



Share Class A

February 2012

USD 79.46

EUR 81.77

GBP 81.03

A UCITS IV compliant systematic market-neutral equity fund that invests globally, allocating across developed countries, sectors, emerging markets and currencies. Its allocation is purely driven by CrossBorder Capital's Liquidity research.

**Monthly ROR in %**

|      | JAN   | FEB   | MAR   | APR  | MAY   | JUN   | JUL   | AUG  | SEPT  | OCT   | NOV   | DEC   | YEAR   |
|------|-------|-------|-------|------|-------|-------|-------|------|-------|-------|-------|-------|--------|
| 2010 |       | -1.15 | -0.31 | 0.29 | 1.15  | 0.66  | -4.07 | 3.30 | -4.68 | -2.73 | 1.33  | -3.05 | -9.17  |
| 2011 | -3.81 | 0.97  | -1.67 | 0.24 | -2.78 | -1.06 | 0.80  | 2.45 | 0.59  | -4.49 | -4.23 | 0.83  | -11.78 |
| 2012 | -0.80 | -0.05 |       |      |       |       |       |      |       |       |       |       | -0.84  |

**Investment Outlook**

- Liquidity flows are becoming increasingly divergent. Europe and to some extent Japan are enjoying a Liquidity bounce led by policy easing while in Emerging Markets and the US it has been consistently drying up.
- Overall global Liquidity is on the rise, giving support to recent equity rally.
- Draghi's policy seems so far much in line with Bernanke's during 2008-2009.
- Rally led by the Eurozone in conjunction with a falling Euro. Although the uncertainties remain, the ECB has patched the banking system illiquidity. We are also positive in Japan where the falling Yen can

- improve equity valuations.
- However, policy divergence points to rising FX volatility. EM foreign outflows are a concern as is the fact that EM crisis have typically been currency crisis linked to a strong dollar.
- Recent strengthening of the greenback in conjunction with increasing risk appetite is consistent with the observable passivity of the Fed. We expect that it will continue. As the US economy stabilises at positive but low growth levels, the demand for dollars increases and dries out global funding.
- The EM problem may itself be a hang-over from last year's Euro Crisis and, specifically,

- the exodus of many Eurozone banks from crossborder lending and the resulting pulling of their credit lines. We are seeing significant outflows from EM.
- It may be true that China is about to substantially ease her monetary conditions and it is surely the case that China and other EM economies have cooled substantially from their 2010-11 bout of overheating. Yet, hard evidence of easing is scarce.
- A "risk-on" regime may steepen the yield curves as it happened in late 2010; however Fed's policy will tend to contain this effect in the US curve.

**Performance Statistics**

|                              | Last 12 Months | Since Inception |
|------------------------------|----------------|-----------------|
| <b>Annualised Return (%)</b> | <b>-9.92</b>   | <b>-10.45</b>   |
| MSCI World                   | -1.69          | 9.71            |
| HFRX Market Neutral          | -4.51          | -0.14           |
| HFRX Systematic Diversified  | -1.44          | 2.09            |
| <b>Volatility (%)</b>        | <b>7.35</b>    | <b>7.90</b>     |
| MSCI World                   | 18.55          | 18.64           |
| HFRX Market Neutral          | 4.64           | 5.26            |
| HFRX Systematic Diversified  | 9.69           | 9.13            |
| <b>Sharpe Ratio (X)</b>      | <b>-1.36</b>   | <b>-1.33</b>    |
| MSCI World                   | -0.09          | 0.52            |
| HFRX Market Neutral          | -0.98          | -0.03           |
| HFRX Systematic Diversified  | -0.15          | 0.22            |
| <b>Sortino Ratio (X)</b>     | <b>-1.07</b>   | <b>-1.03</b>    |
| MSCI World                   | -0.12          | 0.60            |
| HFRX Market Neutral          | -0.83          | -0.03           |
| HFRX Systematic Diversified  | -0.16          | 0.21            |

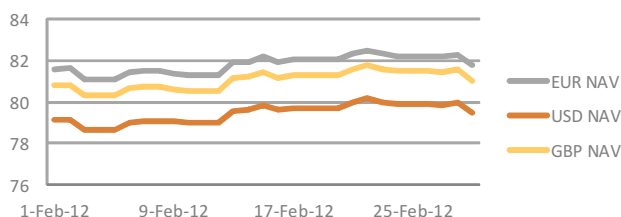
Source: CrossBorder Capital

**Risk Metrics**

|                             | Last 12 Months | Since Inception |
|-----------------------------|----------------|-----------------|
| <b>Max Drawdown (%)</b>     | <b>-9.92</b>   | <b>-21.04</b>   |
| MSCI World                  | -19.64         | -19.64          |
| HFRX Market Neutral         | -6.13          | -6.13           |
| HFRX Systematic Diversified | -5.80          | -7.25           |

|                        | February    | Last 12 Months |
|------------------------|-------------|----------------|
| <b>Daily VAR @ 95%</b> | <b>0.4%</b> | <b>0.7%</b>    |
| <b>Daily VAR @ 99%</b> | <b>0.6%</b> | <b>1.2%</b>    |

Pulsar Global Alpha Fund NAV: February



THE OFFICIAL NAV WILL BE SUPPLIED BY THE ADMINISTRATOR  
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

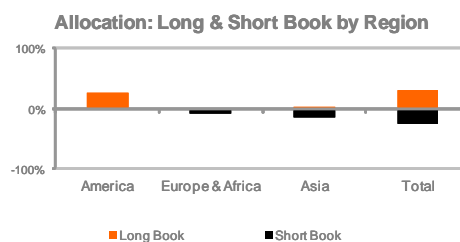
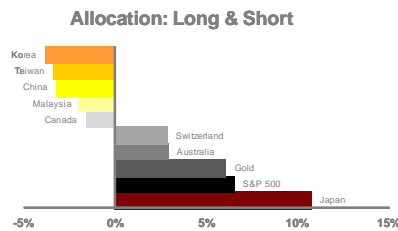
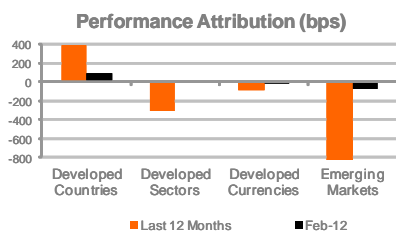


**Investment Analysis**

February was another uninterrupted "risk on" month, with equity indices rising, volatility declining across markets and credit spreads contracting sharply. European sovereign debt concerns appear to have subsided, at least in the short term, as the Draghi-led ECB has been supplying the banking system with an enormous amount of liquidity. The German yield curve looks remarkably similar to the US curve after the first wave of liquidity injections in January 2009. This suggests that we may see significant steepening in the Bund curve over the next 6 months, with potential outperformance of the European

banking sector. Naturally this all depends on market conditions remaining stable. Markets do appear to be dangerously complacent, judging from the options markets: implied volatility levels are close to 5 year lows across asset classes, with currency volatility particularly dampened. The term structure of volatility for the S&P 500 is also unusually steep. Historically, this has been a bearish signal for global equity markets. With this backdrop, the MSCI World and Emerging Markets indices returned +4.66% and +5.89% in February, respectively. In the meantime, The Pulsar Global Alpha

Fund returned -0.05% for the month. Our long portfolio was the main contributor to performance. Positions in Japan, US Technology and small caps were positive contributors whether short positions in Emerging Markets and long position in gold dragged down returns. The Fund has lately built a negative position in EM and is increasingly bullish in the greenback. We see moderate US growth and easing efforts from Europe and Japan. However fiscal and productivity issues stay the same in the West and liquidity levels have been dropping in most of the emerging markets.



Source: CrossBorder Capital

**Corporate Structure:** New Vision Strategies Funds PLC  
**Dealing:** Daily purchase and daily redemption (2 business days notice)  
**Fees:** Management Fee: 2.0% p.a.; Performance Fee: 20% of net gains with a highwater mark  
**Administrator:** Daiwa Europe Fund Managers

| Share Class | ISIN No      | Bloomberg | Share Class  | ISIN No      | Bloomberg | Share Class | ISIN No      | Bloomberg |
|-------------|--------------|-----------|--------------|--------------|-----------|-------------|--------------|-----------|
| US Dollar A | IE00B5M9P593 | NVPULAA   | £ Sterling A | IE00B5MG5J46 | NVPGASA   | Yen A       | IE00B5NWV489 | NVPGAYA   |

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Current weekly and historic NAV can be viewed at <http://www.daiwagas.com/fund-prices/current>

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Pulsar Global Alpha Fund (the "Fund"), is a fund of New Vision Strategies Funds Plc, an open-ended umbrella fund with segregated liability between sub-funds authorised by the Financial Regulator as a UCITS in Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2003.

As a high volatility investment the Fund may be subject to sudden falls in value and these could lead to a large loss on realisation which could equal the amount invested. An investor in the Fund will not be liable to compensation for any losses. CrossBorder Capital points out that the value of all investments and the income derived therefrom can decrease as well as increase (this may be partly due to exchange rate fluctuations in investments that have an exposure to currencies other than the base currency of the fund). In addition the Fund may from time to time use options, futures and warrants which are highly specialised activities and entail greater than ordinary investment risks. Thus a relatively small movement in the price of a security to which these relate in a disproportionately large percentage movement, unfavourable as well as favourable, in their price. The Fund may gear itself by other means as well. This report uses historical and simulated pro-forma results which may not be a guide to future performance.

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