

**TO:** Mr.  
**FR.:** Michel Lahaie  
**DATE:** 31 Mar, 2008  
**RE:** MONTHLY PORTFOLIO VALUATION

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<b>Portfolio Valuation</b> at previous month's end:	USD	30,215,897		
<b>Portfolio Valuation</b> at this month's end:	USD	30,032,354		
<b>Bottom line:</b> Net decrease this month of:	USD	183,543	or	0.61%

**Comments:**

Despite the gyrations in the equity and fixed income markets in March, we suffered very little from all the turmoil.

In the Fixed Income section, a Banco Cruzeiro bond matured and we doubled our investment in HSBC Preferred shares to maintain an income flow. ING Preferred shares paid a dividend and the following bonds all paid their regular coupons: Sanmina-Sci 6.75%, Institut Credito 5.5%, Noble 6.625%, Banco Cruzeiro 7.75% and Banco Industrial do Brazil 7.5%.

In the Equity section, we took (reduced) profit on Shandong Molong, Tate & Lyle and part of EZRA. We cut loss on half of STX Pan Ocean as part of our risk management discipline. Suncor paid a dividend.

In the Index/Basket funds, we cut loss on the Agricultural product basket as this space became very crowded with speculators rather than investors.

The Hedge Fund section was a drag on the performance, a rare event that shows how difficult the past month was for even experienced managers.

In the Fund of Hedge Fund section, we invested in the ART Class E Fund to gain exposure to depressed credit investments where opportunities are now emerging.

**Recommendation:**

In short, I believe we are going through a global economic slowdown with the US in a recession. It does not mean the end of the world but it does mean that one has to be even more careful than usual before committing to a trade. Challenging times are also the ones that present the best opportunities and we are on the lookout for them. Bear markets do not last forever provided they are allowed to run their course. Hopefully US regulators will remember Japan.

For a more thorough description of what we are facing in the markets, kindly read the attached Special Comment.

Please do not hesitate to call should you have any questions or comments.