.02	15.28
Emerging Markets	-2.84	-1.59	-6.29
Equity Market Neutral	-0.06	0.55	3.73
Event Driven	-2.53	-0.15	-3.63
Distressed	-2.59	-0.51	-3.92
Event Driven Multi-Strategy	-2.53	0.09	-3.53
Risk Arbitrage	-0.39	-0.12	2.98
Fixed Income Arbitrage	-0.37	-0.47	-4.46
Global Macro	-2.64	2.00	6.34
Long/Short Equity	-3.43	-1.33	-3.89
Managed Futures	-4.20	4.79	10.03
Multi-Strategy	-2.47	0.05	-4.49
GLOBAL HEDGE FUND INDICES			
Hennessee Hedge Fund Index	-1.95	-1.00	-3.23
HFRI Fund Weighted Composite Index	-2.17	-1.27	-3.43
HFRI Equity Market Neutral Index	-1.26	1.23	1.04
HFRI Fund of Funds Composite Index	-2.73	-0.82	-5.03
MARKET INDICES			
MSCI World Index (C\$)	-2.19	-5.37	-10.05
MSCI World Index (US\$)	-2.42	-7.94	-12.42
MSCI Emerg. Markets Free Index (C\$)	-3.47	-7.45	-12.60
Dow Jones 30 Industrial Avg. (US\$)	0.20	-10.19	-14.22
NASDAQ Composite Index (C\$)	1.66	-6.57	-9.95
NASDAQ Composite Index (US\$)	1.42	-9.10	-12.32
S&P 500 Total Return Index (C\$)	-0.61	-5.88	-10.30
S&P 500 Total Return Index (US\$)	-0.84	-8.43	-12.65
S&P/TSX Composite Index	-6.04	-1.68	-1.74

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Contact:

Sankar Krishnan
USA Cell: +1 917-446-3385, Sankar.krishnan@adventity.com
www.adventity.com

Dark Pools

by Michael Newallo CMA CFA
Managing Director, Equity Structured
Products Head, Prime Services, Securities
Lending and Direct Market Access Sales
National Bank Financial

Lower prices. Less scrutiny. Fewer rules... Sound like an advertisement for discrete trading? These are just a few of the characteristics of private exchanges, a.k.a. dark pools, that have caused some of the largest and most savvy alternative and traditional funds to turn to these venues to make their biggest deals.

Dark pools of liquidity (also dark pools or dark liquidity) are crossing networks that provide liquidity that is not displayed on public exchanges.

This is useful for traders who wish to move large numbers of shares without revealing themselves to the open market.

Truly dark liquidity can be collected off-market. Dark pools are generally very similar to standard markets with similar order types, pricing rules and prioritization rules. However the liquidity is deliberately not advertised - there is no market depth feed. They prefer not to print the trades to any public data feed, or if legally required to do so, will do so with as large a delay as legally possible - all to reduce the market impact of any trade.

Dark pools are often formed from brokers' order books and other off-market liquidity. When comparing pools careful checks should be made as to how liquidity numbers were calculated - some venues count both sides of the trade, or even count liquidity that was posted but not filled.

Crossing network are alternative trading systems (ATSs) that match buy and sell orders electronically for execution without first routing the order to an exchange or other displayed market, like an Electronic Communication Network (ECN) that displays a public quote. Instead the order is either anonymously placed into a black box or flagged to other participants of the crossing network. The advantage of the crossing network is the ability to execute a large block order without impacting the public quote. However, since the crossing network executes without displaying information to the market, the network must match the order at the midpoint of the National Best Bid and Offer (NBBO). In the US there are over 50 dark pools with at least a dozen more on the horizon. Experts



think the market is near saturation. In Canada, there are 7 alternative trading systems: Alpha, Block Book, Chi-X, Omega, Liquidnet, Pure and Triact. Is there enough liquidity in the Canadian market to support all these systems?

Hedge funds and institutional clients that want to build and liquidate large stock positions at lower cost (i.e. reduce market impact when trading large orders), while also being shielded from those who might profit by knowing their intentions are the force behind the creation of dark books.

Consider: an activist hedge funds that doesn't want to reveal that it is buying up large blocks of stock in a company it is about to attack, or a mutual fund that discreetly wants to sell a large portion of it's holdings in a company without causing a decline in the value of shares it still holds.

"Dark pools are generally very similar to standard markets with similar order types, pricing rules and prioritization rules. However the liquidity is deliberately not advertised - there is no market depth feed. "

Dark liquidity pools offer institutional investors many of the efficiencies associated with trading on the exchanges' public limit order books but without showing their hands to others. Dark liquidity pools avoid this risk because neither the price nor the identity of the trading company is displayed.

Exchanges are at a disadvantage as they try to compete with dark pools.

Government regulatory bodies oversee traditional exchanges. Dark pools, by contrast, can largely avoid. This makes them attractive to big institutional traders seeking to avoid being so transparent about their trading patterns that competitors can anticipate their actions or otherwise gain an edge. The issues and concerns about dark pools:

Dark pools are not the panacea: consider the following:

1. Price Discovery

For an asset which can only be publicly traded, the standard price discovery process is generally assumed to ensure that at any given time the price is approximately "correct" or "fair". However, very few assets are in this category since most can be traded off market without printing the trade to a publicly accessible data source. As the proportion of the daily volume of the asset that is traded in such a hidden manner increases, the public price might still be considered fair. However if public trading continues to decrease as hidden trading increases, it can be seen that the public price does not take into account all information about the asset (in particular it does not take into account what was traded but hidden) - and thus the public price may no longer be "fair".

2. Market Impact

Whilst it is safe to say that trading on a dark venue will reduce market impact it must be noted that it is very unlikely to reduce it to zero. In particular the liquidity that crosses with you has to come from somewhere - and at least some of it is likely to come from the public market, as automated broker systems intercept market-bound orders and instead cross them with you. This disappearance of the opposite side liquidity as it trades with you and leaves the market will cause impact. In addition your order will slow down the market movement in the direction favourable to you and speed it up in the direction unfavourable to you. The market impact of your

hidden liquidity is greatest when all of the public liquidity has a chance to cross with you and least when you are only able to cross with other hidden liquidity that isn't also represented on the market. In other words you still have a trade-off: reduce your speed of execution by only crossing with dark liquidity or increase it and increase your market impact.

3. Imputing the Existence of Dark Liquidity

There are a few ways to guess at the existence of dark liquidity. If you are watching the market depth and see that both the bid and offer have decreased by the same amount, you might reasonably assume that the trade was in fact made, but at a venue not visible to you. However this is unreliable, since there is the chance that two orders were simply cancelled at the same time.

If you are actively trading at a dark venue and choose to take liquidity at a given price then you obviously have a piece of information known only to one other participant (the counterparty in the trade!). Additionally if you were completely filled you may reasonably assume that some more liquidity exists at the same price.

4. Adverse Selection

One potential problem with crossing networks is that generally if you are completely filled, it implies that the counterparty actually had more liquidity behind their order than you did in yours. If you are slicing many small orders across time, this would not be meaningful. However if you are trading large volumes then it can be assumed that the other side - being even larger - will be likely to cause market impact and thus push the price in your favour. So the fact that you got filled is an indicator that you actually didn't want to get filled - it would have been better to wait until the price had been pushed and then cross.

5. Gaming

Dark pools are open to gaming, but it is a risky business, predicated on being able to guess both the existence of large liquidity and the pricing mechanism being used. As an example suppose that, by whatever means, you believe that there is a large amount of hidden liquidity, say a buyer pegged to the public bid price. If the public market has much less quantity than you suspect is hidden on the bid, you can buy a similar amount of the asset, pushing up the price. Once the price is high enough, you place a limit price buy order of sufficient quantity onto the public market and simultaneously place a limit price sell order for the total quantity you just bought on the dark venue. You now hope that the hidden order will cross with you at the current high price bringing the profit.

This is a dangerous game though: how do you know that the pegged order is really in the dark pool, and how do you know what the volume is? Finally there is also the chance that another market participant will see the anomalous move, decide the market is mispriced, and take it back to the original price without you being able to liquidate your position at a favourable price.

Michael Newallo is the Managing Director in the Equity Structured Products Group at National Bank Financial. Michael heads Prime Services; a fully integrated platform for hedge funds including prime brokerage, securities lending, electronic trading sales and structured product sales to hedge funds clients.

Prior to joining National Bank Financial, Mr Newallo was the Executive Director of Prime Brokerage and Electronic Trading at CIBC World Markets and the Co-Head of Hedge Fund Services at RBC.

Mr. Newallo holds a Bachelor of Commerce degree from the University of Toronto. He also holds the CFA and CMA designations.

CHW Quarterly Canadian Hedge Fund Report

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A statement in sheep's clothing: Why should Canada care about FAS Statement 157?

by James Loewen

Partner, National Director, Investment Management and Funds, KPMG

On November 15, 2007, an event took place in the U.S. that was of great interest to the financial community. That was the day FAS Statement No. 157 came into effect. Issued by the Financial Accounting Standards Board (FASB) fourteen months earlier, FAS 157 is a response to investor requests for more transparency about the methods and information companies (including hedge funds) use to measure fair value. They wanted to know more about the quality of the underlying information, and how fair value measurements affect income and performance.



Prior to this Statement, there were many interpretive definitions of fair value. Guidance for applying those definitions in U.S. generally accepted accounting principles ("GAAP") were limited, even though there are over 40 current accounting standards within U.S. GAAP that require fair value measurements. The inconsistencies were viewed as a significant problem; therefore, FASB sought increased consistency and comparability in fair value measurements, and more disclosure about fair value measurements.

Accelerating the purge of credit markets

The timing of FAS 157 was somewhat unfortunate. At a time when the U.S. credit crisis was rapidly escalating, FAS 157 introduced more comprehensive fair value measurement and disclosure standards, which hedge funds and financial institutions such as banks and pension funds had to apply to their portfolios of relatively illiquid securities. In 2007, these institutions had barely begun to plumb the depths that these securities had truly fallen on the market. FAS 157 could be in the position of forcing faster write-downs and accelerating the purge of credit markets to one fell swoop. The potential for problems caused some in the industry to ask for a delay in implementing FAS 157, but their request was not granted.

In the ensuing eight months, another round of write-downs has occurred. It is not possible to measure the role of FAS 157 in these events without a great deal of study and, in fact, it is not the purpose of this article. That purpose is two-fold: first, to explain to Canadian hedge fund

managers why they should be interested in a U.S. accounting standard that does not currently apply to them (unless they also report under U.S. GAAP); and second, to familiarize these managers with some of the basic concepts in FAS 157 and identify the changes that could soon be required under Canadian GAAP.

IASB likes what it sees

The reason why Canadian hedge fund managers should be interested in FAS 157 is simple. The International Accounting Standards Board (IASB) is considering some of the concepts contained within FAS 157, and Canada is committed to adopting International Financial Reporting Standards (IFRS) by 2011. Canada has its own relatively recent standard, the Canadian Institute of Chartered Accountants Handbook Section 3855, which was mandatory effective October 2006 and designed to harmonize with U.S. and international standards at the time. However, FAS 157 was released a month earlier in September 2006, and IASB likes what it sees. Canada is likely to see a standard similar to FAS 157 within three years.

What does FAS 157 specify?

FAS 157 defines fair value, establishes a framework for measuring fair value in U.S. GAAP, and expands disclosures about fair value measurements. It applies only to fair value measurements already required or permitted by other accounting standards and is expected to increase the consistency of those measurements. Changes to current practice relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements.

The definition of fair value in FAS 157 retains the exchange price notion in earlier definitions of fair value. The Statement clarifies that the exchange price is the price in an orderly transaction between market participants to sell the asset or transfer the liability in the most advantageous market for that asset or liability. That hypothetical transaction is made at the measurement date, and is considered from the perspective of a market participant that holds the asset or owes the liability. In other words, the definition focuses on the price that would be received to sell the asset or paid to transfer the liability (an exit price), not the price that would be paid to acquire the asset or received to assume the liability (an entry price). The "exit price" concept is consistent with current guidance for investment funds, but some of the specifics of how to determine the exit price/fair value of certain investments may require changes to a hedge fund's valuation practices or techniques, at the very least for financial reporting purposes.

For example, FAS 157 eliminates the use of "blockage" factors by broker-dealers and certain

investment companies that have been applying the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Investment Companies. FAS 157 also removes the prohibition against recognition of gains or losses at the inception of derivative transactions whose fair value is estimated by applying a model, as dictated by Emerging Issues Task Force (EITF) guidance.

The valuation premise of FAS 157

A valuation premise is an assumption about how market participants would use an asset to maximize its value. Statement 157 directs reporting entities to establish the valuation premise based on the asset's "highest and best use." An asset's highest and best use will result in either an in-use premise (the asset provides maximum value principally from its use in combination with other assets) or an in-exchange premise (the asset provides maximum value based on a price that would be received in a current transaction to sell the asset standing alone, in relative isolation from other assets). Since investment companies generally use their assets to pursue capital appreciation, income, or both (and do not invest for strategic operating purposes) investment companies will generally use an in-exchange premise for valuing investments.

Statement 157 specifies three possible valuation approaches:

1. The market approach, which uses observable prices and other relevant information derived from market transactions involving identical or comparable assets or liabilities.
2. The income approach, which uses valuation techniques to convert future benefits or costs, usually in the form of cash flows, into a present-value amount. Examples of an income approach include the discounted cash flow method, the Black-Scholes-Merton model, and the excess earnings method used to value certain intangible assets.
3. The cost approach, which uses estimates of the cost to replace an asset's service capacity.

For most investment securities, the market approach is the most appropriate valuation technique.

What is "fair value hierarchy"?

The term "fair value hierarchy" in Statement 157 refers to the relative reliability of inputs to a valuation technique used in arriving at a fair value estimate. The hierarchy of the three levels described above is essential to FAS 157's disclosure requirements. The highest, most reliable level is Level 1 while the lowest, least reliable level is Level 3.

The reporting entity is required to use the highest level of input that is available in measuring the fair value of an asset or liability. Level 1 input (quoted price in an active market) should be used to measure fair value whenever available, with certain limited exceptions. In fact, the lower the level of the input for a fair value measurement, the more extensive the disclosure requirements. Since many investment companies will be using Level 1 almost exclusively, the disclosure requirements of FAS 157 should be less onerous.

Determining the Level of a Fair Value Measurement

The requirement of FAS 157 to determine the level of a fair value measurement (and resulting disclosure requirements) will be considerably more difficult for investment funds with holdings that are more complex, such as:

- Foreign equities trading on exchanges in different time zones
- Fixed-income valuations that require significant cash flow assumptions, including prepayment speeds
- Venture capital investments valued based on a round of financing that closed on or near the balance sheet date
- Various derivative instruments

Because they generally obtain valuations from pricing services, investment companies may find it difficult to assess the level of such fair value measurements without understanding the techniques and inputs used by the pricing service. It is important that investment funds work closely with pricing vendors to understand the underlying inputs being used to fair value securities.

Guidance for investment managers

Statement 157 supplies guidance for investment managers about valuing different types of investments. Here are some of the valuation issues that may affect investment companies.

Fair Value at Initial Recognition

Usually the transaction price of an acquired asset or a liability will equal the exit price, meaning that the transaction price represents the fair value of the asset or liability at initial recognition. However, transaction costs are inconsistent with the exit price determination and would not be a component of fair value at initial recognition. Therefore, investment companies holding investments that may be initially valued at the transaction price (including transaction costs) may recognize a loss equal to the transaction costs after the asset has been acquired.

Blockage

A blockage factor adjusts the price of each

individual security based on the size of the position relative to trading volume. Under FAS 157, investment companies and broker-dealers will no longer be able to apply blockage factors for unrestricted securities that are quoted in an active market. The appropriate unit-of-account for securities traded in an active market is now deemed to be an individual share (and not an entire position) because the entity holding the security is allowed to sell an individual share.

Restricted Stock

Statement 157 requires restricted stock to be valued based on the value of equivalent unrestricted stock, adjusted for the effect of the restriction, if the restriction is an attribute of the security and therefore would transfer with the security. This is consistent with the market participant approach set forth in the statement. As such, it is important to evaluate the restriction to determine whether it is an attribute of the security or an attribute of the reporting entity. This may be difficult in certain circumstances and requires sound judgment.

Foreign Investments

FAS 157 states that a quoted price in an active market may not represent fair value if significant events occur after the close of a market but before fair value is measured. It goes on to say that "if a quoted price is adjusted for new information, the adjustment renders the fair value measurement a lower level measurement." In other words, it becomes something lower than a Level 1 measurement and the appropriate disclosures apply.

Valuing an Investment in Another Investment Company

An investment company that invests in another investment company (including a fund of funds) must consider how to appropriately measure the fair value of its investment. The investor fund's proportionate share of net assets reported by the investee fund may not represent the fair value of the investment, but generally would be used as a starting point, or input, for measuring fair value.

Matrix Pricing

Investment funds often measure the fair value of fixed income securities using "matrix pricing," a technique that takes into consideration yields/prices of securities with similar characteristics, including credit quality, industry, and maturity. Statement 157 does not change this practice, but does specify that the use of an alternative pricing method makes that particular fair value measurement a lower level measurement.

Bid-Ask Spreads

FAS 157 does not preclude the use of either mid-market pricing or other pricing conventions within the bid-ask spread as

practical expedients. The estimate should be based on the price within the bid-ask spread "that is most representative of fair value in the circumstances."

Valuing a Liability

Because market participants would consider nonperformance risk in determining the fair value of a liability, FAS 157 requires the reporting entity's credit standing to be considered. The entity could record an accounting gain for derivatives and other liabilities that are measured at fair value because the fair value of the liability decreases in response to a credit downgrade if all other inputs remain unchanged.

Summary

FAS 157 has a lot more relevant detail than included here, such as disclosure requirements and alternative measurement options for some securities. For further information please refer to Statement 157 and Investment Funds: Questions and Answers by KPMG available on www.kpmg.ca.

The important point is that familiarity with FAS 157 now will pay dividends in a few years when that standard will be embodied, to some extent, in IFRS. A good understanding now will put you ahead of the curve.

For Further Information

James Loewen, Partner, National Director, Investment Management and Funds, KPMG T: 416.777.8427

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James Loewen is an audit partner in the Toronto financial services practice and has over fourteen years experience in the investment management industry. James is the National Director of KPMG's Investment Management and Funds Practice and sits on the firm's global leadership team for asset management. James' current clients include a number of alternative investment managers and domestic and off-shore funds, as well as several service providers. James is the Chair of the IFIC Accounting Advisory Committee and is a member of a CICA study group examining financial reporting by Canadian investment funds, including the transition to IFRS in 2011.

Africa: Investment Rationale, Accessibility and Risks

by Keith Loggie
 Director – Global Research & Design
 Standard & Poor's Index Services



Investing in Africa

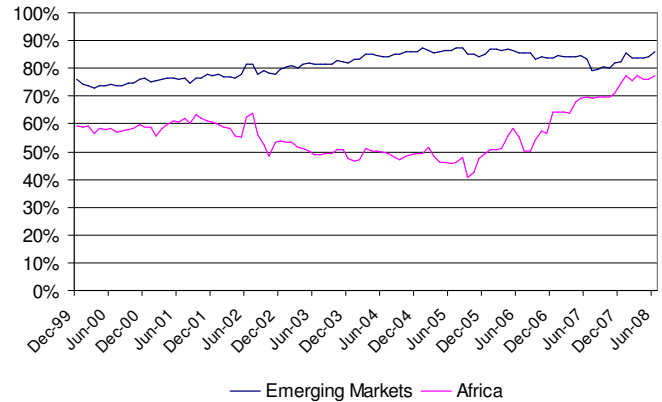
Africa is a region considered by many to be one of the last frontiers of equity investing. There are no developed markets on the continent and most African markets are considered to be frontier markets, relatively small and illiquid even by emerging markets standards. Beyond South Africa, institutional investment in African equities have historically been very low compared to investment in other emerging market regions. For several decades economic growth in Africa lagged that of the rest of the world. However, the situation has begun to change over the last few years. According to the World Bank, African growth of 5.4% over the last decade has matched that of the global economy. Growth has been accelerating even quicker in recent years and is forecasted by the IMF to reach 6.8% in 2008. Unsurprisingly, outside interest in Africa as a potential investment destination has also increased in recent years, as exhibited by levels of foreign direct investment (FDI). According to the UN Conference on Trade and Development (UNCTAD), Africa as a whole reached consecutive highs in FDI in 2005 and 2006 at \$31 Billion and \$39 Billion respectively.

Along with economic progress, many African countries have seen strong development in their financial markets in recent years as well. Both total stock market capitalization and value traded have increased rapidly in several markets. While many African stock markets remain inaccessible to foreign investors or too small or illiquid to warrant investment, there are now several markets in Africa which are both accessible to foreign investors and have reached size and liquidity levels to present feasible investment opportunities. For the purposes of this article Egypt, Ghana, Kenya, Morocco, Nigeria, South Africa and Tunisia are considered the investable subset of African countries. These markets are generally accessible to foreign investors and local listings from these markets are eligible for inclusion in the S&P Africa 40, a tradable index of the largest and most liquid companies operating purely in Africa. Unless stated otherwise, data in this article is based on these seven countries.

The Investment Rationale

The most important rationale for investments in African equities is diversification. The benefits of diversification have been a major cause for the increase in international and emerging market investing. However, over the years as markets have grown and the global economy has become further integrated, correlations between US equities, international equities and emerging market equities have risen, thus lowering the potential benefits from diversification. On the other hand, most African markets are less developed compared to other emerging markets and remain less integrated with the global economy. Unsurprisingly, correlation between Africa and developed markets remain lower than that between emerging and developed markets. Exhibit 4 shows rolling four-year correlations with developed markets for Africa and emerging markets. Africa is represented by a market cap weighted composite of S&P/IFCI country indices for Egypt, Morocco, Nigeria and South Africa, countries which have been considered investable by Standard & Poor's for the entire time period being looked at. Correlation between emerging and developed markets has consistently been above 80% over the last few years and has increased since the previous decade. While there has been a

Exhibit 4: Rolling Four-Year Correlations Versus Developed Markets

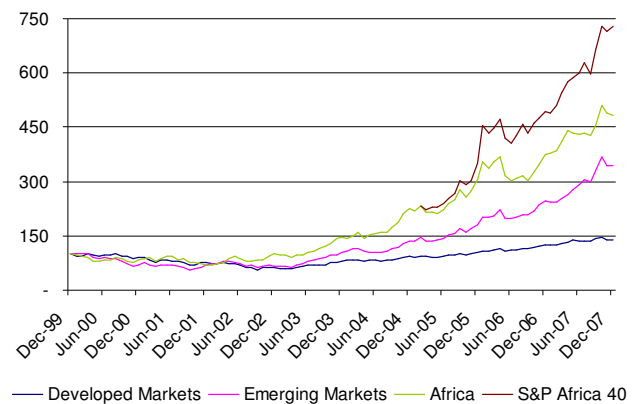


Source: Standard & Poor's. Emerging markets are represented by the S&P/IFCI Emerging Markets Composite and developed markets by the S&P Global 1200. Africa is represented by a market cap weighted composite of S&P/IFCI country indices for Egypt, Morocco, Nigeria and South Africa.

recent increase in correlation between Africa and developed markets, it remains lower than that between emerging and developed markets and has a long term average in the 60% range.

African stocks have also provided an opportunity for strong returns in recent years. Since 1999, returns in Africa have far outpaced those in developed markets and have even outperformed emerging markets over this time frame. African markets have been particularly strong since 2003, coinciding with the high growth in size and liquidity of these markets over the last 5 years.

Exhibit 5: Value of US \$100 Investment in Africa, Developed Markets and Emerging Markets.



Source: Standard & Poor's. Emerging markets are represented by the S&P/IFCI Emerging Markets Composite and developed markets by the S&P Global 1200. Africa is represented by a market cap weighted composite of S&P/IFCI country indices for Egypt, Morocco, Nigeria and South Africa.

Exhibit 5 includes both an African benchmark based on S&P IFCI country indices, as well as the S&P Africa 40, a tradable index which contains only the largest and most liquid African stocks. The S&P Africa 40 has history back to February 2005 and you can see that the S&P Africa 40 has significantly outperformed the African benchmark since that time. For comparison purposes it has been based to the level of the African benchmark as of that time in this graph. As this index is made up of the stocks that foreign investors looking for exposure to Africa would most likely be investing in, it provides further evidence of increased interest in Africa as a feasible market for allocation.

Accessibility

There are two general means for foreign investors to gain exposure to Africa. Besides investing in local African listings, investors can also access Africa by investing in companies domiciled in Africa that trade on developed market exchanges and in companies domiciled in developed markets but whose assets are located in Africa. For example, there are several mining and energy companies listed on the Toronto Stock Exchange and the London Stock Exchange which operate purely in Africa. It is a somewhat subjective determination as to whether a company is considered to provide exposure to Africa based on how much of its operations and assets are located there. To be included in the S&P Africa 40 a company must have virtually all of its assets in Africa. Based on Standard & Poor's estimates, as of June 30, 2008 there were over 50 companies with a market capitalization of over \$50 million that met this criteria, with an aggregate market capitalization of over \$50 billion. Exhibit 6 lists a sample of twenty of the largest of these companies.

Exhibit 6: Developed Market Companies Operating in Africa

Company	Primary Country of Operations	Exchange	Market Capitalization
Addax Petroleum Corp	Nigeria	Toronto	7,528.00
First Quantum Minerals Ltd	Zambia	Toronto	4,710.42
Aquarius Platinum Limited	South Africa	Sydney	4,192.57
Randgold Resources Ltd	Mali	London	3,466.08
Total Gabon	Gabon	Paris	3,202.90
Central African Mining & Exploration	Congo	London	2,842.17
Katanga Mining Ltd	Congo	Toronto	2,640.03
Equinox Minerals Ltd	Zambia	Toronto	2,583.26
Orascom Development	Egypt	Zurich	2,629.24
Riversdale Mining Ltd	South Africa	Sydney	2,115.70
Eastern Platinum Ltd	South Africa	Toronto	1,870.40
Iamgold Corp	Mali	Toronto	1,771.21
Red Back Mining Inc	Ghana	Toronto	1,590.84
Gem Diamonds Ltd	Lesotho	London	1,339.95
International Ferro Metals	South Africa	London	1,224.10
First Uranium Corp	South Africa	Toronto	808.51
Platmin Ltd	South Africa	Toronto	782.02
Anvil Mining Ltd	Congo	Toronto	671.39
Albidon Ltd-Cdi	Zambia	Sydney	669.35
Golden Star Resources Ltd	Ghana	Toronto	635.00

Source: Standard & Poor's. Market capitalization in billions of US dollars. Data as of June 30, 2008.

"The size of many African stock markets have increased several times over during the last decade."

Many African markets remain virtually inaccessible to foreign investors. Some countries are lacking in financial infrastructure or have markets that do not have enough liquidity to make outside investment feasible. Other countries lack a liquid currency market or have high foreign investment restrictions or tax levels that discourage foreign investment. For a market to be accessible as well as feasible to foreign investors several factors generally must be in place; low foreign investment restrictions, reasonable tax levels and sufficient liquidity. There are seven African markets for which local listings are eligible for inclusion in the S&P Africa 40 - Egypt, Ghana, Kenya, Morocco, Nigeria, South Africa and Tunisia. These markets are generally open to foreign investment. As shown in Exhibit 7, withholding tax rates that are lower than those in developed markets. Also, these markets have comparable settlement cycles and foreign investment ceilings to larger emerging markets, as demonstrated in Exhibit 8.

Exhibit 7: Percentage Withholding Taxes in Frontier Markets

Market	Interest	Dividends	Long-Term Capital Gains
Egypt	15	0	0
Ghana	10	10	0
Kenya	15	10	0
Morocco	10	10	35
Nigeria	10	10	10
South Africa	0	0	0
Tunisia	15	0	0
Average	10.71	5.71	6.43
G7 Average	15.00	13.33	18.23

Source: Standard & Poor's Global Stock Markets Factbook 2007. Data are sourced primarily from information provided by stock exchanges and are verified with other independent sources, including the 2007 edition of the Ernst & Young Worldwide Tax Guide.

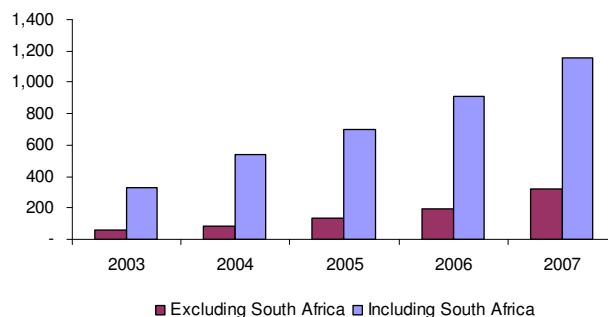
Exhibit 8: Investment Hurdles of African And Leading Emerging Markets

Market	Settlement Cycle	Foreign Investment Ceilings
Frontier Markets		
Egypt	T+3	100% in general
Ghana	T+3	74% in general, 10% for a single entity
Kenya	T+5	75% in general
Morocco	T+3	100% in general
Nigeria	T+3	100% in general
South Africa	T+5	100% in general
Tunisia	T+3	49.9% in general
Leading Emerging Markets		
Brazil	T+3	100% in general, restrictions on certain sectors
India	T+2	24% in general, different restrictions on certain sectors, 10% for a single entity
Korea	T+2	100% in general, restrictions on certain sectors
Mexico	T+2	Sector based restrictions, generally 49% of voting shares.
Russia	T to T+15	100% in general
Taiwan	T+1	100% in general, restrictions on certain sectors.

Source: Settlement cycle information from the State Street Guide to Custody in World Markets 2007. Foreign investment ceilings are from Standard & Poor's Global Stock Markets Factbook 2007 and the State Street Guide to Custody in World Markets 2007.

The size of many African stock markets have increased several times over during the last decade. Exhibit 9 illustrates the growth in stock market capitalization from 2003 through 2007 for the seven African countries being considered. As South Africa represents such a large percentage of total market capitalization on the continent the data is also shown excluding South Africa. Market capitalization has increased over 350% over this time, and over 550% if South Africa is excluded. Egypt, Morocco and Nigeria have grown particularly quickly with the stock markets of each of these countries increasing more than fourfold over this time.

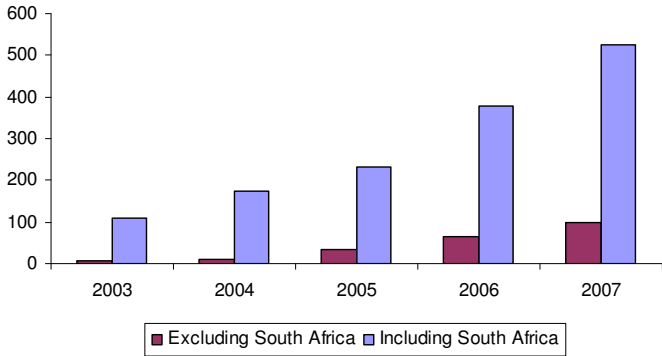
Exhibit 9: African Markets Total Stock Market Capitalization (US\$ Billions)



Source: Standard & Poor's Emerging Markets Database.

Liquidity has also increased strongly in Africa over the past few years. Exhibit 10 shows total annual value traded measured in billions of US\$. Total value traded has grown 48% per year over this time. Importantly, the less developed countries have experienced the most growth. Excluding South Africa value traded has increased by a factor of eighteen over the four year period. Egypt, Morocco and Nigeria once again have exhibited the largest growth, with value traded for each of these countries at least fifteen times higher in 2007 than in 2003.

Exhibit 10: African Markets Total Annual Value Traded (US\$ Billions)



Source: Standard & Poor's Emerging Markets Database.

Risks

Several important risks should be considered when considering equity investments in Africa. Less developed markets are more likely to suffer shocks due to macroeconomic risks. For example, some small market economies are dominated by one or a small number of industries

which increase the chances of a severe economic downturn if that industry suffers. Adding to this risk is the fact that the industries that tend to dominate developing economies, such as agriculture, mining and energy, tend to be volatile due to commodity price risk, extreme weather conditions, etc. The financial infrastructure in most African countries remains weak compared to the rest of the world. Also, currency risk is generally higher in less developed markets where currencies are more likely to suffer severe revaluations due to inflation, current account deficits and political risks. African markets remain highly prone to political risk, as exhibited in the Kenyan elections in 2007 and Zimbabwe in 2008. Also, the lack of democratic governments in Africa increases the potential for quick reversals in government policy towards business, particularly in politically-sensitive industries such as mining and oil.

The small size of African financial markets also adds risk to investment in Africa. Investments in less developed markets are prone to sharp corrections following reversals in investor sentiment. Changes in investor sentiment also add to the potential for volatile currency movements. As Africa represents a very small fraction of both overall world GDP and global stock market capitalization, African investments should be considered in conjunction with a broad, global equity allocation plan. While Africa is experiencing high levels of economic growth, the impact of economic growth may take years to reflect in the stock market.

Keith Loggie is Director - Global Research & Design at Standard & Poor's Index Services. He has helped develop several indices, including the S&P Africa 40 and S&P Arbitrage Index Series. Keith holds a Bachelor's in Business Administration from Fordham University and an MBA from NYU Stern School of Business.

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Regulation of Directors of Offshore Hedge Funds: Staving off the Inevitable?

by Ingrid Pierce, Partner, Walkers



With increasing pressure on funds to improve corporate governance and effective oversight, questions are being asked about whether funds and their service providers are appropriately regulated and if not, what governments should do about it. Independent directors of hedge funds have come under particular scrutiny, with recent inquiries into the quality of their services and discussions about best practices and codes of conduct for those who want to style themselves as professional directors. Is this just part of the tick-box mentality or is there something more to it?

Independent directors act in a non-executive capacity and as such are generally not involved in the day-to-day operations of the fund. A limited number of providers will play more substantive roles in exchange for a higher director services fees, but on the whole, theirs is an oversight role, controlling and overseeing the operation of the fund and its service providers to ensure the fund is run in the best interests of investors. The review of fund documents prior to launch of the fund is an involved process. In addition to reviewing and commenting on the offering documents, directors are frequently involved in the negotiation of service provider agreements. Post launch, directors are typically involved at a high level, holding periodic board meetings, obtaining updates from the investment manager and other advisers and considering particular issues with respect to subscriptions, redemptions, side letters and the like.

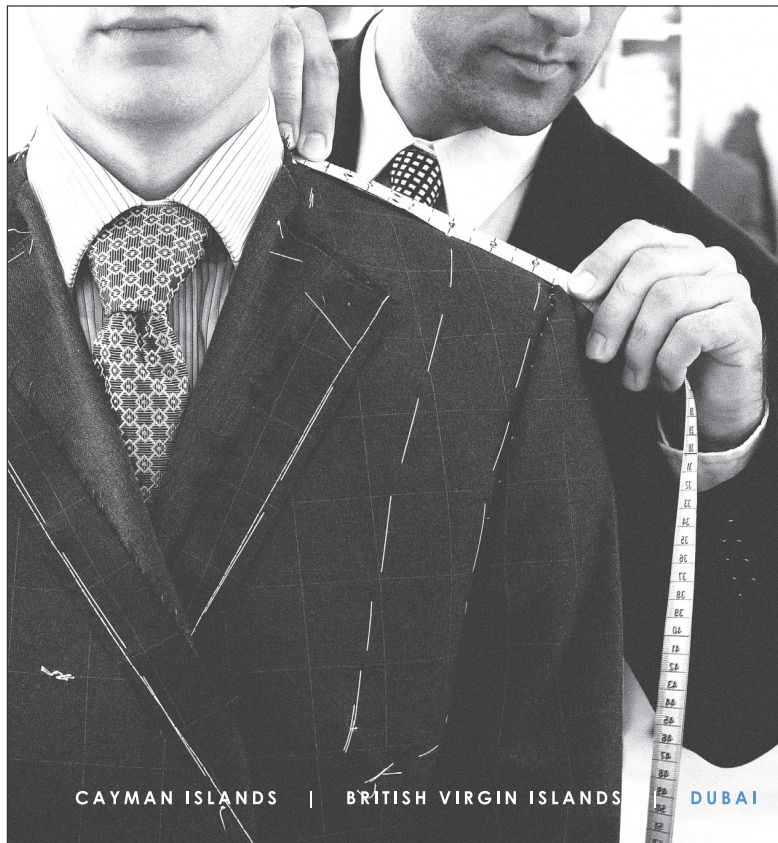
At present, there are no statutory or regulatory qualifications for becoming an independent director of a hedge fund. Very often, directors will be part of an organisation that is itself regulated and many are members of recognised professional bodies. Is that sufficient or should the industry be regulated?

Neither the US nor the UK purport to regulate directors of hedge funds. The UK has a long-established professional body known as the *Institute of Directors* whose motto is "to support, represent and set standards for directors". It is a non party-political business organisation founded by Royal Charter in 1903 with around 55,000 members. Membership is individual and the focus is on training, advice and educational activities. Although Canadian hedge fund managers are heavily regulated at a provincial level, there do not seem to be any current moves at either a provincial or national level to regulate directors of hedge funds.

To date, there has been no attempt by offshore regulators to introduce specific rules to regulate the activities of individual directors of funds domiciled in the Cayman Islands, Bermuda, British Virgin Islands, Dublin or Jersey.

Most people in the industry agree that this would be a mammoth task in any jurisdiction and could create an unduly burdensome and potentially inefficient system. Further, regulation could significantly increase costs and this in turn would likely lead to increased fees for director services. In the offshore world, this would be a huge disincentive to appointing independent directors of offshore funds, whose fees are generally competitive and cost effective.

The answer seems to lie in self-regulation, although not everyone embraces this idea either. Some managers have their own internal standards for board appointees and operational due diligence groups will exclude individual directors or director services firms who do not meet those requirements.



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In the Cayman Islands, by far the largest offshore centre for hedge funds, all funds that fall within the definition of a "mutual fund" under the Mutual Funds Law (2007 Revision) are regulated by the Cayman Islands Monetary Authority ("the Monetary Authority "). However, save for a minority of funds that fall into the "licensed fund" category, (as of March 2008, there were 9,568 regulated Cayman funds but only 123 licensed Cayman funds) most funds are subject to relatively light touch regulation. There is no requirement that directors of Cayman funds are resident in the Cayman Islands and accordingly appointments are usually dictated by the laws and regulations of the relevant domestic jurisdiction. Thus, subject to tax considerations, a Canadian resident could be appointed to the board of a Cayman hedge fund but it is unusual to have more than one domestic board member. It is far more common to have a single representative of the domestic investment manager on the board with the remaining directors being resident in the Cayman Islands.

"To date, there has been no attempt by offshore regulators to introduce specific rules to regulate the activities of individual directors of funds domiciled in the Cayman Islands, Bermuda, British Virgin Islands, Dublin or Jersey. "

Directors of licensed funds must pass the "fit and proper" test and the Monetary Authority has issued Guidelines on Fitness and Propriety setting out the relevant criteria. The fundamental considerations are (i) honesty, integrity and reputation; (ii) competence and capability and (iii) financial soundness. The Monetary Authority's Compliance Department regularly researches and conducts due diligence on applicants and actively takes steps to follow up on applications, including by obtaining third party verification of representations made. The Monetary Authority also has the power to remove a director if he or she is found to be unfit to serve.

Investment managers of Cayman Islands funds are predominantly based in North America or Europe and so they are subject to regulation in the relevant domestic jurisdiction. Relatively few investment managers are domiciled in the Cayman Islands and those who choose to form entities in Cayman to conduct securities investment business are required to obtain a licence under the Securities Investment Business Law (2007 Revision) (known as the "SIB Law") or an exemption from licensing, which requires the manager to make certain declarations and to register with the Cayman Islands Monetary Authority solely for this purpose.

A director of a Cayman Islands fund who carries on securities investment business (as defined under the SIB Law) is not required to be licensed by the Monetary Authority provided that the director (i) is not separately remunerated for any of the activities which constitute the carrying on of such securities investment business otherwise than as part of any remuneration he or she receives for acting in that capacity (ii) does not hold himself out as carrying on securities investment business other than as a "necessary or incidental" part of performing functions in that capacity, or (iii) is acting on behalf of a company, partnership or trust that is otherwise licensed or exempted from licensing under the SIB Law.

Earlier this year the Cayman Islands saw the introduction of a newly formed self-regulating body called the Cayman Islands Directors Association ("CIDA"). CIDA's purpose is to promote and safeguard the interests of directors of Cayman Islands companies to ensure

corporate governance of the highest standards. Much like the UK's Institute of Directors, membership is voluntary and open to individual company directors. The current requirements for membership are that (a) the applicant must be a director who is an employee of an entity licensed and regulated by the Monetary Authority or (b) the applicant must be sponsored by at least two existing members of CIDA. In theory, overseas applicants are eligible for membership. CIDA will focus on education and the establishment of codes of conduct and best practice for its members.

The Monetary Authority has welcomed the establishment of CIDA as a professional association to enhance the credibility, reputation and standing of the financial services industry in Cayman, in particular because it increases the pool of locally based fit and proper persons qualified to serve as directors of regulated entities.

What does this mean for directors of Cayman Islands hedge funds in the future? Will fund managers demand that independent directors are members of CIDA or, if not, that they adhere to the codes of conduct promulgated by CIDA? What about the inside directors who are directly or indirectly affiliated with the manager, should they consider joining CIDA? CIDA is in a new organization and it remains to be seen to what extent its establishment will impact the choice of independent directors appointed to Cayman Islands funds and whether other offshore jurisdictions will adopt a similar approach.

Ingrid Pierce is a Partner in Walkers' Hedge Funds Department and heads the firm's Commercial Trusts Group. For further details, see www.walkersglobal.com or contact Ingrid at ingrid.pierce@walkersglobal.com.

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Will the Tide Turn in Favor of the Greenback?

by Sankar Krishnan, Managing Director and Head of Global Transaction Services & Analytics, Adventity Inc.

Bearish sentiment for the US dollar has led to a drop in the currency of almost 40% on a trade weighted measure over the last seven years. The continuous fall of the currency and, more recently, the historic highs of the Euro have drawn a lot of attention. Interest rate movement across the Atlantic and the US's external balances have played an important role in the dollar's depreciation, however the factors responsible for this depreciation are set to undergo a slow change in the near to medium term. It is likely that these changes will lead to a stabilization of the US dollar against major currencies and that it will continue to act as a primary global reserve currency. The impact of a stronger dollar would be conducive to international trade and capital flows, and beneficial for outsourcing industry.



What Led to the Fall of the Greenback?

The factors that made the U.S. currency structurally weak against major developed currencies are a current account deficit, a negative interest differential and a growth differential. The reasons can be further summarized as follows:

- The current account deficit started moving up monotonically from 3.8% of GDP in 2002 to 6% in 2006 before improving slightly in 2007 at 5.3%.
- The growth rate in the Eurozone surpassed the U.S. growth rate in 2006-07.
- The policy rate in the U.S. has been lower than that of the Eurozone and the UK for a large part of the period since 2002.
- A sharp jump in capital inflows into Emerging Markets from little more than US\$100 billion in 2002 to US\$1 trillion in 2007 (IMF estimates) caused a sharp appreciation in the currencies of these markets that in turn weakened the dollar sentiments globally.

The Future of the Greenback Seems Stable

Though the US dollar has depreciated significantly in the last few years, its importance has not diminished as it continues to be the world's currency of choice for trade, capital flows and other international transactions. Interestingly, factors which caused the depreciation look to be turning around in favor of the greenback.

Growth rate advantage and a narrowing current account deficit will support the greenback

Though it is true that the U.S. economy is going through a rough patch and the pain is expected to continue for some time, many other developed countries are facing similar or worse conditions. The United Kingdom and Japan are struggling to stave off recession and growth in the Eurozone is expected to slow down sooner rather than later, therefore current growth advantage for such countries may soon disappear.

With an already depreciated currency making imports expensive, slowing demand in the U.S. and relatively high growth in most Emerging Markets the current account deficit of the U.S. may be expected to shrink slowly in the medium term which in turn would support the currency.

Interest rate differential may turn in favor of greenback

The greenback depreciated faster when the interest differential was wider. It fell by 16% against the Euro in 2003 when the policy interest differential was at its highest. In 2004, the depreciation rate slowed as the Federal Reserve started hiking its interest rate. By the turn of the year, the US dollar had appreciated by 9.6% when the Federal funds rate surpassed the policy rate in the Eurozone and other countries. In the past year and a half, the dollar depreciated once again as expectations of rate cuts gained ground in the wake of the housing correction. A recent movement in the currency also reflects policy rate changes across the Atlantic. Because of rising inflation, the Fed has started sounding hawkish and the Euro-dollar exchange rate has been range-bound between US\$ 1.54 and US\$ 1.59 for the last four months. The Euro had appreciated before the ECB meeting in July on the expectation that interest rate hikes would continue for some time, but pared the gain after the ECB President indicated otherwise.

Going forward, we believe that the policy rate in the U.S. will maintain its level and that rate cut cycles will begin in the Eurozone and the United Kingdom as inflation abates and growth slows significantly.

The largest single financial market will keep attracting capital

As the world's largest financial market, the U.S. will continue to attract capital inflows from both developing and developed countries and this in turn will continue to support the dollar. As of July 2008, the U.S. debt market accounts for almost 45% of the world debt market and its equity market capitalization is close to 30%. Though the relative size of U.S. equity market capitalization has fallen from 44% in January 2003 to its current 30% due to faster-rising share prices in emerging markets, it continues to be the biggest market in the world.

The threat of diversification is not that serious

Finally, the weakening dollar has given rise to the expectation of reserve diversification which, it is believed, will result in further dollar depreciation but the facts tell a different story. Between 1999 and 2002, the share of the Euro in global foreign currency reserves increased from 18% to 25% and the share of the US dollar decreased from 71.2% to 67%. In the same period, the dollar gained more than 12% against the Euro. The share of US dollar has been relatively stable since 2003 with a fall from 66% to 63.9% in 2007 therefore there is no clear evidence that reserve diversification by the emerging economies will result in dollar depreciation.

Given the fundamentals of the U.S. economy and of major developed countries, and policy expectations in the medium term, any downside risk to dollar movement seems less likely. In fact, faster deceleration in growth in the Eurozone, the United Kingdom and Japan may result in a slow appreciation of the greenback.

Possible Replacement of the Greenback as a Reserve Currency

For a currency to be considered a global reserve currency such as the US dollar, its country must fulfill certain criteria. Broadly, these criteria can be classified into four parts: 1) Economic size, growth dynamics and international openness, 2) Monetary policy and price stability, 3) Size and liquidity of financial market and 4) High degree of political stability and military power.

Consider the US's northern neighbor, Canada. Its economy is just one tenth the size of the U.S. economy and its growth is completely dependent on the US business cycle. Canada has a highly open economy that is largely tied to its U.S. exports and almost 80% of its total exports go to the US. In addition, almost 65% of its imports come from the US.

Market capitalization in Canada at 240% of GDP in July is much higher than the 109% of the U.S. but absolute size of the market in the country is just a quarter that of the U.S. market. The impact of the ongoing credit crisis on the Canadian financial market has been limited as the dominance of energy companies in the stock index has resulted in moderate gains in the past 18 months, while the Dow Jones has fallen 23% in the same period. Even though house price growth has softened, prudent regulations have prevented a rise in mortgage default. An important characteristic of mortgage loans in Canada is that, unless the mortgage is CMHC insured, the buyer has to make a 25% down payment. Thus Canadian banks are not facing a risk from the domestic market and their limited exposure to the U.S. subprime mortgage crisis has resulted in small write-offs compared to the US\$ 400 billion worldwide.

The Canadian dollar (CAD) has appreciated by almost 50% against the US dollar since 2003 and crossed parity in November 2007. Since then it has been range bound near par. We expect the CAD to be range bound over the next few quarters with a depreciating bias as the US dollar is expected to recover slowly.

Though the financial market in Canada is relatively stable and deeper, the size of the economy and its dependence on the U.S. business cycle would be a roadblock to the CAD emerging as world currency.

Similarly, the Japanese yen and British pound do not qualify as world currencies. The fundamentals of the Japanese economy have not been sound for over a decade as it struggled to overcome a deflationary situation. Prices have started moving upward only recently but the growth outlook still seems fragile. The United Kingdom's GDP was a mere 4% of Global GDP in 2007 and its economy is also facing headwinds from the housing sector and credit crisis.

What about the Euro?

The introduction of the Euro in 1999 gave hope to investors and central bankers of an alternative reserve currency. Let's scrutinize the possibility of the Euro becoming a reserve currency on the four criteria listed previously.

1. The Euro area is the world's second largest economy after the U.S. economy. It produces about 15% of world GDP, compared with 21% in the US. The area is the most important global exporter, accounting for 20% of the world's exports of goods in 2007 compared with a U.S. share of only 12% but it absorbs only about 19% of world imports, compared to the US's 21%, reflecting the role of U.S. consumer demand as a global growth engine. Thus, in terms of size and openness, the Euro area is not far behind the US.
2. The European Central Bank has a clear and a singular mandate to maintain price stability and it has achieved this successfully with average inflation in the region of 2.1% between 1999 and 2007. However, when there's a downturn in the economy, it enjoys relatively less flexibility to use accommodative monetary policies because the interest rates of different constituent countries may vary. In this case, the Fed is better placed as it has flexibility to use policy tools for countering an economic downturn.
3. Substantial integration progress has been made in the money and government bond markets, which have provided the most important investment instruments for central banks. The high liquidity of bonds from German and French governments

provides a deep and efficient bond market. Issuing activities have also flourished in the corporate and mortgage bond markets. A survey of central banks concluded that the Euro money and debt markets have reached the same quality as the dollar markets as far as liquidity and the availability of instruments are concerned. The Euro's share in international debt securities amounted to 32% at the end of 2007 while the dollar's share was 44%. Thus the size and the quality of the Euro financial market are valid arguments for international investors to choose euro assets.

4. While the U.S. and Eurozone have a similar high degree of political stability, there are major differences in political structures and international clout. The U.S. is a federal state and a military superpower while the Eurozone or the European Union comprises many sovereign powers. The area is an economic powerhouse but a political dwarf in the global arena.

The Euro has many of the qualifications of a reserve currency but it also lacks some and it is unlikely that the Euro will completely replace the US dollar in the future. At best, it might be considered as a second reserve currency after the US dollar. The share of the US dollar in foreign currency reserves across the globe will fall slowly but continue to be proportionately high.

The impact of a stable greenback on trade, capital flows and outsourcing

A stable world currency always helps to bring down the international cost of a transaction. Diminished uncertainty about currency fluctuation provides clearer earnings guidelines for exporters and a better sense of cost of imports for importers. This also saves currency hedging costs.

Trade is largely dependent on demand but currency matters too

Though global trade growth largely depends on global economic growth, currency fluctuations also impact trade and a stable currency environment boosts growth in trade. Since 2002, the share of emerging markets in global trade has increased substantially even though most currencies have appreciated against the US dollar during this period. In our view, a stable or a slowly upward moving US dollar would benefit some of the emerging markets in terms of trade but, as stated at the outset, trade should not be looked at in isolation. Demand is the most important factor for growth in trade. It isn't unreasonable to expect that demand from developed countries will slowdown in the wake of the current crisis leading to an adjustment in current account imbalances.

Capital flows may be routed through the US

According to IMF estimates, capital flows into emerging markets exceeded US\$1 trillion in 2007. However, the world body expects capital flows to slowdown this year and next due to the crisis in the developed economies. A stable US dollar with a bias towards appreciation would create an environment for larger flows of capital across the globe. The cycle of flows may be a little complicated as they won't be from one developing country to another. Capital would move to the financial centers of developed countries, especially the US, depressing interest rate there and then flow into developing countries. Thus, the U.S. financial market would be acting as a banker between developing countries.

Virtual labor movement through outsourcing would benefit

The global depreciation of the US dollar against most currencies has been a major cause of concern for the outsourcing industry all over the world., India, an important outsourcing hub, suffered due to a currency appreciation of almost 14% in 2007 following huge capital inflows. Eastern European countries with their relatively stable currencies have an edge over other outsourcing destinations in terms of currency fluctuation.

A US dollar with stability and an appreciation bias would make for stability in the outsourcing industry, especially in India. Indian industry which received a battering from last year's sharp appreciation got a breather as the Rupee depreciated by 9% in the first six months of 2008.

Conclusion

The tide is set to turn in favor of the US dollar as most fundamental factors are signaling a change. It's a matter of time before the US dollar stabilizes. Initially, stability would come from the moderation in economic activity in other developed countries then relative domestic strength would pull the currency up. This would help the dollar keep its leadership as a reserve currency. The stability in the world currency would provide a conducive environment for international trade and capital movement.

Sankar Krishnan is Managing Director and Head of Global Transaction Services & Analytics at Adventity Inc., a New York based research and analytics services provider offering comprehensive, innovative and cost effective solutions to clients across five continents. He can be reached at Sankar.krishnan@adventity.com

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For more information, please contact

Toronto

Marlene Davidge

416.865.7322
mdavidge@torys.com

Dawn Scott

416.865.7388
dscott@torys.com

Patricia Koval

416.865.7356
pkoval@torys.com

Martin Guest

416.865.7313
mguest@torys.com

John Tobin

416.865.7999
jtobin@torys.com

New York

Joris Hogan

212.880.6050
jhogan@torys.com

Darren Baccus

212.880.6116
dbaccus@torys.com

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Islamic Finance 101

by Dr. Azeemuddin Subhani
Sharia Compliance Advisor, Islamic Finance
Advisory Board

Islamic Finance, though still in its infancy as a paradigm, is not an exotic new discipline, requiring a complete re-orientation of the conventional financial wisdom. Working entirely within the



perimeters and structures of modern finance and driven by the profit motive, it is an extension of Ethical Finance (Investing) and Socially-Responsible Finance (Investing) to include Religiously-Compliant Finance (Investing) as well. This extension primarily requires compliance with the age-old pristine Scriptural prohibition of what was usury and now is interest, expressed as *marbit* (Hebrew) in Judaism, *tokos* (Greek) in Christianity and *riba* (Arabic) in Islam. Additionally, it incorporates the Islamically-ordained prohibition of two other named practices: *gharar* (uncertainty) and *maysir* (gambling). It also incorporates the prohibition of the named products: alcohol, pork and non-Islamically slaughtered other meat, and of the derived product: tobacco.

Replacing the interest-based debt structures and the risk-based derivative structures, Islamic Finance works with equity structures of participation, leasing and trading, devoid of the named prohibited practices (*riba*, *gharar*, and *maysir*) and the named prohibited products (alcohol, pork and non-Islamically slaughtered meat). It additionally incorporates most of the dictates of ethical and socially-responsible investing by observing the prohibition of dealing in tobacco, weapons and defense, entertainment which includes hotels, casinos, gambling, cinema, pornography, music etc.

The commonly used business structures include *Musharaka* (partnership), *Mudaraba* (capital/labor joint venture), *Sukuk* (specified securitized assets, services, and usufructs), *Ijara* (leasing), *Murabaha* (cost-plus sale), and *Takaful* (cooperative insurance). In place of interest income, these structures employ both profit/loss-sharing (in *Musharaka*, *Mudaraba* and *Sukuk*) and fixed stated income (in *Ijara-Sukuk* and *Ijara*).

The philosophy behind these business structures is the shunning of exchange of homogeneity (e.g., money for money), which is the defining characteristic of the Qur'anically-prohibited practice of *riba*, and the conduct

of exchange of heterogeneity (e.g., commodity for money), which is the defining characteristic of the Qur'anically-permitted practice of *bay'* (exchange). The rationale of the prohibition of *riba*, notwithstanding the common perception of injustice and oppression of usury, is that *riba* is an intra-active, self-generating, homogenous growth leading to self-emanation, self-subsistence and eternity, which has very obvious theological implications for the all-important monotheist notion of singularity of God. It is this semblance of divinity embedded in the human practice of *riba* that is the only plausible justification for the graphic, other-worldly threats of war from God, eternal Hellfire, Satanic insanity, and extermination laid out in the Qur'an for the human practice of *riba*, which includes the practice of usury/interest. Understandably, *riba* is treated as the gravest of sins in all pristine monotheist religions, and the only sin in Islam which attracts such dire consequences. Ignoring the question of the comparative strength of belief, it was the pressure of the "Church-dollars" in the medieval Occident that gradually diluted, to the point of extinction, the Judeo-Christian prohibition of usury (any usage charge for money). It is now the strength of the "Petro-dollar" in the modern Orient that is driving the revival of the prohibition again.

The rationale of the permission of *bay'* (exchange) for humans, notwithstanding its common less-than-accurate translation as trade, is that *bay'* is an inter-active, co-generating, bilateral exchange. This type of exchange transaction is in complete consonance with the natural human disposition, arising out of creation of humanity and everything else in pairs.

The cardinal prohibition of *riba* (interest) squarely places the conventional financial services industry (banking, insurance, etc.) outside the purview of Islamic Finance. The presence of *riba* (interest) in varying proportions in practically all modern conventional business structures would have similarly put all of them in the prohibited list for Islamic Finance. Given the absence of any geographic completely Islamic universe, this would have made the practice of Islamic Finance virtually impossible. However, the Islamic legal adoption of Tolerance Limits for debt and interest in business structures below stated thresholds has opened up most of conventional business entities for Islamic investment. These Tolerance Limits are, nevertheless, purely interim, for the derived dividend income is subjected to a process of purification by giving away as charitable donation any portion of dividend income attributable to interest income.

In the practice of Islamic Finance, the prohibition of products and practices is implemented either by original design in case of new Islamic businesses or by modification in case of existing conventional businesses. A set of Business Screens and Financial Screens are applied to existing conventional structures to purge the financial effects attributable to the interim-tolerated prohibited products and practices, thus rendering the derived income purely *halal* (permissible).

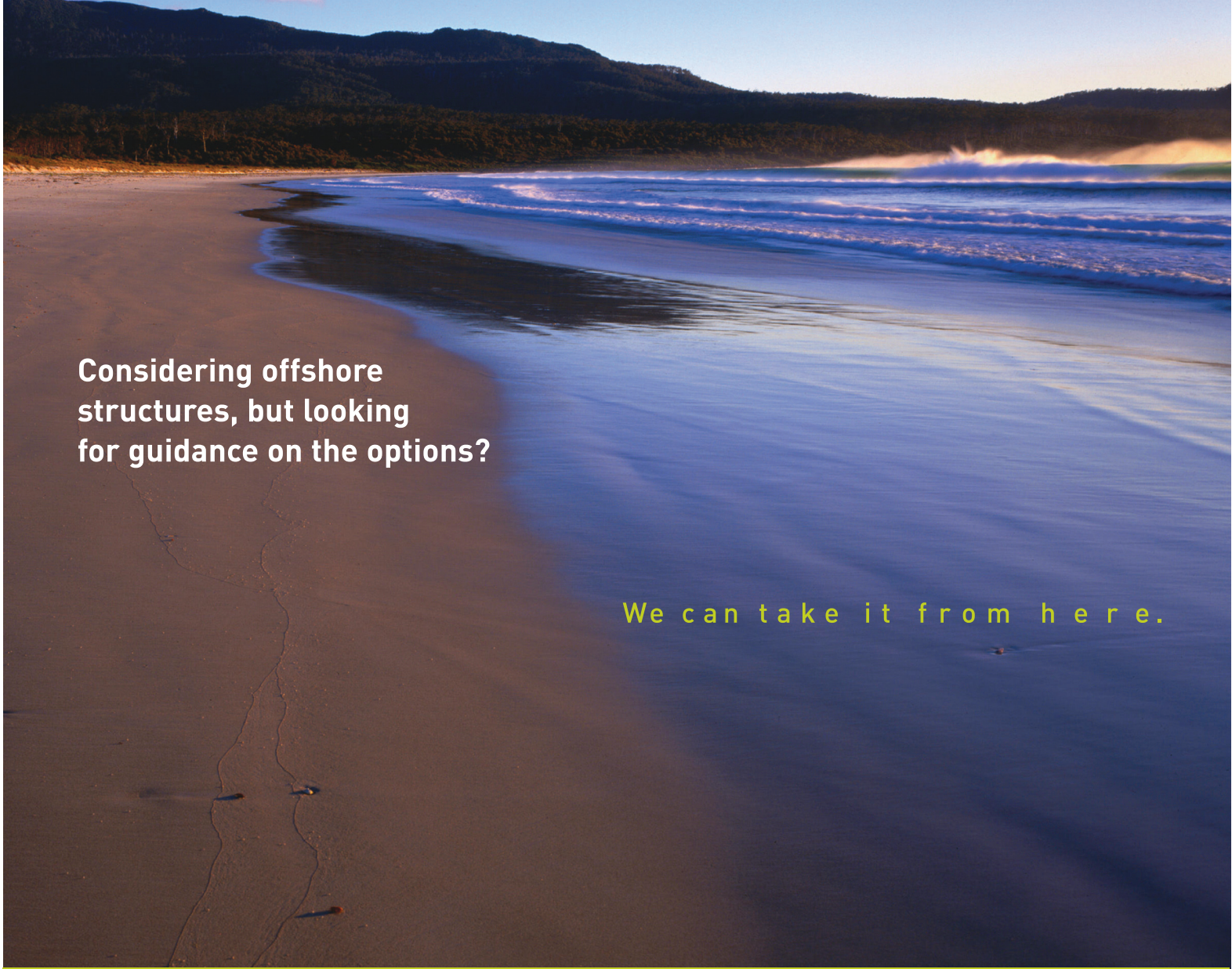
Operating within these constraints of *halal* (permitted) and *haram* (prohibited), like the phenomenal spread of Islam itself fifteen centuries ago, the Islamic Finance industry is rapidly gaining ground conceptually, geographically and quantitatively, potentially encompassing one-fifth of humanity on all continents today.

Dr. Azeemuddin Subhani currently functions as a Canadian Independent Financial Shari'ah Scholar/Compliance Advisor, with several professional affiliations, Shari'ah-compliance consulting assignments, speaking engagements at international Islamic Finance conferences and visiting teaching positions in Islamic Studies including Shari'ah at Canadian universities. His language proficiency includes Arabic and he is currently pursuing the "Certified Shari'a Adviser and Auditor" (CSAA) designation from the AAOIFI – the global standard-setting body on Islamic finance products and practices, thus positioning himself to be the first AAOIFI-certified Shari'ah-compliance advisor and auditor in Canada.

Dr. Subhani has the unique distinction of being well versed in Islamic Law as well as in both Western and Islamic Finance, through advanced degrees and long, varied experience. He holds a PhD and an MA in Islamic Law/Islamic Finance (Institute of Islamic Studies, McGill University: 2007, 2001), an MBA and Doctoral Studies in Finance (University of Southern California, 1965), and an MBA in Accounting (IBA Karachi, 1963). His PhD dissertation, "Divine Law of Riba [usury] and Bay' [exchange]: New Critical Theory," has officially been recognized by McGill as a "seminal theorization on an important institution of Islamic law," as it posits a pioneering interpretation of the rationale of the foundational prohibition of *riba*, with far-reaching conceptual and practical implications for the standardization of the emerging Islamic Finance industry.

He brings over four decades professional experience from Pakistan, Saudi Arabia and Canada, covering financial Shari'ah consulting in personal/housing finance, mutual funds, hedge funds, and *sukuk*; university teaching/research; investment banking; project/infrastructure/corporate/government finance; and petrochemical/oil/gas financial advisory work, including 25 years as Financial Advisor to the Saudi Arabian Government on negotiation and implementation of ARAMCO and Petromin oil & gas agreements with international oil majors.

His extensive written work on Petroleum Finance and Islamic Finance/Law is currently under editing for publication.



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Regulatory Issues Affecting Hedge Fund Managers

by Mark Pratt
Partner, McMillan LLP.

The regulatory agenda applicable to hedge fund managers and others in the Canadian securities industry has been dominated over the past few months by discussion of National



Instrument 31-103 ("NI 31-103"), the new national registration rule that is likely to come into force by the spring of 2009. However, the Canadian Securities Administrators (the "CSA") and certain other regulators have been busy with a number of other matters that hedge fund managers should be aware of. The following is a summary of some of those regulatory initiatives.

"Currently, NI 23-101 contains no definition of "best execution". "

Best Execution – Final Amendments to National Instrument 23-101 and the Universal Market Integrity Rules

National Instrument 23-101

On June 20, 2008, the CSA published in final form amendments (the "Amendments") to certain sections of National Instrument 23-101 ("NI 23-101") and Companion Policy 23-101CP (the "Companion Policy") which will clarify dealers' and advisers' "best execution" obligations. No substantial changes have been made to the Amendments since they were originally proposed in April 2007. The Amendments will become effective on September 12, 2008.

Currently, NI 23-101 contains no definition of "best execution". Instead, it requires dealers (but not advisers) to make reasonable efforts to ensure that clients receive the "best execution price" when the dealer is acting as agent in respect of purchase or sale of securities and prohibits the dealer from executing a transaction on a marketplace (as defined in National Instrument 21-101) that could be filled at a better price on another marketplace or with another dealer.

The Amendments to NI 23-101 will define "best execution" as "the most advantageous execution terms reasonably available under the circumstances" and will require both dealers and advisers to make reasonable efforts to achieve best execution when acting for a client, including a fund. The Amendments to the Companion Policy indicate that the best execution obligation applies in respect of all securities (i.e. not just equities) and that in seeking best execution, a dealer or adviser may consider a number of elements, including price, speed of execution, certainty of execution and the overall cost of the transaction, each of which may be broken down into more specific considerations.

For the purposes of establishing whether they have conducted "reasonable efforts", the Amendments to the Companion Policy also provide that dealers (as well as advisers who retain trading responsibility and trade through "direct market access" arrangements ("DMA arrangements")) should:

- a. consider whether it is appropriate to consider *all* marketplaces on which a security is listed or quoted (including marketplaces outside of Canada);
- b. consider information from all *appropriate* Canadian marketplaces (not just marketplaces where the dealer or adviser is a participant); and
- c. in respect of foreign exchange traded securities, conduct a regular assessment of whether it is appropriate to consider Canadian "alternative trading systems" on which those securities are traded as well as the foreign markets.

The Amendments to the Companion Policy also indicate that dealers and advisers will need to adopt policies and procedures designed to achieve best execution and those policies and procedures should be "regularly and rigorously reviewed". It is important for advisers who do not retain trading responsibility through DMA arrangements to note that they will still have a best execution obligation under NI 23-101; presumably this means that the CSA will expect those advisers to adopt policies and procedures reasonably designed (i) to ensure that the dealers through which they trade have adopted appropriate best execution policies and procedures and (ii) to analyse the extent to which those dealers are obtaining best execution.

The April 2007 draft of the Amendments contemplated additional changes to NI 23-101 that would regulate DMA arrangements and the oversight of them by the applicable self-regulatory organizations. In the notice accompanying the Amendments, the CSA indicated that they are still considering

the comments received regarding DMA arrangements and intend to publish revised proposed amendments at a later date.

The April 2007 draft also contained a proposed framework (but not draft rules) regarding "trade-through protection" across all market places in Canada. In the notice accompanying the Amendments, the CSA indicated the proposed framework had received broad support and that they intend to publish draft amendments to NI 23-101 to address the trade-through issue in the next few months.

Universal Market Integrity Rules

The Investment Industry Regulatory Organization of Canada ("IIROC", formerly the Investment Dealers Association of Canada (the "IDA") and Market Regulation Services Inc.) published in final form amendments (the "UMIR Amendments") to the Universal Market Integrity Rules ("UMIR") and the policies under UMIR, which are designed to be consistent with the Amendments to NI 23-101 and the Companion Policy. Differences between the Amendments and the UMIR Amendments relate to (i) the use of different defined terms and drafting protocols, (ii) the application of UMIR to orders for securities eligible to be traded on a marketplace that has retained IIROC as its regulation services provider under NI 23-101 and (iii) the fact that UMIR applies only to "Participants" (as defined in UMIR) not to all registered dealers and advisers.

Advisers who do not retain trading responsibility should, nevertheless, be generally familiar with UMIR and the UMIR Amendments in order to ensure that they understand their dealers' best execution policies and procedures and are, therefore, able to discharge their own obligations under NI 23-101 to seek to obtain best execution for clients; advisers who do retain trading responsibility and execute through DMA arrangements should also be generally familiar with UMIR, the UMIR Amendments and any future amendments to NI 23-101 and UMIR that may affect their activities and regulatory obligations under those DMA arrangements.

Registration Reform

A number of documents have recently been published by the CSA, the Mutual Fund Dealers Association (the "MFDA") and IIROC in connection with the overhaul of the Canadian registration system. While some of these documents will not impact hedge fund managers directly, they may have indirect impacts as discussed below.

Multilateral Instrument 11-102 – Passport System and National Policies 11-202, 11-203 and 11-204

On July 18, 2008, the CSA published for comment proposed National Policy 11-204 – Process for Registration in Multiple Jurisdictions, together with related amendments to Multilateral Instrument 11-102 and National Policies 11-202 and 11-203 (collectively, the “Passport for Registration System”). Together, these instruments and amendments would extend the existing passport regime for prospectuses and exemptive relief applications to the registration process and would replace the existing National Registration System.

Like the existing passport systems for prospectuses and exemptive relief applications, Ontario will not be a participant in the Passport for Registration System, although similar interfaces have been developed between Ontario and the other CSA jurisdictions. Implementation of the Passport for Registration System depends on the adoption of NI 31-103.

The CSA is accepting comments on the Passport for Registration System until September 17, 2008.

MFDA Member Regulation Notice MR-0069 – Suitability Guidelines and Proposed Amendments to MFDA Rule 2.2 and Policy 2

The MFDA published MR-0069 – Suitability Guidelines (“MR-0069” or the “Notice”) on April 14, 2008. The Notice contains extensive discussion about MFDA members’ “know-your-client” (“KYC”) and “know-your-product” obligations, the process for assessing the suitability of a particular trade and the process for assessing the suitability of the use of leverage.

Among many other things, the Notice provides that suitability consists of three separate elements, each of which must be considered separately in determining whether a trade is suitable. The three elements are (i) risk tolerance suitability, (ii) investment objective suitability and (iii) time horizon suitability. The Notice indicates that incorrectly assessing client risk tolerance is one of the most common allegations made in client complaints to the MFDA. Clients allege that the risk tolerance indicated on the KYC form was higher than what the client asserts was his or her actual risk tolerance. Accordingly, risk tolerance suitability is described in the Notice as the **lower** of the investor’s **willingness** to accept risk and the investor’s **ability** to withstand declines in the value of his or her portfolio. Since a client who holds several accounts

may have very different objectives and risk tolerances for each of them, the Notice also reminds MFDA members that KYC and suitability obligations must be applied on an account-by-account basis, not on a client-by-client basis.

The Notice goes on to indicate that MFDA members are responsible for assessing the suitability of recommendations made with respect to all business of the member, including investment advice or recommendations for investment products which may not meet the definition of a “security” under securities legislation (for example, PPNs or charitable donations schemes with investment characteristics). It also contains detailed discussion regarding the analysis of suitability in the context of unsolicited trades (i.e. those that are initiated by the client without any recommendation from the MFDA member or its sales staff) and redemption orders.

“... the Notice provides that suitability consists of three separate elements, each of which must be considered separately in determining whether a trade is suitable.”

While the Notice is only directly applicable to MFDA members, other market participants would be well-advised to be familiar with the principles discussed in it since it would not be surprising if IIROC were to develop a similar set of guidelines for its members nor to find the Ontario Securities Commission (the “OSC”) and other CSA members applying its principles to registrants they regulate directly.

Hedge fund managers who are registered as “limited market dealers” (“LMDs”) should pay particular attention to MR-0069 in light of the OSC’s comments in Staff Notice 11-758 (“SN 11-758”) regarding LMDs’ “know-your-client” and suitability obligations. In SN 11-758, the OSC reminded LMDs that they have a legal obligation to collect and document KYC information and assess the suitability of client trades, including the client’s risk tolerance, investment objectives and time horizon. The OSC further indicated that the fact that a client is an “accredited investor” does not relieve an LMD from the obligation to conduct a suitability analysis, and the fact that a client is an “accredited investor” does not mean that every investment is suitable.

Changes to anti-money laundering legislation and regulations

Effective June 23, 2008, all registered dealers and advisers and unregistered dealers who deal only in the exempt markets are subject to new compliance, client identification (including identification of “politically exposed foreign persons” and third parties), suspicious transaction reporting and record-keeping requirements under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the “Act”) and the regulations (the “Regulations”) passed under it. Accordingly, the Act and the Regulations are applicable to hedge fund managers who sell units of their funds directly, either through a “limited market dealer” registration in Ontario and Newfoundland or pursuant to an exemption from the registration requirement elsewhere in Canada. In addition, the Financial Transactions and Reports Analysis Centre of Canada (“FINTRAC”) currently takes the view that managers of hedge funds whose securities are not “mutual funds” as defined in securities legislation (i.e. whose securities are not “redeemable on demand or within a specified period after demand”) are subject to the client identification requirements of the Act and the Regulations, even if their funds’ securities are sold only through registered dealers who apply appropriate “know-your-client” and anti-money laundering client identification procedures at the opening of a client account.

Firms subject to the Act are required to implement a comprehensive anti-money laundering compliance program consisting of (a) the appointment of an anti-money laundering compliance officer, (b) the assessment and documentation of the risks that the firm might be used for money laundering and terrorist financing purposes and the measures the firm intends to take to mitigate any high risks, (c) the preparation of written policies and procedures for complying with the Act and Regulations, (d) the implementation and documentation of an ongoing anti-money laundering training program and (e) the conduct and documentation of a review of the effectiveness of the firm’s policies and procedures, training program and risk assessment at least once every two years.

Mark D. Pratt is a partner in the Toronto office of McMillan LLP where he practices in the Investment Funds and Asset Management Group. Mark is a frequent speaker and writer on issues relating to public and private investment funds, registrant regulation and compliance.

Strategic Land Investments

by Douglas Chaddock

Sales Director, Profitable Plots (Canada) Ltd.

An example of a strategic land investment might be the UK, where a piece of farmland which has no value other than for agriculture, may cost a few thousand pounds for an acre. On the other hand, a piece of land in the London area which has permission to build residential housing on would be worth a few million pounds per acre.



This huge difference in value between land without planning consent, and land with planning consent, offers an opportunity to realize very significant returns by obtaining the necessary planning permissions. Coupled with the fact that the UK Government has announced plans to build millions of homes over the next 20 years, it is perhaps easier to see an opportunity for returns. In short, the money is in the planning.

Another example is in Northern Cyprus. Cyprus is a divided nation, with Greeks controlling the South of the island and Turks controlling the North. Northern Cyprus is currently embargoed by the European Union and as a result, land and property prices are substantially lower in the South. However, Turkey is negotiating its entry to the European Union (EU) and the issue of Cyprus is an important part of those discussions. If Northern Cyprus were integrated into the European Union as part of an overall agreement between the EU and Turkey, land and property prices are likely to rise significantly. In short, the money is in the politics.

A third example of strategic land investment might be the Philippines, where there is an enormous amount of land available, a vibrant economy and a huge shortage of affordable housing for local people. Having access to strategic land gives an opportunity not only for substantial returns, but also to affect positive social change for local people. In short, the money is in the building.

For example, with UK land, the planning process can be very expensive. The company therefore set up a Trust Fund called the Strategic Land Planning Trust, where the funds required to take the various parcels of land to planning were deposited. This ensures investors that the planning process can always move forward and deliver their returns.

In Northern Cyprus, the Group recently acquired one of the leading Estate Agents so that it is best positioned to take advantage of the

real estate market there. In the Philippines, we concluded a Joint Venture at the end of 2007, which makes it one of the largest private land owners in the world, with hundreds of thousands of acres added to its land holdings.

Most people think investing in land is only for big-time real estate developers looking to buy large parcels of land for commercial development or the subdivisions of homes. What they don't realize is that investing in land is one of the most sound investment strategies available today and is a viable opportunity for most investors, both large and small.

So why should you consider investing in land, rather than an already improved real estate property like a single family home, apartment building, commercial structure or other improved property?

The advantages of investing in land

- Higher profits
- Ground floor with less risk
- Superior financing terms are often made available
- Greater flexibility for maximizing value
- Simple investment management

Whether you are looking for a real estate property for investment purposes, or as a site for a future home; investing in land is proven to offer a safer and higher return on your investment than any other financial instrument available today. Traditional investments (stocks, bonds, etc.) over the past couple of years have seen average returns of 4-8%. In contrast, real estate and land investments have realized cash on cash returns of greater than 200%, with less risk.

Strategic Land Planning Trust

We have established an independent trust called The Strategic Land Planning Trust for the exclusive benefit of its plot owners.

The objective of this document is to provide general information on trusts, how they work and why they are used and specific information on The Strategic Land Planning Trust, why the Company has done this and how the valued client and plot owner will benefit.

About Trusts

In basic terms, a trust is a legal arrangement whereby a person or organization transfers something of value, in this case money (called an asset) to another person or group called trustees. The person or organization transferring the asset is called The Settler and it is they who have established or settled the trust

Those who benefit from the trust are called "beneficiaries" and the beneficiaries of The Strategic Land Planning Trust established by the Company are the plot owners.

It is the role of the trustee to manage the assets of the trust in the best possible way for the advantage of the beneficiaries.

There are a number of different types of trusts and the one most suited in this particular situation is called a "discretionary trust."

It is called this since the trustees can exercise discretion on how the assets of the trust are used and allows the assets of the trust to be protected. It is normal practice for the settler to indicate to the trustees how they would intend for the assets they have transferred into the trust to be used. This is called "a Letter of Wishes."

Why You Need a Buy-back Option

Whenever you invest any of your hard earned money, it is important to know how to get your returns out, not just how to put them in – in other words, you should be aware of the Exit Strategy for your investment. At Profitable Group, we have taken an immense amount of care to make sure that all investors, including ourselves, are as protected as can be. There have been numerous examples in the UK in recent years where a site has achieved planning permission, but this has only led to problems and disappointment, instead of celebration.

Some of the problems experienced are:

- Plot owners cannot agree on a selling price, so the site remains unsold. If you have a site with 500 different plot owners, from all parts of the world, getting 500 people to agree on something is extremely difficult. The Marketer of the land may have the power of veto, or a block vote, so that they can impose a price on plot owners. This is extremely unfair and allows the Marketer to impose a low, or unsatisfactory price on plot owners.
- One, or more, plot owners refuse to sell their plot at any price. This is the favourite tactic of people who don't actually want development on a site. They purchase a plot, or plots, on the site, and simply refuse to sell at any price. They erect a fence around their plot and refuse access to everyone. This makes it impossible for development to take place and the site remains unsold.
- One, or more, plot owners hold out for a higher price. This is often referred to as a "ransom strip." One, or more, plot owners, refuse to sell their plot in hope that if they wait long enough, they will get a higher price. This is unfair on the plot owners who may have agreed to sell at a lower price but also endangers the potential returns of all plot owners.

Plot Owners Associations have inadequate constitutions. The rules and regulations relating to a Plot Owners Association have often proved to be inadequate, restrictive, punitive or just downright unfair. The Marketer of the Land can put favourable terms in for themselves of give themselves representative domination of the association.

Seeing all of those potential hurdles, we sought legal opinion from acknowledged experts in this field, who recommended that the most effective form of protection for a client would be to have an exit strategy that was equitable, sensible, automatic, and transparent and so the Profitable Group Buy-Back Option was created.

Documentation

When the buyer purchases a plot of land, the buyer will complete a HM Land Registry Form called a TP1. This is the form that transfers legal ownership of the plot from the owner to the buyer. Once the TP1 has been signed by the owner and the buyer, the buyer legally owns the plot of land from that point forward.

A second HM Land Registry Form, called AP1, is also completed by the buyer. This notifies HM Land Registry that you are the new owners and causes them to register your details and send you a "Certificate of Entry," which is often referred to as The Title Deed.

The third form you complete is called an SDLT form. This is a form required by HM Revenue & Customs and confirms that you are not liable to pay any Stamp Duty on your purchase because the amount you have paid is below the threshold at which Stamp Duty becomes payable.

Attached to your TP1 are two additional documents. The first is a map, which shows the site you have bought your plot of land on, and highlights the particular plot you have purchased in red. The map clearly identifies the site name, plot number, has the North-facing compass so that you know the position of your plot, and also has a scale on it so that you know exactly how large your plot is.

The second document that is attached to your TP1 is called The Option Agreement and this document details the Buy Back program. By

being included as part of the TP1, the Option Agreement becomes an integral part of the purchase terms and conditions and confers legal status on it for both parties.

In simple terms, The Option Agreement states that when planning permission for the site is obtained, you must sell your plot of land back to The Strategic Land Planning Trust at an agreed price formula and at an agreed timetable. This has the effect of returning the site from many hundreds of owners, to one single owner, thus negating any of the potential problems mentioned above.

The Strategic Land Planning Trust is an independent trust administered by lawyers who act as trustees. The purpose of The Trust is to ensure the continued promotion for planning of your site and to ensure that the Option Agreement is executed in a correct and timely fashion. A full copy of The Option Agreement is available upon request.

Key facts to consider:

- UK Land has increased in value by 1853% since 1983 (source: Valuation Office Agency www.voa.gov.uk, 2008)
- United Kingdom must build 4.8 million new homes by 2026 to meet minimum demand (source: Office of the Deputy Prime Minister, 2006)
- Funds are held in trust and administered by Davis & Co. LLP
- Strategic Land Planning Trust ensures that the planning application process reaches its full conclusion.
- DLP Consultants (www.dlpconsultants.co.uk) represent us at every stage of the site selection and planning application process

- Plot ownership Title Deeds are issued by Her Majesty's Land Registry Office (www.landreg.gov.uk)
- Concorde Village consists of 120 acres in West London. If zoned for development today, the value of the site would increase by approximately 250%
- An alternative investment is available that guarantees an annual 12.5% rate of return, and new investment products are forthcoming

Douglas W. Chaddock joined Profitable Plots (Canada) Ltd. After completing a three year contract with the Canadian Revenue Agency, for the facilitation of The Art of Management program. Douglas is a successful business development consultant who brings over 10 years experience in training more than 50 different management development programs and seminars for both the public and private sectors. These programs have been used by over 100,000 individuals in Canada and the United States. His client list included the Montreal English Language School Board, the District Municipality of Muskoka, the Royal Victoria Hospital and the State University of New York. Before Luanching his own training and development company, Douglas spent four years as a public speaker with Fred Pryor Seminars Careertrack of Kansas, USA.

The Profitable Group is a strategic global land investment company. It has been the unrivalled innovator of land-based investments in recent years. The company is the pioneer of the Buy Back Option Exit Strategy. It is the pioneer of event-based returns. It was the first company to sub-divide land on a simple grid system rather than on a housing layout system. It has pioneered short term, fixed rate returns based on land. It has pioneered the Zero to Retirement program.

Please visit www.profitablegroup.com/division-plots.aspx for more information. .

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CONTACT INFORMATION

Canadian Hedge Watch Inc.
 20 Bay St., Suite 1501, Toronto, ON M5J 2N8
 tel: 416.848.0277 ext. 2225 fax: 416.848.0278
 toll free: 877.249.9249 ext. 2225
 Editorial, Media & Advertising:
info@canadianhedgewatch.com
 Subscriptions:
subscription@canadianhedgewatch.com

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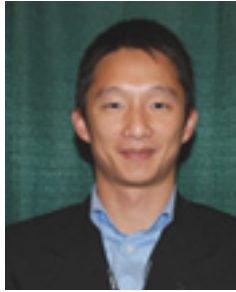
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A Primer in Mining Equity Investment

by John Lee

General Manager, Mau Capital Management



This paper is intended to provide a rationale for mining equity investment, explain how to choose between metal futures and metal miners, and suggest which mining sectors to buy and which to avoid.

The Rationale Behind Mining Equity Investment

The key to investing in mining equity is leverage. For example, if a copper miner's break-even point is 70 cents a pound the company wouldn't be worth much when copper was selling at 70 cents as it couldn't turn a profit. At a price of \$1.00 however, the company will make 30 cents per pound of copper produced and if the price of copper rises to \$4.00 per pound, its earnings will go up eleven times over to \$3.30 cash earnings for every pound.

"... if we look at Oil and Gold mining equities, a different picture emerges."

Mining vs. Direct Commodity Investment

So the theory is that if copper prices go up 4-fold, copper mining stocks would go up 11-fold and this is in fact pretty much what has happened. As copper prices have risen from 70 cents in 2002 to the current \$4.00, the stock price of giant copper miners such as BHP has multiplied from \$8 to \$90.

BHP



If BHP's case were universal to miners, would all investors jump on the mining bandwagon to take advantage of booming commodity prices? Only if the case is so clear cut; indeed, if we look at Oil and Gold mining equities, a different picture emerges.

Crude has gone from \$22/barrel in the wake of the Iraq war to over \$130/barrel, yet Exxon Mobil has merely doubled from \$40 to \$80 per share.

Exxon Mobil



Gold went from \$250/oz in 2001 to \$970/oz today and yet stock in Barrick, the world's largest gold miner, has merely tripled from \$15 to \$45.

Barrick Gold



So why have gold miners and oil companies underperformed relative to gold and oil respectively? We can only speculate:

1. Equities seldom trade at fair value: investing would be easy if all companies were to trade at fair value. The sentiment pendulum swings to from fear to greed.
2. Equity investors are different from commodities futures investors. Mining investors seek earnings, while commodity investors are speculating on future prices.
3. Gold mining companies have "optionality value", i.e. the value of their reserves of gold in the ground yet to be mined. Such a concept is foreign to many earnings-focused money managers.
4. Mining is a risky business: accidents, nationalization, appropriation, labor strikes, tectonic movements and cost overruns are common.
5. Rock or jewel? Metals prices are volatile, and stock valuation is forward looking. What future metal price does an analyst use to forecast the future earnings of a miner?
6. Mining is a burning stick: Miners need to constantly develop and acquire new reserves and properties. It is a costly and lengthy process to develop new deposits, which makes a valuation so much tougher to assign.

The point here is that the success of BHP, while not unique, is not the standard throughout the entire mining universe.

Junior Mining Sector in the Dog House

If one looks for the speculative extreme in mining equities, the dire case of the junior mining could be used against investing in mining as this sector has utterly failed to live up to the expectations of investors. Junior resource equities are supposed to provide greater leverage than major mining producers, however, the nature of the business requires a constant injection of capital to discover and develop deposits before the eventual handsome operating cashflow is realized. This model is vulnerable to sudden and occasional credit/liquidity crunches like the one we're experiencing now.

The Toronto Stock Exchange Ventures Index, which is a proxy to junior stocks, merely doubled from the bottom of 1,000 to trade at 2,300.



Cash is King in Uncertain Times and We Like Our Cash in Gold

We live in uncertain times. The GSE's (Freddie Mac and Fannie Mae) are on life support with the Federal Reserve Bank of New York and all together, GSE's back \$5 trillion US of low yield (5%-7%) assets. You have to wonder what the global asset managers holding those debts are going to do.

I don't anticipate a housing crash but real estate is cooling off worldwide now, from Singapore and Thailand to Vancouver. The Asians are running in a mad panic over inflation and yet we have interest rates at 2-3% from Hong Kong to Singapore, Thailand to Japan, Korea to Taiwan. On top of that, we have global equity indices rotting with most down by double-digit percentages and some, such as Vietnam's, down about 70% this year. There is nothing stronger to invest in at the moment than gold and we are now seeing a nice gold run as interest rates begin to trend up.

Conclusion:

This paper is by no means exhaustive, however I hope it serves as a high-level overview of mining. The Barrick and junior resource camp may be glad to know 10-bagger success does happen to miners, as demonstrated by BHP and the BHP camp might take be cautioned that mining isn't an entirely risk-free business.

We didn't have the foresight to put all our money in BHP, and instead we focused on juniors exploring for gold in exotic locations such as Africa. Being a Feng Shui student, I learn that every dog has its day, and perhaps finally it's time for the past dogs of Barrick and other gold miners to shine.

John Lee is a CFA charter holder and has degrees in Economics and Engineering from Rice University. He previously studied under Mr. James Turk, a renowned authority on the gold market.

John founded Mau Capital Management in 2004. Since 2001, Mr. Lee has researched hundreds of mining companies and personally met with dozens of management teams. He is a sought-after speaker at all major resource conferences and publisher of articles at various online news websites such as Kitco.com. Mr. Lee is also the manager for a private equity fund and a private investor.

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Around the Hedge – A Review of Hedge Fund Happenings

Sprott sees oil prices continuing to climb

Date: Thursday, August 28, 2008

Author: David Scanlan, Bloomberg News

Canadian hedge fund manager Eric Sprott said he expects oil prices to rise as global crude supplies dwindle.

"We have an oil problem in the world, and it's called depletion," Mr. Sprott, 63, told legislators in Ottawa yesterday. "I am not surprised for one second that the price of oil goes up constantly."

Mr. Sprott spoke at a hearing by a House of Commons subcommittee examining soaring gasoline prices. Crude oil for October delivery increased \$1.88 (U.S.) or 1.6 per cent to \$118.15 a barrel on the New York Mercantile Exchange yesterday, and has jumped 64 per cent from a year ago.

"It's not easy to find oil, and it's not easy to find gas," said Mr. Sprott, whose mutual funds and hedge funds invest primarily in energy and mining stocks.

Sprott Inc., the money-management company Sprott founded, raised \$200-million when it went public in May. The company's biggest fund is the \$2.2-billion Sprott Canadian Equity Fund, about 88 per cent of which is invested in energy, metals and mining. It has returned 21 per cent annually in the past five years, outstripping the 15-per-cent gain for the S&P/TSX composite index.

Though higher gasoline prices are harming consumers, record oil prices are good for a country like Canada, which has the second-highest crude reserves in the world, Mr. Sprott said.

"This is a bonanza for this country. Everyone benefits."

Tories Commit \$100 million To Map Arctic Resources

Date: Thursday, August 28, 2008

Author: Murray Brewster, Resource Investor.com

Prime Minister Stephen Harper has announced a major project to map geological resources in Canada's Arctic. Declaring "use it or lose it" as the "first principle of Arctic sovereignty," Harper says the program will use geological sciences and technology to determine the North's development potential.

OTTAWA (CP) -- Prime Minister Stephen Harper has announced a major project to map geological resources in Canada's Arctic. A total of \$100 million has been set aside over the next five years to complete an on-shore geo-mapping exercise of the North.

The funding is in addition to \$109 million already being spent by both the Conservatives and the previous Liberal government for mapping of the Arctic Ocean floor.

Harper made the announcement at news conference in the national capital before departing on a three-day visit that will take him from Tuktoyaktuk on the Mackenzie Delta to Inuvik in the Northwest Territories and the historic gold rush town of Dawson in the Yukon.

He said the known energy and mining resources are just a start.

"What we've found so far is merely the tip of the proverbial iceberg," Harper said.

"Managed properly, Canada's share of this incredible endowment will fuel the prosperity of our country for generations. And geo-mapping will pave the way for

the resource development of the future."

Field workers and specialized aircraft will use state-of-the-art science and technology to search for mineral and energy potential throughout the territories, said Harper.

The information they gather will be used to create geological models and subterranean maps that will help companies find resources in the Arctic.

The federal government estimates private sector investment in exploration could be worth as much as \$500 million.

The rush for resources shouldn't be the only consideration, Liberal Leader Stephane Dion warned.

Just what kind of damage could be wrought on fragile eco-systems and northern society needs to be carefully weighed, he told reporters in Toronto following Harper's announcement.

The federal government's plan "creates a lot of uncertainties about the environment of the Arctic," said Dion.

"I think it's very important for the world to give very clear rules and laws about the Arctic before it becomes a jungle — a jungle without trees, but a jungle."

The Geological Survey of Canada has been racing against the clock to map the Arctic and its potential resource riches by 2013 after signing a United Nations treaty meant to determine international boundaries in the far North.

Documents obtained by The Canadian Press under access to information laws last year showed the initial 10-year, \$69 million mapping exercise was under-funded by the former Liberal government.

Scientists routinely struggled to get research time on coast guard icebreakers and had to seek partnerships with other competing countries, such as Denmark, to mount off-shore mapping expeditions.

Canadian researchers were also reduced to relying on open-sourced maps drawn by the U.S. military.

The Conservatives put an additional \$40 million into the off-shore program earlier this year.

Harper said an advisory group of Northerners, including aboriginal community leaders, will participate in the research.

Arctic sovereignty has moved to the fore among northern countries as global warming melts Arctic ice and opens new shipping routes and access to untapped, potentially rich resources.

Gas has already been discovered in the Beaufort Sea, oil has been found in eastern areas of the Arctic Ocean and a diamond industry is flourishing in Nunavut.

A report released in July by the U.S. Geological Survey estimated the Arctic is storehouse to as much as 90 billion barrels of oil and 1,670 trillion cubic feet of natural gas.

Canada, the U.S., Russia and Denmark are competing in front of a United Nations commission to extend their undersea boundaries into areas usually blocked by northern ice.

Moscow dramatically staked its claim to the region by dropping a flag on the ocean floor at the North Pole.

But since then all four countries involved have agreed to cool the Arctic rhetoric and allow scientists to finish their surveys.

One of this country's leading experts on the North says after years of ignoring the region the federal government is finally taking the region and its potential seriously.

Rob Huebert says it wasn't that long ago that federal budget cuts had all but shut down the Canadian hydrographic service office.

"We almost lost it, so this is a nice turn around," Huebert said in an interview from Calgary. "It shows we're taking it seriously, but we should have never let it come so close."

Developing markets ideal for hedge funds

Date: Tuesday, August 26, 2008

Author: Gulf Daily News.com

MANAMA: Developing markets are fertile ground for hedge funds, if the funds have experienced managers, according to Paulson and Company founder and chief executive officer John Paulson. "Underdeveloped markets are less efficient and create more opportunities," Mr Paulson said in an interview in the forthcoming issue of The Report Bahrain 2008.

"In markets such as London and New York, which are very efficient, the arbitrage opportunities are very thin. However, in developing markets, the arbitrage opportunities are greater. A developing market could benefit from an experienced manager who is able to navigate the market to create value for investors."

He outlined many of the hedge fund strategies, and pointed out that, for GCC hedge funds, underdeveloped debt markets should not pose an obstacle as hedge fund managers can focus in the areas where there is sufficient liquidity.

Mr Paulson said that, with the hedge fund sector among the fastest growing industries in the world, there was a demand from many investors from outside the Gulf region to diversify and invest in promising areas of the world.

"Recently, some of the highest returns in the industry have been in emerging markets," he said.

"So hedge funds that focus on the opportunities in the GCC should be able to attract investors from not only within the region, but also from other regions of the world."

Investors, he said, are looking to deploy capital in high return strategies that are run by people with an information edge in the local markets.

"The market itself can be immature, but the hedge fund manager must be experienced," he said. "If so, the fund can succeed in an immature market."

The interview with Mr Paulson is one of a series of exclusive interviews with key officials and business leaders in what is considered the most extensive, independent, unbiased and authoritative review of Bahrain available.

The Report Bahrain 2008 is published in partnership with primary partner, the Bahrain Economic Development Board, Securities and Investment Company (SICO) as capital markets partner, Ernst & Young as accountancy partner, and Qays H Zu'bi as legal affairs partner.

Available in print form and online, it is part of the range of Oxford Business Group's publications, which are renowned as leading sources of information on developing and emerging economies around the world.

Continued on page 71

HEDGE FUND PERFORMANCE (as of July 31, 2008)

Fund Name	Style	Asset (\$MM)	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Water mark	% Pos. Month
Acuity Pooled 130/30 Fund	-	-	-7.94	-	-	-7.94	-	-	-	-	-	-	-	-	-	0.00
Amethyst Arbitrage Fund	-	-	1.70	4.54	8.90	7.08	12.48	12.13	12.13	13.11	-0.16	-2.71	3.98	4.48	100.00	86.11
Ark Canadian Long Short Fund Class A C\$	-	-	-7.54	3.33	-7.79	-5.47	-14.09	-2.50	0.64	9.34	-11.09	-17.82	20.19	13.24	84.91	54.72
Arrow AFC Capital Fund Class A	-	18.717	-0.18	12.78	18.55	18.55	-	-	-	-	-	-2.40	-	-	99.82	66.67
Arrow Canadian Income Fund Class A	-	22.757	-6.85	-5.74	-1.60	-10.79	-11.53	-	-3.82	6.63	-10.09	-14.60	16.68	-	85.40	61.11
Arrow Canadian Income Fund Class F	-	-	-6.80	-5.56	-1.27	-9.77	-9.58	-	-2.11	7.12	-8.80	-12.60	16.10	-	87.40	61.11
Arrow Clocktower Global Fund	-	16.434	-5.23	-3.44	-10.03	-16.73	-25.34	2.43	9.14	31.50	-21.31	-25.34	21.22	19.19	74.66	63.64
Arrow Clocktower Global Fund Class F	-	-	-5.16	-3.24	-9.69	-16.37	-24.77	-0.12	6.39	20.12	-21.03	-24.77	21.24	20.31	75.23	66.15
Arrow Distressed Securities Fund Class A	-	72.278	-13.87	-8.70	-9.51	-12.32	-14.20	4.53	4.53	34.15	-9.51	-20.26	15.74	15.60	79.74	52.78
Arrow Distressed Securities Fund Class A US\$	-	72.278	-13.68	-8.56	-9.79	-12.68	-14.52	-	-9.74	1.56	-9.79	-20.31	15.70	-	79.69	43.75
Arrow Distressed Securities Fund Class F	-	-	-13.81	-8.51	-9.15	-11.92	-13.49	5.37	5.37	34.72	-9.15	-19.49	15.75	15.61	80.51	52.78
Arrow Elkhorn U.S. Long/Short Fund	Enh. Eq.	17.665	0.78	2.37	3.54	4.36	-1.14	5.39	5.60	14.08	-9.69	-10.61	7.35	7.33	93.29	60.29
Arrow Elkhorn U.S. Long/Short Fund Class F	Enh. Eq.	-	0.85	2.58	3.95	4.83	-0.37	6.80	6.06	16.38	-9.34	-10.20	7.35	7.44	94.15	68.25
Arrow Elmwood Fund	-	13.337	-0.78	-3.32	-7.10	-9.94	-0.90	-	-0.38	14.64	-23.48	-25.21	13.48	-	86.85	59.38
Arrow Elmwood Fund Class F	-	-	-0.73	-3.13	-6.74	-9.53	-0.09	-	0.49	15.14	-23.11	-25.04	13.50	-	88.60	59.38
Arrow Enhanced Income Fund Class A	-	11.756	-2.19	-2.21	-2.94	-6.16	-10.61	-0.02	-0.57	8.63	-7.90	-11.54	4.72	4.13	88.46	48.84
Arrow Enhanced Income Fund Class F	-	-	-2.11	-2.00	-2.92	-6.08	-10.18	0.70	0.18	9.11	-7.48	-10.99	4.57	4.10	89.01	58.14
Arrow Enhanced Income Fund Class G US\$	-	-	-2.17	-2.46	0.81	-2.42	-6.49	2.03	1.28	9.32	-7.24	-7.94	6.42	4.57	92.81	55.81
Arrow Enhanced Income Fund Class U US\$	-	11.756	-2.24	-2.39	0.49	-2.78	-7.20	1.10	0.38	8.86	-7.65	-8.48	6.60	4.63	91.97	53.49
Arrow Enso Global Fund	Enh. Eq.	59.417	-9.11	-3.33	7.54	2.96	4.22	8.47	11.25	17.51	-4.28	-9.28	20.44	13.32	90.72	62.12
Arrow Enso Global Fund Class F	Enh. Eq.	-	-9.05	-3.13	7.97	3.43	5.05	9.39	12.95	17.97	-3.91	-9.16	20.45	13.33	90.84	62.50
Arrow Epic Capital Fund	Enh. Eq.	60.420	-11.55	-6.32	-18.49	-27.19	-30.25	4.52	18.99	41.74	-26.16	-30.82	24.61	21.79	69.18	64.38
Arrow Epic Capital Fund Class F	Enh. Eq.	-	-11.49	-6.15	-18.19	-26.88	-29.73	1.73	11.05	29.90	-25.89	-30.44	24.62	21.23	69.56	56.92
Arrow Focus Fund Class A2	Dir.	22.628	-3.64	-1.31	-1.75	-5.33	-9.56	0.25	2.78	9.87	-8.62	-17.74	9.12	9.38	90.18	56.47
Arrow Focus Fund Class F2	Dir.	-	-3.58	-1.10	-1.33	-4.87	-8.77	-	5.30	13.44	-8.24	-9.32	9.16	-	90.74	65.63
Arrow Focus Fund Class G2	Dir.	-	-3.65	-1.28	-1.69	-5.23	-8.98	-	5.31	13.32	-8.40	-9.57	9.16	-	90.43	65.63
Arrow Focus Fund Class U2	Dir.	22.628	-3.71	-1.49	-2.11	-5.70	-9.77	6.29	14.58	19.85	-8.80	-10.16	9.15	9.13	89.84	69.57
Arrow Global Equity Long/Short Notes Series 1	-	-	-2.39	-1.69	-3.55	-5.70	-5.83	-0.07	0.22	7.87	-5.45	-7.05	6.61	6.12	92.95	69.05
Arrow Global Equity Long/Short Notes Series 1 (FE)	-	-	-2.36	-1.61	-3.38	-5.50	-5.49	0.30	0.60	8.08	-5.28	-6.81	6.62	5.94	93.19	67.50
Arrow Global Long/Short Fund	Enh. Eq.	23.170	-3.47	-2.46	-3.29	-7.00	-9.82	3.67	3.58	16.08	-6.75	-15.83	8.28	7.82	90.18	61.18
Arrow Global Long/Short Fund Class F	Enh. Eq.	-	-3.40	-2.26	-2.90	-6.56	-9.05	4.56	6.11	16.45	-6.34	-9.05	8.29	7.81	90.95	68.63
Arrow Global Long/Short Fund Class G US\$	Enh. Eq.	-	7.61	-2.43	-3.28	-6.96	-9.31	6.13	10.09	22.71	-13.54	-15.72	17.38	12.88	90.69	70.59
Arrow Global Long/Short Fund Class U US\$	Enh. Eq.	23.170	-3.50	-2.66	-0.95	-7.44	-10.08	3.75	6.70	16.09	-9.22	-12.85	9.76	8.36	89.92	62.67
Arrow Goodwood Fund	Enh. Eq.	47.138	-7.82	-12.14	-21.04	-26.96	-30.78	-7.82	3.83	13.15	-23.39	-34.23	15.22	13.62	65.77	58.82
Arrow Goodwood Fund Class F	Enh. Eq.	-	-7.76	-11.94	-20.73	-26.61	-30.22	-7.07	7.10	35.76	-23.10	-43.94	15.23	24.05	56.06	61.43
Arrow High Yield Fund	Dir.	161.125	0.00	3.29	1.60	2.50	-1.62	3.60	4.86	9.25	-5.85	-8.46	5.11	4.57	96.43	59.21
Arrow High Yield Fund Class A US\$	Dir.	161.125	1.25	4.47	2.49	3.33	-0.82	-	3.41	3.85	-5.64	-6.89	5.24	-	97.27	50.00
Arrow High Yield Fund Class F	Dir.	-	0.05	3.47	1.99	2.96	-0.99	4.39	5.22	9.72	-5.48	-9.82	5.11	4.59	97.17	60.00
Arrow JC Clark Opportunities Fund	-	25.011	1.17	0.39	-0.23	-2.76	-	-	-	-	-	-4.63	-	-	97.24	72.73
Arrow JC Clark Opportunities Fund Class F	-	-	1.24	0.58	0.18	-2.31	-	-	-	-	-	-4.33	-	-	97.69	72.73
Arrow Multi-Strategy Fund	Dir.	130.692	-2.71	-0.23	0.16	-2.18	-5.67	4.65	4.76	13.38	-5.82	-5.82	6.89	6.07	94.33	64.47
Arrow Multi-Strategy Fund Class F	Dir.	-	-2.65	-0.02	0.58	-1.71	-4.88	5.53	6.92	13.84	-5.42	-5.42	6.90	6.07	95.12	66.15
Arrow Multi-Strategy Fund Class G US\$ Class F	Dir.	-	-2.71	-0.20	0.21	-2.08	-5.09	5.60	6.20	13.94	-5.29	-5.29	6.88	6.10	94.91	62.75
Arrow Multi-Strategy Fund US\$	Dir.	130.692	-2.78	-0.40	-0.21	-2.57	-5.89	4.73	7.50	13.43	-5.70	-6.98	6.89	6.10	94.11	62.67
Arrow Multi-Strategy Notes Series 1	Dir.	-	-2.92	-0.25	2.39	-0.48	-5.89	2.76	4.30	13.04	-8.08	-8.75	7.76	6.32	93.43	62.30
Arrow Multi-Strategy Notes Series 2	Dir.	-	-2.70	-0.35	2.18	-0.52	-6.07	2.02	2.76	11.58	-8.07	-8.92	7.18	5.96	93.07	58.62
Arrow Multi-Strategy Notes Series 3	Dir.	-	-2.77	-0.73	1.52	-0.97	-6.18	1.61	1.86	10.79	-7.59	-8.50	7.27	5.99	92.90	59.26
Arrow Multi-Strategy Notes Series 3 (FE)	-	-	-2.67	-0.39	2.23	-0.09	-5.16	2.30	2.46	15.65	-7.22	-9.43	7.29	8.18	92.59	59.62
Arrow Multi-Strategy Notes Series 4	-	-	-2.61	-0.02	3.02	0.15	-6.10	1.80	3.10	10.05	-8.85	-9.65	8.03	6.22	93.08	64.58
Arrow Multi-Strategy Notes Series 4 (FE)	-	-	-2.58	0.08	3.22	0.39	-5.73	2.21	3.34	8.81	-8.67	-9.44	8.03	6.00	93.48	61.22

HEDGE FUND PERFORMANCE (as of July 31, 2008)

Fund Name	Style	Asset (\$MM)	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Water mark	% Pos. Month
Arrow Multi-Strategy Notes Series 5	-	-	-2.25	0.62	3.62	0.88	-4.22	1.54	2.44	9.15	-7.57	-8.61	7.28	5.74	94.70	62.50
Arrow Multi-Strategy Notes Series 5 (FE)	-	-	-2.22	0.71	3.81	1.09	-3.86	1.92	2.99	9.36	-7.39	-8.36	7.29	5.71	95.14	60.00
Arrow Multi-Strategy Notes Series 6	-	-	-2.41	-0.70	0.16	-1.13	-5.28	0.77	0.50	6.53	-5.43	-5.43	5.69	5.05	94.72	57.14
Arrow Multi-Strategy Notes Series 6 (FE)	-	-	-2.38	-0.63	0.33	-0.92	-4.94	-0.24	0.69	11.06	-9.00	-9.72	5.69	6.75	90.65	55.77
Arrow Multi-Strategy Notes Series 7	-	-	-3.13	-2.01	-1.61	-2.99	-6.00	-0.19	-0.19	6.38	-4.46	-6.23	5.71	4.78	93.77	56.76
Arrow Multi-Strategy Notes Series 7 (FE)	-	-	-3.10	-1.92	-1.41	-2.75	-5.62	-	0.23	6.61	-4.27	-5.74	5.71	-	94.26	57.14
Arrow Multi-Strategy Notes Series 7 (LL)	-	-	-3.08	-1.86	-1.47	-2.85	-5.91	-	-0.21	6.34	-4.51	-6.15	5.70	-	93.85	54.29
Arrow Multi-Strategy Notes Series 8	-	-	-2.85	-2.23	-2.01	-3.19	-6.05	-	-2.06	3.83	-4.12	-6.87	4.60	-	93.13	42.86
Arrow Multi-Strategy Notes Series 8 (FE)	-	-	-2.81	-2.14	-1.84	-3.00	-5.71	-	-1.71	4.01	-3.95	-6.47	4.60	-	93.53	42.86
Arrow Multi-Strategy Notes Series 8 (LL)	-	-	-2.86	-2.27	-2.08	-3.28	-6.19	-	-2.21	3.75	-4.19	-7.05	4.59	-	92.95	39.29
Arrow PMC Global Long/Short Fund Class A	-	13.418	-5.87	-1.66	-1.46	-6.15	-0.88	7.49	8.55	10.97	-5.66	-8.58	11.92	9.24	93.85	62.79
Arrow PMC Global Long/Short Fund Class F	-	-	-5.81	-1.48	-1.27	-5.90	-0.28	8.28	8.27	11.40	-5.46	-8.58	12.01	9.28	94.10	62.79
Arrow Roundtable Fund	-	5.946	-17.42	-17.95	-23.12	-27.38	-39.80	-	-39.80	-12.06	-29.64	-42.27	24.53	-	57.73	33.33
Arrow Roundtable Fund Class F	-	-	-17.34	-17.76	-22.81	-27.04	-39.23	-	-39.23	-11.73	-29.25	-41.81	24.42	-	58.19	33.33
Arrow U.S. Equity Income Fund Class A	-	49.465	-5.11	-11.53	-19.82	-27.84	-38.30	-	-25.73	-6.40	-23.95	-39.11	19.60	-	60.89	43.75
Arrow U.S. Equity Income Fund Class A US	-	49.465	-5.12	-11.55	-19.41	-27.31	-37.54	-	-24.84	-5.67	-23.39	-38.24	19.47	-	61.76	43.75
Arrow U.S. Equity Income Fund Class F	-	-	-4.88	-11.18	-19.32	-27.34	-37.64	-	-24.94	-5.92	-23.61	-38.42	19.61	-	61.58	43.75
Arrow WF Asia Fund	Enh. Eq.	33.439	-3.47	-4.05	-5.64	-13.52	-7.69	11.74	14.64	32.28	-16.85	-20.87	22.32	17.42	79.78	63.86
Arrow WF Asia Fund Class F	Enh. Eq.	-	-3.47	-3.72	-5.14	-13.01	-6.83	14.42	13.32	32.84	-16.55	-20.63	22.36	17.63	80.35	71.88
Aurion II Equity Fund	-	-	-9.25	-6.95	-3.92	-6.93	-5.46	-	11.39	18.34	-5.36	-12.41	19.25	-	87.59	70.00
Aurion II Equity Fund Series D	-	-	-9.32	-7.19	-4.40	-7.48	-6.15	-	2.45	13.31	-5.67	-12.56	19.31	-	87.44	64.71
Barometer Long Short Equity Pool	-	-	-8.77	17.38	18.56	7.06	13.26	-	12.30	21.54	-14.52	-16.21	28.44	-	91.23	55.56
Barometer Long Short Equity Pool Class F	-	-	-8.83	17.35	18.84	7.41	13.90	-	17.78	21.85	-14.19	-15.96	28.51	-	91.17	66.67
BDC Managed Futures Note Series N-8	-	76.000	0.56	-1.05	-0.01	2.68	5.04	0.80	-0.57	5.54	-3.39	-13.03	4.59	3.97	94.82	52.63
BDC Managed Futures Notes Series N-4	Dir.	5.000	0.29	-0.05	0.76	1.68	3.16	0.30	1.15	2.75	-3.54	-12.58	1.31	2.52	91.40	50.63
BDC Managed Futures Notes Series N-5	Dir.	8.000	0.44	-0.28	0.70	2.01	3.13	0.00	2.40	3.29	-4.42	-12.23	2.42	3.06	91.61	51.32
BDC Managed Futures Notes Series N-6	Dir.	10.000	0.73	0.36	1.41	3.08	5.73	2.04	1.02	4.27	-2.35	-12.48	2.67	2.89	97.93	56.94
BDC Managed Futures Notes Series N-7	Dir.	28.000	0.48	-1.06	0.12	2.51	5.32	1.43	-0.11	5.20	-2.54	-14.07	3.98	3.61	95.25	58.21
BDC Managed Futures Notes Series N-7A	Dir.	77.000	0.48	-0.92	0.10	2.49	5.01	1.04	-0.27	4.91	-2.74	-14.51	3.79	3.57	93.57	55.56
BlackHedge Quantum Fund	Non-Dir.	-	-35.10	-35.58	-36.20	-34.90	-15.49	-	-19.17	38.80	-36.20	-39.05	57.66	-	60.95	53.33
BMG BullionFund	-	-	-5.14	1.54	1.66	16.23	25.78	17.47	8.66	44.02	-16.01	-18.72	23.17	20.32	91.17	57.14
BMG BullionFund Class F	-	-	-5.05	1.81	2.19	16.94	27.01	18.60	15.03	44.64	-15.51	-15.51	23.18	20.18	91.56	60.00
BMG BullionFund Class F US	-	-	-6.07	-0.03	0.46	12.54	32.24	25.87	20.48	56.22	-6.50	-12.56	25.72	20.76	87.44	55.56
BMG BullionFund US	-	-	-6.15	-0.29	-0.06	11.86	30.95	24.67	19.29	55.55	-7.01	-12.94	25.71	20.91	87.06	55.56
BNP - Mesirov Notes Series 1	Non-Dir.	-	-2.37	-1.64	-3.97	-5.16	-7.04	2.67	2.63	8.18	-3.97	-7.04	4.84	4.05	92.96	67.69
BNP - Mesirov Notes Series 2	Non-Dir.	-	-2.36	-1.63	-3.97	-5.16	-7.03	2.67	2.69	8.18	-3.97	-7.03	4.83	4.05	92.97	69.84
BNP - Mesirov Notes Series 3	Non-Dir.	-	-2.36	-1.64	-3.97	-5.16	-7.04	2.67	2.62	8.18	-3.97	-7.04	4.84	4.05	92.96	68.85
BNS Dundee AdvantagePlus Foc I&G Dep Nte(TR)S2	-	-	-0.23	-1.44	-0.35	-4.48	-7.29	-	-6.33	0.92	-10.23	-14.84	8.55	-	85.16	47.06
BNS Dundee AdvantagePlus Foc I&G Dep Nte(Yld)S2	-	-	0.02	-1.40	-0.85	-3.77	-7.88	-	-7.88	-0.85	-11.95	-16.85	6.74	-	83.17	52.94
BNS Dundee AdvantagePlus FocI&GDN (ROC) 1	-	-	-0.01	-1.52	-0.82	-3.77	-7.87	-	-7.87	-0.82	-11.95	-16.82	6.92	-	83.18	47.06
CI Global Opportunities Fund	Dir.	37.000	-0.88	13.60	12.55	14.40	78.45	34.61	21.39	105.43	-14.42	-39.28	30.73	25.94	99.12	59.12
CI Global Opportunities Fund US	-	-	-3.22	11.69	9.48	10.99	40.15	30.23	8.05	115.22	-21.32	-46.22	41.43	30.90	86.71	49.51
Cormark Securities Investment Fund	-	3.743	-10.69	-2.61	0.62	-4.82	-12.98	-	-11.14	9.56	-13.52	-15.29	22.31	-	87.02	53.85
Creststreet Energy Hedge Fund LP Series I	-	1.694	0.24	25.14	48.51	52.73	112.30	23.75	28.50	52.36	-24.76	-33.82	21.75	23.98	100.00	66.67
Creststreet Energy Hedge Fund LP Series II	-	0.270	0.18	24.87	47.94	52.05	111.46	22.73	27.50	51.78	-25.12	-34.54	21.79	24.04	100.00	65.79
Creststreet Energy Hedge Fund LP Series III	-	2.124	0.18	24.88	47.87	52.08	111.36	22.73	25.67	51.81	-25.12	-34.54	21.79	24.03	100.00	64.86
Creststreet Energy Hedge Fund LP Series IV	-	0.693	0.20	24.95	48.04	48.04	-	-	-	-	-	0.00	-	-	100.00	100.00
Creststreet Energy Hedge Fund LP Series IX	-	0.201	0.25	24.63	47.91	47.91	-	-	-	-	-	0.00	-	-	100.00	100.00
Creststreet Energy Hedge Fund LP Series VI	-	0.305	0.21	25.02	48.15	52.36	112.09	-	16.07	52.03	-24.98	-34.78	21.80	-	100.00	61.76
Creststreet Energy Hedge Fund LP Series X	-	0.156	0.25	24.52	47.74	51.94	-	-	-	-	-	0.00	-	-	100.00	100.00

HEDGE FUND PERFORMANCE (as of July 31, 2008)

Fund Name	Style	Asset (\$MM)	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Water mark	% Pos. Month
Creststreet Energy Hedge Fund LP Series XI	-	0.035	0.25	24.45	-	33.63	-	-	-	-	-	0.00	-	-	100.00	100.00
CWB Managed Futures Notes Series N-09	-	46.000	0.58	-1.60	-0.49	2.44	4.85	0.75	-0.01	5.47	-3.47	-7.50	5.00	4.19	98.07	56.86
CWB Managed Futures Notes Series N-10	-	20.000	0.57	-1.59	-0.36	2.53	3.70	-0.64	-0.07	5.06	-5.39	-9.91	5.44	4.57	94.73	51.11
CWB Managed Futures Notes Series N-11A	-	13.000	0.58	-1.87	-0.50	2.47	3.18	-1.30	-0.71	4.33	-6.73	-9.60	5.68	4.90	94.70	46.15
CWB Managed Futures Notes Series N-11B	-	1.000	0.57	-1.82	-0.45	2.46	2.63	-0.54	0.07	4.27	-5.85	-7.95	5.77	4.88	96.12	53.85
CWB Managed Futures Notes Series N-12A	-	8.000	0.67	-2.06	-0.84	1.11	3.25	-	-3.03	5.80	-6.62	-10.83	5.16	-	93.30	44.44
CWB Managed Futures Notes Series N-12B	-	2.000	0.67	-2.02	-0.80	1.12	2.76	-	-2.41	5.83	-5.88	-9.31	5.25	-	94.66	44.44
Desjardins Enhance Alternative Investments	-	67.350	-2.74	-3.19	-	-1.87	-	-	-	-	-	-4.13	-	-	95.87	50.00
Desjardins Enhance Alternative Investments Class T	-	12.276	-2.73	-3.18	-	-1.85	-	-	-	-	-	-4.11	-	-	95.89	50.00
DPF India Opportunities	-	-	-0.28	-28.61	-36.81	-42.60	-	-	-	-	-	-42.60	-	-	57.40	45.45
Dynamic Alpha Performance Fund	Dir.	10.396	2.03	-2.97	-0.76	-1.66	3.65	7.97	8.64	22.32	-12.56	-15.50	11.64	11.41	97.03	64.38
Dynamic Alpha Performance Fund Series F	-	5.979	2.00	-2.78	-0.18	-1.06	5.18	-	8.53	23.83	-11.96	-15.12	11.80	-	97.22	63.33
Dynamic Alternative Opportunities Fund Series A	Dir.	0.105	-9.49	-4.79	-	-4.60	-	-	-	-	-	-9.49	-	-	90.51	75.00
Dynamic Alternative Opportunities Fund Series F	Dir.	0.258	-9.28	-4.39	-	-4.20	-	-	-	-	-	-9.28	-	-	90.72	75.00
Dynamic Contrarian Fund	-	181.774	-9.67	-6.32	2.87	-3.37	-8.02	20.84	20.84	68.61	-10.59	-15.24	16.89	18.90	87.19	61.11
Dynamic Contrarian Fund Series F	-	43.794	-9.63	-6.13	3.56	-2.68	-6.90	22.04	22.04	68.67	-10.10	-14.70	16.94	18.85	88.34	61.11
Dynamic Income Opportunities Fund	Dir.	87.669	-6.92	-6.26	-3.51	-8.45	-11.39	-	9.08	29.23	-8.17	-11.66	10.85	-	88.34	66.67
Dynamic Income Opportunities Fund Series F	Dir.	23.909	-6.87	-6.00	-3.03	-7.93	-10.97	-	9.19	27.96	-8.19	-11.25	10.72	-	88.75	66.67
Dynamic Power Emerging Markets Fund	-	69.239	-20.41	-23.02	-26.02	-32.99	-21.74	-	17.11	54.24	-26.02	-32.99	32.15	-	67.01	68.57
Dynamic Power Emerging Markets Fund Series F	-	85.648	-20.37	-22.85	-25.68	-32.57	-22.14	-	17.73	51.24	-25.68	-32.57	31.43	-	67.43	68.57
Dynamic Power Hedge Fund Class A	Dir.	226.327	-18.13	-1.89	7.60	-8.20	2.63	40.61	49.91	78.16	-22.61	-22.61	39.77	38.60	81.87	60.00
Dynamic Power Hedge Fund Class F	Dir.	403.566	-17.96	-1.61	8.17	-7.67	2.83	39.82	46.08	75.70	-21.94	-21.94	39.23	37.54	82.04	63.51
Enriched Capital Long-Short Fund	-	-	-4.86	-2.55	1.22	-1.75	-1.09	-	3.41	9.01	-2.28	-5.29	8.84	-	95.14	78.57
Epic Limited Partnership	Enh. Eq.	94.900	-11.63	-6.08	-18.42	-27.13	-30.07	1.77	19.89	37.31	-26.67	-31.13	24.28	20.27	68.87	73.91
Epic Trust Class A	-	17.800	-11.67	-6.12	-18.48	-27.15	-30.12	1.44	4.62	37.07	-26.67	-31.16	24.30	20.28	68.84	57.14
Epic Trust Class H	-	9.800	-11.67	-6.21	-18.65	-27.37	-30.46	-	-17.23	4.55	-26.87	-31.42	24.27	-	68.58	47.06
ESI Managed Portfolio	-	-	-2.75	-0.87	0.77	-4.79	-5.97	6.16	6.20	27.97	-22.22	-24.22	40.19	23.45	92.51	62.50
Excalibur Limited Partnership	-	-	-4.20	-3.60	-5.74	-9.92	-7.93	6.52	15.37	17.72	-9.86	-28.25	12.02	9.91	86.90	71.94
Excalibur Special Opportunities LP	-	-	-8.23	-7.87	-15.21	-17.39	-20.48	6.40	6.42	33.71	-15.21	-23.81	10.04	15.28	76.19	51.35
Excalibur Special Opportunities US\$	-	-	-4.04	-4.83	-12.75	-16.07	-13.05	14.81	14.60	36.45	-17.71	-21.68	17.08	17.82	78.32	59.46
Exemplar Canadian Focus Portfolio Series A	-	2.355	-1.47	-	-	3.06	-	-	-	-	-	-1.47	-	-	98.53	50.00
Exemplar Canadian Focus Portfolio Series F	-	1.238	-1.35	-	-	3.24	-	-	-	-	-	-1.35	-	-	98.65	50.00
Exemplar Canadian Focus Portfolio Series I	-	0.758	-0.84	-	-	-0.84	-	-	-	-	-	-0.84	-	-	99.16	50.00
Exemplar Global Opportunities Portfolio Series A	-	0.845	0.66	-	-	6.28	-	-	-	-	-	0.00	-	-	100.00	100.00
Friedberg Global Macro Hedge Fund US\$	-	81.360	-0.61	4.03	4.13	13.52	34.94	-	23.93	38.37	-5.34	-8.27	17.47	-	95.43	60.00
Front Street Canadian Hedge Fund	Dir.	217.383	-10.96	0.33	2.29	-6.29	-8.34	9.40	19.02	22.54	-11.52	-40.77	22.98	16.07	88.92	67.59
Front Street Performance Fund II	-	81.761	-11.28	0.64	2.39	-7.46	-9.53	8.81	9.99	21.41	-13.08	-16.92	24.21	16.95	87.48	66.67
frontierAlt Global Dividend Fund	-	-	-4.80	-11.29	-13.47	-21.66	-21.69	-	-16.61	-0.71	-17.71	-25.56	14.16	-	74.44	44.44
Giraffe Capital Opportunities Fund LP	-	-	-10.78	-3.69	-	-12.17	-	-	-	-	-	-12.17	-	-	87.83	50.00
Global Resource Split Corp	-	23.000	-15.38	-7.80	8.24	1.27	-0.58	24.31	33.02	50.65	-8.14	-15.38	25.34	25.64	84.62	63.27
Goodwood Fund Class A	Enh. Eq.	35.863	-7.71	-11.75	-21.00	-26.86	-30.61	-7.06	14.81	11.75	-23.34	-33.57	15.13	12.78	66.43	63.83
Goodwood Fund Class B	Enh. Eq.	113.346	-7.71	-11.75	-21.00	-26.86	-30.34	-7.98	1.79	10.42	-22.64	-32.92	14.49	12.17	67.08	58.23
Hillsdale Canadian Long/Short Equity Fund Class A	Enh. Eq.	32.018	-5.13	0.68	6.17	2.08	5.51	4.64	12.91	17.72	-9.82	-18.99	11.17	9.02	94.87	64.08
Hillsdale Canadian Long/Short Equity Fund Class F	Enh. Eq.	-	-5.06	0.66	6.29	2.19	5.17	-	7.29	15.40	-1.56	-6.77	11.01	-	94.94	63.64
Hillsdale Canadian Long/Short Equity Fund Class I	Enh. Eq.	47.654	-5.04	0.78	6.55	2.59	6.15	5.77	12.46	17.83	-9.27	-18.27	10.97	8.97	94.96	62.65
Hillsdale Canadian Long/Short Equity Fund Class Z	Enh. Eq.	1.224	-4.87	2.17	8.28	8.28	-	-	-	-	-	-4.87	-	-	95.13	66.67
Hillsdale Market Neutral Equity Fund Class A	Non-Dir.	6.160	-2.83	1.37	5.71	3.61	10.96	6.32	5.14	15.24	-8.53	-12.57	8.48	8.23	97.17	62.63
Hillsdale Market Neutral Equity Fund Class F	Non-Dir.	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Hillsdale Market Neutral Equity Fund Class Z	Non-Dir.	1.245	-2.60	2.81	8.24	8.24	-	-	-	-	-	-2.60	-	-	97.40	66.67
Hillsdale Suite Class A	-	3.502	-4.17	-1.65	-	-1.65	-	-	-	-	-	-4.17	-	-	95.83	66.67

HEDGE FUND PERFORMANCE (as of July 31, 2008)

Fund Name	Style	Asset (\$MM)	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Water mark	% Pos. Month
Hillsdale Suite Class F	-	-	-4.11	-1.63	-	-1.63	-	-	-	-	-	-4.11	-	-	95.89	66.67
Hillsdale Suite Class I	-	0.835	-4.08	-	-	-4.08	-	-	-	-	-	-	-	-	-	0.00
Hillsdale US Long/Short Equity Fund Class A C\$	-	1.924	-3.96	1.10	-1.23	-11.02	-4.41	-	-2.41	10.07	-12.83	-15.05	14.98	-	88.13	53.33
Hillsdale US Long/Short Equity Fund Class A U\$	-	8.358	-4.15	1.29	-1.99	-11.52	-1.93	6.97	2.75	12.85	-12.22	-37.56	15.56	10.53	88.48	54.17
Hillsdale US Long/Short Equity Fund Class F C\$	-	-	-3.91	1.24	-0.98	-11.17	-3.83	-	1.23	11.13	-13.06	-15.30	15.61	-	88.02	59.09
Hillsdale US Long/Short Equity Fund Class F U\$	-	-	-4.11	1.42	-1.74	-11.24	-10.31	-	-6.64	1.05	-13.29	-14.19	12.72	-	88.76	73.68
Hillsdale US Long/Short Equity Fund Class Z C\$	-	1.223	-3.75	1.64	-0.20	-0.20	-	-	-	-	-	-4.47	-	-	96.25	50.00
Horizons Global Contrarian Fund	Dir.	34.138	-0.59	-8.66	-9.09	-13.37	-15.11	-2.93	5.10	5.11	-12.86	-17.28	8.55	6.58	82.72	57.25
Horizons Global Contrarian Fund Class F	-	0.789	-0.50	-8.39	-8.58	-12.80	-14.17	-4.93	-3.32	5.66	-12.37	-20.78	8.56	7.99	79.22	48.21
Horizons Northern Rivers Fund L.P.	Enh. Eq.	-	-15.07	-13.86	-12.62	-22.72	-24.49	20.00	16.90	62.57	-24.75	-33.70	31.68	28.14	66.30	58.62
IA Multi-Strategy	Dir.	0.385	-2.27	-2.93	-3.55	-6.61	-9.60	-0.99	0.39	5.48	-6.27	-9.60	6.76	5.16	90.40	54.55
Integra 120/20 U.S. Equity Fund	-	34.571	-2.36	-7.79	-6.84	-11.03	-16.72	-	-2.73	19.84	-15.13	-21.04	11.25	-	78.96	50.00
J.C. Clark Focused Opportunities Fund	Enh. Eq.	16.684	0.99	1.29	-0.70	-2.81	1.78	12.53	13.72	16.49	-4.49	-4.56	4.32	6.76	97.19	78.95
J.C. Clark Preservation Trust	Enh. Eq.	70.274	4.72	6.85	5.26	6.46	19.03	17.07	15.55	22.60	-1.33	-21.48	10.49	8.97	100.00	63.96
King & Victoria RSP Fund Class A Units	-	-	-5.72	-9.55	-11.16	-14.44	-17.86	-9.23	-4.28	13.34	-15.47	-29.77	11.13	10.16	70.23	57.78
Landry Morin Long Short Momentum Fund Series A	-	-	-3.66	7.96	13.84	5.76	13.78	-	2.83	13.84	-6.16	-7.80	15.63	-	96.34	44.44
Landry Morin Long Short Momentum Fund Series F	-	-	-3.58	7.99	14.19	6.19	14.65	6.74	10.05	14.19	-5.76	-9.06	15.50	10.45	96.42	58.73
Landry Morin Long Short Momentum Fund Series I	-	-	-3.49	6.64	12.99	5.16	12.83	-	4.25	12.99	-8.29	-8.29	14.59	-	96.51	59.09
Lawrence Partners Fund LP	Dir.	-	-8.58	-12.29	-5.06	-9.93	-3.69	-	28.16	53.20	-5.06	-12.29	16.40	-	87.71	66.67
Lawrence Partners Fund Series F	-	-	-8.58	-12.29	-5.06	-9.93	-3.69	-	9.80	19.95	-5.06	-12.29	16.40	-	87.71	57.14
Mac Alternative Strategies Fund Series A C\$	Dir.	57.702	-1.32	0.35	-4.15	-4.15	-4.75	2.90	3.61	7.98	-5.96	-7.71	5.66	4.64	93.49	63.33
Mac Alternative Strategies Fund Series A U\$	-	56.366	-1.69	-1.28	-5.99	-6.96	-0.73	9.27	8.81	16.67	-10.97	-12.11	14.26	10.81	87.89	66.25
Mac Alternative Strategies Fund Series F C\$	-	4.653	-1.21	0.68	-3.54	-3.42	-3.51	4.25	4.60	8.69	-5.38	-6.52	5.67	4.64	94.91	68.54
Mac Alternative Strategies Fund Series F U\$	-	4.546	-1.57	-0.96	-5.39	-6.26	0.56	10.71	11.29	17.45	-10.41	-11.30	14.26	10.81	88.73	67.47
Mac Alternative Strategies Fund Series I C\$	-	3.528	-1.26	0.53	-3.69	-3.66	-3.77	4.07	4.43	8.63	-5.48	-6.65	5.62	4.62	94.66	67.82
Mac Alternative Strategies Fund Series I U\$	-	3.447	-1.62	-1.10	-5.54	-6.48	0.29	10.52	11.10	17.40	-10.48	-11.47	14.26	10.81	88.53	68.67
Mac Alternative Strategies Fund Series O C\$	-	8.339	-0.98	1.12	-2.76	-2.49	-1.91	5.94	6.64	9.54	-4.60	-5.10	5.61	4.60	96.64	71.11
Mac Alternative Strategies Fund Series O U\$	-	8.146	-1.34	-0.53	-4.62	-5.35	-28.17	-2.05	5.05	18.43	-36.53	-37.23	33.04	20.61	63.13	69.23
Mac Sentinel US Managed Yield Cl Series A U\$	-	149.897	0.15	0.39	0.95	1.29	2.96	3.89	2.05	2.51	0.95	0.00	0.34	0.33	100.00	100.00
Mac Sentinel US Managed Yield Cl Series B U\$	-	1.277	0.14	0.36	0.90	1.23	2.93	3.89	2.99	2.52	0.90	0.00	0.36	0.35	100.00	100.00
Man AHL Diversified (Canada) Fund Cl A C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man AHL Diversified (Canada) Fund Cl B U\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man AHL Diversified (Canada) Fund Cl F C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man AHL Diversified (Canada) Fund Cl G U\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man AHL Diversified (Canada) Fund Cl I C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man AHL Diversified (Canada) Fund Cl J U\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man AHL Diversified (Canada) Fund Class A C\$	Dir.	-	1.59	3.69	16.70	16.70	24.10	-	18.64	26.32	2.82	-8.58	18.61	-	100.00	66.67
Man AHL Diversified (Canada) Fund Class B U\$	Dir.	-	1.50	3.63	17.23	17.23	24.26	-	20.14	27.83	5.11	-7.76	19.60	-	100.00	72.22
Man AHL Diversified (Canada) Fund Class F	Dir.	-	1.68	3.96	17.34	17.34	25.33	-	19.51	26.99	3.37	-8.42	18.78	-	100.00	70.00
Man AHL Diversified (Canada) Fund Class G U\$	Dir.	-	1.58	3.90	17.85	17.85	25.58	-	23.40	28.51	6.56	-6.33	19.73	-	100.00	76.92
Man AHL Diversified (Canada) Fund Class I	Dir.	-	1.68	3.96	17.34	17.34	25.33	-	18.78	26.99	-3.08	-8.42	18.78	-	100.00	68.18
Man AHL Diversified (Canada) Fund Class J U\$	Dir.	-	1.58	3.90	17.85	17.85	25.57	-	21.41	28.50	-1.33	-7.59	19.73	-	100.00	72.73
Man AHL Diversified (Guernsey) Fund Interim	-	-	0.00	-	-	0.00	-	-	-	-	-	-	-	-	-	100.00
Man AHL Diversified Futures Ltd.	-	-	-5.55	-3.69	3.46	10.56	-	-	-	-	-	-5.65	-	-	94.35	72.73
Man AHL Diversified Futures Ltd. Interim	-	-	0.00	0.00	0.00	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Man AHL Diversified plc	-	-	-5.80	-2.20	6.12	15.00	-	-	-	-	-	-6.17	-	-	94.20	81.82
Man Glenwood Focus (MC) Fund Series B U\$ Interim	-	-	0.00	0.00	-	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Man Glenwood Focus (MC) Fund Series F C\$ Interim	-	-	0.00	0.00	-	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Man Glenwood Focus (MC) Fund Series G U\$ Interim	-	-	0.00	0.00	-	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Man Glenwood Focus (MC) Fund Series I C\$ Interim	-	-	0.00	0.00	-	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00

HEDGE FUND PERFORMANCE (as of July 31, 2008)

Fund Name	Style	Asset (\$MM)	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Water mark	% Pos. Month
Man Glenwood Focus (MC) Fund Series J US\$ Interim	-	-	0.00	0.00	-	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Man Glenwood Focus (MC) Fund Series K C\$	-	-	-3.27	-2.56	-	-2.56	-	-	-	-	-	-3.27	-	-	96.73	66.67
Man Glenwood Focus (MC) Fund Series K C\$ Interim	-	-	0.00	0.00	-	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Man Glenwood Focus (MC) Fund Series L C\$	-	-	-3.26	-2.38	-	-2.38	-	-	-	-	-	-3.26	-	-	96.74	33.33
Man Glenwood Focus (MC) Fund Series L C\$ Interim	-	-	0.00	0.00	-	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Man Glenwood Focus (MC) Fund Series M C\$	-	-	-3.26	-2.42	-	-2.42	-	-	-	-	-	-3.26	-	-	96.74	33.33
Man Glenwood Focus (MC) Fund Series M C\$ Interim	-	-	0.00	0.00	-	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Man MGS Access Canada Note CI II 901	-	-	2.32	2.38	-2.17	-2.17	-16.95	-	-15.75	-2.17	-16.31	-21.02	14.16	-	81.88	50.00
Man MGS Access Canada Notes CI I 900	-	-	2.32	2.38	-2.17	-2.17	-16.95	-	-15.75	-2.17	-16.31	-21.02	14.16	-	81.88	50.00
Man MGS Access Canada Notes CI III 902	-	-	2.32	2.38	-2.17	-2.17	-16.95	-	-15.75	-2.17	-16.31	-21.02	14.16	-	81.88	50.00
Man Multi-Strategy (Canada) Fund CI A C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI A US\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI B C\$ Interim	Non-Dir.	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI B US\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI C C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI C US\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI F C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI F US\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI I C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI I US\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI O C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI O US\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI Q C\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund CI Q US\$ Interim	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
Man Multi-Strategy (Canada) Fund Class A C\$	Non-Dir.	-	-0.12	2.50	1.54	-0.15	-6.85	2.97	2.79	13.66	-8.26	-10.88	12.80	9.98	91.71	56.76
Man Multi-Strategy (Canada) Fund Class A US\$	Non-Dir.	-	2.47	4.31	2.59	-0.47	0.15	10.49	9.04	19.82	-13.38	-15.24	22.51	19.36	90.35	60.00
Man Multi-Strategy (Canada) Fund Class B C\$	Non-Dir.	-	-0.12	2.50	1.54	-0.15	-8.88	2.96	2.79	13.66	-10.26	-11.46	14.26	10.53	91.12	59.46
Man Multi-Strategy (Canada) Fund Class B US\$	Non-Dir.	-	2.33	4.17	2.45	-0.60	-2.50	-	10.26	27.54	-13.39	-15.25	23.50	-	90.21	62.50
Man Multi-Strategy (Canada) Fund Class C C\$	Non-Dir.	-	-0.12	2.50	1.54	-0.15	-8.88	2.96	2.79	13.66	-10.26	-11.46	14.26	10.86	91.12	59.46
Man Multi-Strategy (Canada) Fund Class C US\$	Non-Dir.	-	2.26	4.10	2.38	-0.67	-2.56	-	10.20	27.54	-13.39	-15.25	23.49	-	90.15	62.50
Man Multi-Strategy (Canada) Fund Class F C\$	Non-Dir.	-	-0.23	2.62	1.99	0.41	-5.83	4.31	4.09	13.96	-7.67	-9.90	12.81	10.06	92.93	56.76
Man Multi-Strategy (Canada) Fund Class F US\$	Non-Dir.	-	2.15	4.22	2.84	-0.11	1.04	11.86	11.71	20.13	-12.82	-14.78	22.50	19.34	90.86	64.10
Man Multi-Strategy (Canada) Fund Class I C\$	Non-Dir.	-	-0.21	2.59	1.89	0.25	-8.02	4.21	4.00	13.96	-9.73	-10.77	14.20	10.59	91.98	59.46
Man Multi-Strategy (Canada) Fund Class I US\$	Non-Dir.	-	2.17	4.19	2.74	-0.27	-1.63	-	11.27	28.59	-12.97	-14.91	23.45	-	90.67	62.50
Man Multi-Strategy (Canada) Fund Class O C\$	Non-Dir.	-	1.18	2.50	0.22	-1.44	-10.33	-	0.99	10.17	-10.99	-14.75	12.97	-	87.73	56.25
Man Multi-Strategy (Canada) Fund Class O US\$	Non-Dir.	-	3.60	4.10	1.06	-1.95	-3.78	-	5.37	13.53	-15.59	-17.40	22.76	-	87.87	61.29
Man Multi-Strategy (Canada) Fund Class Q C\$	Non-Dir.	-	1.00	2.61	0.72	-0.84	-9.19	-	0.85	10.85	-10.30	-13.76	12.92	-	88.94	58.62
Man Multi-Strategy (Canada) Fund Class Q US\$	Non-Dir.	-	3.41	4.21	1.56	-1.36	-2.56	-	5.43	13.99	-9.22	-10.51	18.09	-	95.40	53.57
Man Multi-Strategy USD Ltd.	-	-	0.00	3.07	0.76	-4.06	-	-	-	-	-	-8.24	-	-	95.72	63.64
Man Multi-Strategy USD Ltd. Interim	-	-	0.00	0.00	0.00	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
ML Global REIT Accelerator Series 1 C\$ 21/06/13	-	-	-1.30	-15.48	-13.23	-19.79	-45.12	-	-42.53	-10.10	-39.06	-45.12	31.05	-	54.88	46.15
NexGen Canadian Cash Tax Managed Fund F 1158	-	-	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	-	100.00	100.00
NexGen Canadian Cash Tax Managed Fund 1151	-	-	0.20	0.39	0.62	0.62	1.12	-	1.33	1.20	0.22	0.00	0.40	-	100.00	100.00
NexGen Canadian Cash Tax Managed Fund 1153	-	-	0.00	0.00	0.00	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
NexGen Canadian Cash Tax Managed Fund 1154	-	-	0.00	0.00	0.00	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
Northern Rivers Global Energy Fund LP	-	7.117	-13.06	-5.05	4.86	-2.62	-2.02	-	17.61	30.02	-7.29	-14.11	29.67	-	86.94	66.67
Northern Rivers Innovation Fund LP	Dir.	82.050	-13.85	-10.12	-4.97	-15.63	-16.97	24.47	24.02	57.70	-25.23	-27.59	31.81	25.97	72.41	65.12
Northern Rivers Innovation RSP Fund	Dir.	12.679	-12.24	-9.93	-6.02	-16.61	-17.04	24.43	13.87	58.22	-23.50	-26.31	32.19	25.70	73.69	54.72
OCM Energy Total Return Fund	-	-	-19.29	-3.37	38.17	51.27	13.70	-	8.74	87.43	-28.53	-30.12	39.26	-	80.71	42.86
OCM Energy Total Return Fund LP Class A	-	-	-10.28	-	-	-10.28	-	-	-	-	-	-	-	-	-	0.00

HEDGE FUND PERFORMANCE (as of July 31, 2008)

Fund Name	Style	Asset (\$MM)	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Water mark	% Pos. Month
OCM Energy Total Return Fund LP Class F	-	-	-10.23	-	-	-10.23	-	-	-	-	-	-	-	-	-	0.00
ONE Financial Bonds Series 1 Variable Step-Up US\$	-	-	0.74	-0.14	-2.36	-1.21	0.99	-4.29	-4.52	14.95	-13.28	-19.08	5.30	8.21	86.36	42.11
ONE Financial Bonds Series 1, Variable Step-Up C\$	-	-	0.89	0.01	1.12	1.06	0.24	-5.13	-5.03	17.30	-15.67	-20.34	10.76	10.36	84.60	44.74
ONE Financial CASH+ Breakfast Notes, Series 1	-	-	-22.01	-6.63	-17.15	-13.54	2.22	-	-0.31	43.32	-17.15	-30.56	50.41	-	69.44	56.25
ONE Financial Guaranteed Absolute Return Notes	Dir.	-	-0.84	0.00	-0.99	-3.50	-4.86	-1.02	0.54	5.25	-5.07	-8.35	5.11	4.15	91.94	59.42
ONE Financial MSCI Hedge Invest Index Nts Series 1	Non-Dir.	-	-0.57	0.22	0.14	-0.30	-0.62	-1.66	-2.19	4.78	-4.97	-10.82	3.41	3.66	90.14	42.86
ONE Financial MSCI Hedge Invest Index Nts Series 2	-	-	-3.21	-1.97	-3.46	-9.97	-14.33	-6.24	-5.40	4.40	-11.26	-19.83	10.21	6.81	80.17	46.67
ONE Financial Step-Over Bonds Series 1	-	-	0.24	-1.61	-1.85	-3.35	-5.63	-2.95	-4.75	11.50	-7.50	-18.86	4.51	5.74	81.33	37.25
ONE Financial Step-Over Bonds Series 2	-	-	0.51	-1.87	-1.97	-2.77	-5.96	-4.19	-4.49	12.22	-10.05	-17.21	5.27	6.93	83.21	33.33
ONE Financial Step-Over Bonds Series 3	-	-	0.69	-0.10	1.70	-0.65	-5.71	-3.00	-4.42	15.28	-10.63	-18.85	8.96	8.45	85.04	39.53
ONE PLI G7 Global Index Note Series 1	-	-	-2.02	-3.60	-0.99	-3.22	-5.11	-	-4.87	11.31	-9.72	-12.56	7.37	-	87.44	37.04
ONE PLI G7 Global Index Note Series 2	-	-	-0.80	-2.47	3.26	-4.36	-7.78	-	-7.35	3.26	-10.69	-19.21	9.26	-	83.43	38.10
ONE PLI Gold Note Series 1	-	-	0.12	-0.65	1.57	6.71	15.89	-	0.24	18.19	-11.19	-16.57	9.35	-	95.68	48.15
ONE PLI Gold Note Series 2	-	-	-1.24	-3.60	-8.31	-3.63	-4.74	-	-12.72	3.89	-15.00	-21.99	7.54	-	78.01	23.81
ONE PLIC Canadian Dividend Note Series 1	-	-	5.60	5.92	2.08	-1.02	3.51	-	-5.55	3.99	-12.97	-18.18	14.30	-	86.67	48.15
ONE PLIC Global Dividend Note Series 1	-	-	-1.98	3.71	-1.15	-2.11	-4.66	-	-1.73	11.14	-12.77	-17.25	11.22	-	85.81	48.15
ONE PLIC Income Trust Note Series 1	-	-	-0.33	1.09	6.26	4.12	5.08	-	-3.81	6.28	-11.42	-14.63	8.41	-	91.63	51.85
ONE PLIC Income Trust Note Series 2	-	-	-0.37	8.56	5.16	1.38	-2.13	-	-7.50	5.16	-13.02	-19.92	15.13	-	86.93	33.33
OneFund Diversified Plus	-	-	-1.31	-1.63	-0.47	-4.54	-8.13	1.51	2.42	8.20	-7.69	-9.75	5.75	6.06	90.25	57.69
Palos Income Trust Fund LP.	-	-	-8.92	-5.93	-0.27	-6.20	-2.65	1.64	13.76	17.73	-9.44	-11.46	14.16	14.37	91.08	73.49
Pathway Canadian Flex A Regular MIN003	-	-	-6.64	-2.75	5.29	-0.52	-	-	-	-	-	-6.88	-	-	93.12	42.86
Pathway Canadian Flex LL/DSC MIN113	-	-	-6.61	-2.68	5.47	-0.29	-	-	-	-	-	-6.86	-	-	93.14	42.86
Pathway Canadian Flex Series F MIN033	-	-	-6.58	-5.57	-5.57	-5.57	-	-	-	-	-	-6.58	-	-	93.42	83.33
Pathway Energy Series A Rollover MIN002	-	-	-31.09	3.71	-	4.39	-	-	-	-	-	-31.09	-	-	68.91	75.00
Pathway Explorer Series A Rollover MIN001	-	-	-20.84	-15.34	-18.11	-31.14	-24.45	5.59	2.93	77.06	-32.85	-43.15	63.32	47.45	56.85	57.50
Pathway Resource Flex A Regular MIN 004	-	-	-12.00	-2.98	4.78	0.49	-	-	-	-	-	-12.00	-	-	88.00	57.14
Pathway Resource Flex LL/DSC MIN 114	-	-	-11.98	-2.90	-	-6.62	-	-	-	-	-	-11.98	-	-	88.02	60.00
Pathway Resource Flex Series F MIN 044	-	-	-11.96	-2.90	-1.46	-1.46	-	-	-	-	-	-11.96	-	-	88.04	66.67
Picton Mahoney Glo Market Neutral Equ US \$ Fd Cl A	-	2.050	-3.97	-1.40	-	-1.26	-	-	-	-	-	-3.97	-	-	96.03	60.00
Picton Mahoney Global Long Short Equ US\$ Fd Cl A	-	0.900	-6.06	-6.35	-	-4.65	-	-	-	-	-	-7.92	-	-	92.08	40.00
Picton Mahoney Global Long Short Equity Fd Cl A C\$	-	12.432	-5.89	-5.09	-0.81	-5.89	-	-	-	-	-	-6.31	-	-	93.69	62.50
Picton Mahoney Global Long Short Equity Fd Cl A US\$	-	-	-6.56	-6.53	-3.02	-9.21	-	-	-	-	-	-9.21	-	-	90.79	50.00
Picton Mahoney Global Market Neutral Equ Cl A C\$	-	27.779	-4.07	-0.93	1.91	0.54	-	-	-	-	-	-4.07	-	-	95.93	62.50
Picton Mahoney Global Market Neutral Equ Cl A US\$	-	-	-4.76	-2.43	-0.35	-3.01	-	-	-	-	-	-5.09	-	-	94.91	50.00
Picton Mahoney Long Short Equity Fund Class A	-	122.325	-4.63	-0.37	1.51	-2.44	4.22	-	21.08	22.41	-1.44	-4.63	10.21	-	95.37	83.87
Picton Mahoney Long Short Equity Fund Class F	-	61.684	-4.47	-0.20	1.92	-1.92	5.04	-	14.85	15.34	-0.96	-4.47	10.04	-	95.53	77.27
Picton Mahoney Market Neutral Equity Fund Class A	-	128.424	-1.03	2.84	1.64	0.22	5.27	-	18.10	22.57	-0.93	-2.95	5.27	-	98.97	87.10
Picton Mahoney Market Neutral Equity Fund Class F	-	70.206	-0.93	3.00	2.03	0.70	6.13	-	10.86	9.96	-0.47	-2.82	5.17	-	99.07	81.82
Primevestfund	-	-	-5.71	-2.74	5.21	-1.49	1.81	33.53	33.43	42.32	-6.27	-10.20	24.78	21.47	92.43	67.57
Principal Protected Notes GIS Series 1	-	-	0.25	2.68	1.11	0.46	1.66	-0.25	-0.03	2.92	-3.64	-4.42	5.81	4.01	98.36	62.79
Principal Protected Notes GIS Series 2	-	-	-1.56	3.41	-0.05	-0.66	1.29	0.15	0.35	2.90	-4.75	-5.30	7.67	4.83	97.94	64.10
Pro-Hedge Elite Fund Class A	Dir.	-	-6.80	1.39	3.51	-1.91	0.46	5.54	5.82	14.89	-7.98	-7.98	16.97	12.04	93.20	53.70
Pro-Hedge Elite Fund Class F	Dir.	-	-6.80	1.08	4.40	-0.59	2.25	6.57	6.72	15.12	-7.58	-7.58	17.14	12.06	93.20	54.55
Pro-Hedge Protected Notes Series II	Non-Dir.	-	0.30	0.71	-0.21	2.34	2.80	0.00	0.32	4.68	-3.81	-8.44	8.03	6.01	96.14	52.83
Pro-Hedge Protected Notes Series III	Non-Dir.	-	0.25	0.80	-0.27	1.88	2.92	0.20	1.30	4.44	-3.75	-8.20	8.40	6.21	96.61	54.00
Pro-Hedge Protected Notes Series IV	-	-	-0.25	-2.69	-4.94	-2.77	-0.52	-	-1.16	4.64	-4.94	-4.94	7.29	-	95.06	51.61
Redwood L/S Conservative Equity Fund	-	-	-0.41	0.41	-0.27	-0.55	4.29	-	5.97	8.23	-0.96	-2.22	3.34	-	99.38	68.75
Redwood Long/Short Fund	Enh. Dir.	-	-10.02	-11.07	-13.27	-16.87	-21.91	-6.05	1.20	27.39	-21.00	-25.10	18.40	17.65	75.68	57.41
Robson Everest Global Fund A	Non-Dir.	-	-4.03	-8.59	-6.80	-13.01	-5.72	-	7.01	35.76	-12.41	-19.93	26.10	-	80.07	47.37
Robson Everest Global Fund F	Non-Dir.	-	-4.15	-8.43	-6.36	-12.49	-4.76	-	7.04	36.45	-11.87	-19.30	26.06	-	80.70	50.00

HEDGE FUND PERFORMANCE (as of July 31, 2008)

Fund Name	Style	Asset (\$MM)	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Water mark	% Pos. Month
Robson Van Eck Hard Assets Fund A	Non-Dir.	-	-3.21	1.69	5.23	3.78	4.79	-	5.67	7.22	-2.47	-4.23	7.52	-	96.79	64.29
Robson Van Eck Hard Assets Fund F	Non-Dir.	-	-3.25	1.94	5.67	4.31	5.78	-	6.53	7.81	-1.94	-3.94	7.57	-	96.75	64.29
Robson Van Eck Hard Assets Fund Series X	Non-Dir.	-	-2.92	1.95	5.67	4.32	5.78	-	3.13	7.45	-1.94	-3.95	7.33	-	97.08	50.00
Salida Multi Strategy Hedge Fund	Dir.	168.000	-28.26	-18.15	-12.66	-21.05	-23.95	35.28	36.44	79.68	-12.93	-28.26	44.29	31.99	71.74	69.57
Salida Multi Strategy Hedge Fund Class F	Dir.	168.000	-28.20	-17.95	-12.21	-20.60	-23.08	-	14.19	46.76	-12.38	-28.20	44.25	-	71.80	65.22
Sarbit Total Performance Trust C\$	-	-	-0.69	-4.00	-1.91	-5.34	-16.21	-	-7.19	8.61	-16.98	-25.33	14.56	-	77.51	42.31
Sarbit Total Performance Trust US\$ A	-	-	-1.57	-4.34	-3.26	-8.90	-13.11	-	-3.48	8.23	-16.65	-18.57	17.93	-	84.46	50.00
SciVest Aggressive Market Neutral Equity Fund	-	-	-4.95	2.79	7.07	3.02	-0.74	-	6.28	20.91	-14.90	-22.34	27.78	-	95.05	66.67
SciVest Commodity Index Plus Fund	-	-	-15.05	-1.55	7.98	9.38	17.96	-	6.25	39.73	-15.19	-19.26	30.88	-	84.95	63.33
SciVest Commodity Index Plus Fund Class F	-	-	-14.98	-1.49	8.26	9.75	18.79	-	7.86	39.93	-13.66	-17.92	30.60	-	85.02	61.54
SciVest Conservative Market Neutral Equity A2 C\$	Non-Dir.	-	-1.77	0.15	1.01	-0.26	1.07	1.19	1.24	4.90	-2.13	-4.22	6.03	4.97	98.23	63.41
SciVest Conservative Market Neutral Equity A2 US\$	Non-Dir.	-	-2.82	-1.65	-0.70	-4.02	5.23	7.11	6.50	15.63	-5.07	-6.46	14.22	10.35	95.52	51.22
SciVest Conservative Market Neutral Equity Fund	Non-Dir.	-	-1.66	0.36	1.31	0.19	1.50	1.81	2.26	5.13	-2.08	-8.02	6.08	5.11	98.34	59.42
SciVest Market Neutral Equity Fund	Non-Dir.	-	-4.09	0.69	3.13	0.29	1.50	2.95	5.31	13.15	-5.28	-14.09	16.41	11.59	95.91	59.30
SciVest Market Neutral Equity Fund Class A2 C\$	Non-Dir.	-	-4.39	0.10	2.41	-0.54	0.55	2.22	2.14	13.04	-6.30	-12.46	16.60	11.71	95.61	63.41
SciVest Net Short Equity Fund	-	-	-3.35	-0.25	-1.75	1.63	4.79	0.38	-0.37	23.18	-15.83	-21.94	19.09	12.41	93.14	50.00
SciVest Oil Sands Index PLUS Fund Class A	-	-	-18.02	-3.90	14.82	1.65	1.20	-	4.55	29.31	-19.85	-24.55	38.43	-	81.98	57.14
SEI Futures Index Fund - F Class	-	0.147	-3.60	-1.26	1.30	3.07	4.43	-	0.67	7.67	-3.07	-4.41	6.00	-	96.40	55.56
SEI Futures Index Fund - O Class	-	39.544	-3.52	-1.02	1.78	3.65	5.51	2.23	2.26	8.26	-2.78	-8.66	6.00	3.95	96.48	57.14
SEI Futures Index Fund - P Class	-	2.152	-3.65	-1.41	0.99	2.70	3.86	0.62	0.55	7.41	-3.54	-9.48	6.00	3.95	95.66	50.91
Selective Asset Long-Biased Equity Hedge Fund LP	Enh. Eq.	-	-1.97	-0.41	3.47	4.13	-0.27	7.33	8.09	12.28	-3.61	-5.67	6.91	7.48	98.03	67.44
Sextant Strategic Opportunities Hedge Fund	-	-	73.50	82.28	71.65	80.38	139.55	-	101.94	113.30	-7.31	-18.37	72.46	-	100.00	70.00
Sextant Strategic Opportunities Hedge Fund Ser F	-	-	73.50	65.37	71.65	80.38	138.86	-	101.94	113.26	-7.31	-18.36	71.93	-	100.00	70.00
SG-Campbell Notes Series 1	-	-	-1.18	4.96	5.39	4.85	0.91	-3.76	-1.51	6.14	-12.30	-17.69	8.23	10.67	86.74	51.79
Sprott Bull/Bear RSP Fund	Enh. Eq.	132.661	-9.08	9.89	18.03	15.22	24.72	24.47	18.92	35.03	-7.44	-24.27	29.20	21.90	90.92	58.82
Sprott Global Market Neutral Fund Class A	-	19.352	-0.51	0.78	-	-2.98	-	-	-	-	-	-3.89	-	-	97.02	20.00
Sprott Hedge Fund L P Class F	-	-	-10.07	9.07	-	9.07	-	-	-	-	-	-10.07	-	-	89.93	66.67
Sprott Hedge Fund L P Class I	-	-	-8.81	10.83	-	10.83	-	-	-	-	-	-8.81	-	-	91.19	66.67
Sprott Hedge Fund L. P.	Enh. Eq.	650.934	-9.88	9.54	17.87	15.00	25.46	25.64	28.55	37.92	-7.10	-31.81	30.96	23.09	90.12	64.13
Sprott Hedge Fund L.P. II	Enh. Eq.	562.947	-8.83	11.22	19.27	16.52	26.81	23.93	13.23	35.34	-7.45	-31.98	29.15	21.76	91.17	57.75
Sprott Hedge Fund LP II Class F	-	-	-8.91	11.11	-	11.11	-	-	-	-	-	-8.91	-	-	91.09	66.67
Sprott Hedge Fund LP II Class I	-	-	-10.50	9.19	-	9.19	-	-	-	-	-	-10.50	-	-	89.50	66.67
Sprott Opportunities Hedge Fund Class A	Enh. Eq.	415.757	-3.86	3.53	8.58	6.04	9.66	17.92	26.96	21.52	-2.07	-3.86	12.16	9.96	96.14	68.63
Sprott Opportunities RSP Fund	-	91.246	-3.81	3.49	8.54	5.95	9.56	-	15.74	20.93	-2.17	-3.81	12.14	-	96.19	58.82
Sprott Small Cap Hedge Fund	-	47.050	-8.39	5.01	8.11	-1.36	-2.18	-	13.54	23.68	-10.01	-12.59	27.58	-	91.61	66.67
Sterling Diversified Fund	-	-	-1.57	0.98	0.91	-0.89	-0.43	8.12	9.42	12.39	-2.76	-3.69	5.85	4.65	98.20	79.17
Sterling Growth Fund	-	-	-3.78	-0.55	2.28	-1.64	-0.92	13.38	15.98	24.85	-3.12	-5.29	11.45	9.15	95.57	74.00
Strategic Retirement Fund	-	-	-2.84	-1.42	-	-1.64	-	-	-	-	-	-4.05	-	-	95.95	40.00
TA3 - Campbell 'A' C\$	Dir.	-	-3.05	5.82	4.48	3.12	-5.90	-5.16	0.34	8.48	-19.98	-22.39	13.51	13.23	82.13	55.38
TA3 - Campbell 'F' C\$	Dir.	-	-2.95	6.15	5.13	3.87	-4.71	-3.96	1.64	9.16	-19.45	-21.18	13.51	13.23	83.66	51.67
TA3 - Hedge Fund 'A' C\$	Dir.	-	-0.86	0.33	-2.70	-3.27	-3.22	4.06	3.79	8.84	-4.54	-4.66	4.48	3.70	95.66	68.12
TA3 - Hedge Fund 'A' US\$	Dir.	-	-0.78	0.14	-2.99	-3.42	-3.96	4.82	4.11	9.13	-4.97	-4.97	4.95	4.02	95.59	69.57
TA3 - Hedge Fund 'F' C\$	Dir.	-	-0.77	0.58	-2.21	-2.70	-2.25	5.05	4.74	9.37	-4.06	-9.87	4.48	3.69	96.31	72.46
TA3 - Hedge Fund 'F' US\$	Dir.	-	-0.70	0.40	-2.50	-2.85	-2.99	5.82	4.85	9.66	-4.48	-4.48	4.95	4.01	96.23	72.46
TA3 - Hedge Fund 'F' C\$	Dir.	-	-0.75	0.64	-2.11	-2.58	-2.04	5.27	4.97	9.49	-3.96	-4.17	4.48	3.69	96.44	73.91
TA3 - Hedge Fund 'F' US\$	Dir.	-	0.00	0.00	0.00	0.00	-2.21	6.24	5.44	9.78	-2.21	-2.21	1.86	3.04	97.79	81.16
TA3 - Hedge Fund 'O' C\$	Dir.	-	-0.70	0.78	-1.83	-2.25	-1.47	5.86	4.71	9.80	-3.68	-3.94	4.49	3.69	96.82	75.00
TA3 - Hedge Fund 'O' US\$	-	-	-0.63	0.60	-2.12	-2.40	-2.21	6.62	4.76	10.09	-4.10	-4.10	4.95	4.01	96.75	76.56
TA3 - Hybrid 'A' C\$	Dir.	-	-1.71	2.61	0.31	-0.54	-3.86	0.70	3.16	7.04	-8.10	-10.92	6.45	6.03	91.41	55.07
TA3 - Hybrid 'F' C\$	Dir.	-	-1.63	2.87	0.81	0.04	-2.89	1.71	4.30	7.57	-7.62	-10.16	6.45	6.03	92.41	59.42

HEDGE FUND PERFORMANCE (as of July 31, 2008)

Fund Name	Style	Asset (\$MM)	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Water mark	% Pos. Month
TA3 - Hybrid No-Load C\$	-	-	-1.63	2.87	0.81	0.04	-2.89	1.71	3.32	7.57	-7.62	-10.16	6.45	6.03	92.41	51.85
TA3 - Safeguard C\$	Dir.	-	-0.92	0.14	-3.07	-3.69	-3.95	3.41	3.12	8.44	-4.90	-4.96	4.48	3.74	95.18	65.22
TA3 - Safeguard US\$	Dir.	-	-0.84	-0.04	-3.35	-3.84	-4.68	3.19	3.07	8.73	-5.33	-5.33	4.95	4.09	95.11	63.77
Terra 2007 Energy & Mining Flow-Through LP	-	-	0.00	0.00	0.00	0.00	-	-	-	-	-	0.00	-	-	100.00	100.00
The Friedberg Currency Fund	Dir.	6.600	-1.72	7.86	7.55	18.80	12.62	-0.10	0.70	32.18	-27.00	-75.71	39.98	31.02	46.10	51.23
Tower Hedge Fund Class A	-	-	5.60	4.21	43.31	10.88	32.35	-	-8.99	43.31	-41.21	-46.03	35.03	-	77.77	63.33
Tower Hedge Fund Class F	-	-	5.79	4.78	45.05	12.34	35.07	-	-8.26	45.05	-40.90	-43.17	35.12	-	84.17	62.50
Trans IMS Global Market Neutral Fund	Non-Dir.	8.302	-0.73	0.60	-2.78	-4.87	-9.84	1.17	3.84	7.18	-7.26	-16.60	9.26	7.07	90.16	68.48
Trident Global Opportunities Fund C\$	Dir.	166.000	-2.50	12.75	13.88	19.08	102.96	33.31	14.01	91.82	-12.93	-12.98	36.99	25.74	97.50	55.06
Trident Global Opportunities Fund Class F C\$	-	14.000	-2.42	13.01	14.85	20.18	-	-	-	-	-	-5.25	-	-	97.58	75.00
Trident Global Opportunities Fund Class F US\$	-	-	-2.86	11.14	12.57	16.63	-	-	-	-	-	-13.18	-	-	97.14	55.56
Trident Global Opportunities Fund US\$	-	-	-4.79	10.88	11.63	16.79	108.19	41.57	20.44	109.90	-12.88	-15.46	40.86	28.82	95.21	57.30
Turtle Creek Equity Fund	-	-	-0.26	-0.24	5.21	-4.76	-33.01	-	-33.01	6.07	-42.82	-42.82	36.46	-	64.92	33.33
Urbana Corporation	-	-	-6.57	-10.29	-17.57	-23.18	-7.83	-	-3.46	28.54	-17.78	-23.18	22.55	-	76.82	42.11
Venator Investment Trust	-	-	-1.56	10.65	19.95	8.19	-	-	-	-	-	-12.11	-	-	98.44	50.00
Vertex Fund Class A	Non-Dir.	681.971	-9.08	0.91	5.03	-1.11	-5.85	8.65	20.34	21.84	-12.06	-30.67	18.64	14.08	88.74	68.80
Vertex Fund Class B	-	195.244	-9.17	0.81	4.66	-1.55	-5.32	8.27	15.05	21.38	-11.35	-14.60	18.30	13.92	89.37	70.18
Vertex Fund Class F	-	-	-9.08	0.91	5.02	-1.11	-6.56	8.35	19.87	21.75	-12.72	-16.13	18.92	14.19	88.08	73.44
WAM Canadian Performance Fund	-	-	-8.70	-5.61	-1.63	-6.38	-0.31	-	6.57	16.07	-2.27	-11.30	19.36	-	88.70	53.85
Equally Weighted Average Performance of All Funds		7,971.285	-3.32	-0.04	1.32	-0.86	0.35	6.49	-	-	-	-	-	-	-	-
Number of Funds in Sample		130	369	360	331	369	301	174	-	-	-	-	-	-	-	-

MARKET INDICES (as of July 31, 2008)

INDEX NAME	1 month	3 month	6 month	YTD	1 year	3 year	ITD	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 year)	Std. Dev. (3 year)	% High Watermark	% Pos. Month
183 Day Canada T-Bill	0.24	0.69	1.40	1.73	3.52	3.79	7.44	2.17	1.40	0.00	0.22	0.18	100.00	100.00
91 Day Canada T-Bill	0.20	0.64	1.33	1.65	3.35	3.67	6.86	2.13	1.33	0.00	0.23	0.19	100.00	100.00
BMO Canadian Small Cap Index	-7.81	-6.71	-4.17	-11.16	-19.68	3.46	6.52	29.49	-16.18	-36.81	18.17	15.58	77.95	58.69
MS EAFE Free Index (C\$)	-2.97	-8.61	-2.77	-11.11	-15.35	4.56	5.55	19.86	-12.93	-46.77	12.29	10.96	81.81	56.28
MSCI World Index (C\$)	-2.19	-7.21	-3.33	-10.05	-14.05	1.08	10.23	18.63	-12.29	-44.31	10.74	9.61	80.21	61.63
Nasdaq Composite Index (C\$)	1.66	-2.06	-0.78	-9.95	-12.38	-3.82	8.64	22.53	-18.41	-72.68	15.48	13.02	34.95	57.40
S&P 500 Total Return Index C\$	-0.61	-6.54	-5.26	-10.30	-14.73	-3.11	10.89	18.31	-14.96	-42.02	11.17	9.96	66.57	60.42
S&P/TSX 60 Index TR	-5.80	-1.13	6.33	1.77	3.90	13.82	10.37	18.06	-3.05	-47.89	14.78	11.75	92.80	62.50
S&P/TSX Composite Index	-6.04	-2.47	3.33	-1.74	-1.99	9.25	7.59	17.54	-5.31	-45.05	14.61	11.81	92.38	59.03
S&P/TSX Income Trust Index TR	-7.24	4.41	17.88	15.48	14.61	8.75	22.44	24.49	-11.97	-24.92	15.75	15.45	92.76	70.87
S&P/TSX Smallcap Index	-8.13	-7.14	-3.36	-10.18	-19.81	-0.90	5.06	19.12	-17.02	-21.81	18.44	14.98	78.19	55.45

Highest Return (3 Month)

Fund Name	3 Month	6 Month	1 Year	Ann. Std. Dev. (1 Year)
Sextant Strategic Opportunities Hedge Fund	82.28	71.65	139.55	72.46
Sextant Strategic Opportunities Hedge Fund Ser F	65.37	71.65	138.86	71.93
Creststreet Energy Hedge Fund LP Series I	25.14	48.51	112.30	21.75
Creststreet Energy Hedge Fund LP Series VI	25.02	48.15	112.09	21.80
Creststreet Energy Hedge Fund LP Series IV	24.95	48.04	-	-
Creststreet Energy Hedge Fund LP Series III	24.88	47.87	111.36	21.79
Creststreet Energy Hedge Fund LP Series II	24.87	47.94	111.46	21.79
Creststreet Energy Hedge Fund LP Series IX	24.63	47.91	-	-
Creststreet Energy Hedge Fund LP Series X	24.52	47.74	-	-
Creststreet Energy Hedge Fund LP Series XI	24.45	-	-	-

Lowest Return (3 Month)

Fund Name	3 Month	6 Month	1 Year	Ann. Std. Dev. (1 Year)
BlackHedge Quantum Fund	-35.58	-36.20	-15.49	57.66
DPF India Opportunities	-28.61	-36.81	-	-
Dynamic Power Emerging Markets Fund	-23.02	-26.02	-21.74	32.15
Dynamic Power Emerging Markets Fund Series F	-22.85	-25.68	-22.14	31.43
Sailda Multi Strategy Hedge Fund	-18.15	-12.66	-23.95	44.29
Arrow Roundtable Fund	-17.95	-23.12	-39.80	24.53
Sailda Multi Strategy Hedge Fund Class F	-17.95	-12.21	-23.08	44.25
Arrow Roundtable Fund Class F	-17.76	-22.81	-39.23	24.42
ML Global REIT Accelerator Series 1 C\$ 21/06/13	-15.48	-13.23	-45.12	31.05
Pathway Explorer Series A Rollover MIN001	-15.34	-18.11	-24.45	63.32

Highest Return (1 Year)				
Fund Name	Style	Ann. Return	Ann. Std. Dev.	# of Negative Months
Sextant Strategic Opportunities Hedge Fund	-	139.55	72.46	2
Sextant Strategic Opportunities Hedge Fund Ser F	-	138.86	71.93	2
Creststreet Energy Hedge Fund LP Series I	-	112.30	21.75	1
Creststreet Energy Hedge Fund LP Series VI	-	112.09	21.80	1
Creststreet Energy Hedge Fund LP Series II	-	111.46	21.79	1
Creststreet Energy Hedge Fund LP Series III	-	111.36	21.79	1
Trident Global Opportunities Fund US\$	-	108.19	40.86	3
Trident Global Opportunities Fund C\$	Dir.	102.96	36.99	2
CI Global Opportunities Fund	Dir.	78.45	30.73	4
CI Global Opportunities Fund US\$	-	40.15	41.43	4
Tower Hedge Fund Class F	-	35.07	35.12	2
Friedberg Global Macro Hedge Fund US\$	-	34.94	17.47	4

Highest Return (3 Year)				
Fund Name	Style	Ann. Return	Ann. Std. Dev.	# of Negative Months
Trident Global Opportunities Fund US\$	-	41.57	28.82	16
Dynamic Power Hedge Fund Class A	Dir.	40.61	38.60	15
Dynamic Power Hedge Fund Class F	Dir.	39.82	37.54	15
Salida Multi Strategy Hedge Fund	Dir.	35.28	31.99	11
CI Global Opportunities Fund	Dir.	34.61	25.94	17
Primevestfund	-	33.53	21.47	12
Trident Global Opportunities Fund C\$	Dir.	33.31	25.74	12
CI Global Opportunities Fund US\$	-	30.23	30.90	16
BMG BullionFund Class F US\$	-	25.87	20.76	14
Sprott Hedge Fund L. P.	Enh. Eq.	25.64	23.09	16
BMG BullionFund US\$	-	24.67	20.91	14
Northern Rivers Innovation Fund LP	Dir.	24.47	25.97	13

Fewest Negative Months (1 Year)				
Fund Name	Style	# of Negative Months	Ann. Return	Ann. Std. Dev.
NexGen Canadian Cash Tax Managed Fund 1151	-	0	1.12	0.40
Mac Sentinel US Managed Yield CI Series B US\$	-	0	2.93	0.36
Mac Sentinel US Managed Yield CI Series A US\$	-	0	2.96	0.34
Creststreet Energy Hedge Fund LP Series VI	-	1	112.09	21.80
Tower Hedge Fund Class F	-	2	35.07	35.12
Tower Hedge Fund Class A	-	2	32.35	35.03
TA3 - Hedge Fund 'FI' US\$	Dir.	2	-2.21	1.86
Sextant Strategic Opportunities Hedge Fund Ser F	-	2	138.86	71.93
Sextant Strategic Opportunities Hedge Fund	-	2	139.55	72.46
BDC Managed Futures Notes Series N-7	Dir.	2	5.32	3.98
SEI Futures Index Fund - P Class	-	3	3.86	6.00
SEI Futures Index Fund - O Class	-	3	5.51	6.00

Fewest Negative Months (3 Year)				
Fund Name	Style	# of Negative Months	Ann. Return	Ann. Std. Dev.
TA3 - Hedge Fund 'FI' US\$	Dir.	5	6.24	3.04
Amethyst Arbitrage Fund	-	5	12.13	4.48
J.C. Clark Focused Opportunities Fund	Enh. Eq.	8	12.53	6.76
Sterling Diversified Fund	-	9	8.12	4.65
J.C. Clark Preservation Trust	Enh. Eq.	9	17.07	8.97
TA3 - Hedge Fund 'O' C\$	Dir.	10	5.86	3.69
TA3 - Hedge Fund 'O' US\$	-	11	6.62	4.01
TA3 - Hedge Fund 'FI' C\$	Dir.	11	5.27	3.69
TA3 - Hedge Fund 'F' US\$	Dir.	11	5.82	4.01
TA3 - Hedge Fund 'F' C\$	Dir.	11	5.05	3.69
Sterling Growth Fund	-	11	13.38	9.15
Salida Multi Strategy Hedge Fund	Dir.	11	35.28	31.99

Lowest Volatility (1 Year)				
Fund Name	Style	Ann. Std. Dev.	Ann. Return	# of Negative Months
Mac Sentinel US Managed Yield CI Series A US\$	-	0.34	2.96	0
Mac Sentinel US Managed Yield CI Series B US\$	-	0.36	2.93	0
NexGen Canadian Cash Tax Managed Fund 1151	-	0.40	1.12	0
BDC Managed Futures Notes Series N-4	Dir.	1.31	3.16	3
TA3 - Hedge Fund 'FI' US\$	Dir.	1.86	-2.21	2
BDC Managed Futures Notes Series N-5	Dir.	2.42	3.13	4
BDC Managed Futures Notes Series N-6	Dir.	2.67	5.73	3
Redwood L/S Conservative Equity Fund	-	3.34	4.29	5
ONE Financial MSCI Hedge Invest Index Nts Series 1	Non-Dir.	3.41	-0.62	6
BDC Managed Futures Notes Series N-7A	Dir.	3.79	5.01	3
BDC Managed Futures Notes Series N-7	Dir.	3.98	5.32	2
Amethyst Arbitrage Fund	-	3.98	12.48	2

Lowest Volatility (3 Year)				
Fund Name	Style	Ann. Std. Dev.	Ann. Return	# of Negative Months
BDC Managed Futures Notes Series N-4	Dir.	2.52	0.30	18
BDC Managed Futures Notes Series N-6	Dir.	2.89	2.04	14
TA3 - Hedge Fund 'FI' US\$	Dir.	3.04	6.24	5
BDC Managed Futures Notes Series N-5	Dir.	3.06	0.00	20
BDC Managed Futures Notes Series N-7A	Dir.	3.57	1.04	14
BDC Managed Futures Notes Series N-7	Dir.	3.61	1.43	13
ONE Financial MSCI Hedge Inv. Idx Nts Ser1	Non-Dir.	3.66	-1.66	20
TA3 - Hedge Fund 'O' C\$	Dir.	3.69	5.86	10
TA3 - Hedge Fund 'FI' C\$	Dir.	3.69	5.27	11
TA3 - Hedge Fund 'F' C\$	Dir.	3.69	5.05	11
TA3 - Hedge Fund 'A' C\$	Dir.	3.70	4.06	13
TA3 - Safeguard C\$	Dir.	3.74	3.41	13

WAISC 2008 Capital Introduction Showcase



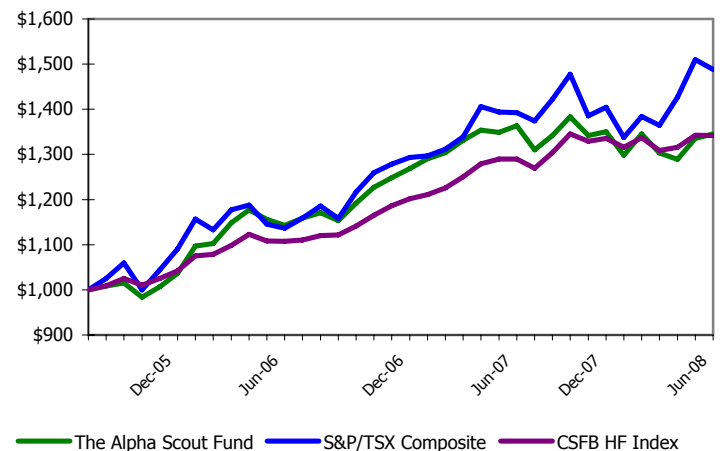
OVERVIEW

The Alpha Scout Fund is a fund of performance-based asset managers based primarily in Canada. The Fund targets absolute returns and capital preservation with reduced volatility and low correlation to broad equity markets.

The Fund will invest primarily with managers who pursue a variety of Alternative Investment Strategies including Equity Long/Short, Equity Market-Neutral, Event Driven, Distressed, Capital Structure Arbitrage, Convertible Arbitrage, Fixed Income Arbitrage and Global Macro.

Alpha Scout's goal is to find managers who generate Alpha - excess risk-adjusted return above the market return due solely to investing skill.

Growth of \$1,000 Since Inception¹



Monthly Returns¹

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	-3.84%	3.63%	-3.12%	-1.08%	3.58%	0.77%							-0.32%
2007	1.64%	1.70%	1.04%	2.07%	1.71%	-0.35%	1.11%	-3.94%	2.40%	3.12%	-2.99%	0.58%	8.12%
2006	5.82%	0.53%	4.15%	2.51%	-1.78%	-1.18%	1.41%	1.06%	-1.52%	3.38%	2.93%	1.75%	20.46%
2005								0.82%	0.68%	-3.11%	2.36%	2.95%	3.64%

Cumulative Return Since Inception (35 months)

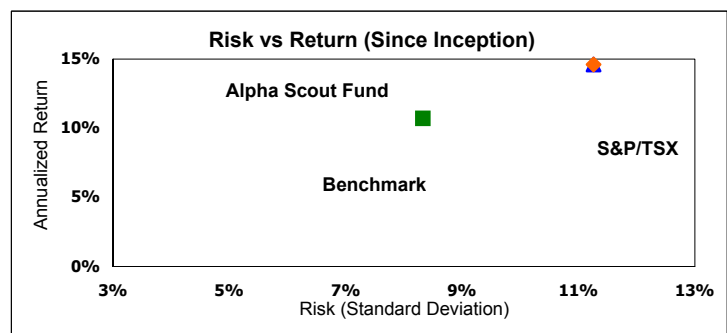
34.56%

Performance Statistics for the Period From Inception; Aug-05 to Jun-08^{1, 2}

Returns*	3 Month	6 Month	1 Year	2 Years	Inception
Alpha Scout	3.25%	-0.32%	-0.25%	8.52%	10.71%
Benchmark	9.10%	6.00%	6.76%	14.45%	14.61%
CSFB HF Index	2.58%	0.51%	4.08%	10.09%	10.61%

* Annualized for periods > 1 year

Risk Profile	Standard Deviation	Positive Months	Best Month	Worst Month	Largest Drawdown
Alpha Scout	8.33%	71%	5.82%	-3.94%	-6.82%
Benchmark	11.26%	66%	6.06%	-6.22%	-9.45%
CSFB HF Index	4.81%	74%	3.23%	-2.11%	-2.74%



PORTFOLIO CHARACTERISTICS³ AND FUND TERMS

Strategy	Funds	Allocation	Geographic Allocation (Est.)	Currency	CDN \$
Equity Long/Short	4	40%	Canada	68%	Management Fee
Global Macro & Sector	1	6%	United States	25%	Performance Entitlement
Hedged Fixed Income	2	15%	Net Exposure (Est.)	64%	High Water Mark
Market Neutral	2	21%	Leverage (Gross Exposure, Est.)	2.06x	Subscriptions
Multi Strategy	3	18%	Largest Allocation	17%	Redemptions
Cash & Other		0%	Fund Assets	\$23.1 Million	Notice Period
	12	100%	General Partners' Investment	\$6.8 Million	Lock Up
					1 Year

NOTES AND DISCLAIMERS

¹ Alpha Scout Fund performance numbers are for Class A (lead series), net of all fees, expenses and performance entitlement, CAD, estimated subject to year end audit.
² Benchmark: 40% S&P/TSX Composite, 30% S&P 500 (USD), 30% Lehman Brothers Government-Credit Bond Index (USD), rebalanced monthly. CSFB HF Index: Credit Suisse/Tremont Hedge Fund Index (USD). S&P/TSX: S&P/TSX Composite Index. Differences between The Alpha Scout Fund and the benchmarks shown include but are not limited to: underlying securities, use of leverage, use of both long and short positions, currency differences, fees and expenses.
³ All portfolio information has been estimated based on unaudited information provided by the underlying managers and while every effort has been made to ensure accuracy of information, The Fund cannot guarantee accuracy and actual portfolio exposure may differ from this snapshot and change over time.
Disclaimer: Any investor considering an investment in The Alpha Scout Fund must read the Offering Memorandum paying special attention to risk factors. If there is any conflict between the provisions of this summary and the Offering Memorandum of The Alpha Scout Fund, the latter shall govern. The offering of units of the Fund is available only on a private placement basis to accredited investors. Investment in the Fund is available exclusively to residents of Canada. Past returns are not a guarantee of future performance of The Fund.

Monthly Performance Net of Fees (shown as %)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005	0.70	2.33	-0.29	-0.96	0.53	0.79	2.16	2.36	2.69	-0.50	1.58	1.04	13.07
2006	1.99	0.75	2.22	-0.06	-0.11	-0.05	0.57	1.24	1.32	0.74	-0.02	1.16	10.16
2007	0.57	0.68	1.03	1.76	1.54	1.06	2.22	-0.50	0.64	1.00	-0.43	1.69	11.81
2008	-2.38	0.47	-0.49	0.83	0.95	-0.01	-2.47						-3.12
1 year	14.51	12.74	15.57	16.63	15.89	14.94	13.15	11.91	10.42	11.79	10.03	10.16	
	8.63	8.56	7.30	9.26	11.06	12.29	14.12	12.16	11.40	11.68	11.23	11.81	
	8.53	8.30	6.67	5.70	5.09	3.98	-0.80						

Fund Objective

The fund objective of Burlington Partners1 LP is to produce superior absolute returns for investors measured over a complete market cycle.

Manager Highlights

More than 30 years investment management experience.
 Managed assets as a team since 1995.
 Multi-sector experience managing several billion in AUM in Canada & US.
 Experience shorting equities.

Fund Strategy

The managers invest in various sectors in both Canada and the US utilizing primarily 'Paired Positions' to isolate company specific ideas while insulating investors from vacillations of the market.

The managers also invest a portion of the fund in income generating investments to provide reinvestible cash flows and increase stability for the fund.

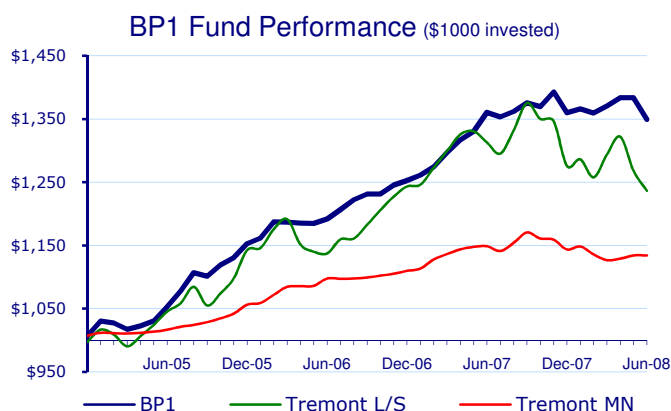
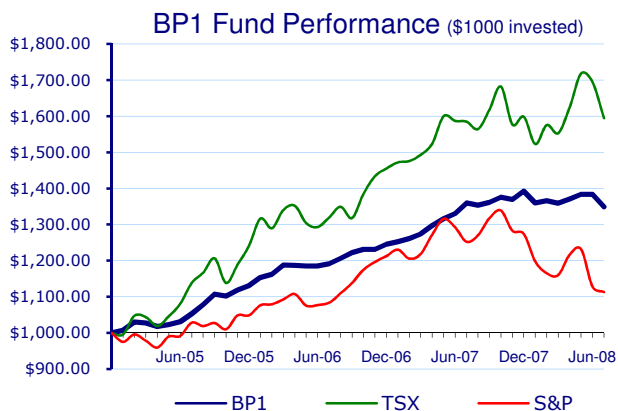
Finally, the managers from time to time make thematic calls or short-term trades to take advantage of opportunities that may arise in the marketplace which may be more short term in nature.

Fund Information

Company Assets Under Management	\$71M
Management Fee / Incentive Fee	2% / 20%
Minimum Initial Subscription (accredited investor)	\$100,000
Liquidity	Monthly
Fund Administrator	SGGG Fund Services Inc.
Legal Counsel	Borden Ladner Gervais LLP
Auditor	Silver Gold Glatt & Grossman LLP

Statistical Comparison to Benchmark

	Fund	Benchmark [^]
Compound Rate of Return (Annualized)	8.72%	8.64%
Annualized Standard Deviation	3.48%	12.54%
Sharpe Ratio (based on 3% risk free rate)	1.64	0.45
Beta	0.28	1.00
Alpha	6.30%	0.00%
Up Days	558	489
Down Days	337	405
Correlation to S&P 500	28%	
Correlation to TSX	52%	

[^] 50% S&P TSX / 50% S&P 500

Notes

The Burlington Partners1 LP fund is offered by Offering Memorandum only to investors who meet certain eligibility or minimum purchase requirements in jurisdictions in Canada. The Offering Memorandum contains important information about the fund, including management fees, other charges and expenses, and should be read carefully before investing. Performance data represents past performance and is not indicative of future performance. This document should not be considered a solicitation. Investors interested in learning more about Burlington Partners1 LP can visit our website at www.burlingtoncapital.ca or contact us at 34-3455 Harvester Rd, ON, L7N 3P2 or by phone at 905-634-6900.

Creststreet Energy Hedge Fund L.P.

July 2008

Fund Description

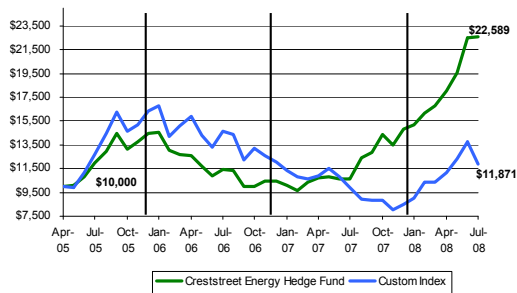
Creststreet Energy Hedge Fund L.P. ("CEHF") seeks to provide shareholders with long-term capital growth by employing fundamental securities selection by taking both long and short investment positions in equity, debt and derivative securities and through strategic trading. CEHF's portfolio will consist primarily of securities of issuers engaged in the global energy sector.

Fund Performance⁽¹⁾

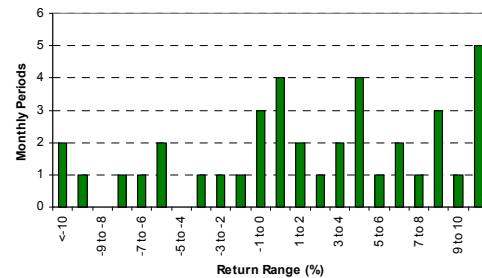
Historical Performance⁽¹⁾

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Creststreet YTD
2005					1.30%	6.65%	10.34%	8.44%	11.66%	-9.32%	4.78%	5.39%	44.53%
2006	0.43%	-10.48%	-2.52%	-0.62%	-7.25%	-6.86%	4.96%	-0.77%	-11.50%	-0.55%	4.90%	0.18%	-27.52%
2007	-3.39%	-5.08%	8.06%	3.01%	1.01%	-1.87%	0.38%	16.44%	3.94%	11.45%	-5.95%	9.57%	41.17%
2008	2.87%	6.02%	4.22%	7.38%	8.27%	15.31%	0.24%						52.74%

Performance^(1, 2)



Distribution of Returns⁽¹⁾



⁽¹⁾ The performance statistics contained in this document are to provide historical information from inception of the Fund. The performance and other statistics presented in this document may not be indicative of the performance or statistics of the specific series of shares held by a particular investor. Performance is as of July 30, 2008

⁽²⁾ The Custom Index is comprised of 50 widely-followed conventional North American listed energy exploration and development companies. The Custom Index is used to provide investors with a relevant benchmark to the Fund. The Index is reset to an equal-value weight on a monthly basis.

Fund Statistics^(1, 2)

	CEHF	Creststreet Custom Index	S&P/TSX Capped Energy Index	S&P/TSX Composite Index
Compounded Annual Return (since inception)	28.45%	5.41%	17.84%	12.11%
1 Year Return	112.29%	20.14%	7.52%	-1.99%
Since Inception (simple return)	125.89%	18.71%	70.60%	45.08%
R-Squared		0.40	0.28	0.19
Largest Month Gain	16.44%	15.62%	13.58%	5.97%
Largest Month Loss	-11.50%	-15.22%	-14.27%	-6.40%

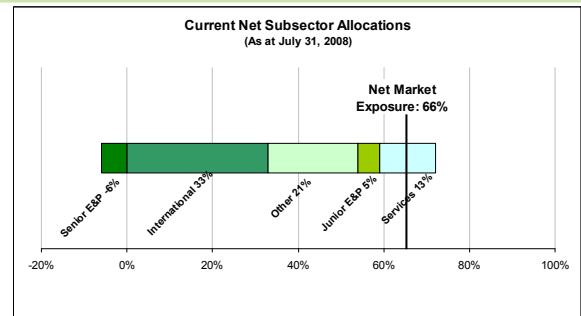
Top Ten Holdings^{long positions only} as at March 31, 2008

Athabasca Oil Sands Corp.	Open Range Energy Corp.
Cordero Energy Inc.	Savanna Energy Services Corp
Crew Energy Inc.	Solana Resources Ltd.
Duvernay Oil Corp.	Tristar Oil & Gas Ltd.
Iteration Energy Ltd.	Verenex Energy inc.

Fund Terms

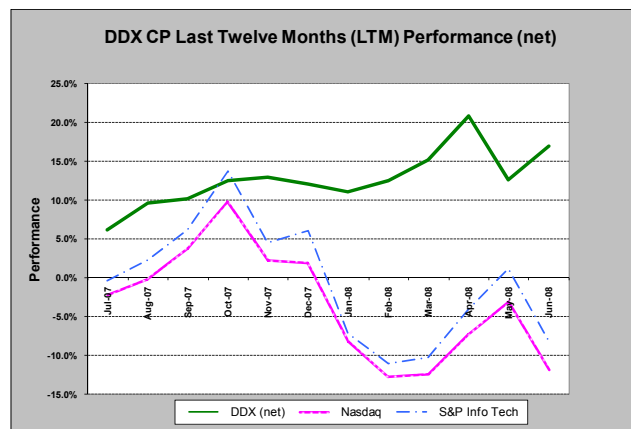
Fund AUM	\$8.3 M	Minimum Initial Subscription	\$ 25,000
Performance Fee	20% of the increase in NAV of the Units in each month	Year End	December 31
Management Fee	2%	Redemption After Lock Up	Monthly with 30 days notice
Administrator	Creststreet Capital Corporation	Contributions	Monthly
Lock Up	6 months	Auditors	KPMG LLP
		Prime Broker	Scotia Capital Inc.

Sub-Sector Allocation



The opinions contained in this report are solely those of CAML and are subject to change without notice. CAML makes every effort to ensure that the information has been derived from sources believed to be reliable and accurate. However, CAML assumes no responsibility for any losses or damages, whether direct or indirect which arise from the use of this information. CAML is under no obligation to update the information contained herein. The information should not be regarded as a substitute for the exercise of your own judgment. Commissions, trailing commissions, management fees and expenses all may be associated with this investment product. Please read the offering memorandum before investing. The indicated rates of return are the historical annual compound total returns and does not take into account sales, redemption, distribution or operational charges or income taxes payable by any security holder that would have reduced returns. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The rate of return table shown is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the investment fund or returns on investment in this investment fund. This newsletter is for information purposes only and does not constitute an offer to sell or a solicitation to buy the securities referred to herein. The performance statistics contained in this document are to provide historical information from inception of the Fund. The performance and other statistics presented in this document may not be indicative of the performance or statistics of the specific series of shares held by a particular investor. Creststreet Energy Hedge Fund L.P. is managed by Creststreet Asset Management Ltd., a wholly owned subsidiary of Creststreet Capital Corporation.

*Creststreet® and Creststreet bird logo are registered trademarks of Creststreet Capital Corporation



Return Analysis (YTD)	DDX	NASDAQ
YTD Return (net of fees)	4.4%	-13.5%
Annualized Standard Deviation	14.1%	17.5%
Beta vs NASDAQ (daily)	0.04	NM
Correlation to NASDAQ	0.04	NM
Correlation to S&P I/T 500	0.04	NM
Sharpe (since inception)	0.82	NM
Sortino (since inception)	1.32	NM
Advancing Months (LTM)	9	6
Declining Months (LTM)	3	6
Best Month (LTM)	6.1%	5.9%
Worst Month (LTM)	-6.8%	-9.9%

DDX Capital Partners posted a strong recovery in June following a difficult May. The fund rose 3.9% in the month, net of fees, driving a gain of 4.4% YTD (net), 16.9% over the last twelve months (LTM) and 45% since its inception at the start of 2006. Meanwhile, the NASDAQ reversed course sharply in June, falling over 9% for the month and is now down 13.5% YTD, down 12% over the last twelve months and up only 4% since the start of 2006.

The market's two month fantasy of a land without recessions, inflation, or credit problems came crashing to earth in June and we expect more trouble ahead. In our view, reporting season in July will hint at second half growth well below current street expectations and yet we think will still be too optimistic. Management teams will likely guide to a bottom in Q3 (like they did for Q2, Q1 and now that we think of it, Q4 of last year as well), with guidance for improvement now coming in late 2008 or early 2009. We expect they will be wrong on both counts, again. Housing will bottom at some point but we don't see that happening in 2008 and until housing stops deteriorating, we don't think consumer confidence, spending, or credit problems can stabilize either. As we have highlighted many times in this letter, technology will not be immune to this kind of slowdown since the consumer and financial services are the top two end drivers of technology demand.

We reworked the portfolio extensively through June, unwinding 4 trades which had run their course, realizing a large gain. We added 6 new trades spanning PC/Server, wireless devices, memory and semi equipment to bring our pair count up to 15. We allowed the net bias of the portfolio to drop moderately through June and we exited the month with a net short bias of (3.2%). Our leverage continued to decline in June to 126% gross, down from 170% last month partially from reducing our portfolio weightings (one of the lessons we took from our May downside volatility) and partially due to the large number of new trades not yet at full target weights. Our correlations to the underlying equity indices inched lower to 0.04 while our portfolio-weighted average market cap declined considerably on the short side from \$22bn to \$7bn. Our average long market cap remained relatively stable at \$51bn.

Overall, the fund continues to perform very well, especially in the context of highly unstable equity market conditions. We are especially pleased to recover over half the decline experienced by the fund in May. Present market conditions offer few opportunities to preserve capital on a real basis and in our view the current environment will differentiate managers delivering alpha versus those delivering leveraged beta. Our focus has always been to deliver uncorrelated absolute returns and we believe our track record over the past two and a half years demonstrates our ability to do just that.

Strategy:

DDX Capital Partners seek absolute return on capital through a market neutral, long-short hedged style focused exclusively on a select universe of U.S. listed equities. The managers use an automated behavioral-based model to screen for long and short candidates supplemented by in-depth sector research to identify pair based trades.

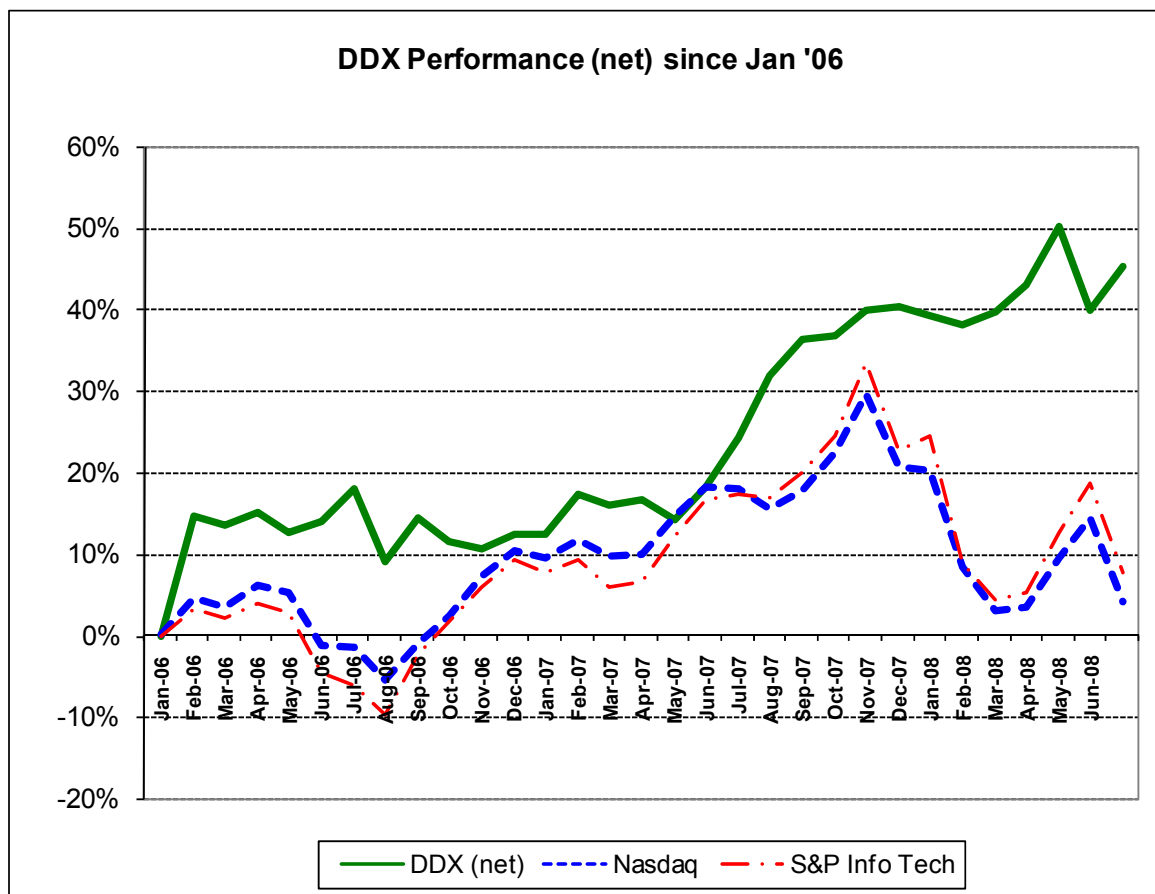
All securities held or shorted by the fund must operate within our chosen industry sectors, trade on the NYSE or Nasdaq at least 500,000 shares per day and have a minimum market cap of US\$500 million. The current DDX Capital Partners eligible investment universe comprises over 500 companies with a combined market capitalization exceeding US\$4 trillion.

DDX monthly performance (net) since inception													
	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	YTD
2006	14.6%	(1.0%)	1.4%	(2.1%)	1.2%	3.5%	(7.6%)	4.9%	(2.4%)	(0.8%)	1.5%	0.1%	12.5%
2007	4.4%	(1.2%)	0.6%	(2.2%)	3.6%	5.1%	6.1%	3.3%	0.4%	2.2%	0.3%	(0.8%)	23.7%
2008	(0.8%)	1.3%	2.3%	5.0%	(6.8%)	3.9%							4.4%
Last 12 Months (net)													16.9%
CAGR (net, since inception)													16.1%
Since inception (net)													45.2%

* Net of 2% management fee and 20% performance fee

Portfolio Data	long	short
No. of Positions	15	15
>5%	7	7
<5%	8	8
Largest Position	7.8%	7.6%
Top 5 Positions	32.4%	34.8%
Avg. Mkt Cap (\$US)	\$51bn	\$7bn

Asset	Exposure (%)					
	net	long	short	gross	B net	B gross
Equities	(3.2)	61.6	(64.8)	126.4	3.3	180.8
Derivatives	-	-	-	-	-	-
Sector						
Internet	0.2	5.5	(5.3)	10.8	0.1	11.2
PC/Server	(1.3)	3.5	(4.8)	8.3	(1.2)	18.3
SemiCap	1.8	10.8	(9.0)	19.8	(1.1)	25.9
Software	(0.4)	13.4	(13.8)	27.2	0.1	31.6
Storage	(1.0)	12.2	(13.2)	25.4	-	17.1
Wireless	(1.7)	5.3	(7.0)	12.3	3.8	33.1
Wireline	(0.8)	10.9	(11.7)	22.6	1.6	43.6



Fund Information	
Style/Strategy:	Equity Market Neutral
Fund Inception:	January 1, 2006
AUM:	US\$2mm
Lockup:	None
Redemption:	Monthly, 45-day notice
Fee Structure:	2% + 20% performance fee
High-Water Mark:	Yes
Prime Broker:	Goldman Sachs (Offshore), RBC Capital Markets (Onshore CAD)
Auditor:	PricewaterhouseCoopers LLP



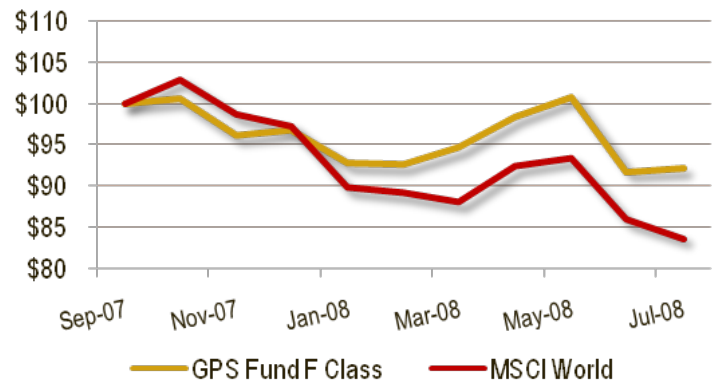
ETF
CAPITAL MANAGEMENT

THE GLOBAL PORTFOLIO SOLUTION FUND LP

The GPS Fund is a fusion of the best risk management features from the hedge fund world, with the client friendly features of a conservative mutual fund. GPS reinvents the Global Macro approach by using a 100% ETF approach to Global asset allocation; thereby dramatically reducing the need for company-specific knowledge to achieve exposure to an economic or geopolitical view. GPS provides Global exposure to equities, fixed income, commodities, and currencies on both the long and short side with leverage limited to conventional margin; all wrapped in dynamic currency hedge for Canadian investors. Please visit our website www.ETFCM.com to learn more.

Compare	Year to Date	Since Inception ¹
GPS Fund F Class²	-4.87%	-7.97%
MSCI World	-13.98%	-16.34%
MSCI World (\$C)	-10.71%	-13.52%

As at July 31, 2008



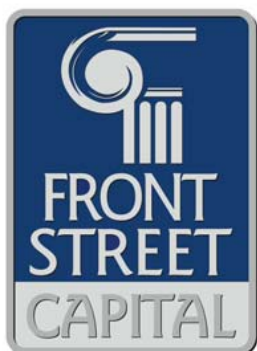
Chief Investment Officer Larry Berman is renowned for his unique style, which fuses technical and quantitative analysis with fundamental and macro economic factors. Larry has twenty years of industry experience; having been consistently ranked as one of Canada's "Top 3 Analysts" according to institutional investor surveys. Prior to co-founding ETFCM, he was Chief Technical Strategist and Managing Director for CIBC World Markets. Complementing his formal background in economics, Larry has earned designations as Chartered Market Technician (CMT), Chartered Financial Analyst (CFA), and US registered Commodity Trading Advisor (CTA). Larry is also author and contributor to several textbooks on technical analysis. To learn more about Larry please visit www.etfcm.com or tune into his television show, Berman's Call, Mondays at 11:30am (EST) on The Business News Network (BNN).

- Manager:** Larry M. Berman – ETF Capital Management
- Inception:** October 1st, 2007
- Min Investment:** \$50K (Accredited), \$150K (Non-Accredited)
- FundSERV:** GPS100, GPS110, GPS 120, GPS130
- Subscriptions:** Monthly by Offering Memorandum
- Redemptions:** Monthly (10 business days notice)
- Lock-up:** NONE
- Early Redemption:** NO PENALTY
- Fund Admin:** SGGG Fund Services
- Fund Auditors:** Segal LLP
- Custodian:** NBCN Inc.
- Management Fee:** 0.95% (excludes trailers), paid monthly
- Manager Incentive:** 25% participation above 10% gross ROI (Re-set and paid annually)

ETF Capital Management

1860 – 5160 Yonge Street | Toronto, ON | M2N 6L9
info@etfcm.com | www.ETFCM.com | 416.223.ETFS

Information pertaining to the Global Portfolio Fund L.P. (the "Fund") is not to be construed as a public offering of securities in any jurisdiction of Canada. The offering of the units of the fund is made pursuant to Confidential Offering Memorandum and only to investors in jurisdictions of Canada who meet certain eligibility and/or minimum purchase requirements. Important information about the Fund, including a statement of the investment objectives, management fee, other charges and expenses, is contained in the Confidential Offering Memorandum. Investment in the Fund is not guaranteed. Unit values and investment returns fluctuate and there is no assurance that the Fund can maintain a specific net asset value or repeat past performance. ¹ Inception date was October 1st, 2007. ² Net of all management fees, expenses, and performance fees.



Front Street Capital

Innovative Thinking. Alternative Investing.

Predecessor companies to Front Street Capital began as a focused and dedicated alternative asset management group with initial assets of approximately \$400 million. The firm has since grown to over \$3 billion among various long/short equity strategies, mutual funds, limited partnerships and trusts, all structured for maximum tax benefits and designed to meet the needs of investors.

Privately-held and independent, Front Street Capital is rapidly becoming a preferred choice for individual and institutional investors, looking to elevate returns with strategies and products designed to provide superior performance, and/or tax efficiency in a variety of market conditions.

Front Street Capital partners are the largest investors in each of the products, with over \$250 million invested.

Category	Assets Under Management	# of Funds
Hedge Funds	\$582 Million	4
Mutual Funds	\$807 Million	11
Labour Sponsored	\$69 Million	1
Flow Through	\$209 Million	2
Advisory Funds	\$474 Million	4
Funds for Offshore Investors Only	\$711 Million	7
Ceres Global Ag Corp.	\$164 Million	-
Total	CDN \$3,016 Million	29



Greenrock

Greenrock Global Cleantech L.P. – July 2008 Performance Review

The investment objective of the Fund is to generate long term capital appreciation by investment in the cleantech sector. Investments are selected based on independent fundamental analysis where each holding is valued based on future free cash flow.

Commentary

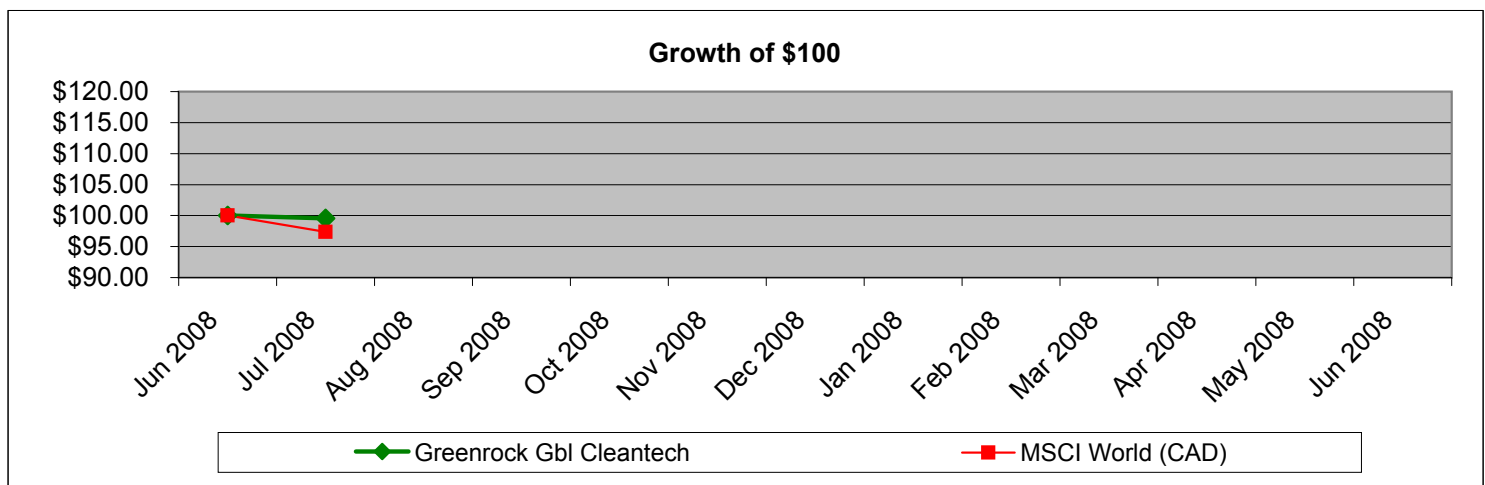
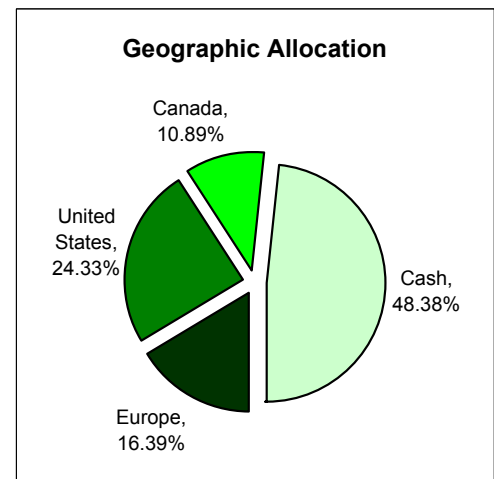
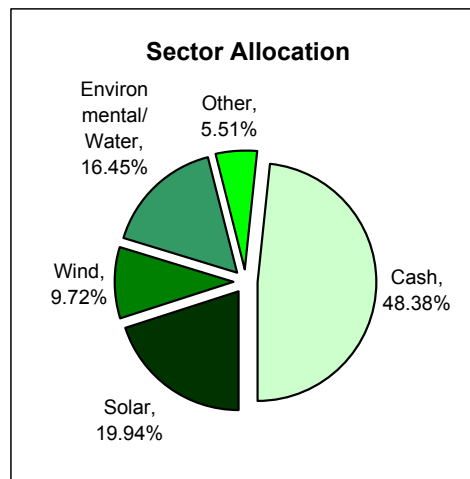
During the first month of fund operation the markets were volatile creating the opportunity to selectively add to existing positions and add new names on market dips. The fund held in well, relative to our global benchmark, which can be partially attributed to our large cash weighting. We also increased our cash position by tactfully selling put options as we believed the pessimism reflected in certain option premiums was unwarranted. Late in the month we locked in gains by selling one of our Canadian holdings, Xantrex Technology Inc., after it was announced the company was being acquired and the stock moved up to fully reflect the acquisition value. At month end the portfolio is geographically and sector diverse, we hold over 40% of the portfolio in cash and we will continue to be disciplined in putting the capital to work.

Monthly Fund Performance (Class A - Master Series)

	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	Mar 2009	Apr 2009	May 2009	Jun 2009
Greenrock Gbl Cleantech	-0.5%											
MSCI World (CAD)	-2.6%											

Top Holdings

Company Name	Weight
Nalco Holding Co	6.0%
MEMC Electronic Material Inc	4.8%
Nordex AG	4.7%
Pall Corp	4.4%
Q-Cells AG	4.0%
Day4 Energy Inc	3.7%
Trina Solar Ltd	3.2%
Veolia Environmental SA	2.9%
Hanwei Energy Services Inc	2.9%
Insituform Technologies Inc	2.7%
Other	12.4%
Cash	48.4%
Total	100%



Investing Today for a Green Tomorrow

Disclaimer: The information concerning the Greenrock Global Cleantech L.P. contained herein is not to be construed under any circumstances as a public offering of securities in any jurisdiction. The offering of units of the Greenrock Global Cleantech L.P. is made only pursuant to the offering memorandum to investors in jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Important information about the Greenrock Global Cleantech L.P. is contained in its offering memorandum, a copy of which may be obtained from your dealer or from Greenrock Asset Management. Please read the offering memorandum carefully in its entirety before investing, and consult with your investment and tax advisers. Past performance is no guarantee of future returns. Unit values and investment returns will fluctuate and there is no assurance that a fund can maintain a specific net asset value.



FUND PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2005	-	-	-	-	-	0.90	4.52	0.41	3.36	-3.35	2.80	3.68	12.75
2006	4.73	-1.06	4.26	1.16	0.01	-1.74	0.08	1.51	-1.73	2.43	1.87	1.85	13.94
2007	0.77	4.91	0.84	2.19	0.43	1.69	3.29	0.98	0.38	1.74	1.47	0.08	20.36
2008	-2.12	-0.15	0.31	-2.12	-0.54	0.83	1.00	-	-	-	-	-	-2.81

FUND COMMENTARY

North American equity market returns were generally weaker in July. In Canada, the S&P/TSX Composite Index fell 6.04% and is now in negative territory for the year (-1.74%). Meanwhile the US markets were relatively neutral; the S&P 500 fell 0.99% and is down (-13.69%) year to date, while the DJIA gained a modest 0.25% but remains -14.22% in 2008. The NASDAQ was positive (+1.42%) but is still down significantly (-12.32%) on the year.

The Focused Opportunities Fund maintained a positive net market exposure of 55% (beta adjusted net exposure= +28%) during July and experienced a gain of 1.00% on the month. Gains can be attributed to long positions in the consumer non-cyclical and short positions in the consumer cyclical sectors as well as short positions in various index units. Meanwhile positions in the communications and industrial sectors offset some of these gains.

Specifically, a long position in the consumer non-cyclical sector contributed 1.0% as the company received a take-over offer from a competitor to acquire its business. Several short positions in the consumer cyclical sector also added positively to the month's return (+0.7%). Short positions in various index units combined to add to returns (+0.50%) as the equity markets fell drastically north of the border.

These gains were offset by a modest loss in the communications sector of approximately -0.5%. A position in the industrial sector also offset gains by approximately -0.4%

Gains were recorded by the US book (+1.4% contribution), meanwhile the Canadian book offset these gains (approximately -0.4%) in a decidedly negative month in Canada.

At the end of July, the fund was net long in Canada (+44%) and net long in the US (+11%). Overall, approximately 68% of the fund was invested in Canada and 32% in the US. Net exposure stood at +55% by the end of the month due mainly to security-specific investment ideas, while gross exposure stood at approximately 103%.

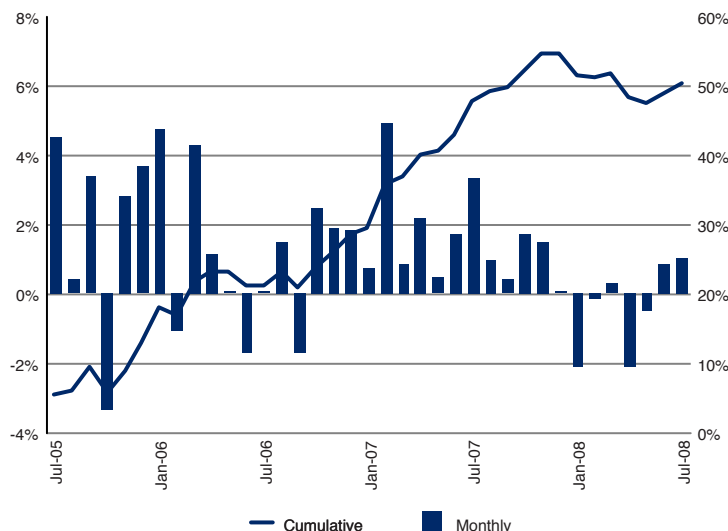
As economic and market uncertainty continues, the portfolio manager believes that remaining long defensive non-cyclical companies and opportunistically shorting cyclical businesses while maintaining a low beta adjusted net exposure is the best course for the short term. The manager continues to believe that the returns of this fund will be generated by security specific events rather than the overall movements of the equity markets. Since inception, the fund has delivered strong risk-adjusted performance with a 13.7% annualized return, a sharpe ratio of 1.44, and a low correlation to equity markets.

FUND STRATEGY

The JCClark Focused Opportunities Fund seeks absolute return on capital through a classic long-short hedged style. The Fund invests in North American equities and stresses hands-on fundamental research. JCClark manages approximately \$300 million.

The manager seeks to execute a focused investment strategy by managing a concentrated portfolio of the firm's most promising investment ideas. The manager avoids directional "bets" on the market and aims for minimal market exposure. All investments are made in publicly-traded securities (mainly equities). Security selection is the primary focus as the manager attempts to buy high quality companies trading at a significant discount to their intrinsic values and short businesses with: weak fundamentals, poor or overly promotional management, and aggressive accounting. The manager and investment team perform significant internal due diligence on all investment ideas.

MONTHLY AND CUMULATIVE RETURNS

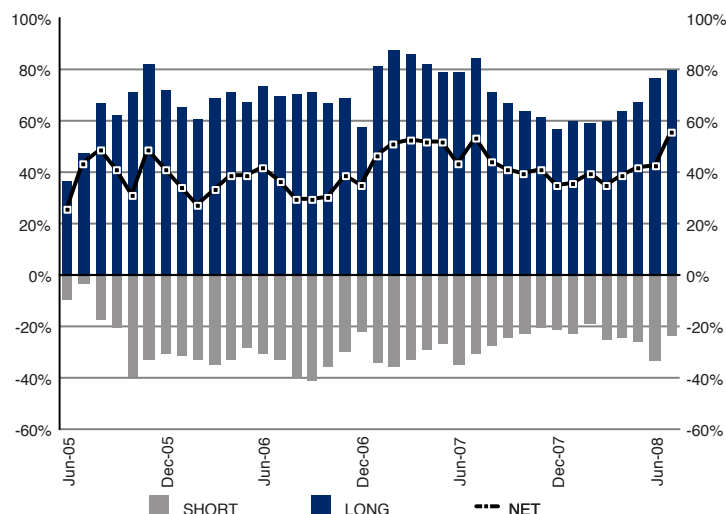


RETURN ANALYSIS

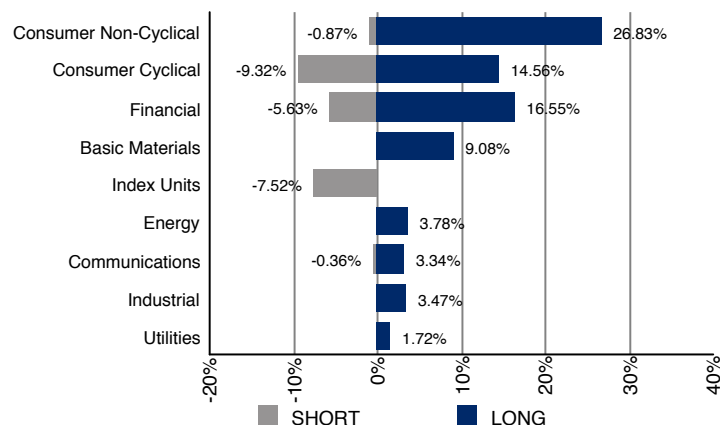
	Focused Opportunities Fund	Benchmark
Avg. Monthly Return (since incep.)	1.10%	0.97%
Months with Positive 1-year Return	100.00%	100.00%
Months with Negative 1-year Return	0.00%	0.00%
Annualized Returns		
Since Inception	13.73%	11.59%
1 Year	1.79%	-1.98%
2 Year	11.36%	7.19%
Best Month	4.91%	5.97%
Worst Month	-3.35%	-6.40%
Best 12 Month Return	23.80%	22.25%
Worst 12 Month Return	1.79%	6.81%
Advancing Months	78.95%	65.79%
Declining Months	21.05%	34.21%

MARKET EXPOSURE

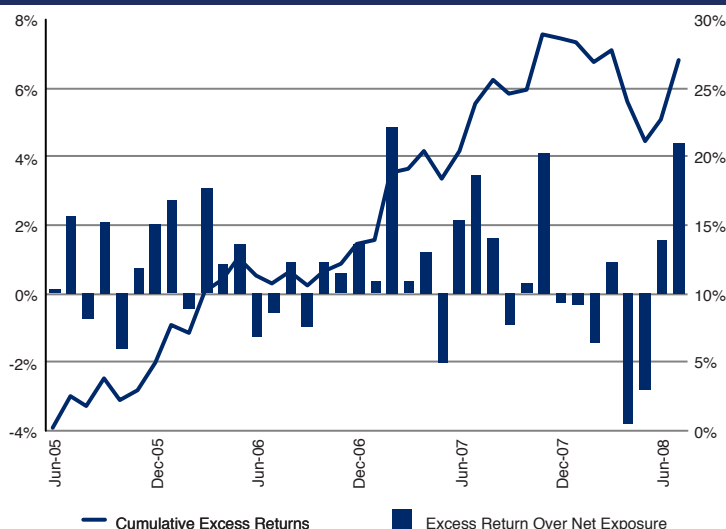
The Focused Opportunities Fund maintains a *variable bias* and its beta-adjusted net exposure is generally lower than its dollar-weighted net exposure.



SECTOR EXPOSURE



VALUE ADDED



*Excess Return = Monthly Fund Return - (Net Exposure x Monthly Benchmark Return)

RISK MANAGEMENT

	Focused Opportunities Fund	Benchmark
Annualized Standard Deviation		
Since Inception	6.74%	11.54%
Last 12 Months	4.32%	14.61%
Kurtosis		
	-0.09	-0.38
Skewness		
	0.09	-0.60
Up Months		
Average Monthly Return	1.82%	3.04%
Standard Deviation	1.49%	1.66%
Down Months		
Average Monthly Return	-1.60%	-2.99%
Standard Deviation	1.01%	2.11%
Sharpe Ratio (4%)		
Since Inception	1.44	0.66
Last 12 Months	-0.51	-0.41
Largest Peak to Valley Drawdown	-4.56%	-10.05%

MARKET EXPOSURE

Correlation to Benchmark	0.16
Net Exposure (dollar-weighted)	
Last Month	55.64%
Last 12 Months Average	40.57%
Alpha (excess over: benchmark x L12M beta)	
Last Month	0.62%
Last 12 Months	3.17%
Beta (vs Benchmark)	
Since Inception	0.26
Last 12 Months	-0.06

MANAGER

Established in January 2001, JCClark Ltd. is a Toronto based 14-person hedge fund management firm. JCClark Ltd. was founded by John Clark, former chairman of the Toronto Stock Exchange, co-founder of Connor Clark & Co., a leading wealth management firm and co-founder of Connor, Clark & Lunn a large pension fund manager. He has 37 years of investment management experience and over 20 years of long/short experience. He has successfully managed money through 6 bear markets during his career.

Portfolio Manager Colin Stewart has worked directly with John Clark as a key member of the investment team since 1999. Colin has 9 years of experience managing long/short strategies and is directly responsible for the day to day management of the Focused Opportunities Fund.

Colin is supported by an investment team, trader, in-house compliance officer, operations staff and business development personnel. The firm focuses on opportunistic, high-return investment opportunities and emphasizes open and transparent client relationships.

TERMS

Fund AUM:	C\$16m
Program AUM:	C\$47m
Subscriptions/Redemptions:	Monthly, 30 day notice
Management Fee:	2% of net assets per annum
Performance Fee:	20%
Hurdle Rate:	6%
Minimum Investment:	C\$2,000,000
High Water Mark:	Yes (perpetual)
Auditor:	Deloitte & Touche
Prime Broker:	National Bank Financial
Legal Advisor:	Ogilvy Renault



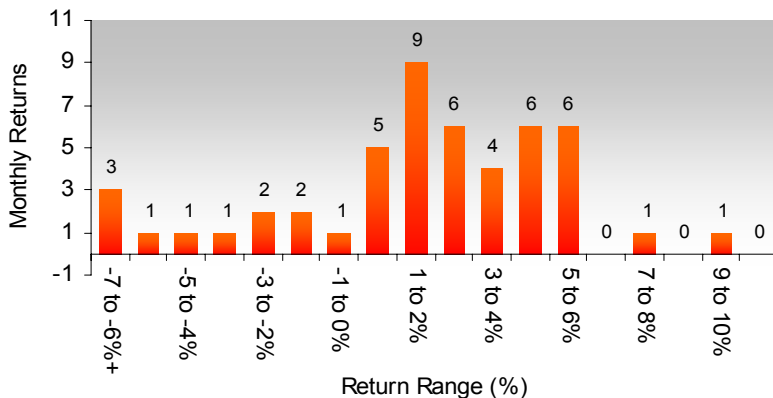
Fund Description

The Jemekk Long/Short Fund is an alternative investment partnership that invests primarily in Canadian and US based securities. The Fund was created to carry on the business of investing in securities with the objective of providing investors with consistent, positive, absolute returns. These investment goals will be met primarily through long and short investments in equities, convertible bonds, options, futures and other capital market instruments.

Monthly Performance (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year
2008	-6.73	4.16	-5.97	-1.61	5.98	-3.52	-16.85						-23.6
2007	4.35	4.13	2.94	4.45	3.55	1.30	0.59	-6.19	5.05	7.01	-4.68	1.83	26.2
2006	9.27	1.65	5.57	5.95	0.90	-1.13	2.67	2.29	-0.22	5.34	3.17	2.97	45.3
2005	1.89	5.82	1.53	-2.74	0.16	1.95	2.32	0.29	0.79	-2.23	2.37	4.43	17.5
2004							1.06	1.77	3.57	1.03	3.20	4.15	15.7

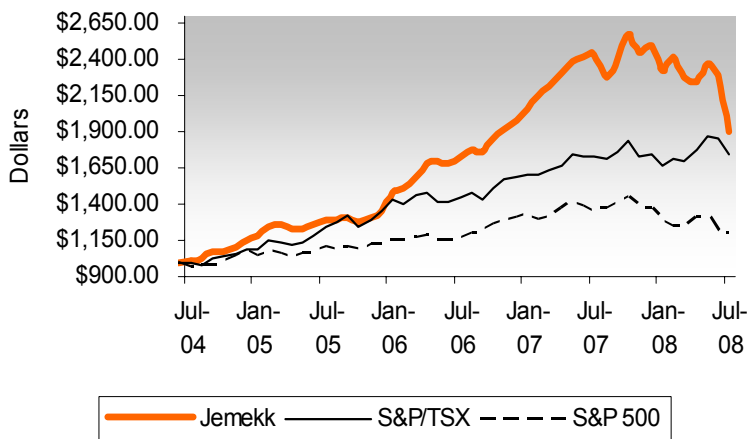
Distribution of Monthly Returns



Statistical Analysis

Compound Annual Return	17.1%
Performance Since Inception:	90.5%
Average monthly return:	1.42%
Highest Monthly Return: :	9.27%
Lowest Monthly Return:	-16.85%
% of months Beat Benchmark when BM is Positive:	65%
% of months Beat Benchmark when BM is Negative:	61%
Annual Standard Deviation:	15.0%
Monthly Standard Deviation	4.33%
Total positive Months:	38
Total Negative Months:	11
Sharpe Ratio (3.5%)	0.90
Sortino Ratio (MAR=0%)	1.62

Growth of Initial Investment (\$1,000)



Fund Information

Managers: Gerard Ferguson CFA, Louis De Jong CA
 Fund Assets (CAD): \$70.4m
 Total Program Assets (CAD): \$114.2m
 Performance Fee (with high watermark): 20%
 Management Fee: 2%

Currency: CAD
 Fund Status: Closed
 Administrator: Harmonic Fund Services Canada Inc.
 Auditors: PricewaterhouseCoopers LLP
 Counsel: Borden Ladner Gervais

Brookfield Place, 181 Bay Street – Suite #3830, P.O. Box 813, Toronto, ON M5J 2T3 Phone: 416-777-4492 Fax: 416-777-4498

The information contained herein are neither an offer to sell nor a solicitation of an offer to buy any interest in any investment fund sponsored or managed by Jemekk Capital Management Inc. or its affiliates. An offer can only be made by the Confidential Offering Memorandum of each investment fund, only in jurisdictions in which such an offer would be lawful and only to individuals who meet the investor suitability and sophistication requirements of each investment fund.



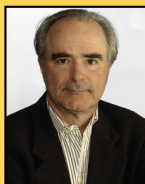
LANDRY MORIN

Investment Managers

Long/Short Momentum Fund

July 2008

Portfolio Managers



Jean-Luc Landry
President
and CEO
Industry
Experience :
since 1973



Richard Morin
Vice-president
and COO
Industry
Experience :
since 1984

« A high quality market-neutral long-short fund driven by skillful insights is the highest expression of the art of active management »

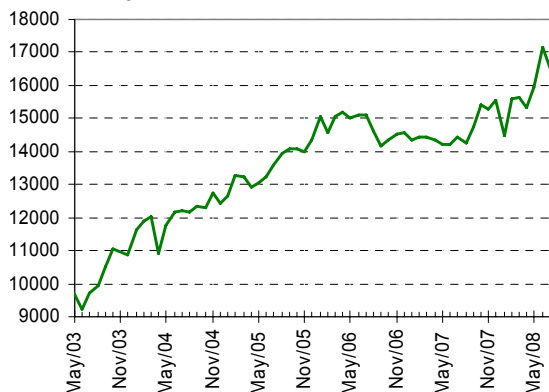
M.B. Waring and L.B. Siegel
The Myth of the Absolute Return Investor, FAJ, March/April 2006

Investment Objectives

The fund's objective is to achieve above-average long-term returns with little or no correlation to equity markets. The fund buys and sells short mostly large capitalization Canadian, US and international stocks based on a quantitative, momentum strategy.

Minimum Subscription ⁽¹⁾	\$150,000 (\$25,000 accredited investors)
Liquidity	Daily
Administrator	Felcom Data Services
Prime broker	JPMorgan – Prime Brokerage
Auditors	Harel Drouin – PKF
Inception Date	May 2003
Assets	\$35 millions
Management fee	1% (serie F)
Incentive fee	20% above hurdle
Hurdle rate	Higher of 5% or 3 months T-bills rate
Highwatermark	Yes
Registered Plan Eligibility	Eligible
Fundserv Codes	
Series A	LDM021
Series F	LDM001
Currency	\$CAN

Performance History (value of \$10,000 invested)



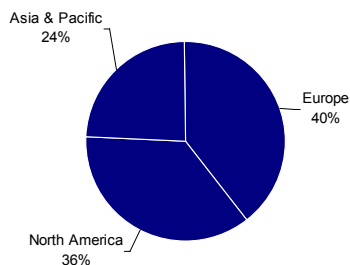
Performance (%) Net of Fees

1 month	3 months	6 months	YTD	1 year	3 years	Since inception
-3.58	7.99	14.19	6.19	14.65	6.74	10.05
Standard deviation			11.52			
Sharpe ratio			0.62			
Largest drawdown			-9.06			
Total Positive Months			37			
Total Negative Months			26			
Correlation (vs. S&P500 TR CAD)			-0.11			
Beta			0.05			

Monthly Performance (%) Net of Fees

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	-7.00	7.76	0.24	-2.11	4.14	7.54	-3.58						6.19
2007	-1.32	0.49	0.01	-0.61	-1.01	-0.05	1.58	-1.24	3.43	4.52	-0.77	1.92	6.95
2006	5.15	-3.21	3.21	1.04	-1.18	0.60	-0.01	-3.43	2.84	1.12	1.40	0.07	1.57
2005	1.72	5.04	-0.33	-2.46	1.05	1.34	2.71	2.47	1.09	-0.15	-0.51	2.46	15.20
2004	7.29	2.18	0.97	-9.06	7.75	3.37	0.42	-0.45	1.28	-0.11	3.57	-2.45	14.57
2003					-3.24	-4.46	5.02	2.22	6.13	4.87	0.62	-1.06	8.59

Portfolio Composition



Sector Exposure (%)

	Long	Short	Net
Energy	11	-1	10
Communications	4	-10	-6
Financial	1	-13	-12
Utilities	3	0	3
Diversified	0	0	0
Cons. Cyclical	3	-4	-1
Cons. Non-Cyclical	4	-10	-6
Industrial	9	-9	0
Basic Materials	22	-8	14
Technology	5	-7	-2
Total	62	-62	0

Top Holdings

Company	Sector	%
LONG		
Halliburton Co	Energy	3.2
Timminco Ltd.	Basic Materials	3.2
DC Chemical Co Ltd.	Basic Materials	2.7
Baidu.com – Spon ADR	Communications	2.3
Potash Corp of Saskatchewan	Basic Materials	2.2
SHORT		
Genmab A/S	Cons. Non-Cyclical	-2.2
Novagold Resources Inc.	Basic Materials	-2.2
Wachovia Corp.	Financial	-2.1
Challenger Financial Services	Financial	-1.9
Rhodia SA	Basic Materials	-1.8

This document must not be construed as a public offering to sell securities in any Canadian jurisdiction. This document is a summary of the principal characteristics of the Fund. More information may be obtained by contacting Landry Morin. (1) The Long/Short Momentum Fund is only available to investors qualified as "Accredited Investors" as defined in the Multilateral Instrument 45-106, investors where the total cost of subscriptions or purchase is at least \$150,000 per person and investors who have signed a discretionary management contract with Landry Morin. Past returns are not necessarily an indication of future returns of this fund.



EagleCrest Pacific Ltd.

Gold Ceiling of Emirates Palace Hotel, Abu Dhabi

About EagleCrest:

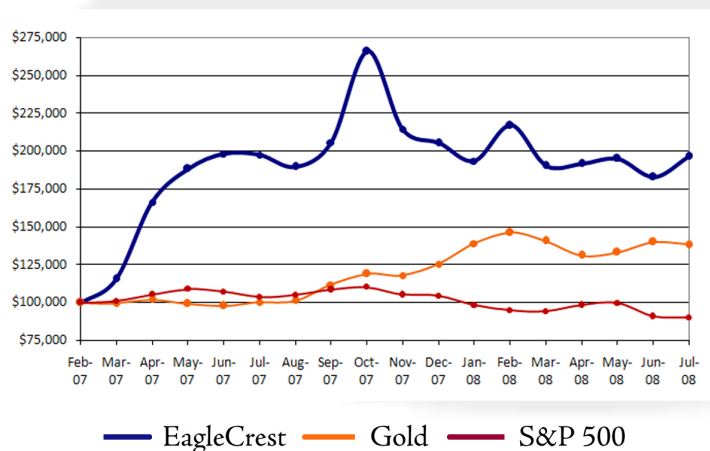
EagleCrest Pacific Ltd. ("EagleCrest") is a Belize international business company (IBC), that focuses on Canadian small-cap precious and base metal mining companies as well as energy companies. EagleCrest specializes in negotiating private placements in public companies (PIPE) to obtain shares at discount to market price with free warrants for additional risk-free leverage.

The portfolio manager, John Lee CFA, has been investing in commodities since 2001. He has been published in numerous respected financial media outlets including Bloomberg and the Financial Post. The portfolio is designed to have a very low correlation to all other types of asset classes. Our presence in Vancouver, Canada provides us with an extensive network of mining industry contacts to find the best investment opportunities for our clients.

Fund Performance (USD net of fees):

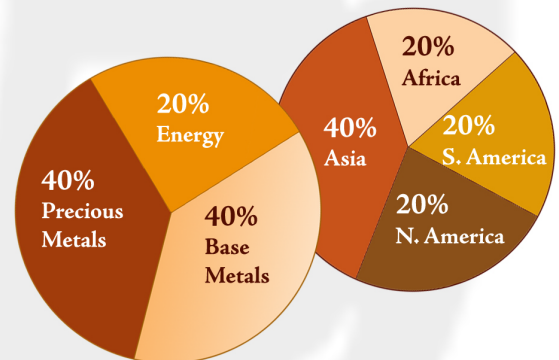
July: 7.4%
YTD 2008: (4.5%)
Year 2007: 105.7%
Since Inception: 96.4%
(Inception: March 2007)

EagleCrest vs Gold and S&P 500



Manager: John Lee, CFA
Advisor: David Morgan
Date of Inception: March 1, 2007
Domicile: Belize
Percentage owned by management: 40%
Eligibility: Non-US investors
Subscription Frequency: Monthly
Redemption Notice Period: 30 Days
Redemption Frequency: Monthly
Minimum Investment: US \$100,000
AUM: US \$3 Million
(Total US\$8 Million managed by John)
Portfolio: 40-50 stocks
Performance Fee: 25% of net profits, assessed quarterly (High Water Mark)
Management Fee: 0.25% of balance per quarter (1% per year)

Asset Mix:



Past Success:

Positions Bought Out:

Tyler Resources (copper, by Chinese Group)
Pan African Resources (coal, by Thai Group)
Western Prospector (uranium, by HK Group)

IPO:

Explorator Resources (400% gain)

For further information, please contact us at john@eaglecrestpacific.com or at 1.800.851.1528

This document is for information purposes only. Performance data is historical, and is not indicative of future performance.



THE NIAGARA FRIEDBERG FUNDS

FRIEDBERG GLOBAL-MACRO HEDGE FUND LTD.

A global macro, multi strategy fund managed by Albert Friedberg.

Performance to: July 31, 2008

Assets under Management: US \$468.6 million.

FUND RETURNS*

PERIOD	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2008	7.18	9.57	- 1.04	- 6.48	4.51	8.58	- 0.24						23.04%
2007	- 1.01	1.07	- 3.44	- 1.28	- 0.80	1.57	10.06	2.80	- 1.33	5.89	7.91	3.00	26.27%
2006	1.94	1.06	- 1.81	2.07	- 0.75	1.27	2.04	- 0.09	- 0.56	3.10	2.43	0.54	11.70%
2005	1.05	0.84	- 1.13	1.31	1.06	2.47	0.08	0.95	2.75	- 1.38	2.56	2.14	13.35%
2004	4.00	3.44	1.36	- 7.84	- 0.39	0.27	1.02	1.90	1.45	1.67	2.76	3.24	13.06%
2003	3.11	3.06	- 4.58	- 1.15	9.26	- 3.77	- 8.04	2.91	5.49	1.69	1.49	1.13	9.81%
2002	- 1.46	2.04	- 2.22	4.41	5.41	6.16	- 2.42	4.45	2.80	- 6.70	0.32	7.56	21.17%
2001												- 0.40	- 0.40%

*Historical returns of the Friedberg Global-Macro Hedge Fund Ltd. (After April 30, 2005, based on new fee structure.)

COMPARATIVE PERFORMANCE

	1 YEAR	3 YEAR	SINCE INCEPTION	RISK (VOLATILITY)	MAXIMUM LOSS FROM PEAK
FRIEDBERG GLOBAL-MACRO HEDGE FUND LTD.	46.87%	22.97%	17.60%	12.48%	- 11.51%
MSCI WORLD INDEX – (PRICE)	- 12.72%	4.78%	4.83%	12.48%	- 26.45%
CSFB TREMONT HFI INVESTABLE GLOBAL MACRO ¹	13.25%	6.28%	6.92%	5.53%	- 4.97%

¹ Estimate

FOR FURTHER INFORMATION CONTACT:

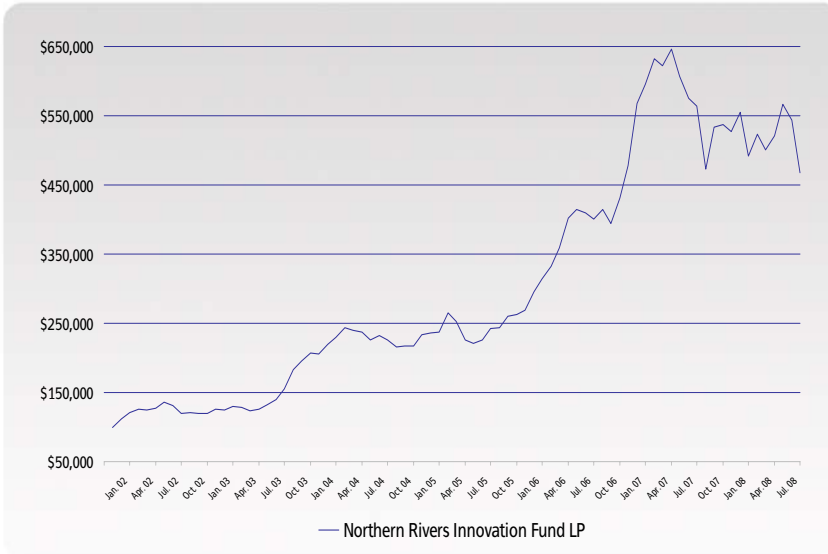
Michael Grant
NCP Securities Inc.
416 350 2898
mgrant@niagaracapital.ca

All performance information is net of applicable fees unless otherwise specifically noted. This material is provided for informational purposes only as of the date hereof and is subject to change without notice. Past performance information must never be construed as investment advice or a prediction of performance in the future, and this is true in the present case. The present document does not constitute an offer or solicitation to purchase shares in any of the Funds described or mentioned. Investment in any of the Niagara Friedberg Funds described will only be accepted on the basis of that Fund's offering memorandum, and that memorandum may only be distributed to those eligible to receive that document.

PORTFOLIO MANAGER

Hugh Cleland CFA

Investment of \$100,000 made on May 8, 2001
(first public offering date after-all fees)



Key Facts

Inception date	May 8, 2001*
Assets Under Mgmt.	\$82.05M
NAVPU (July 31, 2008)	\$4,678.82
Management Fee	1% p.a., paid quarterly
Performance Fee	20% of net return above hurdle rate
Hurdle Rate	2% per quarter
Min. Initial Investment	\$100,000
Min. Investment Term	2 years

Performance As at July 31, 2008 (net of fees)**

Average Annual Returns*

2008 YTD	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	Inception**
-15.63%	-13.85%	-10.12%	-4.97%	-16.97%	8.11%	24.47%	24.73%	23.77%

Monthly Summary of Returns, net of fees (Since inception, May 2001)

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
2001					17.41%	-8.88%	0.01%	-9.44%	-5.22%	3.00%	11.03%	10.20%	11.60%
2002	8.00%	4.15%	-0.31%	1.31%	7.21%	-3.92%	-8.15%	0.93%	-1.39%	0.10%	5.72%	-1.04%	12.03%
2003	3.92%	-1.31%	-4.05%	2.23%	5.13%	6.11%	10.45%	17.63%	7.46%	5.67%	-0.38%	6.22%	75.21%
2004	5.12%	5.80%	-1.79%	-0.99%	-4.79%	2.99%	-2.84%	-4.13%	0.40%	-0.31%	7.76%	1.34%	7.95%
2005	0.54%	11.67%	-4.86%	-10.40%	-2.45%	2.31%	7.39%	0.39%	6.72%	1.08%	2.54%	9.52%	24.76%
2006	6.49%	5.64%	8.17%	11.88%	3.20%	-1.21%	-2.24%	3.52%	-4.78%	9.26%	10.80%	18.90%	92.50%
2007	4.76%	6.27%	-1.59%	3.84%	-6.12%	-5.18%	-2.02%	-16.10%	12.98%	0.50%	-1.77%	5.16%	-2.36%
2008	-11.22%	6.25%	-4.40%	4.10%	8.74%	-4.06%	-13.85%						-15.63%

Key Features

- Primarily small to mid cap companies with innovative products and services
- Sector focus on technology, healthcare and resources
- A relatively concentrated approach to securities selection
- Minimal use of leverage over the life of the fund
- Risk management applied to the pursuit of high returns
- The ability to be long, short, or even 100% cash





PICTON MAHONEY MARKET NEUTRAL EQUITY FUND

JULY 31, 2008

INVESTMENT OBJECTIVES AND STRATEGY

OBJECTIVE

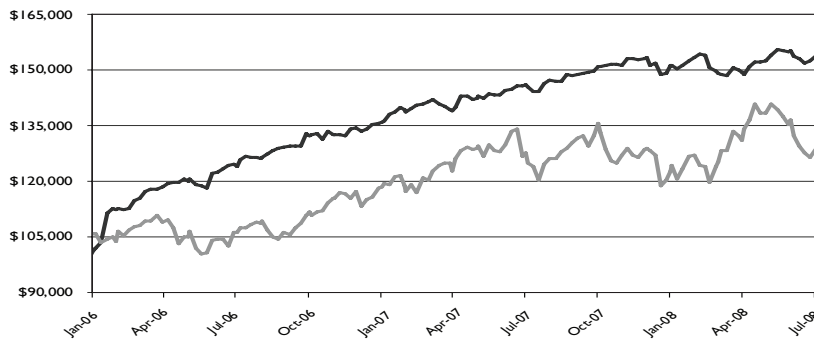
To provide consistent long-term capital appreciation at an attractive risk adjusted rate of return with less volatility than traditional equity indices and low correlation to the overall equity market. Based on current market conditions, our target return for this fund is approximately 8% per annum with half the volatility of the S&P/TSX Index and with no correlation to the overall equity market.

STRATEGY

Build a portfolio that is long the most attractive stocks and short the most unattractive stocks based on our multi-factor ranking system. We will buy quality companies in the midst of fundamental positive change with reasonable valuations and sell short lower quality companies in the midst of negative fundamental change that have high valuations. Sophisticated risk control tools are used to construct the portfolio in order to minimize risks within it. This portfolio will be structured so that it generally has minimal equity market exposure. On average, the fund will possess a 0% net exposure to the equity market.

PERFORMANCE

Value of \$100,000 invested in Class A on Dec 31, 2005



Return & Risk Analysis

Maximum Drawdown	-2.95%
Period of Drawdown	Mar - May 08
Time Under Water	3 Months
% of Positive Months	87.10%
Beta	0.18
Standard Deviation	7.46%
Sharpe Ratio	1.72
Best Month	10.86%
Worst Month	-2.95%

Securities Weightings

Exposures	
Long	79.44%
Short	-68.43%
Gross	147.87%
Net	11.01%
# of Holdings	212
Foreign Exposure - % of Long	2.63%
Foreign Exposure - % of Short	0.87%

Fund Information

Fund Codes: PIC100(A); PIC101(F)
 Fund Assets: \$198.6 million
 Firm Assets: \$4.7 billion
 Fund Details: 2% Management Fee
 20% Performance Fee
 High Water Mark
 Weekly Liquidity
 RSP Eligible
 Prime Broker: Scotia Capital Inc.
 Administrator: Citigroup Fund Services
 Auditor: PricewaterhouseCoopers
 Lawyer: McMillan LLP

MONTHLY PERFORMANCE

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD	
2008	Fund	-1.40%	1.49%	-2.95	0.33	2.00	1.88	-1.03					0.22%	
	TSX	-4.72%	3.45%	-1.43	4.60	5.79	-1.41	-5.86					-0.22%	
2007	Fund	1.23%	2.26%	1.61%	-1.66%	2.29%	0.75%	1.90%	0.79%	1.60	0.19	1.48	14.10%	
	TSX	1.15%	0.25%	1.16%	2.07%	4.99%	-0.82%	-0.13%	-1.29%	3.46%	3.91	-6.22	9.83%	
2006	Fund	1.27%	10.86%	2.77%	2.62%	1.37%	1.65%	1.73%	1.63%	2.30%	2.53%	0.15%	1.43%	34.41%
	TSX	6.06%	-2.02%	3.90%	0.89%	-3.56%	-0.82%	2.03%	2.26%	-2.32%	5.09%	3.52%	1.50%	17.26%

FOUNDING PRINCIPLES

AUTHENTICITY

Picton Mahoney offers authentic hedge strategies focused on delivering consistent performance that is less correlated to the index.

TRANSPARENCY

Picton Mahoney will provide investors with access to timely information on investment processes and holdings.

CAPACITY

Picton Mahoney has established a capacity limit to ensure the funds remain nimble enough to achieve their investment goals.

PICTON
MAHONEY

Asset Management

PICTON MAHONEY MARKET NEUTRAL EQUITY FUND

EXAMPLES OF ACTUAL HOLDINGS & REASONING

1. Dorel Industries (DII CN) - Dorel Industries is a diversified supplier of consumer products. It has three divisions: 1) Juvenile, which sells children's car seats, strollers and high chairs, 2) Recreational/Leisure, which is the largest bicycle supplier in the U.S., and 3) Home Furnishings, which sells furniture including a ready-to-assemble line. Dorel has struggled over the last few years as new product offerings in the Juvenile division have disappointed, and the Home Furnishings Division has been hammered by low cost Chinese competition, the Canadian dollar, and higher input costs. New Juvenile products are showing impressive traction. Recreational/Leisure has bottomed out and now only represents 18% of revenues and 3% of EBITDA. Most importantly, the new bike business is surprising on the upside as people buy bikes in response to high gas prices. We believe Dorel will experience both greater earnings growth and multiple expansion going forward.

2. SNC Lavalin (SNC CN) - SNC-Lavalin is one of the leading engineering and construction companies in the world. It also owns 16.8% of 407 International, a company that has a 99 year concession to operate a toll road serving Toronto. SNC-Lavalin is expected to generate revenues of \$7.5 billion in 2008. The firm has been riding a powerful wave of heightened global investment in their areas of expertise. They have been able to increase the percentage of contracts that are structured as purely Service contracts, which have much higher margins and lower risk than the Package contracts that once dominated their sales. While their total backlog has recently decreased, we remain unconcerned since the Service backlog continues to climb and the number of future opportunities for bidding remains robust. SNC-Lavalin's true earnings power has been masked by problems in their Power group because of overruns on a limited number of fixed price contracts. We believe these problem contracts have been adequately provisioned, and that there have been no new turnkey fixed price contracts signed in this sector in the last 18 months.

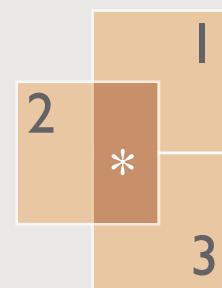
TOP TEN LONG HOLDINGS

- Baytex Energy Trust
- Bombardier Inc. "B"
- Canadian National Railway Corp.
- Canadian Natural Resources Inc.
- CGI Group Inc.
- EnCana Corporation
- National Bank of Canada
- Royal Bank of Canada
- Saputo Inc.
- Toromont Industries Limited

INVESTOR ELIGIBILITY

Units of the Funds are offered to investors resident in the provinces and territories of Canada, (the "Offering Jurisdictions") pursuant to applicable exemptions from the prospectus requirements of the securities laws in the Offering Jurisdictions. Subscriptions will be accepted from an investor who is purchasing Units with a minimum investment of \$150,000, or an investor who is an "accredited investor" as described in applicable securities legislation, or an investor who is a resident of British Columbia who is purchasing Units pursuant to the "offering memorandum exemption" as described in applicable securities legislation. The minimum initial investment for "accredited investors" and investors purchasing Units pursuant to the "offering memorandum exemption" is \$25,000.

3 Step Investment Process



1 Proprietary Quantitative Screening Process

2 Fundamental Analysts Performance Due Diligence

3 Risk Controls Used to Structure Portfolio

Results in an optimally constructed portfolio with exposure to positive fundamental change in reasonably valued, quality companies. The portfolio will have less exposure to general stock market movements and can help diversify an investor's overall portfolio.

Contact Information

151 Yonge Street, 10th Floor
Toronto, ON M5C 2W7

666 Burrard Street, Suite 500
Vancouver, BC V6C 2X8

www.pictonmahoney.com
service@pictonmahoney.com

416.955.4108 ■ 1.866.369.4108

Style: Long/Short Equity Hedge
 Fund Inception: July 2008
 Strategy Inception: September 1997

Fund Description

Altairis Long/Short is a broadly diversified tax advantaged long/short equity hedge fund whose return is based on investments into small to mid cap North American equities. The Altairis investment strategy seeks to produce positive absolute returns with low volatility and low correlation to equity markets. The fund achieves these objectives through superior stock selection, both long and short, while using the relative mix of longs and shorts to hedge overall exposure to stock market volatility. The fund employs a swap structure to receive tax advantaged returns with a target leverage ratio of 1.5:1.

Terms and Conditions

Investment Manager: Polar Securities Inc.
 Fund Inception Date: July 2008
 Strategy Inception Date: September 1997
 Investment Minimum: \$50,000 for accredited investors
 \$150,000 for non-accredited investors
 Subscriptions: Monthly
 Redemptions: Monthly (21st of the month), 91 days notice
 Management Fees: Class A: 2%, Class F: 1%
 Performance Fees: Class A: 20%, Class F: 20%
 Commission Structure: Class A: Front End, Class F: N/A
 Commission Amount: Class A: 0-2% (as agreed upon between investor & dealer)
 Class F: N/A
 Trailer/Service Fees: Class A: 1% per annum, Class F: N/A
 Valuations: Monthly
 Reporting: Monthly
 Currency: CDN
 Auditor: Ernst & Young
 Administrator: SGGG Fund Services Inc.
 Domicile: Canada

FundSERV Codes

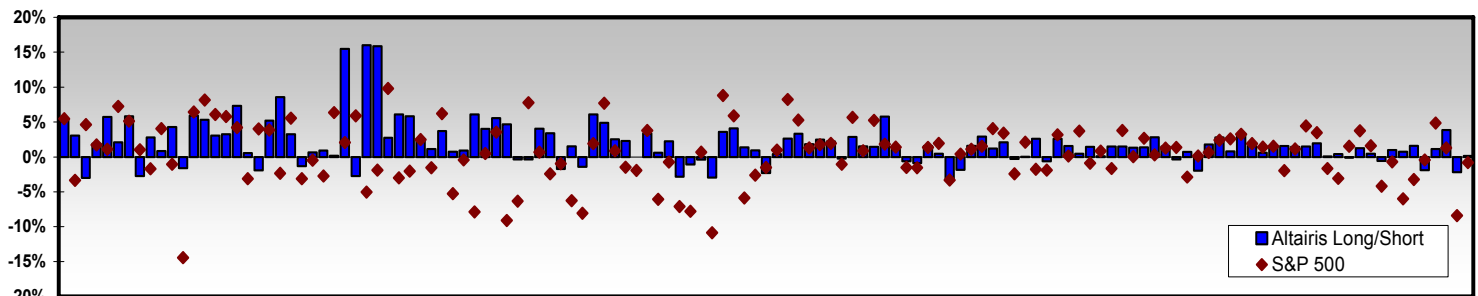
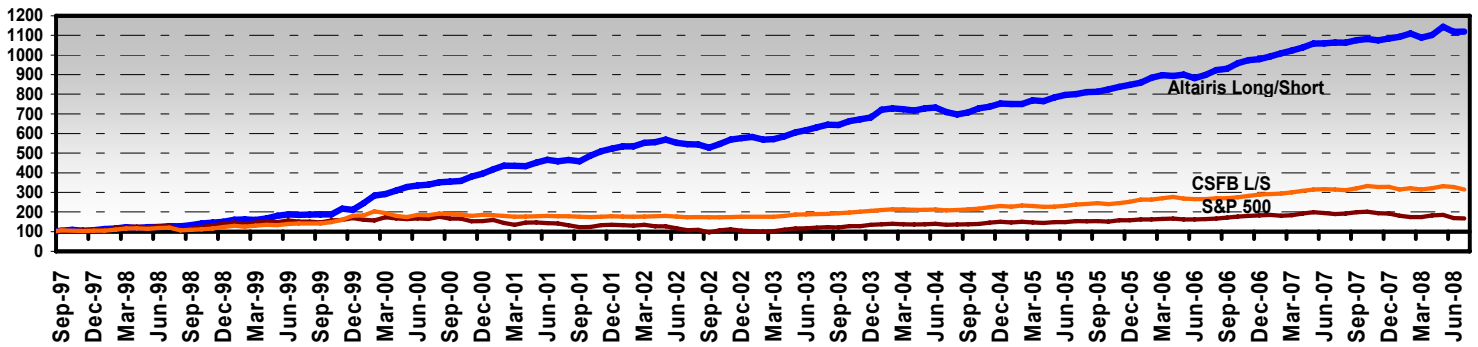
Manufacturer code: POL
 Fund Class: Class A & Class F
 Purchases: 200 (Class A), 300 (Class F)
 Redemptions: 201 (Class A), 301 (Class F)

Comparative Return Profile ^{1,2}

July 2008	Year to date July 2008	Annualized Return Since Strategy Inception
0.14%	3.27%	24.77%
S&P 500 (0.84)%	S&P 500 (12.65)%	S&P 500 4.88%
S&P/TSX Comp (5.86)%	S&P/TSX Comp (0.22)%	S&P/TSX Comp 8.81%
Total Firm Assets \$962 mm CAD	Total Strategy Assets \$511 mm CAD	Total Fund Assets \$39 mm CAD

Statistical Profile ^{1,2}

	September 1997 to Present		
	Altairis Long/Short \$CAD	S&P/TSX \$CAD	S&P500 \$USD
Analysis Currency:	\$CAD	\$CAD	\$USD
Return Analysis			
Total Period Return	1,020.1%	151.4%	68.3%
Annualized Return	24.8%	8.8%	4.9%
12 Month Rolling Return	5.3%	0.6%	(11.1)%
3 Month Return	1.7%	(1.8)%	(8.0)%
Consistency Analysis			
# Up Months	102	81	78
# Down Months	29	50	53
Annualized Standard Deviation	10.9%	15.9%	14.8%
Risk/Return Analysis			
Sharpe Ratios	1.76	0.38	0.15
Correlation Analysis			
Altairis Long/Short	1.00	0.27	0.19



For more information, please contact:

Tom Sabourin, CA T: (416) 369-4459 E: tsabourin@polarsec.com
 Paul Mayer, MBA T: (416) 369-4469 E: pmayer@polarsec.com
 Brandon Chan T: (416) 369-4468 E: bchan@polarsec.com

Polar Securities Inc.
 372 Bay Street, 21st Floor T: (416) 367-4364
 Toronto, ON M5H 2W9 F: (416) 367-0564

Portfolio Exposure Analysis ³

in % of assets

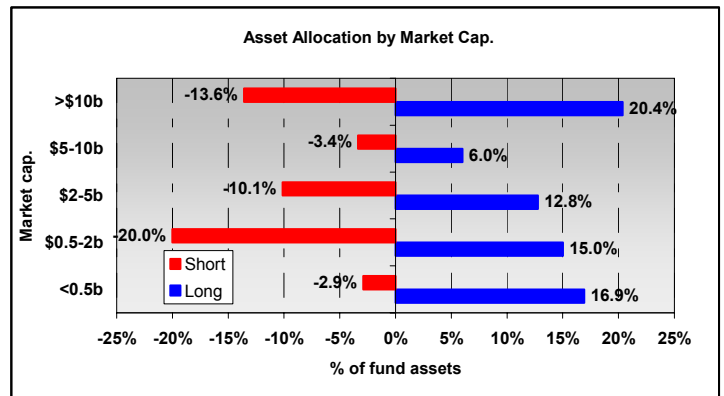
	Long	Short	Net
Geographical exposure			
USA	63.7%	(46.2)%	17.5%
Canada	7.4%	(3.8)%	3.6%
Total equity exposure	71.1%	(50.0)%	21.1%
Sector exposure			
Technology	17.0%	(5.4)%	11.6%
Telecommunications	3.7%	(0.8)%	2.9%
Energy	2.2%	0.0%	2.2%
Finance	0.0%	(4.3)%	(4.3)%
Consumer Non-Durable	7.7%	(2.0)%	5.7%
Consumer Services	23.6%	(11.0)%	12.6%
Healthcare	2.4%	(2.6)%	(0.2)%
Biotechnology	1.4%	0.0%	1.4%
Capital Goods	3.8%	(5.6)%	(1.8)%
Basic Materials	1.0%	(4.1)%	(3.2)%
Consumer Durable	8.2%	(5.7)%	2.5%
Miscellaneous	0.0%	0.0%	0.0%
Total	71.0%	(41.6)%	29.4%
Futures and Derivatives	0.1%	(8.4)%	(8.3)%
Total equity exposure	71.1%	(50.0)%	21.1%
Cash position		(21.1)%	(21.1)%

Portfolio Leverage and Diversification ³

Gross common stock exposure	112.6%
Gross equity exposure (incl. Derivatives)	121.1%
Number of long positions	65
Number of short positions	48

Five Largest Positions ³

iShares Russell 2000	(4.6)%
Viacom Inc. CI-B	3.8%
Semiconductor Holders Trust	(3.0)%
Pall Corp.	3.0%
Walt Disney (Hldgs) Co.	2.7%
Total (% of fund assets)	17.2%



Long exposure ^{2, 3}

Short exposure ^{2, 3}

Month	Long exposure ^{2, 3}					Total long exposure	Short exposure ^{2, 3}					Total short exposure
	< \$0.5b	\$0.5b - 2b	\$2b - 5b	\$5b - 10b	> \$10b		< \$0.5b	\$0.5b - 2b	\$2b - 5b	\$5b - 10b	> \$10b	
July 2008	16.9%	15.0%	12.8%	6.0%	20.4%	71.1%	-2.9%	-20.0%	-10.1%	-3.4%	-13.6%	-50.0%
June 2008	17.5%	14.3%	13.4%	4.5%	18.2%	67.9%	-3.3%	-17.6%	-15.8%	-1.2%	-12.6%	-50.4%
May 2008	18.1%	19.0%	18.7%	5.0%	14.4%	75.3%	-2.7%	-15.8%	-11.5%	-1.3%	-17.7%	-49.2%
April 2008	23.5%	17.4%	22.1%	6.2%	12.4%	81.6%	-4.6%	-17.7%	-11.0%	-9.6%	-13.7%	-56.7%
March 2008	19.1%	21.0%	15.5%	4.5%	11.3%	71.5%	-5.3%	-16.9%	-6.4%	-5.2%	-12.5%	-46.3%
February 2008	19.5%	22.9%	19.2%	4.7%	8.8%	75.2%	-2.5%	-20.8%	-8.7%	-1.6%	-20.6%	-54.3%

Monthly Performance ^{1, 2}

Altairis Monthly Returns

(\$Cdn)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2008	0.74%	1.58%	(1.90)%	1.14%	3.87%	(2.22)%	0.14%						3.27%
2007	1.38%	1.56%	1.45%	1.49%	1.94%	0.06%	0.41%	(0.10)%	1.26%	0.45%	(0.60)%	0.96%	10.74%
2006	1.36%	2.84%	1.49%	(0.36)%	0.73%	(1.98)%	1.78%	2.78%	0.77%	3.04%	1.58%	0.60%	15.49%
2005	(0.28)%	0.01%	2.61%	(0.62)%	2.57%	1.56%	0.43%	1.44%	0.11%	1.49%	1.46%	1.33%	12.75%
2004	5.77%	1.04%	(0.64)%	(0.90)%	1.57%	0.45%	(3.11)%	(1.85)%	1.61%	2.91%	1.22%	2.08%	10.31%
2003	0.95%	(2.30)%	0.40%	2.63%	3.32%	1.81%	2.49%	2.19%	(0.24)%	2.86%	1.50%	1.43%	18.28%
2002	2.30%	(0.04)%	3.36%	0.59%	2.25%	(2.87)%	(1.10)%	(0.38)%	(2.97)%	3.58%	4.09%	1.35%	10.29%
2001	5.53%	4.67%	(0.36)%	(0.38)%	4.06%	3.41%	(1.76)%	1.53%	(1.43)%	6.08%	4.90%	2.49%	32.30%
2000	16.00%	15.85%	2.74%	6.06%	5.81%	2.49%	1.14%	3.68%	0.73%	0.91%	6.09%	4.02%	86.81%
1999	7.32%	0.58%	(1.93)%	5.18%	8.58%	3.23%	(1.31)%	0.62%	0.90%	0.16%	15.47%	(2.73)%	40.67%
1998	5.74%	2.08%	5.80%	(2.73)%	2.78%	0.82%	4.29%	(1.62)%	5.91%	5.30%	3.06%	3.24%	40.16%
1997									5.37%	3.04%	(3.02)%	1.88%	7.28%

¹ Return figures represent those of Class A units, which have an annual management fee of 2% and performance fee of 20%.

² Performance prior to July 2008 represents pro forma returns using Altairis Long/Short's predecessor fund, Altairis Investments. These returns were created pro forma with the following assumptions: an average leverage ratio of 1.5:1, pro forma funding using the 3-month US Treasury Bill rate and swap costs of 0.5% per annum.

³ Percentages and the number of long/short positions are derived as an average between Altairis Offshore and Altairis Offshore Levered. The Altairis Long/Short fund generates its tax advantaged returns via a swap structure. Investors hold a basket of Canadian common equity together with a forward agreement. A major Canadian bank, which is counterparty to the forward agreement, pledges to deliver the 1.5x Altairis return by investing 50% of fund proceeds into Altairis Offshore and 50% of fund proceeds into Altairis Offshore Levered (2x).

This performance report is for information purposes only. Only the Offering Memorandum, of which this document is not a part, should be relied upon for the purpose of considering an investment in the Altairis Investments fund. Performance data represents past performance and is not indicative of future performance.

The information presented in this report is unaudited and has been provided by the investment advisor of the fund, whereas monthly final NAV's are provided by the fund's administrator, SGGG Fund Services Inc. Performance data represents Polar's best estimates at the time of publication.

Objective and Strategy of Canadian Hedge Watch Index Plus (CHWIP):

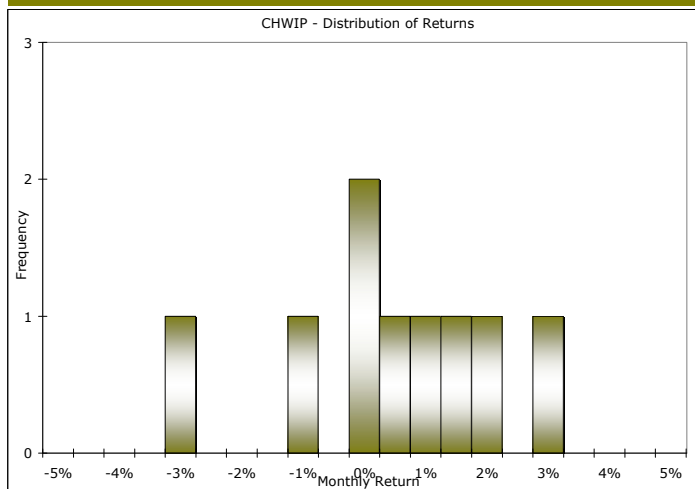
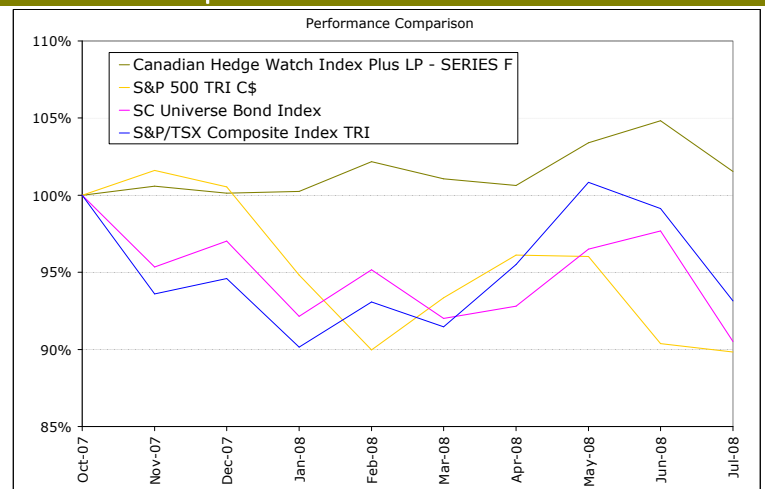
The objective of CHWIP is to earn either a 20% to 40% higher annualized Sharpe ratio or 2% or higher annualized rate of return than the passive not-investible CHW HF Equity Hedged Index with about the same risk characteristics. CHWIP attempts to select hedge funds with superior qualities based on an optimal relatively short time-period performance. CHWIP allocates a larger exposure to a selected number of equity hedged hedge funds with longer than 2 years of history. The Index allocates a smaller portion of its investment to most of the equity hedged hedge funds with less than 2 years of history. The Index contains only equity hedged hedge funds (long/short, long biased, short biased and market neutral) with Canadian domiciled managers.

Canadian Hedge Watch Index Plus LP - Monthly Performance - SERIES F

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008	0.11%	1.92%	-1.09%	-0.43%	2.76%	1.38%	-3.14%						1.40%
2007											0.58%	-0.43%	0.14%

Risk Analysis

Since Inception (November, 2007)	CHWIP	MSCI World Index C\$	S&P 500 TRI C\$	S&P/TSX Composite	CHW Equity Hedged Index	HFRI FoF Comp. Index
% of Positive Months	55.56	44.44	33.33	44.44	55.56	44.44
Best Month (%)	2.76	3.41	3.76	5.58	3.98	2.54
Worst Month (%)	-3.14	-7.40	-5.88	-6.40	-7.33	-2.57
Max. Drawdown (%)	-3.14	-11.92	-11.59	-9.86	-9.49	-4.47
Monthly Std. Dev (%)	1.75	3.71	3.68	4.52	4.10	1.94

Distribution of Returns

Performance Comparison

Disclaimer

Past performance is not necessarily indicative of future results. While every effort has been made to provide data from sources considered reliable, no guarantee of accuracy is given. Contents of this brochure are subject to change and periodic revision without prior notice. All information herein is qualified in its entirety by the more detailed information contained in the Canadian Hedge Watch Index Plus' Offering Memorandum. This brochure does not constitute an offer to sell or a solicitation of an offer to purchase any investment product, which can only be made by the confidential Offering Memorandum. An investment in the Limited Partnership involves significant investment considerations and risks which are described in the Offering Memorandum. Each potential investor should read the Offering Memorandum in its entirety and carefully consider the risks and disclosures as set out therein before making an investment decision.

Return Characteristics

%	1 Month	3 Months	6 Months	YTD	1 Year	Since Inception	
						Total	Annual
CHWIP - Series F	-3.14	0.91	1.28	1.40	N/A	1.54	N/A
MSCI World Index C\$	-2.19	-7.21	-3.33	-10.48	N/A	-10.38	N/A
S&P 500 TRI C\$	-0.61	-6.54	-5.26	-10.66	N/A	-10.17	N/A
S&P/TSX Comp. Index	-6.04	-2.47	3.33	-1.53	N/A	-6.86	N/A
CHW Equity Hedged Idx.	-7.33	-2.47	-1.77	-6.72	N/A	-9.49	N/A
HFRI FoF Comp. Index	-2.52	-1.75	-0.56	-3.11	N/A	-4.47	N/A

Key Reasons to Invest:

- Developed by significant research into low risk investing into hedge funds
- Diversified strategy providing exposure to Canadian Equity Hedged type of hedge funds
- Seeks lower correlation to major equity and debt markets

Fund Details

Fundserv Code:	QUA320	Management Fee:	1.00%
Inception Date:	Nov. 5, 2007	Performance Fee:	6% - 10% **
NAVPS:	\$ 10.1540	Liquidity:	Monthly
Current Leverage:	0%	Min. Investment:	\$ 5,000.00 *
Maximum Leverage:	35%		
* for accredited investors & certain qualified investors		** Depending on Sharpe Ratio	

Contact Information

Miklos Nagy, CFA, CFP CEO & President	Tel: 416.216.4632 ext. 2229 Email: nagy@quadrexx.com	Quadrexx Asset Management Inc. 20 Bay St., Suite 1501 Toronto, ON M5J 2N8 Tel.: 416.216.4632 Fax: 416.216.4625 Toll-free: 1.800.921.9380 Email: info@quadrexx.com www.quadrexx.com
Jeff Parent Associate Portfolio Manager	Tel: 416.216.4632 ext. 2228 Email: parent@quadrexx.com	
Santiago Carvajal Director, Investor Relations	Tel: 416.216.4632 ext. 2235 Email: carvajal@quadrexx.com	
Ferenc Schneman Research Analyst	Tel: 416.216.4632 ext. 2222 Email: schneman@quadrexx.com	

About Canadian Hedge Watch Inc.

Canadian Hedge Watch Inc. (CHW) is a publishing, educational and information firm providing timely hedge fund investment information to the Canadian marketplace. CHW publishes the bi-monthly Canadian Hedge Watch newsletter and maintains the website canadianhedgewatch.com which is designed both as a core source of Canadian hedge fund news and to provide information to investment advisors, institutions, and sophisticated investors. The newsletter and website provide up-to-date statistical data on Canadian hedge funds, quarterly hedge fund reports, current hedge fund news, links to Canadian hedge fund companies, an archive of previous issues of the newsletter and a library of hedge fund related books and articles.

CHW, in conjunction with CIFPs, hosts the increasingly successful World Alternative Investment Summit Canada (www.waisc.com) each year, an event which now attracts over 400 delegates. In partnership with IFIC, CHW has launched the CHAIP (Chartered Alternative Investment Planner) designation for sellers of hedge funds in Canada. This designation is the only one relating to alternatives that is recognized by the Canadian investment industry.

Disclaimer

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REGENT GLOBAL FUNDS

your prosperity secured

Regent Global Funds LLC (RGF) endeavors to provide to its Participating Investors the benefits of an asset-backed investment with predictable returns.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Benchmark
2008	0.83%	0.82%	0.83%	0.73%	0.74%	0.73%							4.77%	-13.14%
2007	0.84%	0.83%	0.84%	0.83%	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%	0.83%	0.82%	10.50%	5.28%
2006										0.83%	0.84%	0.83%	2.52%	6.70%

Fund Structure

Strategy	Commercial Real Estate ABL Fund
Management Fee	0%
Performance Fee	0%
Lockup	24 Months
Anticipated Return	10%
Volatility Objective	Less than 2%
Minimum Investment	\$50,000 Individual; \$1,000,000 Institutional
High Water Mark	Yes
Additions	Monthly
Redemptions	Annually *(please see below)
Collateral	Secured against commercial real estate with substantial equity buffer
Market Risk	Exposure mitigated by limiting typical loan term to 12 months
Diversification	Portfolio is continually rebalanced with every inflow and outflow
Manager Accountability	Fund managers personally invested
Strengths	Asset Backed, Private, Diversified, Managers Personally Invested

In Brief:

Regent Global Funds LLC is a U.S. based private equity and collateralized debt fund that operates as an asset based lender. Its lending activities are modeled after a pure income approach and collateralized by commercial real estate across the United States. This approach, coupled with an extensive due diligence process and the requirement that the fund managers be personally invested, has brought exceptional performance through accountability. Regent Global Funds' offering is classified as an alternative investment, and by its asset-backed and private nature, it is a diversification from traditional investment vehicles. The Fund strives to provide to its Participating Investors premium returns backed by tangible security in a predictable, absolute return model. Also, due to Regent Global Funds' private nature, it may provide an opportunity for its investor to limit their exposure to public financial market turmoil.

Performance Statistics

	Regent Global Funds
Average Annual Return	9.707%
Average Monthly Return	0.782%
Highest Monthly Return	0.84
Lowest Monthly Return	0.00
Average Gain	0.82%
Cumulative Return	18.696%
Correlation	-0.26%

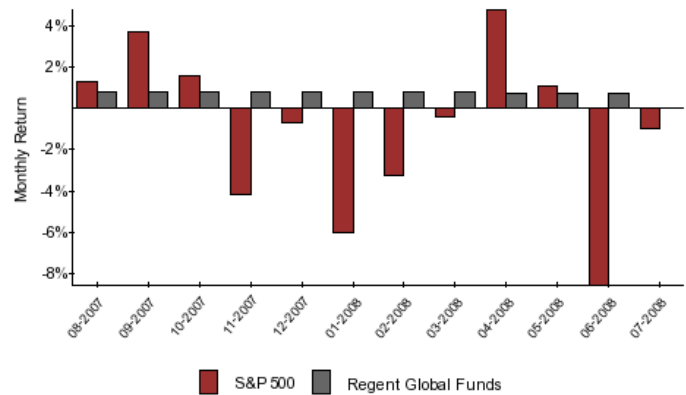
Quantitative Statistics

	Regent Global Funds
Alpha	0.782
Beta	-0.014
Sortino	0
Jensen's Alpha	0.365

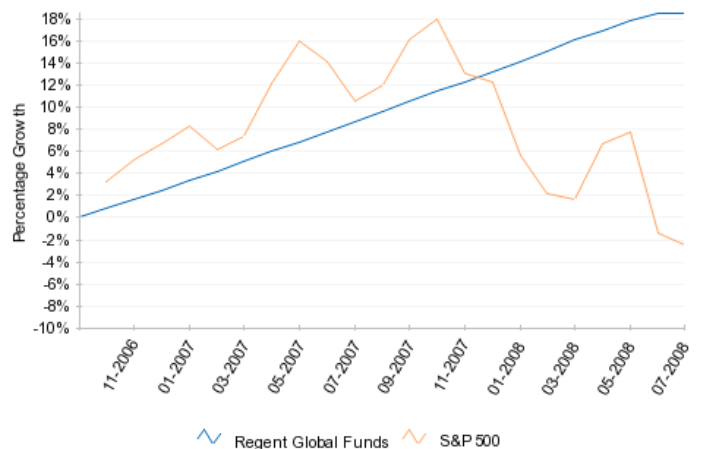
Risk Summary

Standard Deviation	0.178
Worst Consecutive Drawdown	n/a
Duration of Drawdown	0 months
Recovery Period	0 months
Sharpe Ratio (RFR 5%)	7.101

Rolling 12 Month Performance



NAV Growth Since Fund Inception



www.rgfunds.com 446 N Wells Street, Suite 138, Chicago, IL 60610 312.242.3641 investing@rgfunds.com

* Redemption is based on loans within the loan portfolio maturing and paying off in full. A redemption can only be fulfilled after a request is made, and can be provided pro-rata as loans pay off.

The indexes used are broad-based indexes that are used for comparative purposes only and have been selected as they are well-known and easily recognizable by investors. Unlike the indexes used, the portfolio of the fund described herein is actively managed. Furthermore, the fund invests in substantially fewer securities than the number of securities comprising any of the indexes used. Since past performance is not a guarantee of future results, the historical performance of the fund is not necessarily indicative of future performance. The information provided is intended for informational purposes only, and does not constitute advice or offer solicitation or endorsement with respect to any investment strategy or vehicle. The fund has not been registered or qualified with, nor approved or disapproved by, the Securities and Exchange Commission or any other regulatory authority, nor has any regulatory authority passed upon the accuracy or adequacy of any information that has been or will be provided. This document in whole or in part may not be reproduced without the express written permission of the fund. A full description of the investment terms and strategies (and related risk factors) of the fund is set forth in its offering memorandum. This document is not under any circumstances an offer to sell securities, by either its presentation or use. Regent Global Funds by no means intends for this document to be advice to purchase an investment.

Robson Van Eck Hard Assets Fund

Fund Fact Sheet

July-08

Robson Van Eck Hard Assets – Fund Detail

Name:	Robson Van Eck Hard Assets Fund
Type:	Single Manager Alternative Investment Fund
Structure:	Open-end Investment Trust
Manager:	Robson Capital Management Inc.
Custodian:	HSBC Trust Company (Canada)
Auditor:	KPMG LLP
Administrator:	Robson Capital Management Inc.
Liquidity:	Monthly (45 days notice)
Valuation:	Monthly
RRSP eligible:	Yes
Currency:	US\$

Robson Van Eck Hard Assets Fund– Investment Objective

The investment objective of the Robson Van Eck Hard Assets Fund is to achieve absolute returns in all markets conditions through long/short investments in natural resources equities and commodities. The Fund invests substantially all of its assets in Hard Assets Portfolio Ltd. – the Master Fund – managed by Van Eck Global.

Van Eck Global is a world-renowned manager in natural resource sectors, with over 50 years experience and US\$9 billion under management.

Robson Van Eck Hard Assets Fund – Performance

	Series A	Series F
NAV	US\$11.37	US\$11.59
1 - Month Return	-3.28%	-3.20%
YTD Return	3.71%	4.35%
1 - Year Return	4.73%	5.81%
Since inception (Apr/06) (annualized)	5.64%	6.54%
Since inception (Apr/06) (cumulative)	13.66%	15.94%

Hard Assets Portfolio Ltd. (Master Fund) – Historical Returns

1 - month	-3.2%
3 - month	2.3%
6 - month	6.5%
YTD	5.1%
1 - year	7.4%
3 - year (annualized)	9.8%
5 - year (annualized)	10.5%
Since Inception (Sep/97) (annualized)	7.8%

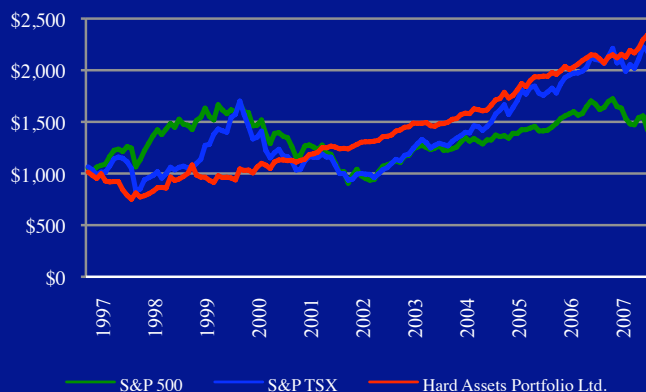
Hard Assets Portfolio Ltd. – Benchmark Analysis (trailing 60 months)

	Relative To:	
	S&P 500	TSX
Average monthly alpha (Jensen's)	0.6%	0.2%
Annualized Alpha (Jensen's)	6.7%	2.9%
Beta	0.24	0.42
Correlation	0.39	0.79
R-squared	0.15	0.62

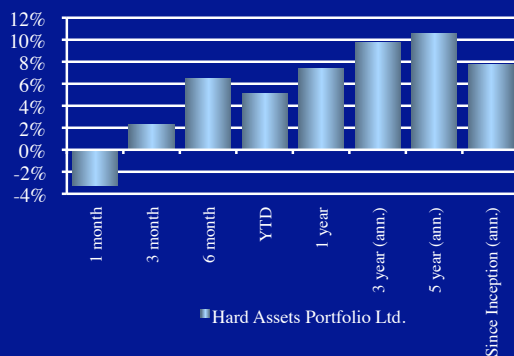
Hard Assets Portfolio Ltd. – Statistical Analysis (trailing 60 months)

	Fund	S&P 500	TSX
Compound Return	10.5%	5.1%	13.4%
Standard Deviation	5.9%	9.5%	10.8%
Sharpe Ratio	1.23	0.26	0.95

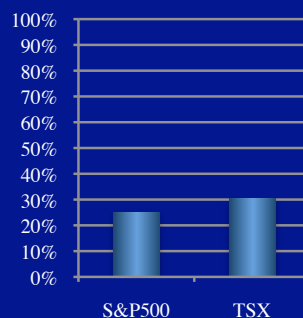
Growth of US\$1000 (since Sep/97)



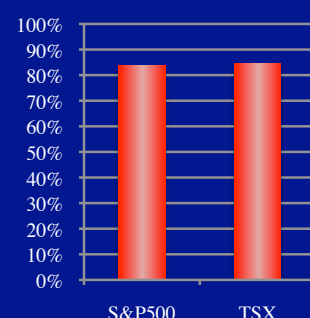
Performance



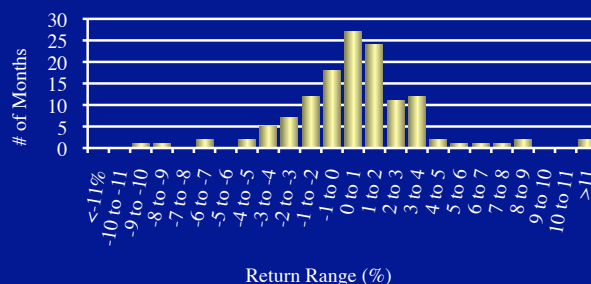
Up Mkt Outperformance (% since Sep/97)



Down Mkt Outperformance (% since Sep/97)



Distribution of Monthly Returns (since Sep/97)



FOR ACCREDITED INVESTORS AND INVESTMENT ADVISORS ONLY

Robson Van Eck Hard Assets Fund

Fund Fact Sheet

July-08

Hard Assets Portfolio Ltd. - Monthly Performance - (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	(1.26%)	3.06%	(1.14%)	2.13%	3.71%	1.95%	(3.21%)						5.15%
2007	1.09%	1.40%	1.69%	1.22%	1.39%	(0.15%)	(1.68%)	(1.91%)	2.87%	0.95%	(1.34%)	1.63%	7.27%
2006	3.42%	(1.57%)	3.18%	1.91%	(0.05%)	0.36%	(0.11%)	1.91%	(0.92%)	1.75%	2.16%	(1.39%)	11.01%
2005	(0.28%)	2.91%	(0.47%)	(0.70%)	0.51%	2.91%	3.06%	0.74%	3.53%	(3.11%)	1.38%	3.12%	14.22%
2004	(0.13%)	0.05%	0.45%	(2.08%)	(0.29%)	1.57%	0.19%	0.89%	1.90%	0.42%	2.53%	0.88%	6.49%
2003	0.31%	0.04%	0.43%	0.64%	2.69%	0.21%	0.95%	2.77%	0.74%	1.87%	0.30%	2.44%	14.18%
2002	0.66%	1.38%	3.57%	(0.11%)	1.30%	(0.69%)	(1.41%)	0.41%	(0.47%)	1.82%	1.64%	1.69%	10.13%
2001	3.34%	(1.66%)	(2.98%)	6.11%	1.70%	0.01%	(0.64%)	0.35%	(1.57%)	1.54%	0.99%	3.91%	11.28%
2000	(3.19%)	(2.14%)	7.09%	(1.82%)	0.40%	(0.77%)	(2.02%)	11.39%	(1.41%)	0.39%	(2.70%)	5.72%	10.27%
1999	4.12%	0.36%	(0.77%)	12.42%	(3.41%)	1.54%	2.55%	3.05%	8.19%	(9.05%)	(2.00%)	(0.09%)	16.40%
1998	(6.97%)	(0.94%)	0.41%	(0.06%)	(8.72%)	(6.23%)	(4.86%)	8.08%	(4.80%)	1.60%	2.39%	3.08%	(16.91%)

Investment Objective - Hard Assets Portfolio Ltd.

The investment objective of Hard Assets Portfolio Ltd. is capital appreciation primarily through investments in hard asset securities and commodities. The term "hard asset securities" includes securities of companies that are directly or indirectly engaged in the exploration, development, production, servicing, or distribution of one or more of the following: (i) gas, petroleum, petrochemicals or other hydrocarbons; (ii) ferrous and non-ferrous metals; (iii) precious metals; (iv) forest products; (v) real estate and; (vi) other basic and agricultural commodities. "Hard asset commodities" or "commodities" includes traded products and commodities in the above areas.

Investment Strategy Overview - Hard Assets Portfolio Ltd.

Hard Assets Portfolio Ltd. uses three strategies to capitalize on opportunities in the hard assets area: long-short strategies; directional strategies; and volatility strategies.

1. Long-Short Strategies: Used to arbitrage various mis-pricings of hard asset securities and hard asset commodities.

2. Directional Strategies: Long or short investments in hard asset equities and commodities.

3. Volatility Strategies: Investments made to capitalize on cyclical increases and/or decreases in hard asset prices. This strategy is employed to take advantage of the volatile nature of underlying commodities and commodity driven equities.

The investment manager of Hard Assets Portfolio Ltd. – **Van Eck Absolute Return Advisors Corporation** – utilizes fundamental research designed to capitalize on mis-pricings and valuation discrepancies in hard asset securities and commodities. Hard Assets Portfolio Ltd. generally maintains low net exposure (typically 20% in pairs trades, 60% relative value trades and 20% in directional trades). The majority of positions are kept in equities and a minority in commodities. The positions are typically structured as equity/equity, equity/commodity and commodity/commodity.

Risk Management Strategy - Hard Assets Portfolio Ltd.

A rigorous risk management program that includes both position and portfolio level constraints is an integral part of the portfolio management process for Hard Assets Portfolio Ltd. Stop losses and position and sector maximums are used as risk controls. The risk controls suggest acceptable portfolio sector weightings and maximum equity security weightings. These weightings are based on liquidity, market depth and overnight market availability along with maximum daily price changes.

Robson Van Eck Hard Assets Fund - Fees and Expenses

	Series A Units	Series F Units
Management Fee	0.45%	0.45%
Broker Commission	1.00%	0.00%
Master Fund Management Fee	1.50%	1.50%
Master Fund Incentive Fee	20%	20.00%
Total Fees and Expenses	2.95 and 20%	1.95% and 20%

Note: Administrative fees and expenses associated with the ongoing operation of the fund have been capped at 0.50% per annum.

Notes on Fees and Expenses:

1. Equal to 1.50% of the value of the shares of the Master Fund held by the Fund.

2. Annual incentive fee calculated as 20% of the excess of net profits, attributable to the shares of the Master Fund each year, in excess of an annual, non-cumulative preferred return subject to a loss carry-forward provision. The preferred return is the lesser of 2.50% or the 90-day U.S. T-Bill rate.

Robson Capital Management Inc. - Contact Information:

Phone: 1-416-860-9090
 Address: 372 Bay Street, Suite 1700, Toronto, Ontario M5H 2W9
 Email: info@robsoncapital.com
 Web: www.robsoncapital.com

Note that the Robson Van Eck Hard Assets Fund invests substantially all of its assets in common shares of Hard Assets Portfolio Ltd. – a B.V.I. company (see Robson Van Eck Hard Assets Fund Offering Memorandum dated April 1, 2008). Returns reported on this Fact Sheet for Hard Assets Portfolio Ltd. are net of fees and expenses and do not include the deduction of the estimated fees and expenses of the Robson Van Eck Hard Asset Fund. Past returns are not an indication of future returns.

ROUNDTABLE

CAPITAL PARTNERS INC.

ROUNDTABLE FOCUSED EQUITY FUND (Canada)

Monthly Performance Net of all Fees

Data as of July 31, 2008

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008	-12.3%	4.5%	-1.6%	3.3%	5.3%	0.6%	-6.5%						-7.7%
2007	2.1%	1.3%	1.0%	3.4%	1.4%	-2.3%	0.6%	-5.4%	6.1%	6.1%	-7.6%	2.5%	8.7%
2006	—	—	—	—	—	2.4%	4.8%	0.4%	-4.9%	3.0%	3.5%	0.3%	9.6%

PRIMARY OBJECTIVE

The primary objective is to provide long-term growth through capital appreciation and income. The fund seeks North American investment opportunities, with a focus on Canadian equities (cash and equivalents balance will fluctuate and at times may be significant). Cash levels will be a function of Roundtable's ability to find attractive long and short investments rather than a deliberate top-down policy. Long positions within the Fund are concentrated in medium and large capitalization companies. The focus is on companies with high returns on capital employed and strong balance sheets that are trading below their intrinsic value. Short positions are taken in securities where Roundtable believes the trading prices to be substantially above intrinsic value where a near term catalyst can be identified.

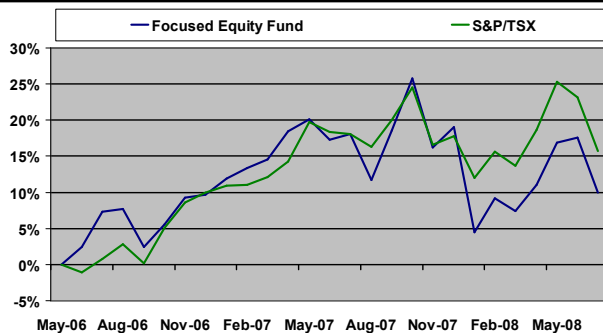
FUND INFORMATION

Cumulative Return:	9.9%
Annualized Return:	4.5%
Date of Inception:	June 1, 2006
Fund Assets:	C\$16,187,165
Management Fee:	1.25%
Performance Fee:	10% over hurdle (semi-annually)
Performance Hurdle:	5% net of fees (annualized)
Prime Broker:	Scotia Capital
Administrator:	SGGG Fund Services
Legal Counsel:	Fasken Martineau DuMoulin LLP
Auditor:	SGGG LLP
Lead Portfolio Manager:	Jim Allan, CFA, MBA
Minimum Initial Investment:	C\$500,000

RISK AND RETURN ANALYSIS

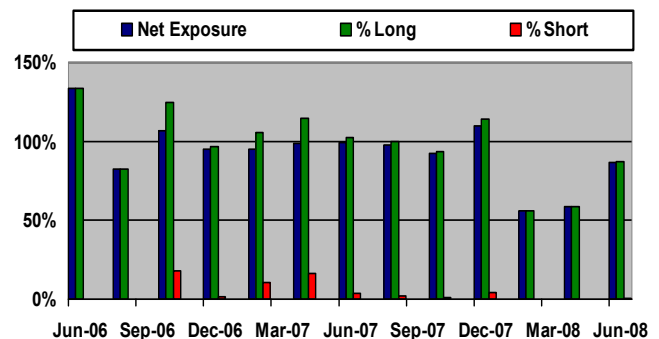
Average Monthly Return:	0.5%
Number of Positive Months:	19
Number of Negative Months:	7
Percentage of Positive Months:	76.0%
Best monthly return:	6.1%
Worst monthly return:	-12.3%
Best 12 month period:	22.6%
Worst 12 month period:	-10.4%
Maximum Drawdown:	-16.9%
Period of Drawdown:	Nov. 1, 2007 to Jan. 31, 2008
Net Exposure:	83.4%
Gross Exposure:	95.8%
Foreign Exposure:	2.7%

PERFORMANCE VS. INDEX (TSX)



The S&P/TSX index is provided for general comparative purposes only and does not reflect the risk profile of the fund.

NET EXPOSURE, LONG/ SHORT WEIGHTINGS



TOP 10 HOLDINGS (LONG)

1. Phoenix Technology Income Fund
2. Royal Bank of Canada
3. Toronto Dominion Bank
4. BCE Inc.
5. Trinidad Drilling Ltd.
6. Rogers Communications Inc.
7. Canadian Natural Resources Ltd.
8. Black Diamond Income Fund
9. H&R Real Estate Investment Trust
10. Research in Motion Ltd.

SECTOR ALLOCATION

1. Energy	34.1	0.0	
2. Materials	15.1	0.2	
3. Financials	18.1	5.0	
4. Telecom. Services	10.1	0.0	
5. Industrials	4.3	0.0	
6. Consumer Disc.	3.8	0.0	
7. Information Tech.	4.0	0.2	
8. Health Care	0.0	0.0	
9. Utilities	0.0	0.0	
10. Consumer Staples	0.0	0.7	
11. Market	89.5	6.1	

130 Adelaide Street West, Suite 2102
 Toronto, ON M5H 3P5 Canada
 416-306-9953 www.roundtablecapital.ca

ROUNDTABLE FOCUSED EQUITY FUND

Data as of July 31, 2008

ROUNDTABLE INVESTMENT MANAGEMENT TEAM

JAMES ALLAN, CFA, MBA - LEAD PORTFOLIO MANAGER



Jim is the lead portfolio manager of the Roundtable Funds and is responsible for the overall investment and trading decisions that affect mandates under Roundtable's direction. Prior to founding Roundtable, Jim was the Vice President of Portfolio Management at Thornmark Asset Management, a Toronto-based investment management firm. Jim's investment career also includes financial consulting with CIBC Wood Gundy and TD Evergreen, and commercial banking with Toronto-Dominion Bank.

CHRIS BERLET, CFA, BSc - PORTFOLIO MANAGER



Chris advises specifically on mining and metals securities. He is currently a Director of Columbia Metals Corp. Ltd. and has extensive experience in the mining and investment industries. He spent three years with the derivative and government bond desks of Paribas Capital Markets Group in London, England and worked as a Senior Analyst (Risk Monitoring) with HSBC Securities (Canada) Inc. in Toronto. He has worked in underground gold and copper mines in Canada and Australia, and open pit coal and nickel mines in Canada.

JONATHAN ROSS, BA - ASSOCIATE PORTFOLIO MANAGER



Jon is in charge of investment research at Roundtable, responsible for sector and stock specific reporting. Prior to joining Roundtable, Jon worked in investment banking at Raymond James (Canada), specializing in small cap financing with a focus on metals and mining. He also gained valuable experience in asset and wealth management having worked for both Thornmark Asset Management and CIBC, a major Canadian chartered bank. Jon is a Level III candidate in the Chartered Financial Analyst (CFA) program.

JULIE CROTHERS, MBA - RESEARCH ASSOCIATE



Julie's responsibilities include securities and sector research, portfolio management support, fund administration oversight and certain compliance functions. Prior to joining Roundtable, she worked with Scotia Capital as part of the Alternative Investment Desk, assisting in the due diligence process evaluating hedge funds. She also worked within the Private Wealth Management division of BMO Nesbitt Burns and for bond brokerage Cantor Fitzgerald. Julie is a Level II candidate in the Chartered Financial Analyst (CFA) program.

GEOFFREY SPIDLE, BA - INVESTMENT COUNSELLOR



Geoff is the liaison between Roundtable and its clients. He is responsible for developing and maintaining investment policy for accounts and for monitoring all fund administration for the Roundtable portfolios, along with managing all marketing and client communications. Prior to Roundtable, Geoff was Vice President of Business Development with Thornmark Asset Management and was a partner with two successful private equity ventures in Bermuda and Montreal.

BETA: A measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. A beta of 1 indicates that the security's price will move with the market. A beta less than 1 means that the security will be less volatile than the market. A beta greater than 1 indicates that the security's price will be more volatile than the market.

STANDARD DEVIATION: Standard Deviation is an annualized statistical measure of the dispersion of a fund's performance around its average. When a fund has a high standard deviation, its range of performance has been very wide, indicating that there is a greater potential for volatility and potentially higher risk. By definition, approximately 67% of the time, the total returns of any given fund are expected to differ from its mean total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total returns should be within a range of plus or minus two times the standard deviation from its mean. These ranges assume that a fund's returns fall in a typical bell-shaped distribution.

SHARP MEASURE: The Sharpe ratio is a risk-adjusted measure developed by Nobel Laureate William F. Sharpe. It is calculated using standard deviation and excess return to determine reward per unit of risk. First, the monthly return of the 91-day Treasury bill is subtracted from the fund's periodic returns over the measurement period (36, 60, 120 or 180 months). The difference in total return represents the fund's excess return beyond that of the 91-day Treasury bill, a risk-free investment. The arithmetic average of the excess returns is then calculated. To show a relationship between excess return and risk, this number is then divided by the standard deviation of the fund's periodic excess returns, which results in the periodic Sharpe ratio. The periodic Sharpe ratio is then annualized. The higher the Sharpe ratio, the better the fund's historical risk-adjusted performance.

GROSS EXPOSURE: Gross exposure is a calculation designed to express the total exposure of a portfolio invested in the market including all long and short holdings showing total leverage. It is calculated by adding total long positions with total short positions and dividing by net asset value.

NET EXPOSURE: Net exposure is a calculation designed to express net long positions as it relates to the capital invested. It is calculated by subtracting the value of short positions from the value of long positions and dividing by capital invested.

DISCLAIMER: Important information about the Roundtable Funds is contained in the Offering Memorandum which should be read carefully before investing. You can obtain an offering memorandum from Roundtable Capital Partners Inc. The Offering Memorandum for Roundtable Capital Partners Inc.'s Funds does not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The indicated rates of return are the historical annual compounded total returns for the period indicated, including changes in security value and the reinvestment of all distributions and do not take into account income taxes payable that would have reduced returns. The funds are not guaranteed; their values change frequently and past performance may not be repeated. All performance data contained herein represents past performance. Past performance is no guarantee of future results.

Objective and Strategy

The Fund's objective is to achieve strong absolute returns with low correlation to traditional and alternative asset classes. Suitable investors have a long-term horizon and a willingness to accept short-term volatility.

Our systematic global macro strategy is designed to realize gains from price trends in global markets including currency, energy, agricultural, interest rate, metal and equity markets. The Fund systematically responds to market prices, volatility, portfolio risk and select external data by entering, exiting and re-sizing positions within its universe of markets.

Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	11.76%	12.10%	3.98%	-2.38%	-3.21%	7.08%	2.12% ^e						34.60% ^e
2007	2.10%	-4.43%	-4.28%	4.21%	1.33%	2.50%	-4.35%	1.85%	12.07%	1.44%	6.73%	-0.44%	18.97%
2006	8.46%	0.27%	7.04%	3.78%	-5.78%	-4.32%	-13.80%	-0.86%	2.94%	4.80%	3.33%	3.03%	6.89%
2005							2.39%	4.17%	1.59%	-7.02%	6.98%	7.09%	15.42%

Statistics

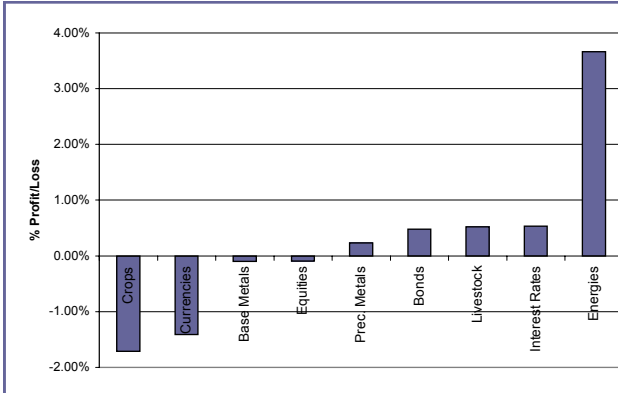
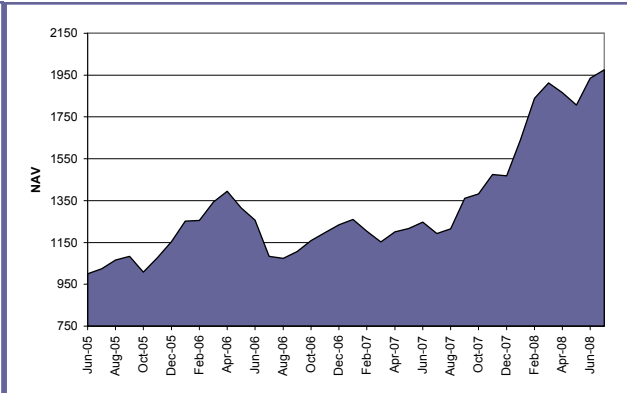
Compound Return	24.71%
12 Month Return	65.60%
Avg Monthly Gain	4.81%
Avg Monthly Loss	-4.62%
Annualized Std. Dev	19.24%
Max Drawdown	-22.96%
Winning Months	70.27%
Approx Roundturns	2000

Drawdown Analysis

Depth	Length	Recovery	Peak	Valley
-22.96%	4	15	Apr-06	Aug-06
-7.02%	1	2	Sep-05	Oct-05
-5.51%	2	1	Mar-08	May-08
-0.44%	1	1	Nov-07	Dec-07

Fund Information

Strategy	Global Macro/Managed Futures
Firm Assets	\$963 million USD
Fund Assets	\$22 million USD
Minimum Investment	\$1,000,000 USD
Fees	2% & 20%
Manager	Jason Russell, CFA
FCM/Prime Broker	Goldman Sachs
Auditor	KPMG
Administrator	HSBC

Sector Performance

Fund Performance

Current Sector Exposure

Base Metals	-
Bonds	↑↑
Crops	↑↑
Currencies (USD)	↓↓
Energies	↓↓
Equities	↓↓
Interest Rates	↑↑
Livestock	↓↓
Precious Metals	↑↑
LONG =	↑
SHORT =	↓
MIXED =	→
OUT =	-

Commentary

The BTR Global Macro Fund gained an estimated 2.12% in July. The compound annual rate of return since inception is now 24.71%.

The largest gains for the month came from the Energy sector which experienced considerable reversals throughout the sector. Risk management and the shorter term systems worked together to reduce the long-side risk while taking advantage of the short-side opportunity. As of the end of the month, reduced short positions remain on in this sector.

Crops also experienced a dramatic turnaround in July. In this case, the long positions were simply eliminated at a loss early on in the month. Currently, the sector is virtually flat with minimum exposure in the portfolio.

Currency markets continued to churn with a small bias towards a stronger Dollar. Thus, small losses were accrued throughout the month in this sector. Exposure is also very low with only a small long Mexican Peso position on.

In equities, there were violent moves between sectors but many of the indices themselves ended the month relatively flat. The contribution this month from equities was also flat. The positions themselves have been reduced greatly.

Bonds, Interest Rates, Livestock and Precious Metals all made positive contributions to the portfolio return this month.

Finally, as you may gather from the comments above, overall exposure is currently very low. However, opportunity in many of the markets we follow remains high.

Contact Information:

Jason Russell, CFA
416-849-2596

jrussell@salidacapital.com

Salida Capital Corp
2 Bloor St. W, Suite 2700
Toronto, ON M4W 3E2
www.salidacapital.com

Susan Rumble, Client Services
416-849-2541

srumble@salidacapital.com

Be assured that the trading system used by the BTR Global Macro Fund will continually evolve which may result in higher or lower returns.

The BTR Global Macro Fund is managed by Salida Trading LP, an affiliate of Salida Capital Corp.

The above returns are net of management fees and performance fees but do not take into account other fees that may apply such as early redemption fees.

Although care is taken in arriving at estimates (e), estimates may vary substantially from the final number posted for a month/year - investors should not rely on estimates for investment decisions.

Please review the applicable offering memorandum for detailed descriptions of strategies, objectives and risk factors. The above is provided for informational purposes only and is qualified in its entirety by the relevant offering memorandum, which is only available to qualified investors.

Pursuant to an exemption from the Commodity Futures Trading Commission in connection with pools whose participants are limited to qualified eligible persons, an offering memorandum for this pool is not required to be, and has not been, filed with the Commission. The Commodity Futures Trading Commission does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering memorandum. Consequently, the Commodity Futures Trading Commission has not reviewed or approved the offering of the Fund or any offering memorandum for this pool.



Selective Asset Management Inc.

Selective Asset Management Inc.'s Long-Biased Equity Hedge Fund offers investors the ability to build long-term wealth without having to worry about market volatility.

The investment objective of the Fund is to achieve better absolute returns and a higher frequency of out-performance compared to North American equity indices through the active purchase and sale or shorting of a portfolio consisting primarily of equities with strong fundamentals.

The Fund's flexibility allows portfolio manager Robert McWhirter and his team to move into and out of cash when required, as well as go up to 50% short when markets are heading lower.

Disciplined approach combines quantitative and fundamental attributes

The goal is to build wealth for clients, and to do that McWhirter focuses on investing in companies with positive and improving fundamentals. Using a disciplined approach supported by a quantitative model covering ALL sectors, investment decisions are primarily based on a growth at a reasonable price management style that seeks to identify undervalued growth stocks.

Using this approach, analysts' earnings estimate revisions, stock price performance and technical analysis are balanced by asset growth factors such as return on equity, value criteria and earnings variability factors.

In addition, McWhirter adds 'shoe leather' to the process. He and his team meet, on average, with two companies a day to identify companies and sectors with strong growth prospects.

The Fund's flexibility allows portfolio manager Robert McWhirter and his team to move into and out of cash when required

The minimum subscription amount is \$150,000 unless the investor is "accredited" under National Instrument 45-106 Prospectus and Registration Exemptions. An accredited investor may invest a minimum of \$25,000. The Fund is available to investors who reside in Alberta, British Columbia, Nova Scotia, Ontario and Quebec. Funds are required to remain invested for a year.

Selective Asset is registered with FundSERV.

For a more detailed description, or to register for an Offering Memorandum, please visit:

www.selectiveasset.com



Robert J. McWhirter, F.C.S.I., CFA
President and Portfolio Manager

Robert J. McWhirter, F.C.S.I., CFA, President and Portfolio Manager of Selective Asset Management Inc. ("SAMI"), has more than 30 years in the securities industry and is a top-ranked money manager in Canada.

Funds managed by McWhirter are ranked with high ratings from Fundata.com, Globefund.com and Morningstar.ca. McWhirter also manages the Northwest Specialty Innovations Fund, which was awarded the Science and Technology Equity Fund of the Year in Canada in 2004, 2005 and 2006 by the Canadian Investment Awards. In addition, he manages mutual funds for NexGen Financial including: NexGen Canadian Dividend and Income, NexGen Canadian Growth, NexGen North American Value, NexGen North American Small/Mid Cap and NexGen Canadian Growth and Income.

Prior to establishing SAMI, McWhirter was VP and Portfolio Manager at First Asset Investment Management Inc. and RBC Global Investment Management Inc., where he worked for more than 20 years, including predecessor firm, RBC Dominion Securities Investment Management. McWhirter managed approximately \$2.25 billion in the Canadian High-Technology sector of the Royal Bank's Canadian Equity Mutual Funds.

McWhirter is a holder of the Chartered Financial Analyst designation (CFA) and is a Fellow of the Canadian Securities Institute (FCSI). He has a diploma in Business Marketing and Logistics.

He is also a member of the Canadian Society of Technical Analysts, and the Toronto CFA Society.

McWhirter provides regular market commentary for BNN TV and has been featured in The Globe and Mail (Report on Business, and Report on Business Magazine), The Financial Post, Les Affaires, Canadian Business, Investment Executive, Bloomberg, Dow Jones, Reuters, and other industry-related media.



Member of AIMA Canada



Selective Asset Management Inc.

111 Richmond Street West, Suite 906
Toronto, ON M5H 2G4
T: 416-640-4237 F: 416-640-4233
www.selectiveasset.com



Tower Hedge Fund L.P.

Investment Manager: Mark L. Maxwell CFA, Tower Asset Management Inc.

Mark has 20 years experience in the investment industry, first, becoming a top-ranked analyst of the Canadian financial services with Gordon Capital and CIBC World Markets. In 1999, Mark along with a small team, founded Georgian Capital Partners which had grown to \$4.6 billion by 2002 and was then sold to the AIC Group of Funds. At that point Mark founded Tower Asset Management, registered as an IC/PM with the Ontario Securities Commission and launched Tower Hedge Fund. The firm now has 3 hedge funds, two of which are RSP eligible.

Objective of the Fund

- To achieve an absolute (“positive”) return each year by investing in securities that capture market volatility and time decay.

Investment Strategy of the Fund

- The Fund is a “managed options and managed futures” fund that takes direct, offsetting, hedging positions with an intense focus on risk mitigation
 - Strict adherence to mathematical analysis of historical trading relationships to determine which positions are to be taken, with the goal of taking positions that will be profitable 95% of the time
 - Market neutral positioning – equal and offsetting positions are taken coincidentally
 - Short term risk is preferred – attempt to liquidate every position within one month
 - Use broadly diversified and liquid markets – very little single-name exposure
 - Constantly research / refine / develop strategies that incorporate the core principles of the investment strategy.

Investment Terms (FundServ # TWR 120)

- | | |
|--|--|
| <ul style="list-style-type: none"> • Qualified investors only • US \$ Fund • Minimum Investment: US\$100,000 • Deposits & Withdrawals: Monthly | <ul style="list-style-type: none"> • Independent Valuation on Month-End • Audited Annual Financial Statements • Management Fee: 2.4% • Performance Fee: 25% w/ HWM |
|--|--|

Tower Hedge Fund, Series A – NAV: US\$11.0007 (July 31, 2008)

	1 Mo.	3 Mo.	6 Mo.	12 Mo.	YTD			
Tower Hedge Fund	5.6%	4.2%	43.3%	32.3%				
S&P 500	-1.0%	-8.5%	-8.1%	-12.9%				
	2002	2003	2004	2005	2006	2007	2008	Cum
Tower Hedge Fund	28.2%	28.3%	23.2%	18.3%	-39.8%	20.2%	10.9%	92.5%
S&P 500	-12.7%	26.4%	9.0%	3.0%	13.6%	3.5%	-13.7%	25.8%

August 2008



Turtle Creek Equity Fund

Turtle Creek Asset Management
4 King St. West, Suite 1300
Toronto, ON M5H 1B6

Tel: 416-363-7400
Fax: 416-363-7511
Email: info@turtlecreek.ca

Fund Description

Turtle Creek Equity Fund (the "Fund") seeks to provide long term capital growth by primarily investing in the equity of non-resource Canadian public companies. The Manager's investment philosophy has been developed in connection with another fund that it manages (the "Original Fund") that is held by the directors and officers of the Manager and by other individuals known to them. **The Fund has been formed to allow investors to participate in the investment philosophy utilized in connection with the public company component of the Original Fund's portfolio.**

Investment Highlights

Manager with Unique Background and Experience

- Collectively, the three officers of the Manager have 30 years of private equity and public market investing experience and 22 years of investment banking experience. In aggregate, they have filled 15 positions as directors on the boards of 13 different public and private companies.
- The officers of the Manager are successful private equity investors having invested and managed a \$300 million portfolio that generated strong positive returns that rank well into the top quartile of North American private equity funds.
- The officers of the Manager are successful investors in the public market with the Original Fund having generated a compound annual return in excess of 25% over its ten year life.

Private Equity Approach to Public Market Investing

- Investment decisions are driven by the Manager's views of each company's intrinsic value, which in turn is based upon an assessment of each company's future cash flows.
- The Manager is willing to own more or less of each portfolio company as the price of each company falls and rises.

Turtle Creek's Approach to Managing Risk

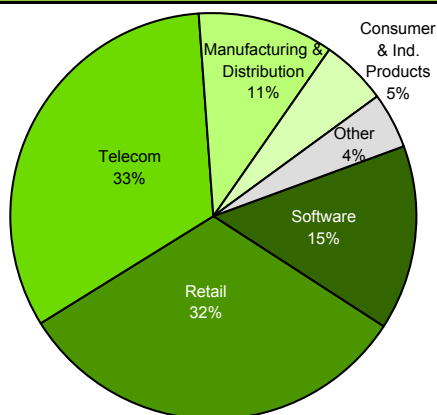
We do not view share price volatility as the correct way to measure and manage risk. For us risk is the probability and magnitude that the actual value of our portfolio turns out to be lower, in aggregate, than the price we paid, adjusted for the time value of money.

Our background and approach allow us to have a superior understanding of a company's intrinsic value. We spend a considerable amount of time trying to determine, for each of our investments, a potential range of intrinsic values based on cashflow projections stretching out over many years into the future. We rely on our extensive background in private equity to understand the risks and opportunities each company faces.

We have a constant 'price to value' discipline wherein we reduce each holding as its price rises toward value and increase each holding as its price falls further below value. This discipline is crucial since a portfolio of quality common equities is extremely unlikely to lose all of its value, or even be down, in the long term. Instead, the risk is that of poor investment performance over extended periods. Our price discipline mitigates this risk in comparison with a broader portfolio or the market as a whole.

We understand and manage financial leverage to target an unlevered portfolio of reasonably and prudently capitalized investments. We have a policy and practice of holding cash at the Fund against companies that have debt that is in excess of reasonable and prudent senior debt levels; and holding debt at the Fund against companies that have debt that is below reasonable and prudent senior debt levels.

Sector Overview of the Fund



Fund Information

RRSP/RIF Eligible	Yes, 100%	
Performance Allocation	20% of positive returns	
High Water Mark	Yes (no reset)	
Minimum Initial Subscription (accredited investors)	\$25,000	
Contributions	Monthly	
Redemptions	Monthly with 5 business days notice	
Early Redemption Penalty	5% if within 90 days of purchase	
Valuations	Monthly	
	Class A	Class F
FundSERV Symbol	TUR150	TUR160
Base Management Fee	1%	0%
Additional Management Fee (10% hurdle)	1%	1%
Trailer available to advisors	Yes	No

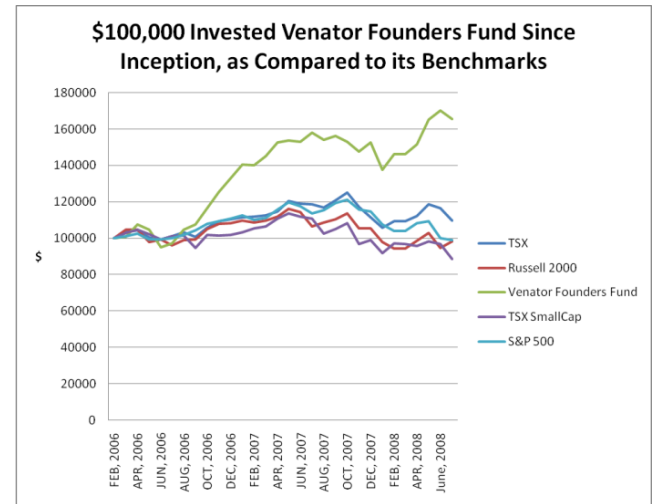
Venator Founders Fund

The Venator Founders Fund is a long/short investment fund structured to capitalize on exceptional investment opportunities in the capital markets. The Fund focuses on business fundamentals, with a philosophy that great investment opportunities can make money in any market environment. These include high growth companies as yet undiscovered (or unappreciated) by the market, as well as out-of-favor companies trading at low valuations that do not reflect “hidden assets”, intermediate business prospects, reversing fortunes or changing managerial philosophies. We incorporate proprietary screening tools to uncover potential opportunities, followed by fundamental due diligence to separate the great opportunities from those that just “look good on paper”.

As a result, the investment mandate is largely focused on the industrial sector, and is not significantly weighted to speculative areas. We believe that our low level of exposure to financial and resource companies makes the Fund a good diversification tool for Canadian investors.

About the Team:

Brandon Osten, CFA: Brandon was a Research Analyst and Director of Sprott Securities Inc. (now Cormark Securities Inc.) prior to founding Venator Capital Management. He was the top-ranked software analyst in Canada among non-tier 1 banks (2001), a Zacks all star (2001, 2002), “Best on the Street” by the Wall Street Journal (2003), and most recently the winner of the 2007 Financial Post Challenge.



Stephen Andersons, CFA: Stephen has been in the investment industry since 1994 in various capacities including trading, analyst and management roles. Most recently, Stephen was the Co-Head of Research and a Director at Cormark Securities where he gained extensive experience as a Research Analyst following Healthcare, Aerospace and Special Situations. He was ranked as the top technology hardware analyst by StarMine (2002).

JoAnne Halpern, MBA: JoAnne joined Venator Capital Management Ltd. in July 2007 as Head of Institutional Sales, with her role encompassing sales, marketing, client relations, and operations. JoAnne attained her MBA (Schulich) in 2001, while still immersed in her career as a Mathematics educator (B.A. Math, Guelph 1996, B.Ed York, 1998). JoAnne taught for 10 years, at all grade levels (including post-secondary).

VENATOR FOUNDERS FUND PERFORMANCE

	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YTD
2006			0.9%	6.7%	-2.8%	-9.2%	2.4%	7.4%	2.9%	8.4%	7.5%	6.1%	33.2%*
2007	5.5%	-0.1%	3.5%	5.2%	0.6%	-0.3%	3.3%	-2.7%	1.3%	-2.0%	-3.3%	3.4%	14.8%
2008	-9.8%	6.4%	-5.6%	9.6%	9.7%	2.4%	-2.7%						8.4%

*The fund was launched on March 1, 2006. Therefore 2006 YTD only represents 10 months of performance.

This is intended for informational purposes and should not be construed as a solicitation for investment in any of Venator’s Funds. Currently, Venator’s Funds are open to Accredited Investors only (as interpreted by Provincial Authorities). Past performance should not be taken as an indicator of future performance. The Venator Founders Fund should be purchased only by investors with a medium-to-high risk tolerance who are seeking long-term capital gains.



Voltan Capital Management, LLC

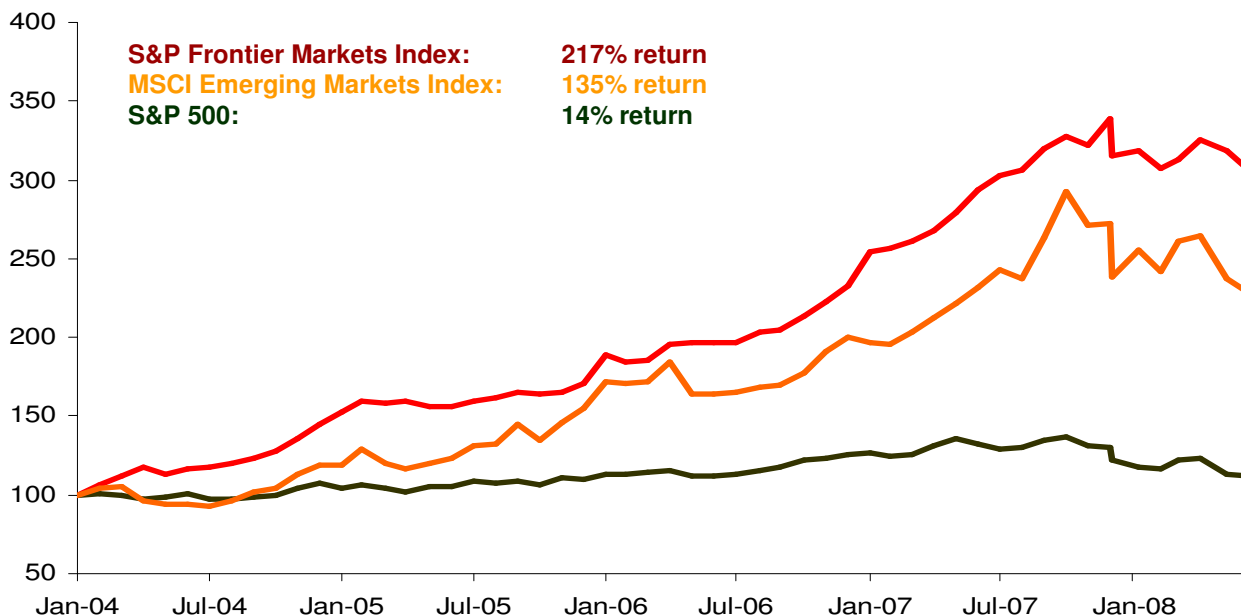
Voltan Frontier Markets Fund, Ltd.

20 East 46th Street, New York, NY 10017 Telephone: 646.710.3478 E-mail: info@voltancapital.com

Fund Description

Voltan Frontier Markets Fund, Ltd. invests in listed securities throughout Africa, the Middle East, the Former Soviet Union, Asia and Latin America. The Fund's strategy is fundamental, combining top-down country selection with intensive bottom-up company analysis. With its universe of over 60 countries, Voltan endeavours to construct a portfolio with low intra-security correlations, tapping the upside potential of frontier markets while minimizing overall volatility. In addition, the Fund's holdings comprise primarily domestic sectors to minimize correlations with external markets. As one of the first pure frontier markets funds, Voltan benefits from a critical first-mover advantage as mainstream capital continues to seek higher-return opportunities in frontier countries. Voltan also offers a frontier real estate fund focused on residential and commercial development. Alison Graham, Voltan's CIO and lead portfolio manager, has over fifteen years' experience in emerging markets finance. She travels extensively throughout the frontier markets in search of undiscovered companies with excellent earnings potential at inexpensive valuations. Ms. Graham is a Chartered Financial Analyst, holds a Master's degree from the University of California at Berkeley and is fluent in six languages.

Index Performance



Fund performance data will be available beginning in October 2008.

Portfolio

Serbia	Banking	Malawi	Consumer
Montenegro	Banking	Senegal	Telecom
Bosnia	Telecom	Ghana	Consumer
Croatia	Industry	Zimbabwe	Industry
Macedonia	Consumer	Uganda	Banking
Georgia	Banking	Namibia	Consumer
Oman	Industry	Jamaica	Insurance
Bahrain	Consumer	Uruguay	Industry
Kuwait	Industry	Bangladesh	Consumer
Iraq	Banking		

Fund Terms

Inception	August 2008
Domicile	Bermuda
Minimum Investment	US\$1 million
Lock-Up	One to five years
Management Fee	1.6-2.5% based on lock-up
Performance Fee	Graded scale
Subscriptions	Monthly
Redemptions	Annual
Pricing	Monthly

This data sheet is for informational purposes only and does not constitute an offer of shares in Voltan Frontier Markets Fund, Ltd., which may be offered only through its Offering Memorandum. Index returns are not indicative of future fund returns. There are substantial risks to investing in frontier markets.



WEBB ASSET MANAGEMENT

Canadian Performance Fund

July, 2008

SYSTEMATIC, PROVEN & RELIABLE

Process

We screen a database of over 3,000 securities. Those with adequate liquidity are tested and ranked according to their earnings characteristics. Specifically, we look for the rate of change in reported earnings and reported earnings in relation to expected earnings. The securities are further screened for strong fundamentals and attractive technical indicators. The securities that best pass these tests are selected as long positions for the Fund. Those companies that screen the worst are selected as short positions for the Fund. Each position in the portfolio, long or short, is monitored on a continuous basis. Should any security no longer meet our investment criteria, the position is sold or covered accordingly.

Commentary

July was a very tough month with the S&P/TSX falling 6%. The decline was driven by a 32% decline in natural gas prices and a 13% decline in oil prices. Of the 19 commodities in the CRB Index, 16 had negative returns for the month. This caused massive declines in all commodity stocks.

Our model was down 11.9% for the month, but the Fund was down 8.6%. Though we follow a systematic screening model to pick stocks, we follow technicals to manage risk. Similar to flying from Toronto to Vancouver, GPS and computers fly the plane most of the time; however, they still have two pilots ready to take the wheel in extreme circumstances. We started to lighten up on our energy positions when oil broke its technical up-trend at approximately \$132 per barrel. Given the technical break down in oil, we searched for other names that would benefit from a decline in energy prices. We sold approximately 20% of our energy exposure and rotated those funds into technology and industrial names in the US. This accounts for the better results versus the model.

As to be expected, the Fund made great returns on the short side in names like: Quebecor (30%), HudBay Minerals (30%), Uranium One (30%), Cascades (20%) and Couche Tard (20%). With the model 70% net long and overweight commodity stocks, the shorts could add only so much value.

Currently, we are still 20% long energy stocks and 33% long agricultural, steel and coal stocks. Earnings momentum is still best in these areas and stocks are very over-sold. Any rebound in commodity prices will send these stocks rapidly higher. Though financials have had a nice bounce, their earnings are still decelerating and the write-downs continue to increase. We are neither long nor short financials.

Performance Statistics

Total Returns (%)

1 month	-8.59
3 months	-5.34
6 months	-1.15
YTD	-5.84
12 months	0.51
2 Years Annualized	8.24

Top 5 Fund Positions (July 31, 2008)

Long

- 1 Potash
- 2 Mosaic
- 3 Vero Energy
- 4 Agrium
- 5 Flir Systems

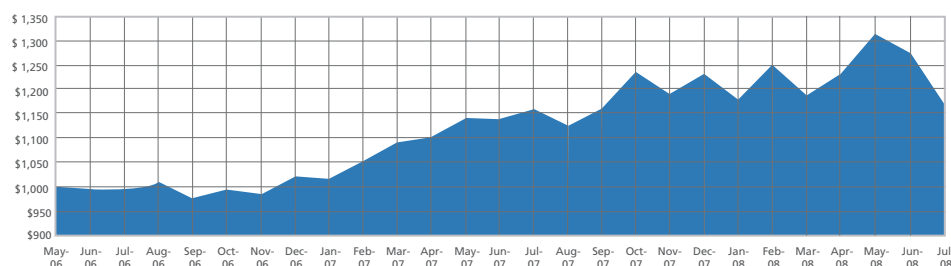
Short

- 1 Dundee Corp
- 2 Dundee Wealth
- 3 Maple Leaf Foods
- 4 Canadian Pacific Railway
- 5 Great Canadian Gaming

Sectors	Long (%)	Short (%)	Net (%)
Energy	24.3	2.4	21.9
Materials	43.0	9.9	33.1
Industrials	22.5	3.5	19.0
Consumer	14.7	10.3	4.4
Health Care	2.3	1.7	0.6
Financials	5.9	4.5	1.4
Technology	16.0	0.0	16.0
Telecom	4.1	0.0	4.1
Utilities	0.0	0.0	0.0
Total	132.8	32.3	100.5

Disclaimer: Commissions, trailing commissions, management fees and expenses all may be associated with the Fund. The investment may not be suitable for all investors. Some conditions apply. Investors should carefully review the Fund's Offering Memorandum, including the risk factors detailed therein under the heading "Risk Factors", prior to investing in the Fund. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. There can be no assurance that the Fund objectives will be met. The Fund is not guaranteed, its value changes frequently and past performance may not be repeated. The opinions expressed in the commentary are those of the author and do not necessarily reflect the views and opinions of the Manager or any distributor of the Manager Funds. The views expressed are of a general nature should not be interpreted as investment advice to you in any way. Please consult a qualified financial advisor before making an investment decision. The portfolio manager/advisor/sub-advisor has a direct interest in the management and performance fees of the Fund, and may, at any given time, have a direct interest in the Fund itself.

Growth of \$1000



Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008	-4.75	6.31	-5.70	4.18	6.49	-2.75	-8.59						-5.84
2007	-0.53	4.71	2.91	1.36	3.33	-0.72	2.36	-2.71	2.69	7.71	-4.43	3.80	21.77
2006						-0.77	0.13	1.02	-3.44	2.68	-1.67	3.75	1.52

Webb Asset Management Canada, Inc.

Phone (416) 646 0975 Toll Free (866) 611 9590 Fax (416) 777 5181 | 920 – 26 Wellington St. E Toronto, Ontario M5E 1S2 | info@WAMfunds.com www.WAMfunds.com

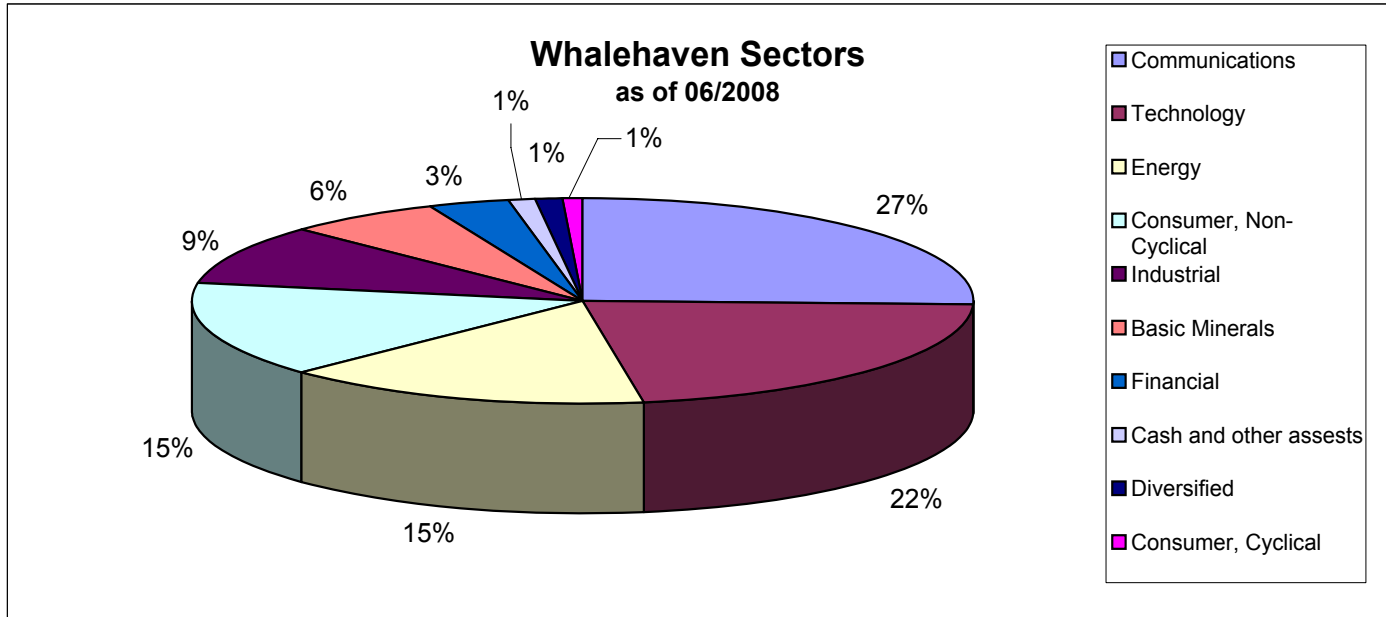


Whalehaven Group of Funds

August 18, 2008

Portfolio Manager's Monthly Comments

Special Situations Fund



Annual Net Returns						
	2003	2004	2005	2006	2007	2008
Whalehaven Capital LP		134.20%	41.01%	18.81%	15.76%	-7.54%
Whalehaven Fund Ltd.	35.1%	86.20%	38.39%	18.14%	17.57%	-7.14%
S&P500 Total Return Index	28.7%	10.88%	4.91%	15.79%	5.49%	-12.65%

Monthly Net Returns													
	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Whalehaven Capital LP													
2004							26.2%	54.02%	0.5%	-10.21%	9.0%	22.6%	134.20%
2005	-6.66%	-1.24%	7.77%	-5.010%	6.450%	11.7%	7.9%	4.91%	4.2%	-0.2%	4.9%	1.5%	41.01%
2006	7.12%	6.37%	5.62%	0.230%	-3.480%	0.13%	-2.15%	0.28%	0.10%	0.95%	1.29%	1.59%	18.81%
2007	3.067%	0.531%	0.285%	0.977%	-0.182%	1.169%	-0.862%	0.461%	5.705%	2.823%	-1.033%	1.984%	15.76%
2008	-1.764%	0.325%	-1.609%	2.965%	-0.532%	-4.285%	-2.738%						-7.54%

Whalehaven Fund Ltd.													
	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2003											9.0%	23.9%	35.10%
2004	17.75%	1.4%	11.8%	2.354%	10.038%	-7.4%	6.1%	3.52%	-1.0%	-8.44%	11.3%	20.7%	86.20%
2005	-4.87%	-0.94%	6.72%	-6.460%	6.400%	11.35%	7.66%	4.96%	3.62%	-0.53%	4.62%	1.89%	38.39%
2006	6.20%	6.41%	5.95%	0.260%	-3.740%	-0.12%	-2.07%	0.06%	0.10%	1.01%	1.43%	1.98%	18.14%
2007	3.077%	0.787%	0.472%	0.974%	0.363%	1.040%	-0.796%	0.489%	6.091%	3.002%	-0.942%	1.939%	17.57%
2008	-1.731%	0.678%	-1.496%	2.761%	-0.478%	-4.375%	-2.563%						-7.14%

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Whalehaven Group of Funds

Fund Highlights

- > Hedge Fund Style: Alternative / Event Driven / Hedged Strategy
- > Mission: Generate superior investment returns for its investors. Absolute return oriented.
- > Investment Category: Special situation investments, private structured investments in publicly traded companies in Canada and the US.
- > Securities: Collateralized Investments, convertible debt, secondaries, shelf offerings, common and preferred stock; all with long dated warrants.
- > Strategy: Structured and negotiated value and growth investments. High "alpha" generation.
- > Leverage: None utilized except standard margin requirements.
- > Investment Entities:
 - Whalehaven Fund Ltd. launched November 2003 for non-U.S. investors only.
 - Whalehaven Capital L.P. launched July 2004 for U.S. investors only.
- > Assets Under Management: \$82 million
- > Investment Managers have experience in locating, analyzing, structuring and managing investments.

Investment Strategy

Whalehaven is a hedge fund focused on generating superior investment returns for its investors primarily by making special situation investments in public companies.

Whalehaven invests primarily in directly negotiated structured transactions in the following forms: convertible debt and preferreds, shelf offerings, and secondary issues. These normally include common stock, convertible notes, convertible preferred stock; all with long dated warrants. The investment strategy is based on a structured private placement purchase of securities at a discount to the stock price at which it trades in the market. Whalehaven's returns are based on locking in the discount spread in the short term and being positioned for significant upside potential by obtaining favorable warrant positions.

The fund managers align their interests with those of its investors as they are paid on the basis of absolute performance and maintain the highest standards of business integrity and administrative competence. They also have a large percentage of their own personal assets in the fund. The fund managers are well versed in risk management and compliance with securities rules and regulations.

Terms

Minimum Investment:	\$500,000, subject to reduction at the discretion of the Investment Manager
Redemptions:	Requires 9 month hold, redemption on 90 days notice
Management Fee:	0.15% monthly
Performance Fee:	20% Annually - Subject to high-water mark

Structure

Administrators:	Consolidated Fund Management, PO Box HM2257, Hamilton HM JX, Bermuda
Custodian:	JP Morgan Chase, Oppenheimer & Co. Inc.
Auditor:	BDO Dunwoody
U.S. Counsel:	Kirkpatrick & Lockhart Nicholson Graham LLP
Bermuda Counsel:	Wakefield Quinn (Bermuda)
Investment Manager	FWS Capital Ltd. - Portfolio Manager, Michael Finkelstein, C.A.
Contact:	Eric Weisblum (ph: 201-408-5123 email: eric@whalehavencapital.com)

Continued from page 25

Appeal of 130/30 funds swells

Date: Tuesday, August 26, 2008

Author: Jeff Benjamin, Investment News.com

The wild popularity of 130/30 funds notwithstanding, recent analysis of the unique long-short strategy suggests that advisers would be wise to check under the hood for a closer look at the portfolio and not just jump in to the latest marketing craze.

"Some of these strategies are taking on a lot of risk for the returns they're generating," said Steve Deutsch, director of separate and collective trusts at Morningstar Inc. of Chicago.

According to Mr. Deutsch, a growing appetite for alternatives to plain-vanilla long-only investment strategies has fueled a stampede into the space by the financial services industry.

A recent forecast has projected that assets in the strategy, also known as short-extension and leveraged-net-long, will swell from around \$100 billion today to \$2 trillion by 2010, according to research from the Tabb Group LLC of New York.

There are already 90 money management firms offering more than 200 products applying the short-extension strategy, according to Morningstar Inc. of Chicago. The strategy is being applied to mutual funds, hedge funds, exchange traded notes, exchange traded funds, separately managed accounts and collective trusts for both individual and institutional investors.

For financial advisers and their clients, the challenge will be sifting through the heap of new products that all claim to have mastered the balance of leverage and short selling inside a single portfolio.

"It seems like the 130/30 name has become the latest buzzword and it is becoming a stamp of approval," said Tom Samuels, manager of a long-short strategy at Palantir Capital Management Ltd. in Houston.

The basic strategy, which has been building momentum for almost five years, is a twist on the long-short hedge fund strategy that has been around for more than 50 years.

The idea behind a short-extension strategy is to short-sell a percentage of a portfolio and apply the same percentage to leverage on the long side, thus maintaining a 100% net long exposure.

Applied to an index such as the Standard & Poor's 500 stock index, the strategy would enable a manager to sell short those stocks he least favored while leveraging long his favorite stocks in the index.

In theory, the strategy, which can be applied to both stock and bond portfolios, is expected to outperform a designated benchmark on a risk-adjusted basis.

In practice, however, the strategy demonstrates that traditional long-only money managers don't always excel at selling stocks short.

A key element of the strategy is to reduce risk, as measured by beta, in comparison with a designated benchmark. In analyzing the returns of 40 different 130/30 strategies over the 12-month period through June 30, Mr. Deutsch found a beta range from 3.5 to a negative 1.25. A beta of 1 is considered to be subject to risk equal to that of the benchmark.

Mr. Deutsch found that 29 strategies were below that mark and 11 were above the benchmark beta.

In analyzing the respective portfolios, he found that managers were using a wide range of strategies and

in some cases taking on additional risk to increase performance.

"In some cases, investors are probably getting more risk or less return than they bargained for," Mr. Deutsch said, though he added that most investors only focus on return.

Keeping the portfolio's beta in line with the benchmark is at the foundation of making the strategy work, according to Harindra de Silva, president of Analytic Investors Inc., a Los Angeles-based money management firm that is often credited with developing the short-extension strategy.

The firm manages \$11.5 billion.

The fact that some money managers are now migrating toward ratios of 140/40 and even 150/50 doesn't bother Mr. del Silva, who insists that the ratios are irrelevant as long as the beta is held close to 1.

TRACKING ERROR, RISK

"The ratio will vary over time, but we say, 'just focus on the tracking error and the risk and don't worry about the ratios,'" he said.

Risk, however, can be amplified, depending on the short-selling expertise of each money manager. "A lot of people starting these strategies don't realize that when you short something and are wrong, that position just gets larger," Mr. del Silva said.

Meanwhile, the market continues to move in the direction of 130/30 strategies, with growing supply meeting growing demand.

"We see a lot of traditional money management firms launching 130/30 strategies and we see these funds grabbing a larger share of the long-only assets already under management," said Adam Sussman, director of research at Tabb Group.

However, Mr. Deutsch is among those who worry that the strategy is becoming an investment fad tied largely to an interesting label.

"We think the 130/30 strategy is just the latest in a long line of products that have grown due primarily to competition," he said.

Hedge fund assets climb 4% in second quarter: HFN

Date: Tuesday, August 19, 2008

Author: James Langton, Investment Executive

Total hedge fund assets increased an estimated 4.41% in the second quarter to US\$2.973 trillion, According to a new report from HedgeFund.net (HFN).

HFN reports that investors allocated an estimated US\$34.21 billion to hedge funds in Q2 and performance gains added an additional US\$91.28 billion to total assets. The dollar amount of fund liquidations during Q2 was larger than new fund launches by an estimated US\$8.52 billion; the third highest level of fund closures on record, it noted.

Fund of funds experienced a net withdrawal of investor assets in the quarter, as liquidations were greater than new fund launches and allocations to existing funds by an estimated US\$470 million. However, performance gains actually lifted total FoF assets to an estimated US\$1.439 trillion, an increase of 2.43% from the prior quarter.

Hedge funds located in Europe saw the largest rate of organic growth. New allocations of US\$21.47 billion

to funds located in Europe increased total assets by 2.62%, it said. Combined with performance gains, total European hedge fund assets rose an estimated 4.80% to US\$857.65 billion. Funds operating in Asia saw total assets fall an estimated US\$3.12 billion from a combination of performance losses and investor withdrawals.

HFN also reported that, for the third consecutive quarter, investors have reduced allocations to equity strategies and increased allocations to fixed income related strategies. Funds focusing on corporate fixed income related securities accounted for the majority of the increase.

On a strategy basis, event driven and special situations funds experienced record growth in Q2, and distressed securities funds also enjoyed organic growth of 4.05%.

Ex-Amaranth trader bounces back

Date: Wednesday, August 13, 2008

Author: Financial Times

Brian Hunter, the trader who was blamed for the collapse of \$9bn hedge fund Amaranth Advisors two years ago, has taken advantage of last month's plunge in commodity prices to help propel the year-to-date return at the fund he now advises to 230%.

The Peak Ridge Capital Commodities Volatility fund, which Hunter advises, returned 24% in July as commodities prices fell 10% for the month. Several other hedge funds with short positions in commodities also posted stellar returns - among them, Paul Touradjii's Capital Management fund, which investors say gained 6.5% over the month. But Ospraie Management's \$3bn flagship fund fell 13% to bring year-to-date losses to 15%. The outperformance of Hunter and others came as Morningstar said its 1000 Hedge Fund Index was down more than 3% for July, making it the worst month since Jan 2003.

Hedge Fund Industry To Hit \$4 Trillion This Year

Date: Monday, August 4, 2008

Author: FINalternatives.com

Hedge funds are heading for \$4 trillion despite a slowdown in asset growth, according to a new survey.

The industry managed about \$3.8 trillion in assets as of March 31, Carbon360 Research said. Funds of funds—including private equity strategies—managed \$1.32 trillion. But asset growth will slow to between 8% to 9% this year, bringing total assets in the industry to about \$4 trillion by the end of the year. Hedge funds have grown by an annualized 28.5% over the last three calendar years, according to Carbon360's figures.

"Continued merger action and private equity-backed liquidity events are expected among fund administrators as many start to experience technology and personnel limitations, requiring fresh capital to keep growing," said Brian Shapiro, Carbon360's president.

"This is also a case of getting while the getting is good, with the majority of smaller players all hanging out 'for sale' signs."

Carbon360's estimate of hedge fund size is significantly larger than most. The firm bases its numbers on a survey of 103 hedge fund administrators, as well as \$438 billion managed by self-administered funds.

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