



Investor Fact Sheet

November 2008
(final)



Tera Capital Fund

Tera is the only Fund of Funds in the world which pays no expenses and takes no fees other than a success fee

Fund Information

Strategy: Tera is a fund of funds that invests in long equity funds while maintaining a diversified portfolio by country, sector, size and strategy. Tera invests mainly in the CIS and Eastern Europe, with most investment currently in the Russian Federation.

Date Formed	April 2005
Investment Advisor	Altima Asset Management
Fund Size	\$2.3 M
Currency	US dollar
Current Price (NAV)	\$118.13
Min. Investment	\$100,000
Fees	Success fee only (20%)
Subscription	Monthly
Redemption	Monthly, with 30-days notice
NAV	Monthly
Administrator	Maples Finance Limited
Auditor	Altschuler, Melvoin & Glasser
Bank	Bank of New York
Legal Advisors	Maples & Calder
ISIN	KYG8760X1034
Eurekahedge ID No.	15532
URL	www.altim.ru

Performance (net of fees)

Returns	Tera (%)	RTS, MSCI & ROS Avg (%)	AAM Russia Fund Index ¹ (%)
Monthly	-10.67	-16.09	-12.19
Year-to-date	-53.04	-71.05	-65.63
YTD Annualized	-79.56	-106.58	-98.44
Trailing 12 months	-51.82	-69.70	-64.64
Since Fund inception (Apr 05)	18.13	-7.43	-8.75
Annualized return (since Fund inception)	5.53	-2.11	-2.58
Annualized Stand. Dev. (since inception)	27.05	39.22	30.62
Sharpe Ratio ²	0.12	-0.09	-0.06

Investment Advisor's Assessment

Market

A superficial analysis of November would lead one to conclude that it was just another down month in a continuation of the trend since June of this year. A more detailed analysis shows something quite different. The trend during each of the previous five months was steadily down and each month set new lows. As part of this trend, in late October, the Russian market hit a five year low. It bounced back sharply immediately afterwards, which happened to be at the end of that month. While the markets fell back shortly afterwards and tested the October low on one occasion in November, they never fell below it. Thus, while November was down from the end of October, it was actually up almost 20% from the October low – the first time such a trend reversal occurred during this very severe correction. Thus, there is a very good argument that the Russian market bottomed in late October and began stabilizing at just above that level during November. However, most markets experienced record volatility in November, which made any sort of hard conclusions difficult.

Fund

As has been the rule during this crisis, the Fund exceeded both of its benchmarks, *i.e.*, all Russian indices (each of which fell more than 14%) and most Russian funds. The outperformance margin has begun to increase a bit to more typical levels as the market began to settle down and sectors began to distinguish themselves once again. Even taking the crisis into consideration, since inception, the Fund still has grown at an annual rate of over 5%, while all three Russian indices and almost half of Russian funds are now showing negative growth over the same period.

December First Look

December has thus far moved essentially sideways. Volatility has been much lower than in November but the markets have still not reached the 800 level set in late October and early November. The biggest concern would appear to be oil prices, which have broken through \$40 a barrel and have yet to find a new support level, notwithstanding OPEC's announced 2.2 million barrel reduction.

Fund Awards



No 1 ranked fund of funds in **September 2008** (annualized perf.)



No 2 ranked fund of funds in **July 2008** (annualized perf.)

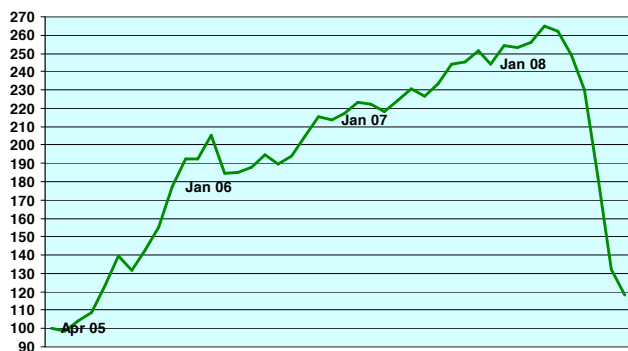
Contact Information

Altima Asset Management
Mr. Timothy Enneking
+7 910 439 1486
te@altim.ru

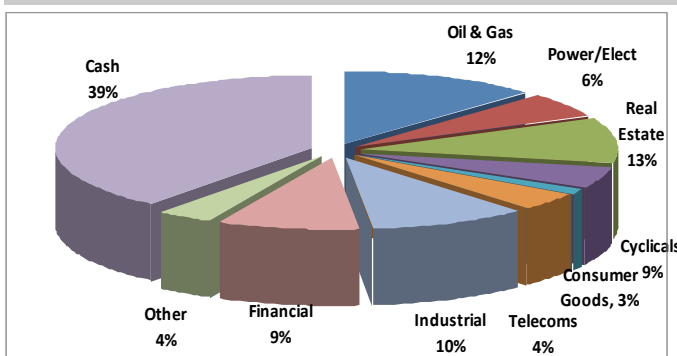
Maples Finance Ltd
Ms. Teresa Solomon
Tel.: 1 (345) 814 5801
investorservices@maplesfinances.com

NAV

FUND MONTHLY GROWTH
(Apr 05-October 08)



Sector Allocation



¹ Altima Asset Management created this index of 27 Russia-focused long equity funds created on or before May 2005 to provide an appropriate benchmark.

² Risk free rate: 2.5%