

# Hedgebay

## GLOBAL HEDGE FUND SECONDARY MARKET INDEX

Edition 18 | February 2011

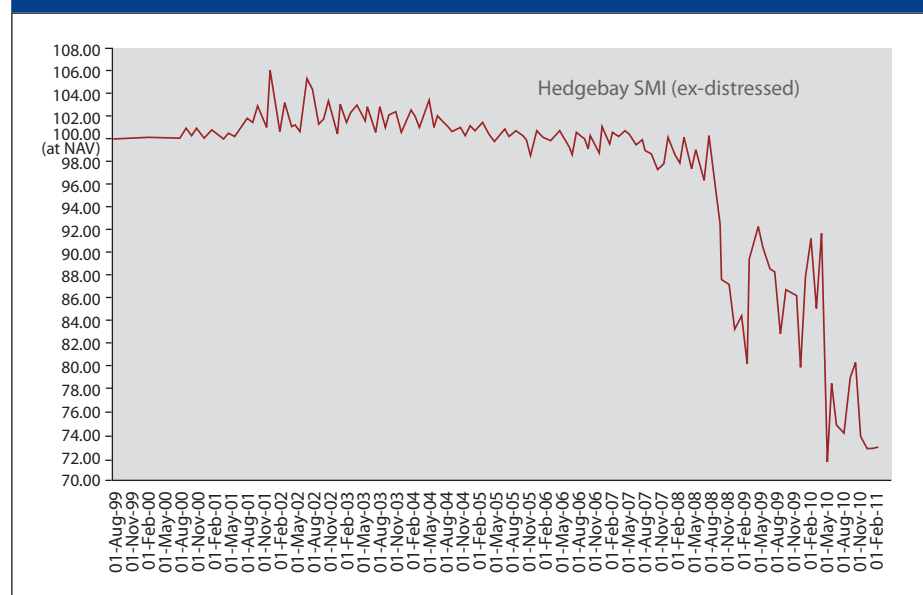
### ► SMI in February was 73.15

Activity for the month of February was more subdued than previous months. At 73.15, the index posted another small gain from January's levels. Dispersion expanded to 93 points.

With a large amount of activity in December and January, February appears to have been a month where sellers took a breather. For the second month in a row, transactions spanned the range from above-par all the way down to severely distressed. Of note, was the return of the first premium transaction since April of last year for a diversified commodity fund which traded at 103%. Are investors beginning to feel the confidence they felt in days of old, with equity markets generally higher this year after a solid effort last year? Are high quality managers beginning to feel the capacity constraints they used to pre financial crisis? Only time will tell, but at least it's a good start on the road back to the way it used to be.

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
28-Feb-11	73.15%	0.23%
31-Jan-11	72.98%	0.23%
31-Dec-10	72.81%	-1.61%
30-Nov-10	74.00%	-7.68%
31-Oct-10	80.16%	1.53%
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%

### ► Top traded strategy

Date	1st	2nd
Feb-11	Private Equity	Credit

### ► Highest & lowest trades (relative to NAV)

Date	Highest trade	Lowest trade
Feb-11	103.00%	10.00%

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## GLOBAL HEDGE FUND ILLIQUID ASSET INDEX

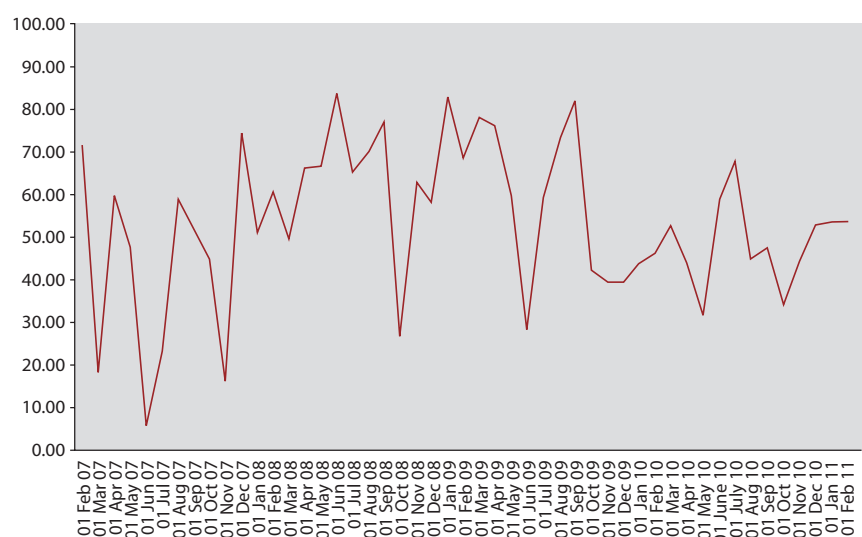
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▶ IAI for February was 53.17

The IAI rose in a similar fashion to the SMI to 53.17. Transactions were largely credit oriented but also consisted of a large amount of private equity, much the same as they did in January.

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

### ▶ Global Illiquid Assets Index (GIAI)



### ▶ GIA

Date	GIA	Monthly % change
Feb-11	53.17	0.28%
Jan-11	53.02	1.08%
Dec-10	52.45	15.94%
Nov-10	44.09	21.75%
Oct-10	34.50	-27.49%
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%

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