

Monthly Review October 2005

Issue Contents

- Part I:** Director's Comments
- Part II:** CISDM News
- Part III:** Traditional and Alternative Investment Performance
- Part IV:** Asset Allocation
- Part V:** CISDM and External Academic and Practitioner Research
- Part VI:** CISDM Activities
- Part VII:** The CAIASM Program

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Part I: Director's Comments

Three Years Feast and One Year Famine Traditional Investment and Hedge Fund Strategy Returns

Investment alternatives have often been divided into three asset classes, traditional stock and bond investments, traditional alternatives (private equity, commodities, private real estate) and modern alternatives (e.g., hedge funds). Hedge funds have often been suggested as an alternative to traditional stock and bond investments and traditional alternatives due to their ability to invest in certain asset classes not easily investable by the other primary investment media. Over the past fifteen years, hedge funds have grown to an estimated \$1 trillion dollars under management over a broad range of hedge fund strategies. These hedge fund strategies have grown and evolved based on changes in regulation, trading and economic environments.

Academics and practitioners have conducted extensive analysis of various hedge fund strategies. This analysis has shown that the return to various hedge fund strategies, as compared to traditional investments, is due primarily to their underlying strategy (and thus securities held) and those strategy's (e.g., securities) exposure to various economic or market factors as well as the unique risk and return attributes of a particular hedge fund strategy (e.g., liquidity) and the unique trading abilities of certain firms. In brief, certain hedge fund strategies perform better during various economic conditions (e.g., periods of high merger activity, high yield debt issuance) and market factors (rising equity markets, falling credit spreads).

Feast or Famine:

Despite our knowledge of the factors that drive hedge fund returns, the natives are restless. It has been at least 5 years since overall hedge fund returns have resulted in returns approaching 15%.

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Are the good times gone? Will they ever return? The problem is that few of us in the industry remember the period before 2000. Results show that the underlying hedge fund strategies reflected the economic conditions of that time period.

- 1990-1994: While hedge funds in general performed well during the period 1990-1994, the dominant performing strategies were Global Macro and CTAs, reflecting the variability in global currency and interest rates during that time period. The unexpected increase in interest rates by the Fed in early February 1994 ended the three year rebound following the 1990 recession.
- 1995-2000: During the 1995-2000 period, equity markets in general rebounded quickly from their 1994 performance with equity long/short the dominant performing hedge fund strategy (reflecting the rise in stocks in general and internet stocks in particular). In addition to internet stock rise, the other primary event in the period was the collapse of LTCM. In August and September of 1998 all hedge fund strategies experienced sharp declines. While equity based hedge funds rebounded quickly, fixed income arbitrage and global macro (including CTAs) continued to perform relatively poorly. Other equity and volatility sensitive hedge fund strategies (merger arbitrage, event, equity market neutral) also performed well after the August and September 1998 hedge fund crisis with most hedge fund strategies returning to pre-August 1998 levels by the end of 1999. Equity markets reached their peak in March 2000 and equity sensitive hedge funds were flat for the rest of the period. Volatility sensitive strategies such as equity market neutral and convertible arbitrage, however, continued to perform well.
- 2001-2005: During the most recent five year period, 2001-2005, distressed securities and event driven strategies had the highest relative performance reflecting decreases in interest rates and credit risk. Overall, within the past five years the market factors (e.g., low equity volatility) over this period resulted in hedge funds whose volatility was at the lower end of the estimated historical volatility range. Consistent with this lower volatility as well as lower short term interest rates, hedge fund strategies in general were at the lower end of the pre-2000 return range. Current economic conditions (increasing market volatility, rising short term rates, and improved equity market conditions) provide a more positive environment for hedge fund strategies in general and equity and event driven strategies in particular. The increasing supply of corporate high yield debt, corporate governance and restructuring, as well as global market opportunities, also provide conditions which are of advantage to particular types of hedge fund strategies. Performance over the past six months are consistent with the 'semi-credit crisis of April and May' (reflecting concerns on possible GM default, etc.) which affected all strategies but credit sensitive strategies in particular (convertible arbitrage). For the past several months most strategies have rebounded to their pre-May 2005 levels. However, continued uncertainty in U.S. equity markets due to energy and consumer concerns has resulted in equity sensitive hedge funds having flat performance.

The Future:

In short, hedge fund strategies, as well as traditional strategies, have been on a three to four year cycle since the early 1990's. Up for three years and down in 1994, up for three years and down in 1998, up for about two years and down in 2001, Up until 2003 and down again. Where is the

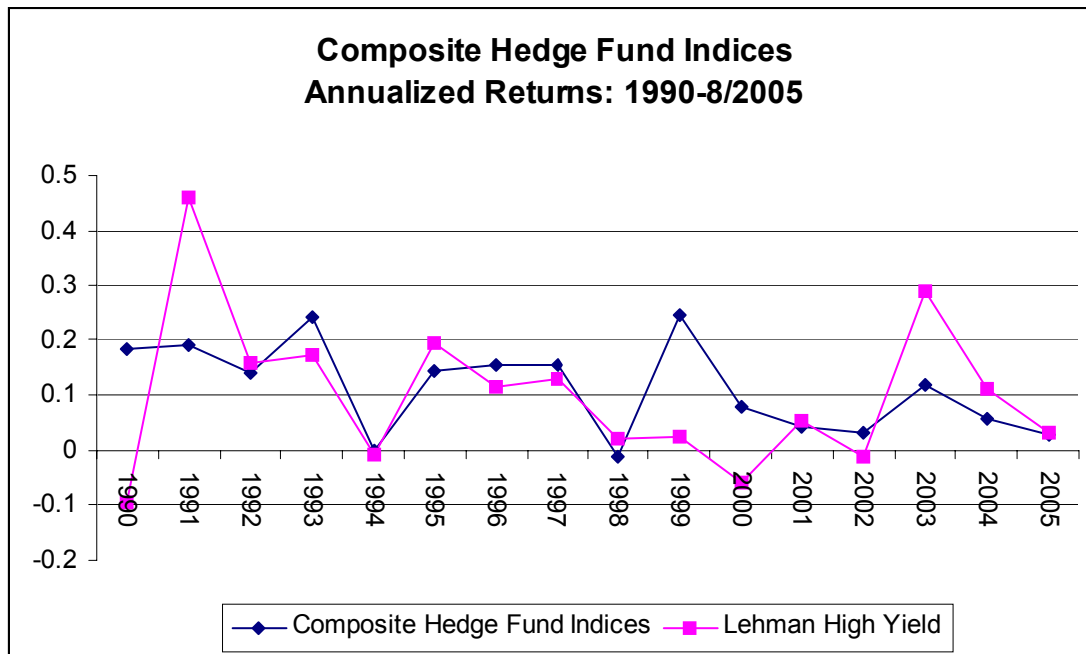
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absolute return in all of this? Three years of feasting and one year of famine. Obviously to some degree the return pattern reflects the underlying risk of providing capital for relatively illiquid credit sensitive investments.

Hedge fund returns are based on expected economic and market conditions in the upcoming period. Strategies which can take advantage of renewed demand for trading credit, corporate restructuring and corporate events as well as global market opportunities seem to offer the highest return to risk. Lastly, an important component to returns is how quickly the Fed reaches its interest rate goals. A resolution of this uncertainty commensurate with a soft economic landing provides optimal conditions for future one to three year returns across a wide variety of strategies.

After the Famine, every one is certainly looking forward to the Feast.

Thomas Schneeweis
Director/CISDM



Part II: *CISDM News*

CISDM Hedge Fund and CTA Indices

CISDM hedge fund and CTA indices have been restructured. We have added 4 new indices: CISDM Fund Weighted Hedge Fund Index, CISDM Convertible Arbitrage Index, CISDM Fixed Income Index, and CISDM Event Driven Multi Strategy Index. A Physicals Index has been added to the existing CTA indices. Both asset-weighted and equal-weighted versions of the index are available. To download historical data, please visit our website at www.cisdms.org.

CISDM Digest

The October issue of the CISDM Digest is now available. Please email info@cisdms.org if you have not received a copy.

The Journal of Alternative Investments

The Journal of Alternative Investments has been named the official publication of the CAIA Association. The Winter 2005 issue will be available later this month. Articles featured in the Winter 2005 issue include among others:

Timber as an Institutional Investment
Healey, Thomas; Corriero, Timothy; Rozenov, Rossen

Currency Management Styles Through the Ages
Binny, James

Factor Modelling and Benchmarking of Hedge Funds: Can Passive Investments in Hedge Fund Strategies Deliver?
Jaeger, Lars; Wagner, Christian

CAIA Update

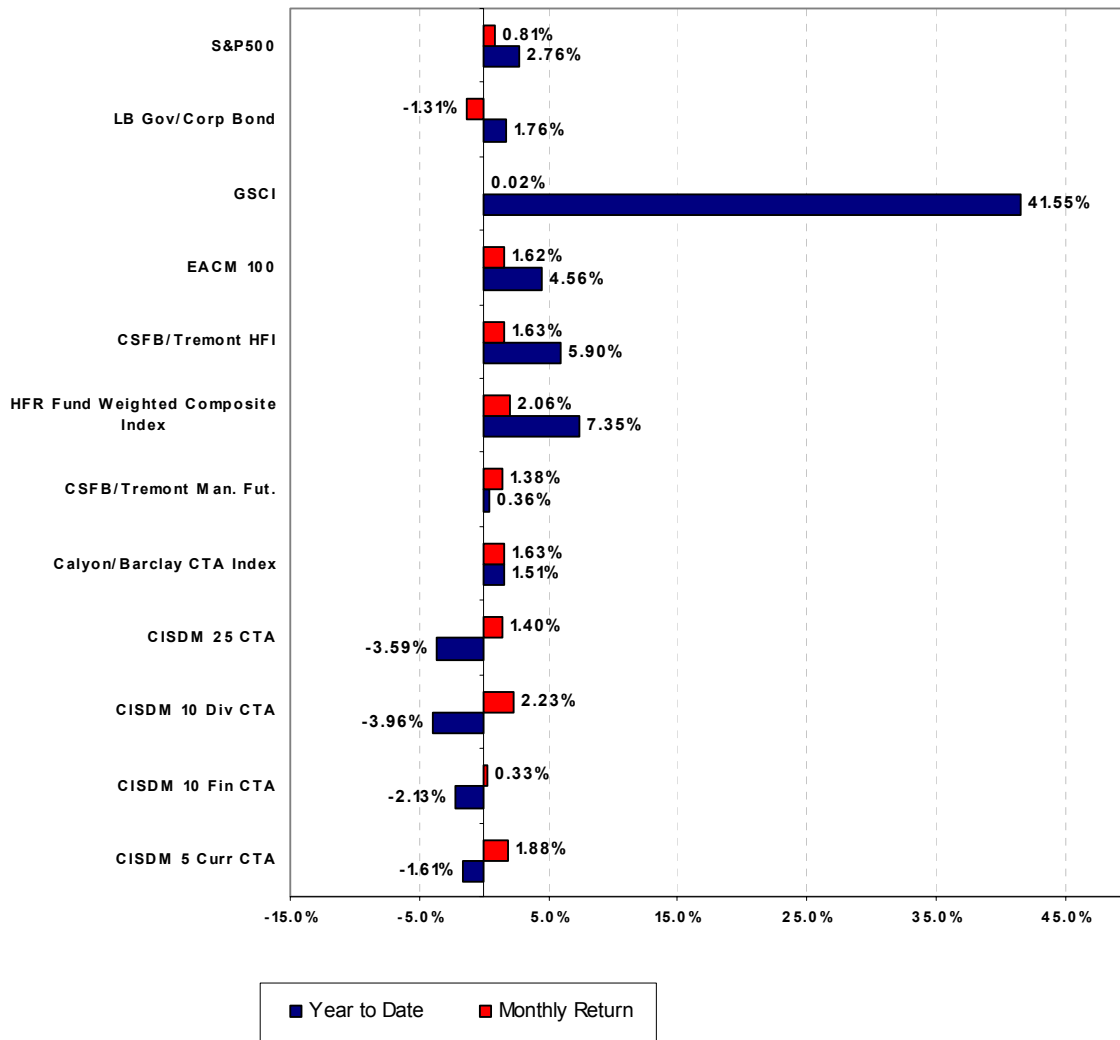
The CAIA Annual Meeting was held in New York on November 10th, 2005. Highlights included a panel discussion on the current state of the hedge fund industry. The discussion was moderated by Tom Schneeweis. The participants were David McCarthy, Edgar Sullivan, and Charles Fishkin.

Membership Updates

We ask our members who have not already done so, to renew their membership for the 2005-2006 period. Please contact info@cisdms.org if you have any questions.

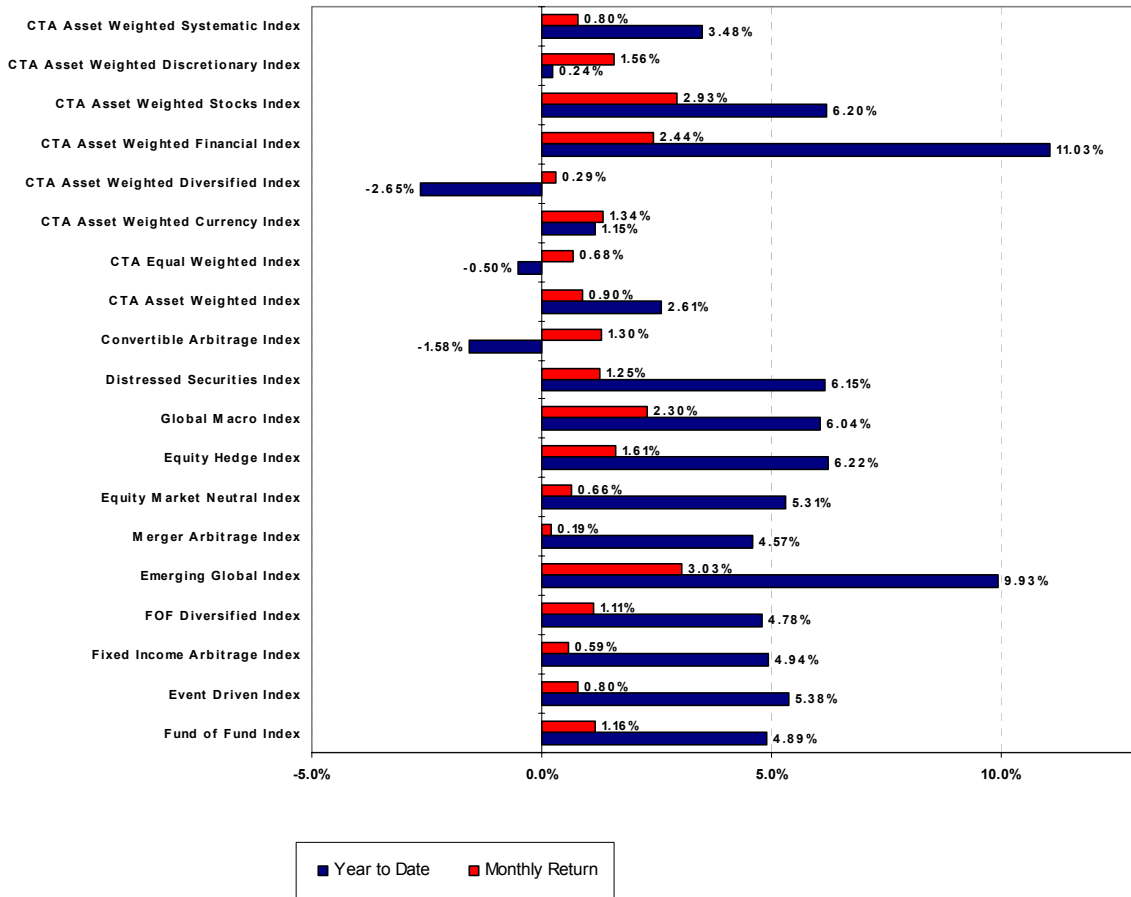
Part III: *Traditional and Alternative Investment Performance*

Traditional and Alternative Investment Strategies:
September 2005 Performance



Note: The above chart reflects the performance of traditional asset indices and portfolios of active alternative asset managers.

Alternative Investment Strategies: September 2005 Performance Of CISDM Indices



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Part IV: Asset Allocation

DISCLAIMER: *The following analysis is based on historical data and is not necessarily indicative of future performance!*

Tactical Asset Allocation

Three-Month Leading Factor Indicators and Hedge Fund Performance (October 2000 - September 2005)																								
	S&P500 Index			Small Cap			Intra-Month Vol of S&P500			Implied Vol Index			Ch. In Implied Vol Index			Slope of the YLD Curve			Credit Risk Premium			Swap Spread 10 year		
	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi
	Equity Hedge	L	H	L	H	M	H	M	M	L	H	L	H	L	H	L	L	M	M	L	H	L	M	H
Relative Value Arbitrage	L	M	L	M	M	H	L	M	M	L	L	H	L	M	M	H	M	M	L	H	L	L	H	L
Global Macro	L	M	M	M	M	H	M	M	M	L	M	H	M	M	M	M	M	L	L	M	H	L	M	M
Fund of Funds	L	H	L	H	M	H	M	M	L	H	L	H	L	H	L	L	M	H	L	H	L	L	H	L
Equity Market Neutral	L	M	L	H	M	L	H	M	M	H	M	H	M	H	M	H	L	L	H	M	L	L	M	H
Convertible Arbitrage	H	M	M	L	M	H	L	M	H	L	M	H	M	M	M	M	H	L	M	L	H	H	L	H
Fixed Income: Arbitrage	M	M	L	M	M	H	L	H	L	L	M	H	L	M	H	M	M	M	L	M	H	L	H	L

Current Factor Values (September 2005) and Hedge Fund Three-Month Leading (December 2005) Performance Indicators																	
Current Factor Value	S&P500 Index		Small Cap		Intra-Month Vol of S&P500		Implied Vol Index		Ch. In Implied Vol Index		Slope of the YLD Curve		Credit Risk Premium		Swap Spread 10 year		Regression Based Projected Return
	Return		Return		9.01%	L	11.92%	L	-5.40%	M	1.11%	L	0.93%	M	0.46%	M	
	Equity Hedge	H		M		M		H		H		L		H		H	
Relative Value Arbitrage	M		M		L		L		M		H		H		H		M
Global Macro	M		M		M		L		M		M		M		M		M
Fund of Funds	H		M		M		H		H		L		H		H		H
Equity Market Neutral	M		M		H		H		M		H		M		M		H
Convertible Arbitrage	M		M		L		L		M		H		H		H		M
Fixed Income: Arbitrage	M		M		L		L		M		M		M		H		M

Note: HFR indices used in above analysis

The tables above show the three-month-ahead hedge fund performance indicated by the historical relationship between factors and hedge fund returns. The top panel presents the historical pattern of performance of hedge fund strategies relative to the performance of the factors. For example, when S&P 500 returns have been low (as measured by the bottom 15th percentile of the historical distribution of S&P 500 returns), three months later Equity Hedge strategies have had below average returns (L) as well, while Convertible Arbitrage strategies have had above average (H) returns.

The bottom panel presents the current (September 2005) value of the factors and indicates whether the current value is relatively high (H), low (L) or medium (M). It also reports the projected return (December 2005) for various strategies. For example, the current value of the Small Cap return (average in historical terms) indicates average December 2005 performance for Global Macro strategies and average December 2005 performance for Fixed Income Arbitrage strategies.

The last column of the bottom panel represents the projected return on each strategy taking into account the total information provided by the factors. Overall, Fixed Income Arbitrage strategies are expected to perform average in December 2005.

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Strategic Asset Allocation

Current Factor Indicators and Hedge Fund Performance (October 2000 - September 2005)																								
	S&P500 Index			Small Cap			Intra-Month Vol of S&P500			Implied Vol Index			Ch. In Implied Vol Index			Slope of the YLD Curve			Credit Risk Premium			Swap Spread 10 year		
	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi	Low	Med	Hi
	Equity Hedge	L	H	H	H	L	H	H	M	L	H	M	L	H	H	L	M	L	H	L	M	L	H	M
Relative Value Arbitrage	L	M	H	H	L	H	H	M	L	H	M	L	H	M	L	H	M	L	L	H	L	H	M	L
Global Macro	L	M	H	H	L	H	M	M	L	H	M	M	H	M	L	H	M	L	L	H	L	H	M	L
Fund of Funds	L	M	H	H	L	H	H	M	L	H	M	L	H	M	L	H	M	H	L	H	L	H	H	L
Equity Market Neutral	H	L	L	L	M	H	H	L	H	H	L	L	L	M	H	H	M	L	L	H	L	H	M	L
Convertible Arbitrage	H	L	H	H	M	H	M	M	H	L	M	H	H	M	M	H	M	L	L	H	M	H	M	L
Fixed Income: Arbitrage	L	M	H	L	M	H	H	M	L	M	M	M	L	M	M	M	M	L	M	M	M	M	M	L

Current Factor Values (September 2005) and Contemporaneous Hedge Fund Performance Indicators																	
Current Factor Value	S&P500 Index		Small Cap		Intra-Month Vol of S&P500		Implied Vol Index		Ch. In Implied Vol Index		Slope of the YLD Curve		Credit Risk Premium		Swap Spread 10 year		Actual Return
	0.81%	M	0.31%	M	9.01%	L	11.92%	L	-5.40%	M	1.11%	L	0.93%	M	0.46%	M	
	Equity Hedge	H		L		H		H		H		M		M		M	
Relative Value Arbitrage	M		L		H		H		M		H		H		M		H
Global Macro	M		L		M		H		M		H		H		M		L
Fund of Funds	M		L		H		H		M		H		H		H		H
Equity Market Neutral	L		M		H		H		M		H		H		M		L
Convertible Arbitrage	L		M		M		L		M		H		H		M		H
Fixed Income: Arbitrage	M		M		H		M		M		M		M		M		L

Note: HFR indices used in above analysis

The above graph shows the contemporaneous hedge fund performance indicated by the historical relationship between factors and hedge fund returns. The top panel presents the historical pattern of performance of hedge fund strategies relative to the performance of the factors. For example, when S&P 500 returns have been low (as measured by the bottom 15th percentile of the historical distribution of S&P 500 returns), Equity Hedge and Global Macro strategies have contemporaneously had below average returns as well.

The bottom panel presents the current (September 2005) value of the factors as well as the historical distribution range that value falls in and the contemporaneous performance ranges for the hedge fund strategies. The last column presents the actual contemporaneous performance of hedge fund strategies.

A Closer Look Beyond the Styles of Commodity Trading Advisors

Abstract

In a recent articleⁱ, “Look Beyond the Styles of Commodity Trading Advisors” Pauline Lam lays out common criteria in assessing CTAs for allocation purposes. In this review we examine some of the implications of the results of the article and provide updated estimates. Our results include the period March 2004 – September 2004 when the industry experienced some of its largest drawdowns in history.

Introduction

Under the Commodity Exchange Act, all individuals and firms, with certain exceptions, that intend to do business as futures professionals must be registered with the Commodity Futures Trading Commissionⁱⁱ (CFTC). The Commission has authorized the National Futures Association (NFA), a self-regulatory organization, to receive and review applications and grant registrations. Two such categories of futures professionals that must be registered include Commodity Pool Operators (CPOs) and Commodity Trading Advisors (CTAs). The terms Commodity Pool Operators (CPOs) and Commodity Trading Advisors (CTAs) are defined by the CFTC as follows:

- Commodity Trading Advisor - Any person who, for compensation or profit, directly or indirectly advises others as to the advisability of buying or selling commodity futures or option contracts.
- Commodity Pool Operator - An individual or firm which operates a commodity pool. (For example: If a pool is organized as a limited partnership, its general partner typically is its CPO.) A commodity pool is an investment trust, syndicate, or similar form of enterprise operated for the purpose of trading commodity futures or option contracts

It needs to be noted at the outset that there are many hedge funds that are registered as CTAs and even CPOs with the NFA. This often happens in the case of hedge funds that are classified as global macro. Lam’s suggestion that CTAs may trade financial futures as part of their portfolios is however true. CTAs indeed, also trade currency, stock index and commodity futures. The vast majority of CTAs in the CISDMⁱⁱⁱ Database however are classified as Diversified (ones that trade several markets) and a somewhat fewer number of CTAs are classified as Physicals (ones that trade markets such as energy, metals, softs etc.). The following better known hedge funds^{iv} or fund of funds are also registered either as CTAs or CPOs or both.

1. Caxton Associates, LLC
2. Kingdon Capital Management, LLC
3. Moore Capital Management, LLC
4. Renaissance Technologies Corp.
5. SAC Capital Advisors, LLC
6. Tudor Investment Corporation

7. Pacific Alternative Asset Management Co., LLC

The classifications in the CISDM database^v are manager reported. A fund is assigned to the CTA database if it trades futures and options markets and is generally invested through managed accounts. A fund is assigned to the CPO database if it pools funds from multiple participants. Note that CPOs may be single advisor (engaging a single CTA) or multi-advisor (engaging several CTAs). Funds may also be registered as both CTAs and CPOs as is often the case. Global macro funds on the other hand may trade equity markets as well and be registered as both CTAs and CPOs.

In this review we will reexamine the performance figures of Lam and provide updated results. In particular, we examine the period January 1992 – August 2005 which includes the period March 2004 through September 2004 when the managed futures industry experienced some of its largest drawdowns in history.

Diversification Benefits

Lam notes that CTAs exhibit low-to-negative correlation with traditional assets like stocks and bonds. The following exhibit presents correlation statistics between CISDM CTA sub-indices^{vi}, CISDM Global Macro Index, Stocks and Bonds over various periods. The period considered by Lam was January 1992 through May 2004. The CISDM indices underwent certain structural changes in October 2005. For purposes of this comparison we will use the CISDM Asset Weighted CTA Discretionary and Systematic indexes as well as the CISDM Global Macro Index. We also use the S&P 500 Total Return Index and the Merrill Lynch U.S. Treasuries, 10+ Yrs Total Return Index to represent stock and bond returns respectively.

Exhibit 1: Correlations between CTAs, Global Macro, Stocks and Bonds

January 1992 - August 2005					
	GM	DIS	SYS	S&P	US TSY
CISDM Global Macro Index	1.00				
CISDM CTA Discretionary Index	0.50	1.00			
CISDM CTA Systematic Index	0.14	0.50	1.00		
S&P 500 Total Return Index	0.38	0.09	-0.07	1.00	
Merrill Lynch U.S. Treasuries, 10+ Yrs	0.22	0.25	0.34	-0.03	1.00
January 1992 - May 2004					
	GM	DIS	SYS	S&P	US TSY
CISDM Global Macro Index	1.00				
CISDM CTA Discretionary Index	0.48	1.00			
CISDM CTA Systematic Index	0.12	0.49	1.00		
S&P 500 Total Return Index	0.37	0.07	-0.08	1.00	
Merrill Lynch U.S. Treasuries, 10+ Yrs	0.26	0.31	0.37	-0.01	1.00

The results for the period January 1992 – August 2005 generally follow the same patterns as the period January 1992 – May 2004. The correlations between large-cap stocks and the systematic and discretionary indexes are either low or negative. As is the case with Lam, bonds exhibit higher correlations with systematic and discretionary CTA indices. There are however, certain differences between the results above and the results reported in Lam. We find that the correlations between systematic and discretionary CTAs are around 0.5. A majority of the

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systematic CTAs are trend-followers whereas the trading decisions at discretionary CTAs are more fundamentally driven. The correlation between CISDM CTA Discretionary Index and the CISDM Global Macro Index is around 0.5 as well which is higher than the figures reported in Lam.

Performance Statistics

Lam computes and compares performance statistics for the period January 1990 through May 2004 as well as for five years preceding May 2004. In the exhibit below, we present performance statistics for the CTA Asset and Equal Weighted Indices, CPO Asset Weighted and Equal Weighted Indices and the CISDM Global Macro Index.

Exhibit 2: Performance Estimates for CTA and Global Macro Indices

January 1990 - September 2005				
	Average Return	Standard Deviation	Skewness	Kurtosis
CISDM CTA Asset Weighted Index	0.87%	2.83%	0.72	2.30
CISDM CTA Equal Weighted Index	0.74%	2.73%	0.52	0.66
CISDM CPO Asset Weighted Index	0.69%	2.73%	0.74	2.79
CISDM CPO Equal Weighted Index	0.58%	3.02%	0.43	0.50
CISDM Global Macro Index	0.98%	1.86%	1.04	3.14
January 2000 - September 2005				
	Average Return	Standard Deviation	Skewness	Kurtosis
CISDM CTA Asset Weighted Index	0.62%	2.40%	0.15	-0.12
CISDM CTA Equal Weighted Index	0.63%	2.58%	0.37	0.06
CISDM CPO Asset Weighted Index	0.68%	2.69%	0.10	-0.46
CISDM CPO Equal Weighted Index	0.64%	3.14%	0.24	-0.18
CISDM Global Macro Index	0.58%	1.20%	1.10	3.67

Our performance statistics in general are similar to the results reported by Lam. The average of the global macro strategy is higher than the averages of the asset and equally weighted CTA and CPO indices over the period January 1990 – September 2005. However over the period January 2000 – September 2005 the average of the global macro strategy is lower than the averages of the asset and equally weighted CTA and CPO indices. This difference in performance is attributable to the year 2002 when the CISDM Global Macro Index performed poorly.

Time Frames

Lam notes certain distinctions between commodity trading advisors and global macro hedge funds. These include:

- a. GM trades are discretionary in nature with traders anticipating trends in their development.
- b. GM has more flexibility in formulating its trades: they allow for faster reaction time for getting in and out of positions.

The CISDM database provides information on whether a CTA is systematic or discretionary as well as the time frame. We form six portfolios with both active and dead CTAs. These include

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long term discretionary CTAs, medium term discretionary CTAs and short term discretionary CTAs, long term trend followers, medium term trend followers and short term trend followers. Correlations of these portfolios are presented in Exhibit 3.

Exhibit 3: Correlations of Long Term, Medium Term and Short Term Portfolios with Global Macro

	Discretionary			Trend Following			Global Macro
	Long	Medium	Short	Long	Medium	Short	
Long Term DIS	1.00						
Medium Term DIS	0.24	1.00					
Short Term DIS	0.10	0.02	1.00				
Long Term TF	0.20	0.40	0.20	1.00			
Medium Term TF	0.12	0.38	0.24	0.88	1.00		
Short Term TF	0.06	0.16	0.07	0.32	0.42	1.00	
CISDM Global Macro Index	0.23	0.10	0.12	0.22	0.22	0.24	1.00

Lams observations are in general supported by the results. The CISDM Global Macro Index has low correlations with all six portfolios. As expected the long and medium term trend following portfolios are highly correlated. The performance of these portfolios over the period January 1990 – September 2005 is given in Exhibit 4.

Exhibit 4: Performance of Long Term Medium Term and Short Term Portfolios

January 1990 - September 2005				
	Annualized Return	Standard Deviation	Skewness	Kurtosis
Long Term DIS	10.85%	10.62%	0.30	0.60
Medium Term DIS	19.24%	9.61%	0.43	0.86
Short Term DIS	14.43%	6.80%	0.66	1.27
Long Term TF	12.83%	16.53%	0.66	1.37
Medium Term TF	14.10%	12.59%	1.14	3.28
Short Term TF	13.92%	6.57%	0.52	2.01
CISDM Global Macro Index	12.17%	6.44%	1.04	3.14

ⁱ Published in the Journal of Wealth Management, Fall 2004 issue.

ⁱⁱ www.cftc.gov

ⁱⁱⁱ The CISDM Database currently reports information on more than 700 Commodity Trading Advisors and Commodity Pool Operators.

^{iv} Institutional Investor annually publishes rankings on the top 100 hedge funds in terms of assets.

^v The CISDM Database is currently managed by Alternative Investments Research and Technologies (AIRT), LLC.

^{vi} The CISDM Hedge Fund and CTA Indices were restructured in October 2005.

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Part VI: CISDM Activities

Recent Activities

Organization	Conference Name	Location	Date
Financial Research Associates	Successful Fund Raising Strategies for Hedge Funds	New York, NY	July 25, 2005
IIRUSA	Commodity Investment Forum - Generating Diversification and Alpha for Today's Investors	New York, NY	Aug 15-16, 2005
Financial Research Associates	The 2005 Investment Advisor Exchange-Traded Funds Summit	New York, NY	September 12, 2005
CISDM	2005 Annual Research Conference	Amherst, MA	September 18-20, 2005
IMN	Alternative Investment Summit	Half Moon Bay, CA	October 24-26, 2005
IIRUSA	Hedge Funds Regulation and Compliance	New York, NY	October 24-25, 2005
United Nations Environment Programme	Alternatives, Hedging, and Financial Innovation	New York, NY	October 26, 2005
IMN	West Coast Private & Non-Traded REIT Industry Symposium	Rancho Mirage, CA	October 27-28, 2005
Financial Research Associates	4th Annual Valuation of Hard-to-Value Securities and Portfolios	New York, NY	November 7-8, 2005
ICBI	5th Annual Super Investor 2005	Paris, France	November 14-17, 2005
ICBI	The 4th Annual Gaim Invest & Fund of Funds 2005	Geneva, Switzerland	November 15-17, 2005
Institutional Investor	Alpha Beta Separation & Portable Alpha Implementation Strategies for the New Framework for Portfolio Management	New York, NY	November 17, 2005

Note: CISDM attended/made a presentation at the conferences indicated in bold.

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Forthcoming Activities

<i>Organization</i>	<i>Conference Name</i>	<i>Location</i>	<i>Date</i>
Financial Research Associates	2 nd Annual Managed Accounts Compliance Forum	Cambridge, MA	November 29-30, 2005
IIRUSA	Portable Alpha Summit	New York, NY	November 29-30, 2005
CISDM	CISDM Regional Meeting	New York, NY	November 30, 2005
Financial Research Associates	3 rd Annual Hedge Funds Business Operations Forum	New York, NY	December 1-2, 2005
IMN	10 th Annual Superbowl of Indexing	Scottsdale, AZ	December 4-7, 2005
Opal Financial Group	CDO Summit	Laguna Niguel, CA	December 4-5, 2005
Opal Financial Group	Alternative Investing Summit	Laguna Niguel, CA	December 4-5, 2005
IIRUSA	Private Equity Fund Formation and Operations	Boston, MA	December 5-6, 2005
Hedge Funds World	Hedge Funds World Japan 2005	Tokyo, Japan	December 6-7, 2005
Financial Research Associates	3 rd Annual Insurance & Annuity Based Hedge Fund Investing Forum	New York, NY	December 12-13, 2005

Note: CISDM will attend/make a presentation at the conferences indicated in bold.

CAIA Association News

Since inception in 2002, the Chartered Alternative Investment Analyst Association has witnessed 3,200 candidate registrations with over 1,500 of those enrollments occurring in 2005 alone. In line with this trend, the Association is pleased to announce an increase of over 50% in its membership this autumn and credits the dramatic increase to the significant number of Level II enrollments for the July 2005 examinations.

With candidate enrollments and member applications increasing by 100% annually, the Association is focusing intently on providing its growing member base with useful and educational benefits. With the ever-increasing need to stay ahead of the learning curve and to keep up-to-date with the latest industry developments, membership in the Association provides access to a unique network of alternative investment specialists with expertise across the AI industry. In addition, the Association facilitates meetings and seminars to enhance continuing education and the exchange of ideas and experiences in the AI space.

Over the past year, local CAIA chapters in Switzerland, New York, Singapore, London, and Toronto have become an integral part of the CAIA Association's outreach and ongoing education efforts. Proving to be of immense value, the current chapters are taking the lead in presenting the CAIA program to the AI industry in their region, furthering educational opportunities by sponsoring local events, and establishing forums on topics such as industry products, developments and best practices. The Association anticipates the opening of several new chapters in the coming year as regional memberships reach critical mass.

The Association's Third Annual Meeting to be held on November 10, 2005 at The Princeton Club in New York, is a member-only event designed to bring together CAIA members' collective ideas and efforts. The Annual Meeting allows members to play a crucial part in determining the future direction for both the Association and the CAIA program. Member feedback from previous annual meetings has made a profound impact on the short-term objectives as well as the long-term goals of the Association and members are strongly encouraged to attend.

The CAIA Association is pleased to recognize the following individuals from the Class of July 2005. Each has successfully completed the two-level examination program and met the requirements for membership in the Association.

Stéphane Amara, *Bank of Ireland Asset Management*

Vincent M. Amari

Cyrus Amaria, *Man Investments AG*

Arthur Joseph Anderson, *Canada Post Corporation*

Dr. Martin P. Arnold, *Hudson Advisors Germany GmbH*

Thomas W. Balcom, *Foldes Financial Management*

Bryce Bland, *Strategic Financial Solutions*

Ben Bleicken, *Harbour Capital Group Pte Ltd*

Dr. Jorg Bley, *American University of Sharjah*

Lea Blinoff, *HSBC Private Bank*

C. James Bode, *BOK Financial Corporation*

Michael Bok

Holger Breh, *Man Investments*

Henk Brueren, *F. van Lanschot Bankiers (Luxembourg) S.A.*

Franz Brugger, *Carl Spaengler KAG*

Kevin A. Burrows, *Oceanic Investment Management Ltd*

Michael Carsley, *Silver Creek*

Gion Cavegn, *Swiss National Bank*

Edwin Chik Wan Choi, *Government of Singapore*

Investment Corporation Pte Ltd

Jeanne Chow, *Investment Management Association of Singapore*

Han Seng Chua, *SK-Enron Corp*

Gabriel Goh Choo Chye, *United Overseas Bank Limited*

John B. Cox, *Charles D. Haines, LLC*

Sean Crawford, *McDonald Investments*

Robert Cultraro, *Aon Consulting*

Mike Del Tergo, *Key Bank*

Genia Diamond, *Pacific Alternative Asset Management Company*

Cristhian Dick

Robert Discolo, *AIG Global Investment Corp*

Bruno Ducamp, *BNP Paribas Asset Management*

William C. Feeley, *MassMutual Financial Group*

Simone O. Fevola, *Wealth Management LLC*

Victor Michael Flores, *Citigroup*

Ka Ying Timothy Fong, *Office of the*

Superintendent of Financial Institutions Canada

Luis Castro da Fonseca, *GPS Planejamento Financeiro*

Vincent C. Fulco, *Cedrus Capital Partners LP*

Alvin Goh, *Fullerton Fund Management Co. Ltd.*

Irene Goh, *Fundamental Capital Advisors*

Avi David Goodman, *Steel Partners*

James E. Gore, *Thor Investment Management, Inc.*

Tony Gould, *Lehman Brothers*

John Graham, *Arrow Hedge Partners*

Aron Grodinsky, *Merrill Lynch*

William M. Gruzynski, *Emerald Strategies LLC*

Continued...

CAIA Association News (continued)

Theresa Han, UBS
Greg Harmon, BNP Paribas Securites Corporation
Brendan Hayes, ICRSA
Douglas Roderich Hayley-Barker, Man Investments AG
Daniel Brian Heyman, Causeway Capital Management LLC
Benny Ho, ING Investment Management AP
Christopher Holt, JC Clark Ltd.
Sharam J. Honari, MoncriefWillingham Energy Advisers
Theo Iguyowwe, TradeEdge Ltd
Deoraz Hans Itburun, Merrill Lynch Bank
Nicolas Jego, LGT Capital Management Ltd.
Gunther Jost, Union Alternative Assets
Lennie Mathieu Kessler-Vaschetti
Ida Khajadourian, Sprott Asset Management Inc.
Ken Kinsey-Quick, Thames River Capital
Lothar Kloster, Eurex Frankfurt AG
Remo Kraenzlin, Primores
Gabriel Kurland, Anglo Irish Bank (Suisse) S.A.
Karen A. Labenski, Prime, Buchholz & Associates, Inc.
Christoph Landolt, Man Investments
Darren Jonathan Lauber, Attica Alternative Investments Ltd
Serge-Alexandre Lauper, Vontobel Asset Management AG
Shaun Paul Le Messurier, Credit Suisse (Guernsey) Limited
William Lee
Bee G. Lim, SAIL Advisors Limited
Ted Logan, Aspect Capital
Benoit Malka, UBS SA
Rick Martin, Ryan Beck & Co.
Chad R. Martinson, Efficient Capital Management
Jorge Martret, Món Gestió S.A.
Robert Maxwell, Arrow Hedge Partners Inc
Michel Mazenauer, Heritage Bank & Trust
John P. McCarthy, MB Investments, LLC
William Edward McKay
Michael J. McNeil, Polar Securities Inc.
Steve Melling, Paul Melling and Associates
Rex Merchant, Benchmark Plus Management
Tammam Mouakhar, CDP Capital
Jeffery Moy, Liberty Mutual Insurance Group
Stefan Mueller, UBS AG
Hugo E. Muzza, NYU
Craig Navin, Pacific Alternative Asset Management Company
Thomas A. Nelson, Bloomberg LP
Dr. Gianluca Oderda, Pictet & Cie
Gary K. Ostoich, Salda Capital Corp.
Ryan S. Pearson, Van Hedge Fund Advisors International, LLC
Laetitia Perron, CA-AM
Jake Pinato, Pacific Alternative Asset Management Company
Alexandre Rampa, Banque Privée Ed. de Rothschild SA
Joseph G. Rose, III
Harry P. Rosenbaum, Sal. Oppenheim International S.A.
Michael G. Rosloniec, Smith Barney
Isabella Salburg, Societe Generale
Christophe Sarrasin, Nestle
Yvonne Schor, Pioneer Alternative Investments
Ari A. Schottenstein, Cogent Partners, LP
Paul Jen Seto, Mantis Trading, LLC
Todd Sheets, F&D Advisors, LLC
Drew R. Smith, Advantus Capital Management
Nicola Steiner, AIG Privatebank
Emeric Uhring, Unigestion
Richard H. Van Horne, Diversified Hedge Investment Advisors LLC
Carmen van Roon Pence, GAM USA Inc.
Rollance Adair Verkennis, The Resource Group
Warren Vincent, National Bank of Dubai
Nadja Wafler, UBS AG
Winnie Wang, UBS AG
Anthony White, Trama Pty Ltd
Alexandre Wiczorek, Banque Privée Edmond de Rothschild
David Flores Wilson, Lehman Brothers
J. Mark Wiltshire
Eric C.M. Wong
Stefan Wrobel, Pacific Alternative Asset Management Company



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The Chartered Alternative Investment Analyst Association® is the sponsoring body for the CAIA designation. Co-founded by AIMA and the Center for International Securities and Derivatives Markets (CISDM), the program focuses exclusively on alternative investments — hedge funds, managed futures, real estate, commodities, and private equity. For additional information about the CAIA program, please visit www.caia.org. To contact the CAIA AssociationSM please e-mail: info@caia.org or telephone: + 1 413 253 7373.

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Traditional and Hedge Fund Indices: Comparative Performance Analysis



September 2005

	Lipper Convertible	Lipper Emerging Markets	Lipper Large Growth	Lipper Large Value	Lipper Long Govt	S&P500	Lehman Gov/Corp	SP500/Lehman Portfolio
Yearly Return								
1996	14.63%	12.21%	20.56%	21.07%	2.16%	22.96%	2.90%	14.65%
1997	16.90%	-10.24%	27.59%	28.47%	9.12%	33.38%	9.76%	23.67%
1998	2.82%	-26.87%	36.47%	18.24%	7.85%	28.58%	9.47%	21.35%
1999	28.30%	68.97%	34.82%	10.78%	-2.66%	21.04%	-2.15%	11.40%
2000	4.82%	-30.90%	-19.68%	1.95%	11.89%	-9.09%	11.85%	-0.90%
2001	-4.71%	-3.50%	-23.87%	-8.58%	6.67%	-11.87%	8.50%	-3.67%
2002	-9.32%	-4.63%	-28.11%	-19.68%	9.97%	-22.09%	11.04%	-9.52%
2003	25.39%	56.95%	26.96%	28.00%	1.73%	28.69%	4.67%	18.76%
2004	8.78%	25.69%	7.45%	12.00%	3.35%	10.86%	4.19%	8.23%
2005 to September	3.06%	24.31%	3.81%	4.32%	1.99%	2.76%	1.76%	2.44%

Last Three Months								
Jul-05	3.05%	6.90%	5.03%	3.26%	-1.02%	3.72%	-1.13%	1.78%
Aug-05	0.83%	1.55%	-1.07%	-0.43%	1.27%	-0.91%	1.49%	0.05%
Sep-05	1.36%	8.75%	1.20%	0.96%	-0.87%	0.81%	-1.31%	-0.04%

Performance: January-96 - September-05								
Annualized Rate of Return	8.68%	7.04%	5.98%	8.83%	5.25%	9.09%	6.27%	8.32%
Annualized Standard Deviation	11.71%	23.53%	19.17%	14.05%	4.04%	15.79%	4.40%	9.49%
Sharpe Ratio	0.43	0.14	0.12	0.37	0.40	0.34	0.59	0.49
Maximum Drawdown	-24.76%	-54.87%	-61.04%	-33.23%	-4.17%	-44.72%	-4.58%	-22.62%
Correlation with S&P 500	0.79	0.71	0.94	0.96	-0.13	1.00	-0.09	0.98
Correlation with Lehman Gov't/Corp	-0.06	-0.16	-0.10	-0.10	0.98	-0.09	1.00	0.10
% of Winning Months	63.25%	61.54%	58.97%	62.39%	67.52%	61.54%	68.38%	61.54%
Average Gain	2.70%	4.90%	4.31%	3.24%	1.08%	3.70%	1.18%	2.43%
% of Losing Months	36.75%	38.46%	41.03%	37.61%	32.48%	38.46%	31.62%	38.46%
Average Loss	-2.59%	-5.74%	-4.64%	-3.27%	-0.90%	-3.76%	-0.93%	-2.05%

	Lipper Financial	Lipper Financial	Lipper Nat. Res.	Lipper HFR Energy	Lipper HFR Eq Non-Hedge	Lipper HFR Eq Hedge	Lipper Large Value	Lipper Large Growth
Yearly Return								
1996	29.39%	26.31%	28.87%	58.37%	25.52%	21.75%	21.07%	20.56%
1997	47.79%	49.35%	14.74%	47.45%	17.56%	23.41%	28.47%	27.59%
1998	5.90%	-11.96%	-23.12%	-22.52%	9.80%	15.98%	18.24%	36.47%
1999	-4.39%	-2.18%	33.52%	25.51%	41.82%	44.22%	10.78%	34.82%
2000	26.74%	36.48%	29.23%	58.36%	-9.04%	9.09%	1.95%	-19.68%
2001	-6.79%	17.92%	-12.59%	0.37%	1.36%	0.40%	-8.58%	-23.87%
2002	-12.00%	2.00%	-7.22%	-1.49%	-8.49%	-4.71%	-19.68%	-28.11%
2003	31.99%	22.93%	26.24%	28.81%	37.55%	20.53%	28.00%	26.96%
2004	13.96%	10.74%	35.25%	34.94%	13.31%	7.69%	12.00%	7.45%
2005 to September	-0.44%	3.57%	47.63%	24.86%	8.16%	7.92%	4.32%	3.81%

Last Three Months								
Jul-05	3.03%	2.33%	8.69%	5.61%	4.07%	2.95%	3.26%	5.03%
Aug-05	-1.96%	0.39%	7.15%	4.30%	0.18%	0.73%	-0.43%	-1.07%
Sep-05	0.33%	0.57%	6.55%	4.20%	2.31%	2.32%	0.96%	1.20%

Performance: January-96 - September-05								
Annualized Rate of Return	11.98%	14.55%	15.31%	23.32%	12.91%	14.28%	8.83%	5.98%
Annualized Standard Deviation	17.76%	12.40%	22.48%	19.42%	15.03%	9.50%	14.05%	19.17%
Sharpe Ratio	0.47	0.88	0.52	1.01	0.62	1.12	0.37	0.12
Maximum Drawdown	-23.90%	-26.33%	-36.05%	-37.08%	-28.17%	-10.30%	-33.23%	-61.04%
Correlation with S&P 500	0.80	0.60	0.52	0.34	0.79	0.69	0.96	0.94
Correlation with Lehman Gov't/Corp	-0.02	0.02	0.00	0.04	-0.12	-0.08	-0.10	-0.10
% of Winning Months	58.12%	70.94%	56.41%	62.39%	61.54%	66.67%	62.39%	58.97%
Average Gain	4.38%	2.75%	5.66%	5.06%	3.85%	2.56%	3.24%	4.31%
% of Losing Months	41.88%	28.21%	43.59%	36.75%	38.46%	32.48%	37.61%	41.03%
Average Loss	-3.50%	-2.64%	-4.12%	-3.39%	-1.70%	-3.27%	-0.93%	-4.64%

	Lipper Real Estate	HFR Real Estate	Lipper Tech.	HFR Tech.	Lipper Bio/Tech	HFR Bio/Tech	Lipper Emerging	HFR Emerging
Yearly Return								
1996	31.83%	23.83%	16.92%	30.56%	12.94%	17.42%	12.21%	27.14%
1997	20.58%	18.17%	7.84%	6.89%	20.53%	1.21%	-10.24%	16.57%
1998	-17.12%	-8.08%	46.94%	28.46%	26.00%	6.82%	-26.87%	-32.96%
1999	-3.54%	2.71%	113.92%	124.26%	10.35%	47.35%	68.97%	55.86%
2000	25.56%	13.34%	-30.27%	-15.28%	43.67%	50.35%	-30.90%	-10.71%
2001	10.12%	8.21%	-34.72%	-12.82%	-10.46%	2.91%	-3.50%	10.36%
2002	3.63%	4.55%	-41.38%	-16.53%	-26.21%	-20.45%	-4.63%	3.70%
2003	37.21%	17.19%	51.31%	25.41%	30.53%	39.30%	56.95%	39.37%
2004	32.13%	18.43%	4.11%	5.35%	11.74%	7.96%	25.69%	18.42%
2005 to September	9.42%	2.89%	1.78%	4.73%	9.09%	3.79%	24.31%	16.00%

Last Three Months								
Jul-05	6.44%	2.22%	6.04%	3.30%	5.67%	4.78%	6.90%	2.99%
Aug-05	-3.46%	-0.89%	-0.63%	-0.35%	1.09%	0.61%	1.55%	2.21%
Sep-05	0.30%	-0.61%	1.93%	2.25%	0.91%	0.44%	8.75%	4.51%

Performance: January-96 - September-05								
Annualized Rate of Return	14.08%	9.99%	5.56%	13.47%	11.37%	14.02%	7.04%	12.04%
Annualized Standard Deviation	13.15%	7.08%	33.93%	21.47%	17.16%	24.03%	23.53%	15.13%
Sharpe Ratio	0.79	0.89	0.06	0.46	0.45	0.43	0.14	0.55
Maximum Drawdown	-23.37%	-10.01%	-81.68%	-53.04%	-35.63%	-28.06%	-54.87%	-43.37%
Correlation with S&P 500	0.35	0.41	0.78	0.64	0.57	0.32	0.71	0.60
Correlation with Lehman Gov't/Corp	0.04	0.07	-0.13	-0.06	-0.06	-0.07	-0.16	-0.13
% of Winning Months	66.67%	64.96%	52.99%	54.70%	63.25%	56.41%	61.54%	68.38%
Average Gain	3.26%	1.93%	8.08%	5.42%	3.89%	5.25%	4.90%	3.27%
% of Losing Months	33.33%	35.04%	47.01%	45.30%	36.75%	42.74%	38.46%	31.62%
Average Loss	-3.00%	-1.24%	-7.12%	-3.79%	-3.90%	-3.84%	-5.74%	-3.75%

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Commodity Indices: Comparative Performance Analysis

September 2005



Yearly Return	S&P 500	Lehman Brothers Gov/Corp Bond	GSCI Commodity Index	S&P Commodity Index	DJ-AIG Commodity Index	
1996	22.96%	2.90%	33.92%	21.67%	23.16%	
1997	33.36%	9.76%	-14.07%	4.42%	-3.39%	
1998	28.58%	9.47%	-35.75%	-27.63%	-27.03%	
1999	21.04%	-2.15%	40.92%	7.23%	24.35%	
2000	-9.10%	11.85%	49.74%	42.43%	31.84%	
2001	-11.89%	8.50%	-31.93%	-31.68%	-19.51%	
2002	-22.10%	11.04%	32.07%	27.19%	25.91%	
2003	28.68%	4.67%	20.72%	21.74%	23.93%	
2004	10.88%	4.19%	17.28%	8.22%	9.46%	
2005 to September	2.77%	1.76%	41.55%	36.27%	25.18%	
Last Three Months						
Jul-05	3.72%	-1.13%	5.50%	4.94%	4.48%	
Aug-05	-0.91%	1.49%	15.14%	8.71%	7.55%	
Sep-05	0.81%	-1.31%	0.02%	4.82%	4.65%	
Performance: January-96 - September-05						
Annualized Rate of Return	9.09%	6.27%	11.18%	8.37%	9.62%	
Annualized Standard Deviation	15.79%	4.40%	21.29%	15.56%	13.90%	
Sharpe Ratio	0.34	0.59	0.35	0.30	0.43	
Maximum Drawdown	-44.73%	-4.58%	-48.25%	-37.95%	-36.20%	
Correl. with S&P 500	1.00	-0.09	-0.01	0.07	0.10	
Correl. with Lehman Gov't/Corp	-0.09	1.00	0.05	0.03	0.01	
% of Winning Months	61.54%	68.38%	57.26%	58.97%	58.12%	
Average Gain	3.70%	1.18%	5.31%	3.69%	3.53%	
% of Losing Months	38.46%	31.62%	42.74%	41.03%	41.88%	
Average Loss	-3.76%	-0.93%	-4.61%	-3.43%	-2.87%	
Yearly Return	GSCI Agriculture	DJ-AIG Grains	DJ-AIG Softs	GSCI Energy	DJ-AIG Energy	DJ-AIG Petroleum
1996	-2.05%	-4.35%	18.82%	66.57%	87.61%	91.09%
1997	4.74%	9.20%	33.17%	-23.19%	-22.63%	-25.14%
1998	-24.38%	-22.63%	-18.39%	-46.82%	-46.08%	-47.11%
1999	-18.86%	-19.21%	-19.61%	92.38%	81.72%	103.56%
2000	-1.08%	-1.65%	-2.63%	87.54%	120.36%	53.33%
2001	-23.09%	-17.94%	-18.77%	-40.44%	-37.13%	-23.16%
2002	11.36%	16.97%	20.71%	50.71%	55.08%	53.90%
2003	6.59%	21.74%	-3.19%	24.57%	31.72%	33.74%
2004	-20.15%	-23.68%	2.46%	26.09%	19.12%	44.22%
2005 to September	-1.39%	-2.97%	-2.28%	56.94%	72.98%	50.59%
Last Three Months						
Jul-05	1.71%	3.29%	-2.31%	6.47%	8.01%	5.64%
Aug-05	-7.65%	-11.55%	-2.88%	20.40%	25.47%	16.56%
Sep-05	2.40%	-0.84%	2.50%	-0.79%	7.30%	-1.69%
Performance: January-96 - September-05						
Annualized Rate of Return	-7.92%	-5.85%	-0.41%	18.95%	24.23%	23.95%
Annualized Standard Deviation	15.70%	20.27%	18.11%	33.25%	33.70%	33.08%
Sharpe Ratio	-0.74	-0.47	-0.22	0.46	0.61	0.61
Maximum Drawdown	-63.09%	-55.73%	-58.31%	-61.27%	-60.84%	-61.80%
Correl. with S&P 500	0.17	0.17	0.16	-0.03	-0.04	-0.03
Correl. with Lehman Gov't/Corp	-0.08	0.01	-0.21	0.07	0.07	0.00
% of Winning Months	42.74%	44.44%	47.01%	54.70%	56.41%	59.83%
Average Gain	3.72%	4.86%	4.33%	8.81%	9.01%	8.48%
% of Losing Months	57.26%	55.56%	52.99%	45.30%	43.59%	40.17%
Average Loss	-3.79%	-4.48%	-3.65%	-6.44%	-6.43%	-7.03%
Yearly Return	GSCI Industrial Metals	DJ-AIG Industrial Metals	GSCI Precious Metals	DJ-AIG Precious Metals	GSCI Livestock	DJ-AIG Livestock
1996	-8.80%	-6.47%	-4.03%	-4.86%	15.20%	15.62%
1997	-2.48%	-1.77%	-14.03%	-7.35%	-6.21%	-5.80%
1998	-19.32%	-18.86%	-0.70%	-3.45%	-27.62%	-28.64%
1999	30.75%	36.60%	3.89%	3.85%	14.36%	14.63%
2000	-4.26%	-2.68%	-1.15%	-7.76%	8.57%	8.46%
2001	-16.48%	-18.66%	0.43%	1.24%	-2.87%	-0.58%
2002	-0.61%	2.90%	23.29%	18.86%	9.45%	-11.43%
2003	40.05%	43.53%	19.55%	20.29%	0.03%	-3.91%
2004	27.55%	25.27%	5.64%	7.40%	25.49%	27.10%
2005 to September	11.52%	8.58%	7.02%	7.41%	0.71%	-2.74%
Last Three Months						
Jul-05	6.14%	6.25%	-0.98%	-0.29%	0.74%	0.98%
Aug-05	2.56%	2.17%	0.10%	-1.06%	3.38%	3.36%
Sep-05	1.79%	1.82%	8.29%	8.57%	5.11%	5.07%
Performance: January-96 - September-05						
Annualized Rate of Return	4.14%	5.07%	3.57%	3.21%	0.79%	0.11%
Annualized Standard Deviation	16.02%	17.75%	13.48%	14.43%	14.35%	14.83%
Sharpe Ratio	0.03	0.08	-0.01	-0.03	-0.20	-0.24
Maximum Drawdown	-33.60%	-34.69%	-29.14%	-27.73%	-38.71%	-40.35%
Correl. with S&P 500	0.35	0.37	0.00	0.03	-0.04	-0.04
Correl. with Lehman Gov't/Corp	-0.20	-0.19	0.13	0.09	-0.09	-0.06
% of Winning Months	53.85%	52.99%	47.86%	48.72%	52.99%	51.28%
Average Gain	3.73%	4.16%	3.46%	3.56%	3.31%	3.47%
% of Losing Months	46.15%	47.01%	51.28%	51.28%	47.01%	47.86%
Average Loss	-3.39%	-3.54%	-2.51%	-2.70%	-3.41%	-3.51%

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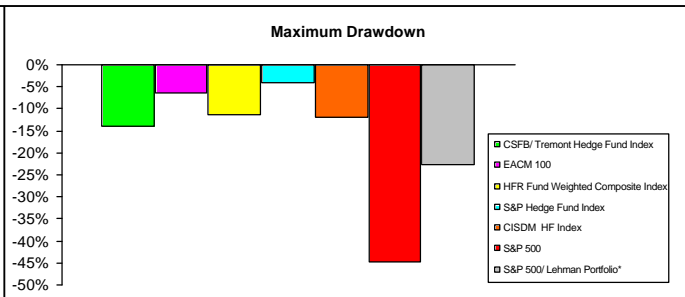
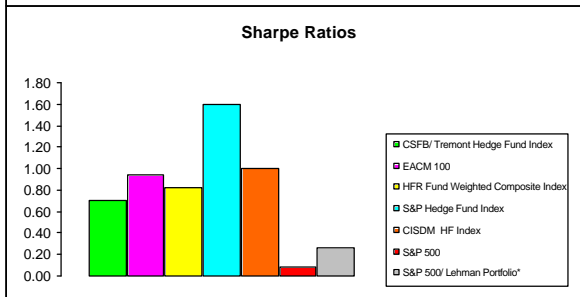
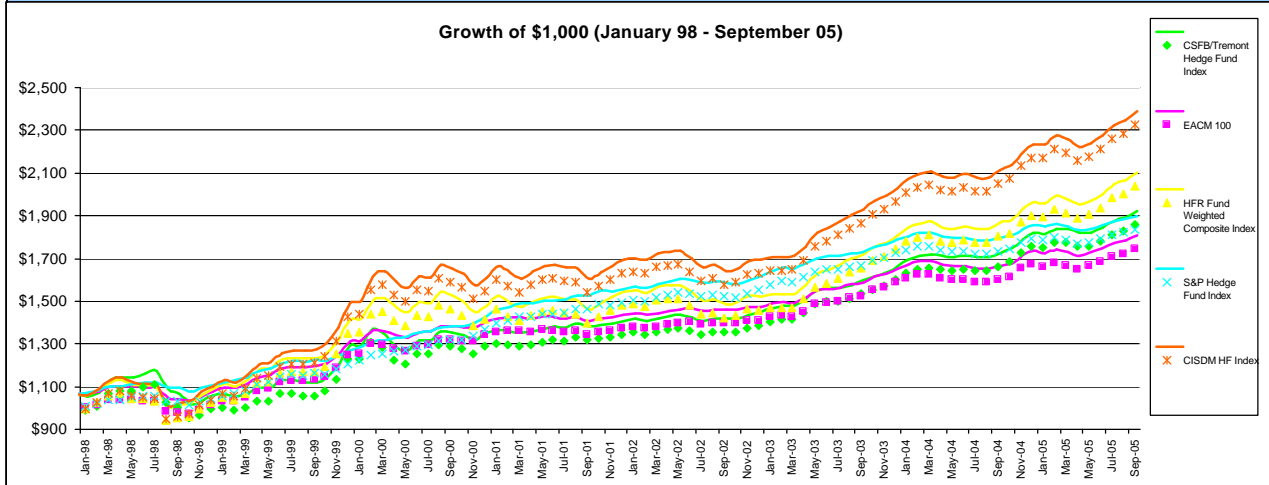
Major Hedge Fund Indices: Comparative Performance Analysis



September 2005

Yearly Return		CSFB/ Tremont Hedge Fund Index	EACM 100	HFR Fund Weighted Composite Index	S&P Hedge Fund Index	CISDM HF Index	S&P 500	Lehman Gov/Corp	S&P 500/ Lehman Portfolio*
		1998	-0.36%	1.63%	2.62%	4.51%	3.89%	28.58%	9.47%
1999	23.43%	22.86%	31.29%	15.33%	37.20%	21.04%	-2.15%	11.40%	
2000	4.84%	7.43%	4.98%	13.33%	8.46%	-9.09%	11.85%	-0.90%	
2001	4.41%	2.24%	4.62%	9.34%	5.40%	-11.87%	8.50%	-3.67%	
2002	3.05%	2.81%	-1.44%	3.93%	-0.07%	-22.09%	11.05%	-9.51%	
2003	15.46%	12.61%	19.55%	11.12%	20.94%	28.69%	4.67%	18.76%	
2004	9.64%	5.21%	9.05%	3.95%	10.12%	10.86%	4.19%	8.23%	
2005 to September	5.90%	4.56%	7.35%	2.23%	7.31%	2.76%	1.76%	2.44%	
Last Three Months									
	Jul-05	1.92%	1.58%	2.32%	1.02%	2.19%	3.72%	-1.13%	1.78%
	Aug-05	0.88%	0.43%	0.92%	0.54%	1.02%	-0.91%	1.49%	0.05%
	Sep-05	1.63%	1.62%	2.06%	0.67%	1.86%	0.81%	-1.31%	-0.04%
Performance: January-98 - September-05									
Annualized Rate of Return		8.33%	7.46%	9.64%	8.13%	11.51%	4.67%	6.27%	5.71%
Annualized Standard Deviation		7.16%	4.47%	7.71%	3.05%	8.22%	16.20%	4.42%	9.48%
Sharpe Ratio		0.71	0.94	0.83	1.60	1.00	0.09	0.68	0.26
Maximum Drawdown		-13.81%	-6.42%	-11.42%	-3.95%	-11.89%	-44.72%	-4.58%	-22.61%
% of Winning Months		69.89%	64.52%	68.82%	76.34%	72.04%	56.99%	68.82%	58.06%
Average Gain		1.55%	1.26%	1.88%	1.03%	1.98%	3.69%	1.17%	2.34%
% of Losing Months		30.11%	35.48%	31.18%	23.66%	27.96%	43.01%	31.18%	41.94%
Average Loss		-1.30%	-0.57%	-1.59%	-0.54%	-1.73%	-3.75%	-0.93%	-2.05%
Correlations									
With CSFB/Tremont HFI		1.00	0.90	0.83	0.66	0.83	0.42	-0.03	0.42
With EACM 100		0.90	1.00	0.90	0.77	0.90	0.50	-0.06	0.51
With HFR Fund Weighted Index		0.83	0.90	1.00	0.65	1.00	0.72	-0.13	0.72
With S&P Hedge Fund Index		0.66	0.77	0.65	1.00	0.64	0.29	0.09	0.31
With CISDM HF Index		0.83	0.90	1.00	0.64	1.00	0.70	-0.13	0.69
With S&P 500		0.42	0.50	0.72	0.29	0.70	1.00	-0.23	0.98
With Lehman Gov't/Corp		-0.03	-0.06	-0.13	0.09	-0.13	-0.23	1.00	-0.05

* S&P 500/Lehman Portfolio = 60% S&P 500 and 40% Lehman Gov/Corp



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Hedge Fund Subindices: Comparative Performance Analysis



September 2005

		CSFB	EACM	HFR	CISDM	CSFB	EACM	HFR	CISDM
		Convertible	Convertible	Convertible	Convertible	Long/Short	Equity	Equity	Equity
Yearly Return		Arbitrage	Arbitrage	Arbitrage	Arbitrage	Equity	Hedge	Hedge	Hedge
1998		-4.42%	2.99%	7.77%	7.43%	17.19%	5.90%	15.98%	11.55%
1999		16.03%	16.96%	14.41%	13.88%	47.22%	60.12%	44.22%	31.20%
2000		25.65%	5.34%	14.50%	15.22%	2.08%	2.14%	9.09%	9.92%
2001		14.58%	7.70%	13.37%	13.26%	-3.67%	-6.81%	0.40%	3.71%
2002		4.04%	9.33%	9.07%	8.88%	-1.60%	-9.87%	-4.71%	-4.21%
2003		12.88%	13.20%	9.93%	9.63%	17.30%	19.50%	20.53%	21.46%
2004		1.98%	0.78%	1.18%	2.47%	11.57%	7.42%	7.69%	11.22%
2005 to September		-2.99%	-1.26%	-2.66%	-1.58%	6.84%	6.34%	7.92%	6.22%
Last Three Months									
Jul-05		1.71%	2.03%	1.18%	1.29%	2.68%	3.11%	2.95%	2.20%
Aug-05		0.72%	0.66%	0.57%	0.38%	1.12%	0.43%	0.73%	0.90%
Sep-05		1.10%	1.36%	1.23%	1.30%	2.02%	2.09%	2.32%	1.61%
Performance: January-98 - September-05									
Annualized Rate of Return		8.30%	6.95%	8.56%	8.80%	11.56%	9.26%	12.23%	11.30%
Annualized Standard Deviation		5.21%	5.77%	3.80%	2.98%	11.23%	11.77%	9.91%	7.99%
Sharpe Ratio		0.97	0.64	1.40	1.86	0.74	0.51	0.91	1.01
Maximum Drawdown		-12.04%	-8.53%	-7.34%	-5.42%	-15.05%	-23.19%	-10.30%	-8.83%
Corr. with S&P 500		0.10	0.22	0.23	0.23	0.56	0.63	0.71	0.76
Corr. with Lehman Bond		-0.01	-0.01	0.02	0.03	-0.04	-0.14	-0.12	-0.14
% of Winning Months		76.34%	69.89%	79.57%	84.95%	65.59%	61.29%	64.52%	67.74%
Average Gain		1.32%	1.39%	1.12%	0.98%	2.49%	2.64%	2.54%	2.08%
% of Losing Months		23.66%	30.11%	20.43%	15.05%	34.41%	38.71%	34.41%	32.26%
Average Loss		-1.38%	-1.31%	-0.97%	-0.85%	-1.94%	-2.13%	-1.84%	-1.52%
		CSFB	EACM	HFR	S&P HFI	CISDM	CSFB	EACM	HFR
		Event	Event	Event	Event	Event	Distressed	Bnkr/Distressed	Distressed
Yearly Return		Driven	Driven	Driven	Driven	Driven	Securities	Securities	Securities
1998		-4.87%	3.08%	1.70%	0.31%	3.49%	-1.68%	1.96%	-4.23%
1999		22.26%	16.31%	24.33%	15.44%	18.41%	22.18%	15.75%	16.94%
2000		7.24%	13.29%	6.74%	13.32%	11.71%	1.94%	1.24%	2.78%
2001		11.49%	6.95%	12.18%	8.63%	6.14%	20.01%	11.78%	13.28%
2002		0.16%	4.10%	-4.30%	0.35%	3.09%	-0.69%	10.03%	5.28%
2003		20.02%	18.50%	25.33%	15.97%	17.47%	25.12%	23.16%	29.58%
2004		14.45%	12.60%	15.02%	6.41%	12.71%	15.62%	17.81%	18.89%
2005 to September		7.99%	6.53%	6.19%	4.18%	5.38%	8.19%	8.32%	6.99%
Last Three Months									
Jul-05		2.27%	1.85%	2.27%	1.75%	2.22%	1.65%	1.92%	1.71%
Aug-05		0.85%	0.95%	1.01%	0.85%	0.80%	1.00%	1.35%	1.29%
Sep-05		1.07%	0.65%	0.95%	0.49%	0.80%	1.24%	1.00%	1.25%
Performance: January-98 - September-05									
Annualized Rate of Return		9.82%	10.38%	10.83%	8.18%	9.98%	11.25%	11.40%	11.11%
Annualized Standard Deviation		6.27%	4.76%	7.00%	4.53%	4.42%	6.83%	5.46%	6.14%
Sharpe Ratio		1.05	1.50	1.08	1.08	1.52	1.17	1.49	1.28
Maximum Drawdown		-16.04%	-9.45%	-10.78%	-8.27%	-6.87%	-14.32%	-12.02%	-12.78%
Corr. with S&P 500		0.53	0.54	0.67	0.56	0.61	0.50	0.46	0.44
Corr. with Lehman Bond		-0.19	-0.14	-0.15	-0.15	-0.15	-0.14	-0.16	-0.09
% of Winning Months		82.80%	84.95%	73.12%	79.57%	81.72%	81.72%	79.57%	75.27%
Average Gain		1.32%	1.21%	1.76%	1.13%	1.20%	1.50%	1.45%	1.59%
% of Losing Months		16.13%	15.05%	26.88%	20.43%	16.13%	17.20%	20.43%	24.73%
Average Loss		-1.82%	-1.29%	-1.51%	-1.15%	-1.10%	-1.82%	-1.17%	-1.20%
		CISDM	CSFB	EACM	HFR	S&P HFI	CISDM	CISDM	CISDM
		Distressed	Risk	Risk	Merger	Arbitrage	Merger	Merger	Merger
Yearly Return		Securities	Arbitrage	Arbitrage	Arbitrage	Arbitrage	Arbitrage	Arbitrage	Arbitrage
1998		-2.02%	5.59%	5.05%	7.23%	-0.23%	6.88%	6.88%	6.88%
1999		15.41%	13.23%	14.19%	14.34%	13.22%	18.34%	18.34%	18.34%
2000		1.34%	14.67%	14.82%	18.02%	14.78%	16.51%	16.51%	16.51%
2001		11.39%	5.69%	0.20%	2.76%	13.52%	3.71%	3.71%	3.71%
2002		7.52%	-3.46%	-1.63%	-0.86%	6.72%	0.63%	0.63%	0.63%
2003		27.68%	8.99%	8.68%	7.48%	2.08%	7.68%	7.68%	7.68%
2004		17.95%	5.46%	4.15%	4.08%	2.06%	5.91%	5.91%	5.91%
2005 to September		6.15%	2.34%	4.06%	4.77%	0.32%	4.57%	4.57%	4.57%
Last Three Months									
Jul-05		2.14%	0.46%	1.32%	1.12%	0.58%	1.77%	1.77%	1.77%
Aug-05		0.74%	0.60%	0.59%	0.74%	-0.05%	0.30%	0.30%	0.30%
Sep-05		1.25%	0.23%	0.19%	0.69%	0.11%	0.19%	0.19%	0.19%
Performance: January-98 - September-05									
Annualized Rate of Return		10.67%	6.64%	6.24%	7.31%	6.61%	8.14%	8.14%	8.14%
Annualized Standard Deviation		5.57%	4.72%	4.26%	3.93%	3.89%	3.62%	3.62%	3.62%
Sharpe Ratio		1.33	0.71	0.70	1.03	0.86	1.35	1.35	1.35
Maximum Drawdown		-9.39%	-7.60%	-6.81%	-6.32%	-8.75%	-4.90%	-4.90%	-4.90%
Corr. with S&P 500		0.53	0.49	0.55	0.53	-0.07	0.54	0.54	0.54
Corr. with Lehman Bond		-0.12	-0.10	-0.06	-0.08	-0.01	-0.10	-0.10	-0.10
% of Winning Months		82.80%	76.34%	81.72%	79.57%	75.27%	83.87%	83.87%	83.87%
Average Gain		1.34%	1.07%	0.91%	1.01%	0.92%	0.96%	0.96%	0.96%
% of Losing Months		17.20%	23.66%	18.28%	20.43%	23.66%	16.13%	16.13%	16.13%
Average Loss		-1.44%	-1.15%	-1.26%	-1.00%	-0.64%	-0.90%	-0.90%	-0.90%

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Hedge Fund Subindices: Comparative Performance Analysis

September 2005



	CSFB Fixed Income Arbitrage	EACM Bond Hedge	HFR Fixed Income Arbitrage	CISDM Fixed Income Arbitrage	CSFB Equity Market Neutral	EACM Long/Short Equity	HFR Equity Market Neutral	CISDM Equity Market Neutral
Yearly Return								
1998	-8.16%	-16.32%	-10.29%	2.05%	13.32%	2.85%	8.30%	12.51%
1999	12.10%	9.04%	7.38%	11.22%	15.32%	2.70%	7.09%	17.96%
2000	6.29%	-1.87%	4.78%	9.66%	14.98%	4.45%	14.56%	18.63%
2001	8.03%	5.48%	4.81%	8.57%	9.30%	5.06%	6.71%	9.59%
2002	5.73%	2.21%	8.77%	6.29%	7.44%	4.48%	0.98%	3.68%
2003	7.96%	1.91%	9.36%	9.27%	7.06%	0.19%	2.46%	9.91%
2004	6.85%	5.10%	5.99%	6.06%	6.50%	1.06%	4.15%	4.64%
2005 to September	0.49%	3.42%	4.05%	4.94%	3.59%	7.75%	5.60%	5.31%
Last Three Months								
Jul-05	1.00%	0.70%	0.90%	1.10%	0.33%	1.15%	0.79%	1.03%
Aug-05	0.51%	-0.22%	0.46%	0.48%	0.86%	0.41%	0.73%	0.76%
Sep-05	0.12%	0.07%	0.45%	0.59%	0.90%	1.62%	1.01%	0.66%
Performance: January-98 - September-05								
Annualized Rate of Return	4.90%	0.87%	4.32%	7.46%	9.94%	3.66%	6.37%	10.49%
Annualized Standard Deviation	4.10%	5.63%	4.31%	1.88%	2.34%	3.02%	3.29%	2.90%
Sharpe Ratio	0.40	-0.43	0.25	2.24	2.85	0.13	0.94	2.50
Maximum Drawdown	-12.47%	-20.65%	-14.42%	-4.95%	-0.95%	-3.95%	-2.72%	-1.67%
Corr. with S&P 500	-8.70%	12.83%	-12.69%	6.52%	37.85%	-22.80%	7.17%	45.03%
Corr. with Lehman Bond	3.55%	-14.64%	-0.03%	-3.43%	2.06%	17.49%	12.13%	4.05%
% of Winning Months	78.49%	75.27%	79.57%	96.77%	88.17%	67.74%	75.27%	86.02%
Average Gain	0.85%	0.72%	0.77%	0.68%	0.93%	0.74%	0.88%	1.02%
% of Losing Months	21.51%	24.73%	20.43%	3.23%	11.83%	32.26%	24.73%	13.98%
Average Loss	-1.21%	-1.84%	-1.24%	-1.68%	-0.21%	-0.62%	-0.57%	-0.26%
	CSFB Dedicated Short Bias	EACM Short Sellers	HFR Short Selling	CISDM Short Selling	HFR Statistical Arbitrage	CISDM Emerging Global	CSFB Emerging Markets	HFR Emerging Markets
Yearly Return								
1998	-5.99%	-1.04%	-0.54%	14.79%	10.14%	-27.66%	-37.66%	-32.96%
1999	-14.22%	-1.42%	-24.40%	-7.38%	-0.17%	53.27%	44.83%	55.86%
2000	15.77%	25.11%	34.63%	35.15%	8.89%	-11.51%	-5.51%	-10.71%
2001	-3.58%	8.93%	8.99%	8.32%	1.59%	8.52%	5.85%	10.36%
2002	18.15%	30.31%	29.16%	21.86%	-3.16%	2.00%	7.36%	3.70%
2003	-32.60%	-25.91%	-21.77%	-24.73%	3.39%	34.00%	28.74%	39.37%
2004	-7.71%	-10.71%	-3.84%	-8.29%	4.00%	13.07%	12.47%	18.42%
2005 to September	17.73%	1.98%	9.21%	-0.82%	3.26%	9.93%	15.07%	16.00%
Last Three Months								
Jul-05	-1.66%	-3.92%	-2.78%	-4.73%	1.05%	1.91%	2.30%	2.99%
Aug-05	2.48%	2.34%	2.84%	3.07%	0.11%	0.88%	2.29%	2.21%
Sep-05	3.00%	1.53%	1.96%	1.50%	0.46%	3.03%	4.12%	4.51%
Performance: January-98 - September-05								
Annualized Rate of Return	-3.17%	2.03%	2.05%	3.43%	3.52%	7.95%	6.38%	9.66%
Annualized Standard Deviation	18.93%	18.79%	23.37%	17.43%	3.75%	15.27%	15.48%	15.68%
Sharpe Ratio	-0.34	-0.07	-0.05	0.01	0.07	0.31	0.20	0.41
Maximum Drawdown	-46.55%	-38.87%	-51.05%	-37.88%	-5.40%	-33.62%	-39.48%	-36.58%
Corr. with S&P 500	-79.75%	-88.59%	-72.29%	-83.98%	55.89%	64.35%	54.71%	60.67%
Corr. with Lehman Bond	14.59%	21.46%	14.43%	25.00%	-9.68%	-20.66%	-14.26%	-18.38%
% of Winning Months	45.16%	47.31%	50.54%	48.39%	67.74%	66.67%	63.44%	66.67%
Average Gain	4.59%	4.71%	5.19%	4.40%	0.88%	2.89%	2.99%	3.23%
% of Losing Months	54.84%	52.69%	49.46%	51.61%	32.26%	33.33%	36.56%	33.33%
Average Loss	-4.01%	-3.64%	-4.50%	-3.34%	-0.93%	-3.57%	-3.50%	-3.84%
	CSFB Global Macro	EACM Global Asset Allocators	HFR Macro	S&P HFI Directional/ Tactical	CISDM Macro	CSFB Managed Futures	EACM Discretionary	EACM Systematic
Yearly Return								
1998	-3.63%	3.21%	6.19%	13.51%	8.56%	20.66%	-11.54%	18.15%
1999	5.81%	4.57%	17.62%	17.44%	17.44%	-4.70%	15.15%	-6.00%
2000	11.69%	6.84%	1.97%	12.16%	3.06%	4.25%	3.97%	10.20%
2001	18.38%	4.07%	6.87%	6.84%	3.83%	1.92%	5.73%	2.41%
2002	14.67%	9.30%	7.42%	4.77%	-0.11%	18.34%	-0.27%	17.47%
2003	17.97%	19.10%	21.44%	15.28%	14.69%	14.15%	21.46%	16.75%
2004	8.49%	3.98%	4.64%	3.36%	2.21%	5.96%	5.64%	2.11%
2005 to September	7.32%	2.25%	4.54%	2.18%	6.04%	0.36%	4.57%	0.55%
Last Three Months								
Jul-05	1.04%	0.85%	0.74%	0.71%	1.22%	0.78%	0.57%	1.11%
Aug-05	0.71%	-0.42%	0.65%	0.80%	1.84%	-0.87%	0.76%	-1.47%
Sep-05	2.43%	2.54%	2.15%	1.42%	2.30%	1.38%	3.25%	1.89%
Performance: January-98 - September-05								
Annualized Rate of Return	10.21%	6.77%	8.94%	9.62%	7.04%	7.53%	5.36%	7.60%
Annualized Standard Deviation	9.28%	7.60%	6.41%	5.65%	4.91%	12.37%	8.38%	12.24%
Sharpe Ratio	0.75	0.46	0.89	1.13	0.77	0.34	0.25	0.35
Maximum Drawdown	-26.78%	-8.99%	-7.32%	-6.42%	-4.43%	-14.22%	-19.14%	-15.18%
Corr. with S&P 500	4.42%	17.88%	27.32%	6.48%	54.34%	-27.44%	54.53%	-15.14%
Corr. with Lehman Bond	9.31%	21.95%	15.59%	26.17%	1.75%	40.69%	-6.60%	30.81%
% of Winning Months	75.27%	54.84%	67.74%	69.89%	72.04%	55.91%	65.59%	53.76%
Average Gain	1.89%	2.11%	1.63%	1.20%	1.61%	3.10%	1.46%	3.21%
% of Losing Months	24.73%	45.16%	32.26%	30.11%	27.96%	44.09%	34.41%	46.24%
Average Loss	-2.31%	-1.30%	-1.15%	-1.14%	-1.03%	-2.41%	-1.43%	-2.28%

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Commodity Trading Advisor Indices: Comparative Performance Analysis



September 2005

	CISDM CTA Dollar Weighted	CISDM CTA Equally Weighted	CSFB Managed Futures	Calyon Barclay CTA Index	Barclay CTA Index	CISDM 25 CTA Active Portfolio	MFSB Dollar Weighted [§]	MFSB Equally Weighted
Yearly Return								
1996	14.64%	12.48%	11.97%	-	9.12%	25.29%	6.27%	4.59%
1997	10.06%	13.22%	3.12%	-	10.89%	17.54%	12.07%	10.75%
1998	9.37%	10.60%	20.64%	-	7.01%	17.28%	5.23%	6.48%
1999	3.77%	1.27%	-4.69%	-	-1.19%	1.49%	-0.12%	-1.91%
2000	6.18%	10.46%	4.24%	9.56%	7.86%	11.86%	16.25%	13.63%
2001	4.19%	4.92%	1.90%	2.48%	0.83%	3.07%	21.88%	23.97%
2002	11.95%	13.40%	18.33%	13.79%	12.34%	15.22%	7.96%	11.59%
2003	13.25%	11.07%	14.13%	16.05%	8.66%	5.64%	1.83%	2.99%
2004	4.24%	3.83%	5.96%	1.46%	3.31%	2.43%	1.83%	2.29%
2005 to September	2.61%	-0.50%	0.36%	1.51%	-0.55%	-3.13%	-1.96%	-3.10%

Last Three Months								
Jul-05	-0.01%	-0.16%	0.78%	-0.14%	-0.48%	-0.69%	0.59%	0.51%
Aug-05	-0.01%	0.74%	-0.87%	0.03%	0.76%	-0.59%	-1.29%	-0.70%
Sep-05	0.90%	0.68%	1.38%	1.63%	0.41%	1.40%	-0.19%	0.53%

Performance: January-96 - September-05								
Annualized Rate of Return	8.16%	8.17%	7.51%	7.64%	5.88%	9.59%	7.07%	7.04%
Annualized Standard Deviation	8.34%	8.96%	12.01%	10.39%	8.40%	10.65%	7.82%	8.47%
Sharpe Ratio	0.54	0.50	0.32	0.38	0.26	0.56	0.44	0.40
Maximum Drawdown	-8.25%	-8.75%	-14.23%	-10.31%	-7.81%	-10.90%	-6.60%	-7.31%
Correl. with S&P 500	-0.08	-0.12	-0.15	-0.27	-0.10	-0.09	-0.23	-0.28
Correl. with Lehman Gov't/Corp	0.43	0.40	0.45	0.35	0.41	0.39	0.34	0.34
% of Winning Months	58.97%	57.26%	57.26%	57.97%	55.56%	54.70%	56.41%	53.85%
Average Gain	2.22%	2.41%	2.95%	2.60%	2.18%	2.96%	2.12%	2.30%
% of Losing Months	41.03%	42.74%	42.74%	42.03%	44.44%	45.30%	43.59%	46.15%
Average Loss	-1.52%	-1.62%	-2.40%	-2.02%	-1.59%	-1.78%	-1.38%	-1.39%

	Barclay Diversified Index	CISDM CTA Diversified	CISDM 10 CTA Diversified Portfolio	MFSB Diversified	CISDM CTA Systematic	MFSB Systematic	Barclay Systematic	Barclay Financial/Metals
Yearly Return								
1996	11.85%	12.72%	26.52%	6.21%	13.28%	-	11.58%	9.84%
1997	14.76%	7.09%	24.37%	12.64%	9.26%	12.62%	12.76%	5.58%
1998	7.80%	11.61%	25.98%	4.66%	9.15%	2.34%	8.12%	11.27%
1999	-2.89%	6.50%	-1.51%	-6.17%	0.23%	-2.63%	-3.71%	-4.52%
2000	10.89%	8.07%	14.89%	16.98%	5.74%	22.71%	9.89%	3.38%
2001	2.36%	6.04%	5.78%	28.12%	1.92%	20.95%	2.99%	7.10%
2002	14.15%	12.38%	17.06%	10.59%	9.54%	6.90%	12.09%	12.58%
2003	11.45%	10.39%	9.85%	3.28%	12.76%	0.33%	8.71%	9.60%
2004	1.09%	3.95%	4.56%	2.99%	3.20%	0.11%	0.51%	-0.14%
2005 to September	-1.83%	-2.65%	-3.38%	-1.38%	3.48%	-3.24%	-1.60%	-0.11%

Last Three Months								
Jul-05	-0.48%	-0.11%	-0.50%	0.72%	-0.52%	0.46%	-0.45%	-1.98%
Aug-05	1.59%	1.49%	0.22%	-1.30%	1.28%	-1.47%	0.86%	0.11%
Sep-05	0.78%	0.29%	2.23%	-0.12%	0.80%	-0.32%	0.39%	-0.59%

Performance: January-96 - September-05								
Annualized Rate of Return	6.95%	7.72%	12.24%	7.60%	6.95%	6.47%	6.13%	5.46%
Annualized Standard Deviation	11.88%	10.06%	14.47%	10.10%	8.46%	9.29%	10.20%	7.62%
Sharpe Ratio	0.28	0.40	0.59	0.39	0.39	0.30	0.24	0.24
Maximum Drawdown	-12.03%	-11.36%	-16.68%	-12.83%	-7.95%	-9.35%	-10.22%	-11.14%
Correl. with S&P 500	-0.15	-0.12	-0.13	-0.30	-0.07	-0.31	-0.12	-0.11
Correl. with Lehman Gov't/Corp	0.39	0.39	0.41	0.34	0.41	0.30	0.42	0.49
% of Winning Months	57.26%	55.56%	54.70%	55.56%	56.41%	55.24%	55.56%	53.85%
Average Gain	2.88%	2.65%	4.01%	2.53%	2.23%	2.28%	2.57%	2.03%
% of Losing Months	42.74%	44.44%	45.30%	44.44%	43.59%	44.76%	44.44%	46.15%
Average Loss	-2.41%	-1.82%	-2.52%	-1.70%	-1.53%	-1.57%	-2.00%	-1.35%

	CISDM CTA Financial	CISDM 10 CTA Financial Portfolio	MFSB Financial	Barclay Currency Index	CISDM CTA Currency	CISDM 5 CTA Currency Portfolio	MFSB Currency	CISDM CTA Discretionary
Yearly Return								
1996	20.78%	21.85%	2.41%	6.68%	10.76%	29.05%	6.17%	15.06%
1997	15.17%	13.10%	10.67%	11.38%	10.08%	13.51%	13.00%	6.25%
1998	9.64%	12.67%	9.51%	5.73%	4.56%	8.80%	1.29%	7.36%
1999	0.56%	0.79%	-1.06%	3.12%	2.90%	8.88%	2.22%	15.84%
2000	3.70%	10.66%	25.05%	4.44%	5.15%	7.89%	11.48%	3.67%
2001	2.94%	-0.59%	31.99%	2.70%	2.13%	4.27%	4.14%	9.23%
2002	18.66%	17.67%	7.78%	6.27%	-0.07%	6.24%	7.79%	8.50%
2003	15.72%	2.08%	-1.38%	11.05%	22.24%	3.74%	6.08%	12.28%
2004	7.43%	0.48%	1.90%	2.35%	-2.54%	1.54%	1.05%	5.03%
2005 to September	11.04%	-2.07%	-2.96%	-1.88%	1.14%	-4.88%	-0.33%	-0.80%

Last Three Months								
Jul-05	0.08%	-0.15%	0.70%	-0.10%	-0.33%	-2.15%	0.30%	0.34%
Aug-05	-2.25%	-0.80%	-1.52%	-1.35%	-2.80%	-1.81%	-0.75%	-0.57%
Sep-05	2.44%	0.33%	-0.51%	0.20%	1.34%	1.88%	0.31%	1.56%

Performance: January-96 - September-05								
Annualized Rate of Return	10.65%	7.56%	8.07%	5.25%	5.57%	1.58%	5.34%	8.35%
Annualized Standard Deviation	11.53%	10.42%	10.47%	6.53%	5.95%	8.52%	5.72%	4.75%
Sharpe Ratio	0.61	0.37	0.42	0.24	0.32	-0.24	0.29	0.99
Maximum Drawdown	-13.83%	-9.22%	-9.98%	-6.60%	-8.55%	-7.30%	-5.69%	-4.52%
Correl. with S&P 500	-0.12	-0.06	-0.23	0.05	0.18	0.03	-0.05	0.10
Correl. with Lehman Gov't/Corp	0.43	0.38	0.36	0.22	0.16	0.11	0.17	0.25
% of Winning Months	57.26%	56.41%	57.26%	48.72%	61.54%	49.57%	56.41%	70.09%
Average Gain	3.02%	2.61%	2.64%	1.91%	1.51%	2.51%	1.48%	1.32%
% of Losing Months	42.74%	43.59%	42.74%	51.28%	38.46%	50.43%	43.59%	29.91%
Average Loss	-1.94%	-1.88%	-1.92%	-0.95%	-1.21%	-1.17%	-0.89%	-0.81%

[§] For a description of MFSB Indices please visit <http://www.cisdsm.org>

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