



MONTHLY REVIEW

The month of July ended in a slightly negative territory as many leading markets remained choppy throughout the month with no clear trends. The main topics of the month were the debt crisis in the euro area, stories of spiralling inflation, rising wages and increasing labour shortages in China and the political debate over the debt ceiling in the USA. As these stories dominated the press, risky assets dropped and there was a flight to quality. The political wrangling over the debt ceiling comes as the US economy is already struggling and losing momentum. The crisis has been greatly intensified by the looming 2012 presidential election as both Republicans and Democrats are using the debate and the gridlock to score political points. Looking at the European situation, it is quite staggering that in the middle of a severe crisis, the central bank has threatened to refuse accepting Greek debt, rejected any quantitative easing and raised interest rates.

The best performing segment was currencies where short US dollar positions profited from a weaker greenback. Monetary policy and further dollar devaluation are the only tools that US officials now have to support their struggling economy on. The rating agency Standard & Poor's has warned that raising the debt ceiling is not enough to avoid a downgrade to the US credit rating. There also needs to be a credible plan to reduce the long term deficit and while a cut to double-A would not be disastrous for the US, nevertheless it should keep the dollar under pressure. Equities was the most challenging segment, where long positions suffered from falling prices. The strategy switched positions in equities during the last week of the month to short. The biggest positions were short US dollar, long commodities and long bonds.

Looking forward, the discussions over the US debt ceiling and the prolonged euro debt area crisis are certainly not inspiring confidence and are hence casting a long shadow over risky assets. The risk for investors is that market conditions will need to get significantly worse in order to get policymakers to finally take bolder steps. One negative economic contagion from the political paralysis in Europe and the US is that more investors are abandoning the euro and dollar for a variety of currencies and commodities, including gold. If this trend continues and the anti-dollar and anti-euro flows drives up gold, oil and other commodity prices, it will be bearish for the US and Europe. Nonetheless there could be plenty of trading opportunities during the coming months, especially in the FX and commodity segments.

STRATEGY DESCRIPTION

Alpha Trend is a CTA program capitalising on price trends in multiple markets. Alpha Trend has 20 years of verified track record and a solid annualised return of 14% (12/2010) with no negative years. The investment decisions of the programme are 100% systematic and focus on generating high returns that are uncorrelated to traditional investments and have a low correlation to other CTAs. The programme uses a unique combination of level identification and trend filtering in order to identify solid trends. The 70+ exchange traded futures markets within the portfolio are traded both on the long and the short side. The programme applies a prudent risk management method conducted on several layers of the investment process. Ongoing research seeks to maintain the profitability on a high level and adapt the programme to changing circumstances.

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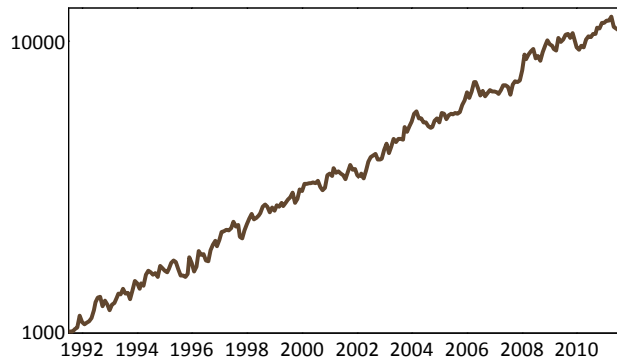
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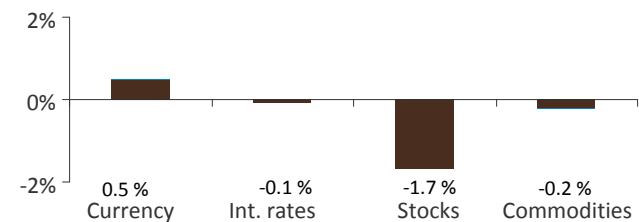
Alpha Trend

July	YTD
-1.51 %	-5.72 %

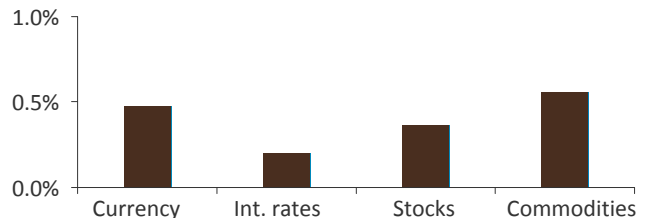
PROGRAMME PERFORMANCE



SECTOR ATTRIBUTION % LAST MONTH



AVERAGE SECTOR VALUE AT RISK % LAST MONTH



PERFORMANCE AND KEY FIGURES

Since inception	994%
Ann. Return	12.8%
Sharpe Ratio	0.70
Sortino Ratio	0.84
Standard deviation last 12 months	12.4%
Strategy Assets (M\$)	692
% Winning Months	59%
% Losing Months	41%
Return last 12 months	5.9%

*All figures are net of fees

MONTHLY RETURNS – ESTLANDER & PARTNERS ALPHA TREND

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011	-0.39 %	1.94 %	0.14 %	3.27%	-8.13%	-0.79 %	-1.51 %						-5.72 %
2010	-6.29 %	-2.08 %	2.84 %	-0.82 %	6.39 %	2.62 %	-0.88%	2.68 %	0.09%	5.30%	-1.20%	5.03%	13.71 %
2009	-3.02 %	-1.40 %	-2.49 %	-0.96 %	10.31 %	-2.87 %	1.29 %	3.99 %	0.87 %	-2.90 %	3.26 %	-4.14 %	1.05 %
2008	8.35 %	13.86 %	-4.08 %	4.21 %	2.02 %	2.20 %	-6.98 %	1.63 %	-3.74 %	7.01 %	5.30 %	4.57 %	37.87 %
2007	0.07 %	-0.40 %	-1.33 %	3.00 %	3.78 %	0.11 %	-0.98 %	-6.04 %	8.04 %	2.66 %	-0.59 %	1.19 %	9.30 %
2006	6.69 %	-4.25 %	5.07 %	7.86 %	0.05 %	-5.05 %	-5.35 %	3.70 %	-3.87 %	2.27 %	2.33 %	-1.21 %	7.30 %
2005	-2.92 %	7.53 %	-0.52 %	-4.16 %	3.16 %	0.93 %	-0.32 %	0.88 %	-0.63 %	1.22 %	6.36 %	3.27 %	15.10 %
2004	3.43 %	6.74 %	1.71 %	-5.25 %	-0.23 %	-3.06 %	0.32 %	-3.48 %	-0.87 %	0.67 %	5.06 %	1.70 %	6.20 %
2003	7.16 %	5.21 %	-7.48 %	5.05 %	6.43 %	-2.16 %	2.18 %	0.09 %	-0.57 %	10.37 %	-3.71 %	4.89 %	29.30 %
2002	-4.60 %	-2.22 %	3.14 %	-3.29 %	6.27 %	7.14 %	3.62 %	1.49 %	1.43 %	-4.42 %	-0.43 %	1.11 %	8.70 %
2001	1.15 %	-1.61 %	5.97 %	-3.40 %	1.26 %	-1.81 %	-1.45 %	-2.89 %	5.99 %	5.30 %	-3.57 %	0.72 %	5.10 %
2000	-1.02 %	5.19 %	-0.01 %	0.73 %	0.31 %	0.41 %	-0.71 %	1.85 %	-4.50 %	-2.70 %	1.79 %	10.78 %	11.90 %

Figures since 1991 available at www.estlanderpartners.com

There is no guarantee of trading performance and past or projected performance is not a guarantee nor necessarily an indication of future results. Monthly returns purely reflects the performance in the Alpha Trend investment programme. Returns in different funds applying the Alpha Trend investment programme may vary based on e.g. base currency, investment timing and fee differences.

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