

NAV	156.61p
RETURN	+1.26%
SHARE PRICE*	164.625p
Opening NAV per £ share 98.25p	

NAV	2.2174
RETURN	+1.18%
SHARE PRICE*	2.3300
Opening NAV per € share €1.8325	

NAV	2.8045
RETURN	+1.10%
SHARE PRICE*	2.9100
Opening NAV per US\$ share US\$2.2158	

NAV	3.9604
RETURN	+1.43%
SHARE PRICE*	4.1250
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

	FEBRUARY(%)	YTD (%)	ITD** (%)	VOLATILITY** (%)	SHARPE**^1
DEXION ABSOLUTE £ SHARE NAV	1.26	-2.30	9.44	3.77	1.25
DEXION ABSOLUTE € SHARE NAV	1.18	-2.48	7.41	4.55	0.90
DEXION ABSOLUTE US\$ SHARE NAV	1.10	-2.55	9.24	4.62	0.96
DEXION ABSOLUTE A\$ SHARE NAV	1.43	-1.99	11.24	4.99	0.95
HFRI FUND OF FUNDS INDEX (US\$)	1.56	-1.41	8.70	4.26	1.27
MSCI WORLD INDEX GROSS (TR) (US\$)	-0.53	-8.11	15.05	9.90	1.19
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	2.40	6.21	8.17	6.73	0.73

\* 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 (4.74%) for DAB £, average 1M EUR LIBOR since June 2005 (3.30%) for DAB €, average 1M USD LIBOR since June 2005 (4.82%) for DAB US\$, average 1M AUD LIBOR since September 2006 (6.50%) for DAB A\$ and average 1M USD LIBOR since December 2002 (3.28%) 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

US equity markets continued to decline as waning consumer confidence, anaemic new home sales and slack factory orders seemed to validate recessionary fears. Equity indices in Germany and France posted losses, while in the UK equity markets ended with a small gain, supported by positive earnings reports and the BoE's interest rate cut of 25bp. In contrast, emerging markets and Asian equities performed well amid expectations of resilient domestic demand and country-specific news. Credit markets remained skittish as banks and other financial institutions continued to restrict lending activity. In commodity markets, crude oil and natural gas prices traded sharply higher, while silver, copper and aluminium enjoyed double-digit rallies. The US Dollar continued to weaken against most major currencies, except for Sterling.

**Long/Short Equities: +1.15%.** Managers closed in positive territory despite persistent economic concerns in the US and Europe. All generalists produced positive returns, with profits derived from short equity positions in the financial sector and long exposure in the energy and industrial sectors. Sector specialist managers overall posted a loss, primarily from exposure to the industrial and financial sectors. **Multi-Strategy Opportunistic: +3.39%.** Positives came from various sources including long exposure to the US steel industry, consumer cyclical companies and continued price resilience in commodities. Short positions in select names across the financial services sector also added as negative sentiment continued to permeate the space. **Portfolio Hedge: +3.23%.** Gains were derived from short equity exposures to mortgage originators, banks and providers of specialised financing. The short credit specialist profited from the continued turmoil in that sector as well as the consumer discretionary area. Negatives came from one manager's core short equity position that received a takeover offer at a substantial premium to the market price. **Macro: +1.55%.** Managers continued to identify profitable opportunities and the leading contributor to performance extracted outsized gains from yield curve trades designed to profit from continued interest rate easing in the US, while also deriving alpha through volatility trades in major currencies. Elsewhere, losses came from a short position in two-year US Treasury notes, but these were more than offset by gains from long positions in gold and oil futures. **Activist: -0.74%.** Managers did well to post a only a small loss in the face of a challenging environment for long-biased equity portfolios. The bulk of negative returns came from a portfolio of small-cap financial companies, including a California-based thrift that gapped lower on credit concerns and continued deterioration in home prices. Gains from long positions in US engineering and steel stocks mitigated a portion of those losses and activists focused on larger names posted positive results. **Long/Short Credit: -2.56%.** Balance sheet issues continued to affect investor confidence and caused investors to liquidate positions in an effort to distance themselves from assets perceived to be risky. Despite this, several managers enjoyed gains from long positions in the debt of power producers as the demand for energy continued to rise.

**Outlook** Uncertainty will likely persist over the near term as market participants evaluate the repercussions of the recent events involving Bear Stearns. Swift and decisive action by the Fed has gone far to abort a panic response in the financial markets, yet this situation has caused investors to question the soundness of other major financial institutions. Amid this environment of elevated volatility, we remain confident that our managers will respond appropriately to the ever changing market landscape.

## SHARE CLASS

	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	19 DEC 2002	DAB LN	DAB.L	GB0032287020	3228702	£1,125.99M
€	28 JUN 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€234.67M
US\$	28 JUN 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	US\$234.36M
A\$	26 SEP 2006	DABA LN	DABA.L	GB00B1BPPM77	B1BPPM7	A\$102.68M

## KEY FACTS

### MANAGER

DEXION CAPITAL  
(GUERNSEY) LIMITED

### INVESTMENT ADVISER

HARRIS ALTERNATIVES LLC

### INVESTMENT CONSULTANT

DEXION CAPITAL PLC

### TOTAL NET ASSETS

£1,471.18M

### MANAGEMENT FEE

1.50%

### PERFORMANCE FEE

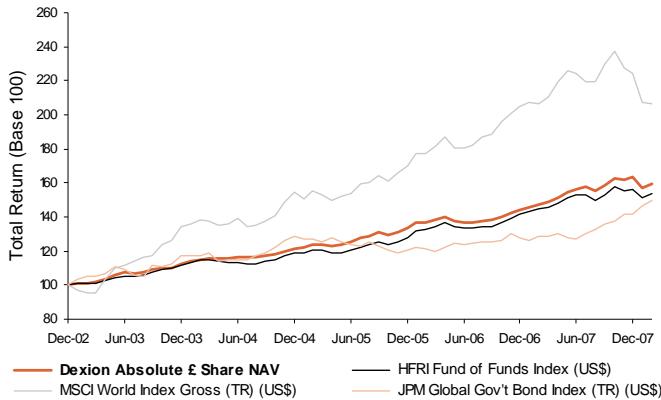
10%  
(TRIGGER 3%)

## CONTACT DETAILS

DEXION ABSOLUTE LIMITED  
1 LE TRUCHOT  
ST PETER PORT  
GUERNSEY

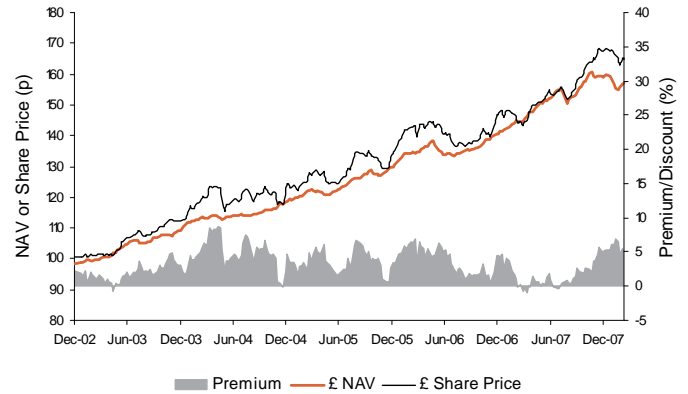
email [clientservices@dexionabsolute.com](mailto:clientservices@dexionabsolute.com)  
web [www.dexionabsolute.com](http://www.dexionabsolute.com)

NET ASSET VALUE PERFORMANCE



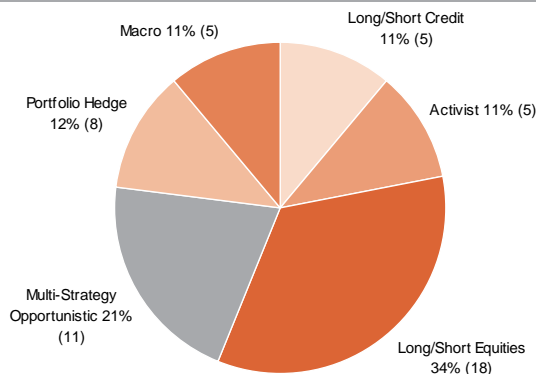
Source: Bloomberg

SHARE PRICE PERFORMANCE



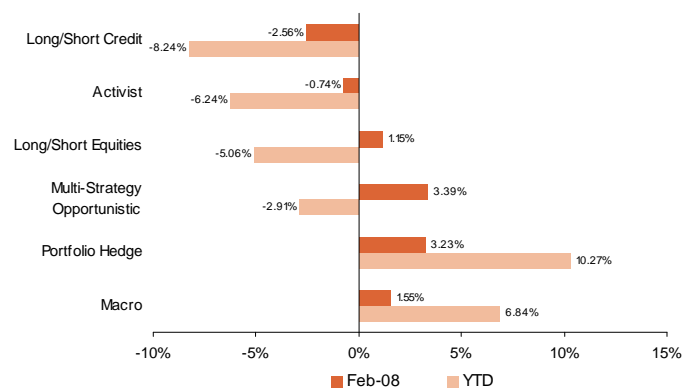
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 MARCH 2008



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
2008	-3.52	1.26											-2.30
2007	1.14	0.85	1.44	1.70	1.85	1.05	1.02	-1.43	2.08	2.73	-0.48	0.62	13.23
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
€													
2008	-3.62	1.18											-2.48
2007	1.02	0.73	1.29	1.59	1.72	0.92	0.91	-1.57	1.88	2.60	-0.65	0.45	11.38
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\$													
2008	-3.61	1.10											-2.55
2007	1.15	0.85	1.45	1.74	1.81	1.04	1.01	-1.46	2.06	2.73	-0.57	0.53	12.99
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
AS\$													
2008	-3.38	1.43											-1.99
2007	1.28	0.88	1.47	1.73	1.92	1.08	1.05	-1.45	1.96	2.67	-0.34	0.63	13.59
2006	-	-	-	-	-	-	-	-	-	1.46	1.54	1.40	4.46

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