Altex Arb & Quant

February 27, 2009

Altex Partners Gestion, SGIIC, SAU

Monthly report — February 27, 2009

Shares in Euros

	NAV	MTD	YTD
February (estimate)	97,09	-0,34%	0,49%
January (estimate)	97,42	0,83%	0,83%
December (final)	96,62	-0,96%	2,19%

Since January 2005		**Target**
Annualized return	8,26%	>9%
Annualized volatility	4,06%	<7%
Correlation with S&P 500	0,18	

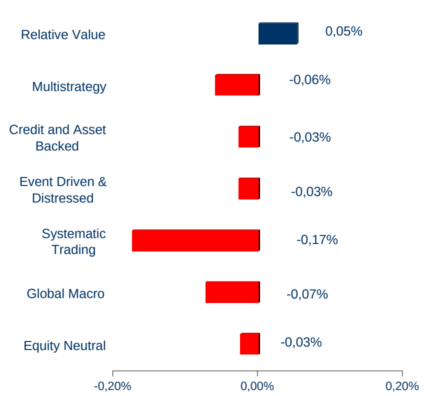
Shares in Euros (Monthly returns net of all fees) (*)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005	-0,92%	1,36%	-0,14%	-0,42%	0,17%	1,19%	0,47%	1,65%	1,19%	-0,63%	1,54%	0,95%	6,56%
2006	3,13%	0,67%	1,25%	2,39%	-0,66%	0,19%	-0,66%	-0,02%	-0,55%	-0,06%	0,93%	1,47%	8,31%
2007	1,39%	0,46%	-0,37%	1,70%	1,67%	1,41%	1,83%	0,81%	2,08%	3,07%	2,38%	-0,19%	17,44%
2008	2,99%	2,64%	0,06%	0,27%	0,20%	0,98%	-1,04%	-0,99%	-0,47%	-0,37%	-1,04%	-0,96%	2,19%
2009	0,83%	-0,34%	-	-	-	-	-	-	-	-	-	-	0,49%

(*) Shaded in gray: proforma returns of initial portfolio. Shaded in blue: estimated returns.
The final NAV calculated by the fund administrator can vary with respect to the estimated NAV.

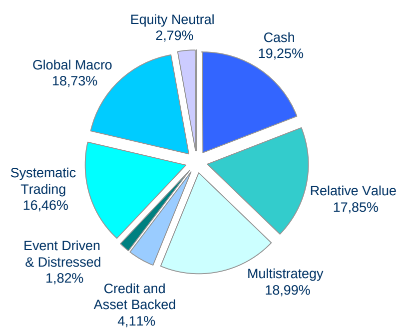
Strategy Contribution

Total Return: **-0,34%**



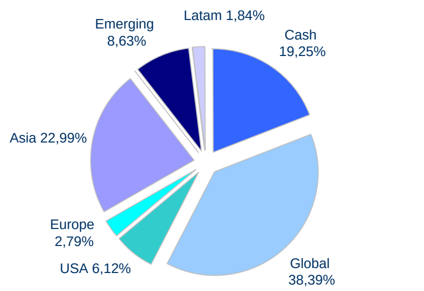
Strategy Allocation

Total invested: **81%** **Leverage:** **0%**



Geographic Allocation

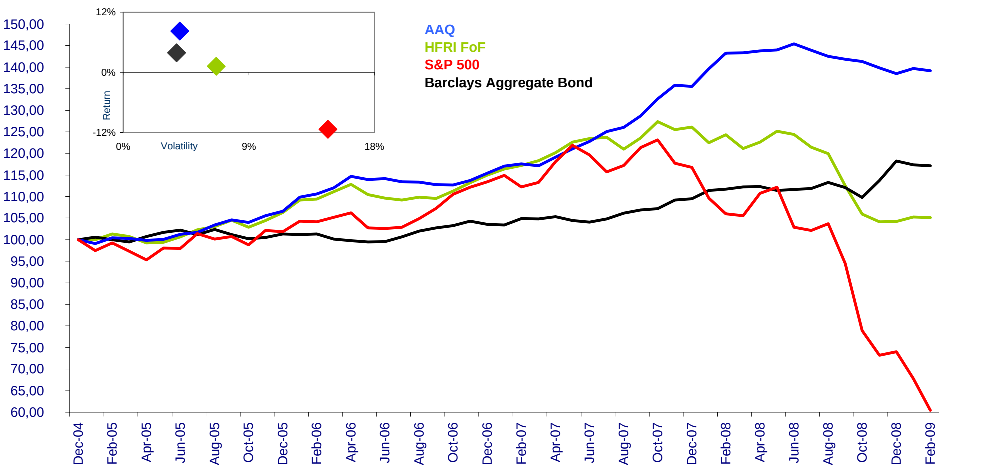
Total invested: **81%** **Leverage:** **0%**



Performance Analysis

February 27, 2009	
Number of funds in portfolio	28
Last 12 Months	
Return	-2,85%
Volatility	2,47%
Since January 2005	
Accumulated return	39,18%
Annualized return	8,26%
Annualized volatility	4,06%
Positive months	64,0%
Best month (Jan-06)	3,13%
Worst month (Nov-08)	-1,04%
Worst drawdown (Jul-08 to Dec-08)	-4,76%
Months to recover	-
Correlation with S&P 500	0,18
December 31, 2008	
A.U.M. (€ MM)	18,4

Benchmark



Fund Information

Currency	EURO
Currency risk	Permanently covered (*)
Minimum investment (€)	None
Subscription frequency	Monthly with 5 business days notice
Redemption frequency	Quarterly with 95 calendar days notice
Redemption Fee	3% during first 12 months
Payment	Maximum 2 months after NAV calculation date
Investment Manager Fee	2,00% annual
Performance Fee	None
Custodian and Administrator Fee	0,18% annual

Launch date	April 2008
Investment Manager	Altex Partners Gestión
Auditor	Ernst and Young
Administrator	BNP Paribas Fund Services
Custodian	BNP Paribas Securities Services
ISIN	ES0177046002
Bloomberg	ALTARBQ SM

(*) Investments in dollar denominated funds are permanently covered through forward sales of dollars against euros.

Highlights and Investment Strategy

- Fund of Hedge Funds. Exploits bullish and bearish trends, and outperforms in volatile markets.

- Invests in strategies with low or negative correlation with equity and bond markets with the objective of achieving positive returns during worst market drawdowns.

- Registered at CNMV.

- Fiscal portability.

- Low correlation with hegde fund indices.

- Ideal to protect a portfolio from market drawdowns.

- Improves the risk-return efficient frontier of a diversified portfolio.

- Altex Partners Team invests in hedge funds since 1995.

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Comment

Market Overview:

February Index data is not only quite interesting but also confirm January's trend. In February, the hedge industry's alpha is 10 points above equities; -0.32% funds of hedge funds; -10.99% S&P500. In the hedge arena, funds of funds have outperformed single managers, -0.32% versus -1.13%.

The Holy Grail that the hedge industry lost in 2008 was uncorrelation. It now seems to be recovering it again. The financial sector still has huge problems, and not all sectors will recover at the same pace. Wounds, if they are deep, first need a tourniquet to avoid healthy flesh from being contaminated; next, infected parts need a thorough cleansing, before healing can begin. This process has taken much less in the hedge industry. There were no salvation plans, no unlimited liquidity injections, or no safe meadows in which to bury your head for a long time. In 2008, scandals have surfaced, funds have bankrupted and sacred institutions collapsed. However, the hedge industry is still the one that gets pointed at most for being responsible for the crisis, always accused of having obscure interests and of lacking transparency. Well, let's give it a try. Let's be transparent. Let's make hedge funds disclose their short positions in banks and other sensitive sectors. To what conclusions do we arrive?

1) The institutions that asked for transparency are none the happier. Now everyone knows hedge funds' opinions about their companies' balance sheets and valuations. Furthermore, the most credible opinion a manager can give of a company is its holding in it, whether short or long, over and above reports or ratings. Sales of shares, either owned or rented, convey the same message: the conviction that current price is higher than the expected future price. Barring managers from doing so not only did not have the effect regulators wished but quite the contrary, it increased distrust in protected companies health. In addition, a short bet can be expressed by means of derivatives, obliterating any real effectiveness this kind of measures might possibly have had. If we think rationally about it, selling shares is as speculative as buying them: by buying shares we push prices upwards by increasing demand, regardless of the company's actual value.
2) Hedge managers aren't trying to change the rules of the game. They are only trying to maximize the return-risk ratio in each market scenario. At the end of the day, the managers that accept and correct their errors first are the most likely to survive.
3) Independent hedge managers don't have conflicts of interest. When an independent hedge manager sells or buys assets, his decision may be right or wrong, but it is not biased by interests alien to his investor's interests. A fund manager is also an investor in the fund. He isn't trying to save or destroy the world. His mission is much more modest and even insignificant for all except his investors: to preserve capital in bad times and increase it in good times.

2009 will be a hard year, although even at the outset, prospects are brighter for some than for others. In February, single managers in our portfolios have reported very similar returns. Volatility arbitrage continued to perform well and credit markets pressure eased slightly. Systematic and global macro performances were mixed, with trend changes in some commodities and volatility in some currencies, while multistrategy funds were flat.

Fund performance:

AAQ was slightly down in February, an estimated -0.34%, bringing YTD returns to +0.49%. (In February, Fund of Hedge Funds Index HFRI -0.32%, S&P 500 -10.99%.) Relative Value contributed positively, mainly thanks to the volatility arbitrage funds. On the other hand, systematic funds corrected slightly due to sideways movements in commodities prices, although there was not a clear trend. The remaining strategies were practically flat.

As anticipated in our January comment, we sold our full investment in a high volatility systematic fund the first weeks of February, and have bought an American systematic short-term trend follower (identifies short-term market trends) that has a 4-year track record, very good returns, controlled losses, and is very uncorrelated to equities markets and to other AAQ systematic funds, reducing the volatility of the systematic trading strategy and increasing overall portfolio stability. We have also continued to gradually build on our investment in an emerging markets fixed income and currency fund, that has excellent liquidity and returns, and low volatility and correlation.

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