

**Monthly report** May 31, 2010

Euro Shares	NAV	MTD	YTD
May (estimate)	92,88	-2,18%	-3,30%
April (estimate)	94,95	-0,21%	-1,14%
March (final)	95,15	0,62%	-0,94%

Since January 2005		Target
Annualized return	4,53%	>9%
Annualized volatility	5,28%	<6%
Correlation with S&P 500	0,37	

**Strategy Contribution**



**Performance Analysis**

May 31, 2010	
Number of funds in portfolio	24

Last 12 Months	
Return	-1,92%
Volatility	3,17%

Since January 2005	
Accumulated return	27,14%
Annualized return	4,53%
Annualized volatility	5,28%
Positive months	61,5%
Best month (Jan-06)	4,04%
Worst month (Aug-07)	-2,64%
Worst drawdown (Nov-07 to May-10)	-12,71%
Months to recover	-
Correlation with S&P 500	0,37

March 31, 2010	
A.U.M. (€MM)	7,99

**Fund Information**

Currency	EURO
Currency risk	Permanently covered (*)
Minimum investment (€)	None
Subscription frequency	Monthly with 5 business days notice
Redemption frequency	Monthly with 35 calendar days notice
Redemption Fee	None
Payment	Maximum 2 months after NAV calculation date
Investment Manager Fee	1,75% per annum
Performance Fee	None
Custodian and Administrator Fee	0,20% per annum

Launch date	2nd of April of 2007
Investment Manager	Altex Partners Gestión
Auditor	Ernst and Young
Administrator	BNP Paribas Fund Services
Custodian	BNP Paribas Securities Services
ISIN	ES0108855000
Bloomberg	ALVIGLB SM

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

**Highlights and Investment Strategy**

- Fund of hedge funds that combines emerging markets' funds and funds based in developed markets to reduce volatility.
- Seeks capital preservation and positive returns with low correlation with traditional equities and bonds markets.
- The fund will combine both directional and non-directional alternative investment strategies.
- Adequate diversification through an average number of underlying funds between 20 and 50.
- Many of such underlying funds are either closed or soft-closed to new investors.
- Fiscal Portability.

- Up to 50% in Emerging Markets.
- Liquidity: Monthly NAV (monthly subscriptions and redemptions)
- No leverage used.
- Returns in EUR. No currency risk for investments in USD.
- Registered at CNMV.
- Altex Team invests in hedge funds since 1995.

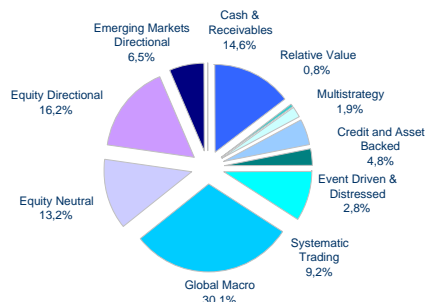
**Shares in Euros (Monthly returns net of all fees) (\*)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YEAR
2005	0,78%	2,50%	-1,23%	-1,06%	-0,05%	1,21%	2,16%	1,66%	3,87%	-1,23%	2,10%	2,79%	14,19%
2006	4,04%	1,03%	1,19%	1,67%	-2,38%	0,73%	0,49%	0,98%	0,25%	1,84%	2,21%	1,97%	14,82%
2007	1,60%	1,24%	1,51%	0,88%	2,09%	0,63%	0,82%	-2,64%	2,08%	2,46%	-1,45%	0,06%	9,55%
2008	-2,26%	1,47%	-2,16%	0,20%	0,59%	0,14%	-2,07%	-1,85%	-1,72%	-1,47%	-0,65%	-0,51%	-9,90%
2009	0,49%	-0,26%	-0,85%	-0,30%	1,10%	-0,68%	0,86%	0,40%	0,50%	-0,61%	1,04%	-0,08%	1,60%
2010	-0,91%	-0,65%	0,62%	-0,21%	-2,18%	-	-	-	-	-	-	-	-

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

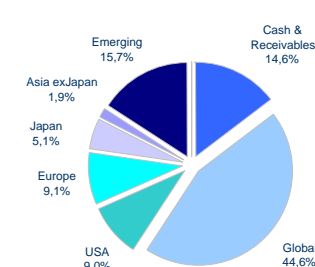
**Strategy Allocation**

Total invested: 85%      Leverage: 0%

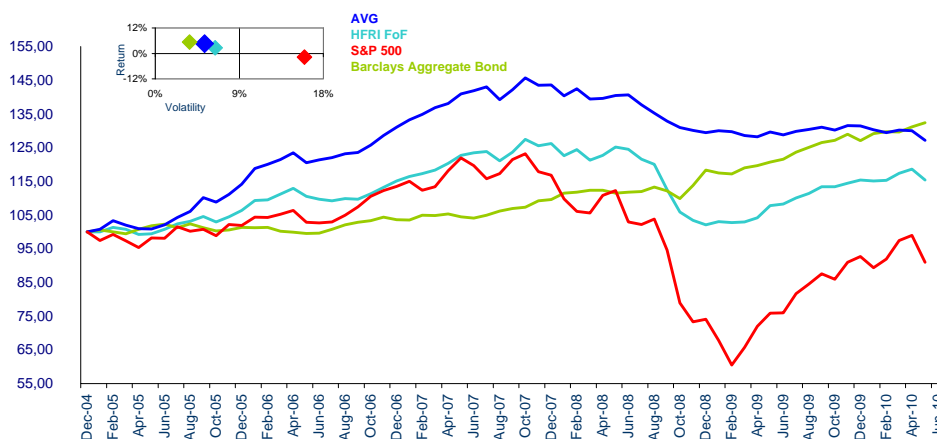


**Geographic Allocation**

Total invested: 85%      Leverage: 0%



**Benchmark**



**Disclaimer**

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**For further information please contact:**

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## Comment

### Fund Performance:

In an extraordinarily difficult month, AVG returned -2.18% (YTD -3.30%). US main equity index lost 8.2% (S&P 500) in the month after posting extreme intraday losses as seen on May 6th (-8.5% intraday peak to trough and VIX volatility index reaching the level of 40, unseen in more than a year). In Emerging Markets drawdowns were even larger, MSCI EM returned -9.18% at month end, partially recovering from intramonth losses of -16%. In the hedge space (HFRI data), global fund of funds dropped -2.83%, Emerging Markets HF managers lost -5.53%.

The last time we faced a situation of such a sharp market drawdown after a long period of positive performance was January 2008. Again, with comparable or even larger drawdowns across different assets, AVG managed to contain losses within acceptable limits. In positive territory, Equity Neutral managers contributed to offset losses with outstanding performance in a very difficult environment. This month the worst performing strategies were Global Macro and Equity Directional (including Emerging Markets). The former suffered a short term mark-down as May went against their medium and long term positioning (long commodity trades, short positions on the long end of yield curves in the US and UK and long EM FX). The latter were hurt by the sharp increase in realized volatility and reduced liquidity that impaired nimble trading. Systematic strategy was also down in the month due to long commodity currency exposures and short yen trades that reversed sharply. Rest of strategies managed to achieve flat returns.

Over the month we exited a Systematic fund due to its recent increased risk profile that has highlighted poor risk management.

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