

Hedgebay

GLOBAL HEDGE FUND SECONDARY MARKET INDEX

Edition 13 | September 2010

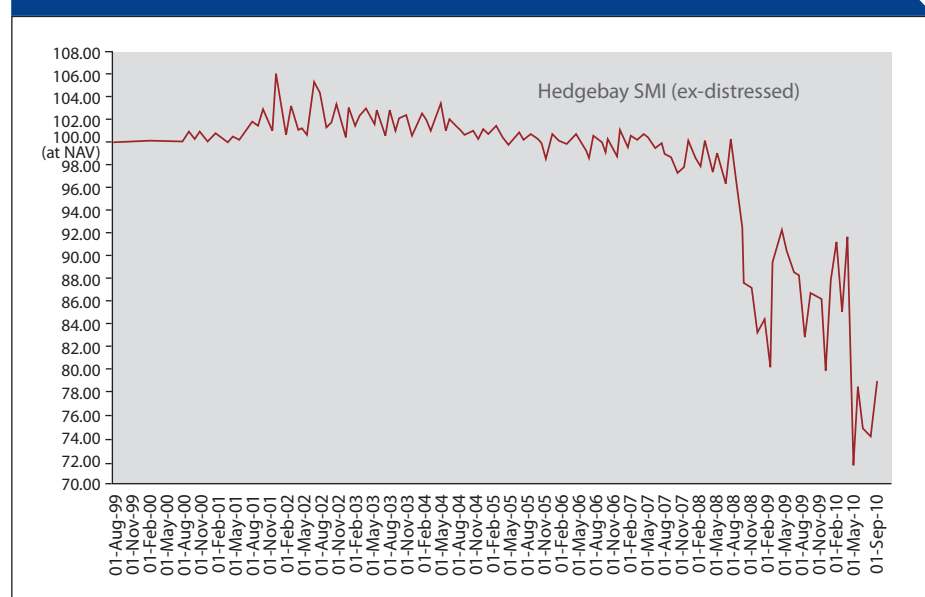
► Yet again credit and private equity are top strategies traded

Activity for the month of September was brisk. At 78.93, the index gained modestly from August's levels. Dispersion narrowed to 61 points. September, which has historically been a seasonally adjusted slower month, was one of the busiest of the year.

Following on from August's record activity, investors looked to move funds in every possible asset class. Also, back from a summer vacation, were the near par trades with a handful of names trading between 90 and NAV. The commonality in these transactions was the expected near term liquidity and the perceived high quality of underlying assets by the buyer.

ALL FIGURES BELOW ARE RELATIVE TO A TRADE AT NAV EQUALLING 100%

► Average discount or premium (to NAV) since 1999



► Average price of trades

Date	Average % of NAV	Monthly % change
30-Sep-10	78.93%	5.98%
31-Aug-10	74.21%	-1.05%
31-Jul-10	75.00%	-4.26%
30-Jun-10	78.34%	8.11%
31-May-10	71.99%	-21.56%
30-Apr-10	91.78%	7.34%
31-Mar-10	85.04%	-7.02%
28-Feb-10	91.46%	3.86%
31-Jan-10	87.93%	9.27%
31-Dec-09	79.78%	-7.34%
30-Nov-09	86.10%	-0.72%
30-Oct-09	86.73%	4.41%

► Top traded strategy

Date	1st	2nd
Sep-10	Private Equity	Credit

► Highest & lowest trades (relative to NAV)

Date	Highest trade	Lowest trade
Sep-10	100.00%	39.00%

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GLOBAL HEDGE FUND ILLIQUID ASSET INDEX

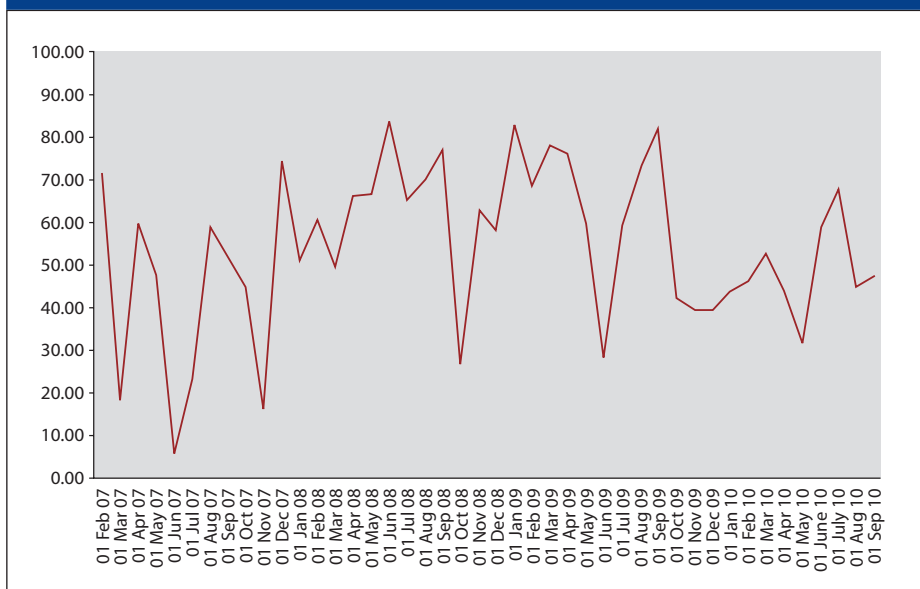
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► IAI for September was 44.28

The IAI rose to 47.58. Transactions were widely varied between emerging market real estate, private equity and credit related assets. Similar to the SMI, there was a modest increase in prices during September. Price stability in this area of the market would be very much welcomed by all participants in the secondary market. The consistency would give investors confidence in dealing, as opposed to wondering (or hoping) what next month might bring.

ALL FIGURES BELOW ARE RELATIVE TO A TRADE AT NAV EQUALLING 100%

► Global Illiquid Assets Index (GIAI)



► GIA

Date	GIA	Monthly % change
Sep-10	47.58	6.94%
Aug-10	44.28	-34.83%
Jul-10	67.95	12.52%
Jun-10	59.44	46.80%
May-10	31.62	-27.06%
Apr-10	43.35	-16.25%
Mar-10	51.76	10.41%
Feb-10	46.37	7.05%
Jan-10	43.10	10.58%
Dec-09	38.54	-0.13%
Nov-09	38.59	-5.88%
Oct-09	41.00	-49.34%

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