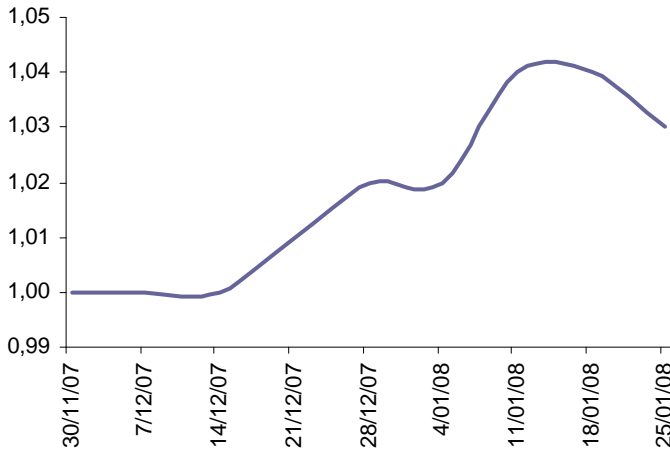


Ceres Agriculture Fund Monthly Report : January 2008

Monthly Performance: January NAV
0.98% 1.03

Performance since inception (NAV per share):



Risk / Return Indicators:

RETURNS:

| | <i>Ceres</i> |
|-------------------------|--------------|
| Average Monthly Return | 1.49% |
| Largest Monthly Return | 2.00% |
| Largest Monthly Loss | N/A |
| Comp. Annualised Return | 19.41% |
| Percent Winning Months | 100% |

RISK:

| | |
|------------------------|-----|
| 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% | | | | | | | | | | | | |

Monthly review :

The month of January, not unlike the previous month, witnessed above average volatility across the **grain and livestock complexes**. Ceres traders were able to profit from the surge in higher grain prices and conversely the falling price of meats.

- Near record high **corn** prices during the month can be attributed to lower ending stocks as a result of higher feed usage and bio-fuel demand. Our traders were able to position themselves correctly ahead of this large move.
- **Soybean** prices were also driven higher by renewed speculative interest. As a result, prices notched contract highs at the beginning of the month. The second half of January witnessed soybean prices decline sharply as a result of technical related selling pressure. Soybeans traded with massive volatility throughout the month.
- **Soft Red Winter Wheat (CME)** traded in a limited range throughout January, quickly falling in price after the conclusion of fresh buying at the start of the year. Renewed buying interest resurfaced towards month end, due to spill over buying from the **Hard Spring Wheat (MGE)** and **Hard Winter Wheat (KCBOT)** markets.
- Spot month **live cattle** witnessed sharp declines during the month as a result of increasing market-ready cattle. Conversely, deferred live cattle contracts scored new contract highs during the same period, this as a result of large speculative buying and ideas of contraction in the U.S. cattle industry. Our Ceres traders were able to profit immensely off of relative value bear spreads during the month.
- Spot month **lean hog** prices witnessed a continued price decline at the beginning of the month. This can be attributed to the record hog slaughter numbers and near term herd liquidation. Optimism however was felt in the deferred contracts as they scored contract highs. This came as a result of fresh speculative buying and ideas of increasing pork exports.

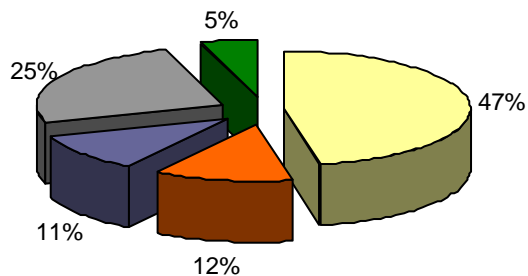
The **tropical complex** experienced significant gains in January while **fibers** finished the month relatively flat. Ceres traders were able to profit from the upward move in the tropicals and via spread strategies in fibers.

- **Cocoa** finished up the month higher with a big rally in the last week of January. Supply and demand pressure as well as strike concerns in the Ivory Coast contributed to gains. Ceres traders were well positioned to take advantage of this move.
- **London Coffee (Robusta)** experienced significant gains in January while **NY Coffee (Arabica)** only enjoyed modest gains. This created arbitrage opportunities for Ceres traders. Options strategies worked nicely in NY Coffee as well.
- **Cotton** did not experience the same run up as other soft commodities. Record longs in the front month contract along with warehouses being stocked for delivery had the market wondering as it approached March expiration. Our traders are well positioned via spreads.
- **Sugar** continues to surprise most fundamental sugar traders. Despite the near term surplus, sugar continues to find support after being neglected for quite some time.

Past performance is not an indicator of future results.

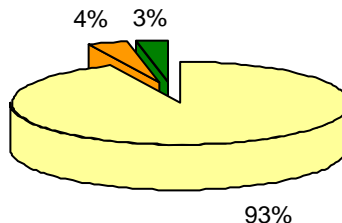
Ceres Agriculture Fund: Portfolio Breakdown

Breakdown by Sector:



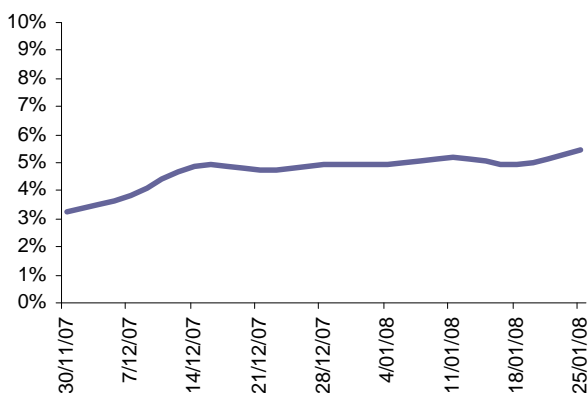
Grains Fibers Tropicals Livestock Cash

Breakdown by Strategy:

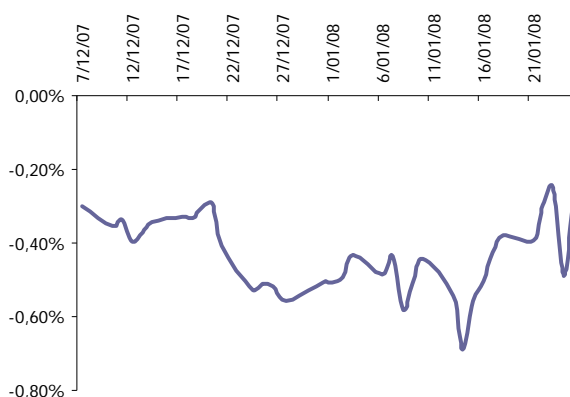


Discretionary trading Systematic trading Cash

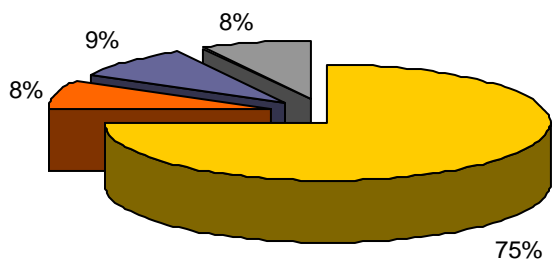
Margin to equity:



VaR (1 day; 95%) changes:

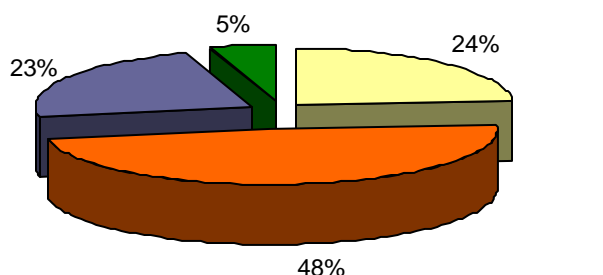


Contribution by sector (during the month):



Grains Fibers Tropicals Livestock

Trade horizon allocation *:



Short term Medium term Long term Cash

* 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