

£	
NAV	124.53p
RETURN	+5.55%
SHARE PRICE*	86.125p
Opening NAV per £ share 98.25p	

€	
NAV	1.5602
RETURN	-9.76%
SHARE PRICE*	1.0000
Opening NAV per € share €1.8325	

US\$	
NAV	2.2142
RETURN	-1.11%
SHARE PRICE*	1.3700
Opening NAV per US\$ share US\$2.2158	

A\$	
NAV	2.8324
RETURN	-7.66%
SHARE PRICE*	1.6000
Opening NAV per A\$ share A\$3.4055	

Note: *Closing mid-price at month end.

KEY FACTS

MANAGER

DEXION CAPITAL
(GUERNSEY) LIMITED

INVESTMENT ADVISER

HARRIS ALTERNATIVES LLC

INVESTMENT CONSULTANT

DEXION CAPITAL PLC

TOTAL NET ASSETS

£1,191.72M

MANAGEMENT FEE

1.50%

PERFORMANCE FEE

10%
(TRIGGER 3%)

CONTACT DETAILS

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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 invests in underlying assets which are predominantly US Dollar denominated and may be subject to currency fluctuations in the Sterling, Euro and Australian Dollar share classes. For further information please refer to the RNS announcement of 14 November 2008 (No.17651) entitled 'Suspension of currency hedging'.

PERFORMANCE DATA

	DECEMBER(%)	YTD (%)	ITD** (%)	VOLATILITY** (%)	SHARPE**^1
DEXION ABSOLUTE £ SHARE NAV	5.55	-22.31	4.03	7.61	-0.10
DEXION ABSOLUTE € SHARE NAV	-9.76	-31.38	-4.49	9.69	-0.83
DEXION ABSOLUTE US\$ SHARE NAV	-1.11	-23.06	-0.02	7.82	-0.55
DEXION ABSOLUTE A\$ SHARE NAV	-7.66	-29.91	-7.86	11.57	-1.26
HFRI FUND OF FUNDS INDEX (US\$)	-0.90	-20.69	3.62	6.16	0.07
MSCI WORLD INDEX GROSS (TR) (US\$)	3.26	-40.33	4.99	14.39	0.13
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	7.06	12.00	7.94	7.37	0.65

* 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 (3.53%) for DAB €, average 1M USD LIBOR since June 2005 (4.27%) for DAB US\$, average 1M AUD LIBOR since September 2006 (6.68%) for DAB A\$ and average 1M USD LIBOR since December 2002 (3.18%) 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

Global equity markets ended December up, due in part to bargain hunting and investor optimism, despite a uniformly downbeat economic environment. The turning point for global equity markets occurred when US President-elect Obama unveiled the largest US public works spending package since the 1950s. Equities in basic materials and construction companies worldwide responded with rallies off recent lows. The US Federal Reserve, ECB and BoE once again cut interest rates. Stop-gap funding to US automakers helped support high yield and corporate credit markets, while the Fed's actions contributed to a rally in long-dated Treasuries. Monetary policy actions also drove currency markets; the US Dollar slid versus the Euro and the Yen, but advanced against Sterling. Finally, commodity markets softened in December, with falls in crude oil, natural gas and most industrial metals.

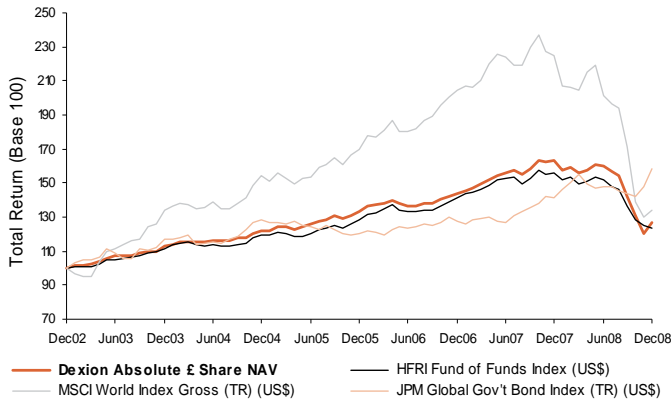
Long/Short Equities: -0.54%. Exposure to the energy, technology and healthcare sectors, as well as European equities, contributed to the overall negative performance of the long/short equities strategy in December. Long positions in US asset managers contributed to gains for our global financials specialist, with added performance generated by a short equity stake in an Irish bank involved in a loan scandal. Geographic specialists delivered a modest gain as strong performance from our Asian equity managers made up for lacklustre returns from European specialists. **Multi-Strategy Opportunistic: -3.30%.** This strategy ended the month with a loss due to continuing portfolio liquidations, volatility and illiquidity in various markets. Mark-to-market losses in credit securities contributed to declines for two managers as forced sellers drove down the valuation of debt issues in small companies and financial institutions. Furthermore, bond basis trading and dividend swap strategies also detracted from performance. Meanwhile, exposure to the energy sector also led to losses for several managers. **Long/Short Credit: -0.60%.** Company-specific developments and a narrowly focused rally in the credit markets contributed to a wide dispersion of returns amongst managers. Managers with holdings in less-actively traded corporate debt and leveraged loans made losses despite the rallies in debt markets, which were driven by larger on-the-run credits and select bank debt issues. Elsewhere, debt and preferred securities in distressed US financials were also profitable. **Macro: +1.61%.** The macro strategy delivered solid performance amidst a volatile market environment. Our top contributor to performance captured outsized gains from positions in US interest rates following the Federal Reserve's historic rate cut mid-month. **Portfolio Hedge: -1.75%.** The sharp rebound in equity markets undermined many short positions in companies despite strong evidence of deteriorating fundamentals. Technology and healthcare stocks caused the most damage due to renewed interest on the part of market participants in both sectors. Small capitalisation stocks also posted sizable gains, resulting in an adverse backdrop for short sellers focused on this area of the market. **Activist: +1.41%.** The activist strategy posted a gain as a result of the rebound in global equity markets. One manager drove returns for the strategy after two of their positions ended the month with strong gains. A core holding in a world-renowned jewellery and luxury-goods retailer traded sharply higher despite declining profit margins, due to expectations that the company would grow its market share.

Outlook Cash and liquidity are scarce resources in the current market environment and will likely command premiums for the foreseeable future. In light of this, the portfolio's managers begin 2009 focused on these portfolio attributes while remaining committed to capital appreciation. Over the near term, we anticipate that global financial markets will remain volatile as investors seek equilibrium among competing economic forces. Over a longer time horizon, the state of the financial world has the potential to expand greatly the opportunities for long/short credit and activist managers as the need for corporate re-organisation and the reform of governance intensifies, while irrational swings in valuation should create attractive entry points for multi-strategy and long/short equity strategies.

SHARE CLASS

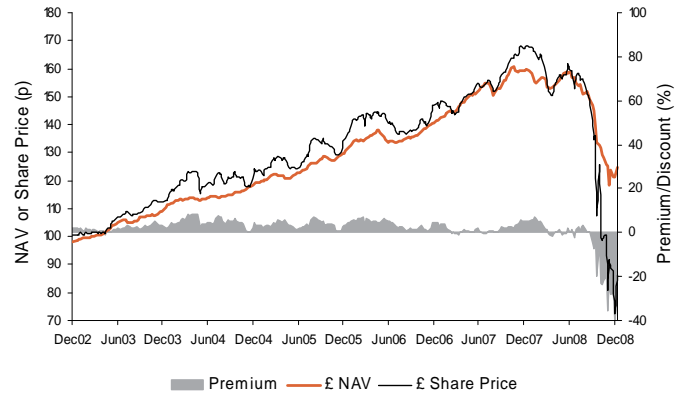
	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	19 DEC 2002	DAB LN	DAB.L	GB0032287020	3228702	£905.41M
€	28 JUN 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€130.23M
US\$	28 JUN 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	US\$183.99M
A\$	26 SEP 2006	DABA LN	DABA.L	GB00B1BPPM77	B1BPPM7	A\$66.86M

NET ASSET VALUE PERFORMANCE



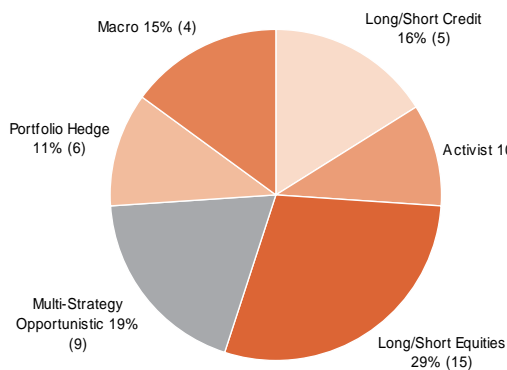
Source: Bloomberg

SHARE PRICE PERFORMANCE



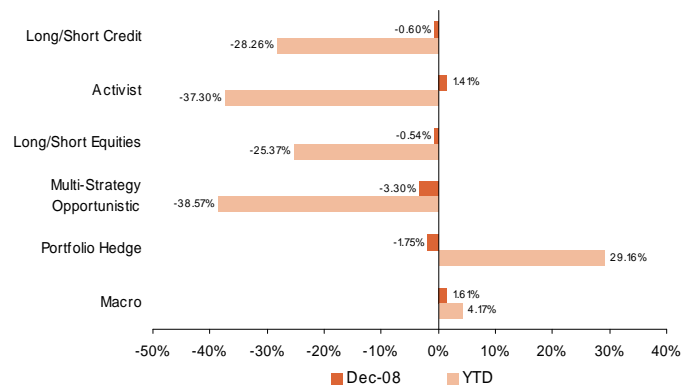
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 JANUARY 2009



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	-1.35	-8.13	-7.55	-8.43	5.55	-22.31
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

€	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008	-3.62	1.18	-2.35	1.07	2.17	-0.97	-2.11	-1.41	-8.31	-7.44	-4.69	-9.76	-31.38
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\$	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008	-3.61	1.10	-2.52	0.98	2.05	-1.10	-2.21	-1.49	-8.42	-5.71	-3.41	-1.11	-23.06
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

A\$	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008	-3.38	1.43	-2.23	1.37	2.41	-0.75	-1.82	-1.19	-8.60	-9.00	-4.72	-7.66	-29.91
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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