



### MONTHLY REVIEW

October turned out to be a challenging month for the strategy as the global trend changed direction and investors started buying risky assets. Hence there were give-backs of returns generated during the previous months. Positions were closed and the overall portfolio risk was significantly reduced. The strategy had been capitalizing on a stronger US dollar, falling commodity prices, falling equity markets and lower interest rates. The trend changed direction in all of these segments and hence the diversification across market classes did not provide relief to the overall portfolio this time around.

The most challenging segments were commodities and currencies where the strategy also had the biggest positions at the beginning of the month. These markets have been trading in a big range and changing direction frequently during most of 2011. As the above segments stand for over 50% of the portfolio on average, it's clear that they weigh on the overall result for the year. The consolidation since the big trend reversal in the beginning of May has now lasted for 6 months. Market trends are very cyclical in their nature and therefore the odds for a big move to capitalize in one direction or the other is increasing all the time.

During the month the European leaders announced several agreements to help relieve the European debt problems, including a 50% haircut on Greek debt and leveraging the EFSF to €1 trillion. What the deal does is what all deals have done until now, i.e. buy time and kick the problems further down the road. Investors are now asking how sustainable the rally is as details regarding the debt deal remain sketchy. The rally in stocks and risky assets came with small volumes and all in all it is far too early to judge the staying power of the current rebound. The critical questions are now how long it will take for the other PIIGS nations to demand 50% haircuts, how messy the CDS market will get and what the consequences will be. Uncertainty and market volatility are at high levels and the political upheaval in Athens is a good example of the hurdles still facing the bailout plan. This has suddenly made the once unspeakable, a Greek debt default, a possibility and these are all things that should pave way for big trends during the next 12 months and further.

### 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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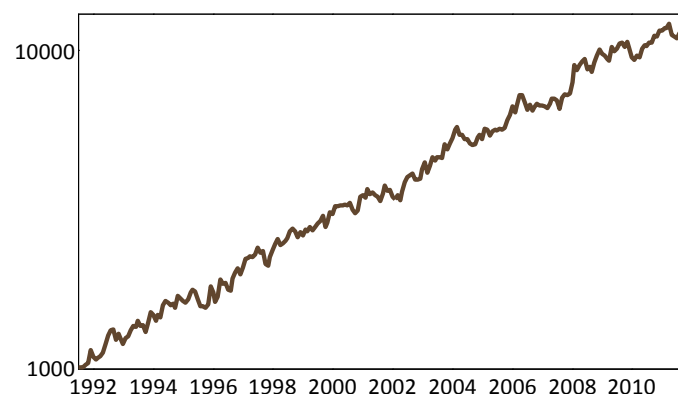
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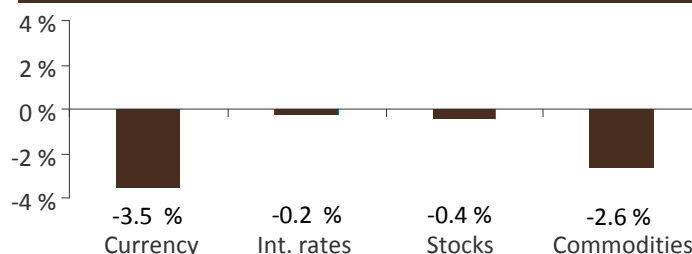
### Alpha Trend

October	YTD
-6.77 %	-7.03 %

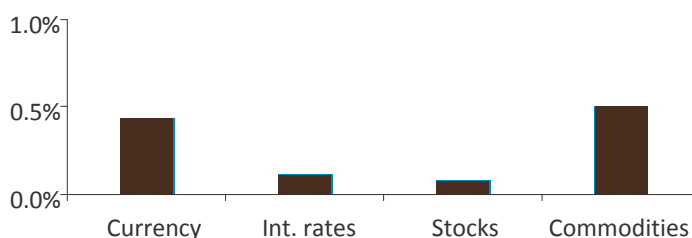
### PROGRAMME PERFORMANCE



### SECTOR ATTRIBUTION % LAST MONTH



### AVERAGE SECTOR VALUE AT RISK % LAST MONTH



### PERFORMANCE AND KEY FIGURES

Since inception	979%
Ann. Return	12.6%
Sharpe Ratio	0.68
Sortino Ratio	0.81
Standard deviation last 12 months	13.7%
Strategy Assets (M\$)	668
% Winning Months	59%
% Losing Months	41%
Return last 12 months	-3.5%

\*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 %	1.95 %	0.14 %	3.27%	-8.13%	-0.79 %	-1.51 %	3.56 %	2.14 %	-6.77 %			-7.03 %
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](http://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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