

NAV	153.78p
RETURN	-1.99%
SHARE PRICE*	155.875p
Opening NAV per £ share 98.25p	

NAV	2.1677
RETURN	-2.11%
SHARE PRICE*	2.1250
Opening NAV per € share €1.8325	

NAV	2.7248
RETURN	-2.21%
SHARE PRICE*	2.6900
Opening NAV per US\$ share US\$2.2158	

NAV	3.9168
RETURN	-1.82%
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	-1.99	-4.07	8.35	4.13	0.86
DEXION ABSOLUTE € SHARE NAV	-2.11	-4.67	5.60	4.97	0.43
DEXION ABSOLUTE US\$ SHARE NAV	-2.21	-5.32	6.94	5.11	0.47
DEXION ABSOLUTE A\$ SHARE NAV	-1.82	-3.07	7.93	5.56	0.22
HFRI FUND OF FUNDS INDEX (US\$)	-2.73	-5.04	7.30	4.64	0.88
MSCI WORLD INDEX GROSS (TR) (US\$)	-2.42	-12.42	12.88	10.58	0.91
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	0.11	4.88	7.29	6.84	0.59

* 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 (4.80%) for DAB £, average 1M EUR LIBOR since June 2005 (3.45%) for DAB €, average 1M USD LIBOR since June 2005 (4.52%) for DAB US\$, average 1M AUD LIBOR since September 2006 (6.72%) for DAB A\$ and average 1M USD LIBOR since December 2002 (3.23%) 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, global financial markets experienced a weak start. Solvency issues at US mortgage bulwarks Fannie Mae and Freddie Mac, and the collapse of IndyMac Bancorp, weighed heavily on financial stocks. In the second half of July equities regained some ground amid a sharp pullback in crude oil prices, while the SEC's interdiction of short sales in select financial institutions triggered a short squeeze rally. Surging inflation, coupled with weak retail sales, prompted the BoE to leave interest rates unchanged, while the ECB hiked rates by 25bp. Falling commodity prices undercut equities in many resource-reliant emerging markets. Crude oil, natural gas, agricultural commodities and metals also traded down. In credit markets, continued deleveraging and a bleak business outlook drove spreads wider. Finally, the US Dollar strengthened against the Euro, Sterling and Yen.

Long/Short Equities: -2.98%. The generalist sub-strategy suffered the most amid a rebound in the US financial sector and a concurrent reversal in energy-related equities. Geographic specialists posted mixed results and sector specialists effectively controlled losses despite negative performance from our global financials specialist. **Multi-Strategy Opportunistic: -4.88%.** Losses came from long positions in the energy and basic materials sectors, which suffered as speculators sought to exit their long positions en-masse due to declining commodities prices. Other detractors from returns included long exposures to companies related to the mining and production of iron, steel and specialty alloys. Bright spots included long exposure to insurance names, a US railroad company and a US brewery. **Long/Short Credit: -3.76%.** Considerable credit spread widening and heightened equity market volatility proved challenging. Long exposure to energy equities and short positions in global financials hurt performance. Elsewhere, technical selling pressure and deteriorating liquidity negatively impacted credit positions, while subordinated debt and non-US securities were also lacklustre performers. **Portfolio Hedge: +1.29%.** Short positions in companies with deteriorating fundamentals provided substantial alpha for many managers, while others effectively controlled losses during the sharp rebound in equity prices at month end. As forecasts for corporate earnings darkened, the credit specialist's short exposure to bonds in the financial sector contributed positively. **Macro: +0.30%.** High levels of volatility across asset classes led to a wide dispersion in manager returns. Our commodities specialist delivered sizable gains from tactical trading and elsewhere profits came from fixed income trading. Negatives included a long Yen position, equity holdings in the Middle East and short exposure to both US consumer discretionary and small capitalisation equities. **Activist: +1.56%.** Positive returns came from core long positions in a US purveyor of baked goods and a provider of proprietary research related to the information technology industry. Long exposure to large money centre banks, select airlines and a manufacturer of tyre and rubber products were also supportive. Offsetting a portion of the gains were losses from our European activist.

Outlook Global financial markets remain highly volatile, besieged by concerns over further write-downs in the financial sector and deterioration of liquidity in the credit markets. Heightened geopolitical tensions are adding to the volatility already prevalent in the marketplace. In this sustained period of market discord, managers have reduced exposure levels in order to remain nimble, maintaining sufficient "dry powder" to take advantage of more attractive risk/return opportunities that may come from further dislocations.

SHARE CLASS

	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	19 DEC 2002	DAB LN	DAB.L	GB0032287020	3228702	£1,118.85M
€	28 JUN 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€204.80M
US\$	28 JUN 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	US\$248.20M
A\$	26 SEP 2006	DABA LN	DABA.L	GB00B1BPPM77	B1BPPM7	A\$93.30M

KEY FACTS

MANAGER

DEXION CAPITAL
(GUERNSEY) LIMITED

INVESTMENT ADVISER

HARRIS ALTERNATIVES LLC

INVESTMENT CONSULTANT

DEXION CAPITAL PLC

TOTAL NET ASSETS

£1,449.76M

MANAGEMENT FEE

1.50%

PERFORMANCE FEE

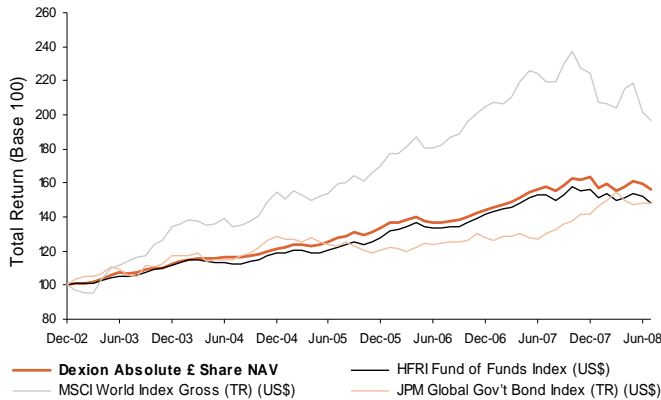
10%
(TRIGGER 3%)

CONTACT DETAILS

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ST PETER PORT
GUERNSEY

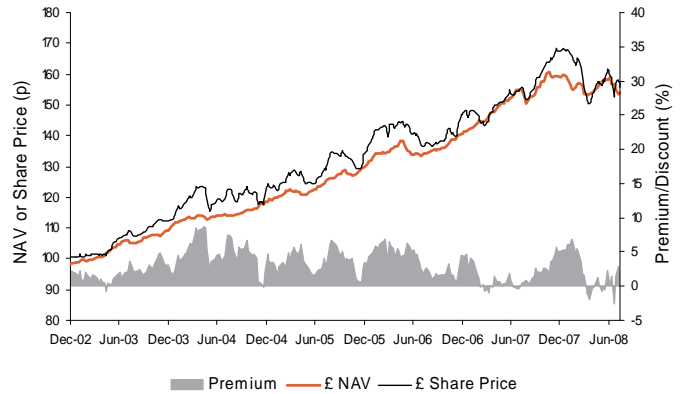
email clientservices@dexionabsolute.com
web www.dexionabsolute.com

NET ASSET VALUE PERFORMANCE



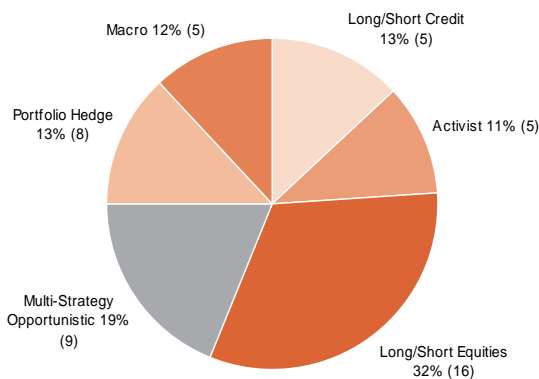
Source: Bloomberg

SHARE PRICE PERFORMANCE



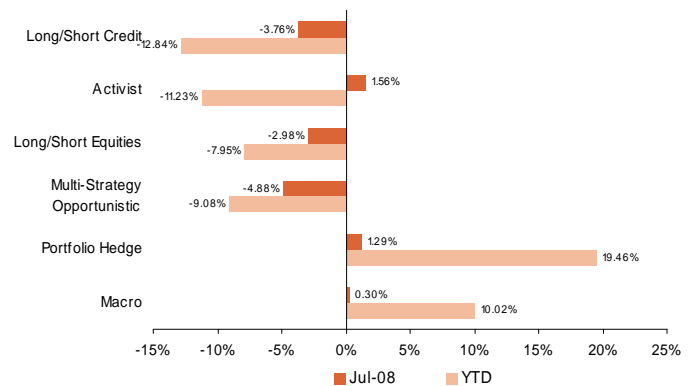
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 AUGUST 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	-2.34	1.21	2.27	-0.89	-1.99						-4.07
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	-2.35	1.07	2.17	-0.97	-2.11						-4.67
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	-2.52	0.98	2.05	-1.10	-2.21						-5.32
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	-2.23	1.37	2.41	-0.75	-1.82						-3.07
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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