



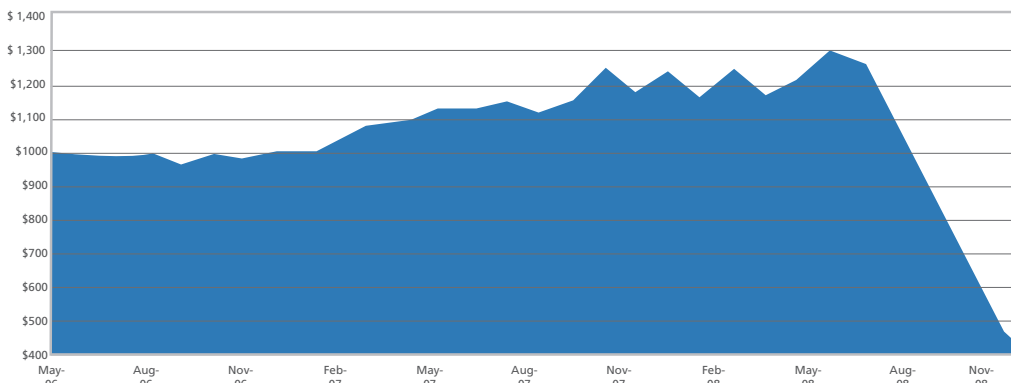
Process

We screen a database of over 3,000 securities. Those with adequate liquidity are tested and ranked according to their earnings characteristics. Specifically, we look for the rate of change in reported earnings and reported earnings in relation to expected earnings. The securities are further screened for strong fundamentals and attractive technical indicators. The securities that best pass these tests are selected as long positions for the Fund. Those companies that screen the worst are selected as short positions for the Fund. Each position in the portfolio, long or short, is monitored on a continuous basis. Should any security no longer meet our investment criteria, the position is sold or covered accordingly.

Commentary

The extreme volatility continued for the month of January with the Fund down -8.9%. As usual, anything that is usually normal or predictable proved to be abnormal and unpredictable. The most notable aberration in January was the lack of a 'January effect'. Historically, stocks tend to rally hard in January if they were down significantly the prior year as investors re-enter the market after taking tax losses in December. [Continued on page 2](#)

Growth of \$1000 – A Class



Monthly Performance (%) – A Class

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2009	-8.90												-8.90
2008	-4.83	6.25	-5.80	4.13	6.41	-2.84	-8.70	-12.62	-18.09	-18.12	-18.23	-15.23	-61.97
2007	-0.62	4.88	2.88	1.28	3.36	-0.75	2.27	-2.61	2.59	7.63	-4.52	3.70	21.31
2006						-0.40	-0.05	0.95	-3.52	2.59	-1.75	3.41	1.06

Performance Statistics

Total Returns (%)	A Class	F Class
1 Month	-8.89%	-8.02%
3 Months	-36.84%	-35.81%
6 Months	-62.99%	-62.04%
YTD	-8.89%	-8.02%
12 Months	-63.59%	-62.47%
2 Years Annualized	-34.96%	-33.85%
Inception Annualized	-29.00%	-27.87%

Top 5 Fund Positions (January 31, 2009)

Long

- 1 AngloGold
- 2 iShares High Yield Corporate ETF
- 3 Lihir Gold
- 4 Ultra Russell 2000 ETF
- 5 Frontline Limited

Short

- 1 Agnico-Eagle
- 2 N/A
- 3 N/A
- 4 N/A
- 5 N/A

Sectors	Long (%)	Short (%)	Net (%)
Energy	13.40	0.0	13.40
Materials	35.50	7.80	27.70
Industrials	26.40	0.0	26.40
Consumer	3.30	0.0	3.30
Health Care	12.70	0.0	12.70
Financials	31.30	0.0	31.30
Technology	22.30	0.0	22.30
Telecom	0.0	0.0	0.0
Utilities	0.0	0.0	0.0
Total	144.90	7.80	137.10

Disclaimer: Commissions, trailing commissions, management fees and expenses all may be associated with the Fund. The investment may not be suitable for all investors. Some conditions apply. Investors should carefully review the Fund's Offering Memorandum, including the risk factors detailed therein under the heading "Risk Factors", prior to investing in the Fund. The indicated rates of return are the historical annualized compounded total returns (periods less than 1 year are un-annualized simple returns) including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. There can be no assurance that the Fund objectives will be met. The Fund is not guaranteed, its value changes frequently and past performance may not be repeated. The opinions expressed in the commentary are those of the author and do not necessarily reflect the views and opinions of the Manager or any distributor of the Manager Funds. The views expressed are of a general nature should not be interpreted as investment advice to you in any way. Please consult a qualified financial advisor before making an investment decision. The portfolio manager/advisor/sub-advisor has a direct interest in the management and performance fees of the Fund, and may, at any given time, have a direct interest in the Fund itself. Interest in the management and performance fees of the Fund, and may, at any given time, have a direct interest in the Fund itself.



The January effect is historically most pronounced in small cap stocks that were beaten up in the preceding year. Using history as a guide, January of 2009 should have delivered a significant small cap rally. We increased our long positions in names that were significantly beaten up in 2008, but were still showing accelerating earnings. The rally materialized for about 3 days, but then failed.

Our Enhanced Income fund, which writes call options on these same names, fared much better during the month as the option premiums cushioned the decline. Since stocks continue to be quite volatile, writing call options slightly out of the money on long positions should prove to be a sound strategy this year. We are employing this strategy on many long positions in the Performance Fund until the market shows some clear direction. The beauty of writing covered call options is that it reduces down side losses and pays a significant cash flow while you wait for the market to recover.