

£	
NAV	154.87p
RETURN	+1.02%
SHARE PRICE*	155.625p
Opening NAV per £ share 98.25p	

€	
NAV	2.2143
RETURN	+0.91%
SHARE PRICE*	2.2150
Opening NAV per € share €1.8325	

US\$	
NAV	2.7867
RETURN	+1.01%
SHARE PRICE*	2.8000
Opening NAV per US\$ share US\$2.2158	

A\$	
NAV	3.9059
RETURN	+1.05%
SHARE PRICE*	3.9050
Opening NAV per A\$ share A\$3.4055	

Note: *Closing mid-price at month end.

OVERVIEW

Dexion Absolute Limited is a Guernsey registered, closed-ended investment company listed on the London Stock Exchange. The Company's investment objective is to generate consistent long-term capital appreciation with low volatility and little correlation with the general equity and bond markets through a portfolio having a diversified risk profile. The Company seeks to achieve this through investment in an actively managed portfolio of hedge funds diversified by investment strategy, style and manager. The Company's shares are denominated in Sterling, Euros, US Dollars and Australian Dollars. The Company invests in underlying assets which are predominantly US Dollar denominated and the Company implements a hedging policy in an attempt to reduce the impact of currency fluctuations on the Sterling, Euro and Australian Dollar Shares.

PERFORMANCE DATA

	JULY(%)	YTD (%)	ITD\$** (%)	VOLATILITY\$** (%)	SHARPE\$**^1
DEXION ABSOLUTE £ SHARE NAV	1.02	9.39	10.44	3.03	1.94
DEXION ABSOLUTE € SHARE NAV	0.91	8.47	9.51	3.38	1.92
DEXION ABSOLUTE US\$ SHARE NAV	1.01	9.41	11.63	3.38	2.01
DEXION ABSOLUTE A\$ SHARE NAV	1.05	9.79	-	-	-
HFRI FUND OF FUNDS INDEX (US\$)	0.43	8.33	9.78	3.57	1.87
MSCI WORLD INDEX GROSS (TR) (US\$)	-2.19	7.08	18.70	8.96	1.74
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	3.02	2.46	6.00	6.75	0.43

\$ Insufficient data points for DAB A\$ Shares. * Annualised from inception date of DAB £, DAB € and DAB US\$, based on monthly data. ^ Risk free rate is average 1M GBP LIBOR since December 2002 (4.58%) for DAB £, average 1M EUR LIBOR since June 2005 (3.01%) for DAB €, average 1M USD LIBOR since June 2005 (4.85%) for DAB US\$ and average 1M USD LIBOR since December 2002 (3.10%) for US\$ indices. ^ MSCI World Index and JPM Global Gov't Bond Index annualised since December 2002 and HFRI Fund of Funds Index annualised from 1st January 2003.

Source: Bloomberg (data), Dexion Capital (calculation)

MONTHLY COMMENTARY

In July, the wider market's reaction to recent events in the US sub-prime mortgage market rapidly intensified. US equity markets faltered mid-month and European markets also traded lower. In marked contrast, Asian equity markets, excluding Japan, generally enjoyed a month of robust price appreciation due to continued economic strength in the region. Credit spreads widened markedly in the second half of the month. Commodity markets were generally positive, with the price of crude oil rising over +10% and most precious and base metals trading higher. In currency markets the US Dollar weakened against the Euro, Sterling and Yen.

Long/Short Equities: +1.10%. Managers withstood the adverse environment and posted a healthy gain. Generalist managers benefited from a number of themes including long investments in Korean industrials, short positions in the financial sector and exposure to small-cap stocks. Among sector specialists, robust profits were derived from several sources, including well-timed short positions in European insurance and property companies, US mortgage-related securities and Japanese financials stocks. **Multi-Strategy Opportunistic: +1.35%.** Despite a sharp increase in volatility, managers posted respectable gains. There were two main themes that contributed positively: the deteriorating quality of sub-prime mortgage instruments and a high-profile merger in the aluminium industry. **Long/Short Credit: -1.17%.** Performance was mixed for our long/short credit managers this month, although hedges helped to limit declines. Debt securities in US power generators diminished overall profits from several managers due to regulatory delays and selling pressure unrelated to company fundamentals. **Macro: +2.86%.** Volatile markets in July created plentiful opportunities for managers. A series of small, but well-traded, positions across a number of commodities yielded outsized performance in the aggregate for one of our managers. Other profits were produced from long-standing short positions in US small-cap equities, while losses came from short Yen trades relative to the US Dollar. Most emerging markets produced strong returns, benefiting from ongoing economic strength. **Portfolio Hedge: +8.69%.** Managers generated considerable alpha amid the tumult in global equity markets. The bulk of profits emanated from short equity positions in financials, consumer discretionary stocks, mortgage originators and homebuilders. **Activist: -2.84%.** Managers' predominantly long-biased portfolios suffered as a result of the stock market headwinds and company-specific developments. For example, one manager's core holding in a UK-based confectionary and beverage company experienced a sharp decline in value due to a loss of investor confidence.

Outlook The prompt response in August by the world's central banks to the recent liquidity crisis has introduced a degree of calm to global financial markets. Heightened levels of sensitivity persist among market participants and may result in an extended period of increased volatility. In this environment, managers are evaluating closely their respective positions and stand ready to pursue potentially lucrative investment opportunities that may result from further dislocations.

SHARE CLASS

	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	19 DEC 2002	DAB LN	DAB.L	GB0032287020	3228702	£653.50m
€	28 JUN 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€145.72m
US\$	28 JUN 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	US\$157.96m
A\$	26 SEP 2006	DABA LN	DABA.L	GB00B1BPPM77	B1BPPM7	A\$79.79m

KEY FACTS

MANAGER

DEXION CAPITAL
(GUERNSEY) LIMITED

INVESTMENT ADVISER

HARRIS ALTERNATIVES LLC

INVESTMENT CONSULTANT

DEXION CAPITAL PLC

TOTAL NET ASSETS

£863.04M

MANAGEMENT FEE

1.50%

PERFORMANCE FEE

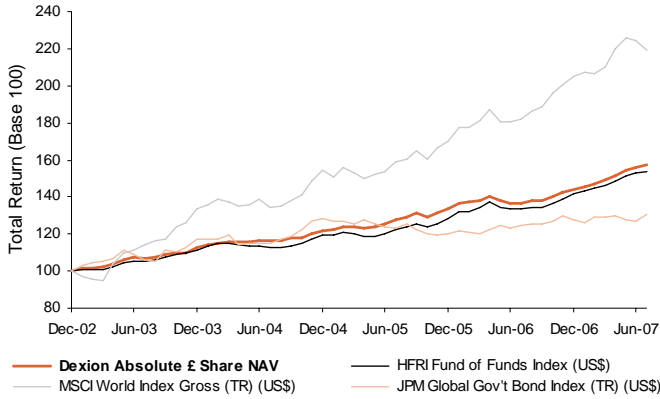
10%
(TRIGGER 3%)

CONTACT DETAILS

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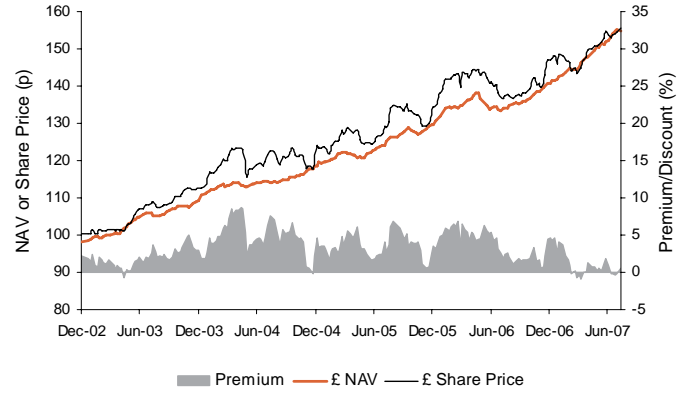
email clientservices@dexionabsolute.com
web www.dexionabsolute.com

NET ASSET VALUE PERFORMANCE



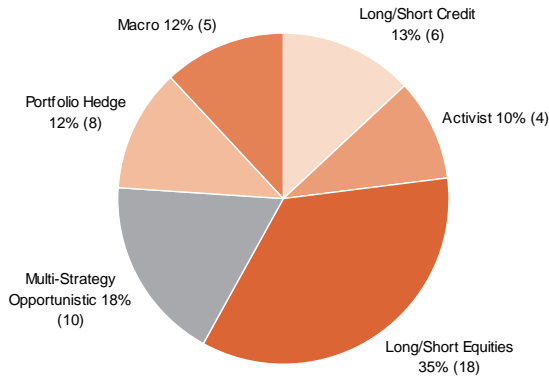
Source: Bloomberg

SHARE PRICE PERFORMANCE



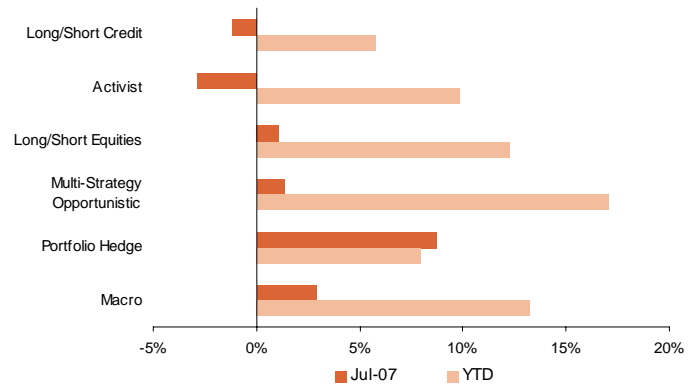
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 AUGUST 2007



Note: Allocations are net of cash effect and include, for portfolio hedge only, the delta-adjusted exposure derived from option hedges, if any. Numbers in brackets indicate number of managers.
Source: Harris Alternatives

PERFORMANCE BY STRATEGY



Note: Strategy returns are in US\$ and net of underlying manager fees only, and not inclusive of Dexion Absolute's fees and expenses.
Source: Harris Alternatives

HISTORICAL NAV PERFORMANCE (%)

£	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2007	1.14	0.85	1.44	1.70	1.85	1.05	1.02						9.39
2006	2.54	0.28	0.71	1.42	-1.52	-0.78	-0.08	0.83	0.35	1.39	1.44	1.34	8.13
2005	0.29	1.54	0.06	-0.87	0.88	1.38	1.51	0.86	1.75	-1.41	1.40	1.72	9.46
2004	1.39	0.96	0.38	-0.18	0.03	0.61	-0.06	0.39	0.86	0.41	1.70	1.38	8.13
2003	1.44	0.02	0.78	1.37	2.11	1.56	-0.48	0.27	1.48	0.72	0.31	2.39	12.59
€													
2007	1.02	0.73	1.29	1.59	1.72	0.92	0.91						8.47
2006	2.26	0.15	0.52	1.31	-1.68	-0.91	-0.04	0.55	0.21	1.30	1.30	1.23	6.32
2005	-	-	-	-	-	-	1.28	0.67	1.64	-1.58	1.16	1.54	4.78
US\$													
2007	1.15	0.85	1.45	1.74	1.81	1.04	1.01						9.41
2006	2.58	0.25	0.71	1.54	-1.45	-0.71	-0.01	0.92	0.38	1.45	1.53	1.33	8.79
2005	-	-	-	-	-	-	1.37	0.82	1.74	-1.41	1.32	1.72	5.66
A\$													
2007	1.28	0.88	1.47	1.73	1.92	1.08	1.05						9.79
2006	-	-	-	-	-	-	-	-	-	1.46	1.54	1.40	4.46

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