

SRI* GLOBAL MACRO HEDGE

Description

The AEGIS Global Macro Institutional Fund (Class I), offers institutions and qualified private investors a diversified strategy to profit from assets in 4 main global regions - Asia, Europe, Latin America and the USA.

By combining traditional and alternative regulated exchange traded investments in stocks, bonds, currencies, energies and metals, AEGIS achieves stable asset growth and moderate volatility.

Investment decisions are based on our fundamental and technical models, and the approach is systematic, although some discretionary decisions are made to address current market dynamics. Maximum leverage is 2:1.

Basic Data

DETAILS

Result through 9/30/2008	120.86	Strategy	Management fee
Investor			Performance fee *
Legal Structure			Custodial fee
Fund Company		Fund Currency	
Trading Manager		Holding Period	Lock-Up Period
Custodian(s)		Pricing	
Broker(s)		Liquidity	*No High-Water

Performance



Previous Years			2006		2007		2008	
1996	7.60%	Jan	115.37	3.73%	115.10	-0.57%	112.94	0.14%
1997	20.92%	Feb	112.39	-2.58%	111.04	-3.53%	114.17	1.08%
1998	20.84%	Mar	115.12	2.43%	109.00	-1.83%	115.17	0.88%
1999	6.33%	Apr	118.44	2.88%	111.20	2.02%	116.00	0.72%
2000	2.02%	May	116.40	-1.72%	114.39	2.87%	116.83	0.72%
2001	9.31%	Jun	114.65	-1.51%	110.74	-3.20%	117.67	0.71%
2002	9.21%	Jul	112.97	-1.46%	110.35	-0.34%	118.76	0.92%
2003	6.71%	Aug	112.82	-0.13%	113.38	2.74%	119.81	0.89%
2004	8.84%	Sep	112.06	-0.68%	112.79	-0.52%	120.86	0.87%
2005	8.07%	Oct	112.35	0.26%	112.64	-0.13%		
		Nov	114.33	1.76%	112.71	0.07%		
		Dec	115.76	1.26%	112.79	0.07%		
		yearly return ₋₁₎		4.09%		-2.57%		7.15%

Fund Details

Return

	3 years	5 years	8 years
Performance per year	4.03%	5.93%	6.43%
Cumulative performance	12.57%	33.37%	64.69%
Avg. monthly performance	0.35%	0.50%	0.54%
Max. monthly gain	6.00%	6.00%	6.00%
Positive Months	61.11%	65.00%	62.50%

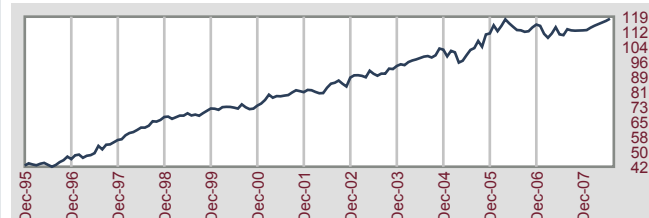
Risk

	3 years	5 years	8 years
Volatility	6.87%	6.91%	6.54%
Max. Draw Down	-7.97%	-7.97%	-7.97%
Max. monthly loss	-3.53%	-5.17%	-5.17%
Long. recovery period	27(m)	27(m)	27(m)

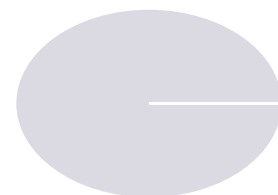
Efficiency

	3 years	5 years	8 years
Modified Sharpe Ratio	0.59	0.86	0.98
Correlation to S&P 500	0.28	0.36	-0.06
Correlation to MSCI(€)	0.20	0.27	-0.12
Outperf. comp. to S&P 500	17.66%	16.26%	83.50%
Outperf. comp. to MSCI(€)	29.68%	25.60%	107.78%

Performance

Portfolio Structure
9/30/2008

Cash/T-Bill Equivalent	100.00%
Stocks/Major Markets	0.00%
ETF, Emerging Markets	0.00%
Bonds	0.00%
Currencies	0.00%
Metals	0.00%
Energy	0.00%



Management Report

AEGIS Global Stability (CLASS I) result for October 2007: -0.14% - YTD: -2.7%

October was one of the best Aegis has experienced in many years. Long term trends have continued since this summer in almost all of our investments, with impressive moves in China, India and Latin America, in currencies, and gold. Aegis is re-working its energies complex to diversify and stabilize this portfolio by bringing some oil stock investments into this picture. Oil and gas investments have proven too volatile for our tastes, and we are trying to evaluate risk factors before deploying a full portfolio of energies.

In our view, the fallout of the sub-prime market, along with much higher energy prices has had the perverse effect of sucking out inflationary pressures from the underlying marketplace. This is only our viewpoint, but when energy prices rise or a credit crunch hits, consumers tends to pull back their buying with a resulting moderation in inflation. This has been the silver lining, the positive development, resulting from two areas of bad news.

Ironically, this softening in inflationary tendencies has caused greater expectations for reductions in US interest rates, which has weakened the dollar against almost all currencies. At some point, the dollar's continued drop will start to reverse the process, increasing pressures toward greater inflation, which could reverse the interest rate direction, and the cycle could move in the other direction. Socrates had his dictum, "In all things moderation," and we suspect Central Bankers throughout the world are wising up the reality that any big moves in one direction can have a butterfly effect, causing repercussions globally, that are beyond their control. Containment is the watch word for the day, and we can see the uncertainty growing by watching the dramatic rise in gold prices.

Aegis realizes that all good things must come to an end. Meanwhile, we're enjoying watching share classes climb to new highs amidst the uncertainty. And this is exactly the function of your investment in Aegis. Diversification beyond traditional investments to stabilize total returns.

*1) Past performance is not indicative of future results. The foregoing performance results are shown net of all fees. This constitutes neither an offer to sell nor a solicitation to invest. Such offer or solicitation will be made only in those jurisdictions where permitted by law and will be preceded or accompanied by a current prospectus and the latest audited report. No liability for accuracy of this information.

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