

£	
NAV	103.00p
RETURN	+0.70%
SHARE PRICE*	95.875p
Opening NAV per £ share 98.25p	

€	
NAV	1.4664
RETURN	+0.56%
SHARE PRICE*	1.3415
Opening NAV per € share €1.4208	

US\$	
NAV	1.8160
RETURN	+0.71%
SHARE PRICE*	1.6700
Opening NAV per US\$ share US\$1.7212	

Note: \*Closing mid-price at month end.

## OVERVIEW

Dexion Alpha Strategies Limited is a Guernsey registered, closed-ended investment company listed on the London Stock Exchange. The investment objective is to maximise medium-term returns in a manner commensurate with acceptable risk management. The Company seeks to achieve its investment objective through investment in an actively managed portfolio of underlying funds diversified across a range of alternative investment strategies which target emerging and/or under-exploited sources of alpha. The Company's shares are denominated in Sterling, Euros and US Dollars and the Company implements a hedging policy to protect the Sterling and Euro value of its US Dollar denominated investments.

## PERFORMANCE DATA

	MARCH(%)	YTD (%)	ITD* (%)	VOLATILITY* (%)	SHARPE**
DEXION ALPHA STRATEGIES £ SHARE NAV	0.70	2.64	4.83	5.11	-0.03
DEXION ALPHA STRATEGIES € SHARE NAV	0.56	2.29	3.21	5.21	0.00
DEXION ALPHA STRATEGIES US\$ SHARE NAV	0.71	2.68	5.51	5.08	0.05
HFRI FUND OF FUNDS INDEX (US\$)	0.86	2.98	8.28	4.02	0.75
MSCI WORLD INDEX GROSS (TR) (US\$)	1.87	2.60	16.55	6.75	1.67
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	0.17	1.19	7.51	5.14	0.44

\* Annualised from inception date and based on monthly data. \*\* Risk free rate is average 1M GBP LIBOR since March 2006 (4.98%) for DASL £, average 1M EUR LIBOR since March 2006 (3.23%) for DASL € and average 1M USD LIBOR since March 2006 (5.26%) for DASL US\$ and US\$ indices.

## MONTHLY COMMENTARY

The first two weeks were characterized by continued market turbulence. Risky assets suffered further price falls and the safe haven of government bonds provided the only refuge. Markets witnessed a surge in the value of the Yen, renewed weakness in the US sub-prime mortgage sector and a general reassessment of risk. In the last two weeks of the month, the general perception of investors was that the sub-prime crisis could be contained. Increased risk appetite found support from robust employment data and stronger economic fundamentals. The equity market quickly recovered and rallied globally.

**Asian Opportunities** - Flat returns were posted, with losses incurred by Japanese managers eroding gains from the rest of the portfolio. Japanese equity markets underperformed the rest of Asia amid concerns over the outlook for exporters, coupled with a weakening US Dollar. Positives came from good stock selection in Korea, Hong Kong, Australia and China. **Healthcare** - Small gains were posted by managers. In general, all non-drug industries such as distributors, services and technology were fairly strong, supported by a positive reporting season and outlook. The drawback in the sector came from drug-producers and the largest loss was experienced by a manager with a short position in a cancer vaccine, whose value more than tripled in one day following endorsement. Elsewhere, profits were accrued both from the long and short side from well established core positions. **Special Situations** - Once again excellent profits were posted despite a tumultuous start. Profits were gleaned from plentiful opportunities arising from takeover bids. Performance was led by a manager who holds sizeable positions in financial exchanges. Other gains were derived from a European manager with significant investments in the oil and gas space. **Energy & Emissions** - Solid gains were achieved with the bulk of returns accruing from non-equity strategies. One of our US energy traders profited from appreciation in the back end of the natural gas curve and long positions in the heating oil and gasoline crack spreads versus crude. A carbon emissions trader also contributed significantly to returns. Other positives were attributable to falls in near-term Nordic power prices and small/mid-cap stocks. **Commodity Strategies** - Gains were posted despite a mixed month for most commodities. Cocoa, lead and nickel prices moved higher whilst precious metals, aluminium, zinc and most softs fell. The strong rally in mining stocks benefited an equity focused manager, while opportunistic long exposure to base metals also yielded substantial profits. Losses were incurred by a bullish precious metals trader whose performance suffered from the correction in gold. **Emerging Markets** - Managers delivered impressive gains despite significant volatility at the start of the month. Positions in the Mexican Peso and swap market generated significant gains; other profits were derived from equity exposure in Latin America, Asia and Eastern Europe. Exposure to interest rate markets in Thailand, Indonesia and Singapore proved beneficial as rates declined steadily in each country. **European Loans** - Once again solid gains were posted as the leveraged loan market remained buoyant, with significant demand and a surge in loan refinancing supporting secondary market prices.

**Outlook** We remain cautiously optimistic in the near-term. The macro backdrop is generally positive, but the pace of corporate earnings growth has halved, uncertainties still surround the opaque US sub-prime mortgage market and geopolitical concerns in the Middle East persist. We remain fundamentally bullish on most commodities and any further weakness in the US Dollar would be beneficial in the near-term. Across the portfolio, risk exposures have reduced in areas such as Asia long/short. They remain high in other segments such as special situations, where strong M&A volume allows for significant profit opportunities. Given the diversification across the portfolio and our managers' active search for shorting opportunities, we remain confident of weathering any future bout of turbulence.

## SHARE CLASS

	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	24 MAR 2006	DASL LN	DASL.L	GB00B0ZQ8Q41	B0ZQ8Q4	£92.85m
€	24 MAR 2006	DASE LN	DASLx.L	GB00B0ZQ9943	B0ZQ994	€47.42m
US\$	24 MAR 2006	DASU LN	DASLu.L	GB00B0ZQBH64	B0ZQBH6	US\$13.17m

## KEY FACTS

### MANAGER

DEXION CAPITAL (GUERNSEY) LIMITED

### INVESTMENT ADVISER

RMF INVESTMENT MANAGEMENT

### INVESTMENT CONSULTANT

DEXION CAPITAL PLC

### TOTAL NET ASSETS

£131.75M

### MANAGEMENT FEE

1.50%

### PERFORMANCE FEE

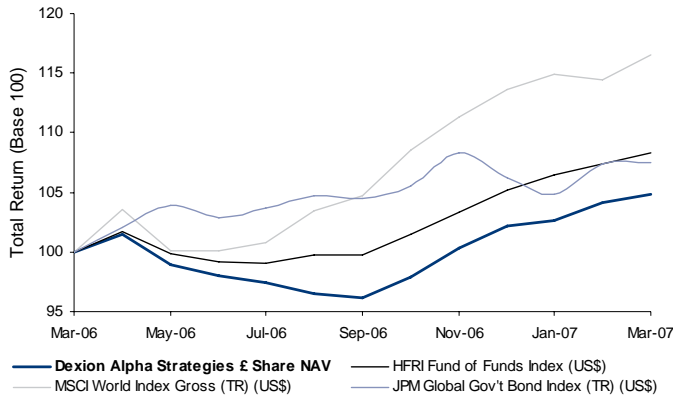
10%

## CONTACT DETAILS

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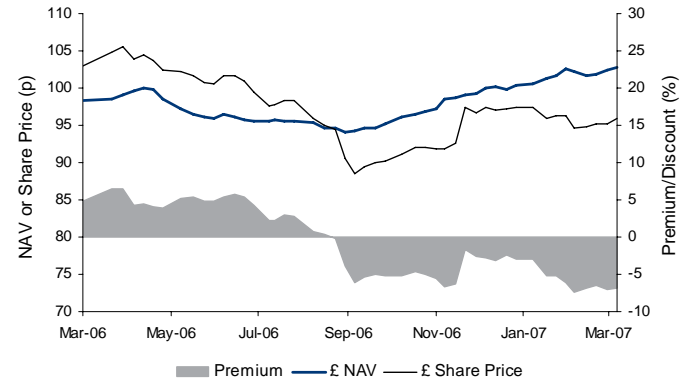
email [clientservices@dexionalpha.com](mailto:clientservices@dexionalpha.com)  
web [www.dexionalpha.com](http://www.dexionalpha.com)

NET ASSET VALUE PERFORMANCE



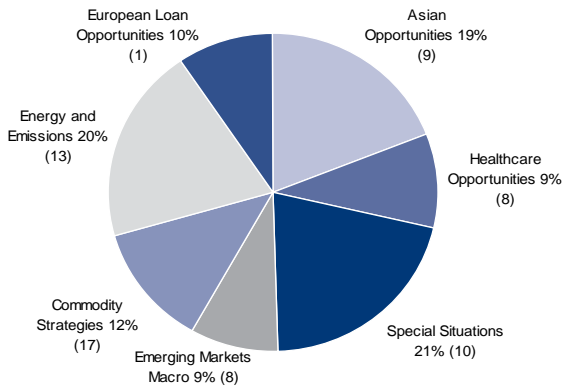
Source: Bloomberg

SHARE PRICE PERFORMANCE



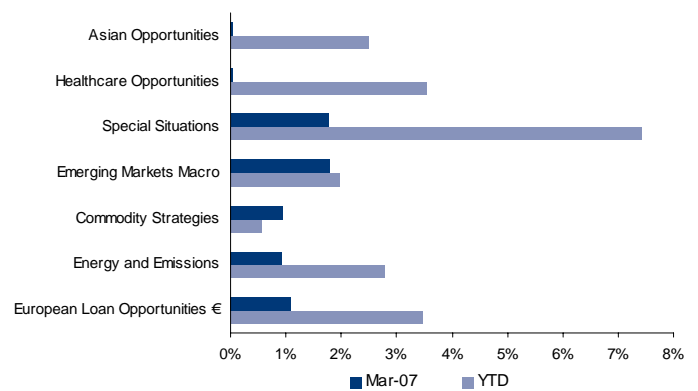
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 APRIL 2007



Note: Allocations are net of cash effect and are calculated on a look-through basis, where relevant, as of the end of the previous month. Numbers in brackets indicate number of managers.  
Source: RMF Investment Management

PERFORMANCE BY STRATEGY



Note: Strategy returns are in US\$ (except where annotated) and net of underlying manager fees only, and not inclusive of Dexion Alpha Strategies' fees and expenses.  
Source: RMF Investment Management

HISTORICAL NAV PERFORMANCE (%)

£	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2007	0.50	1.42	0.70										2.64
2006	-	-	-	1.47	-2.53	-0.95	-0.57	-0.89	-0.35	1.74	2.48	1.84	2.14
€	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2007	0.42	1.29	0.56										2.29
2006	-	-	-	1.32	-2.72	-1.09	-0.71	-1.05	-0.52	1.62	2.33	1.82	0.90
US\$	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2007	0.53	1.42	0.71										2.68
2006	-	-	-	1.55	-2.44	-0.86	-0.49	-0.81	-0.32	1.79	2.59	1.83	2.75

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