

Forsyth Alternative Income Fund

Monthly Report – February 2008

Fund Overview

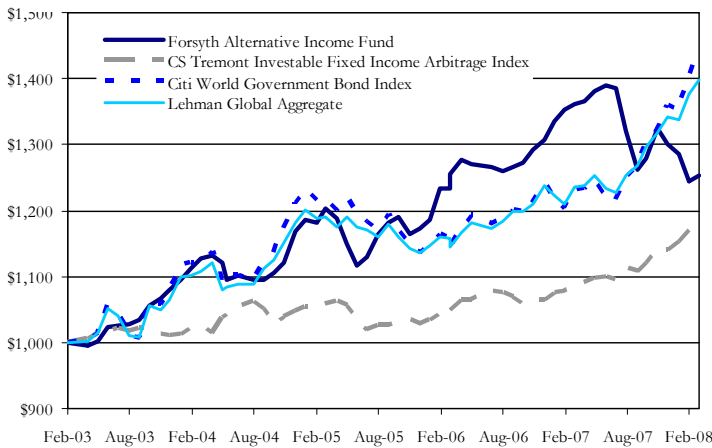
The Forsyth Alternative Income Fund has been designed to deliver strong total returns. Utilising a fund of funds approach, the Fund invests in a diversified portfolio of hedge fund strategies and managers with a bias towards fixed income.

Available in US dollars, sterling, euro, yen, Norwegian krone, Swedish krona and Australian dollar share classes fully hedged. The Fund's D Class shares aim to pay dividends every six months in March and September.

Fund Facts

Net Fund Assets	USD 140.3 m	
Launch Date	D Class	14/03/03
	R Class	31/07/03
	NOK	31/10/03
	SEK, AUD	31/05/04
Share Classes	D – Distribution paying	
	R – Roll up	
Management Fee	1.5% pa	
Performance Fee	20% of annual return exceeding 7%	

Investment Performance (14 Mar 2003 to 29 Feb 2008)*



Prices as at 29 February 2008

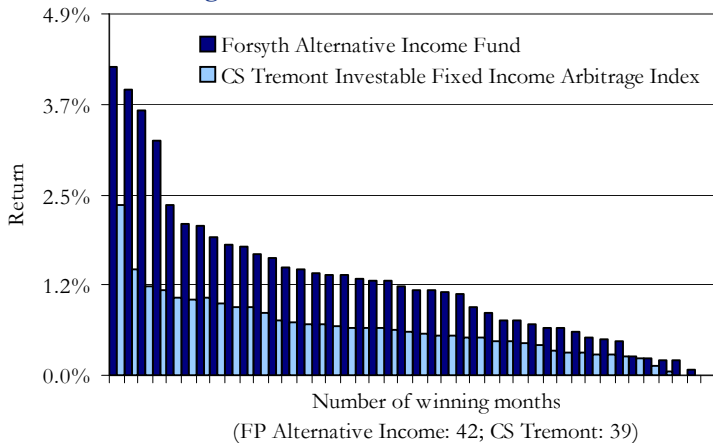
	R Class	D Class
USD	12.53	9.88
Euro	12.09	9.61
GBP	12.82	10.04
JPY	1,133	921
NOK	112.79	96.44
SEK	107.14	94.26
AUD	11.55	N/A

Monthly Returns (in USD %)*

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	Cumulated
2008	-3.11	0.64											-2.49	25.30
2007	1.27	0.74	0.22	1.10	0.65	-0.22	-4.76	-4.47	1.35	3.60	-1.81	-1.15	-3.75	28.50
2006	3.88	0.08	1.78	1.59	-0.39	-0.31	-0.55	0.48	0.47	1.65	1.16	2.06	12.47	33.50
2005	-0.34	1.86	-1.33	-3.28	-2.87	1.16	3.19	1.37	0.85	-2.27	0.69	1.28	0.08	18.70
2004	1.74	1.35	0.27	-0.80	-2.50	0.73	-0.54	0.00	0.91	1.45	4.19	1.45	8.41	18.60
2003			-0.40	0.50	2.30	0.20	0.19	0.58	2.03	1.14	1.22	1.30	9.40	9.40

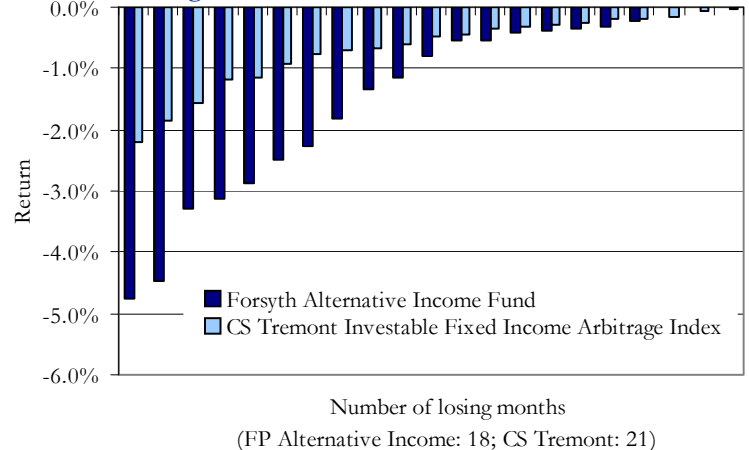
* The performance shown on this factsheet, from 14 March 2003, represents the results of Forsyth Alternative Income Fund D Class shares with gross income reinvested. The performance from 31 July 2003 represents the results of the Forsyth Alternative Income Fund R Class shares.

Total Winning Months



The above chart illustrates the number of individual winning months and their returns. (FP Alternative Income: 42; CS Tremont: 39)

Total Losing Months



The above chart illustrates the number of individual losing months and their returns. (FP Alternative Income: 18; CS Tremont: 21)

Comparitive Return Statistics

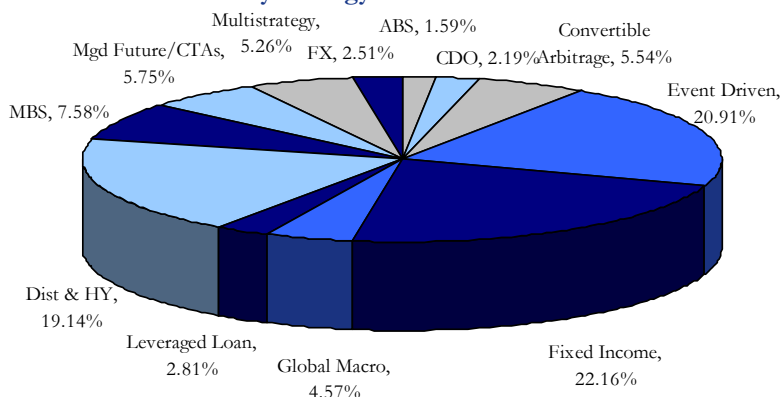
Return Statistics	Alternative Income	CS Tremont FI Arbitrage Index	MSCI World	Lehman Global Aggregate
YTD	-2.49%	0.77%	-8.11%	4.50%
Since launch annualised	4.61%	3.07%	16.67%	6.94%
3 years annualised	1.34%	3.20%	9.82%	5.53%
1 year annualised	-8.00%	7.22%	-0.03%	13.21%
Number of traded months	60	60	60	60
Number of winning months	42	39	42	37
Number of losing months	18	21	18	23
Average monthly gain	1.33%	0.76%	2.74%	1.57%
Average monthly loss	-1.73%	-0.69%	-1.95%	-1.04%
Max monthly drawdown	-4.76%	-2.21%	-7.62%	-3.66%
Correlation to equities*	0.65	0.00	1.00	0.12
Correlation to bonds*	0.15	-0.01	0.12	1.00
Standard deviation since launch	6.26%	3.03%	9.79%	5.50%
Annualised Sharpe Ratio**	0.28	0.03	1.33	0.71
Sortino Ratio 5%***	-0.04	-0.54	5.86	0.64

* Correlation to MSCI World; Correlation to Lehman Global Aggregate

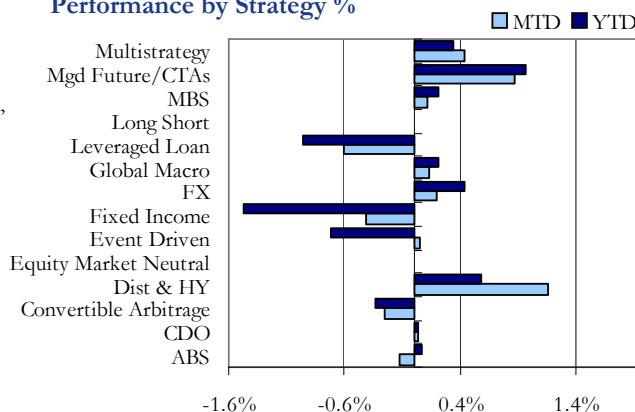
** Risk free rate Citibank 3 Month Treasury Bill, annualised

***Using Forsey – Sortino model

Asset Allocation by Strategy



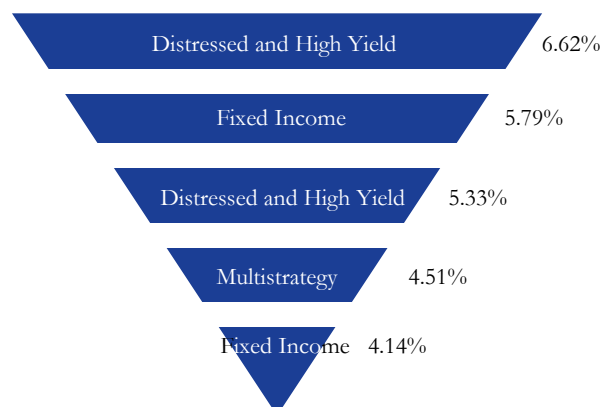
Performance by Strategy %



Number of Managers by Strategy

Asset Backed Securities	1
CDO	2
Convertible Arbitrage	2
Event Driven	11
Fixed Income	11
Global Macro	3
Leveraged Loan	2
Distressed & High Yield	7
Mortgage Backed Securities	3
Managed Future/CTA	5
Multistrategy	2
Foreign Exchange	1
TOTAL	50
Largest % Allocation to Single Manager	6.62%

Allocation Breakdown by Top Five Positions



Administration

Status	Open-ended	
Domicile	Cayman Islands	
Sedol codes	D Class	R Class
USD Share Class	2-657-880	2-892-272
Euro Share Class	2-658-010	2-895-958
JPY Share Class	2-658-106	2-895-969
GBP Share Class	2-658-128	2-896-780
NOK Share Class	2-213-055	2-213-077
SEK Share Class	B-02F-5V8	B-02F-5X0
AUD Share Class	B-02F-5S5	B-02F-5T6
ISIN Numbers		
USD Share Class	KYG3639A1379	KYG3639A1452
Euro Share Class	KYG3639A1031	KYG3639A1528
JPY Share Class	KYG3639A1296	KYG3639A1783
GBP Share Class	KYG3639A1114	KYG3639A1601
NOK Share Class	KYG3639A1866	KYG3639A1940
SEK Share Class	KYG3639A2104	KYG3639A2021
AUD Share Class	KYG3639A2369	KYG3639A2286

Dealing

Frequency	Twice-monthly
Fax	+353 1 603 6189

Subscriptions must be received by the Administrator, HSBC Securities Services (Ireland) Limited, via fax, 4 days in advance of any Dealing Day (**T – 4**), with settlement due 2 days in advance (**T – 2**). Dealing Days (**T**) are the 15th and last business days in each month. If any such day is not a business day then the Dealing Day will be the first preceding day which is a business day. The minimum initial investment is **USD \$20,000** and the subsequent investment is **USD \$10,000**. For exact subscription amounts for other currencies see 'Minimum Subscription/Holding' section in the Prospectus. For Redemption Arrangements see 'Valuation, Subscriptions and Redemptions' section in the Prospectus.

Sales Contact

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Issue date: 27 March 2008