

AlphaClone Select Long/Short

Data Sheet

AlphaClone Select seeks long-term growth of capital. The strategy primarily invests in a concentrated portfolio of US-exchange traded equities including ETFs and ADRs. To manage volatility, the strategy can switch between being 100% long during rising markets to being market neutral during falling markets.

Objective	Long term capital appreciation
Benchmark Index	S&P500 Total Return Index
Number of holdings	Up to 30
Average Q/Q Turnover (last 4 quarters)	35%

Performance Back-test Statistics as of 2010-12-31

	3 YEAR	5 YEAR	INCEPTION
Total Return	66.6%	181.5%	1016.0%
<i>S&P500TR</i>	-8.3%	12.0%	5.6%
Annualized Return	18.6%	23.0%	24.5%
<i>S&P500TR</i>	-2.9%	2.3%	0.5%
Annualized Volatility	14.7%	7.1%	19.2%
<i>S&P500TR</i>	18.1%	16.3%	21.0%
Max Drawdown	-10.6%	-10.6%	-10.6%
<i>S&P500TR</i>	-50.9%	-50.9%	-50.9%
Sharpe Ratio	1.2	2.9	1.1
<i>S&P500TR</i>	-0.2	0.0	-0.1

Yearly Back-tested Returns

Year	Clone	S&P500TR	+/-
2000	29.6%	-8.2%	37.8%
2001	9.0%	-11.9%	20.9%
2002	6.4%	-22.1%	28.5%
2003	57.0%	28.7%	28.3%
2004	28.9%	10.9%	18.0%
2005	30.4%	4.9%	25.5%
2006	34.4%	15.8%	18.6%
2007	25.7%	5.5%	20.2%
2008	-1.3%	-37.0%	35.7%
2009	46.7%	26.5%	20.2%
2010	15.1%	15.1%	0.0%

Sector Allocations (current period)

Sector	Strategy	S&P500	+/-
Consumer Staples	0.0%	7.1%	-7.1%
Consumer Disc	6.5%	3.6%	2.8%
Retail/Wholesale	12.9%	8.0%	4.9%
Medical	3.2%	10.0%	-6.8%
Auto/Tires/Trucks	0.0%	1.3%	-1.3%
Basic Materials	12.9%	3.3%	9.6%
Industrial Products	0.0%	2.6%	-2.6%
Construction	0.0%	0.5%	-0.5%
Conglomerates	0.0%	4.0%	-4.0%
Computer/Technology	16.1%	18.6%	-2.5%
Aerospace	0.0%	1.5%	-1.5%
Oils/Energy	12.9%	11.7%	1.2%
Finance	22.6%	14.4%	8.2%
Utilities	0.0%	5.8%	-5.8%
Transportation	3.2%	1.9%	1.4%
Business Services	3.2%	0.9%	2.3%
Unclassified	6.5%	4.8%	1.7%
Total	100.0%	100.0%	0.0%

Holding Statistics vs Benchmark (current period)

Statistic (average)	Strategy	Count*	S&P500
Price/Earnings	19.07	25	15.36
Price/Sales	1.31	26	1.32
Price/Book	\$2.43	25	\$2.33
Market Cap (millions)	\$33,031	27	\$94,985
Daily Volume	3834148	29	19417757
Dividend Yield	0.7	30	1.8

* Count is the number of portfolio holdings used to calculate statistic

IMPORTANT DISCLOSURES FOR BACKTEST PERFORMANCE RESULTS

Backtesting is the process of evaluating a core strategy by applying it to historical data. Backtested performance results are provided for purposes of illustrating historical performance had a core strategy had been available during the relevant period. Backtested performance results are hypothetical and have inherent limitations. AlphaClone makes no representation that any core strategy will achieve performance similar to any backtested performance results. Actual results could differ materially from backtested performance and future results could differ materially from backtested performance. Past performance is no indication or guarantee of future results.

Backtested performance results: (i) do not reflect the deduction of any management fees or trading commissions; (ii) are not based on actual trading and do not reflect any market impact of buying and selling securities, trade timing and security liquidity; (iii) are updated on a quarterly basis following the filing of public disclosure reports by certain hedge fund and institutional money managers; (iv) reflect the closing prices on the rebalance date; (v) reflect prices that are fully adjusted for dividends and corporate actions (e.g., stock splits); (vi) do not reflect any public disclosures filed after a rebalance date; (vii) reflect the historical results of securities which have been, been are no longer, publicly traded; and (viii) reflect the historical results of money managers who are no longer filing public disclosure reports.

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