

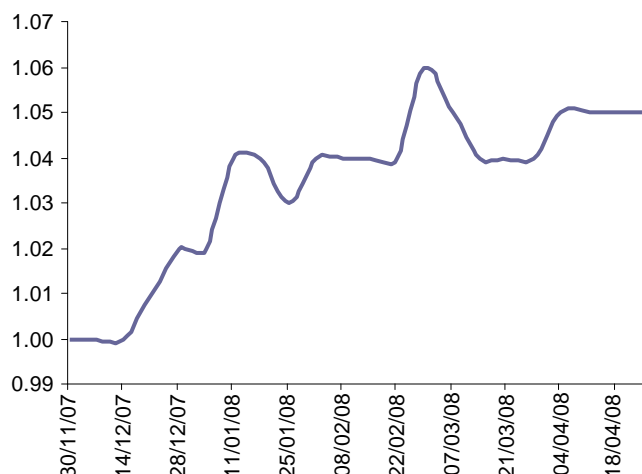
# Ceres Agriculture Fund

## Monthly Report : April 2008

Monthly Performance: April\* NAV  
0.96% 1.05

\* As of April 25<sup>th</sup>, 2008

### Performance since inception (NAV per share):



### Risk Return Indicators:

<b>RETURNS:</b>	<i>Ceres</i>
Average Monthly Return	0.98%
Largest Monthly Return	2.91%
Largest Monthly Loss	-1.89%
Comp. Annualised Return	12.42%
Percent Winning Months	80%
<b>RISK:</b>	
Sharpe Ratio (5%)	N/A
Standard Deviation	N/A
Maximum Drawdown	N/A
Months in Max Drawdown	N/A
Months to Recover	N/A

### Monthly Performance:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007												2.00%	2.00%
2008	0.98%	2.91%	-1.89%	0.96%									2.96%

### Monthly review:

During the month of April, the **grain complex** with the exception of all wheat varieties continued its upside price movement. The **livestock complex** witnessed increased volatility and higher prices. Ceres traders were able to make profits from well placed spread trades along with directional positions in the market place.

- **Corn** prices rebounded strongly and notched contract highs during the month. Much of the support was provided by the cool and wet weather conditions across the central U.S., drastically limiting farmers ability to plant the corn crop. Ceres traders profited from both long directional and spread trades.
- **Soybeans** prices also rebounded as uncertainty surrounding the farmers strike in Argentina and fresh Q2 investments were placed in the market. Bull spread strategies proved profitable for Ceres traders as they were able to buy bullish nearby fundamentals and sell deferred contracts based upon a large estimated soybean seeding.
- **Wheat** across all exchanges continued its price deterioration in April as a large estimated harvest is expected for this coming summer. Ceres traders found some opportunities in relative value bear spreads to take advantage of the fundamental factors.
- Some **Live cattle** contracts notched record highs during April, this was a result of a bullish cattle-on-feed report, a promising export outlook and fresh Q2 investments being put to work. Ceres traders found profits in short term long based directional trades during April.
- Spot month **Lean Hog** prices also rebounded strongly at the beginning of the month as strong export demand was witnessed. During the month, Ceres traders found opportunity by way of bullish spread strategies in the deferred contracts.

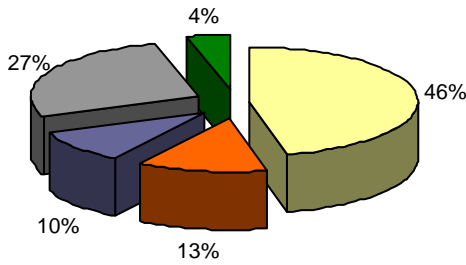
The **tropical and fiber complexes** experienced mixed results in April as prices started to move more in line with the supply / demand fundamentals and speculative investors returned to the market after March's sell-off.

- **Cocoa** gained 24% as the pound weakened and UK equities sold off. The quality of cocoa in the Ivory Coast continues to deteriorate and concerns have been raised over the profitability of cocoa farming. Traders took advantage of the upward trend during April.
- **NY Coffee** (Arabica) gained while **London Coffee** (Robusta) lost bringing the Arabica premium more in line with historical levels. Ceres traders took advantage of this arbitrage opportunity.
- **Cotton** finished up the month relatively flat after rallying the first half of the month and selling off during the second half. Ceres traders have reduced their exposure to Cotton as a result of high volatility and some losses.
- **Sugar** lost 9% as the surplus kept increasing and the contango widened throughout April. Nonetheless, Ceres sugar traders were able to generate significant profits via bear spread strategies.

Past performance is not an indicator of future results.

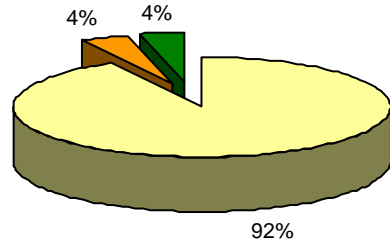
# Ceres Agriculture Fund: Portfolio Breakdown

## Breakdown by sector:



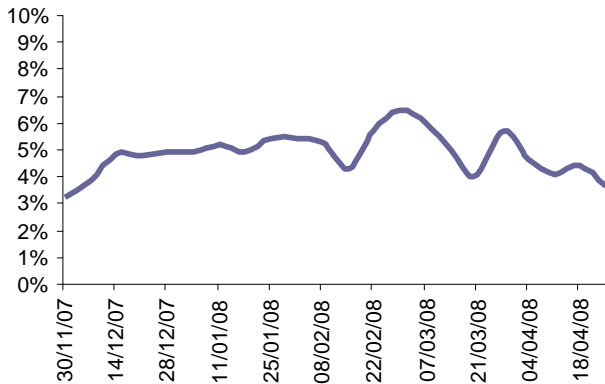
■ Grains
 ■ Fibers
 ■ Tropicals
 ■ Livestock
 ■ Cash

## Breakdown by strategy:

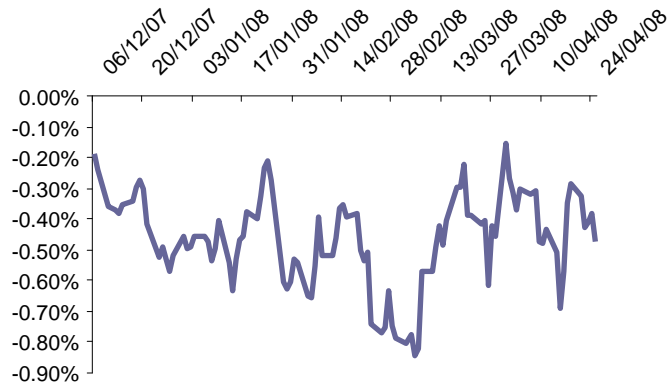


■ Discretionary trading
 ■ Systematic trading
 ■ Cash

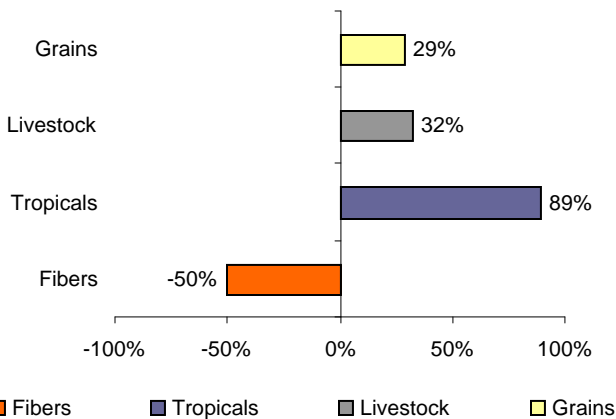
## Margin to equity:



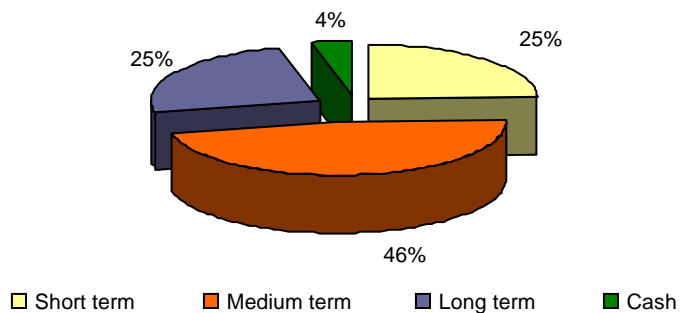
## VaR (1 day; 95%) changes:



## Contribution by sector (during the month):



## Trade horizon allocation\*:



\* Short term: less than 1 month  
 Medium term: 1 to 3 months  
 Long term: over 3 months

## Profile and Summary of Terms:

Inception Date	27/11/2007
Lock up	None
Management Fees	1.5%
Performance Fees	20%
High Water Mark	Yes
Hurdle rate	8% per annum

Domicile	Guernsey
Investment Manager	FourWinds Capital Management
Fund Administrator	HSBC Securities Services (Guernsey)
Auditor	Ernst & Young
Broker	Landsbanki Securities (UK) Ltd.

Bloomberg ticker	CROP LN <Equity>
ISIN Codes	GG00B28B2R95