

£	
NAV	155.83p
RETURN	+2.08%
SHARE PRICE*	159.00p
Opening NAV per £ share 98.25p	

€	
NAV	2.2205
RETURN	+1.88%
SHARE PRICE*	2.2500
Opening NAV per € share €1.8325	

US\$	
NAV	2.8025
RETURN	+2.06%
SHARE PRICE*	2.8600
Opening NAV per US\$ share US\$2.2158	

A\$	
NAV	3.9249
RETURN	+1.96%
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

	SEPTEMBER(%)	YTD (%)	ITD** (%)	VOLATILITY** (%)	SHARPE**^1
DEXION ABSOLUTE £ SHARE NAV	2.08	10.07	10.20	3.21	1.73
DEXION ABSOLUTE € SHARE NAV	1.88	8.77	8.91	3.69	1.57
DEXION ABSOLUTE US\$ SHARE NAV	2.06	10.03	11.00	3.71	1.65
DEXION ABSOLUTE A\$ SHARE NAV	1.96	10.33	15.25	3.10	2.88
HFRI FUND OF FUNDS INDEX (US\$)	2.12	8.09	9.37	3.81	1.62
MSCI WORLD INDEX GROSS (TR) (US\$)	4.79	12.17	19.15	8.96	1.78
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	2.21	6.59	6.66	6.70	0.52

* Annualised from inception date of DAB £, DAB €, DAB US\$ and DAB A\$, based on monthly data. ^ Risk free rate is average 1M GBP LIBOR since December 2002 (4.64%) for DAB £, average 1M EUR LIBOR since June 2005 (3.11%) for DAB €, average 1M USD LIBOR since June 2005 (4.90%) for DAB US\$, average 1M USD LIBOR since September 2006 (6.33%) for DAB A\$ and average 1M USD LIBOR since December 2002 (3.19%) for US\$ indices. ^1 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 the first part of September global equity markets declined but turned mid-month after the BoE reversed course on its tough approach to Northern Rock and the Fed reduced short-term interest rates by 0.5%. Investors interpreted these actions as evidence that the world's monetary authorities would continue to intervene to ensure the orderly functioning of global financial markets. US and European equity markets rallied and nearly all equity markets in Asia moved higher. Liquidity was restored and the short-term bond markets and global credit markets witnessed a remarkable tightening of high yield credit spreads. More accommodative monetary policy contributed to increased inflationary pressures in commodities markets, and crude oil and gold prices surged. Finally, the decline in US interest rates further weakened the US Dollar against Sterling, the Euro and Yen.

Long/Short Equities: +4.40%. Nearly all of our long/short equities managers ended with positive performance. Sector and geographic specialists generated returns through long and short investments across multiple industries and regions, including bullish trades in Asian and emerging markets banks, tactical short equity positions and long positions in telecommunications and information technology sectors. Generalists produced solid returns and one manager in particular realised profits from one of its largest positions, a European consumer electronic manufacturer. **Multi-Strategy Opportunistic: +2.79%.** All but one of our traders enjoyed a profitable month as the markets stabilised. Allocations to investment services companies led performance on the long side, while positions in the mining and oil services industries were also lucrative due to sustained global demand for natural resources. Long equity positions in a medical equipment and supplies manufacturer also contributed positively. **Long/Short Credit: +1.94%.** Despite continued uncertainty surrounding the credit markets the strategy derived profits through disciplined investment allocations. Minor detractors from returns were incurred by portfolio hedges. **Activist: +1.35%.** Managers delivered positive returns amid rising global equity markets. The largest contributor during the month was the Scandinavian-focused activist, who saw a number of holdings rise in line with the Nordic market. **Macro: +0.86%.** Performance was mixed for traders, with the top-performing manager deriving sizable profits from global equities, both in certain developing Asian markets and in long equity index positions in various developed markets. A short US Dollar exposure also added considerable profits. **Portfolio Hedge: -3.32%.** The abrupt reversal of equity markets in the second half created an adverse environment for this strategy. Short positions in consumer products companies and an insurance company suffered when their shares traded higher along with the broader market. Some of the losses were offset by profitable positions in select homebuilders, materials suppliers and consumer retail.

Outlook Although order appears to have returned to global credit markets, investors remain sensitive to the slightest sign of weakness in the financial sector. Rising crude oil prices, compounded by a weakening US Dollar, may fan inflationary fires, while quarterly earnings disappointments from major financial institutions, renewed concerns over sub-prime mortgages and structured credit vehicles, and growing geopolitical tensions all have the potential to contribute to an apprehensive global investment environment.

SHARE CLASS

	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	19 DEC 2002	DAB LN	DAB.L	GB0032287020	3228702	£657.58m
€	28 JUN 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€146.13m
US\$	28 JUN 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	US\$158.86m
A\$	26 SEP 2006	DABA LN	DABA.L	GB00B1BPPM77	B1BPPM7	A\$80.18m

KEY FACTS

MANAGER

DEXION CAPITAL
(GUERNSEY) LIMITED

INVESTMENT ADVISER

HARRIS ALTERNATIVES LLC

INVESTMENT CONSULTANT

DEXION CAPITAL PLC

TOTAL NET ASSETS

£872.38M

MANAGEMENT FEE

1.50%

PERFORMANCE FEE

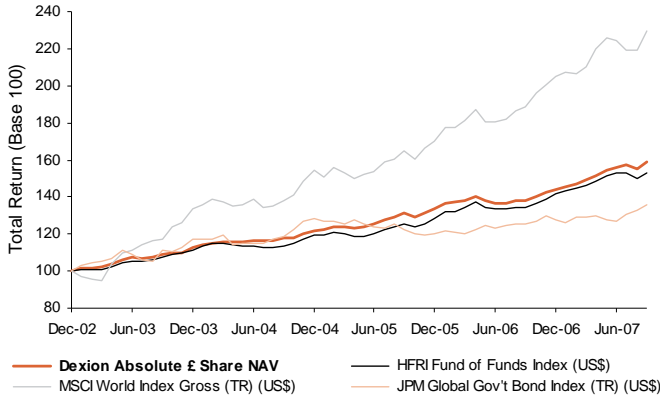
10%
(TRIGGER 3%)

CONTACT DETAILS

DEXION ABSOLUTE LIMITED
TRAFALGAR COURT
LES BANQUES
ST PETER PORT
GUERNSEY GY1 3DA

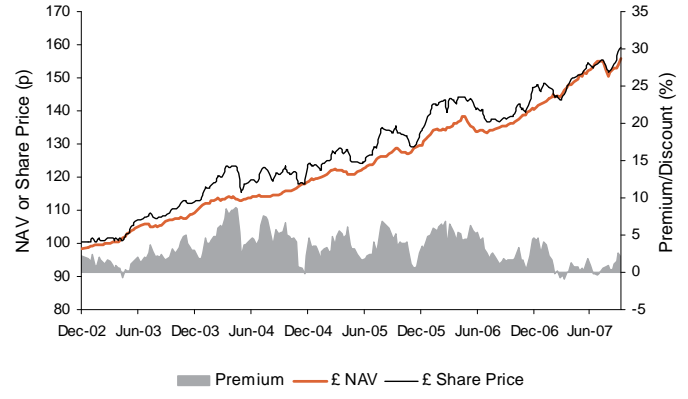
email clientservices@dexionabsolute.com
web www.dexionabsolute.com

NET ASSET VALUE PERFORMANCE



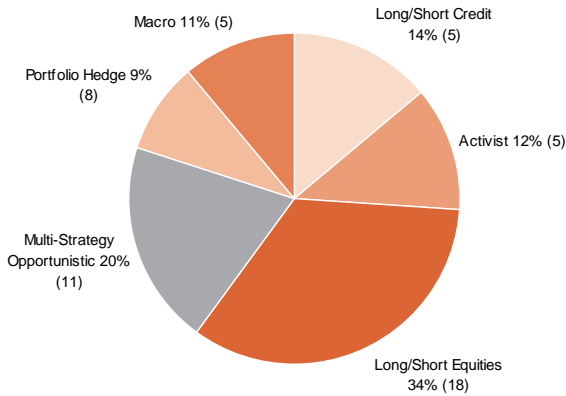
Source: Bloomberg

SHARE PRICE PERFORMANCE



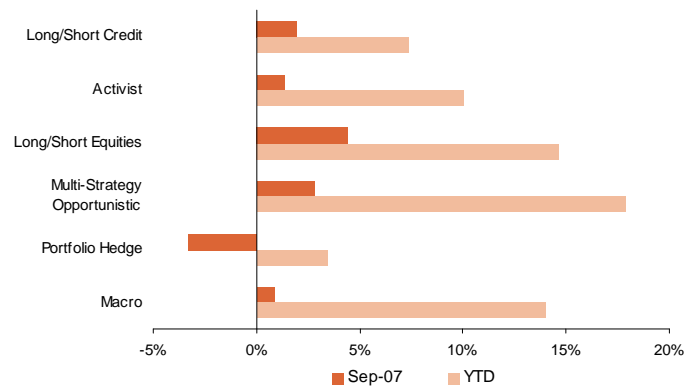
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 OCTOBER 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	-1.43	2.08				10.07
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	-1.57	1.88				8.77
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	-1.46	2.06				10.03
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	-1.45	1.96				10.33
2006	-	-	-	-	-	-	-	-	-	1.46	1.54	1.40	4.46

This report is issued and has been approved for the purposes of section 21 Financial Services and Markets Act 2000 by Dexion Capital Plc, which is authorised and regulated by the Financial Services Authority in the United Kingdom. This document contains information only and relates solely to Dexion Absolute Limited ("the Company") whose securities are traded on the London Stock Exchange. It does not constitute an invitation to underwrite, subscribe for or otherwise acquire or dispose of any securities in the Company and should not be construed as a recommendation to any person to engage in any of the foregoing activities. It does not constitute an invitation to effect any transaction with the Company or any other person. Whilst certain of the information in this document may refer to the price of the Company's securities or the yield on them, past performance cannot be relied upon as a guide to future performance. The information in this report is based on information which is otherwise publicly available and whilst the Company and Dexion Capital Plc use all reasonable efforts to ensure that the information in this report is accurate and up to date, no representations or warranties are given as to the reliability, accuracy or completeness of the information in this report. Neither the Company nor Dexion Capital Plc accept any liability for any loss or damage which may arise directly or indirectly from any use of or reliance on such information save in the circumstances where such exclusion or restriction of liability would be expressly prohibited by the rules of the Financial Services Authority or any other applicable laws or regulations in England and Wales. In particular, recipients should note that, since many or all of the Company's investments are unquoted, net asset value figures in relation to the Company are based wholly or partly on estimates of the values of the Company's investments provided by the investment managers or administrators of those underlying investments, which estimates may themselves have been subject to no verification or auditing process or may relate to a valuation at a date before the relevant net asset valuation for the Company, or which have otherwise been estimated by the Company's Investment Adviser. Other information in this report may be historic and/or may no longer be of relevance. The information contained in this report which relates to the net asset value performance of the Company may not be indicative of how the Company's investments may perform in the future. Moreover the value of such investments may fluctuate considerably and the historic net asset values shown for the Company take no account of the costs or practical difficulties of realising some or all of such investments. The value of investments mentioned in this report may go down as well as up and investors may not get back the amount invested. Information on past performance, where given, is not necessarily a guide to future performance. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase. The information in this report is provided solely for information and does not constitute investment advice or personal investment recommendations. Investments mentioned in this report may not be suitable for all recipients and in each case potential investors are advised not to take any investment decision unless they have taken independent advice from a suitably qualified advisor. Your attention is drawn to the Risk Factors set out in the Company's prospectus dated 11 August 2006 and the fact that no securities are currently being offered by the Company and that certain information in the above prospectus may now be out of date. This report may not be mailed or distributed or redistributed or otherwise sent into, and does not constitute any offer to sell or the solicitation of any offer to buy securities in or from any territory where the same would require compliance with any regulatory, filing or like requirement or where the same would constitute an offence. In particular, the information in this report is not for distribution and does not constitute an offer to sell or the solicitation of any offer to buy any securities in the United States of America to or for the benefit of United States persons being resident in the United States of America or partnerships or corporations organised under the laws of the United States of America or any state, territory or possession thereof. The securities in the Company have not been, and will not be, registered under the United States Securities Act 1933.