



Tera Capital Fund

Investor Fact Sheet

June 2009
(final)



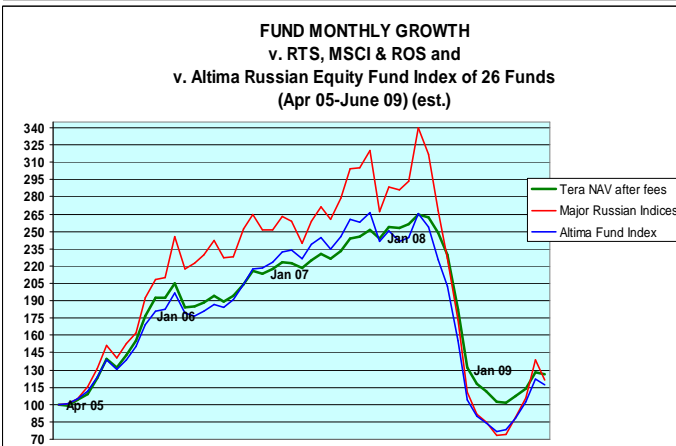
Tera Capital Fund is the only Fund of Funds in the world which pays no expenses and takes no fees other than a success fee

Fund Information

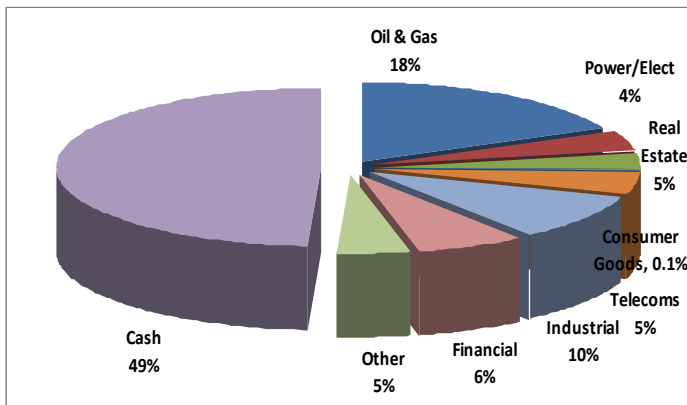
Strategy: Tera Capital Fund is a Russian-focused fund of funds that invests in equity funds while maintaining a diversified portfolio by sector, size, geographic focus and strategy.

Date Formed	April 2005
Investment Advisor	Altima Asset Management
Fund Size	\$2.6 M
Currency	US dollar
Current Price (NAV)	\$125.73
Min. Investment	\$100,000
Fees/Expenses	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

NAV



Sector Allocation



Performance (net of fees)

Returns	Tera (%)	RTS, MSCI & ROS Avg (%)	AAM Russia Fund Index ¹ (%)
Monthly	-1.46	-12.57	-4.54
Year-to-date	13.08	42.88	36.66
Trailing 12 months	-52.03	-61.77	-54.35
Since Fund inception (Apr 05)	25.79	20.99	15.94
Anlzd mnthly rtn (since Fund inception)	15.21	13.99	9.34
Annualized Stand.			
Dev. (since inception)	26.53	42.76	32.40
Sharpe Ratio ²	0.45	0.27	0.21

Investment Advisor's Assessment

Market

June was a very difficult month for global markets, not the least for the Russian market. After continuing to rise for the first week (up almost 9%), it then began a downward trend that continued for the entire month, resulting in Russia being the worst performing emerging market in June. Globally, the month clearly showed that a steep "V" recovery is highly unlikely. Oil "corrected" to \$60 a barrel, but appears to have stabilized at that level and is unlikely to go lower in the near term. The ruble sank against most major currencies, but now appears stable at approximately 32 to USD.

Fund

Now that the almost irrational movements based on the fears before and "exuberance" after the crisis appear to be over, the Fund showed its tremendous strength in June. While the indices dropped well over 10% and most other funds 5% or more, Tera hardly fell at all. Most importantly, its Sharpe ratio is increasingly significantly and its return since inception is much higher than comparable funds. Part of this is due to its large cash position (hardly unique; the cash position has actually decreased over the past two months), but most of the outperformance is due to the fact that carefully selecting stocks once again means better returns, as opposed to the wholesale rises and falls where investors bought or sold Russian stocks almost indiscriminately. The rumors in Russia about a "second wave" have changed, with many investors now saying that June was the start of the second wave caused by investors trying to get out in advance of the "real" one.

This month clearly showed that the balanced approach that Tera has followed with cash in its underlying funds protects it against market declines.

July First Look

July initially continued June's decline, but then stabilized and has slowly begun to climb back. We do not expect any significant market moves in July (or August) as many investors and businessmen are taking an extended summer holiday because of the continued effects of the crisis.

Fund Awards



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



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

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¹ Altima Asset Management created this index of 26 Russia-focused equity funds created on or before May 2005 to provide an appropriate benchmark.

² Risk free rate: 2.5%

