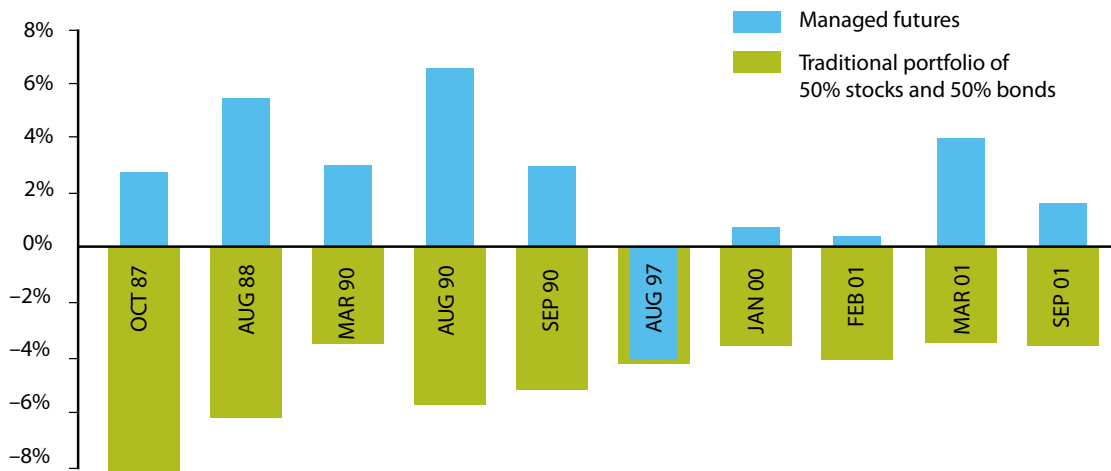


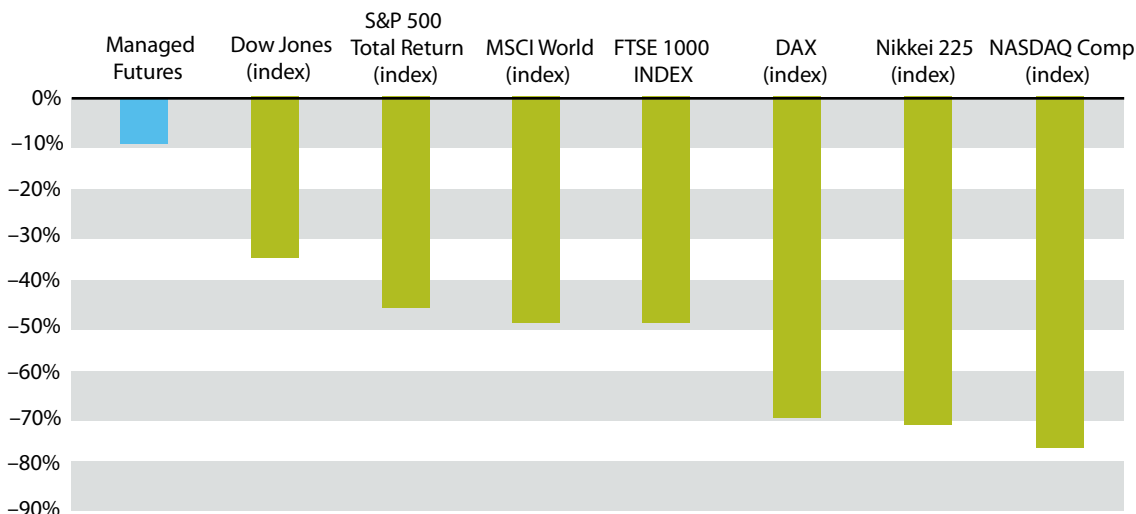
MANAGED FUTURES VS. A TRADITIONAL PORTFOLIO DURING STOCK MARKET DECLINES*



Managed futures: CASAM CISDM CTA Equal Weighted; Stocks: MSCI World; Source: Bloomberg
 Bonds: JP Morgan Government Bond Global; Time scale: 01/1987 – 02/2008

Managed futures trading advisors can generate profit in both rising and falling markets due to their ability to go long (buy) futures positions in anticipation of rising markets or go short (sell) futures positions in anticipation of falling markets. Moreover, trading advisors are able to go long or short with equal ease. As the above chart shows this ability, coupled with their virtual non-correlation with most traditional asset classes, have resulted in managed futures performing well relative to traditional asset classes during adverse conditions for stocks and bonds.

WORST DRAWDOWNS IN COMPARISON*



Managed futures: CASAM CISDM CTA Equal Weighted; Time scale: 11/1990 – 02/2008; Source: Bloomberg
 The chart above shows the worst historic drawdowns for each of the indices from 11/1990 through 02/2008.

Drawdowns, or the reduction an account might experience during a market retrenchment, are an inevitable part of any investment. However, because managed futures trading advisors can go long or short (and typically adhere to strict stop-loss limits) managed futures have limited their drawdowns more effectively than many other investments. Please be advised, however, that the use of stop loss or contingent orders may not protect profits, and may not limit losses to the amount intended. Certain market conditions make it difficult or impossible to execute such orders. As the above chart shows, drawdowns for managed futures have been less steep than those for major global equity indices.

*Courtesy CME Group: *Managed Futures: Portfolio Diversification Opportunities*.