

PRESS PREVIEW

UCITS Alternative Industry Report – Q2 2011

Industry Commentary Q2 2011- Press Preview

Q2 2011 Performance

The second quarter of 2011 was again a difficult one for the UCITS alternative industry. The UCITS Alternative Global Index returned -0.83% in Q2 compared to +0.14% for the first quarter of the year. The UCITS Alternative Funds of Funds Index continues its downward trend losing -1.32% for the period. All sub-strategies display negative performances for the quarter. The worst performing strategies are FX and CTA with respectively -1.64% and -1.56%. The best performing ones are Fixed Income and Equity Market Neutral with -0.03% and -0.92% respectively.

Funds and Asset Growth

The number of single UCITS hedge funds grew by 5.14% in the second quarter of 2011, increasing from 623 to 655. At the same time the aggregate amount of money managed by UCITS hedge funds grew by 4.6% from EUR 109 billion to EUR 114 billion during this period. The first 2011 semester saw net inflows of EUR 9.8 billions. The largest funds in terms of AUM are attracting most of the new money. The top 4% funds captured 45% of the net 2011 AUM inflows. The 3 most successful strategies in term of new assets this year are Fixed Income, Macro and Long/Short Equity, with respectively 3.1, 2.2 and 1.9 billion EUR. In terms of relative growth to total assets, the top strategies are Event-Driven (+30%) and Commodities (+16.9%). Currently, 1% of the funds are managing 21% of the total AUM, while 8% of the funds are managing 61% of total AUM.

Investment Style and Geographical Exposure

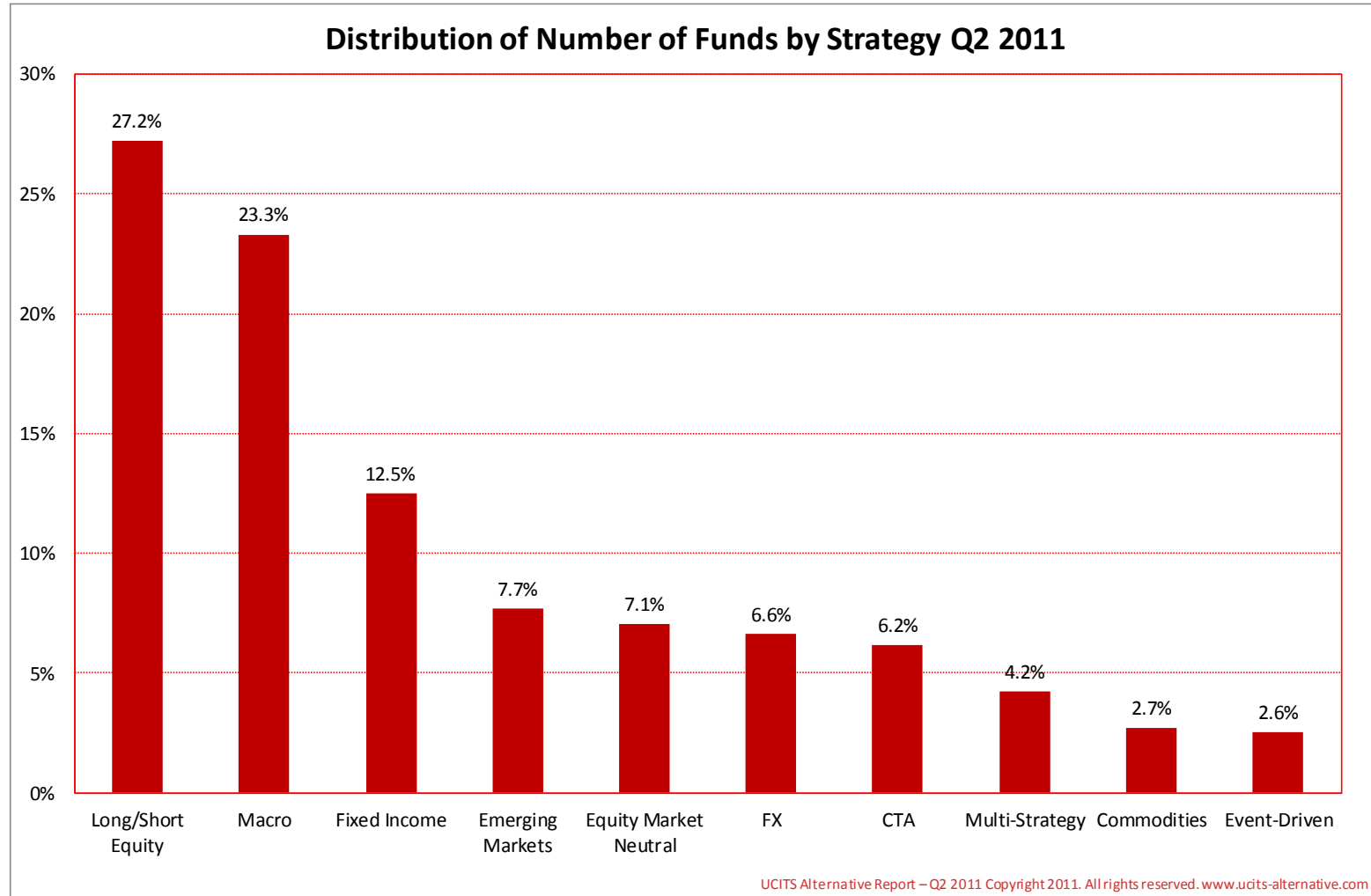
At the end of Q2 2011, roughly two thirds of single manager UCITS hedge funds have a global geographical exposure while 25% focus exclusively on Europe, 4% on the UK and 2% on the US. Three quarters of all UCITS hedge funds managers use a discretionary approach while the remaining quarter uses a systematic investment style.

Location of Funds and Managers

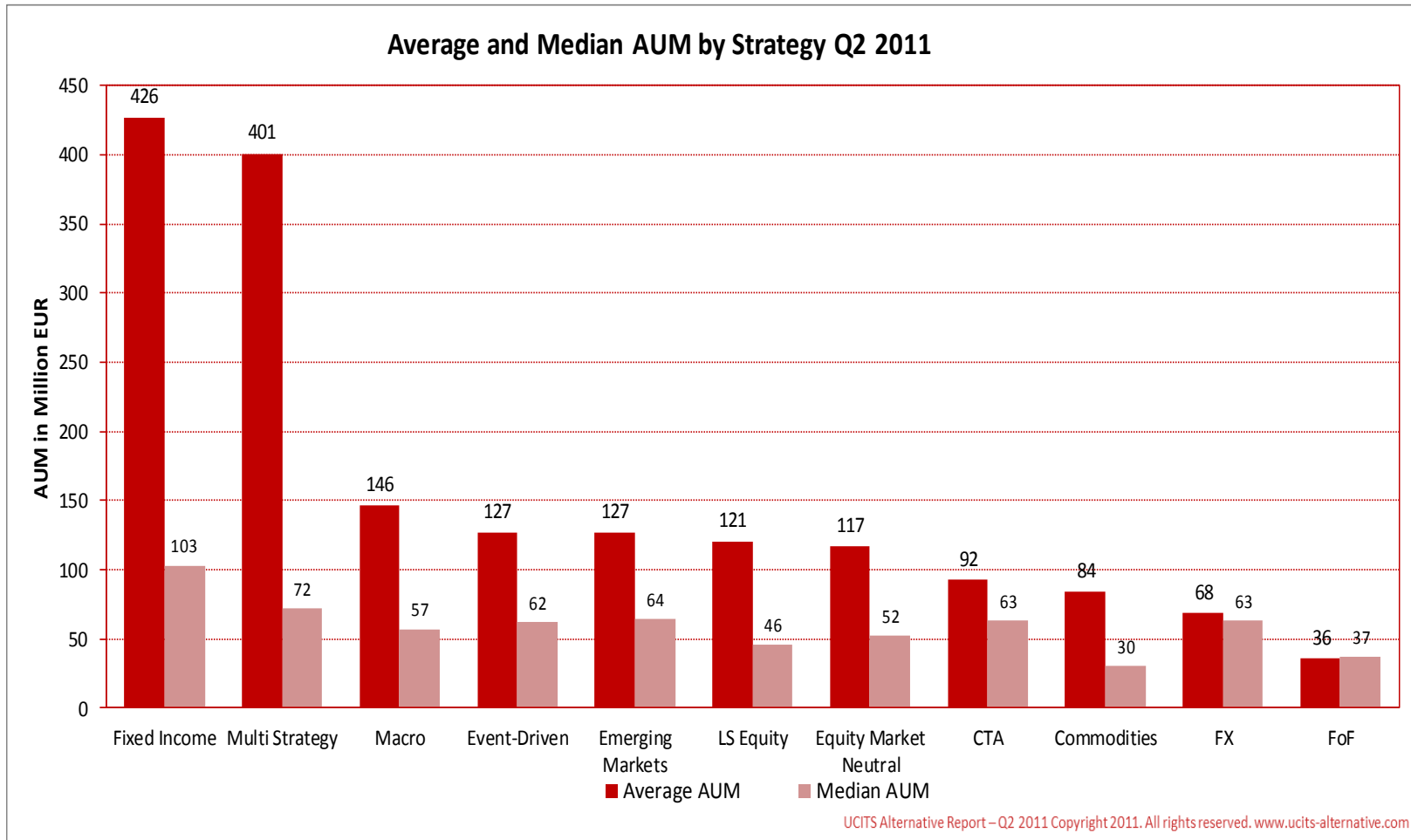
At the end of June 2011, managers are still mainly located in the UK (44%) followed by France and Germany with respectively 22% and 11%. As for funds legal domicile, 49% are registered in Luxemburg while Ireland and France are both home of 19% of all UCITS funds.

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Distribution of Number of Funds by Strategy

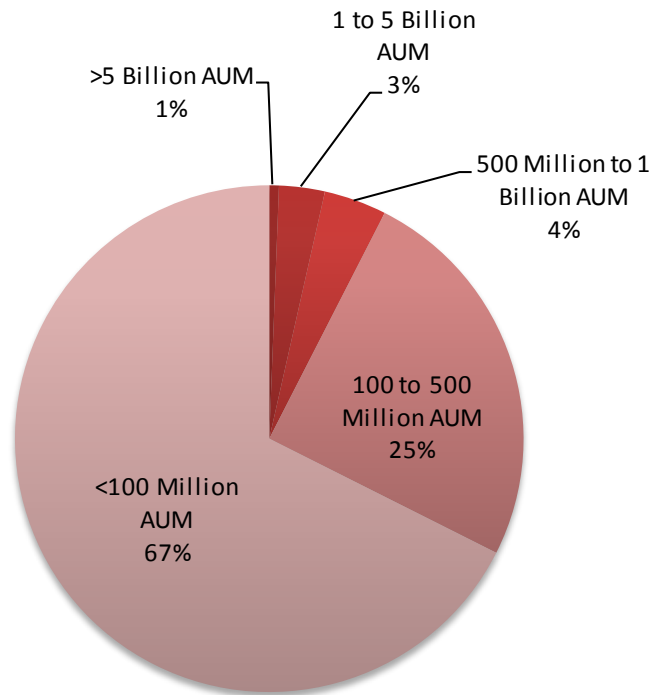


Average and Median AUM by Strategy

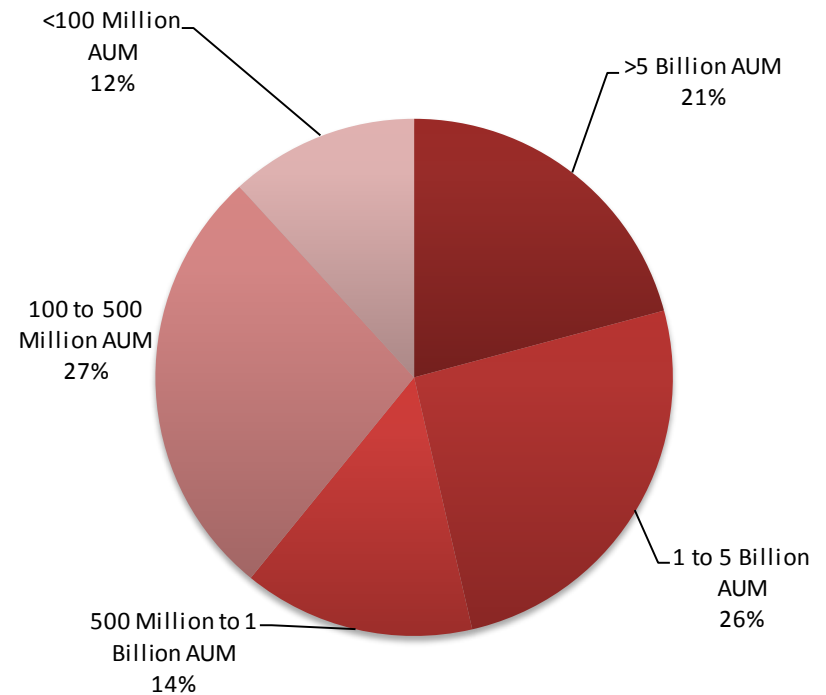


Funds Managed Compared To Fund Size

Percentage of total number of funds

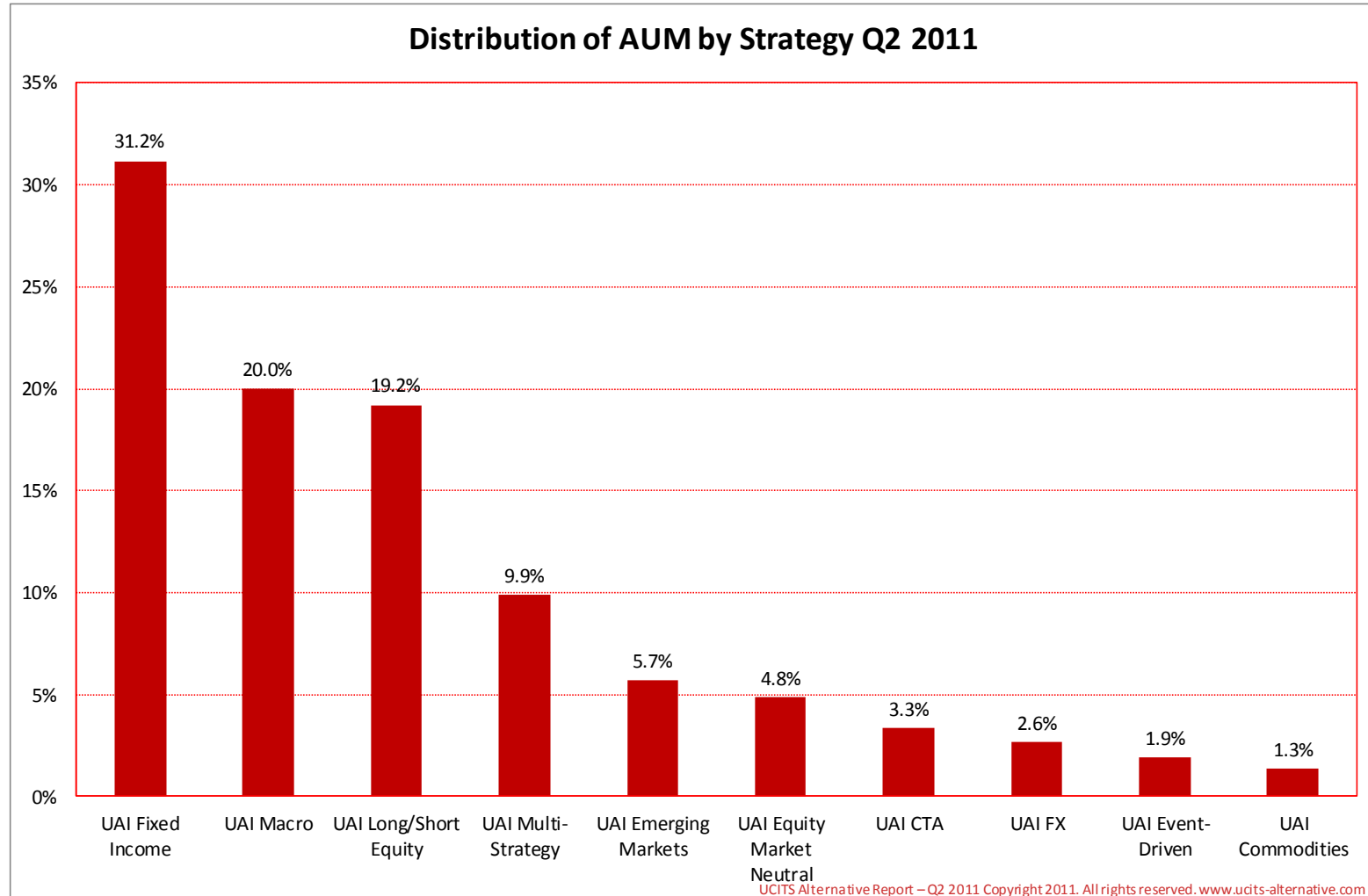


Percentage of total assets

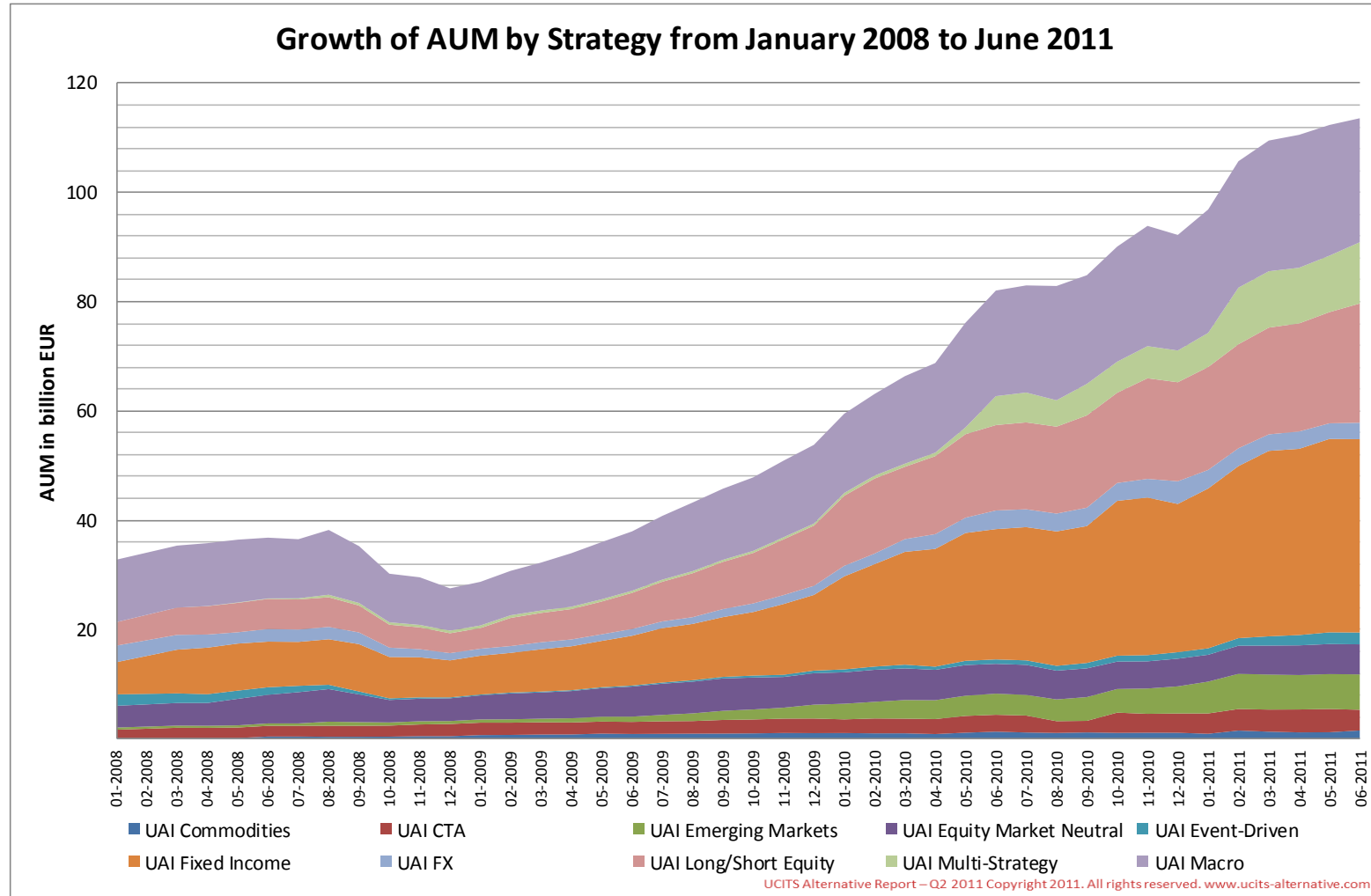


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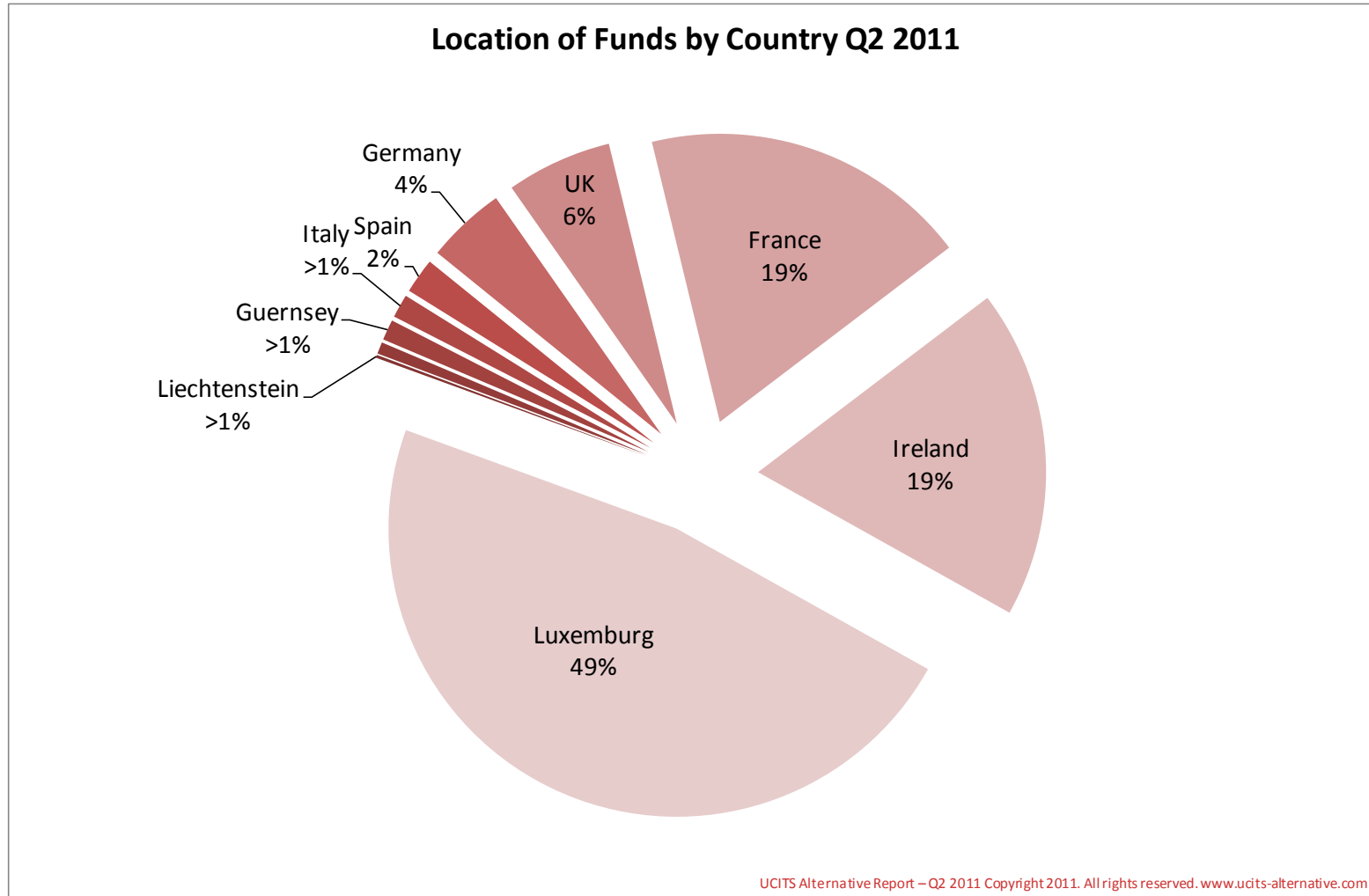
Distribution of AUM by Strategy



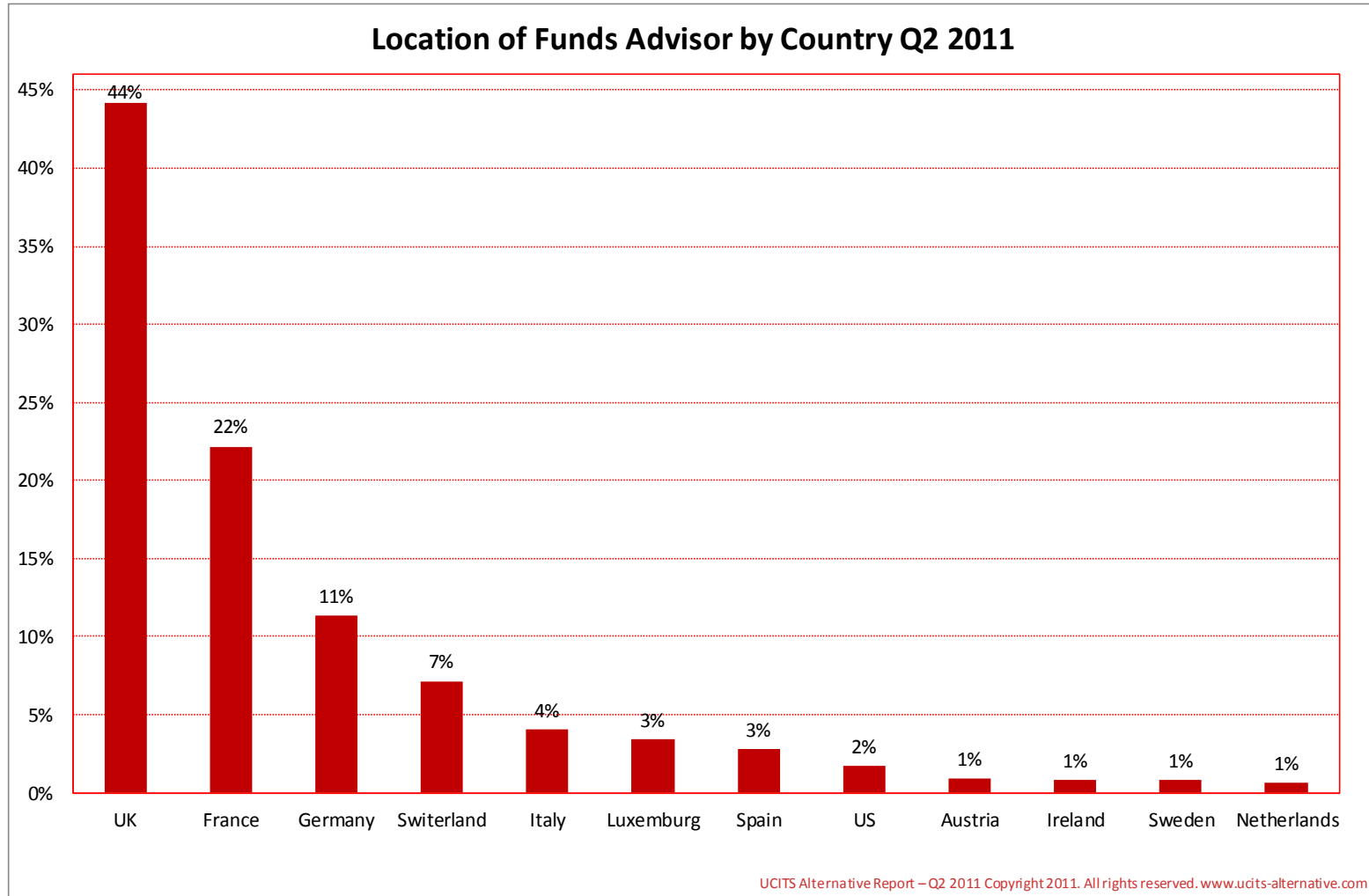
Growth of AUM by Strategy



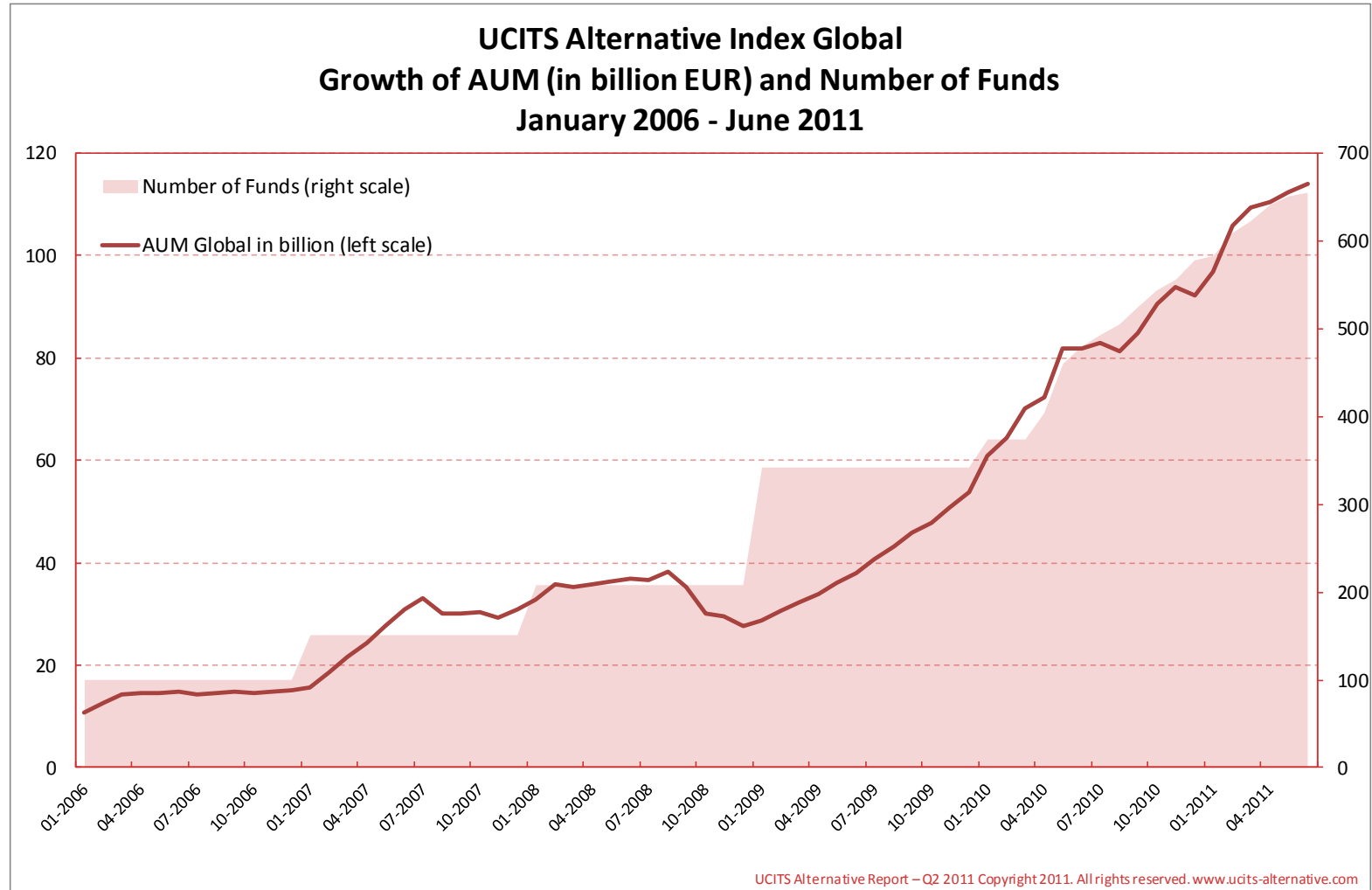
Location of Funds by Country



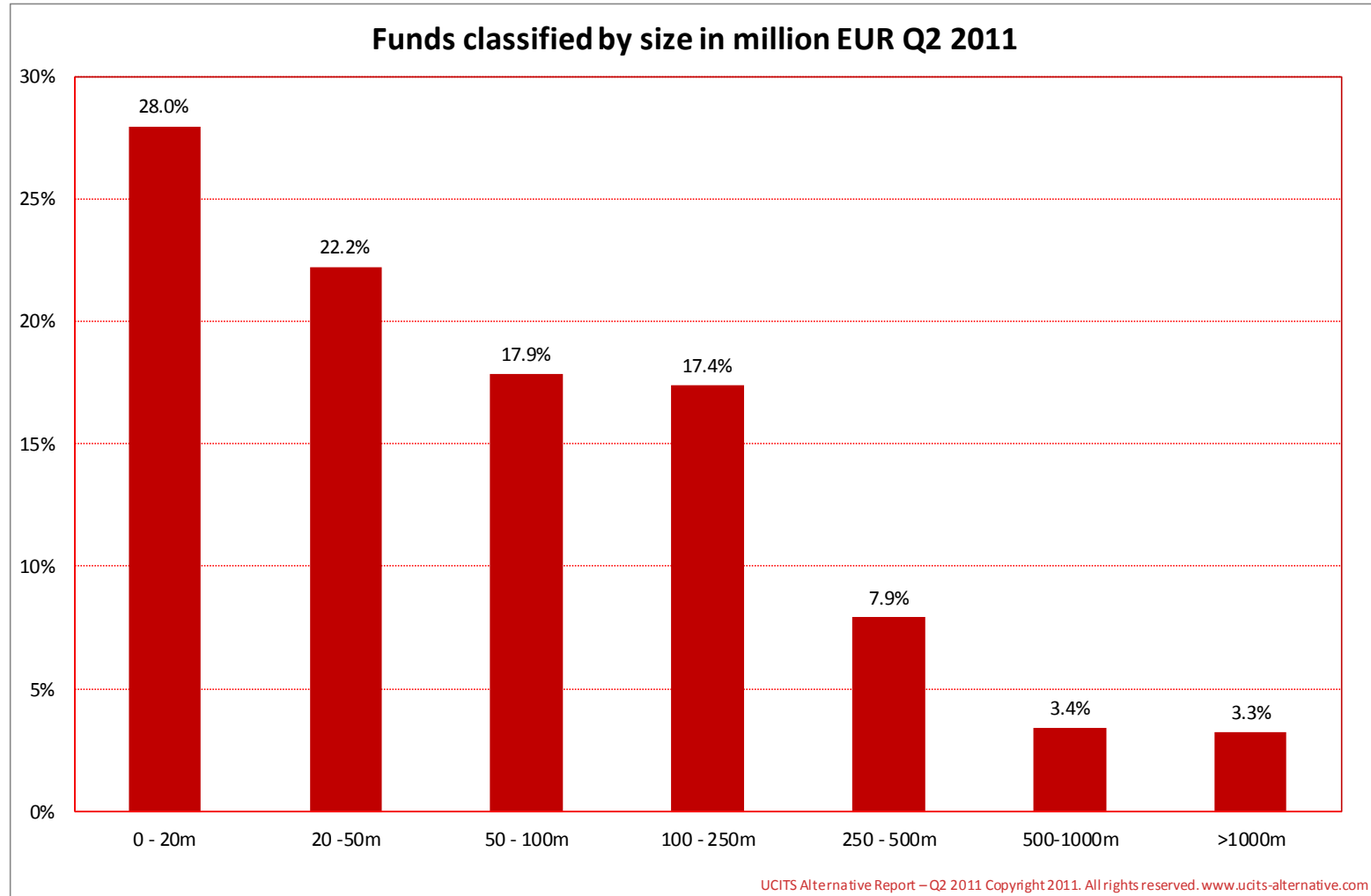
Location of Fund Advisor by Country

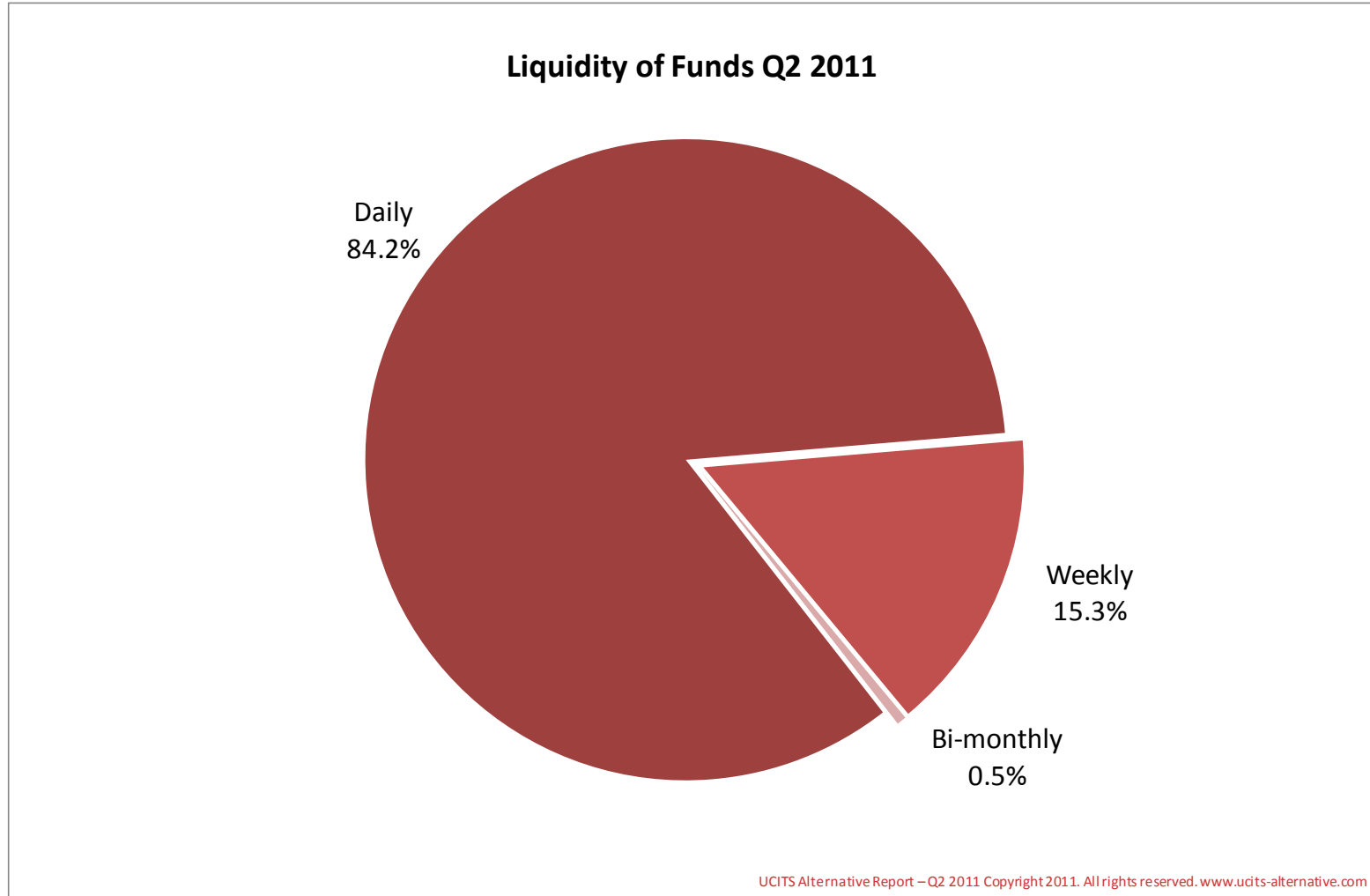


Growth of AUM and Number of Funds



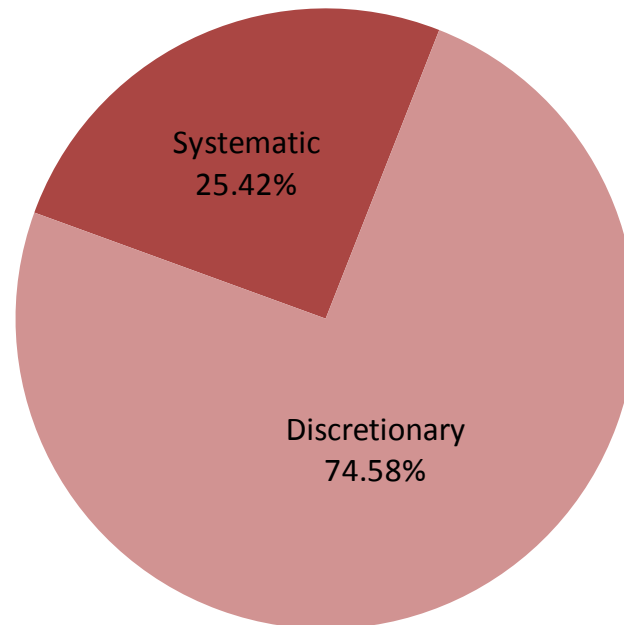
Distribution of Funds by AUM





Funds Investment Style

**Funds Investment Style - Single Manager
Q2 2011**



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UAI Global Ranking by Quarterly Return since 2008

UCITS Alternative Index Global – Quarterly Return since 2008

Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011
UAI Commodities 14.43%	UAI Commodities 19.38%	World Gov. Bond Index 2.76%	World Gov. Bond Index 5.88%	UAI Emerging Markets 2.02%	UAI Emerging Markets 18%	MSCI World LC 14.31%	MSCI World LC 4.11%	MSCI World LC 4.16%	World Gov. Bond Index 2.39%	MSCI World LC 8.77%	MSCI World LC 7.92%	UAI Commodities 3.47%	Citi WGBI LC 1.67%
UAI CTA 5.19%	UAI Multi-Strategy 2.45%	UAI CTA 1.19%	UAI CTA 4.74%	UAI Multi-Strategy 1.32%	MSCI World LC 15.47%	UAI Emerging Markets 7.48%	UAI Emerging Markets 4.1%	UAI Fixed Income 2.34%	3-Month Treasury Bill 0.04%	UAI Emerging Markets 3.43%	UAI Commodities 5%	UAI Event-Driven 1.4%	3-Month Treasury Bill 0.02%
World Gov. Bond Index 2.44%	UAI Equity Market Neutral 1.54%	3-Month Treasury Bill 0.43%	UAI Equity Market Neutral 1.47%	UAI Event-Driven 1.17%	UAI L/S Equity 5.78%	UAI L/S Equity 5.44%	UAI Commodities 2.17%	UAI Emerging Markets 2.2%	UAI FX -0.17%	UAI Event-Driven 3.11%	UAI L/S Equity 3.21%	UAI Fixed Income 0.98%	UAI Fixed Income -0.03%
UAI Multi-Strategy 1.3%	UAI L/S Equity 1.09%	UAI Multi-Strategy -0.02%	3-Month Treasury Bill 0.25%	UAI Fixed Income 0.75%	UAI Fixed Income 4.73%	UAI Fixed Income 4.19%	UAI Fixed Income 1.72%	UAI L/S Equity 1.74%	UAI Fixed Income -0.29%	World Gov. Bond Index 2.13%	UAI CTA 2.06%	MSCI World LC 0.3%	MSCI World LC -0.28%
3-Month Treasury Bill 0.71%	UAI FoF 0.87%	UAI FX -0.42%	UAI FX -0.19%	UAI FX 0.28%	UAI Global 4.55%	UAI Macro 4.12%	UAI Event-Driven 1.69%	UAI Macro 1.49%	UAI Event-Driven -0.41%	UAI L/S Equity 1.72%	UAI Emerging Markets 2.04%	UAI L/S Equity 0.19%	UAI Equity Market Neutral -0.92%
UAI Equity Market Neutral 0.36%	UAI Global 0.83%	UAI Fixed Income -1.73%	UAI Multi-Strategy -1.81%	3-Month Treasury Bill 0.05%	UAI Macro 4.25%	UAI Global 3.7%	UAI Macro 1.58%	UAI Global 1.35%	UAI FoF -1.02%	UAI Fixed Income 1.68%	UAI Multi-Strategy 1.59%	UAI Multi-Strategy 0.16%	UAI Macro -0.93%
UAI Fixed Income -0.37%	UAI FX 0.68%	UAI Macro -2.29%	UAI Event-Driven -2.44%	UAI Global -0.15%	UAI FoF 2.05%	UAI Commodities 3.47%	UAI Global 0.94%	World Gov. Bond Index 1.12%	UAI Equity Market Neutral -1.12%	UAI Commodities 1.51%	UAI Global 1.57%	UAI Global 0.14%	UAI Global -0.97%
UAI FX -0.49%	UAI Emerging Markets 0.68%	UAI Equity Market Neutral -2.94%	UAI Macro -3.08%	World Gov. Bond Index -0.26%	UAI Commodities 1.61%	UAI CTA 2.24%	UAI L/S Equity 0.46%	UAI Event-Driven 0.76%	UAI CTA -1.84%	UAI Global 1.09%	UAI Macro 1.35%	UAI Equity Market Neutral 0.05%	UAI Long/Short Equity -1%
UAI Event-Driven -1.03%	UAI Event-Driven 0.66%	UAI Global -3.4%	UAI Global -3.37%	UAI CTA -0.36%	UAI FX 1.34%	World Gov. Bond Index 2.01%	UAI Multi-Strategy 0.16%	UAI FX 0.68%	UAI Macro -1.91%	UAI Macro 0.97%	UAI FoF 1.17%	3-Month Treasury Bill 0.04%	UAI Multi-Strategy -1.01%
UAI FoF -1.21%	UAI Fixed Income 0.44%	UAI Event-Driven -3.58%	UAI L/S Equity -4.32%	UAI Equity Market Neutral -0.45%	UAI Event-Driven 0.78%	UAI FoF 1.76%	3-Month Treasury Bill 0.03%	UAI FoF 0.54%	UAI Global -2.13%	UAI CTA 0.18%	UAI Event-Driven 0.97%	UAI FX -0.08%	UAI Emerging Markets -1.24%
UAI Global -1.57%	3-Month Treasury Bill 0.39%	UAI FoF -4.86%	UAI Commodities -5.06%	UAI Macro -0.58%	UAI Equity Market Neutral 0.68%	UAI Event-Driven 1.24%	UAI FX -0.05%	UAI Multi-Strategy 0.3%	UAI Multi-Strategy -2.42%	UAI FX 0.16%	UAI Equity Market Neutral 0.78%	UAI FoF -0.2%	UAI FoF -1.32%
UAI Macro -2.44%	UAI Macro 0.19%	UAI L/S Equity -5.35%	UAI Fixed Income 5.6%	UAI FoF -0.97%	UAI CTA 0.2%	UAI Multi-Strategy 0.99%	World Gov. Bond Index -0.22%	UAI Equity Market Neutral 0.27%	UAI L/S Equity -3.56%	3-Month Treasury Bill 0.04%	UAI Fixed Income 0.38%	UAI Macro -0.43%	UAI Commodities -1.35%
UAI L/S Equity -2.69%	UAI CTA -0.48%	UAI Emerging Markets -7.36%	UAI Emerging Markets -6.5%	UAI L/S Equity -1.06%	3-Month Treasury Bill 0.05%	3-Month Treasury Bill 0.04%	UAI Equity Market Neutral -0.38%	3-Month Treasury Bill 0.02%	UAI Commodities -4.15%	UAI Multi-Strategy 0.01%	3-Month Treasury Bill 0.04%	UAI Emerging Markets -0.49%	UAI Event-Driven -1.45%
UAI Emerging Markets -6.32%	MSCI World LC -1.83%	MSCI World LC -11.83%	UAI FoF -7.19%	UAI Commodities -1.38%	UAI Multi-Strategy -0.23%	UAI FX -0.38%	UAI FoF -1.17%	UAI CTA -0.35%	UAI Emerging Markets -4.26%	UAI Equity Market Neutral -0.48%	UAI FX -0.55%	Citi WGBI LC -0.65%	UAI CTA -1.56%
MSCI World LC -12.36%	World Gov. Bond Index -2.3%	UAI Commodities -25.37%	MSCI World LC -21.05%	MSCI World LC -10.62%	World Gov. Bond Index -0.52%	UAI Equity Market Neutral -0.41%	UAI CTA -1.17%	UAI Commodities -1.23%	MSCI World LC -11.81%	UAI FoF -1.01%	Citi WGBI LC -2.25%	UAI CTA -0.89%	UAI FX -1.64%

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