



PARKER GLOBAL STRATEGIES, LLC

FOR IMMEDIATE RELEASE
September 23, 2005

PARKER FX INDEX Down 2.25% FOR THE MONTH OF JULY
Top Performer: DynexCorp Tetra3 up 5.58%

STAMFORD, CT – World financial markets in August were headlined by high energy prices and the costly destruction of Hurricane Katrina's devastating impact. Confusion arose about the storm's possible effects on US growth and led to questions over whether Greenspan would continue Fed tightening. Globally, concerns arose over how long high oil prices will persist and possibly hamper global growth and increase inflation. Despite high energy prices, economic news strengthened for Europe and Japan. A recovery in the Yen came about with new year-to-date highs in the Nikkei and the consequent foreign buying of Japanese equities.

The Parker FX Index is reporting its monthly return down 2.25% for the month of August, bringing the YTD performance of the index to -2.80%. August marks the first negative month of performance for the index in four months. Sixty programs in the index reported August results of which seventeen reported positive results and forty-three incurred losses. On a risk-adjusted basis, the index is down 0.95% in August. The median return for the month is -1.22%, while the performance range for the month is between a high of 5.58% and a low of -14.82%.

The top three performing funds for the month of August, on a reported basis, were: the **DynexCorp** Tetra3 Fund (+5.58%), the ECU Managed Currency Fund (+0.89%), and the Ketch Tack Fund (+0.71%). The top three performers in August, on a risk-adjusted basis, were: **DynexCorp** Tetra3 Fund (+1.93%), OSV Global Currency Fund (+0.61%), and the Ketch Tack Fund (+0.54%). Some notable strong performers for the month, on a reported basis, were the Solaris Currency Fund (+0.62%), the Millenium Leveraged Currency Fund (+0.55%), and the Rhicon Global Forex Fund Ltd (+0.55%).

[Peter Panholzer from DynexCorp Ltd](#) states, “Soaring oil prices and deadly hurricane Katrina clashed with August’s reputation as dog-day month and gave the dollar some temporary jitters. DynexCorp concentrated on trading the gyrations around 1.23 in EURUSD and around 111 in USDJPY, resulting in the best monthly results in 2005.”

The Parker FX Index is a performance-based benchmark that measures both the reported and the risk-adjusted returns of global currency managers. It is the first index used to analyze unleveraged (risk-adjusted) performance in order to calculate pure currency alpha, or manager skill. The 236-month compounded annual return since inception (January, 1986 through August, 2005) is up 14.39% on a reported basis and up 3.52% on a risk-adjusted basis.

In addition to the broad Parker FX Index, there are two style driven sub-indices: the Parker Systematic Index and the Parker Discretionary Index. The former tracks those managers whose decision process is rule based and the latter tracks managers whose decision process is judgmental. During August, discretionary traders outperformed those using a systematic approach on a reported basis. The Parker Discretionary Index was down 0.53%, while the Parker Systematic Index was down 2.99%. On a risk-adjusted basis, the Parker Discretionary Index outperformed the Parker Systematic Index, down 0.52% and down 1.04%, respectively.

From inception (January, 1986 through August, 2005) the compounded annual return for the Parker Systematic Index and the Parker Discretionary Index, on a reported basis, is 14.79% and 11.47%, respectively. On a risk-adjusted basis, from inception, the Parker Systematic Index and the Parker Discretionary Index returned 3.20% and 4.09%, respectively.

The Parker FX Index tracks the performance, or value-added, managers have generated from positioning long or short foreign currencies. The Index is equally weighted, as opposed to capitalization weighted, to preclude very large managers from swaying the performance in a direction that may not be representative of the currency manager universe. Parker Global Strategies applies its model to the performance of a representative currency portfolio or composite, net of fees, and excluding interest for each currency manager.

The Parker FX Index currently includes 66 programs managed by 45 firms located in the US, Canada, UK, Ireland, and Switzerland. The 66 programs include a combination of 46 programs that are systematic and 20 programs that are discretionary. The 66 programs manage over \$16 billion in currency assets. The Index also

includes the performance of currency managers who are no longer trading in order to address survivorship bias.

Disciplines include technical, fundamental, and quantitative.

Founded in 1995, Parker Global Strategies specializes in designing and managing multi-manager hedge fund strategies for institutional clients across the globe and providing risk management oversight. PGS also designs and manages niche fund of hedge funds including Currency, Japanese Equity Long/Short, and Energy. Since its inception, PGS has advised on the allocation of over \$1.75 billion to alternative investment strategies.

Parker FX Index

Cumulative Performance as at August 2005



	Reported ¹			Risk-Adjusted ²		
	Parker FX Index	Parker Systematic Index	Parker Discretionary Index	Parker FX Index	Parker Systematic Index	Parker Discretionary Index
August 2005	-2.25%	-2.99%	-0.53%	-0.95%	-1.04%	-0.52%
Last 3 Months	-0.11%	-0.59%	0.78%	-0.34%	-0.44%	-0.03%
Year-To-Date	-2.80%	-3.77%	-0.10%	-0.56%	-0.65%	-0.14%
Last 12 Months	5.33%	6.16%	2.80%	0.99%	1.11%	0.08%
Last 24 Months	1.96%	2.09%	1.93%	-0.58%	-0.41%	-1.12%
Last 36 Months	8.39%	8.35%	8.83%	2.27%	1.16%	2.29%

¹Net of fees, including interest.

²Net of fees, excluding interest and scaled to a 5% volatility.