



Nordic Power Fund January 2009

Monthly Performance (in EUR net of all fees)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Okt	Nov	Dec	Total
2009	2,69%	-2,03%											0,61%
2008	-1,50%	10,38%	1,88%	0,60%	-1,74%	6,28%	0,20%	0,57%	-4,46%	-4,46%	-4,54%	-1,88%	0,24%
2007	-	-	-	0,39%	2,07%	0,82%	-2,75%	0,22%	0,60%	-3,90%	-0,47%	2,08%	-1,11%

Objective

The goal is to reach a continuous and high risk adjusted return by trading electricity contracts on the Nordic Power market. The Fund aims to have a minimum correlation to traditional assets in order to offer a tool for diversification in a portfolio of stocks and bonds. Yearly return target is 15 to 25 percent, hence it is to be regarded as a medium risk fund. The goal is to reach this average return on a period of three years rolling or longer. The fund has the right to trade contracts where the underlying asset is a commodity that relate or affects the Nordic electricity price. Primarily this means futures on the Nordic power exchange Nord Pool but also German electricity contracts, emission rights as well as futures on coal, oil and gas.

Manager Commentary

The drop in oil prices lost momentum in February but equity markets were still very nervous. Nordic power producers continued to accept lower and lower spot price despite a strained hydro balance (i.e. stored energy in form of snow and water in reservoirs). There seems to be a market consensus that the economic crisis will substantially lower also Nordic industrial consumption. Germany, France and Japan already report around 10% lower power consumption compared to 2008. This will make the weak hydrological situation less a problem. We are not convinced that the same drastic figures are yet present in our market. Especially Sweden, with its low reservoir levels, could see very high spot prices in a delayed spring flood scenario.

Our experience told us that the probability for a strong correction was high and we positioned ourselves long in anticipation of a move up. As these bear market rallies are hard to time we had to take a low risk position and use wide stops. With very soft spot prices the old support levels broke down though and we closed the position.

As I write this in early March the correction came with a furious 21% move up in five days. "Never catch a falling knife" they say, but old readers know that this is our main trading philosophy: we look for lower probability opportunities with large potential moves and stop out quickly when we are wrong to preserve capital. We will catch a couple of big ones every year and by stopping out early in the other cases have enough capital left to produce a good return. This time we missed by an inch but we are patiently waiting for the next one.

Besides, I still believe carbon emissions are over priced.

Fund Information

Fund Currency	EUR	Custodian	SEB
Structure	Open End	Administrator	Wahlsted Sageryd
High water mark	Yes	Auditors	PWC
NAV	99,73	Domicile	Sweden
Regulated by	Swedish FSA		

Investment Information

Subscription Frequency	Monthly (5 bank days)		
Redemption Frequency	Monthly (5 bank days)		
Management fee	2%		
Performance fee	20%	Min. Subscription	EUR 5000
Subscription fee	3%	Min. Add. Subscr.	EUR 1000
Redemption fee	0%		

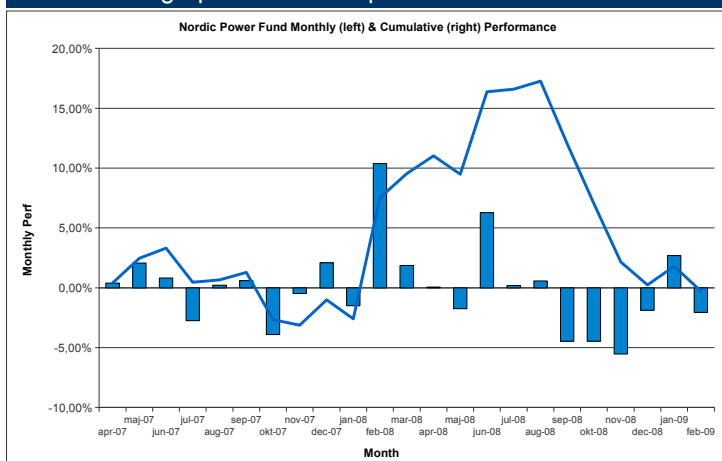
Performance Statistics

Cumulative Return since inception	-0,27%
Annualised Return (2009)	3,65%
Average Monthly Return (2009)	0,30%
Number of Months since Inception	23
% Months with Positive Return	57
Highest Monthly Return	10,38%
Lowest Monthly Return	-4,54%

Risk Statistics

Standard Deviation	12,02%
Sharpe Ratio	-0,20*
Worst Quarter (Return)	-11,45%
Max. Drawdown (Period)	7 m
Max. Drawdown (Return)	-14,50%

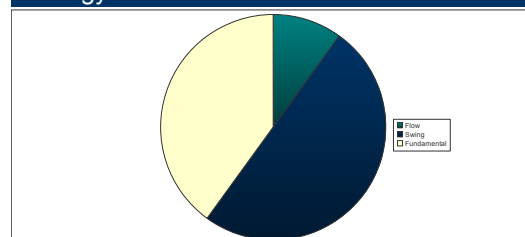
Performance graph - Since Inception



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Strategy Allocation



* Based on RFR@3.0%