

# Canadian Hedge Fund Performance Index

March 2008

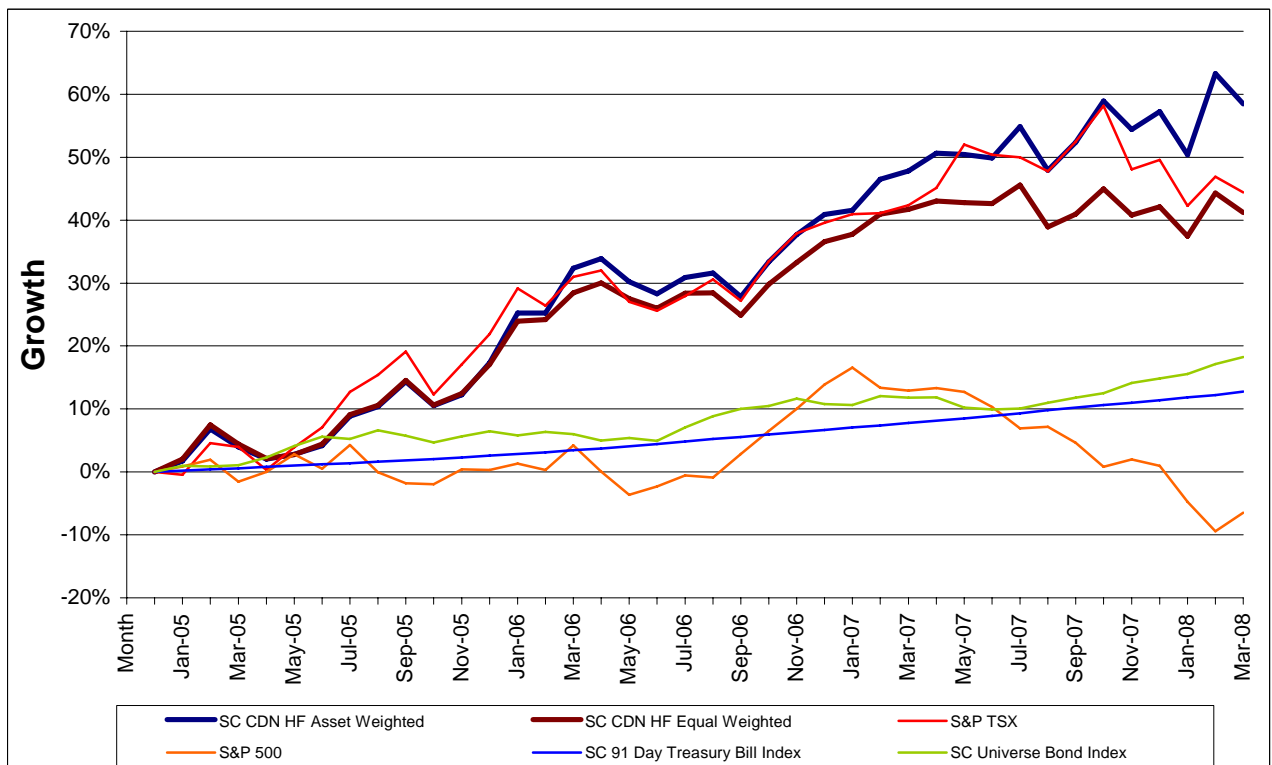
The Scotia Capital Canadian Hedge Fund Performance Index finished March 2008 down -2.95% on an asset weighted basis and down -2.12% on an equal weighted basis. The index underperformed both the TSX Composite and the S&P 500 index on both an asset weighted and equal weighted basis.

Continuing US recession fears, the collapse of Carlyle's £11bn hedge fund, and the subsequent fire sale of Bear Stearns to JPMorgan sent shivers through the global credit and equity markets in March. Despite a late month commodity-driven rally, the TSX Composite finished March on a down note at -1.71%. Canadian hedge fund managers were challenged by the overall highly volatile environment, and losses were widespread across hedge fund strategies. The best performers have been those positioned to take advantage of volatility and savvy shorting techniques. Prudent leverage utilization and sufficient liquidity have also been key factors for hedge funds to weather the current storm.

## Description

The aim of the Scotia Capital Canadian Hedge Fund Performance Index is to provide a comprehensive overview of the Canadian Hedge Fund universe. To achieve this, index returns are calculated using both an equal weighting and an asset-based weighting of the funds. The index includes both open and closed funds with a minimum AUM of C\$15 million and at least a 12 month track record of returns, managed by Canadian-domiciled hedge fund managers.

## Historical Monthly Performance



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**Index Summary**

<b>*Month End Mar-08</b>	<b>Value</b>	<b>Return MOM</b>	<b>Return YTD</b>	<b>Annualized Return**</b>	<b>Annualized Standard Deviation***</b>
<b>SC CDN HF Index Asset Weighted</b>	<b>1,584.78</b>	<b>-2.95%</b>	<b>0.79%</b>	<b>15.22%</b>	<b>10.05%</b>
<b>SC CDN HF Index Equal Weighted</b>	<b>1,412.17</b>	<b>-2.12%</b>	<b>-0.63%</b>	<b>11.20%</b>	<b>8.93%</b>
S&P TSX Composite	13,350.13	-1.71%	-3.49%	11.96%	11.21%
S&P 500	1,322.70	3.29%	-7.38%	-2.04%	9.18%
Scotia Capital 91 Day Treasury Bill Index	371.04	0.48%	1.23%	3.76%	0.26%
Scotia Capital Universe Bond Index	676.58	0.96%	2.95%	5.29%	3.00%

\*all returns quoted in \$CAD

\*\*compound annual returns since inception of index (December 31, 2004)

\*\*\* of monthly returns

**Historical Monthly Returns**
**SC CDN HF Asset Weighted**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2005</b>	1.74%	5.01%	-2.68%	-1.85%	0.76%	1.30%	4.50%	1.39%	3.58%	-3.32%	1.58%	4.52%	17.35%
<b>2006</b>	6.73%	0.02%	5.65%	1.18%	-2.76%	-1.46%	2.01%	0.54%	-2.86%	4.31%	3.25%	2.31%	20.05%
<b>2007</b>	0.49%	3.48%	0.89%	1.95%	-0.15%	-0.37%	3.34%	-4.51%	3.03%	4.31%	-2.86%	1.83%	11.61%
<b>2008</b>	-4.34%	8.56%	-2.95%										0.79%

**SC CDN HF Equal Weighted**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2005</b>	2.05%	5.32%	-2.83%	-2.18%	0.56%	1.63%	4.48%	1.36%	3.58%	-3.42%	1.68%	4.11%	17.10%
<b>2006</b>	5.86%	0.19%	3.44%	1.20%	-1.89%	-1.19%	1.86%	0.07%	-2.77%	3.95%	2.66%	2.45%	16.62%
<b>2007</b>	0.88%	2.30%	0.57%	0.91%	-0.18%	-0.11%	2.06%	-4.57%	1.47%	2.84%	-2.84%	0.92%	4.07%
<b>2008</b>	-3.27%	4.96%	-2.12%										-0.63%

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**Funds Included:**

AFC North American Fund L.P.	Front Street Mining Opportunities Fund	Rosseau LP
Amethyst Arbitrage Fund	Front Street Performance Fund II	Roundtable Opportunities Fund
Blumont Core Hedge Fund	Full Cycle Energy Canadian Offshore	Roundtable Conservative Equity Fund
Blumont Hirsch Long/Short Fund	Goodwood Fund	S.A.M. Healthcare/Biotech Equity Fund
Blumont Hirsch Performance Fund	Hillsdale Canadian Long/Short Equity Fund	Salida Multi Strategy Hedge Fund
BTR Global Macro Fund	JC Clark Focused Opportunities Fund	Sprott Hedge Fund LP
BTR Global Opportunity Fund	JC Clark Preservation Trust	Sprott Hedge Fund LP II
BTR Global Prospector Fund	Jemekk Long/Short Fund LP	Sprott Opportunities Hedge Fund LP
BTR Global Resource Fund	Landry Morin Long Short Momentum Fund	TD Emerald Canadian Equity Market Neutral Fund
CC&L Canadian Q Market Neutral Offshore Fund	Mapleridge Fund Ltd. - Class B	TD Emerald North American Equity Pairs Fund
Dynamic Power Hedge Fund	Marret Fund Ltd.	T.I.P. Opportunities Fund
Enterprise AOF Inc.	Picton Mahoney Long Short Equity Fund	Vertex Fund
Epic LP	Picton Mahoney Market Neutral Equity Fund	Waterfall Vanilla LP
Friedberg Global Macro Hedge Fund	Polar Securities - Altairis Investments	Webb - Canadian Performance Fund
Front Street Canadian Hedge Fund	Polar Securities - North Pole Capital Investments	

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