

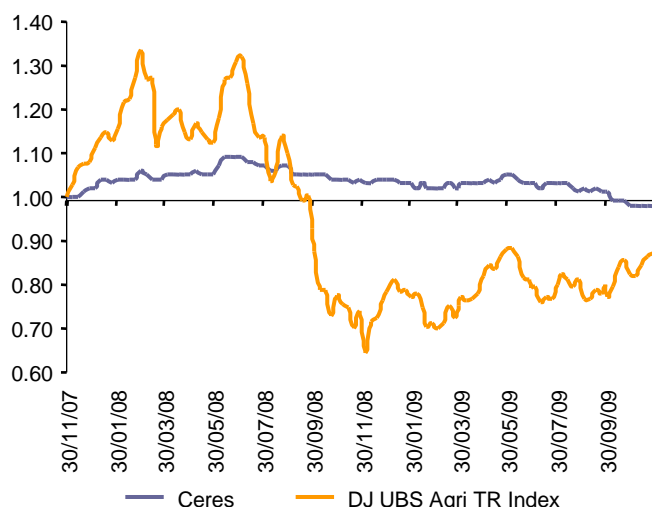
# Ceres Agriculture Fund

## Monthly Report : November 2009

Monthly Performance: **November\*** **NAV**  
0.00% 0.98

\* As of November 27th, 2009

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



### Risk Return Indicators:

	<u>Ceres</u>	<u>DJ UBS</u> <u>AG TR Index</u>
<b>RETURNS:</b>		
Average Monthly Return	-0.08%	-0.58%
Largest Monthly Return	3.81%	16.21%
Largest Monthly Loss	-2.97%	-16.48%
Comp. Annualised Return	-1.01%	-6.70%
Percent Winning Months *	63%	52%
<b>RISK:</b>		
Sharpe Ratio (2%)	Neg.	Neg.
Standard Deviation	5.73%	31.93%
Maximum Drawdown	-10.09%	-46.82%
Months in Max Drawdown	17	21
Months to Recover	N/A	N/A

\* Positive months or flat

### Monthly Performance:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2007</b>												2.00%	2.00%
<b>2008</b>	0.98%	2.91%	-1.89%	0.96%	0.00%	3.81%	-1.83%	0.00%	-1.87%	-0.95%	0.00%	0.00%	1.98%
<b>2009</b>	-0.96%	-0.97%	0.00%	0.98%	1.94%	-1.90%	0.00%	-1.94%	0.00%	-2.97%	0.00%		-5.76%

### Monthly review:

In November, the DJ UBS AG TR Index gained 6.93%. During the month, strong investor money flow's dictated price direction as traders digested massive price swings across most all commodities. This significant demand was centered on the USD carry trade, as gold prices scored record nominal highs. Traders specializing in some fundamentally bearish agriculture markets found November to be highly challenging.

- **Corn** prices were up 10% as prices were propelled higher by multiple rounds of speculative buying. To compound this, drying capacity and LP gas issues across the U.S. grain belt hindered farmers ability to speed up harvest even as dry weather returned. Many traders took a wait and see approach to the corn market due to these adverse conditions.
- **Soybean** prices gained 8.4% as speculative participants piled into the market and China again surfaced as buyer of U.S. soybeans. The supply side of soybeans remains tight. However, the pending South American crop that will be harvested in early 2010 is expected to go a long way in replenishing global ending stocks.
- **Wheat** prices in Chicago gained 14.8%, 12.3% in K.C. and 11.1% in Minneapolis as consistent short covering out of the Chicago contract helped support values in Chicago against the K.C./Minneapolis equivalents. Wheat prices continue to be a tough buy on a fundamental basis, as global stocks remain record large. Traders playing the relative value arbitrage between classes found November to be unprofitable due to the flows associated with the more liquid Chicago contract.
- **Live Cattle** prices gained 1.9% as traders remained indecisive on the absolute direction of the beef market. Technically the price action remains bearish, but continued decreases in the overall beef herd have a bullish factor longer term. Going into 2010 traders are eyeing recent expansion in beef exports to Asia and the weakening USD as opportunities to implement directional themes.
- **Lean Hog** prices gained 3.4% as the multi-month rally in the pork complex began to stall out towards month end. Traders remain cautious on recent bullish price momentum, as cold storage stocks remain heavy. Furthermore, the anticipated 2010 herd liquidation may not occur since 2010 profit margins have rapidly increased since mid-summer.
- **NY Cocoa** lost 2.5% and London Cocoa gained 0.6%. Prices were repeatedly capped during the month due to the ever increasing and above average production coming from the Ivory Coast cocoa harvest. In the periphery, the off-effects on consumer demand by way of rising unemployment and the downward revision of the 3<sup>rd</sup> quarter GDP in the U.S. helped keep bullish participants at bay.
- **Arabica Coffee** gained 4.6% and Robusta settled down 4.9% for the month. Arabica and Robusta moved oppositely as the USD carry trade arbitrage once again dictated price direction for both classes. Additionally, worries surrounding a shortage of bean quality out of Brazil helped drive Arabica prices. Traders continue to focus their activities in the more liquid/ higher volume Arabica contract making technical signals more worthy.
- **Cotton** quietly rose 4.6% as prices remained in a low volatile steady uptrend. In recent months, the cotton market has benefited from a near perfect combination of supportive macro and fundamental news. The fundamental side remains consistent with year over year news regarding bullish factors in the market. Traders are now beginning to gauge 2010 demand, all signals are pointing higher, making the cotton story even more attractive. However participants have good reason to be cautious as cotton prices have risen 44.3% year-to-date.
- **No. 11 NY Sugar** lost 0.4% declining for the 3<sup>rd</sup> straight month. The extra bullish story in sugar remains intact amongst fundamental participants, and it was confirmed again during the month that India remains on the buy-side not only for raw sugar but for refined white sugar. However, recent months price activity has confirmed that profit taking has occurred, as some traders have booked profits based off of the +86% price increase during 2009.

Past performance is not an indicator of future results.

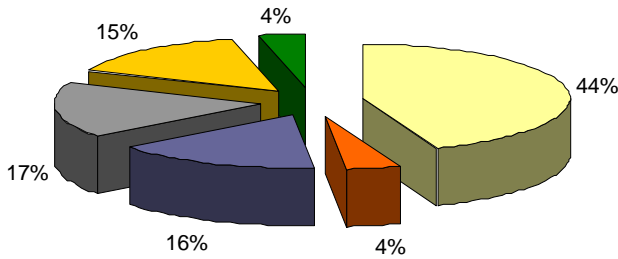
60 State Street, 37th Floor, Boston, MA 02109  
www.fourwindscm.com  
www.ceresagriculture.com

**FourWinds**  
Capital Management

Tel: + 1.617.399.0070  
Fax: + 1.617.395.6861  
info@fourwindscm.com

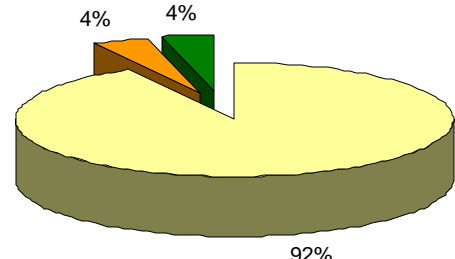
# Ceres Agriculture Fund: Portfolio Breakdown

## Breakdown by sector:



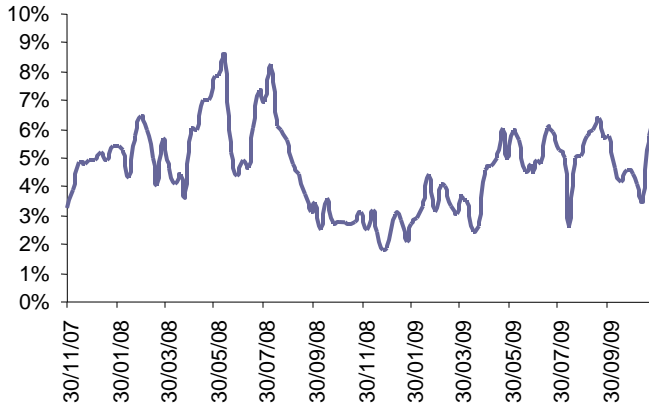
Grains Fibers Tropicals Livestock Other Cash

## Breakdown by strategy:

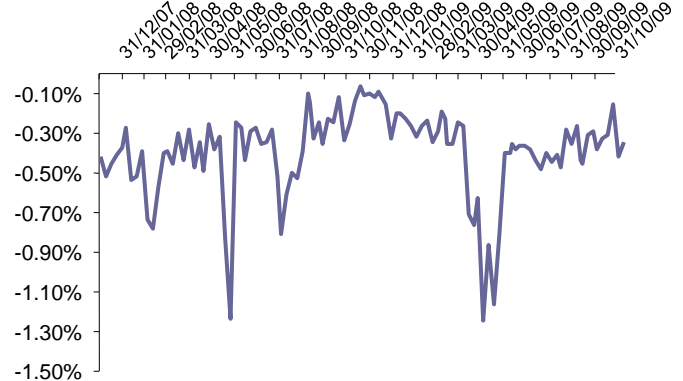


Discretionary trading Systematic trading Cash

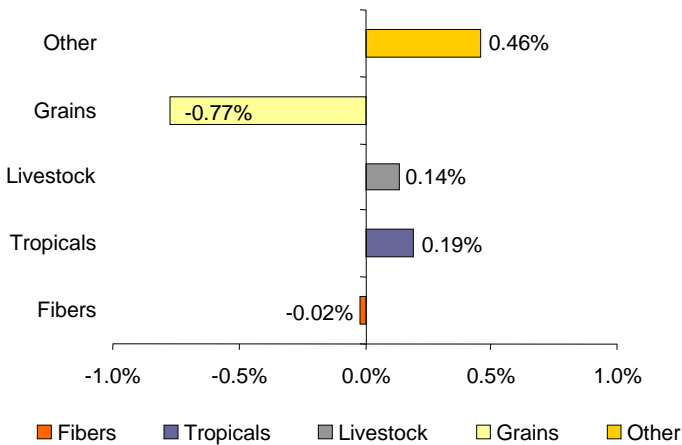
## Margin to equity:



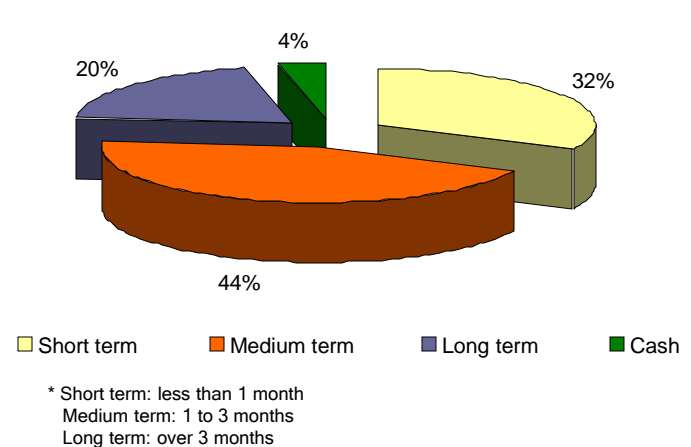
## VaR (1 day; 95%) changes:



## Contribution by sector (during the month):



## Trade horizon allocation \*:



## 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	Centos Securities plc
Bloomberg ticker	CROP LN <Equity>
ISIN Codes	GG00B28B2R95

This document has been prepared by and is published by FourWinds Capital Management ("FWCM") on behalf of Ceres Agriculture Fund Limited (the "Company") for information purposes only. This document does not constitute a recommendation regarding any securities of the Company. This document does not constitute or form part of, and nor should it be construed as, any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities of the Company in any jurisdiction, including the United States, nor should it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever in any jurisdiction, including the United States. This document, and the information contained herein, is not for viewing, release, distribution or publication into or in the United States or any other jurisdiction where applicable laws prohibit its release, distribution or publication. The information contained in this document is derived from sources that are considered reliable by FWCM. All opinions and estimates in this document are based on the opinion of FWCM. The information in this document may be subject to updating, revision, verification and amendment and such information may change materially. Neither the Company, FWCM, nor any other person (including, without limitation, any of the respective affiliates, the respective directors, officers, employees, partners, agents, representatives, members or advisers of any of the aforementioned persons) is under an obligation to update or keep current the information contained in this document and any opinions expressed in it is subject to change without notice. It is up to investors to make their own investment decisions in the light of their own financial circumstances and investment aims and taking account of any laws and/or regulations that apply to them. The past performance of a product is by no means a guarantee of future results and the value of investments may increase or decrease. An investment in the Company is speculative and involves a substantial degree of risk, including the risk of total loss. Investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. No reliance may be placed for any purpose whatsoever on the information contained in this document or on its accuracy, fairness, correctness or completeness. Neither FWCM nor the Company will be held liable for any direct or indirect damage or loss resulting from the use of this document. This document is the confidential property of FWCM and the contents of this document may be reproduced only with the prior written agreement of FWCM. The Company is a Guernsey-domiciled Authorised Closed-ended investment scheme pursuant to section 8 of the Protection of Investors (Bailiwick of Guernsey) Law 1987, as amended and rule 6.02 of the Authorised Closed-ended Investment Schemes Rules 2008. The ordinary shares of the Company are admitted to listing on the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange plc's main market.