

Hedgebay

GLOBAL HEDGE FUND SECONDARY MARKET INDEX

Edition 21 | May 2011

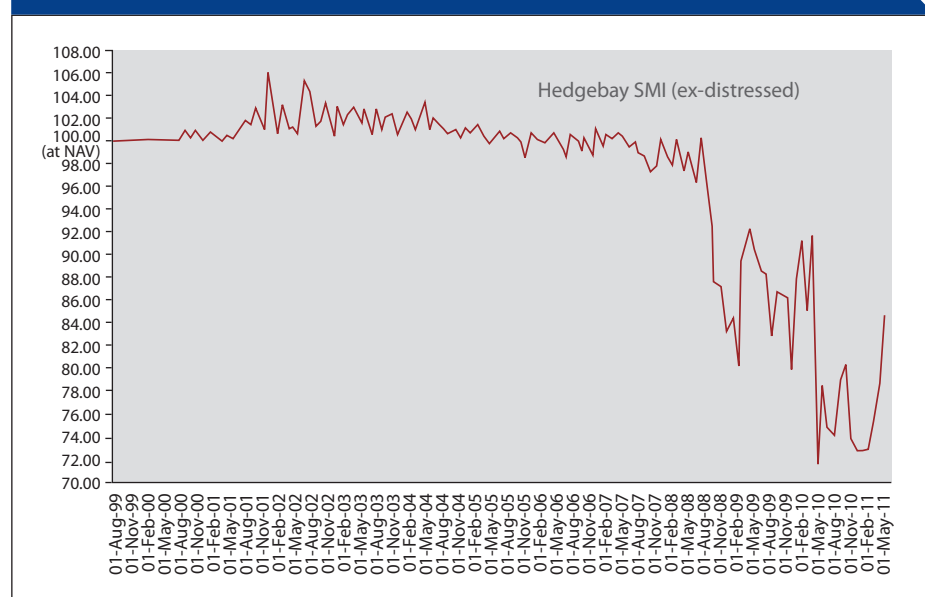
► SMI in May was 84.46

Activity for the month of May was active. At 84.46, the index posted another gain from April's levels and marked the fifth straight month of price increases. Dispersion expanded to 94 points.

The healthy increase in the May Index was attributable to some transactions taking place above and just below NAV; marking what we expect will be a greater return to near par trading in the coming months. On the other end of the spectrum, gated assets seem to be maintaining their ground, in terms of pricing, and are likely to hold there as we enter the summer months.

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
31-May-11	84.46%	7.63%
30-Apr-11	78.47%	3.89%
31-Mar-11	75.53%	3.15%
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%

► Top traded strategy

Date	1st	2nd
May-11	Private Equity	Commodities

► Highest & lowest trades (relative to NAV)

Date	Highest trade	Lowest trade
May-11	101.00%	7.00%

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GLOBAL HEDGE FUND ILLIQUID ASSET INDEX

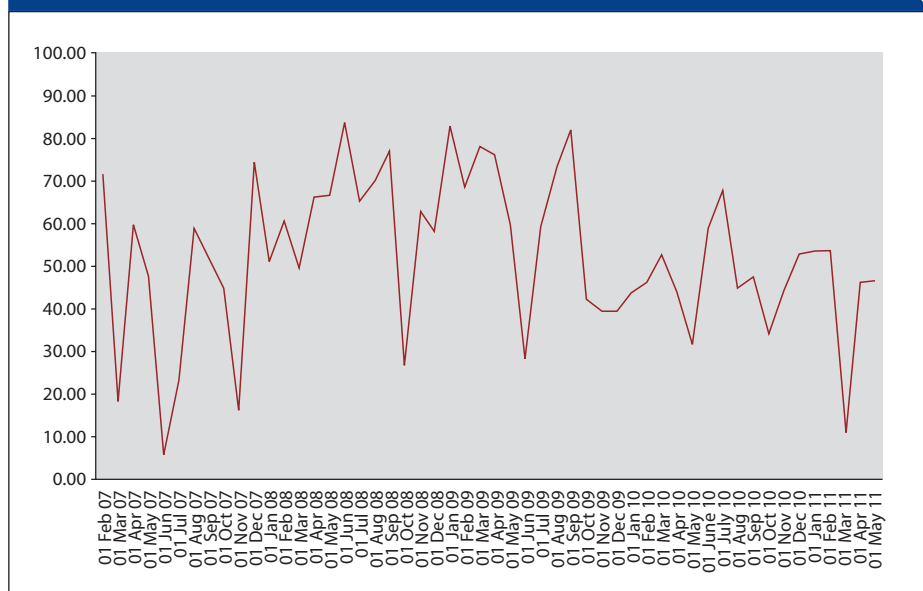
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► IAI for May was 46.51

The IAI ticked up ever so slightly to 46.51. Transactions were largely private equity but also consisted of a good amount of credit oriented positions, much the same as they have been this year. Pricing has been stable in a 10-20 point range for the better part of the last year (except for the occasional blip here and there).

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

► Global Illiquid Assets Index (GIAI)



► GIA

Date	GIA	Monthly % change
May-11	46.51	0.71%
Apr-11	46.18	338.56%
Mar-11	10.53	-80.20%
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%

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