MATRIX MACRO FUND

MONTHLY REPORT

The Matrix Macro Fund is a Global Equity Fund which aims to deliver consistent absolute returns. The Fund focuses on equities, including indices and aims to reduce volatility through the application of sensible risk controls. The fund was launched on 1 November 2009 and is managed by Paul Spence, who joined Matrix Alternative Asset Management 15 December 2005.

Class	NAV per share	May Return	YTD
GBP Class A	96.66	-4.32	-4.35
GBP Class L	96.66	-4.32	-4.35

MONTHLY NET RETURNS % (GBP CLASS)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2009 (£)											-2.01	+3.13	+1.06
2010 (£)	-3.13	+0.52	+2.40	+0.26	-4.32								-4.35

For accountancy purposes, the Fund will have a long first year and the 2010 audit will include performance from November and December 2009.

PORTFOLIO ANALYSIS AS AT 31 MAY 2010

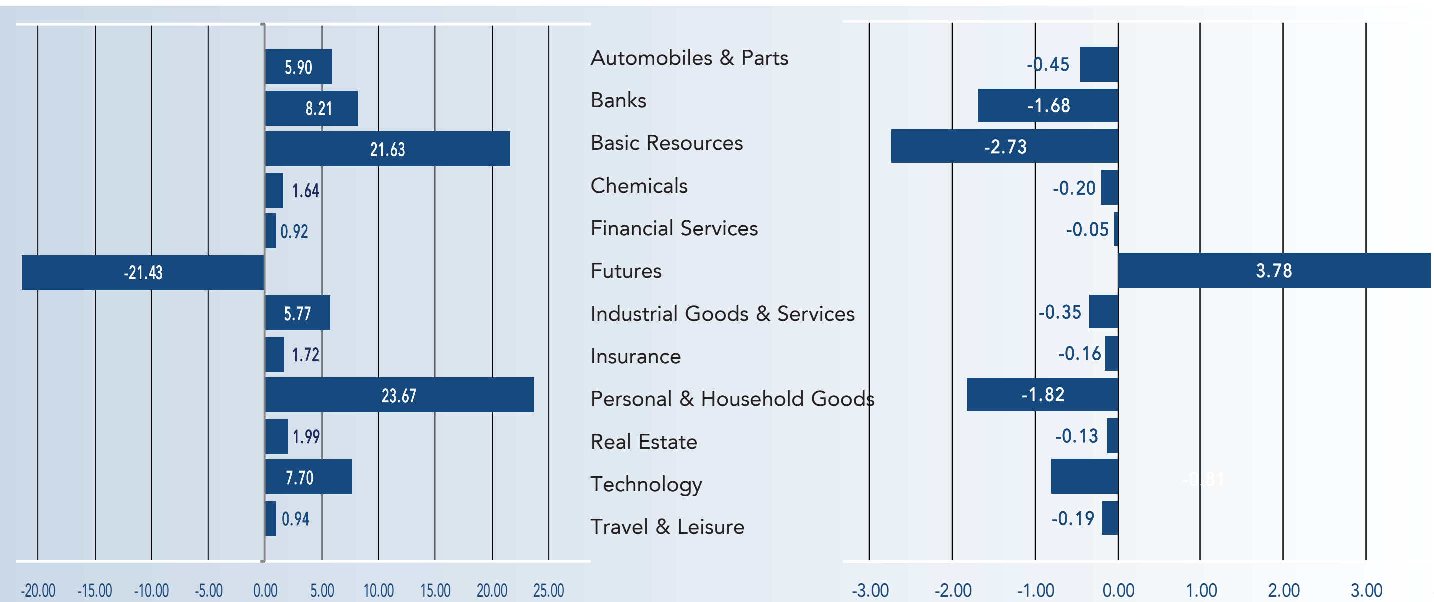
AUM	Gross portfolio at month end	Gross long at month end	Net at month end
$7.0m	+141.2%	+100.6%	40.7%

PORTFOLIO ANALYSIS MAY 2010

Average Gross portfolio	Average Long	Average Short	Average Net
+133.9%	+96.3%	-37.6%	+58.7%

MAY AVERAGE SECTOR EXPOSURE %

MAY GROSS PERFORMANCE ATTRIBUTION %



MATRIX

ASSET MANAGEMENT

PERFORMANCE COMMENTARY

The Fund returned -4.32% for the GBP Class A Shares and -4.32% for the GBP Class L Shares in May. .

May was tough month for equities: in essence, the Greek sovereign debt crisis escalated and spread, causing most "risky" assets around the globe to fall sharply. For its part, the EU announced a €750 billion rescue package of support measures which will buy time and has at least forestalled a full scale rout. However, it does not solve the underlying problem; the travails of debt-stressed countries will act as a drag on growth and retain the ability to disrupt markets for some time.

The Fund entered May substantially invested: being long emerging markets and their related themes, and short Europe. In terms of the Fund's performance, Europe provided a positive return. The difficulties came from the Fund's long exposure to emerging markets and the related investments. Commodity stocks at one point fell over 20% as a result of the Australian government's 40% "super-tax" on companies such as BHP Billiton, Rio Tinto Zinc and so forth. At the same time the Russian RTS Index fell 20% as investors took flight from any peripheral risks.

OUTLOOK

Prior to May, the manager thought the sovereign debt problem would be confined to Europe. This view has changed given its global influence, as evidenced by US equities registering their worst May performance since 1940.

Government strategies to reduce debt through increasing tax revenues assumes that the current economic downturn is cyclical in nature and that things will bounce back as the cycle turns. The more deep-rooted the sovereign debt crisis and the broader the contagion, the greater the risk is that we are in a structural downturn which will have serious negative implications for asset values.

In the meantime, the market's reponse is likely to be a continuation of the same pattern of the last 9 months: slow rallies lasting from a few weeks to a couple of months, followed by sharp falls that give away these gains and more.

With this in mind, the Fund has moved to a "sell the rallies" strategy and has adopted a predominantly bearish stance.

FUND INFORMATION

Structure
Open-ended investment company

Domicile
Cayman Islands

Manager
Matrix Alternative Asset Management LLP

Administrator
Equinoxe Alternative Investment Services (Ireland) Limited

Prime Broker
Morgan Stanley & Co. International plc

Fund Auditors
PricewaterhouseCoopers

Legal Advisors
Maples and Calder LLP

Accounts Date
31 December

Dividend Policy
Non-distribution

Management Fee
1.5% per annum
Paid monthly

Performance Fee
20% with high watermark
Paid annually

Minimum Subscription
$100,000 or equivalent in GBP or EUR

Listing
Irish Stock Exchange (www.ise.ie)

Next Dealing Day
30 June 2010

FURTHER INFORMATION

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APPLICATIONS

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