

## MSCI Hedge Invest Index Performance Summary – August 2008

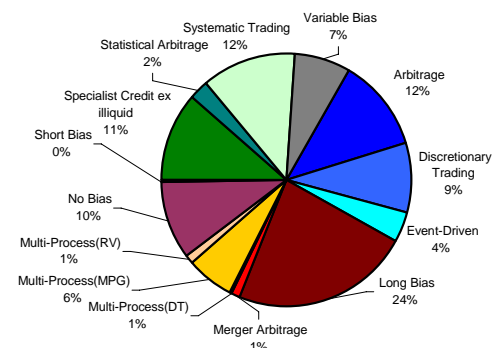
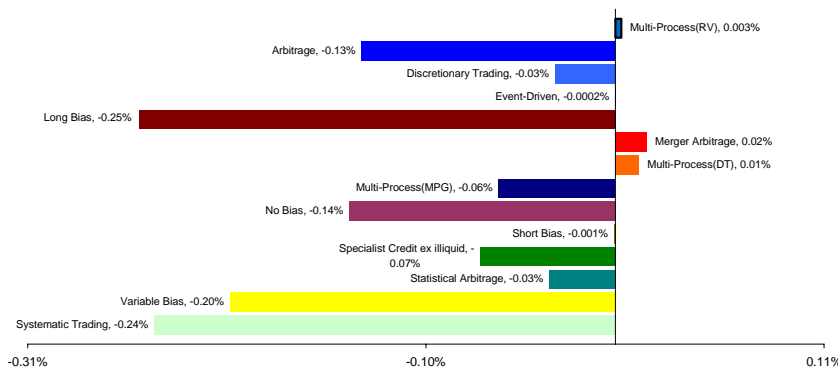
**New York – September 3, 2008** - The MSCI Hedge Invest Index is designed to be both investable and take into account the overall structure and composition of the hedge fund universe. It uses the non-investable MSCI Hedge Fund Indices and Database as a reference framework for the characteristics of the overall hedge fund universe.

	Aug-08	Fund Count	Index Level	Inception Date	YTD Return	52 Weeks Return	ITD Return	Sharpe Ratio*
<b>MSCI Hedge Invest Index</b>	<b>-1.14%</b>	<b>141</b>	<b>11,664</b>	<b>15-Jul-2003</b>	<b>-7.13%</b>	<b>-5.33%</b>	<b>16.64%</b>	<b>0.42</b>

\*Risk Free Rate = 30 days LIBOR Annualized over 3 yrs

### August Contribution

### Investment Segments Weights

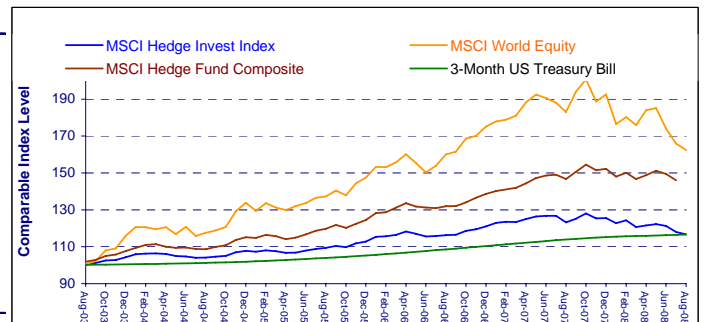


For the month of August, the MSCI Hedge Invest Index declined 1.14%, bringing the return since inception to 16.64%. The largest positive contribution came from Merger Arbitrage funds adding 2 basis points, while the least contribution came from Long Bias funds with a loss of 25 basis points.

### Monthly Performance

	2003	2004	2005	2006	2007	2008
Jan		1.55%	-0.32%	2.29%	1.55%	-2.27%
Feb		0.25%	0.60%	0.24%	0.53%	1.24%
Mar		0.15%	-0.38%	0.72%	-0.15%	-2.86%
Apr		-0.23%	-0.79%	1.57%	1.32%	0.67%
May		-1.09%	0.04%	-1.08%	1.12%	0.58%
Jun		-0.24%	1.04%	-1.27%	0.23%	-0.79%
Jul	-0.03%	-0.71%	0.86%	0.22%	0.01%	-2.72%
Aug	0.37%	0.11%	0.56%	0.43%	-2.76%	-1.14%
Sep	0.96%	0.49%	0.90%	0.18%	1.61%	
Oct	1.26%	0.40%	-0.62%	1.78%	2.31%	
Nov	0.22%	1.79%	1.85%	0.81%	-2.13%	
Dec	1.49%	0.74%	0.91%	1.28%	0.19%	
<b>Total</b>	<b>4.35%</b>	<b>3.23%</b>	<b>4.70%</b>	<b>7.33%</b>	<b>3.76%</b>	

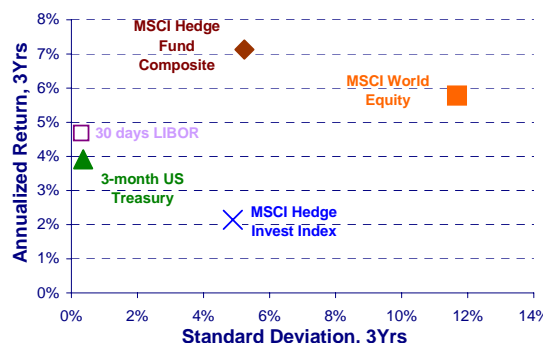
### Comparative Performance



### Key Statistics

Cumulative Return	16.64%
Annualized RoR	3.02%
Annualized Standard Deviation	4.04%
Average Monthly Return	0.25%
Median Monthly Return	0.37%
Average Positive Month	0.87%
% of Positive Months	69.35%
Average Negative Month	-1.13%
Peak to Valley	-8.93%
Drawdown Period	Nov07-Aug08
Time to recovery	
12 Month Rolling Return Avg.	-0.01%
Rolling Return 12 Month Min.	-6.88%
Rolling Return 12 Month Max.	8.03%

### Risk/Return Analysis



### Index Correlations

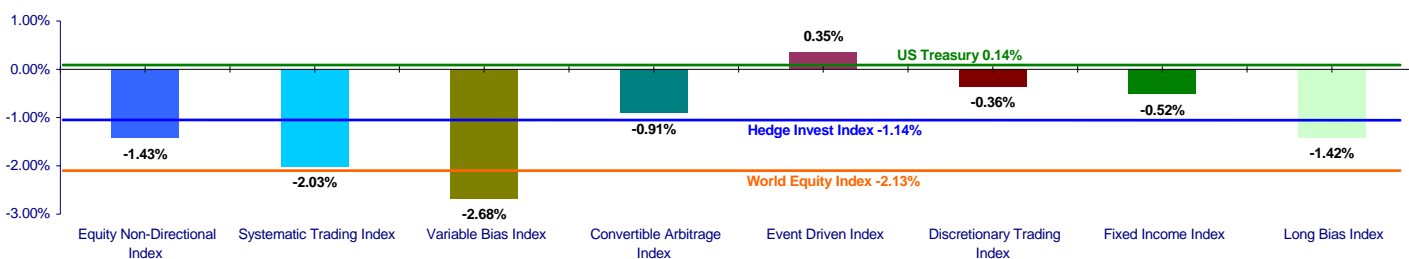
	Hedge Invest Index	Hedge Fund Composite	World Equity
Hedge Fund Composite	97.03%		
World Equity	83.96%	82.26%	
3-Month US Treasury Bill	19.21%	16.65%	9.34%

Hedge Invest Index data is tabulated using data from the last Tuesday of each period due to weekly pricing. Data as of August 26, 2008 other than hedge fund composite index (a non-investable index) data as of July 31, 2008 \* Hedge Invest Index data begins July 15th, 2003. The MSCI Hedge Invest Indices are constructed according to the MSCI Investible Hedge Fund Index Methodology.

### MSCI Hedge Invest Strategy Indices Performance Summary – August 2008

	Aug-08	Index Level	Fund Count	Inception Date	YTD Return	52 Weeks Return	ITD Return	Std. Dev. 12M Rolling
Equity Non-Directional Index	-1.43%	11,945	11	15-Jul-2003	-5.06%	-1.72%	19.45%	1.59%
Systematic Trading Index	-2.03%	12,228	23	15-Jul-2003	-0.15%	4.55%	22.28%	1.72%
Variable Bias Index	-2.68%	11,993	21	6-Jul-2004	-10.64%	-8.79%	19.93%	2.60%
Convertible Arbitrage Index	-0.91%	10,542	12	15-Jul-2003	-3.82%	-1.88%	5.42%	1.97%
Event Driven Index	0.35%	12,790	15	15-Jul-2003	-1.97%	0.53%	27.90%	1.80%
Discretionary Trading Index	-0.36%	11,448	10	6-Jan-2004	-0.83%	2.81%	14.48%	1.61%
Fixed Income Index	-0.52%	9,544	17	4-Jan-2005	-12.66%	-13.50%	-4.56%	1.98%
Long Bias Index	-1.42%	13,175	23	15-Jul-2003	-9.14%	-7.44%	31.75%	2.68%

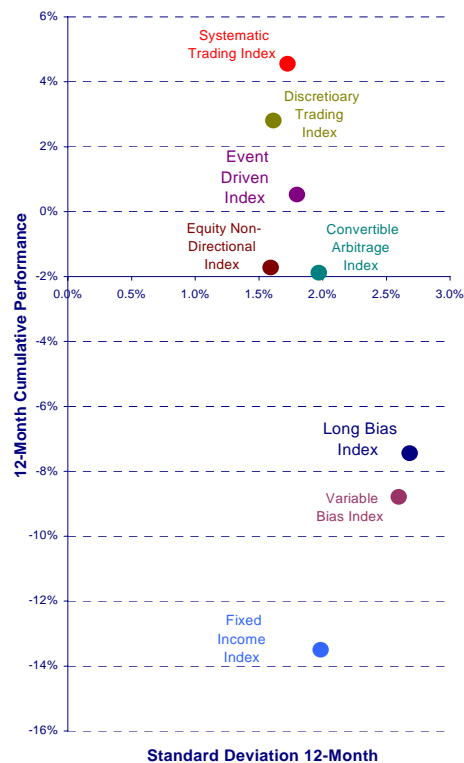
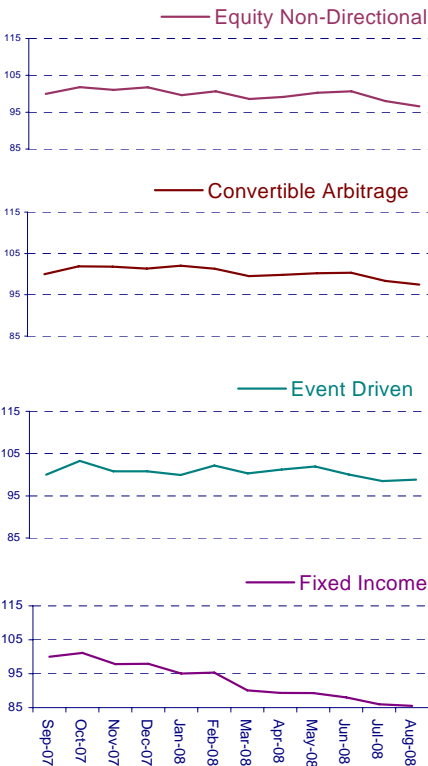
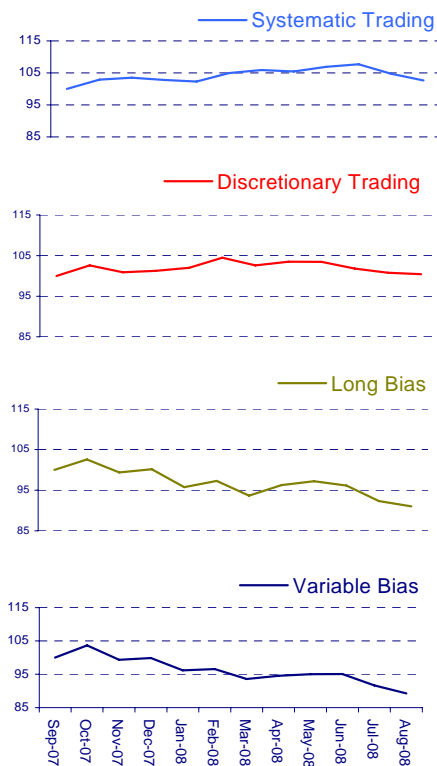
#### Comparative Monthly Performance by Strategy Indices



For the month of August, the MSCI Hedge Invest Event Driven Index was the best strategy-level performer, with a return of 0.35%. The least performer for the month was the MSCI Hedge Invest Variable Bias Index, which had a loss of 2.68%.

#### 12-Month Cumulative Performance by Strategy Index

#### Risk/Return Analysis



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