

**Asian Markets Alpha Programme
Monthly Report**

November 2009

PERFORMANCE ANALYSIS (All Accounts)

Asian Markets Alpha Programme
(February 2006 to November 2009)

Return Summary

Latest Month	1.91%
Year to Date	4.46%
Last 12 Months	4.68%
Annualised Return	14.49%
Sharpe Ratio	1.58
Return to Date	67.99%
% Trading Days Up	52%
% Trading Days Down	48%
Max Daily Drawdown	(1.95%)
Max Monthly Drawdown	(2.57%)
CS Character	2.92
CS Ratio	4.59
Annualised Daily Volatility	10.84%
Annualised Monthly Volatility	7.02%

Return Statistics for November 2009

Largest Daily Drawdown	(0.65%)
Days to Recover	na
% Trading Days Up	48%
% Trading Days Down	52%
Average Up Day	0.64%
Average Down Day	(0.41%)

The Asian Markets Alpha Programme enjoyed a further positive month during November and was up 1.91% on a gross of fees basis. Asian currencies were strong for most of the month fuelled by President Obama's visit to the region. The rally came to an abrupt end during the final week of November when Dubai World announced its need to restructure its debt obligations. This event caused a rise in risk aversion as investors worried about possible contagion. The US Dollar made strong gains versus emerging markets and other risk currencies and dropped to a 15 year low against the Japanese Yen.

The Programme's positive contributors came from long positions in the Taiwanese Dollar, Malaysian Ringgit, Thai Baht and the Philippine Peso. Small drawdowns occurred in the Korean Won and the Indonesian Rupee which were hurt at the end of the month on the back of Dubai World's announcement. The Programme's position in the Australian Dollar and Singapore Dollar also experienced moderate drawdowns. The programme is now up a positive 4.46% gross of fees for the year.

We expect both the Australian Dollar and the New Zealand Dollar to weaken in the short term relative to the other Asian Currencies. As a result we are short both of these currencies against the US Dollar while we are long many of the other Asian currencies. We have chosen to implement our short Australian and New Zealand Dollar positions in this manner as the cross against the other Asian currencies involves much higher spreads. We think the Asian central banks are feeling the pressure to tighten monetary policy. Whilst the Reserve Bank of Australia has increased rates for three consecutive months and is possibly near the end of its tightening cycle.

The markets finished November in an uncertain fashion as a lack of transparency from Dubai and a looming fiscal crisis in Greece have dampened risk appetite. As we approach the end of what has been a difficult year we expect this softer risk appetite will continue to be a theme. This is reflected in our Global Volatility indicator which has increased noticeably in recent weeks. Tail risk in this environment has also increased and we have once again seen marginal decreases to our Risk Adjusted Trade Size (RATS).

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	7.90%	1.58%	-1.18%	0.82%	0.83%	-2.57%	1.08%	1.27%	0.30%	2.55%	2.44%	0.41%	0.21%
2009	4.46%	2.02%	0.94%	-1.29%	0.25%	-1.47%	0.33%	0.33%	-0.44%	1.18%	0.68%	1.91%	

Performance figures calculated are Gross of fees and exclude interest income

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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