

**Monthly Summary of Returns (%)<sup>1</sup>**

GCAGC	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2005	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2.62	2.62
2006	3.61	3.72	6.25	1.96	-0.58	-2.56	-0.39	-0.20	2.13	3.10	3.22	2.31	24.69
2007	2.60	3.49	-0.98	2.28	1.83	5.86	8.22	1.54	5.98	-0.35	-7.34	0.47	25.24
2008	-5.02	-4.05	-0.41	-0.80	-3.58	-5.03	-0.60	0.55	-1.89	-1.78	-2.86	0.18	-22.73
2009	2.25	0.88											3.15

**Performance Summary**

	GCAGC	MSCI Golden Dragon	S&P 500
<b>Return Data<sup>1</sup>:</b>			
NAV per share (\$)	1,277.35	78.53	735.09
Monthly Return (%)	0.88	-1.64	-10.99
YTD Return (%)	3.15	-8.27	-18.62
Best Month (%)	8.22	13.74	4.75
Worst Month (%)	-7.34	-21.22	-16.94
Since Inception Return (%)	27.73	-15.32	-41.17
Annualized Since Inception	7.82	-4.99	-15.06
<b>Risk/Return:</b>			
Sharpe Ratio (x) <sup>2</sup>	0.65	-0.19	-0.94
Ann. Std Deviation (%)	11.52	27.88	16.30
YTD Std. Deviation (%)	5.06	31.23	32.73
Max Drawdown (%)	-28.44	-60.86	-52.56
% Positive Months	56.41	53.85	56.41
Market Correlation	1.00	0.55	0.38
<b>Exposure: (% NAV)</b>			
Long	24.52	n/a	n/a
Short	-15.25	n/a	n/a
Gross	39.77	n/a	n/a
Net	9.27	n/a	n/a
Cash	92.97	n/a	n/a
Gross Assets	132.74	n/a	n/a
<b>Risk Indicators: (% NAV)</b>	<b>(Hist./YTD)</b>	<b>(Hist./YTD)</b>	<b>(Hist./YTD)</b>
1 day 95% VAR <sup>6</sup>	-1.02 / -0.44	-3.07 / -3.42	-2.72 / -3.80
1 day 99% VAR	-1.46 / -0.66	4.35 / -4.76	-3.82 / -5.21
30 day 95% VAR	-4.68 / -2.04	-14.09 / -15.68	-12.44 / -17.43
30 day 99% VAR	-6.70 / -3.03	-19.92 / -21.82	-17.51 / 23.87
Loss @ fire sale/avg. Days	-1.15% / 3 day	n/a	n/a

**Summary Statistics<sup>4,5</sup>**

Allocation by Asset Class:	% NAV	Allocation by Region:	% NAV
Equity	9.51	China	6.62
FX	0.00	Hong Kong	-0.01
Options	-0.24	Taiwan	0.00
Cash	92.97	Other	2.66
Bonds	0.00		
Derivatives	0.00		
Commodities	0.00		
<b>Allocation by Sector:</b>	<b>% NAV</b>	<b>Attribution of P&amp;L:</b>	<b>% NAV</b>
Basic Materials	4.75	Basic Materials	0.05
Communications	-0.02	Communications	0.06
Consumer Cyclical	1.77	Consumer Cyclical	0.06
Consumer, Non-cyclical	0.00	Consumer, Non-cyclical	0.00
Energy	1.87	Energy	-0.14
Financial	-2.44	Financial	0.37
Funds	-5.00	Funds	-0.16
Healthcare	-0.09	Healthcare	-0.01
Industrials	0.00	Industrials	0.00
Technology	9.29	Technology	0.37
Utilities	-0.85	Utilities	0.28
Derivatives	0.00	Derivatives	0.00
<b>Allocation by Market Cap:</b>	<b>% NAV</b>	Cash	0.00
Small (<\$500m)	-4.18		
Mid(\$500m-\$2bn)	2.63	<b>P&amp;L by Long/Short</b>	<b>% NAV</b>
Large (>\$2bn)	10.82	Long	0.04
Derivatives	0.00	Short	0.84

**Monthly Commentary**

February was another down month in the Greater China region. The performance ranged from -3.17% for MSCI China Index to +3.96% for the MSCI Taiwan Index. The outperformance of Taiwan has been driven by relative strength in the technology sector, better valuation support and continuing talk of better cross-strait relationship. The domestic Chinese A-share market has been one of the best performers globally so far this year. The Chinese Government has been adopting more pro-growth policies to stimulate the economy. The strong growth rate of money supply and credit in January was regarded as an initial signal of economic recovery. However, we think that credit growth has been strong since the government is pressuring the banks to accelerate lending. Companies unable to quickly deploy such loans may be channeling the money to the A-share market.

The GCA Greater China Fund was +0.88% for the month vs the Index -1.64%. The fund volatility since inception is 11.52% vs 27.88% for the index.. Stocks that performed well for the month included Jiangxi Copper on the long side and HSBC Holdings on the short side.

The global economic environment looks challenging. Most economic indicators appear negative with no sign of improvement on the horizon. Among the major developed countries the economies of the United States, Japan, European Union and the United Kingdom are all mired in a deep recession. We do not have a view on when this downturn will end, but will watch for signs of a slowdown in the downward spiral. Among emerging countries, much has been made of the resilience of parts of Asia and Latin America. The fiscal stimulus in China, rural

demand in India and a renewed demand for commodities supporting Brazil and Chile are among the reasons why these markets could de-couple from the developed economies. We do believe that with the exception of Emerging Europe, emerging economies are by and large much healthier in terms of their balance sheets. We also believe that the long-term structural changes will support base economic growth which will prevent outright recessions in many countries. However, without a renewal in developed market growth, we think growth will be substantially slower in 2009 and earnings prospects much diminished. On a short-term basis, equity markets look oversold and have the potential for a bear market rally. We do not expect any rally to be long-lived, so our focus will continue to find ways to add alpha without taking excessive risk.

Attribution: The top positions which helped and hurt the portfolio were:

Top 4 Gains	% NAV	Top 4 Losses	% NAV
Jiangxi Copper	0.49	Aluminum Corp of China	-0.61
Yahoo! Inc	0.49	Market Vectors Gold Miners	-0.26
Huadian Power	0.47	Ultra Financials Proshares	-0.24
HSBC Holdings	0.35	China Oilfield Services	-0.24

**DISCLAIMER:** The information and summaries contained herein appear as a matter of record only and are provided for information purposes only. This information does not, and should not be construed to, constitute an offer to sell or a solicitation of an offer to buy any of the shares, or any other interest, in any fund or form the basis of any contract or commitment whatsoever. This summary is based on information and data received from the subjects of each and from other third party sources and no guarantee of completeness or accuracy can be made nor is any representation or warranty made in this regard. We understand that many of the funds may not be sold into, or that their sales may be restricted in, particular jurisdictions (including the United States). Accordingly you are advised to seek independent professional advice before taking any action in relation to any fund mentioned herein. We accept no liability whatsoever for any direct or indirect loss arising out of the use of this directory or reliance on anything found in this directory.

## Fund Manager Profile

•**Manager** Founded in 1989, Gerken Capital Associates (“GCA”) is a San Francisco based emerging markets, alternative asset fund manager. GCA presently manages/advises \$1.3 billion in AUM. The Fund is structured as a separate share class of BVI-domiciled Master Feeder GCA Funds Limited. Other hedge funds (share classes) currently offered and proposed include GCA Latam, Greater India and CEE. GCA also manages a vintage series of private equity fund of funds as well as separately managed accounts for clients requiring customized product. GCA is a Registered Investment Advisor. The firm has twelve investment professionals with twenty plus years of investment experience each and long term affiliation. For additional firm details please refer to [www.gerkencapital.com](http://www.gerkencapital.com).

Lou Gerken, founder and chairman has been active in the emerging markets since the mid-70s where he began his career as an analyst & portfolio manager with emerging markets pioneer GT Capital. Eswar Menon, a twenty-year emerging markets investment veteran with both Nicholas Applegate and Loomis Sayles is GCA’s Group Portfolio Manager. Oliver Chen, Portfolio Manager to the Fund, has been an active Greater China investment manager since 1993 having worked with US Global Investors in Texas, Dingtian Asset Management in Beijing and Nanfang Securities. He received his MBA from Vanderbilt University; earned masters degree in finance from Graduate School of People’s Bank of China and is a CFA III candidate.

As part of its institutional grade management approach, GCA has negotiated a long-term and exclusive agreement with China Merchant Securities (“CMS”), China’s third largest securities firm with presence in HK and throughout China. CMS is affiliated with China’s 6<sup>th</sup> largest bank, China Merchant Bank and China Merchant Group, China’s oldest commercial enterprise and one of the largest State owned Enterprises. As part of the agreement, Through its Research Center, the 3<sup>rd</sup> largest in China, CMS provides GCA with 24x7 on the ground research, is an investor in the Fund, assists with capital introductions in Hong Kong and China as well as providing other related support activities.

### GCA Manager Team:

Chief Investment Officer	Lou Gerken*
Group Portfolio Manager	Eswar Menon*
Portfolio Manager	Oliver Chen*
Investment Analyst	Klaus Johannsmeier
Finance, Compliance & Risk	Peter Britto
Marketing	A. Moore
Client Services	Valerie Rios, E. Barr
Back Office/Administration	Carla Boy

-----  
\*Investment Committee Member

## Differentiators

### Actively managed on the ground by institutional grade investment team

- Greater China footprint (China, HK & Taiwan)
- Emerging markets investment experience going back to mid 70s
- Multi-strategy skill-set and flexibility
- Risk-adjusted return profile for consistent returns and soft landings
- Actively managed on the ground by institutional grade investment team
- Established research, trading and risk management infrastructure
- Scalable operations with ample investment capacity
- Majority owned by principals with significant investment in fund
- Long term, exclusive research affiliation with recognized local partner
- Access to fastest growing GDP sector (SME)
- Part of GCA “BRIC” Master Fund providing flexibility and alpha

## Manager Details

Fund:	GCA Funds Limited BVI International Business Company Regulated under the BVI MF Act 1996
Investment Committee:	Lou Gerken, Eswar Menon, Oliver Chen,
Directors:	Lou Gerken, Dakshesh Patel
Contact Person:	Lou Gerken, Founder, CIO Lou@gerkencapital.com Valerie Rios, Client Services Valerie@gerkencapital.com +1 415 383 1464
San Francisco Address:	110 Tiburon Blvd., Suite 5 Mill Valley, CA 94941
B Share Class:	GCA Greater China Fund Limited
Fund Manager:	Gerken Capital Associates

## Fee and Redemption Structure<sup>1</sup>

Subscription Frequency:	Monthly
Redemption Frequency:	Monthly
Redemption Notification Period:	45 days
Redemption Fee:	None
Management Fees:	2% p.a.
Performance Fees:	20% p.a.

## Strategy

Investment objective is to achieve optimal, risk adjusted, absolute returns (ann. target return >15% and ann. target volatility <15%) while maintaining a public indice correlation <40%. Fund combines bottom-up sector/company analysis (alpha generation) and top-down macro derivatives overlay (beta risk management). Additional alpha derived from cross-BRIC trading emanating from GCA’s BRIC fund platform. Fund utilizes all asset classes (equities, fixed income, derivatives & options and foreign exchange) and assets are dynamically managed across Greater China markets (China, Hong Kong and Taiwan). Fund also invests in company securities listed on other international exchanges and accesses China’s fastest growing mid-cap sector by way of its on the ground investment team. Fund adheres to “best of breed” AIMA compliant risk controls and governance practices.

## Fund Details

Investment Style:	Absolute return, multi-asset/macro overlay
Investment Geography:	Greater China (Hong Kong, Taiwan, China)
Fund Size (\$mn):	Not disclosed
Fund Capacity (\$mn):	500
Firm’s Total Assets (\$bn):	\$1.3bn (managed/advised)
Inception Date:	December 1, 2005 (Actual)
Bloomberg Code:	GCAGRCH VI
Domicile:	BVI
Base Currency:	USD
Equalization/Share Class <sup>7</sup> :	Series shares; Master Feeder Structure
Dividend Policy:	None
Hurdle Rate:	No
High Water Mark:	Yes
Ann. Target Return:	>15%
Ann. Target Volatility:	<15%
Maximum Leverage:	2.5:1 (not currently utilized)
Long & Short Maximum:	150% & 100%
Listed on Exchange:	No
Minimum Investment Size:	US \$1,000,000
Manager Investment	Yes from inception; no withdrawals
Tax Reporting:	U.S. PFIC
AIMA Compliant:	Yes (Member)

## Service Providers

Prime Broker:	Merlin Securities, LLC
Custodian:	J.P. Morgan Clearing Corp.
Administrator:	Apex Fund Services Limited
Paying Bank:	VP Bank BVI
Auditor:	Deloitte & Touche LLP
BVI Counsel:	Walkers BVI

2/9/2009 2:40 PM

<sup>1</sup>Annual results for the Fund and NAV calculations are net of management fee of 1.5% and performance fee of 15% and expenses and net of estimated financing costs; Manager and Advisor related and historical track records are available upon request; <sup>2</sup>Risk-free rate used for Sharpe-ratio is U.S. 90-day T-bills; <sup>3</sup>Annualized Standard Deviation uses data available since inception. <sup>4</sup>Net Allocation by asset class and region represent portfolio net exposure; <sup>5</sup>Exposure data represents Fund’s net exposure including adjustments for options delta. Note that Gross Assets=long+short+cash+gain/loss on derivatives; <sup>6</sup>Value at Risk (VAR) defined as quantitative market or event risk estimate of potential loss to fund; <sup>7</sup>Equalization refers to accounting method designed to ensure alignment of incentive fees amongst investors. Not applicable as Fund utilizes Series of Shares Method;

**DISCLAIMER:** The information and summaries contained herein appear as a matter of record only and are provided for information purposes only. This information does not, and should not be construed to, constitute an offer to sell or a solicitation of an offer to buy any of the shares, or any other interest, in any fund or form the basis of any contract or commitment whatsoever. This summary is based on information and data received from the subjects of each and from other third party sources and no guarantee of completeness or accuracy can be made nor is any representation or warranty made in this regard. We understand that many of the funds may not be sold into, or that their sales may be restricted in, particular jurisdictions (including the United States). Accordingly you are advised to seek independent professional advice before taking any action in relation to any fund mentioned herein. We accept no liability whatsoever for any direct or indirect loss arising out of the use of this directory or reliance on anything found in this directory.