

£	
NAV	91.15p
RETURN	+3.73%
SHARE PRICE*	59.875p

Opening NAV per £ share 98.25p

€	
NAV	1.1282
RETURN	-8.85%
SHARE PRICE*	0.5925

Opening NAV per € share €1.4208

US\$	
NAV	1.5814
RETURN	+0.69%
SHARE PRICE*	0.9100

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 invests in underlying assets which are predominantly US Dollar denominated and may be subject to currency fluctuations in the Sterling and Euro share classes. For further information please refer to the RNS announcements of 13 November 2008 (No. 15311) entitled 'Suspension of currency hedging' and of 22 December 2008 (No. 6046K) entitled 'Currency hedging'.

PERFORMANCE DATA

	DECEMBER(%)	YTD (%)	ITD* (%)	VOLATILITY* (%)	SHARPE**
DEXION ALPHA STRATEGIES £ SHARE NAV	3.73	-18.86	-2.69	9.12	-0.88
DEXION ALPHA STRATEGIES € SHARE NAV	-8.85	-29.28	-8.04	10.20	-1.17
DEXION ALPHA STRATEGIES US\$ SHARE NAV	0.69	-20.31	-3.03	8.21	-0.90
HFRI FUND OF FUNDS INDEX (US\$)	-0.90	-20.69	-3.01	7.92	-0.93
MSCI WORLD INDEX GROSS (TR) (US\$)	3.26	-40.33	-10.26	17.74	-0.82
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	7.06	12.00	10.58	7.55	0.83

* Annualised from inception date and based on monthly data. ** Risk free rate is average 1M GBP LIBOR since March 2006 (5.34%) for DASL £, average 1M EUR LIBOR since March 2006 (3.87%) for DASL € and average 1M USD LIBOR since March 2006 (4.32%) for DASL US\$ and US\$ indices.

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

MONTHLY COMMENTARY

December saw a healthy gain for the portfolio with performance underpinned by good returns from Asian Opportunities, Healthcare Opportunities and Energy & Emissions. The first two of these strategies benefited from good stock picking, and in the case of Asia, spread and volatility trading. Within energies, ongoing short exposure to distillate fuels was a key return driver. Most of the portfolio's strategies delivered positive returns, with small losses in Special Situations and European Loans.

Asian Opportunities - Tension in the Asian markets finally eased in December, triggered by the lowering of interest rates by the Chinese government. Exceptional performance was achieved by a manager whose core long positions in financials, real estate and coal mining stocks found good traction after several months of under-performance. **Healthcare Opportunities** - The Healthcare Opportunities strategy posted the strongest returns in the portfolio this month. Performance was largely dependent on managers' risk appetites. Those managers that had suffered in recent months as a result of their bullish views on the sector finally benefited from the long exposure in their portfolios. The leading manager maintained their aggressive stance and this enabled positions in small-cap developmental biotechnology stocks to accrue strong profits. **Special Situations** - This strategy posted a small loss during a relatively quiet month. One manager profited from short positions in UK banks, while losses were incurred by managers forced to mark down investments in unfavourable market conditions. Credit conditions remained weak for distressed managers. **Energy & Emissions** - A positive return was achieved as energy markets remained volatile, which helped performance. A consistently positive performer continued to reap profits from their short bias in distillate products, more than offsetting losses incurred from other trades. Positive returns also accrued from our equity managers, with a combination of shorts and good stock selection on the long side driving returns. **Commodity Strategies** - The return from this strategy was slightly positive, showing good diversification and in contrast to long only commodities indices, which were down. Strong returns were posted by a manager with a large exposure to gold following the 7.8% rise in bullion and rebound in gold mining equities. Additional profits came from spread trades in agriculture and shorts in base metals, while losses arose from a dedicated agricultural manager who was not well positioned to benefit from a strong rally in grain markets. **Environmental Strategies** - Good performance was realised by Environmental Strategies, driven in large part by some impressive gains in the water and clean energy sectors. However, as equity-focused managers have been scaling back exposures over recent months, this led to muted monthly returns compared to sector indices. Those managers that continued with high beta equity exposure on their books were the strongest performers. **Emerging Markets** - The Emerging Markets strategy reported a positive return, as many emerging markets began to show signs of recovery on the back of marginally improving liquidity conditions. Profits came from a diverse set of asset classes with equities, currencies and fixed income all contributing positively. A rally in fixed income markets was particularly beneficial, with gains realised in Asia and Mexico from one of the top performing managers. **Short-Term Managed Futures** - It was another positive month for Short-Term Managed Futures, which continued to be a strong portfolio diversifier. Reversals in currency markets and general price volatility benefited the highly contrarian risk profile of most managers. Medium-term models delivered the strongest returns, while high frequency short-term strategies struggled in a month where liquidity dried up heading into year end. **European Loans** - Performance was negative in European Loans as the portfolio continued to decrease leverage, with liquid positions being reduced selectively through December. A lack of activity from dealers who sought to close their books in advance of the end of the year resulted in a market with limited liquidity.

Outlook Looking forward, the portfolio continues to see reduced equity and credit exposure heading into 2009. It is felt that the contraction in the demand and supply of credit is a structural development, not cyclical, and that further market volatility is a distinct possibility. While it is recognised that some instruments and geographies offer good value, the focus is on increasing liquidity in the portfolio in order to give maximum flexibility to take advantage of the opportunities which, it is anticipated, will present themselves in 2009.

SHARE CLASS

	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	24 MAR 2006	DASL LN	DASL.L	GB00B0ZQ8Q41	B0ZQ8Q4	£72.09M
€	24 MAR 2006	DASE LN	DASLx.L	GB00B0ZQ9943	B0ZQ994	€17.78M
US\$	24 MAR 2006	DASU LN	DASLu.L	GB00B0ZQBH64	B0ZQBH6	US\$2.35M

KEY FACTS

MANAGER

DEXION CAPITAL (GUERNSEY) LIMITED

INVESTMENT ADVISER

RMF INVESTMENT MANAGEMENT

INVESTMENT CONSULTANT

DEXION CAPITAL PLC

TOTAL NET ASSETS

£90.74M

MANAGEMENT FEE

1.50%

PERFORMANCE FEE

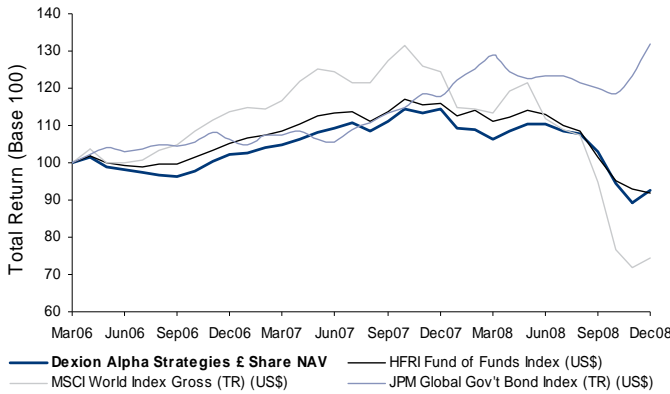
10%

CONTACT DETAILS

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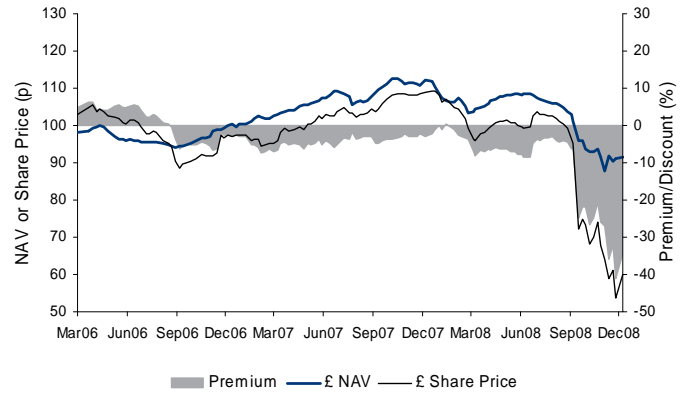
email clientservices@dexionalpha.com
web www.dexionalpha.com

NET ASSET VALUE PERFORMANCE



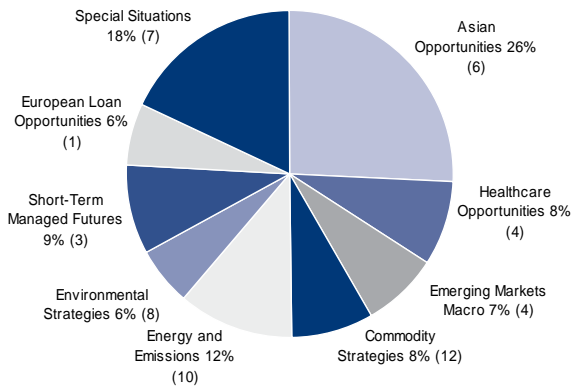
Source: Bloomberg

SHARE PRICE PERFORMANCE



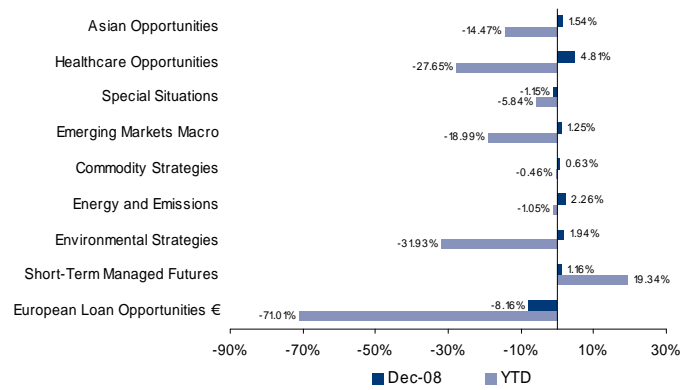
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 JANUARY 2009



Note: Allocations are net of cash effect and 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
2008	-4.54	-0.27	-2.29	2.17	1.58	0.02	-1.69	-0.64	-4.62	-8.17	-5.31	3.73	-18.86
2007	0.50	1.42	0.70	1.43	1.79	0.97	1.35	-2.10	2.41	3.14	-1.16	0.99	11.94
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
2008	-4.51	-0.26	-2.22	1.97	1.39	-0.08	-2.16	-0.63	-5.11	-8.69	-4.25	-8.85	-29.28
2007	0.42	1.29	0.56	1.34	1.68	1.19	1.65	-2.22	2.18	3.23	-1.35	0.88	11.27
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
2008	-4.66	-0.45	-2.61	1.89	1.30	-0.23	-2.27	-0.73	-5.39	-6.57	-3.06	0.69	-20.31
2007	0.53	1.42	0.71	1.48	1.75	0.97	1.42	-2.15	2.39	3.55	-1.31	0.96	12.21
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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