



RUSSIA DUAL RETURN FUND

LONG ONLY USD DENOMINATED

RUSSIA & CIS EQUITIES

April 2012

Fund Description

Russia Dual Return Ltd is an investment fund registered in the British Virgin Islands. It is a Professional Fund as defined by the Securities and Investment Business Act, 2010 (SIBA).

The investment objective is to achieve capital appreciation in US dollar terms by investing primarily in US dollar-denominated equities of Russian companies (both locally traded and in the form of depositary receipts) and to a lesser extent in companies of CIS countries. The Fund aims to outperform the benchmark index (the RTS Index) in the long term.

The Fund uses a "long only" actively managed strategy, deriving returns from growth and value investing as well as arbitrage and short-term speculative strategies.

Manager Commentary

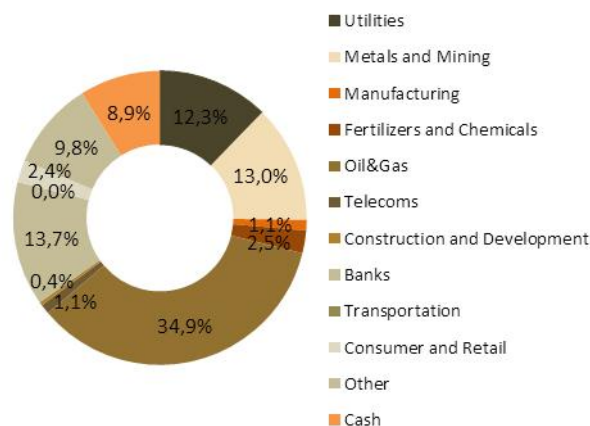
The Russian market fell in April on negative political news from Europe and global macroeconomic threats. Some Russian blue chips went ex-dividend in April but most have cut-off dates in May. The fund will maintain its holdings of high-dividend shares. Our position in the fertilizer producer, Apatit, was sold in April as the Manager was concerned that valuation of the government stake would be negative for minorities. There were no purchases of shares in April.

We see current equity prices as a very attractive entry opportunity and will seek to increase positions in May. We think that political factors are mainly priced in, and note that major economies (the US, China and the UK) are mulling further monetary easing which could occur in 2H12. The Manager also expects more actions from the ECB as the summer begins.

Performance Since Inception*



Industry Breakdown



Monthly Performance*

	2006	2007	2008	2009	2010	2011	2012
January		1.2%	-8.3%	-10.5%	1.4 %	0.1 %	14.36%
February		1.5%	4.7%	0.8%	-2.3 %	0.9 %	7.72%
March		2.1%	0.0%	9.1%	12.8 %	1.9 %	-3.37%
April		2.8%	-2.9%	8.3%	0.7 %	-2.4 %	-3.95%
May		-6.2%	8.6%	14.1%	-8.5 %	-5.3 %	
June		9.1%	-2.5%	-3.2%	-0.3 %	0.2 %	
July		3.7%	-13.3%	0.9%	5.9 %	0.8 %	
August		-3.6%	-4.6%	3.1%	0.6 %	-13.4 %	
September		7.0%	-20.5%	15.5%	6.7 %	-17.6%	
October		5.8%	-19.2%	6.9%	2.3 %	13.6%	
November		0.0%	-4.4%	1.4%	0.6 %	0.3%	
December	-0.3%	4.7%	-1.6%	2.6%	9.7 %	-10.2%	
YTD	0.3%	30.8%	-50.7%	57.6%	31.6 %	-29.8%	14.3%

Fund Facts

NAV per Share: USD 1 070.20

Total NAV: USD 1.7 million

Base Currency: US Dollar

Inception Date: December 25, 2006

Leverage Max: 20% of NAV

Subscriptions: Monthly

Redemptions: Quarterly with 30 days prior notice

Management Fee: 0.5% of quarter-end NAV (2% annualized)

Performance Fee: 20% of performance above benchmark of 3-month USD LIBOR, subject to high watermark

Minimum Initial Subscription: USD 100 000

Investment Manager: Dual Return Asset Management Ltd

Investment Adviser and Sales Agent: Rye, Man and Gor Securities

Administrator: Castlegate Investment Services Ltd

Auditors: Deloitte

Legal Advisor: Walkers

Custodian and Prime Broker: RMG Limited

Bloomberg: RUSSDRT VI

* Net of all fees

The value of investments in the Fund may increase or decrease, the results of past investment performance are not indicative of future returns. Before buying shares of Russia Dual Return Fund, investors should carefully review the Fund rules (Offering Memorandum) and statutory documents (Memorandum and Articles of Association), including all relevant annexes to the documents. Please contact your account manager to obtain more information on the Fund and copies of the Fund's rules and constituent documents.