RUSSIA DUAL RETURN FUND
LONG ONLY USD DENOMINATED
RUSSIA & CIS EQUITIES
November 2011

Fund Description

Russia Dual Return Ltd is an investment fund registered in the British Virgin Islands. It is established as 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 depository 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.

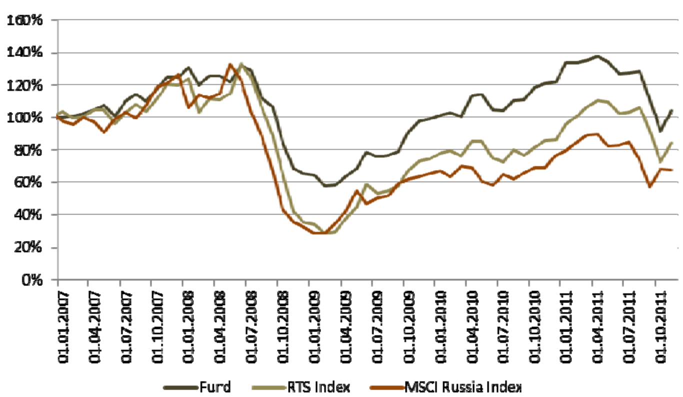
Manager Commentary

Volatility in the Russian equity market continued in November. An optimistic start was followed by losses in the middle of the month. There was a strong recovery at the end of the month thanks to cheaper dollar liquidity provided by Fed swap lines.

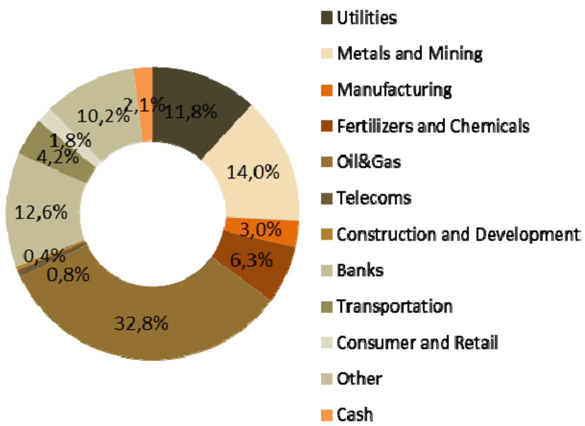
The were no major structural changes in the Fund portfolio during the month. The manager restored position in Norilsk Nickel, which had been sold before the end of the recent offer to minorities. Stocks of the month were Acron, a Russian fertilizers producer, and VSMPO Avisma, a producer of titanium.

We reiterate our bullish view on Russian equities in the medium term supported by low valuations and positive expectations for resolution of current political tensions in the country.

Performance since Inception *



Industry Breakdown



Monthly Performance *

	2006	2007	2008	2009	2010	2011
January		1.2%	-8.3%	-10.5%	1.4 %	0.1 %
Fabruary		1.5%	4.7%	0.8%	-2.3 %	0.9 %
March		2.1%	0.0%	9.1%	12.8 %	1.9 %
April		2.8%	-2.9%	8.3%	0.7 %	-2.4 %
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 %	0.27%
Desember	-0.3%	4.7%	-1.6%	2.6%	9.7 %	
FULL YEAR	0.3%	30.8%	-50.7%	57.6%	31.6 %	

Fund Facts

NAV per Share: USD 1041.92

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

* **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.**