risklab Commodity 4 Seasons Long Short Index

January-11

risklab

Strategy Description

The risklab Commodity 4 Seasons Long Short Index (C4S Long Short Index) strategy provides the investor a long/short exposure to the commodity market by exploiting performance differentials between the commodity subsectors energy, precious metals, industrial metals and agriculture in different periods. The fully rules-based C4S Long Short strategy derives long and short allocations of the commodity subsectors by following a momentum driven strategy that includes a risk management component. Its implementation is designed to avoid negative roll returns.
Any remaining share of the index is invested into USD denominated money market instruments and serves as collateral for the derivative based implementation.

Index Data

Index Name:	C4S Long Short Index
Index Provider:	risklab GmbH
Inception Date:	31-Dec-91
Report Date:	31-Jan-11
Index Currency:	USD
Bloombergticker	RLABC4S2 <Index>
Index Value	27941.28

Management Commentary

The first month of the year 2011 again started with gains for the subsectors energy, industrial metals and particularly for agriculture. Only precious metals suffered a huge drawdown after its rally in 2010 with a performance of nearly 40 percent measured by its subindex of the DJ UBS Index.

The risklab C4S Long Short strategy mainly took profit by overweighting the agriculture market. Furthermore the drawdown of precious metals nearly didn't impact the performance as the allocation in January was very small. The short exposure to the energy subsector anticipated a better performance over the month, but on the other side limited the overall exposure to the commodity market and therefore reduced the risk of the strategy.

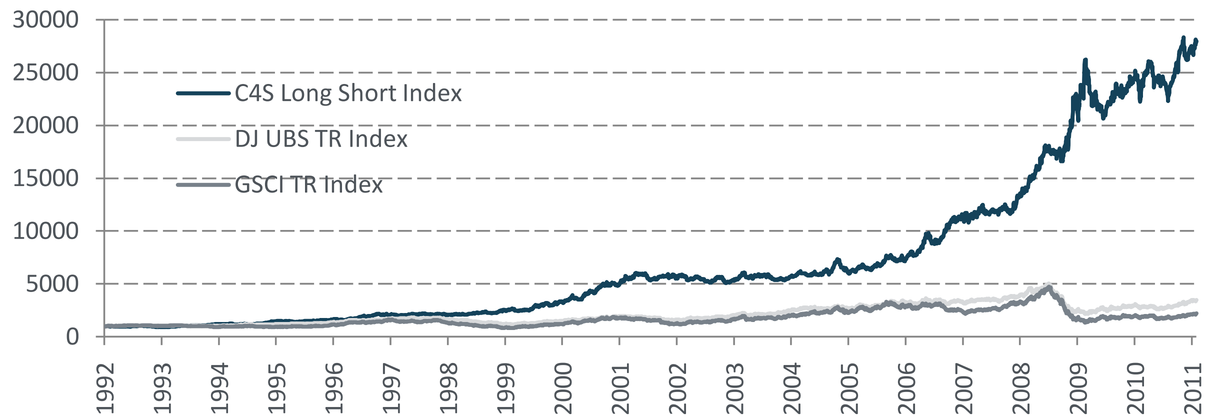
Advised Minimum Investment Period

At least one market-cycle (historically 3-5 years)

Risk Class

safety-oriented | conservative | profit-oriented | risk aware

Performance



Annual Returns *

	C4S LS	DJUBS TR	SPGSCI TR
2002	-8.1%	25.9%	32.1%
2003	8.0%	23.9%	20.7%
2004	6.1%	9.1%	17.3%
2005	20.2%	21.4%	25.5%
2006	56.8%	2.1%	-15.1%
2007	17.0%	16.2%	32.7%
2008	63.6%	-35.6%	-46.5%
2009	11.4%	18.9%	13.5%
2010	12.6%	16.8%	9.0%
2011	1.6%	1.0%	3.1%

* Annual return or YTD (in current year)

Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year*
2007	-2.5%	2.8%	-1.5%	5.1%	-0.3%	-0.3%	0.5%	2.1%	2.4%	-6.2%	4.0%	10.6%	17.0%
2008	2.0%	8.9%	1.0%	5.5%	8.7%	3.5%	-1.6%	-1.5%	-2.2%	9.7%	8.2%	9.1%	63.6%
2009	8.2%	2.9%	-6.2%	0.0%	-5.8%	-2.9%	5.7%	3.9%	0.3%	0.4%	3.3%	2.0%	11.4%
2010	-4.5%	2.9%	8.6%	-5.1%	-1.6%	0.9%	-7.0%	5.7%	5.4%	8.2%	-3.8%	3.7%	12.6%
2011	1.6%												1.6%

* Annual return or YTD (in current year)

Cumulative Returns

	1m	3m	6m	1y	Since Inception
C4S LS	1.6%	1.4%	22.2%	19.7%	2694.1%
DJUBS TR	1.0%	11.4%	22.3%	27.3%	249.7%
SPGSCI TR	3.1%	14.0%	19.8%	22.0%	121.1%

Allocation as of 31-Jan-11

Energy	-44.62%
Industrial Metals	0.71%
Precious Metals	4.21%
Agriculture	87.30%

Return Statistics

Relative Return Statistics

	C4S LS vs. DJUBS TR	C4S LS vs. GSCI TR
Based on monthly returns		
Alpha p.a.	11.00%	9.45%
Tracking error p.a.	19.57%	20.44%
Worst monthly excess return	-18.85%	-20.07%
Information ratio p.a.	0.56	0.46
Based on 1y rolling returns		
Alpha p.a.	13.18%	10.23%
Tracking error p.a.	24.58%	25.75%
Worst monthly excess return	-40.42%	-50.88%
Information ratio p.a.	0.54	0.40
Capture Ratios (monthly)		
Up	0.67	0.62
Down	-0.19	-0.26

Absolute Return Statistics (based on monthly data)

Return since inception	2694.13%
Average return p.a.	19.05%
Best monthly return	14.04%
Worst monthly return	-8.60%
Recovery in months	9
Volatility p.a.	14.91%
VaR (95%, 1M)	-5.37%
Skeness of monthly returns	0.13
Kurtosis of monthly returns	-0.16
Maximum Drawdown	-21.37%
from	2/23/2009
to	6/15/2009
VaR (95%, monthly rolling 1Y)	-3.83%
Sharpe Ratio	1.04

Related Investment Products

For information on investing in the strategy, please contact:
Dr. Bernhard Brunner
Tel.: +49 89 1220 - 7763
bernhard.brunner@risklab.com

Glossary:

Value at Risk, 95%, 1M: figure to quantify the maximum loss that will not be exceeded with a probability of 95% in one month

Sharpe-Ratio : based on average EONIA rate

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A backtest represents a model based on selection criteria applied backwards in time. The results are not indicative of how the proposed fund may perform in the future, and the model results have limitations as a representation of past performance.

The proposed risklab investment strategies may involve risk factors not characteristic of the risks of traditional investments in stocks and bonds, including the volatile and speculative qualities of commodities, emerging markets, currencies and variance swaps, the possible illiquidity of derivatives, the magnified loss potential of investments involving leverage, and the possible mispricing or improper valuation of derivatives. The proposed investment strategy may also involve short sales, in which the "covering" of borrowed securities could lead to losses for the fund under certain market conditions.