

**Asian Markets Alpha Programme
Monthly Report**

March 2008

PERFORMANCE ANALYSIS (All Accounts)

**The Asian Markets Alpha Programme
(February 2006 to March 2008)**

Return Summary

Latest Month	0.82%
Year to Date	1.20%
Last 12 Months	35.38%
Annualised Return	20.89%
Sharpe Ratio	1.93*
Return to Date	50.83%
% Trading Days Up	54%
% Trading Days Down	46%
Max Daily Drawdown	(1.95%)
Max Monthly Drawdown	(1.84%)
CS Character	2.86
CS Ratio	5.53
Annualised Daily Volatility	10.58%
Annualised Monthly Volatility	8.21%

Return Statistics for March 2008

Largest Daily Drawdown	(1.48%)
Days to Recovery	3
% Trading Days Up	47%
% Trading Days Down	53%
Average Up Day	0.60%
Average Down Day	(0.57%)

The Programme ended the month with a return of 0.82% in difficult and challenging market conditions, for a return of 35.38% for the last 12 months, and 1.20% for the year to date. The Programme continues to have a zero allocation to the Systematic Fundamental Strategy as our Global Volatility indicator remains high, and liquidity remains poor. Both the CS Character and CS Ratios remained stable during the month, and risk stayed relatively unchanged during the month.

March started poorly, with the Programme down over 1%, and the middle of the month saw choppy conditions, amid periods of calm. The last week saw a rally from down 1% to up 0.82%. We still hold our Long positions in the Malaysian Ringgit, but got stopped out of our Indian Rupee position, and added to our Short Singapore Dollar position. The main market moving event of March was the Taiwan elections on March 22, which took place amidst a backdrop of unrest in Tibet, and a blackout on opinion polls. While we maintained our Short USDTWD position into the elections, we took some profit to reduce event risk immediately before the weekend when the elections were called. The victory by the KMT was obviously warmly greeted by the asset and currency markets and the TWD rallied from above 30.5 to below 30 before aggressive intervention by the Central Bank capped gains.

Currently our biggest position is Short Singapore Dollars, followed by Long Philippine Peso, Long Malaysian Ringgit, and Long Indonesian Rupiah. We were stopped out of our Indian Rupee position and actually went long dollars during the month, as the market backed up significantly.

Our modified Risk-Adjusted Return measure and tail risk indicators remained stable during the month. Our Global Volatility Indicator, (our measurement of risk aversion) remained high during the month, actually hitting a high of 8.6 on the 23rd of March, and we are a long way away from re-establishing positions in the Systematic Fundamental Strategy. We expect April to continue to be difficult. Volatility has continued to be choppy, and we have over the last several weeks had many mixed signals related to potential re-entry to our Systematic Fundamental Strategy. None of them has been strong enough for this re-entry to occur, and our liquidity look back kicked in once during March.

Cambridge Strategy Asian Markets Alpha Monthly Returns

Year	YTD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2006	11.57		1.24	1.01	3.13	-2.33	0.42	2.05	0.37	-0.61	2.51	0.06	3.30
2007	33.58	0.40	-0.53	1.63	3.04	1.61	1.55	0.33	4.48	9.81	3.61	4.14	-0.33
2008	1.20	1.58	-1.18	0.82									

Performance figures calculated include only margin interest received and are gross of fees.

The returns are representative of an average of the managed accounts traded. *Risk Free rate used is US\$ LIBOR (1 month)

Risk Warning:

This brief statement does not disclose all of the risks and other significant aspects of trading in currencies and options. The Cambridge Strategy (Investment Management) Limited manages for and advises to professional investors only. Investors must bear in mind that this type of investment can be volatile, values can decrease as well as increase and that past performance is no guarantee of future performance.

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