



Thames River EQUITY FOCUS Fund

(Thames River Alternative Strategies Limited)
EQUITY LONG/SHORT FOCUSED MULTI-MANAGER

Adviser Commentary – by Ken Kinsey-Quick / Alex Kuiper

Precariously balanced. May saw the third consecutive month of strong equity gains despite a potential flu pandemic (remember the bird flu effect on Asian markets?), North Korea rattling its sabre again, soaring bond yields and the continued upward march of commodity prices. We acknowledge that we are not in the Armageddon scenario of just a few months ago due to the gigantic government stimulus programs, but until we see fundamental reasoning in the private sector to underpin a sustainable bull market, we remain of the opinion that investment risks are still too high to warrant buying into the current rally and therefore remain cautiously positioned.

Equity Focus's EUR NAV for the month of May is estimated to be +1.2%. The MSCI World ended the month +9.2% with the Barclays Aggregate Bond Index up +0.7%. Year to date, Equity Focus is +4.6%, while the MSCI is +7.2% and the Barclays Aggregate Bond Index is +1.3%, both in USD terms.

The continued upward trend of the markets in general has skewed the range of results reported by the underlying managers to the upside with only manager reporting negative numbers to date (-0.6%). Rhine Alpha ended the month up double digits, (+13%) as the fund's top performer. Managers in general are cautiously positioned to benefit from the positive market conditions but many expect more dark clouds on the horizon.

Fund Performance to 29 May 2009

	Est. NAV per share	1 Yr	3 Yr	5Yr
Class A	€1,144.04	-16.80%	-8.33%	+7.22%
Class B	\$1,141.11	-16.39%	-6.22%	+11.75%
Class C	£1,204.75	-16.67%	-5.47%	+14.85%
Class D	SEK10,603.01	-17.20%	-9.44%	+4.87%

Above rolling returns are cumulative. Refer to the monthly newsletter page 34 for monthly / annual return history

€ Statistics Since Inception

Annualised Return	+2.2%
Volatility (Standard Deviation)	6.6%
Worst Drawdown	-25.4%
Sharpe Ratio(3.07%)	-0.09
Sortino Ratio (MAR = 0%)	0.42

Source: Bloomberg, Pertrac, (NB: Sharpe Ratio risk free rate - Euribor).

Top 5 Holdings %

	Strategy	Month	YTD
Zebedee Focus	Equity L/S - Europe	3.54	65.32
Bennelong Global Special Opps	Multi-Strategy - Equity	0.79	3.17
Ecofin Special Sits Utilities	Equity L/S - Utilities	4.35	3.18
Lafayette Street*	Equity L/S - US	2.37	19.01
Rhine Alpha Stars	Equity L/S - Europe	12.94	26.10

Underlying Fund Exposure %

	Long	Short	Gross	Net
	46	35	81	11
	58	56	114	2
	84	32	116	52
	94	5	99	89
	102	35	137	67
Portfolio	28	13	41	15

*Estimate.
Note: YTD figures relate to current underlying managers that may not have been held in portfolio for the whole of the period.

Return History %

€	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
09	-0.35	-0.16	+1.68	+2.19	+1.75								+4.57
08	-2.76	+0.60	-2.87	-1.81	+2.48	+1.21	-5.16	-1.37	-5.74	-6.55	-1.78	-2.87	-23.93
07	+2.01	+0.50	+1.10	+0.92	+1.69	+0.81	+1.07	-2.31	+0.72	+3.81	-1.70	+0.25	+9.08
06	+2.45	+1.94	+0.84	+0.70	-0.63	-0.33	+0.33	+1.00	-0.35	+0.63	+2.21	+2.04	+11.32
05	+0.53	+1.67	-0.89	-0.34	-0.28	+1.94	+0.79	+0.09	+2.25	-2.84	+1.02	+1.76	+5.73
04	-0.46	+1.30	+1.22	+0.08	-3.16	+1.33	+0.94	+0.98	+0.83	-1.65	+2.07	+0.41	+3.84
03				-0.07	+1.22	+0.56	+0.83	+1.40	-0.16	+1.94	-0.30	+2.21	+7.86

Asset Allocation by Strategy %

Equity L/S - Europe (2)	31.8
Equity L/S - US (2)	17.6
Equity L/S - Utilities (1)	16.9
Equity L/S - Emerging Markets (1)	0.2
Macro - Emerging Markets (1)	9.4
Multi-Strategy - Equity (2)	24.2
Total	100.0

Note: (x) denotes number of managers. Allocations are shown post new month dealing.

The above performance history relates to the Fund's base currency share class only. The full share class history for Class B (\$), Class C (£) and Class D (SEK) is available in the monthly Newsletter on Page 38.

NAV per share monthly return calculated net of fees. Source: Northern Trust IFAS (Ireland) Ltd, except last month -TRC estimate.

Fund Objective

The fund aims to achieve absolute returns by investing in a portfolio of equity long/short hedge style managers.

Return target over a cycle: 10%+ p.a.

Volatility tolerance: 5-10% standard deviation

Loss target: no losing 12 months

Drawdown target: less than 10%

Fund Size (Mn)

€7.4

Share Classes

€ (base) / US\$/£/SEK (hedged)

Launch Price

€1,000 on 31 March 2003

£1,000 on 31 July 2003

\$1,000 on 31 August 2003

SEK10,000 on 31 Oct 2003

\$/€/£ 50,000 or SEK500,000

Minimum Dealing

Monthly

Redemptions

Monthly. 35 days notice

Domicile

Cayman Islands

Listing

CISX

Unit type

Roll-up

Charges

Initial Charge Up to 5%

Management Fee 1.5% p.a.

Performance Fee 10% HWM

Redemption Fee 1% (6 months)

Manager

Thames River Capital Holdings Ltd

Investment Adviser

Thames River Capital LLP

Custodian

HSBC Private Bank (CI) Ltd

Administrator

Northern Trust International Fund

Administration Services (Ireland) Ltd

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Many of the protections provided by the United Kingdom regulatory structure may not apply to investments in these funds, including access to the Financial Services Compensation Scheme and the Financial Ombudsman Service. Past performance is not necessarily a guide to future performance. Values may fall as well as rise and you may not get back the amount you invested. Income from investments may fluctuate. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. The schemes and TR Property Investment Trust plc are permitted to and use gearing as an investment strategy. The effect of such gearing is that movements in the price of the schemes will be more volatile than the movements in the prices of their underlying investments. Investors should obtain professional advice on taxation where appropriate before proceeding with any investment. Investors should be aware that investments in higher yielding bonds issued by borrowers with lower credit ratings may result in a greater risk of default and have a negative impact on income and capital value. Income payments may constitute a return of capital in whole or in part. Income may be achieved by foregoing future capital growth. Fund charges may be applied in whole or part to capital, which may result in capital erosion. You should be aware of the additional risks associated with investment in emerging and developing markets. The prices of some investments may be extremely volatile. With the exception of TR Property Investment Trust plc and Thames River Hedge+, the funds are not traded on an exchange or recognised market and in common with some of their investments may not be readily realisable. This factor can make it difficult to obtain independent verification of the investment value and the extent of the risks to which they are exposed. (090617)

Potential investors should follow the links below for information on any current side letters relating to the schemes.
<http://www.thamesriver.co.uk/downloads/disclosures.htm> <http://www.nevskycapital.com/downloads/disclosures.htm>

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Please note Paying Agents/Representatives for the following countries have been appointed by Traditional Funds plc in accordance with local requirements: Germany, Austria, Switzerland, Malta, Luxembourg, Netherlands, Belgium, Sweden, Norway and France. Local language versions of the Traditional Funds plc prospectus and simplified prospectus are available from their offices.

For a full list of Paying Agents' details, please follow the following links: http://www.thamesriver.co.uk/pdf/paying_agents.pdf

http://www.nevskycapital.com/pdf/paying_agents.pdf

For further information please contact:

Vanessa Lawley on +44 (0)20 7360 1272 or vlawley@thamesriver.co.uk

Prices available from:

	Class A - €	Class B - \$	Class C - £	Class D - SKR		Class A - €	Class B - \$	Class C - £	Class D - SKR
Bloomberg	THAREFA KY	THAREFB KY	THAREFC KY	THAREFD KY	Tass	36452	38979	38980	39645
Datastream	27554C	28495H	28020E	28495K	Reuters	TRCHL5	TRCHL5	TRCHL5	TRCHL5
FT (Mex ID)	TFEFA	TFEFB	TFEFC	TFEFD	Sedol	B1KJFX1	B1KJFY2	B1KJFZ3	B1KJG05
ISIN	KYG8783V2581	KYG8783V2664	KYG8783V2748	KYG8783V2821	S&P/Morningstar	354958	354959	360148	360155
Lipper	60083153	60083579	60083606	60089594	Telekurs	CH1593188	CH1593190	CH1593191	CH1724539
					WKN				

