

Hedge Fund Strategies	December 2008	YTD	Annual Average Return since January 2001	Annual Std Dev since January 2001	Sharpe Ratio
Convertible Arbitrage	1.70%	-26.5%	2.2%	7.2%	-0.25
CTA Global	1.45%	15.6%	8.6%	9.0%	0.50
Distressed Securities	-1.96%	-21.3%	8.8%	6.0%	0.81
Emerging Markets	-0.32%	-33.8%	9.6%	10.6%	0.53
Equity Market Neutral	0.03%	-8.4%	4.7%	3.2%	0.20
Event Driven	-0.70%	-18.5%	6.4%	5.9%	0.41
Fixed Income Arbitrage	0.26%	-16.9%	3.7%	4.5%	-0.07
Global Macro	1.41%	-3.0%	7.4%	4.5%	0.75
Long/Short Equity	0.77%	-18.9%	4.0%	7.1%	-0.01
Merger Arbitrage	1.71%	-2.3%	5.0%	3.6%	0.29
Relative Value	0.55%	-14.7%	4.9%	4.8%	0.19
Short Selling	-1.36%	31.7%	5.4%	13.9%	0.10
Funds of Funds	-0.71%	-19.3%	3.7%	5.3%	-0.06

\* Cumulative return since January 1st of the current year

After three months of significant losses, the stock markets managed a positive return (+1.06%) in December, with volatility remaining high (40%), albeit down to two-thirds of November's level. Over the year, the S&P 500 index registered a record loss of 37%. Once again, the commodities market registered a double-digit loss (-10.65%), which brought it back to its level of January 2005. In December, the Lehman Global Bond Index recorded a second consecutive positive month (+3.39%).

After six months of losses, the Convertible Arbitrage strategy managed a positive return (+1.70%). This monthly return is mostly due to Convertible Bonds, which ended the year with an unusual gain of +7.67%, their best since October 1998. The CTA strategy achieved a fourth consecutive positive month. The good result of the stock markets positively impacted the equity-oriented strategies. Equity Market Neutral and Long/Short Equity finally managed positive returns after five months of losses. The Event Driven strategy cut its losses (-0.70%) but remained negative.

Over the year, despite the very bad situation prevailing on the Commodities markets (-42.80%), the CTA strategy managed a positive yearly return (15.65%). With the exception of Short Selling (+31.7%), all other strategies yielded negative yearly returns. However, these hedge fund strategies still managed to perform significantly better than the S&P Index.

