



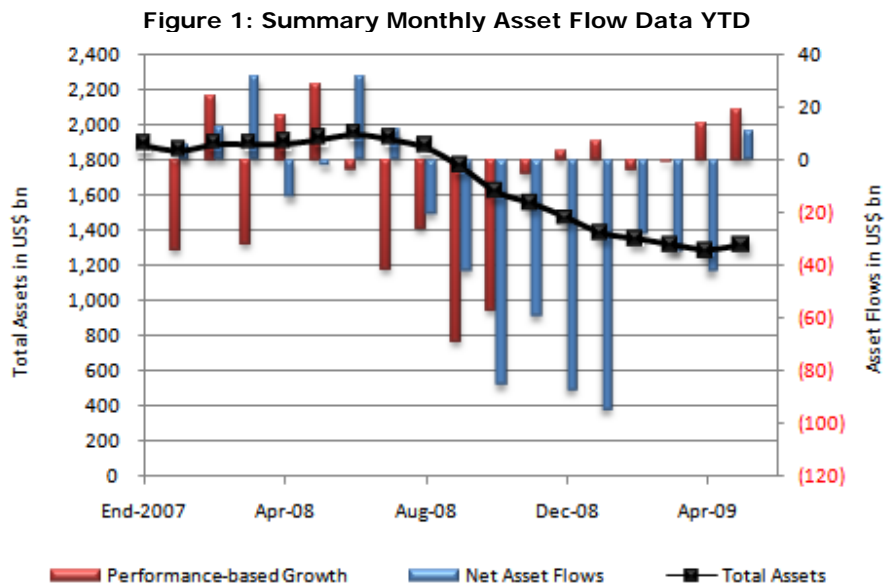
May 2009 Asset Flows Update

Eurekahedge

May was a remarkable month for hedge funds, as the Eurekahedge Hedge Fund Index recorded its best monthly return in almost a decade (up 5.3%)¹. The industry also witnessed net inflows (US\$11.3 billion or 0.9%) for the very first time in ten months, and the appreciation in assets due to performance in May (US\$19 billion or 1.5%) was the largest in the last 12 months. The month's gains were realised on the back of a third consecutive month of rallying equity markets, with the MSCI World Index up 8.6% for the month amid continued buying and strengthening investor risk appetites. For 2009 YTD, the composite Eurekahedge Hedge Fund Index is up an impressive 9.5%, while the aforementioned equity index and the S&P 500 are up just 5.4% and 1.8% respectively.

Below are the highlights on asset flows for the month of May:

- Based on preliminary estimates for May, hedge fund assets rose for the first time in 11 months by US\$30.3 billion – the largest net increase since February 2008 – to US\$1.32 trillion.
- The industry saw net inflows (US\$11.3 billion) for the first time in ten months, and the largest amount of capital appreciation from performance (US\$19 billion) in one year.
- 84% of all reporting funds are positive in May, and 74% are in the black for 2009 YTD.



Source: Eurekahedge

Healthy gains this year have helped hedge fund managers claw back a good portion of the losses they suffered through 2008 – when hedge funds were down 11.6% on average, while the underlying markets shed over 40%. We believe that...

¹ Based on about 60% of the funds reporting their May 2009 returns as at 16 June 2009.