

£	
NAV	109.10p
RETURN	+2.41%
SHARE PRICE*	103.75p
Opening NAV per £ share 98.25p	

€	
NAV	1.5529
RETURN	+2.18%
SHARE PRICE*	1.4650
Opening NAV per € share €1.4208	

US\$	
NAV	1.9236
RETURN	+2.39%
SHARE PRICE*	1.8050
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

	SEPTEMBER(%)	YTD (%)	ITD* (%)	VOLATILITY* (%)	SHARPE**
DEXION ALPHA STRATEGIES £ SHARE NAV	2.41	8.72	7.23	5.17	0.38
DEXION ALPHA STRATEGIES € SHARE NAV	2.18	8.32	6.11	5.29	0.49
DEXION ALPHA STRATEGIES US\$ SHARE NAV	2.39	8.76	7.69	5.15	0.46
HFRI FUND OF FUNDS INDEX (US\$)	2.12	8.09	8.90	4.46	0.81
MSCI WORLD INDEX GROSS (TR) (US\$)	4.79	12.17	17.53	7.72	1.58
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	2.21	6.59	8.65	5.47	0.61

* Annualised from inception date and based on monthly data. ** Risk free rate is average 1M GBP LIBOR since March 2006 (5.29%) for DASL £, average 1M EUR LIBOR since March 2006 (3.53%) for DASL € and average 1M USD LIBOR since March 2006 (5.30%) for DASL US\$ and US\$ indices.

Source: Bloomberg (data), Dexion Capital (calculation)

MONTHLY COMMENTARY

In September, stability returned to the markets as a result of the Fed rate cut and consequently equities rallied, yield curves steepened, credit spreads narrowed and volatility fell. The MSCI World Index recorded a gain of +4.8% and markets were further pacified as large investment banks started to report third quarter earnings. While credit-related losses were reasonably large, they were not as significant as had been feared. This removed some of the uncertainty affecting markets, resulting in the emergence of clear trends across a multitude of asset classes. Commodities enjoyed their biggest gains in 32 years, led by wheat, crude oil and gold. Emerging markets in Latin America and Asia also saw very strong gains and emerging market economies continued to expand rapidly, buoyed by strong global demand and high commodity prices. Robust earnings growth and reduced country risk propelled stock markets higher.

Asian Opportunities - Managers were well positioned to prosper from the huge surge in Asian markets during the latter half of the month. Profits were derived from long positions in China H shares, Hong Kong property positions and exposure to energy and base metals. **Healthcare Opportunities** - Excellent performance was recorded by the strategy. A US small & mid-cap focused manager posted a stellar return in excess of +8%, adding to their impressive +4% return last month. The manager's core positions prospered with strong profits deriving from a mid-cap biotechnology company whose shares surged +70% as a consequence of strong clinical results. The emerging market healthcare specialist was boosted by the recovery in emerging markets, with pharmaceutical positions contributing significantly. **Special Situations** - Improved market sentiment helped special situations managers' positions in resource, financial and railroad companies generate strong returns for the strategy. A select equity position in a wireless communication company that was taken over and a short-bias to the sub-prime market, despite wider credit markets rebounding, also contributed positively. **Energy & Emissions** - Energy managers profited from the rebound in equities and spread trades as markets remained volatile and oil prices edged over US\$80 a barrel. Solid returns were posted from various sources including excellent stock selection within the shipping sector and the recovery in small and mid-cap Canadian energy stocks. Other positive returns came from spread trading in oil and refined products, while an emissions trader benefited from higher electricity prices. Profits were offset slightly from losses arising from in US natural gas trades. **Commodity Strategies** - Nearly all managers posted substantial gains as markets continued to rally. Soybeans, corn, hogs and cattle positions contributed positively to the performance of one agricultural manager. Other profits were derived from wheat spreads normalizing from the August mis-pricings, while a precious metals trader benefited from prices reaching multi-year highs in the second half of the month. **Emerging Markets** - Managers active in emerging markets benefited from both equity and currency positions, and, in some cases, fixed income holdings. Performance was led by an equity-biased manager that generated gains from excellent stock selection. Elsewhere, profits came from exposure to mining, iron and steel, home builders, banks and real estate in Brazil, together with financials in Indonesia, Thailand and Singapore. **European Loans** - Markets were very volatile with loans trading at a significant discount driven by headline news at the beginning of September. During the course of the month the European leveraged loan market showed strong signs of improvement, flows increased and an increased number of assets traded at close to par and secondary market prices strengthened.

Outlook Despite the euphoric market reaction to the Fed's rate cut, we recognise that significant risks lie ahead with large uncertainty surrounding the robustness of US economic and corporate earnings growth. Our managers are cautiously optimistic and are gradually increasing exposure. However, they remain wary of renewed credit market weakness and the potential for further contagion across asset classes.

KEY FACTS

MANAGER

DEXION CAPITAL (GUERNSEY) LIMITED

INVESTMENT ADVISER

RMF INVESTMENT MANAGEMENT

INVESTMENT CONSULTANT

DEXION CAPITAL PLC

TOTAL NET ASSETS

£135.53M

MANAGEMENT FEE

1.50%

PERFORMANCE FEE

10%

CONTACT DETAILS

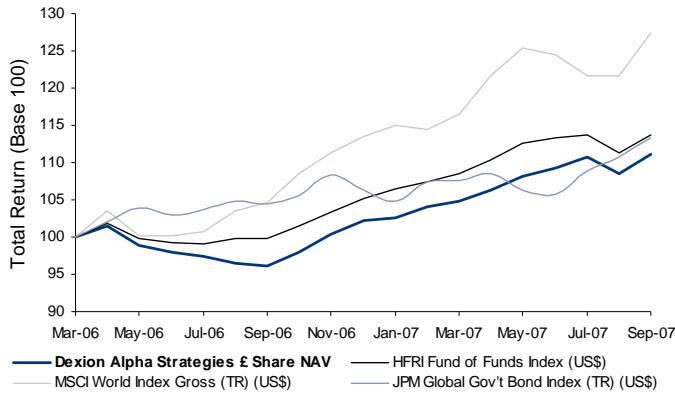
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SHARE CLASS

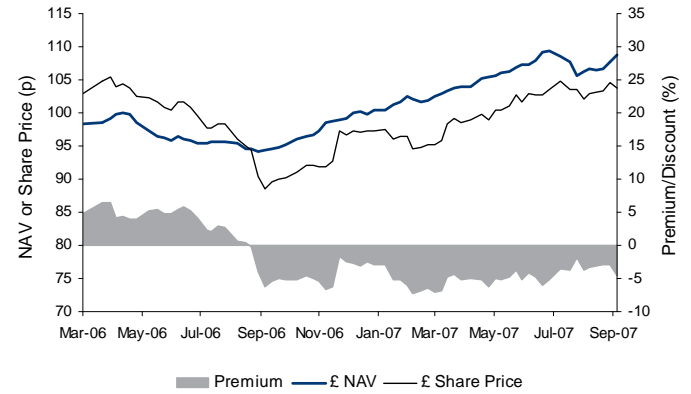
	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	24 MAR 2006	DASL LN	DASL.L	GB00B0ZQ8Q41	B0ZQ8Q4	£102.23m
€	24 MAR 2006	DASE LN	DASLx.L	GB00B0ZQ9943	B0ZQ994	€40.03m
US\$	24 MAR 2006	DASU LN	DASLu.L	GB00B0ZQBH64	B0ZQBH6	US\$10.95m

NET ASSET VALUE PERFORMANCE



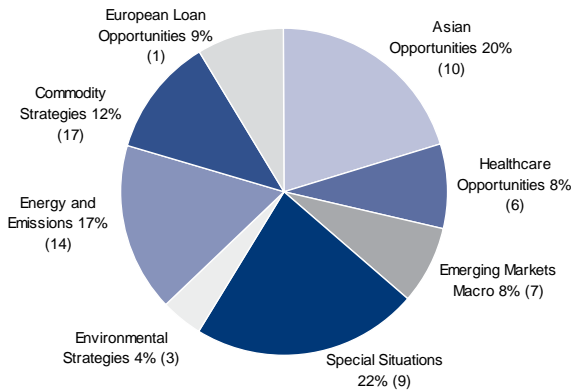
Source: Bloomberg

SHARE PRICE PERFORMANCE



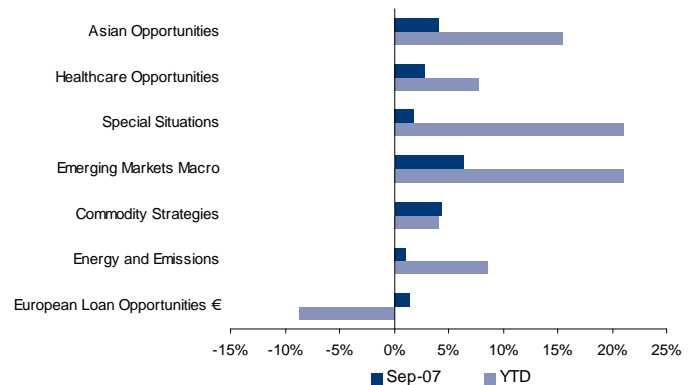
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 OCTOBER 2007



Note: Allocations are net of cash effect and 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	1.43	1.79	0.97	1.35	-2.10	2.41				8.72
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	1.34	1.68	1.19	1.65	-2.22	2.18				8.32
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	1.48	1.75	0.97	1.42	-2.15	2.39				8.76
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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