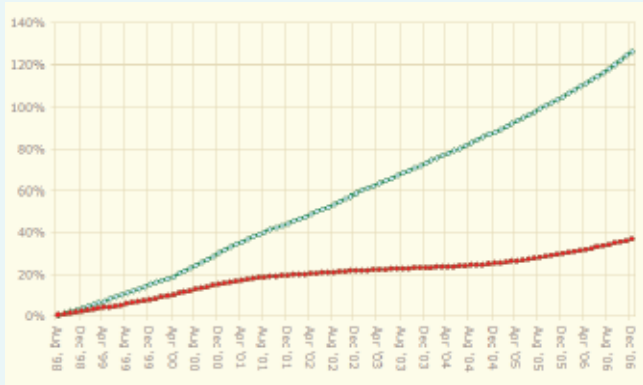


FINANCIAL FIX: IIG TRADE OPPORTUNITIES FUND NV



Fund's cummulative total returns (in green vs. LIBOR in red) Source: IIGTOF

Focus: The IIG Trade Opportunities Fund participates and invests in global trade finance transactions through a professionally managed portfolio. The fund offers superior, consistent returns on a risk adjusted basis

Strengths: market neutral; flawless track record; proven expertise and demonstrated ability in implementing sophisticated deal structuring techniques

Weaknesses: capacity constraints; relative out performance is harder to generate in a rising (short term) interest rate environment

Opportunities: Poised to benefit from the fact that international trade transactions have grown faster than global output in recent years. The fund focuses on trade flows between OECD and developing markets-based trading companies and provides private investors an opportunity to participate in this niche.

Threats: regulation; commercial banks looking to reclaim their "turf"

Risk Assessment

□ = low □ = low/moderate □ = moderate □ = moderate to high □ = high

- | | | | |
|---------------------------------------------------------------------|-----------|--------------------------------------------------------------------|-----------|
| • Ability to identify and secure deal flow | □ □ □ □ □ | • Ability to detect fraud | □ □ □ □ □ |
| • Ability to secure loans with varying maturities | □ □ □ □ □ | • Ability to recover full value of collateral in case of a default | □ □ □ □ □ |
| • Diversification achieved in terms of collateral securing the loan | □ □ □ □ □ | • Currency risk | none |
| • Diversification achieved in terms of countries receiving loans | □ □ □ □ □ | • Political risk | □ □ □ □ □ |
| • Ability to procure and scrutinise loan relevant documentation | □ □ □ □ □ | • Natural catastrophe related risk | □ □ □ □ □ |
| | | • Pressure exerted by competitors | □ □ □ □ □ |
| | | • Leverage used (= x 0.25) | □ □ □ □ □ |

Performance Parameters

□ = insufficient □ = adequate □ = satisfactory □ = good □ = outstanding

- | | | | |
|------------------------------------------------------------------------|-----------|----------------------------------------------------------------------|-----------|
| • Avg. no. of loans in the portfolio | = 400 | • Ability to structure transactions that secure the loaned amount | □ □ □ □ □ |
| • Ability to perform in a rising, falling and sideways trending market | □ □ □ □ □ | • Avg. annual correlation to equities | = 0 |
| • Ability to sustain performance in a falling interest rate scenario | □ □ □ □ □ | • Avg. annual correlation to bonds | = 0 |
| • Performance in times of increasing defaults | □ □ □ □ □ | • Avg. annual correlation to hedge funds | = 0 |
| | | • Since inception, consistency in delivering targeted annual returns | □ □ □ □ □ |

Outlook

↑ upside potential ↗ upside to range bound ↔ range bound ↘ range bound to down ↓ downside potential

- | | | |
|---------------------------------------------------------------------------|---|-----------------------------------------------------------------------------------------------------|
| • Fund's outlook on investing in the ASL space | ↑ | • Barriers to entry: practitioners that posses skills - as trade finance is an "art" |
| • Peer group perception of investing in the space | ↑ | • Does loan lending display cyclical behaviour: distinct in the case of agriculture, aquaculture |
| • Fund's ability to deliver targeted annual returns: over the next 1 year | ↗ | • Conditions for the fund to out perform: occurrence of financial market crisis in emerging markets |
| over the next 3-5 years | ↗ | • Max. capacity of the fund (AuM): is a function of deal-generation |

Investment Insights

- | | |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| • Target audience: long term, institutional investors; pension funds, endowments | • Liquidity provided: moderate liquidity |
| • Level of complexity: low | • Transparency provided: high |
| • Fund offers: absolute returns | • Reg. with: since '94 – IIG is reg. with the SEC |
| • To optimise returns, recommended avg. holding period = long term perspective | • Rating: Skyranking = 0 (the highest) |
| • Geographic access: available to investors from all countries | • Awards won: GFA excellence asset mgt. award -2003 Ranked #1 Barclay Gr. Top 10 Sector Miscellaneous HF (12.05-11.06), by Sharpe Ratio |
| • Base Currency: USD | • Risk/reward compensation: high |

PRACTITIONER'S POINT



Philip Hoffman, Chief Executive,
The Fine Art Fund.
Since it was launched in 2004, the
fund has had an annual return of 58%.

Can “art for art sake” = “art for pay sake”?

We invest in art as investors - with a financial hat on! “Beautiful” or not; our aim is to identify “good quality art work” that comes from good or great artists and can be acquired at a price that lends itself to an appreciation of 40% in a year or is worth double the money in three years. We would rather invest in a great work by a second rate artist than a poor work by one of the greatest artists.

Who, over what time horizon and how much should be invested to make art a viable investment?

A private investor should consider allocating at least USD 5 -10ml in art for a period of 3 to10 years. Smaller sums such as USD100,000 could finance the acquisition of one good painting but commensurately rolls up the risk as there is no diversification. Alternately an investor could invest with a fund, such as ours, with an initial allocation of USD250,000. We aim to return between 10-15% annually compounded over a span of 3 -7 years. With investments in contemporary art - returns can be between 20% and 100% in a year.

Do you think the margins charged by auction houses considerably dilute the true profit potential of an art object?

We estimate a painting's worth or how much it could be sold for. By doing so, we arrive at an “all- inclusive” amount we would acquire it for. This amount is not dictated by whether it was bought at an auction or otherwise. If we believed a great quality painting could earn us 15-20% we would want it. Most of our buying and selling is done privately. A private investor would have to account for a spread of 30% per transaction, whereas through a fund this can be reduced to 5% or less.

Why have art hedge funds tended to be unsuccessful?

Once they have got an art fund started, most have failed in their ability to pool together a team of good and independent experts. Barriers to entry are high as depth of expertise is critical. There are 50 sought after experts, of which we have 8. It is rather difficult to get more than a few of them to work together. Also, an art fund like ours requires to be staffed by some 20-30 people.

Your opinion on investing in art indices?

I think art indices serve as a good guide and provide an overview of the market - but they are not highly accurate and neither are they good at providing specifics. In contrast, we provide pure “alpha” - expertise, ability to arbitrage and source art through distressed sales.

Do you think the art market can provide capacity for institutions looking to make large allocations?

There is an estimated USD30bn invested in art. Big institutional investors making allocations of USD1.5bn - would have the unwanted ability to move markets.

Would you recommend integrating art in a balanced portfolio for diversification purposes? Is it really a diversifier - given that art prices tend to be “inflated” and more is sold during booming financial markets and vice-versa... i.e. it tends to mimic /follow financial market cycles?

Yes. Investing in art exhibits a low correlation to stocks and is negatively correlated to bonds. It provides diversification benefits, lowers risk and reduces the overall volatility of a portfolio. Investing in contemporary art does tend to mimic boom and bust cycles. Currently a lot of this market is being patronised by hedge fund managers. It fits in with their lifestyle; the publicity that surrounds owning art, the fairs - it has become the new attraction and has taken on the significance of owning a second home! But what gets forgotten is that are 70 different art categories. For instance, investing in “The Old Masters” bears a very low correlation to stocks as it driven by collectors and museums that are willing to pick up the price tag even if the economy has slumped.

Your views on the work of artists such as: Gerhard Richter, Sigmar Polke, Georg Baselitz, Eberhard Havekost, Jonathan Messe - as investments?

The first three names are on my radar screen. In this regard we behave like seasoned stock pickers – we have a pool of 100,000 names we follow, 1000 that are of “significance”- which then is filtered down to about a 100 artists, at any given time, who are on the “buy” (under priced), “hold” or “sell” (take profits) list.

How do you identify artists as “investment vehicles”? How much can be attributed to talent and how much to hype?

I believe 95% is talent and 5% is hype. The former category renders profitable over a span of 3 -7 years, whereas with hype related names we have the potential to make huge amounts of money in a very short time.

A lot of really “expensive” art is “ugly”? What then, justifies the price tag?

“Ugly” is a subjective issue and has no relevance or bearing on the profit a painting can earn. A painting that I considered “ugly” - sold for four times what it was estimated and set a new world record.

What role, if any, do art critiques play in influencing prices?

Art critiques can affect prices in a small way. The more influential museum curators and art dealers are to be focused on.

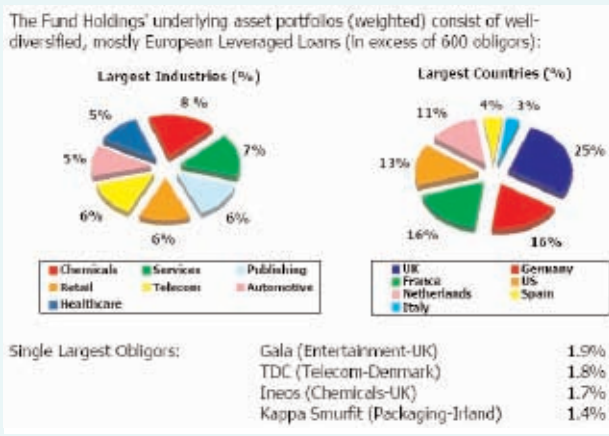
Do you think investing in art is going through a bubble?

No. Some of the top 200 artists have peaked, but there are thousands of artists out there. As with stocks, one needs to be disciplined. One needs to know what to buy, when to buy and when to cut one's losses.

Do the returns justify and make it worthwhile to invest in art?

Yes, if you know how to diversify and have the time. Investing in art, as the American would say: “Is a “no-brainer!”

FINANCIAL FIX: ALEGRA ABS - I



Underlying Portfolio Analysis source: Alegra Capital

Focus: The fund invests primarily in European subordinated Asset-Backed Securities (ABS).

Strengths: no down months, the fund has an above average risk/ return profile, with low volatility and minimal correlation to traditional investments. Well oiled network in sourcing ABS; demonstrated ability in analysing underlying collateral pool to stave off defaults.

Weaknesses: relative out performance is harder to generate in a falling interest rate environment. Worst case scenario - above expected loan defaults combined with low loan recovery rates.

Opportunities and Threats: A severe and sudden recession caused by an external shock and a liquidity crisis. This is usually followed by good opportunities.

Risk Assessment

□ = low □ = low/moderate □ = moderate □ = moderate to high □ = high

- Expertise in identifying stable, performing SPVs that provide investment access to ABS notes □ □ □ □ □
- Expertise in evaluating SPV securitisation documents and ability to identify structural errors □ □ □ □ □
- Ability to judge quality +consistency of return being offered by the SPV in an increased default scenario □ □ □ □ □
- Ability to optimise the risk-reward compensation offered by the underlying ABS notes □ □ □ □ □
- Diversification achieved in terms of collateral securing the ABS notes □ □ □ □ □
- Proven competence in the ability to monitor and track SPVs risk profile □ □ □ □ □
- Currency risk at fund level □ □ □ □ □
- Leverage related risk □ □ □ □ □
- Risk posed by competitors in the space □ □ □ □ □
- Key man risk □ □ □ □ □

Performance Parameters

□ =insufficient □ □ =adequate □ □ □ = satisfactory □ □ □ □ = good □ □ □ □ □ = outstanding

- Avg. no of ABS notes in the portfolio = 25 □ □ □ □ □
- Access to deal flow □ □ □ □ □
- Ability to secure ABS notes with varying maturities □ □ □ □ □
- Ability to perform in:
 - a rising □ □ □ □ □
 - falling □ □ □ □ □
 - sideways trending market □ □ □ □ □
- Returns that can be expected in a period of increasing defaults conditional
- Avg. annual correlation to equities negative - 0
- Avg. annual correlation to bonds negative - 0
- Avg. annual correlation to hedge funds negative - 0
- Since inception, consistency in delivering targeted annual returns □ □ □ □ □

Outlook

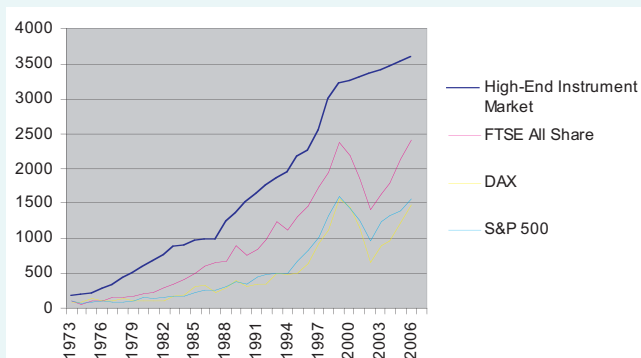
↑ upside potential ↗ upside to range bound ↔ range bound ↘ range bound to down ↓ downside potential

- Fund's outlook on investing in the ABS/CLO space ↔
- Peer group perception of investing in the space ↔
- Fund's ability to deliver targeted annual returns:
 - over the next 1 year ↗
 - over the next 3-5 years ↔
- Barriers to entry: Acquisition of a diversified portfolio takes time, purchasing power; access to transactions; know how
- Do ABL investments display cyclical behaviour: Yes, correlated with credit market, but stable over the long term
- Braced to cope with challenges? Maintain a balanced, highly diversified portfolio in combination with sufficient liquidity buffers. Leverage is kept on the level of investments and is term financed.

Investment Insights

- Target audience: institutional investors, pension funds, family offices
- Level of complexity: moderate
- Fund offers: stable, above avg. returns over a long period
- Recommended avg. holding period: 3 yrs. or longer
- Geographic access: restricted to US investors
- Currency available in: EUR
- Liquidity provided: fairly illiquid
- Transparency provide: high
- Reg. with: Liechtenstein public fund
- Awards won: -
- Risk/reward compensation: high

NOTABLE NOTES: FLORIAN LEONARD FINE VIOLINS



Estimated instrument market valuations (high-end) compared with the value of the FTSE All Share Index, the S&P500 and the German DAX. Source: Florian Leonhard Fine Violins Ltd., FTSE, Datastream and Deutsche Börse. Period: Dec 1970 – Dec 2006 (1970=100)

Is it rewarding to invest in music instruments as an asset class?

In a contemporary setting, antique stringed instruments have proved to be an excellent alternative investment. The fact that we cannot source fine wood that was used by the old craftsmen - makes these fine instruments irreplaceable items. The potential returns offered are virtually uncorrelated with any other asset class, hold steady over time and are lucrative. In comparison, the risks are low and inexpensive to hedge.

What is the size of the market currently, the rate of growth and the prospects of investing in this asset class?

The market for fine instruments is presently valued at approximately USD 22 billion. It continues to grow as instruments crafted by newer makers have gained in importance. Depending on which era of violin making one chooses to invest in, growth should follow the trends of the past 50 years, wherein it returned 8-15% annually. I actually think this is sustainable over the next decade.

Who and how much should be invested in music instruments to make it a viable investment?

The market is certainly open to anyone with an interest in diversifying their portfolio. I would suggest a minimum of USD30,000. As a relatively low risk investment this is likely to offer the returns already mentioned. An allocation of anything lower than that, often, ceases to be a collectable and thus loses its appeal.

Drawing on your expertise, what would you say is the best approach to investing in music instruments?

Seek out the best professional opinion in order to identify and invest in undervalued instruments. Insure the most obvious risks associated with the instruments. It is also vital to understand the correlation that exists amongst the various makers, age and condition of the instruments. As with all investments, it pays to be interested in the asset itself.

As opposed to stringed instruments, what are the prospects like for investing in other music instruments?

Fine stringed instruments including violins, cellos and violas, have a broader acceptance and are highly sought after. Aside from the individual artisan nature of violin making, it is age that bestows value to a stringed instrument. Most musical instruments "play them selves out" - whereas a fine old bowed string instrument, like the violin, continues to develop complexity and character. Not surprisingly, the market for them is significantly larger than those of other musical instruments.

How do you source rare musical instruments?

As items that possess sentimental as well as monetary value; these tend to surface where people of western origin have relocated to. These instruments may be held by private individuals, families, or institutions. Another major source is the presence of these instruments in musician's hands: After a career that has spanned many decades - playing the same instrument - many choose to seek out their retirement thanks to the value their instrument has gained in the interim years. As one of the few qualified and recognised players in this industry, a reasonable quantity of our stock has also been brought in to us.

What criteria do you apply in choosing stringed instruments?

Characteristics, condition, wood, model, size, and varnish.

How important is authentication?

"Authentication" entails the examination and understanding of instruments; skills that I have refined over 25 years of having being exposed to reference examples of genuine articles. Value is added when a name or firm, such as ours, held in high esteem by the market and peers provides certification toward an instruments authenticity.

Do you think investing in music instruments is exclusive to the rich?

Not at all, as anybody can invest via a syndicate or participate in an investment trust. Often, the acquisition of a rare instrument, by a musician or collector lacks the required capital. That is where specialists like my self structure syndicates as investment vehicles to support and fund the acquisition of music instruments.

What justifies fantastical prices commanded by some musical instruments - even though to serve a purpose – a well made copy/new instrument is capable of delivering the "same" quality of music?

True. A new instrument played by a maestro could deceive a layman's ears; but the additional effort required on the part of the musician is drenching. In order to be competitive, a musician needs an instrument that is versatile and subtle, and projects an even balance between depth and brilliance.

What role does speculation play?

The "antique value" of a rare collectable is very desirable. The rest is about supply and demand. Even if demand drops slightly, there are never enough old Italian high end instruments around. Speculation, currently, surrounds less known maker from the 1930s to 1960s as one might "buy and hold" until they start to appreciate - as has been experienced by instruments dating back to the 1920s.

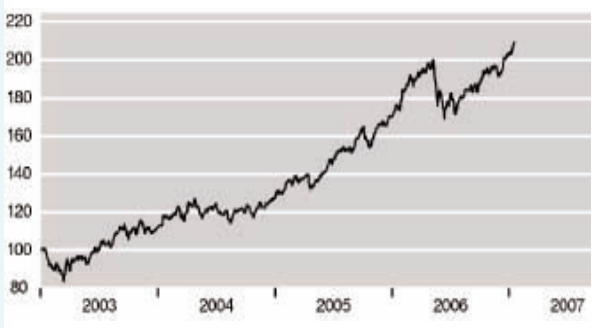
What are the peculiarities exhibited by investments made in musical instruments as an asset class?

Manoeuvrability lends itself well to an instruments price appreciation... hence it offers a very global market.

What are the risks associated with this investment class, can they be hedged and at what cost?

The primary risk would be damage or loss of the instrument itself. Insuring against this risk costs approximately 0.1%-0.3% pa of the total value for a high end instrument. For example, a G B Guadagnini violin, made in Turin in 1773, presently valued at USD1,000,000 dollars and used in concert settings around the world, would cost roughly USD2,000 pa to insure. If the same instrument was kept and left unused in a collection, the premium would likely move down to around USD1,000 pa. Historically there is very little risk as evident from the exceptionally low premiums.

FAST FACTS: GREEN INVEST



Performance in CHF (31.12.2006) –reinvested, rebased to100% Source: Swisscanto

Focus: The fund invests primarily in equities of companies that comply with the principles of ecological and social sustainability. Multi-level asset diversification (across geographic areas, styles, market capitalisation, sectors) has been executed to diffuse risk concentration and enhance performance.

Strengths: high level of expertise, adherence to stringent sustainability guidelines, strong partnership with WWF

Weaknesses: exhibits a high correlation to stock markets

Opportunities: Dynamics of the ecological and sustainable sectors remain intact. Demographics, industrialisation, regulation and environmental protection will magnify growth prospects in the sustainability sector

Threats: portfolio displays high sensitivity to global economic growth forecasts

Risk Assessment

□ = low □ = low/moderate □ = moderate □ = moderate to high □ = high

- Rate the asset risk □ □ □ □ □
- How over priced is the avg. share in the portfolio □ □ □ □ □
- Ability to exploit underlying stock volatility □ □ □ □ □
- Ability to pick and allocate to "sustainable" stocks □ □ □ □ □
- Diversification achieved by portfolio's underlyings □ □ □ □ □
- Avg. liquidity of the underlying asset □ □ □ □ □
- Currency risk □ □ □ □ □
- Leverage related risk = 0
- Exclusiveness as a player □ □ □ □ □
- Key Man risk □ □ □ □ □

Performance Parameters

□ =insufficient □ =adequate □ = satisfactory □ = good □ = outstanding

- Based on the fund's track record rate:
 - Ability to deliver targeted returns in a bear market □ □ □ □ □
 - Ability to deliver targeted returns in a bull market □ □ □ □ □
 - Ability to deliver targeted returns in a sideways market □ □ □ □ □
- Avg. annual correlation to:
 - Equities as an asset class high
 - Bonds as an asset class low/moderate
 - Hedge funds as an asset class low
- Diversification benefit of including fund:
 - In a conservative portfolio □ □ □ □ □
 - In a balanced portfolio □ □ □ □ □
 - In an aggressive portfolio □ □ □ □ □
- Since inception, consistency in delivering targeted annual returns □ □ □ □ □
- Alpha split:
 - Structural=70%
 - Skill =30%

Outlook

↑ upside potential ↗ upside to range bound ↔ range bound ↘ range bound to down ↓ downside potential

- Fund's outlook on investing in the sustainable sector ↑
- Peer group perception of investing in the space ↑
- Fund's ability to deliver targeted annual returns:
 - over the next 1 year ↑
 - over the next 3-5 years ↗
- Barriers to entry:
 - Expertise on the sustainable sector required
- Observation
 - Concerns regarding preservation, protection and regeneration of the environment are growing
- Conditions for the fund to out perform:
 - Fund's high beta would lead to an outperformance in bull makets
- Max. capacity of the fund (AuM):
 - undefined

Investment Insights

- Target audience: private investors, institutions
- Level of complexity: low
- Fund offers: sector diversification
- Recommended avg. holding period: 5 yrs
- The fund is registered for sale in: CH, A, D, FL, Lux
- Fund currencies: base CHF; others=USD, EUR, JPY
- Tax breaks: none
- Liquidity provided: daily liquidity
- Transparency provide: high
- Awarded 06: Fund manager - "AA" by the Citywire Fund Co.
- Risk/reward compensation: moderate

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